Lamb, Hair, McDaniel **MKTG**

# CHAPTER 18

*Personal Selling*


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# Personal Selling Advantages:

- Personal selling provides detailed explanation or demonstration of the product.
- Message can be varied according to motivations of each customer.
- Personal selling can be directed only to qualified prospects.
- Costs can be controlled by adjusting the size of the sales force in one-person increments.
- Personal selling is considerably more effective than other forms of promotion in obtaining a sale and gaining a satisfied customer.

# Comparison

| *Personal Selling is more important if...* | *Advertising & Sales Promotion are more important if...* |
| --- | --- |
| **Product has a high value.** | **Product has a low value.** |
| **Product is custom made.** | **Product is standardized.** |
| **There are few customers.** | **There are many customers.** |
| **Product is technically complex.** | **Product is simple to understand.** |
| **Customers are concentrated.** | **Customers are geographically dispersed.** |

# Relationship Selling

**Relationship (Consultative) Selling**

**A sales practice that involves building, maintaining, and enhancing interactions with customers in order to develop long-term satisfaction through mutually beneficial partnerships.**

# Traditional Selling vs. Relationship Selling

| Traditional Personal Selling | Relationship Selling |
|---|---|
| Sell products | Sell advice, assistance, counsel |
| Focus on closing sales | Focus on customer's bottom line |
| Limited sales planning | Sales planning is top priority |
| Discuss product | Build problem-solving environment |
| Assess "product-specific" needs | Conduct discovery in scope of operations |
| "Lone wolf" approach | Team approach |
| Pricing/product focus | Profit impact and strategic benefit focus |
| Short-term sales follow-up | Long-term sales follow-up |

# Selling in the Technology Age

- Personal selling has taken a technological turn
- Younger shoppers research styles and prices before setting foot in a store
- Not interested in interacting with salespeople
- Independent Shoppers
- iPads and touch screens are replacing sales personnel

# CRM – Customer Relationship Management

- The ultimate goal of a new trend in marketing that focus on understanding customers as individuals instead of as part of a group.

# Customer Relationship Management

Identify customer relationships

Understand interactions of the customer base

Capture customer data

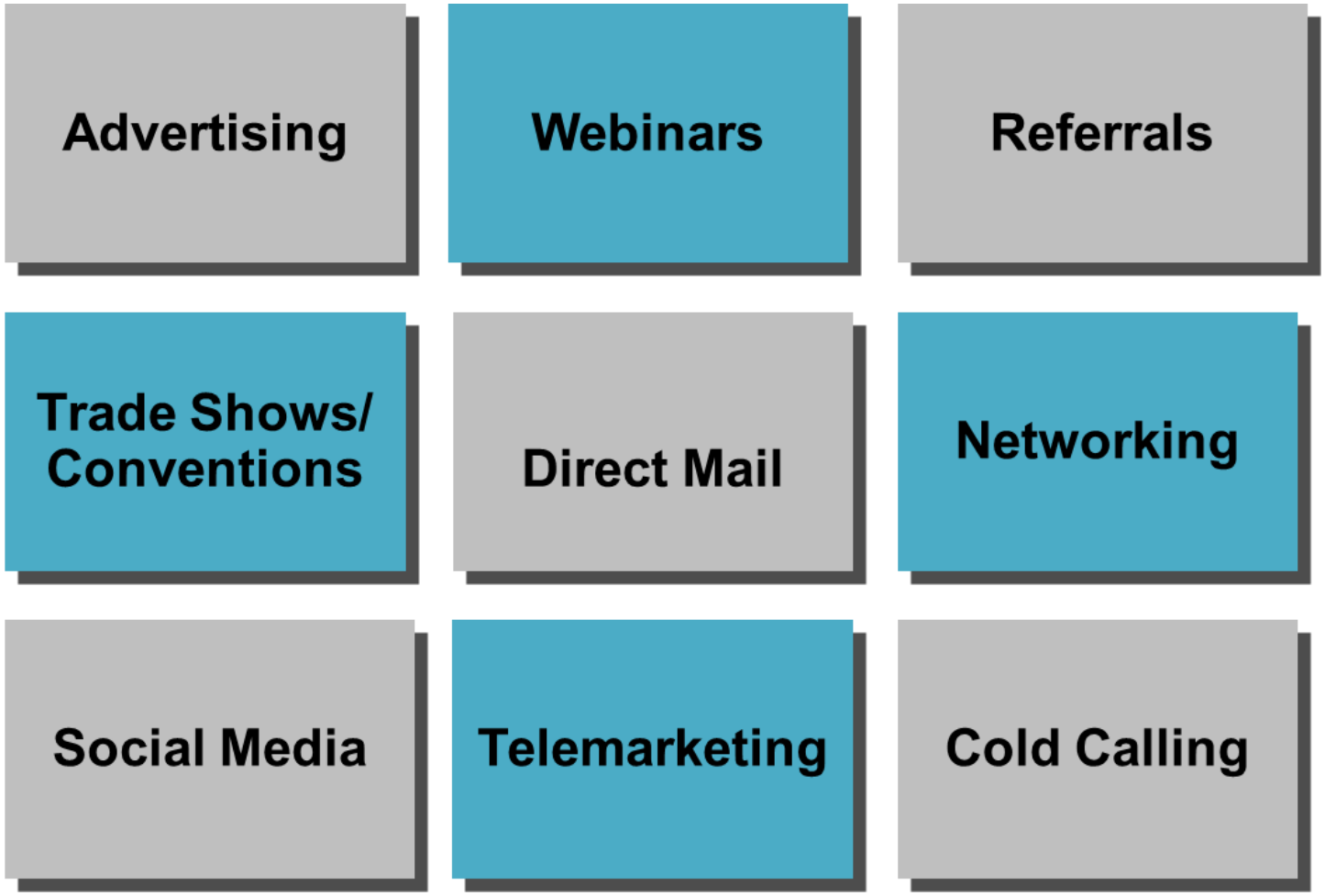
Leverage customer information

# Common CRM marketing database application

# Steps in the Selling Process

- Generate Leads
- Qualify Leads
- Probe Customer Needs
- Develop Solutions
- Handle Objections
- Close the Sale
- Follow Up

# Generating Leads

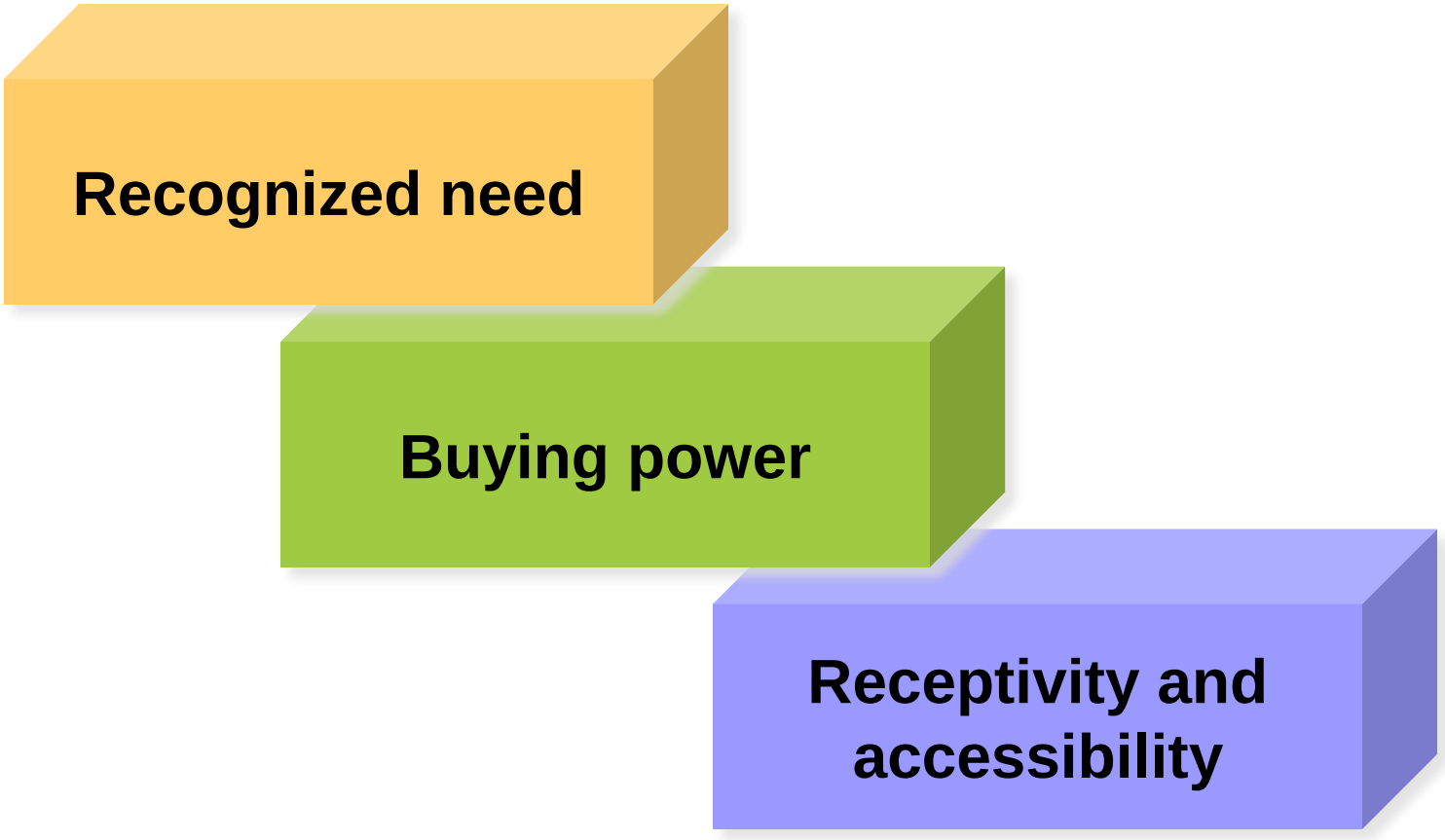


# Cold Calling

## Cold Calling

**A form of lead generation in which the salesperson approaches potential buyers without any prior knowledge of the prospects' needs or financial status.**

# Qualifying Leads

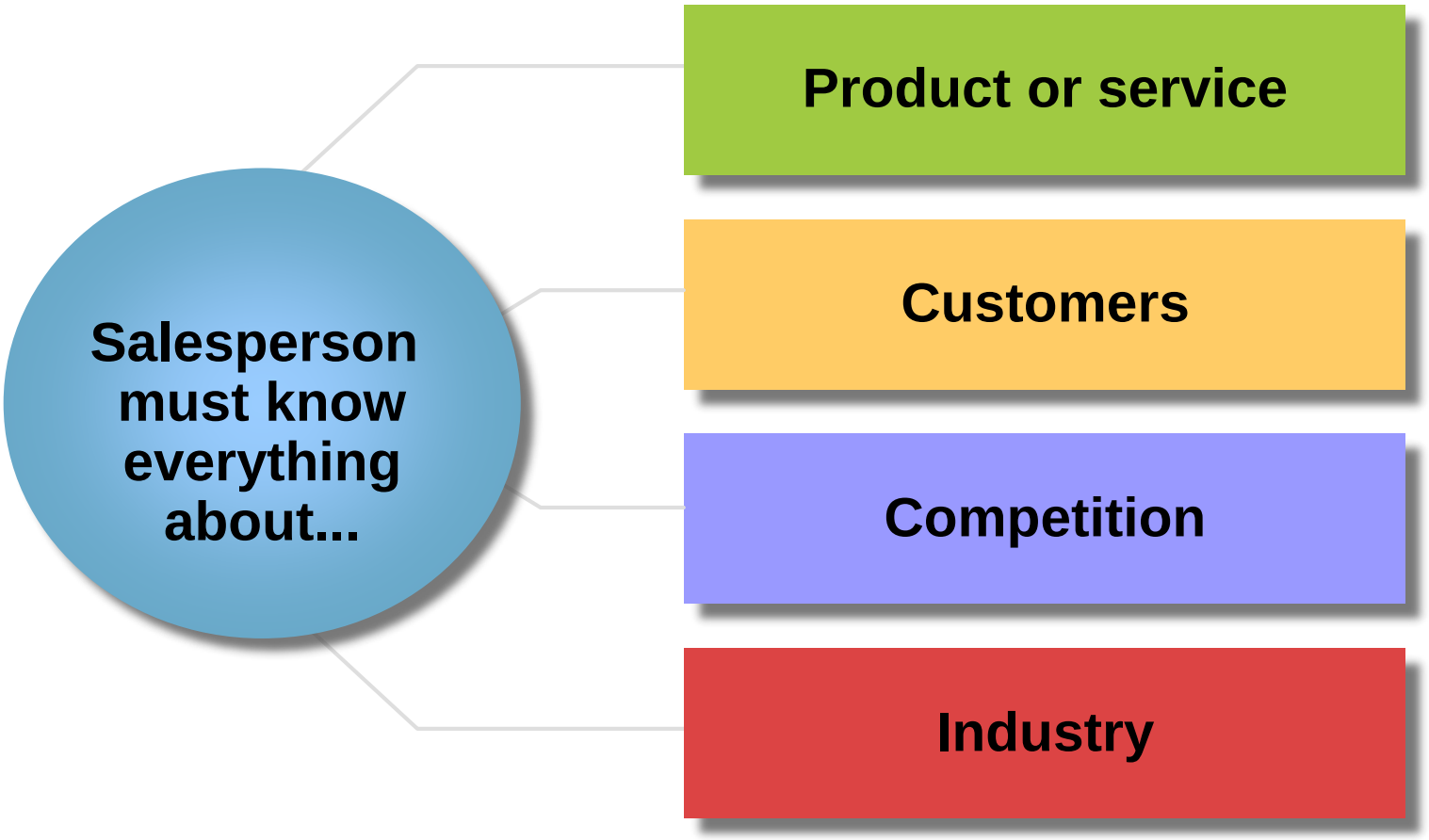


# Needs Assessment

**Needs Assessment**

**A determination of the customer's specific needs and wants and the range of options a customer has for satisfying them.**

# The Consultative Salesperson



# Developing and Proposing Solutions

**Sales Proposal**

**Sales Presentation**

# Powerful Presentations

- Be well prepared
- Use eye contact
- Ask open-ended questions
- Be poised
- Use hand gestures and voice inflection
- Focus on the customer needs
- Incorporate visual elements
- Know how to operate the A/V equipment
- Make sure the equipment works
- PRACTICE, PRACTICE, PRACTICE!

# Handling Objections

- View objections as requests for information
- Anticipate specific objections
- Investigate the objection with the customer
- Be aware of competitors' products
- Stay calm
- Use the objection to close the sale

# Closing the Sale

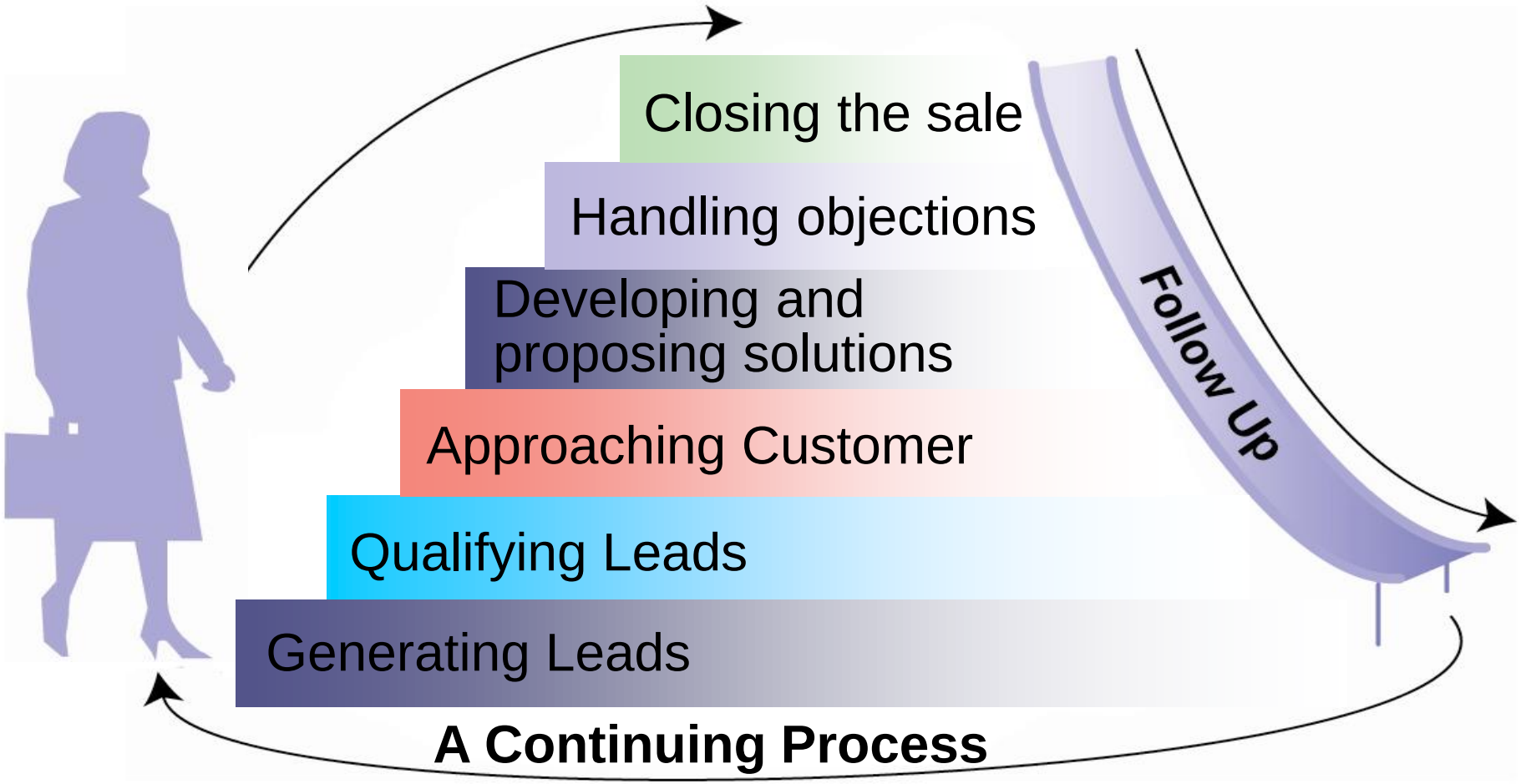
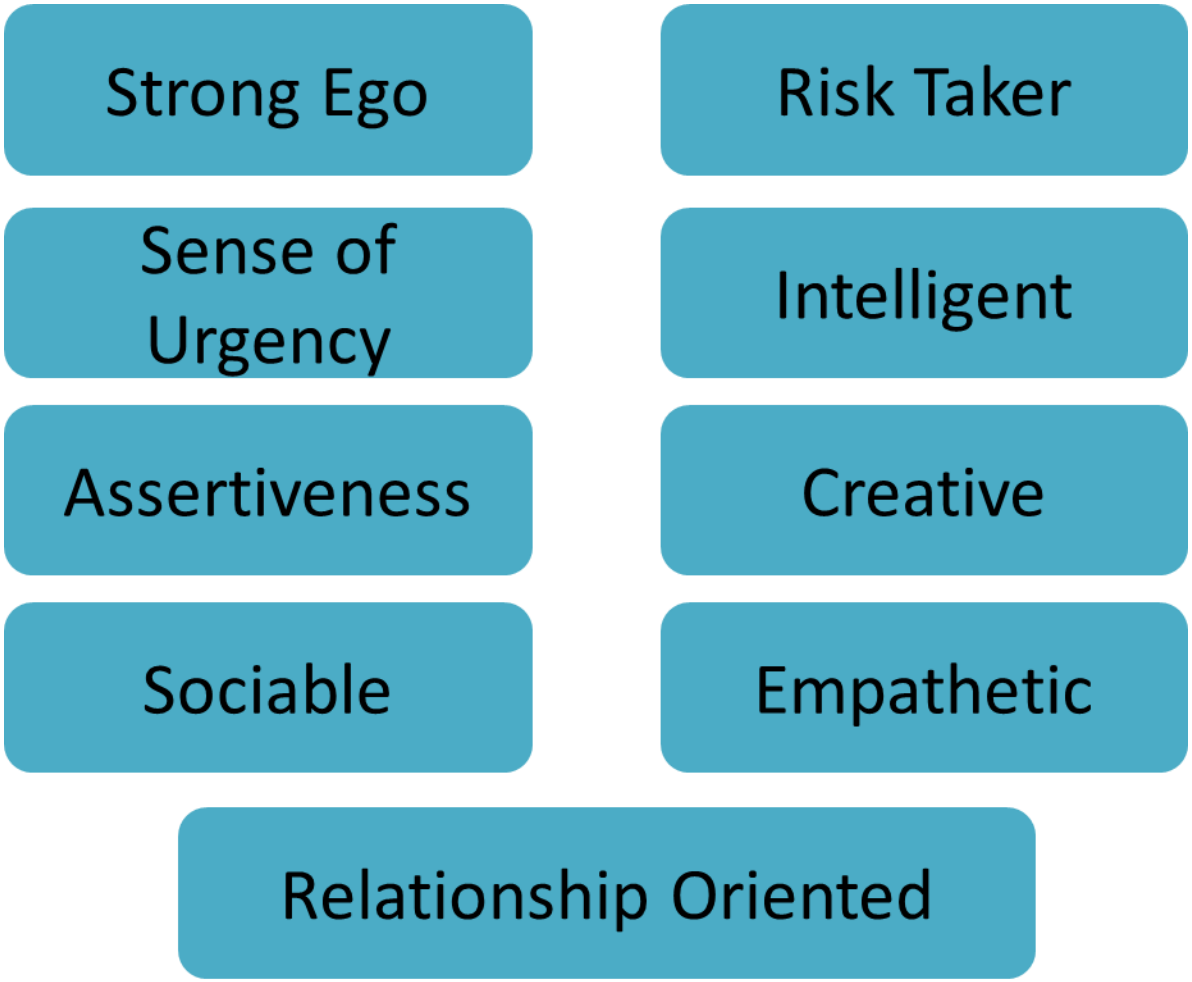
**Look for customer signals**

**Keep an open mind**

**Negotiate**

**Tailor to each market**

# Steps in the Selling Process



# The Sales Force