

Guide: Sales

Sales is the process you enter into once a customer engages you. For example, once they enter your showroom or reception, or call or email an enquiry.

The sales process can involve everything from simple retail selling, merchandising and cross-selling, to complex quotes and proposals and cold-calling.

Sales People — Commercial vs Retail

Not all sales people are created alike, and you will need to have a very clear idea of what you want your sales people to do before you hire them.

You may be business owner, stock manager and sales person all in one, so when you do hire more team members it makes sense for you to recruit the right person for the right role.

Qualifications

Experience is generally the only directly related qualification a sales person can bring to a role.

If you are an experienced salesperson, it may be worth considering hiring someone with no experience so that you can train them as you see fit.

If you have no sales background, hire someone with a wealth of knowledge who can really make the sales department their own and take ownership.

What is a retail salesperson?

A retail salesperson generally works from a store or showroom. It is their job to showcase products and assist customers in the buying and/or ordering process.

The retail salesperson role may encompass everything from window dressing and shop displays, through product knowledge and demonstration to cash-handling and banking.

Retail sales covers long hours including weekends and public holidays and retail sales teams generally consist of at least one full-time salesperson, plus one part-time salesperson to assist with covering breaks and later shifts.

What is a commercial salesperson?

A commercial salesperson may have a base at a showroom or may be based entirely on the road.

In this sense, the term 'commercial' covers both sales reps, and salespeople who deal with large/bulk quantities.

Their role is to sell your product to retailers or commercial projects in large quantities and generally involves writing proposals and putting together quotes or tenders, as well as showing new products and cold-calling.

A sales rep may also be involved in merchandising which is supplying advertising and marketing materials to retailers and dressing stands and displays.

Behavioural Profiling

Sales people are generally by nature outgoing and vivacious, but there can be a subtle difference between candidates depending on your product and sales environment.

Sales reps and retail salespeople have a similar behavioural profile using the DiSC profiling system, but whereas a sales rep needs to build long term relationships with customers, a retail salesperson needs to be able to communicate with a broader range of customers.

Anyone involved in direct selling needs to be more dominant than a standard sales rep or retail salesperson. They need to be charismatic and have the confidence to interact well with others. They also need the directness and confidence to close a sale.

For more information on hiring the right person using DiSC profiling see the Behavioural Profiling guide. To arrange for a DiSC profile, please navigate to the Fortuna International [website](#) or contact them directly:

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Merchandising

If you are a manufacturer or wholesaler and have lavished some of your marketing budget on attractive merchandising material, you will want to make sure your product is properly merchandised.

Merchandising collateral may include posters, advertising and information cards.

If you are a retailer, you will want to make sure your store is laid out properly and that you know where the hot spots are and take advantage of them.

Many elements can be used by visual merchandisers in creating displays including colour, lighting, space, product information, sensory inputs (such as smell, touch, and sound), as well as technologies such as digital displays and interactive installations.

Retail

Your merchandising should focus on having the right products displayed in the right way

A supermarket is the prime example of excellent merchandising, where stands and displays of premium items or bulk deals are displayed at the ends of aisles.

Small complimentary items for impulse buying are peppered throughout the store and checkouts are stacked with small impulse buy items.

Keep your stock clean and full and change your displays regularly to keep customers interested.

Ensure you have items available for cross-selling. If you sell beds, prominently display linen and bedding to complement each setting. We will expand on cross-selling later in this guide.

Talk to sales reps about what material they have available and what effective displays they have seen.

Manufacturing/Wholesaling

If you provide merchandising materials, ensure your sales reps know what is available and how to use it.

Some retailers will be happy for sales reps to take control in setting up window displays or other merchandising displays such as stands. However, sales reps must always tread the fine line between helpful and pushy and make sure that the retailer is happy for them to do this.

Ensure that your retailers have all the merchandise and training they need to create their own displays for your products when your sales reps are not available.

Cross-selling and up-selling

Cross-selling is the art of selling an existing customer additional products or services.

Up-selling is where you suggest more expensive items, upgrades, or other add-ons which the customer may not have first intended to buy.

This is an easy way to boost sales figures, and only takes a small amount of staff training

Point of sale up-selling

An example of this is the chocolate bars on the service station counter, where the cashier asks '... and can I

interest you in two Moro bars for \$2.50 today?’ Or the classic ‘would you like fries with that?’

This sort of up-sell is a numbers game. If you ask 1,000 customers in a day, and 15% buy the extra item which has a profit margin of \$1, that’s \$150 extra profit per day. Up to \$1,000 per week or roughly \$50,000 per year.

When you run the numbers, up-selling at point of sale makes sense and takes little effort.

Set your sales counter up with small items for up-selling, brief your staff on what to say, and the rest is history.

Up-selling during the sales process

Up-selling can work equally well during the sales process after a customer has made a loose decision, but not finalised it.

For example, a customer may have chosen their lounge suite and fabric, but you can still offer them scotchguarding, extended warranty, cushions and throws, stain remover and delivery service.

A salesperson does not need to be pushy. They should always ensure the customer is aware of the full array of products or services available.

Cross-selling professional services

Cross-selling professional services is a sensible way to increase revenue from an existing client base.

A clear example of this is bank tellers selling life insurance. However, your own cross-selling can be as subtle or direct as you wish.

You may wish to plan a cross-selling exercise and build it into your marketing plan, were you offer a certain group of customers a new service.

Or create a new rule that every client who buys service X is also offered service Y.

The more services a customer gets from one professional, the less likely they are to change to a competitor.

Sales Visits and Cold-calling

Sales reps will make regular sales visits to customers to check stock levels and rotate stock, inform customers of new products, conduct product training and take orders.

From time to time sales reps will also call in to visit prospective customers or perhaps call them unannounced. This is called cold-calling.

Sales visits

Sales visits should be regular and scheduled so that the sales rep is expected and can speak to the appropriate team members at the customer’s business.

Sales reps should be aware of what products are good sellers for the retailer, as well as checking in advance as to whether the customer needs any extra product, merchandising material or product catalogues.

Some sales reps also look after returns to home base and may need to bring replacement products.

If a sales rep is bringing in new samples for the store manager to view, with the hope that they will order new stock, it is a good idea for the sales rep to have arranged this with the team member who has purchasing power. There is not much point in showcasing products to an audience who cannot buy them. This being said, it is always good to keep sales people abreast of new trends in your industry.

Cold-calling

Cold-calling can refer to both phone calls and physical visits.

The type of sales people who do cold-calls are generally outgoing and extremely self-confident.

Make sure you know about the prospective customer and their environment in advance. Ensure you go in at a quiet time on a quiet day and you will get a more favourable response and the retailer will have more time to talk.

Monday mornings may seem good to you, but this is when many retailers take care of their paperwork for the week, after a weekend's trading. However a quiet morning will certainly give you a better reception than an afternoon when the retailer just wants to finish for the day.

Weekend visits may not be appropriate as either the store will be very busy, or the appropriate team member e.g. store owner, will not be working.

Equally, phone calls need to be well timed. Just like telemarketing, if you want to start off on the right foot and build a trusting relationship with the customer, you should be transparent. Introduce yourself when you call and if you don't already know the appropriate person to talk to, ask who that person is.

Cold-calling is about establishing a new relationship with a prospective client, so start off how you intend to continue.

Planning

If you ensure your sales visits are well planned, your customers will thank you and you will be able to make the most of any travel required.

You will need to schedule time with the customer in advance, perhaps even at the previous visit.

Call the day before to confirm, and check to see whether they need anything from you, e.g. extra stock, replacements, catalogues etc.

When you arrive be courteous and friendly, listen to your customer and try to solve their problems.

Show them any new products and take any orders.

After your visit is over, ensure you call to follow up on any orders or queries they may have had.

If your customer trusts you and your product and knows you are dependable, they will support you and order from you.

Quotes and Proposals

Preparing a proper quote or a proposal is more than writing a price on the back of a business card.

A quote is generally a price for something a customer may purchase in future, e.g. tapware.

A proposal is likely to be a series of quotes, put together to form a complete solution for a customer, e.g. tapware for an apartment complex.

You will need to listen carefully to what the customer needs, source the right products and calculate the correct amounts before conveying them to the customer.

What are you quoting for?

Be very clear with the client what it is you are quoting for.

Consider writing a comprehensive checklist of all the options you consider when quoting. If the client doesn't know what goes on in your head, how will they know that you are selecting the best option for them?

Go through the checklist with the client when quoting and give them options as far as quality and level of service. Always recommend higher quality. Never assume your customer is interested in the cheap version — they can make this decision themselves.

Ask them whether their preference is price, quality or a compromise between the two. As politely as you can, see if you can get an idea of budget.

If the customer's wants and needs do not match what you are offering e.g. if they want bargain basement and you provide high-end products, just politely explain that you don't offer the service they want and move on.

Calculating your quote

Check, check and re-check.

If you are a tradesperson and you under-quote, and the client goes ahead with the order, you may end up under-ordering materials and then you are in trouble when you get to the end of the job.

If you are in a retail forum and you quote the wholesale price, you will need to be prepared to honour that price.

It could be a good idea to have someone else run the figures for you if you are preparing a large proposal.

If you are preparing similar quotes all the time, especially if they are based on metreage or area, you may want to consider making a simple calculator using Microsoft Excel. Your accountant can help you do this.

This way you can feed in metres and it will spit out a total price depending on the options chosen.

Conveying your quote

Be as comprehensive as possible.

Your quote form should be detailed and break each item down into its components. For example, if you are quoting for a houseload of something, break it down by product and room.

This way the customer can see where they're getting bang for buck and what they could scale down if price was an issue.

Instead of finishing with the stock standard line 'Please don't hesitate to contact me if you have any queries', consider saying "Name" will be in contact with you in the next few days to answer any questions you may have'.

Preparing a proposal

You can waste a lot of time preparing quotes and proposals which go nowhere. Think about what the profit of the job would be vs the costs of preparing the quote or proposal.

If the proposal is worth it, you may need to go the extra mile for your prospective clients and really wow them.

As well as the quote components, a proposal may need elaboration and visual aids.

In some cases, you may have chosen products on behalf of a customer, in response to a brief they have given.

You may wish to start your proposal with an abstract of why you have chosen the products you have, followed by pictures and samples of the products.

You may also like to consider breaking the pricing down by unit or some other quantity — this will help the customer wrap their head around the costs. For example, if you are pricing an apartment building worth of tapware, you may wish to give an indication of price per apartment or per kitchen/bathroom.

Close with the quote and your contact details. Present in a good quality, branded presentation folder.

If the proposal is a large one, you may wish to give a presentation or demonstration and give a copy of the proposal to each attendee.

Follow-up

Ensure you follow-up with your customers.

If they are not happy with your quote, see if you can work together to find compromises.

If a competitor has undercut you and you cannot match their price, move on.

You can always add this customer into your regular sales schedule for possible future projects.

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