



***International Introductory  
Award in Selling  
(8416)***

***Delegate Workbook***





## **Section 1**

# ***The Theory of Selling***

### ***Aims of this section***

At the end of this section, candidates should be able to:

- *Describe the difference between marketing and sales.*
- *Demonstrate an understanding of the benefits of the selling function to the organisation.*
- *Explain the links between sales, customer service and profitability.*

### ***Indicative content:***

- 1.1. Provide an overview of the function of marketing and its relationship with sales including its role in meeting customer needs and expectations and how the function of marketing drives the approach to sales.
- 1.2 Describe the function and process of selling and show how it supports marketing through providing customers with a way to purchase products and services, through a variety of different methods.
- 1.3 Explain the links between customer service, selling and profitability and consider how strong customer service acts as a selling tool and aids profitability.
- 1.4 Describe the different stages in the selling cycle – Pre-sale, Sale and Post-Sale.



## **Section 2**

# **Understanding the Customer**

### ***Aims of the section***

At the end of this section, candidates should be able to:

- *Explain the stages a customer goes through in order to make a buying decision.*
- *Demonstrate an understanding of customer requirements in a variety of selling situations.*
- *Use a range of different question techniques to understand customer needs.*

### ***Indicative content***

- 2.1 Explain the process a customer goes through in order to make a buying decision: Recognition of the need; information search; evaluating alternatives; making the purchase decision; post-purchase feelings.
- 2.2 Recognise the difference between features and benefits in selling situations.
- 2.3 Describe the different motives that people have for buying products and services.
- 2.4 Explain different ways of asking questions to help understand customer needs: open, closed, soft fact, hard fact, information seeking and evaluative questions.



## **Section 3**

# **Developing Basic Selling Techniques**

### ***Aims of the section***

At the end of this section, candidates should be able to:

- *Demonstrate an understanding of the importance of selling.*
- *Realise the importance of being proactive within a selling role.*
- *Describe products and service benefits to customers.*
- *Handle selling objections.*
- *Explain how to close a sale.*

### ***Indicative Content:***

- 3.1 Recognise the importance of looking for selling opportunities in every customer situation.
- 3.2 Explain the difference between proactive and reactive selling, selling add-on's; descriptive selling; up-selling; cross-selling; substitute selling; within all sectors and types of businesses.
- 3.3 Describe how to handle customer objections about products and services that you are selling sensitively, sympathetically and constructively.
- 3.4 Identify different methods of a customer confirming that they are making their purchase.



## **Section 4**

# **Effective Communication in Selling Situations**

### ***Aims of the section***

At the end of this section, candidates should be able to:

- *Demonstrate an understanding of the importance of using effective communications in selling situations.*
- *Explain how to recognise a customer's response in selling situations.*
- *Identify the most appropriate questioning and listening techniques within selling.*
- *Explain how to handle difficult communication situations.*

### ***Indicative content***

- 4.1 Explain the different forms of verbal and non-verbal communications appropriate to the selling function.
- 4.2 Describe how to use your voice effectively in selling situations – pitch, tone and speed.
- 4.3 Explain the different forms of non-verbal communications including: gestures, hand signals, posture and facial expressions.
- 4.4 Recognise the importance of listening, and how to show the customer that you are listening to them and their needs.
- 4.5 Recognise the verbal and non-verbal messages sent by customers and how to respond to them effectively in order to deal with queries and close sales.

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## ***Statement from City & Guilds***

### ***The aims of the programme and the recommended support within the workplace relating to the practical application of selling.***

This one-day programme aims to develop an awareness of the key knowledge and techniques which promote and support good selling practices. The objectives of the programme are knowledge based and will be carried out in a classroom environment. No real-life practical workplace experience is included. Therefore, it is important that candidates are supported, and closely supervised and monitored, following the one-day programme, to gain practical experience in a realistic working environment.

### ***The Benefits to the Employer***

By supporting the practical sections of selling practices back in the workplace, employers will be able to benefit from competent, motivated employees who will provide improved revenue generation and use exceptional selling practices on their organisation's customers.

Candidates will gain a theoretical perspective of the importance of selling, and will be tested in a practically applied context, ie 40 true/false questions. These assessments are designed to maximise the assessment of knowledge and understanding acquired during the qualification and encourage candidates to build on their success, both in terms of personal development within the organisation and in achieving further qualifications.



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# Section 1

## *The Theory of Selling*

### *Aims of the section*

At the end of this section, candidates should be able to:

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- *Explain the links between sales, customer service and profitability.*

### **What is the difference between marketing and sales?**

These two terms are often confused, so let us look at the differences:

#### **Marketing**

Marketing is a business philosophy that sees the customer as the most important driving force behind all of its activities. Marketing understands that businesses only survive if they meet customer needs.

A simple, but helpful definition of marketing was provided by Brown in 1987: **'the ability to create and keep profitable customers'**.

This involves three important activities:

1. **Creating customers** – this requires an organisation to continually watch the marketing situation and competitor activities to ensure that it responds to the changing needs of its customers.
2. **Keeping customers** – the organisation must make sure that it reacts to customer needs and provides a high level of customer service.

3. **Maintaining profitability** – organisations must create and keep customers who will generate income ie sales that will exceed the costs of running the business including raw materials, heating, lighting and wage bills, etc.

Therefore, organisations should make sure that:

- *They identify potential customers and selling opportunities.*
- *They anticipate customer needs.*
- *Their level of service meets the customer needs and creates a profit.*

When looking at a more detailed overview of marketing, you can see that its role is quite broad:

- *Satisfying customers.*
- *Identifying/maximising opportunities.*
- *Targeting the right customers.*
- *Facilitating relationships.*
- *Staying ahead in a dynamic environment.*
- *Beating the competition.*
- *Achieving stakeholder requirements cost-effectively and efficiently.*

Marketing is something you are exposed to on a daily basis. Every time you hear or see an advertisement, buy a product, get a special offer, buy a CD, have your hair cut, take part in a market research project in your local town centre or surf the internet, you are experiencing an area of marketing.

Marketing centres on the use of tools like the marketing mix. In particular the 4 P's of marketing. The table below lists the features of each of the four sections of the marketing mix.

<b>PRICE</b>	<b>PRODUCT</b>
Costs	New product development
Profitability	Product management
Value for money	Product features and benefits
Competitiveness	Branding
Incentives	Packaging
	After-sales service
<b>PLACE</b>	<b>PROMOTION</b>
Access to target market	Developing promotional mixes
Channel structure	Advertising
Channel management	Sales promotion
Retailer image	Selling
Logistics	Public relations management
	Direct marketing

For organisations to succeed in achieving customer delight by meeting customer needs, they must ensure that they provide the right:

1. *Product.*
2. *Price.*
3. *Place.*
4. *Promotion.*



In the workplace, the marketing orientated organisation will carry out the following activities:

1. *Find out who their customers are.*
2. *Find out what their customers want.*
3. *Tell them how to get it.*
4. *Give their customers what they want.*
5. *Measure how successful this course of action has been.*

Finding out who your customers are and what they want is done using something known as **Market Research**. Market Research includes activities such as interviewing customers and getting customers to complete questionnaires.

When organisations undertake this type of activity, the information that they get, through asking different questions, allows them to make the right decisions on how to use the marketing mix to 'create customers, keep customers and have profitable customers'.

### ***Activity – Benefits of marketing research***

In groups, suggest a number of benefits to your organisation of carrying out marketing research.





### ***How is the function of sales different from marketing?***

Selling could be described as an activity that completes a marketing exchange by transferring the ownership of goods or services from the organisation to the customer. For example, an off-licence buys in a range of wines. Once the off-licence has made the purchase, they then own the product – a transaction has taken place. An additional transaction then takes place between the off-licence and the end user, the customer. In other words, selling is the exchange process taking place between a combination of organisations, groups or individuals.

Selling is really a part of the marketing mix as the ‘sale’ is the final outcome of all the marketing activity. Without a customer there is no business, without selling there are no customers. It is all about getting the attention of customers to buy products and services from you.

Selling is about you telling the customer about your products and services – why it is a good idea to buy them, encouraging them to buy and therefore adding to the profitability of the organisation.

### ***The purpose of sales and marketing as a combined activity***

- 1. Find out who our customers are – what age are they, where do they live, what background do they come from, what are their likes and dislikes etc.*
- 2. Find out what our customers want and what price they are willing to pay.*
- 3. Tell your customers how to get it.*
- 4. Give your customers what they want.*
- 5. Measure how successful this has been and compare this to your competitors.*

The reason organisations go to the trouble and expense of carrying out these activities is because it will make it possible for them to:

- *Identify their target customer group.*
- *Create the right product/service for that target group.*
- *Ensure promotional activities will appeal to the target group.*
- *Raise the customer's awareness of their existing products.*
- *Tell their customers about new products.*
- *Find out which promotional activities worked and which did not.*

### ***Sales and marketing activities***

Marketing can be costly, but it is very important to the success and growth of any business. A marketing budget, large or small, is essential.

### ***Identifying potential customers***

The first step is to find out who your customers are by carrying out market research. This type of research is often referred to as **Market Segmentation**. This simply means breaking the population down into different groups such as:

- *Age.*
- *Sex.*
- *Tastes/life style/fashions.*
- *Activities eg Work/hobbies.*
- *Wealth/income.*

All of these factors will influence what your customer is prepared to buy, how much they are prepared to spend and what style of product or service they are likely to buy. How much of this type of research you do will depend on the products and services you are offering and how much the organisation can afford to pay.

Other information you might want to find out before introducing a product would include:

- *What are our competitors doing?*
- *What are our strengths and weaknesses?*
- *What opportunities or threats are there outside of the organisation?*

This information is useful because it enables the company to be more competitive, make the best use of opportunities and plan how to solve possible problems.

Back in your workplace, find out how Customer Market Research is carried out and see if you can be involved with it. If you gained feedback from ten customers a day you would already be making a start.

As we have already stated, the **Marketing Mix** consists of:

- *Product.*
- *Price.*
- *Place.*
- *Promotion.*

Promotion is the area of sales and marketing that you are most likely to find yourself involved in, whatever level you operate at within your organisation.

Promotion is a marketing tool that is used to persuade customers to buy products and encourages the selling exchange.

The reasons for promoting a product are:

- *To let people know about a new product.*
- *To raise awareness of an existing product.*
- *To inform people of a special offer.*
- *A way of obtaining more business in quieter periods.*
- *A way of increasing customer spending.*
- *A way of attracting a particular type of customer.*
- *A way of creating more return business.*



### ***Promotional activities***

Companies will often carry out a sales promotion for a specific reason. The type of promotion will depend on what they are trying to achieve. Examples that you may have seen are free samples or two for the price of one special promotional offer.

Other types of sales promotions could include:

- *Vouchers.*
- *Discounts.*
- *Free drinks.*
- *Loyalty bonus.*
- *Buy one, get one free.*
- *Two meals for the price of one.*
- *Get the cheapest meal free.*

### ***Activity – Examples of sales promotions.***

List the types of sales promotions you have come across (eg free samples of food/drinks etc).

*\* Remember that you can have the best product in the world, but if nobody knows about it you will never be able to sell it. Do not keep your products and services a secret, see if you can find out and become involved in any workplace promotions. They are often great fun.*





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## ***Advertising***

Once a company has decided upon a promotion, they need to let people know about it. This is done using a selection of different forms of advertising, such as:

- *Banners.*
- *Chalkboards.*
- *Promotional flyers.*
- *Media ads eg Local and national papers, television, trade press.*
- *Word of mouth.*
- *Recommendations.*
- *Direct marketing eg Mail shots.*
- *Trade fairs and exhibitions.*
- *Public relations – editorial.*
- *Posters.*

## ***How does good customer service create more sales?***

### ***Giving the customers what they want***

We have now identified who our customers are, what they want and told them how to get it. The next step is to provide the service or product they want. The way we offer this service will certainly affect the customer's view of our product and will dictate whether they will visit us again or recommend us to their friends.

### ***What makes service good?***

Many things will influence a customer's decision about whether service was good or bad. This will include the people, processes and physical evidence directly related to the service they have received.



**Activity - The factors contributing to good and bad service**

Consider your last few visits to the major High Street fast food restaurants. Give one example of a good experience of a sales process eg you feel that the whole process encouraged you to buy food from them.

**Good experience**

Give one example of a bad experience of a sales process. For example, you feel that the whole process put you off buying food from them ever again.

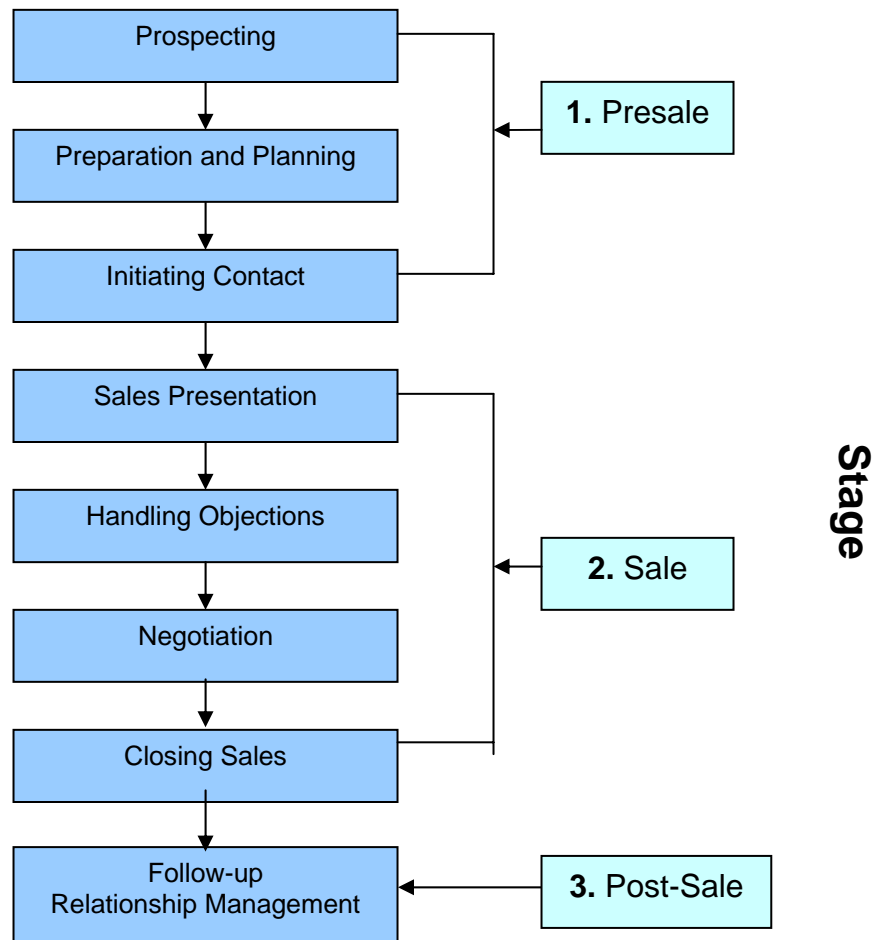
**Bad experience**





***The selling cycle***

In most organisations, selling goes through a three-stage cycle of pre-sale, sale and post-sale as shown in the diagram below.





### ***Pre-selling***

The process of pre-selling involves finding new and potential customers through different types of research. The first stage of the pre-sales process is known as qualifying customers. Here, the aim is to find customers who have needs that can be met and are able to pay for the goods and services that your business offers.

### ***Preparation and planning***

This is an important part of a sales person's role. It is about aiming to use every minute of potential sales time well, from prospecting to preparing for visits, considering journey planning and location planning. In the services industry, this could include taking time to consider different sales opportunities and look how we could up-sell or sell add-ons to increase sales turnover and profit. This is something we will look at more closely in Section 4.

### ***The sale***

The sales process starts to take place when you first make contact with the potential customer. However, the real challenge begins when the salesperson finds himself or herself face-to-face with the customer.

The sale will involve four key stages:

1. *Sales presentation – either formal or informal.*
2. *Handling objections – ie overcoming resistance to buy, or resistance to take decisions (this will be looked at in more detail in Section 4).*
3. *Negotiation – discussing terms and conditions of sale, haggling on price and delivery etc.*
4. *Closing the sale – agreeing upon mutually beneficial terms and conditions, and signing on the dotted line.*

When making the sale there are five key things we need to consider:

1. **Introductions/building rapport** – *this will involve meeting and greeting the customer in a businesslike manner, opening the discussion and setting the scene for business under discussion.*
2. **Identification of needs** – *this part of the process is very necessary, because it is here that we find out the potential customer's exact requirements and the nature and scope of the future relationship. Unless we can establish needs accurately then we will not be able to sell to the customer.*
3. **Handling objections** – *here we will look for signs that the customer is dissatisfied with the product/service offering and find ways to overcome their concerns. In many ways this can be seen as quite positive and should be viewed as such. Objections do not mean 'no', they mean 'we need more convincing'.*
4. **Negotiating the agreement** – *selling very often involves the process of negotiating. Negotiation is the way that both parties agree on the mutually beneficial terms and conditions of business. The aim of the negotiation should always be 'win/win' in order to ensure the agreement is acceptable to both parties. Negotiation skills are something that every salesperson should develop. These skills often come from the ability to listen, understand and respond to the needs of the customer.*
5. **Closing** – *this is the most important part of selling. A salesperson that cannot close a sale is probably not able to sell effectively. Closing is the part of the process when the sale is made and the salesperson obtains agreement from the customer that they can go ahead with the order. For example, this could include closing the sale on a computer or another electrical appliance.*



***Post-sale***

In the diagram on page 20 we have called this 'follow-up' – relationship management. Getting the order is very important. It is also important to ensure that the order is delivered to the right place, at the right time, and that it is paid for. In addition to this, post-sale is about making sure that this customer goes through the same process again and again to become a regular customer.

***Section One Summary***

This section has aimed to introduce you to sales and marketing and how they should work together in order to gain a better understanding of customers, to know what to sell to them and what not to sell them.

It shows you the benefits of effective marketing and customer service activities that enable the organisation to deliver to customers what they want and when they want it.

For an organisation to be profitable there needs to be a good combination of marketing, selling and customer service activities that allows customers what they want, in a way that delivers profitability to the organisation.

## **Section 2**

# **Understanding the Customer**

### ***Aims of the section***

At the end of this section candidates should be able to:

- *Explain the stages a customer goes through in order to make a buying decision.*
- *Demonstrate an understanding of customer requirements in a variety of selling situations.*
- *Use a range of different question techniques to understand customer needs.*

To do this effectively, you need to understand your customer. You need to know what affects them, how they are different from one another, how their lifestyles differ, their preferences and anything that might assist you in selling them a product or service.

There are a number of ways in which we can do this, but before doing so you should understand the buying decision making process.

When selling to a customer it is important to understand that it is a mixture of communication and persuasive skills that assists in securing a sale. These two things, added to knowledge of the customer, can be very powerful.

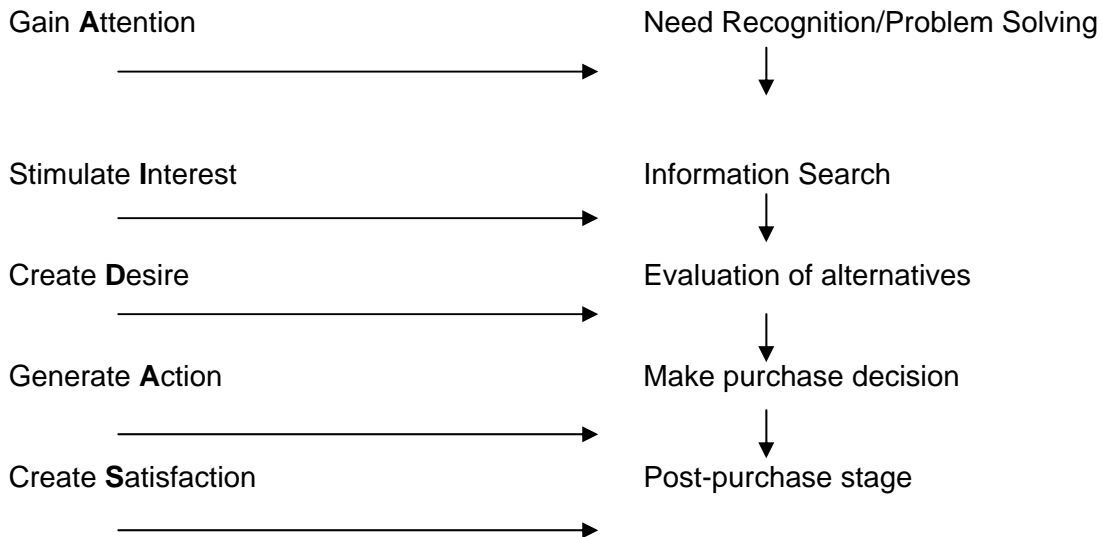
On the next page there is a well-known marketing communications model, known as AIDA that can be applied to a selling situation. The model illustrates how communications underpin the function of selling as you saw in Section 1 of this Workbook.





**AIDA (Communications Model)  
the Buying Process**

**Stages of**



What this actually shows is that you need to make sure that you have a clear message for each customer, tailored to their individual needs. You can do this by understanding each stage the customer goes through.

For example, when a customer is deciding what computer to purchase they may go through the following stages:

***Need Recognition/problem solving***

Deciding what to buy and why.

***Information search***

Asking questions to find out what options are available.

***Evaluation of alternatives***

Thinking about the alternative brands/options available and perhaps discussing it with others.





***Purchase decision***

Making the decision which computer to have and pay for later.

***Post-purchase stage***

To be pleased with the computer and realise how much you can do with it or what good value for money it is.

In order to help customers through the buying process there are a number of things that you need to be able to do. This will be the focus of the remaining part of this section:

- *Understand customer needs through questioning.*
- *Identify expectations and required benefits to match needs to the products or services on offer.*
- *Understand how to deal with customers in a buying/selling situation.*
- *Respond to customers' questions and queries in order to secure a sale.*
- *Know how to confirm a customer's interest in the products and services on offer.*

***Matching customers needs to products or services***

In order to sell the benefits of a product to a customer, you will need to have good product knowledge of all its features and understand the differences between features and benefits.

A **feature** is a technical description of a product, ie a description of a holiday, for example, with a key feature being the locations wonderful beaches.

A **benefit** is a description of how the product will benefit the customer – for example, if you buy a palm-top computer or video mobile phone, you must make some important decisions about why they are important. For example, journalists now use video-phones more and more so that they can report from remote places, this is therefore a business benefit. For the user of a palm-top computer it has the benefit of being able to transfer information direct to your main computer. This means that what we buy is only of benefit to us if it is something we want to buy for a particular reason.

Typical motives for buying include:

- *Fashion.*
- *Pride.*
- *Desire.*
- *Comfort.*
- *Distress.*
- *Need.*
- *Pleasure.*
- *Value for money.*
- *Convenience.*
- *Past experience.*

Note, the first five are emotional reasons whereas the five final ones are more rational. The secret is to try and work out what reason the customer has for buying. You can then sell the correct products and services and the associated features and benefits.

The above benefits are very important to all organisations and all are very relevant to its customers.

Your role is to understand the possible reasons a customer has for buying and then make sure that the messages you give lead the customer to understand that the features and benefits match their reason for buying.



### ***The art of good questioning***

Asking good questions begins with preparation. A bad question is definitely not a good opening when dealing with a busy customer, as it will almost definitely create a negative atmosphere. For example, “So what do you guys want?” is an example of a bad opening question. It is too familiar, too informal and does not give the right impression of the organisation, it is not professional.

Good questions tell the buyer that you deserve to be guiding them because they tell them a number of things about you. For example, they give a good indication as to whether or not you understand what you are selling, your organisation and their customer needs and also your level of interest in the buying situation.

In selling it is important to be able to use two types of questions:

1. *‘Open and closed’ questions.*
2. *‘Soft and hard’ questions.*

### ***The effective use of open and closed questions***

One of the main tasks of a salesperson is to get information from the customer, to find out the customer’s need or sales problem.

**Open questions** are designed to get information from the customer. Therefore, these types of question should be used often. They are the type of question that lets the customer talk, provide an insight into their problem, identify their needs and indeed the motivation behind their needs. This is where you might use ‘what’, ‘when’ or ‘who’ type questions and in return the buyer might use ‘how’ or ‘why’ questions.

The answers to these questions are typically full of information and help the salesperson build a picture of the customer's needs and consider how they might solve the sales problem.

However, **closed questions**, are designed to get a specific answer and can usually be answered with one word, or a short phrase. For example:

- *What software packages do you use right now?*
- *What is the typical quantity of CD ROM's that you purchase per year?*
- *Who else do you buy your software from?*
- *Have you ever considered using an alternative supplier for your wine?*

Closed questions can be very useful in confirming basic facts and can then lead to the basis of a good detailed discussion. However, the use of too many closed questions can make conversation rather uncomfortable, and may lead to the sales person keeping control of the discussion, rather than the more positive approach of control passing backwards and forwards.

### ***The effective use of soft and hard fact questions***

As well as using 'open' and 'closed' questions, we can also split questions into styles – 'hard and soft'.

**Hard fact questions** refer to specific and indisputable facts. For example:

- How much do you spend on this product, on average, in one year?
- Who else do you buy these products from?
- How many of your customers request this particular brand from you?



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**Use good questions to influence perception** – a properly asked question such as ‘Might you need to have guaranteed, quick delivery?’ not only shows that quick delivery is a benefit to the customer, but it may also suggest that the competitors lack the ability to provide the same benefit.

Asking this particular type of question provides you with an opportunity to outline benefits and reply to the customer’s queries and questions using your product knowledge and an understanding of their needs and wants.

**Buyer discovery questions** – it is important in sales to let the customer do some discovering too, ie let the questioning be a two-way process. Most buyers will probably be dealing with facts and feelings. As a result, you will need to ask questions with both fact-finding and feeling-revealing questions. Fact-finding questions are most likely to provide you with the customer’s expressed needs. Here you will ask questions starting with who, what, where and when. These types of questions will help you understand the buyers expressed needs.

However, when the customer is discovering, they will ask questions starting with how, why, and when. These words are important because the customer is trying to decide why they should buy from you, if you are better than the competition and if you have something of value to offer that your competitor does not.

As you can see from the consideration of different types of questions above, it is important to ensure a good balance of open and closed questions in order to find out relevant information, particularly in the ‘tell me more’ category.



***Activity – Using questions to understand buyer needs.***

Working in small groups, discuss the ways in which you, as a salesperson in your organisation, can use questions to attempt to identify buyer's needs and wants.

Using the different types of questions discussed in this section, think about your own customers and prepare three questions that you could use to try and get a better understanding of what they want and need.

1.

2.

3.







### ***Confirming interest in products and services***

Questioning is an important part of the sales role. It provides us with an opportunity to understand customer needs and wants. It also provides us with an opportunity to confirm that the customer is interested in the products and services that are on offer.


How do we know that customers have taken in the necessary information to make a decision and then find out the level of interest they may have? This is also done through questioning.

Sometimes a customer's views and commitment to buy our products and services is quite obvious, other times we have to dig much deeper. After the matching exercise has taken place, it might be useful to try and ask the following types of questions:

- *How do you feel about it?*
- *How does that strike you?*
- *Are you happy with this option?*
- *What would you like to do?*

If you get a positive response, 'Yes – this looks good.' you have a green light to move on and close the order by asking 'Would you like to go ahead?' However, if you get a negative response, you need to back off. This could mean that there are still some mismatches or that the customer still has unanswered questions.

If this is the case, then we must deal with their questions and concerns before moving ahead. This can apply to any sale, large or small. For example, when a customer upgrades their insurance policy, they will ask a number of questions in order to ensure that they are getting value for money. They may want clarification on the excess of their new policy, if this was part of the special offer. It will be your role to ensure that you can promptly answer this question.



This all leads to the closing of a sale, something that we will be looking at in Section 3. Closure is where we believe the customer is ready to buy and where we then involve them in confirming the details before going ahead. This is the most rewarding part of the selling process for the salesperson.

### ***Section Two Summary***

All customers are different in their own right. Because some customers can be complicated people, understanding their needs and wants can be quite difficult. Think about the different types of customers that go through supermarkets, hairdressers, travel agents and how they vary in terms of personality, job profile, income, family status, and how that might impact the decisions they make in relation to selling.

In your own role at work, as you become more involved with customers, you will find out that the only way to really understand what they want is to ask them a range of different questions. If you are selling products and services for relatively small amounts of money, then it is likely to be much more straightforward. However, the bigger the purchase, the more difficult it becomes for the customer to make a decision. This is where selling technique comes into play, as you ask them questions to give you the information needed to match customer needs with the benefits of the products and services offered by your organisation.



## **Section 3**

# **Developing Basic Selling Techniques**

### ***Aims of the section***

At the end of this section candidates should be able to:

- *Demonstrate an understanding of the importance of selling.*
- *Realise the importance of being proactive within a selling role.*
- *Describe products and service benefits to customers.*
- *Handle selling objections.*
- *Explain how to close a sale.*

### ***Developing basic selling techniques***

Whatever your role is in your organisation, it is likely you will be involved in selling at some point. Often we do not realise we are selling, nor do we realise the importance of these actions to the organisation and how they ultimately add to the profitability of the company. However, it is important to remember that this type of selling should not be ad-hoc, ie it should not just happen, but is something that you should take every opportunity to achieve using a planned selling approach.

We have provided you with some basic hints and tips in relation to selling; being able to describe product and service benefits to your customers; handling selling objections and closing a sale.

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## ***An overview of the different types of selling***

### ***Proactive selling***

In the introduction to this section, we highlighted that selling should be planned and not ad hoc. This is called proactive selling. It means that you should take every possible opportunity to sell add-on products or services to customers, to make the transaction more profitable, and in some circumstances, to improve the customer's experience.

This is far much better for the organisation than **reactive** selling, which is when you react to customer requests to buy a product or service. For example, a customer may have asked for a standard product, rather than just accepting this, you should encourage them to think about buying a more advanced product or upgrading to a more expensive version. This is done with a view to increasing sales turnover and profitability for the organisation.

### ***Add-ons***

In the section above, there was reference to the proactive selling of add-ons. Add-ons are those products or services over and above what the customer may have already requested. For example, if a male customer comes in to buy a suit, you should think about selling him a shirt and tie to go with it. For a female, you may wish to sell them a handbag and matching shoes. When selling electrical goods, it may be that the customer is going to buy a CD player. Your role should be to encourage them to buy the stand for the CD and the extended warranty.

When buying a car the following items could be add-ons:

- *New car mats.*
- *Seat covers.*
- *Specialised gear knobs.*
- *Steering wheel cover.*
- *Special mirrors.*
- *Tow bar.*



***Activity – Add-on's***

List all the potential add-on's that your company offers to its customers and think of different ways to encourage customers to buy more than they originally wanted to purchase.





### ***Descriptive selling***

When you describe a product or service to a customer you need to use appropriate adjectives to make it sound more appealing. Below is an example of how a major retailer describes a DAB (Digital Audio Broadcasting) radio.

This DAB radio is the world's first high-volume mains powered portable DAB radio at under £100, an affordable digital radio that can be enjoyed by everyone. It has a stylish retro design with the very latest third-generation DAB digital radio technology, giving you great interference-free digital audio without the hiss, crackle and fade associated with AM/FM and unique DAB features. The scrolling digital text display indicates the station and also shows additional data supplied by the broadcaster such as song titles, artists' names, programme descriptions, news headlines and more. Up to 55 DAB stations are available.

This is known as descriptive selling. However, you must be careful not to make a false description as you could be prosecuted under local or national legislation.

### ***Up-selling***

Up-selling is selling a product of higher value or profitability than the one requested by the customer. For example, when selling a 28" flat screen TV, you should encourage customers to upgrade to a digital TV. This means that the product is basically the same as they wanted, but better.



**Activity – Examples of Up-selling**

Draw up a list of 6 items you sell and think of ways you could up-sell.

<u>ITEMS</u>	<u>WAYS TO UPSELL</u>
1.	
2.	
3.	
4.	
5.	
6.	



### ***Substitute selling***

Substitute selling is when you either do not stock the item requested or have sold out. For example, if you do not have the right size shoes in stock, you should try to find a close alternative to satisfy customer needs. How you approach this is very important if you want a successful outcome. If you simply say, "I'm sorry we have nothing available", this makes you look unprofessional, and you will probably lose the sale. A better way is to say:

"I am really sorry, but the size you wanted has proved to be popular and as a result we have temporarily run out. However, I can highly recommend this new range which has just arrived today. I think you will really like them."

### ***Watch, listen, question***

Discover the customer's motives and needs

#### ***Explain***

*Tell the customer why the products or services are unavailable.*

#### ***Select***

*Provide an alternative.*

#### ***Describe***

*Tell the customer about the product or service using appropriate benefits and adjectives.*

#### ***Reinforce***

*Make the customer feel good about his decision to buy the alternative product by saying something like "I think you'll really like it".*





**Activity – Examples of substitute selling**

Take three products from your own company and imagine that they have run out of stock. Suggest three close alternative products that you could offer your customer instead.

<u>ITEMS</u>	<u>SUBSTITUTE</u>
1.	
2.	
3.	

**Suggestive selling**

Using the right questions is really important. For example, if you were selling a washing machine. Instead of asking “Would you like a washing machine sir?” you could say, “This washing machine is excellent sir. It is a very good model, with a wide range of features, which I am sure will meet your needs.”

Depending on your industry, you will take one of two approaches to selling:

**Hard Sell**      *Double-glazing/time-share sales person – they do not care if they never see you again once they have got your money.*

**Soft Sell**      *Advising a client on which treatments to have in a beauticians relies heavily on personal recommendations and repeat business. Therefore, it is very important that the customer is happy about what you have sold them and how you sold it!*





**Activity – The differences between ‘soft’ and ‘hard’ selling.**

**What are the characteristics of the ‘Hard Sell’?**

**What are the characteristics of the ‘Soft Sell’?**







Whenever you sell anything there are four essential ingredients to start the process off. These are known as the **4 P's**, which you have already come across in Section One. You must have a sound knowledge of the **4 P's** for each product/service you offer so that you can use this information as the basis of the advice you might give to a customer.

**Product**      *Availability. What it is? Do you have a pack of 50 PC line floppy discs?*

**Price**        *How much does it cost? What discounts are available? For example, you could say to a customer "Can I offer a discount? Do you know that you can get two boxes of floppy discs for the price of one?"*

**Place**        *Where are these items/products available? What are the opening and closing times?*

**Promotion**    *Who can help? Where are they located? What promotional material is available? What special offers are on?*

### ***Handling objections***

This is where we look for signs that the customer is dissatisfied with the product/service that you have offered and find ways of overcoming their concerns. This can be quite positive, as objections do not always mean 'no, I do not want to buy', they could just mean that the customer needs more convincing.

***The top three objections that any sales person will experience are:***

- 1. Price.*
- 2. Product features and benefits not meeting the customer's needs.*
- 3. A lack of understanding of the product and the customer's needs.*

Below are some suggestions that you might want to consider using, to overcome customer objections:

**Price**

- *Check understanding of customer needs.*
- *Check customer's understanding of product.*
- *Do you have the authority to discount?*
- *Add value by including something else.*
- *Reduce the price slightly, with appropriate changes to things like equipment hire etc.*
- *Stick with the price but offer improved service.*

**Product**

- *Check understanding of the customer's needs.*
- *Is the product appropriate to meet the identified needs?*
- *Is there an alternative?*
- *Can you change the product slightly?*

**Needs and product requirements incorrectly identified**

- *Seek clarification by asking additional questions.*
- *Check to see if anyone else has better product knowledge.*
- *See if there is an alternative product that better suits the customer's needs.*
- *Offer something extra ie added value.*

Whatever the objection, you will need good questioning and listening skills and thorough product knowledge.

**In any situation where sales objections exist it is important that you respond in a sympathetic way, being sensitive at all times and giving helpful answers to questions.**

To do this, you need to ensure that you understand the customer and can therefore provide him/her with advice and guidance on the possible options open to them, in a way that will reassure them that they are doing the right thing. You should avoid an aggressive approach, 'I must get the sale at all costs'. You should respond to the customer and make them feel valued and important.

### ***Activity***

In groups, discuss the different ways that you have handled objections to selling in the past. For example, when somebody has asked lots of questions about buying different products or services from you and then decides not to buy them – how did you react?





Finally, ask for a commitment by getting the customer to confirm that they are going to buy the product/service. This is best demonstrated by one of the following actions:

- *Paying in full.*
- *Leaving a deposit.*
- *Placing an order.*

A promise, a phone number or an address is not enough of a commitment when taking a booking for something large such as a piece of furniture, a car or a computer.

At the close of the sale, thanking the customer for their custom, and suggesting that they contact you if they require any further help, shows a caring and professional approach.

### ***After sales service***

After sales service will enable you to:

- *Check that the customer has received the order.*
- *Confirm that the customer is happy with the product/service received.*
- *Check the quality of the product – by asking questions.*
- *Use it as an opportunity to take repeat bookings/further sales.*

This can be achieved by any of the following:

- *An informal chat during the event.*
- *A telephone call following the event.*
- *A questionnaire.*



### **Benefits**

- *It creates a caring image of the organisation.*
- *It allows you to learn from your strengths and weaknesses.*
- *It enables you to chase orders if there have been any delays.*

Many companies now have specialist Customer Service Departments. One of their roles is to follow up sales and offer after sales service. Other responsibilities they have are:

- *Direct customer contact.*
- *Ensuring orders are processed.*
- *Chasing orders.*
- *Dealing with customer queries and problems.*
- *Dealing with customer complaints.*
- *Keeping a record of sales and other statistics.*

Whether you have a Customer Services Department or not, it is very useful to keep a record of sales and marketing activities and other useful statistics because:

- *Historical records can help to forecast future business.*
- *Keeping a record of how many responses you had to a particular promotional activity can tell you which ones worked and which did not.*
- *Records can tell you which products are the most successful.*

Records can show trends, which might help you to create more sales in the future.



***Section Three Summary***

Being a proactive sales person is very important in terms of what it can achieve for the organisation, in terms of generating income and profit.

It is important to search for every possible sales opportunity within your role, always asking the customer what more can be done to meet their individual needs.

Being proactive means looking for opportunity to up-sell, add-on and suggest alternative offerings to customers.

The mix of such activities along with excellent customer service, cannot fail if there is a real commitment, on the part of the organisation, to give the customer the best possible service and sales experience.





## **Section 4**

# **Effective Communication in Selling Situations**

### ***Aims of the section***

At the end of this section, candidates should be able to:

- *Demonstrate an understanding of the importance of using effective communications in selling situations.*
- *Explain how to recognise a customer's response in selling situations.*
- *Identify the most appropriate questioning and listening techniques within selling.*
- *Explain how to handle difficult communication situations.*

In any organisation, when you are involved in selling, effective communications will be the key to successful sales.

There are three key communication areas that are particularly important for sales people.

1. *Verbal communications.*
2. *Non-verbal communications ie the use of body language.*
3. *Listening.*

In this section, we are going to look at a number of issues surrounding these areas and give you some ideas of how to behave in the selling situation.

These important areas are linked with the term 'discovery'. Discovery is a very important part of a salesperson's role. The aim is to discover what you can about the customer, their needs, their wants, their behaviour, their expectations and the opportunities that they present.

'Discovering' your customers can only be achieved through questioning and listening. It is important that a salesperson 'be present in the moment' as a good listener with the right motives.

### ***The use of Verbal Communications in Selling***

Understanding how to use verbal face-to-face communications is essential to selling situations.

You should be aware of your voice and the impact it has upon the customer. Did you know that the following statistics represent the balance of words, voice and body language – you will be surprised by the balance:

**7%**  
actual words

**38%**  
voice, tone, pitch, pace and quality

**55%**  
body language

Therefore, although words are very important, voice and body language and the way in which we communicate is powerful.

Using your voice properly is important. In a sale situation, it can be easy to get excited in conversation and voices could rise. This should be avoided. Use the following hints and tips to help you in any selling situation.

- *Stay calm, clear and do not raise your voice.*
- *Avoid the use of harsh or high-pitched tones as this can annoy customers.*
- *Avoid over usage of your own voice.*
- *Keep your voice steady and level.*
- *Do not let your voice rise and show frustration.*

### ***Positive use of body language***

Positive body language plays a very important part when you are asking a customer questions or listening to their answers. Non-verbal responses play a very important part in giving the buyer a positive response and creating a positive impression. Let us look at some of the ways we can use positive non-verbal communications in terms of body language to give a good impression.

We must not just think about body language in the context of how we might be perceived, but also think about body language in terms of what we can read about our customers, their feelings and their attitudes.

Things to consider include: eye movements, facial expressions, posture, gestures and physical evidence.

- ***Eye movements*** – *the way in which a person moves his or her eyes can provide an indication of their feelings. For example, a sharp inwards movement could suggest frustration or annoyance, whilst a downward eye movement could suggest guilt or recognition that the person concerned has done something wrong.*



*In the context of the sales situation, making strong eye-to-eye contact with other people shows confidence and trust. This is important, as if you were unable to look someone straight in the eye, this could be a sign that you are nervous, a lack of confidence or even that you are not telling the truth.*

- **Facial expressions** – as you are probably aware, the human face can display a range of expressions, from joy to sadness, anger to laughter, despair to excitement and from shock to relief. In the context of sales, facial expressions can actually communicate a range of messages. For example, a buyer who is demonstrating pursed or tightened lips is likely to be irritated or annoyed with something the salesperson has implied or said.
- **Posture** – Posture is one of the most dangerous areas in the life of a sales person and it has been argued that posture is more likely to be misunderstood than any other form of non-verbal communication. For example, a salesperson slumped in a seat during a sales meeting suggests a lack of respect or a sloppy approach to their work and gives the impression that they do not care.

*A person in a hunched posture could be displaying a shy nature and perhaps a lack of confidence. On the other hand, a person sitting with an upright posture, perhaps while attending a sales presentation, or a job interview can be seen as keen and attentive. This is important for a salesperson to display, but also for a salesperson to be aware of when demonstrated by customers as it shows potential interest and therefore opportunities.*

- **Gestures** – this involves the use of hands, arms and perhaps shoulders in various combinations during the sales meeting or again during a sales job interview. The aim of this section is to give you an understanding of positive body language. It is also useful to think about some negative behaviour that you should avoid displaying.



Let us look at the following gestures and their meanings:

- *Arms crossed and avoiding gaze – suggests suspicion.*
- *Clenched fist – suggests anger or determination.*
- *Doodling – suggests boredom.*
- *Finger tapping – suggests impatience.*
- *Hands behind head while leaning back in office chair – suggests territorial dominance.*
- *Hands behind head when in an authoritative situation – suggests confidence.*
- *Occasionally covering mouth with hand while speaking – suggests nervousness or lying.*
- *Open hands – suggests an open mind.*
- *Open hands and arms – suggests acceptance.*
- *Pointing index finger – suggests suspicion and can be seen as threatening behaviour.*
- *Rubbing nose – suggests suspicion.*
- *Rubbing palms of hand together – suggests expectancy.*
- *Stroking chin – suggests person is thinking or evaluating.*
- *Tugging at ear – suggests nervousness.*
- *Wringing hands – suggests nervousness or frustration.*

Hand movements are especially valuable during selling situations, when even the fingers can be used to emphasise a number of key points.



### ***Positive and negative behaviour***

The table below provides examples of positive and aggressive behaviour:

<b>Negative / inferior behaviour</b>	<b>Aggressive / superior behaviour</b>
Wobbly speech	Harsh voice
Slow speech	Rapid speech
Worried expression	Extremes of expression
Evasive looks down	Excessive eye contact

Often a person's general personality will show itself by their behaviour. It is useful to consider an overall behaviour type to understand how they might use the broad range of non-behaviour communication types.

### ***Activity***

Customers get very annoyed when the people serving them seem to be bored, irritated or rude. Which of the behaviours on the previous page should you avoid if you want to keep your customer happy?



**Activity – The importance of listening**

List four reasons why you think it is important to listen to your customers.

1.
2.
3.
4.

One of the key skills in sales, related to the asking of questions, is the ability to listen. You should listen to the customer in order to gain, understand their problems and find out their needs and wants in relation to the situation.

An important aspect of sales communications is to understand that 'communication is a two-way street'. Learning to ask questions will be of little value to you if you do not listen to the answers.

Listening is the communication skill we use most, yet the one that we receive least training on. Most of us take listening for granted, we think that because we are hearing, we are listening, but, quite often, nothing can be further from the truth.



What is important in a sales situation is that you listen 'proactively'. Listening is about hearing both verbal and non-verbal communications. It is about not just reading, but seeing what we read, taking in the information sent to us so that we can use it to our advantage.

Below is a list of hints and tips that may enable you to become a better listener:

- *Adapt your behavioural style to the communication style of your buyer.*
- *Create a good listening environment that is comfortable and free of interference.*
- *Concentrate on the buyer.*
- *Stay focused. Do not let your mind slip and wander. If it does, ask your customer to repeat what they have said.*
- *Let the customer talk 80 per cent of the time.*
- *Do not interrupt.*
- *Do not think about what you are going to say next.*
- *Do not mentally find fault or criticise – keep an open mind.*
- *Pay attention to nonverbal clues.*
- *Be alert to displays of emotion.*
- *Encourage the buyer through verbal and body language feedback.*
- *Make notes.*
- *Realise that listening is proactive – listening is to hearing what reading is to seeing.*

In the words of Stephen R Covey, "Seek first to understand, then to be understood!"

Key skills to use when listening and understanding can include some of the following:

- **Paraphrasing** – *this is repeating what has been said to you in your own words, to confirm that you have understood the message.*
- **Reflecting on the implications** – *this goes beyond paraphrasing and is building on what the customer has said in order to consider the potential implications of the situation. This might include sending questions back such as “Does this mean that . . . ?” or “Would that solve the problem then . . . ?” – this shows that you have listened, understood and are starting to solve the problem.*
- **Reflecting the underlying feelings** – *this goes further still and tries to draw out some of the underlying attitudes, beliefs or values that may be influencing the speaker to talk this way. It has to be done in a subtle manner, for example:*

*“I can see that this is going to give you a lot of worry.”*

*“If that happened to me I would not be too happy.”*

*“That must have made you very proud.”*

A key point here is to make the speaker reveal more than they want to without making them uncomfortable.

- **Being non-evaluative** – *the basis of this skill is not making a decision or having fixed ideas until the question has been answered. This may involve using verbal and non-verbal signs that the sender is being understood, that the feelings behind the statement are appreciated and accepted, no matter what the listener feels, and that he or she is accepted by the listener. Accepting the person for what they are is critical.*

We must be aware that by carefully listening to our customers we can gain information which allows us to:

- *Act quickly and appropriately.*
- *Deal with objections effectively.*
- *Show our interest in our customers and their business.*
- *Establish feelings and attitudes.*
- *Establish a rapport with the customer.*
- *Identify new opportunities.*
- *Obtain important information.*
- *Provide the basis for further questioning.*
- *Understand problems.*

### **Activity**

In groups and using a white board or a flip chart, list several consequences of not listening to customers when at work.

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### ***Telephone techniques for selling***

The telephone is a very useful tool, which can be used for many purposes, including:

- *Customer care.*
- *Selling.*
- *Taking bookings.*
- *Making arrangements.*
- *Information gathering.*
- *Looking for new customers.*
- *Solving problems.*

The advantages of using the telephone include the following:

- *Quick and effective communication.*
- *Can be used in almost any location in the world.*
- *A convenient method of communication.*
- *Difficult to ignore a ringing phone.*

The disadvantages of using the telephone include:

- *It does not provide a lasting record of the communication.*
- *There is no visual impact or communication.*
- *People often hang up if they do not like what you say.*



### **Answering the Phone**

- *Smile as you pick up the phone.*
- *Aim to answer within 4 rings. If you do not answer within 4 rings say to the customer "Thank you for waiting".*
- *Do not ask people to hold as you answer the phone*
- *Offer a greeting - "Good Morning" or "Good Afternoon" as appropriate.*
- *Offer your department name so the caller knows they are through to the correct place.*
- *Offer help by saying something like - "How may I help you.....?".*

### **Handling the Call**

- *When you have found out the caller's name, use it.*
- *Deal with the specific query.*
- *Ask if any other assistance is required.*
- *Say thank you and goodbye.*
- *Let the caller put the phone down first in case they wish to ask anything else.*

### **Putting Calls on Hold**

- *If you are asking a person to hold, explain what you are going to do.*
- *When a person is holding, use the hold button at all times.*

If a customer appears in front of you, waiting to be served, when you are taking a call, make sure that you acknowledge them, so that they do not feel ignored while you finish the call.

*\* Back in the workplace; remember to check-out the guidelines on telephone handling and how to transfer calls correctly. You may find that your organisation employs mystery customers who listen to staff responses to check the quality and to make sure that company guidelines are followed.*



### **Handling Messages**

- *If someone is not available, explain **positively** why the person is not available. Offer to take a message.*
- *Take all the details; name, phone number, message details and the time of the call. Ensure that difficult names are spelt back to the customer.*
- *Repeat messages and any information back to the caller - always act on the message quickly.*
- *Check whether a return call is required. Ensure that a contact telephone number is taken including an Area/STD code, where applicable.*
- *Advise the caller that you will call back/pass the message on - specify a realistic time period for this to happen.*
- *Consider recording all messages on a message sheet.*
- *Take personal responsibility to make sure messages are passed on quickly to the correct person/section.*

### **Responding to Messages**

- *Always respond to messages from a caller, whoever they are. Remember you are projecting the image of the company.*
- *When you receive messages, do not wait for callers to call you back. You will be less in control of the situation if they ring you back first.*
- *Get as much information as possible about the situation before you call people back to create a professional image.*

### **Answer Machine and Messages**

- *Make sure the correct message is on the answer machine whenever you are not available to answer the phone.*
- *Take messages off the answer machine regularly and respond to them as quickly as possible.*



### ***Handling voicemail***

Voicemail is here to stay, love it or hate it and it is part of our everyday business scene. Be positive about it and see it as a sales opportunity. When preparing voice mail messages in a selling situation, you may find the following guidelines helpful:

- *Be enthusiastic and personable.*
- *Use a notable (exciting) statement to raise customer interest.*
- *Ask one or two questions.*
- *Keep it brief.*
- *Follow up with a letter or email enclosing the information required by the telephone message.*

### ***Hints and tips for telephone selling***

Many of you will have face-to-face sales roles, but some of you may have a role as a telephone sales person for anything from a call-centre, to a small business, selling anything from double-glazing, financial services, insurance, time share holidays etc. Below are a list of important hints and tips for you to follow:

- *Always identify yourself and your company.*
- *Try to make friends with your customer – establish a rapport.*
- *Make an interesting comment – ie value for money, savings, cost reductions etc.*
- *Deliver your sales message, emphasising the features and benefits of buying your products and services.*
- *Overcome objections when they arise.*
- *Close the sale.*
- *Action agreement.*
- *Express thanks.*
- *Follow-up the call to make sure that the customer received their order and to look for future business (where appropriate).*



***How to handle communication difficulties in selling***

Most organisations operate in a wide variety of multi-cultural settings, servicing many different ethnic groups and a wide variety of international visitors and customers. Communications can be a challenge when customers cannot express themselves clearly or employees cannot make themselves understood. This situation can cause conflict and create communication difficulties.

Language is one of the greatest barriers to communication, both in terms of written and verbal communication and it can cause a great divide between the customer and the service provider. It is likely that we have experienced both language and cultural difficulties ourselves when visiting other countries, and we can learn from our experiences.

Dealing with this situation can be quite a challenge, but can be managed by using a combination of the above communication skills, ie listening, questioning and the use of appropriate body language.

To understand more about how to approach these types of situations, undertake the following exercise:

***Activity***

In groups, discuss your different experiences of being on holiday in a foreign country and trying to get yourself understood in a restaurant. Think about the different actions and gestures you used to get across your needs to the waiter or waitress.

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***Section Four Summary***

It is important when communicating in these situations that you read the customer well, listen carefully to what they are trying to say, do not interrupt them and empathise with their frustrations. You must observe their body language and general non-verbal communications carefully in order to try and understand what they want.

Also be very careful of your own body language so that you do not show your frustrations by your own behaviour. Choose physical actions and gestures that assist the customer – a useful gesture would be to use your fingers for counting, for example, if someone wants to buy three jumpers then you may wish to put up three fingers to confirm that is what they mean.

You should also be aware of cultural differences when dealing with customers of different nationalities.