Management of Field Sales
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Lecture – 07
The Sales Process

Hello, I am Jayanta Chatterjee. This is our course on Management of Field Sales. And today is our 7th session. In the last 6 sessions, I have dealt with most of the background information with respect to evolution of field sales as an important corporate function. We have discussed some dos and do nots of good selling practices. We have discussed about the concept of self-management to increase the selling efficiency by way of an adaptive and flexible selling process. We have discuss that what factors or what a theories usually guide the creation of this adaptive selling strategy.

In that context, we have discussed about product life cycle, and we have also discussed about today's approach to solution selling as opposed to goods or service selling, shear product selling. So, we have been talking about the concept of augmented product or a solution oriented product range, and as a basis for adaptive selling. In the next few sessions, I am going to now spend more time on practice. So, throughout these 4 weeks, we will be alternating between theories and practices between research findings and how those findings can be used for more efficient and effective field sales management.

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So, today for example, I am going to discuss the personal selling which is in a way the other name of field selling, because field sales is necessarily personal it is individual to individual, it is this tactical end of the marketing process is the core of this course. So, in practicing our understanding of the last 6 sessions, we can look at this eight steps approach to the doing of selling the sales process in practice.

So, as you see this is a step approach, the lower the lowest step has the biggest size. So, in a way the blocks the sizes of the blocks also indicate that usually how time is demanded from the field sales person. So, lot of time goes in prospecting (Refer Time: 04:10) is followed by a pre approach and approach. And I am going to discuss these in brief all of these steps in brief, and some of these steps we will take up in complete sessions later on.

So, prospecting, pre approach, approach, need assessment of the customer. Now, this is a bigger the need assessment part, we have actually discussed in greater detail in the last sessions about looking at need. The need assessment part, we have discussed in some detail earlier that how it looks at fact based logical needs as well as intangible needs, physical needs, emotional needs and so on. We will again discuss it with a little bit more points later on.

And then comes presentation,: this is a subject which in sales field sales is a very primary important part and we will again discuss it in greater detail in full sessions. And then meeting object objections again a very intricate part objections in all sale situation the sales person will face objections, and will have to handle those objections.

And then through that finally game commitment and after the sale also remember the point of follow up, which is a in relationship based selling that is another very important part. Traditionally, the time allotment may be indicated by these are the sizes of these blocks, but a sales person should be able to manage his or her time in such a way that certain parts which may not be that urgent, but will be very important in the long run must get proper allocation of time and attention, this will become clearer as we go.

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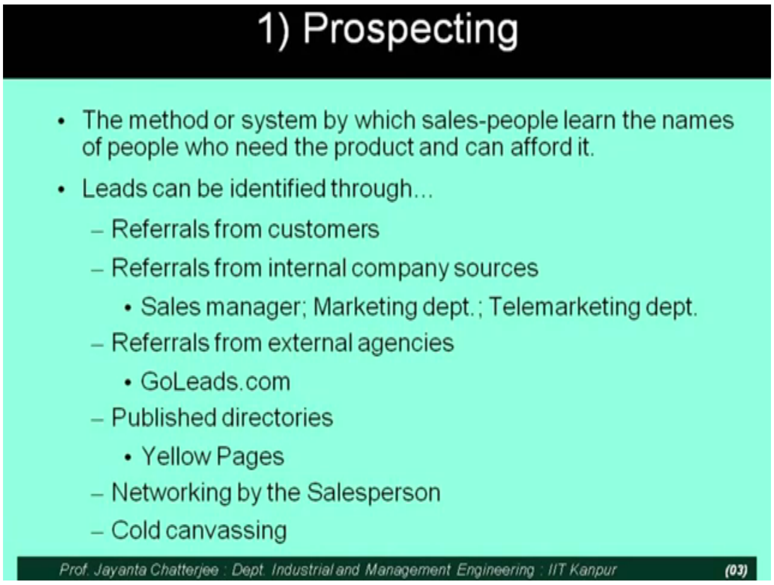

So, first is a prospecting. Prospecting is a system by which in the sales function, we learned or identify the customers who may have a need that need maybe immediate that need may be coming up you know sometime in the next few months or sometime in the next few years. And also very important is to qualify the prospect that means that there is a need, but can this customer afford the kind of solution you have.

So, if you are selling Mercedes, then you will not be identifying a prospect. Those people who will be means basically looking for a 800 CC or 1000 CC car right; so or no frills car. So, lead identification can be done or this prospecting can be done very importantly, this is the most important approach in today's selling which is referral from other customers. This comes from the social media connections of the customer.

And if you have been successful in practicing the core selling approach, which we have been advocating in this course that means, if your customer existing customer is your sales partner, then lot of good leads will be coming to you from this referral. The referrals can also come from your own employees, and it can also come from your very importantly service people, because service people are in constant touch with the customer for different needs and for different up keep situations.

And therefore, they have lot of interaction with existing customers. And if you are practicing good after sales processes, then you have a pleasant relation between the service person and the customer. And therefore, the service person has great opportunities of understanding, where the customers businesses are going to and growth prospects and future needs coming out from those prospects.

And therefore, these are processes that are often generating hot leads. Then of course you may be able to create somewhat cold leads, which are done by desk research, which may be by going through industry journals, by going through newspaper reports, by going through yellow pages or its equivalents electronic equivalent of today.

And sometimes it can just be done by cold canvassing that means, calling on a customer identified through newspaper reports or yellow pages or from a website, where you may not have a referral as yet, you may not have a relationship as yet, obviously if you have a relationship, and a good relationship a sales call is always more effective. So, cold calls are in a way a lot more expensive, because only a small percentage of cold calls are effective that is why, we pay so much attention to retention as opposed to acquisition in today's selling paradigm.

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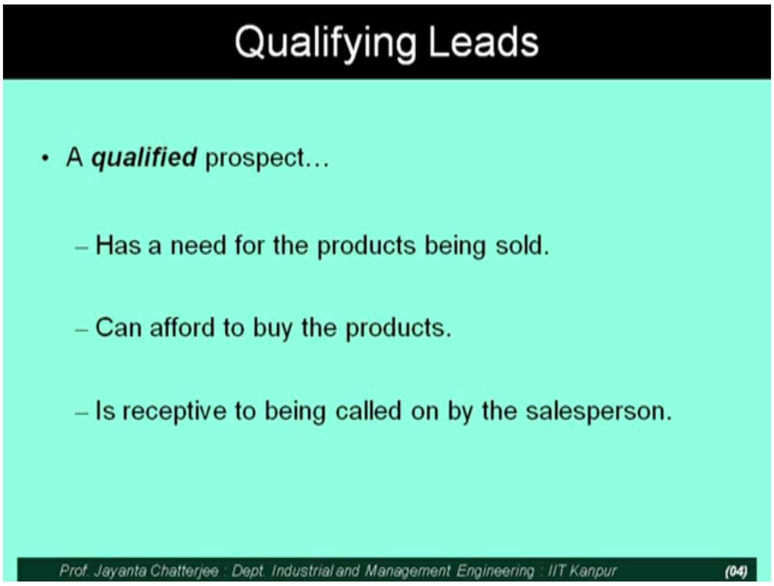

And as I was mentioning then you know once a prospect has been identified, then you have to qualify that lead. Qualifying the lead can is not only in terms of the match between your product its cost and price structure with the affordability of the customer. But, is a also relating to that whether you have access to that customer, whether the customer is interested to listen to you at all or the customer is totally wedded to your competitor, and therefore is not interested in listening to you. All these will are important part of the prospecting.

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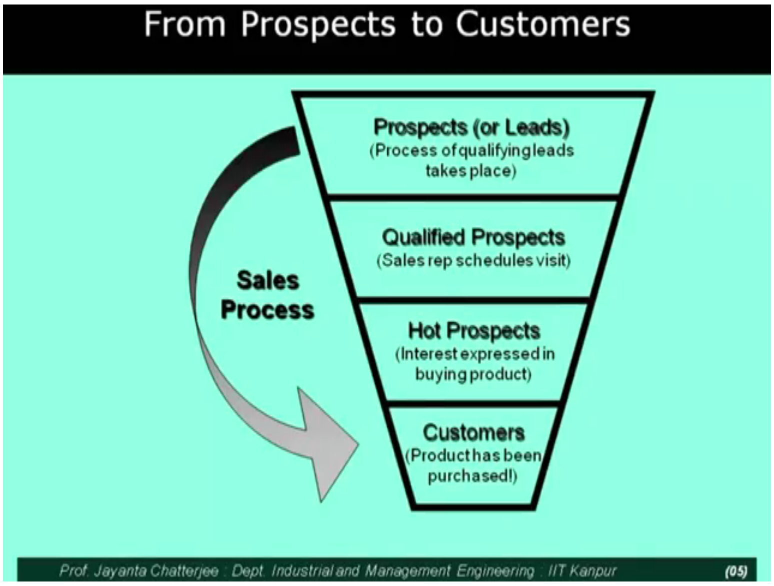

So, from a prospect to a customer goes to this kind of what we call the sales funnel. So, as you can see here it is a like a funnel, it is narrowing as it is progressing, which means that at every stage there is a filtration or there is a reduction. So, a large number of prospects are identified only few of those are qualified. And of those who are qualified some only will be hot prospects that means, those are going to result into sales situations in the this quarter, next quarter or in this financial year. And this is how we define a warm or hot prospect.

So, even though only few are hot prospects. Obviously, to come to that stage of identification of a hot prospect, you would have had to go through the lead creation process. So, statistical percentage wise obviously, if you have more identified leads, you will have better opportunity to qualify more leads. And if you have more qualified leads, it is logical that you will be able to generate more hot leads.

Therefore, the beginning level is very important to create awareness among large number of customers, and creating your cognition of large number of opportunities, and for that obviously, we do many things like participation in exhibitions, doing demonstrations, doing road shows and so on. These are all activities, which are related to lead generation.

So, the end of the funnel, where you actually the product has been purchased a customer has been created is going through this long process. And as you can see if you are able to have higher level of retention, then you are eliminating many of the costs associated with the first two stages of the bigger part of the sales cost, and that is why, today there is a higher emphasis on customer retention as opposed to customer acquisition, because cold calling collecting a list of all possible prospects all these are very expensive propositions. So, if you can jump straight into hot prospect identification, your ability to create customers will be much more cost effective.

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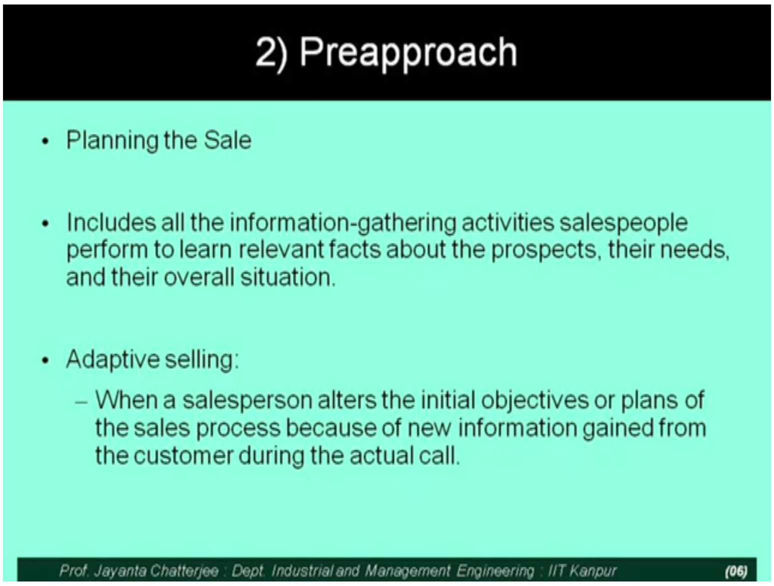

Pre approach is kind of a arising from what we discussed in the during the last week, which is a lot of understanding to create the planning the strategy for the sale, it needs lot of information gathering, desk based research as well as field research, getting inputs from service people, getting inputs from exhibitions all those things as we discussed. And in the pre approach also you have to we will discuss it in a little bit more detail that the pre approach also means good sales training processes, where you will be creating the ability for adaptive selling in your sales force.

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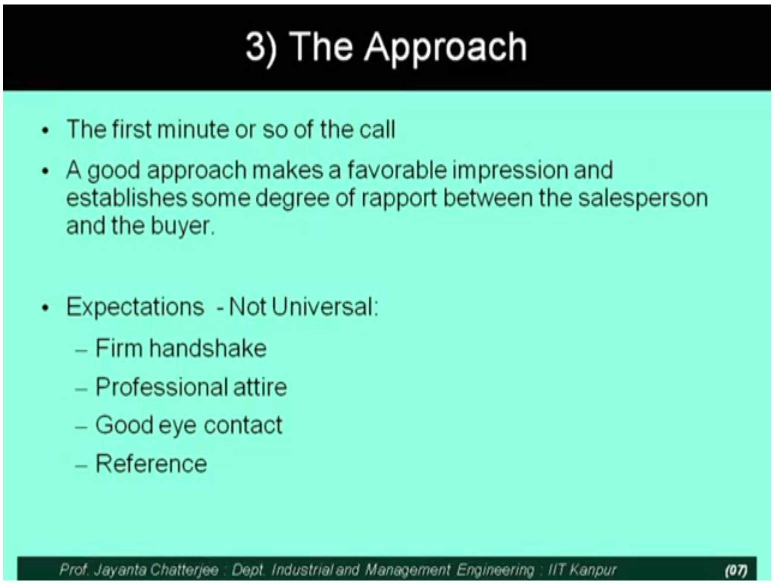

Now, the third step which is called the approach is a very crucial, and somewhat intangible stage. And therefore, a lot of it needs a practice, and deep understanding of you in relation to a sales its situation. Some of the sales management issues, we discussed in the previous week that how you need to listen more than talk how you need to be open and receptive.

And you need to be open and receptive not only in action, but you should appear to be open and receptive, because the first minute of a sales call the first time you meet the customer enter into his or her office or meet the person at an exhibition very important minute, and because the impression that you make as we have discussed last week also. The first impression is a key guide to the last impression.

And therefore, your ability to project and open honest, integrity your ability to project an image of a concerned and knowledgeable individual is very important. Some of the things that we as we discussed last week; we will come from some trivial, but important. Like for example, a good handshake of course it is not an universal requirement, but in the western style of selling the handshake a becomes important.

In the you know in many Indian situation maybe just holding your hands and that may be enough, but usually industrial selling is now getting more and more into a certain kind of western etiquette paradigm. So, this professional attire good eye contact very very important, because usually you know I pointed out the importance of body language.

And maybe we will discuss it a little bit more later on, if we have time with respect to different behavioural aspects.

But, you can its almost commonsense that if somebody is talking to you, but not looking at you not making eye contact, you will feel that there is something wrong with this person. This adjectives like shifty or somewhat you know peculiar or not a very straight person, all these can come just if you do not make good eye contact.

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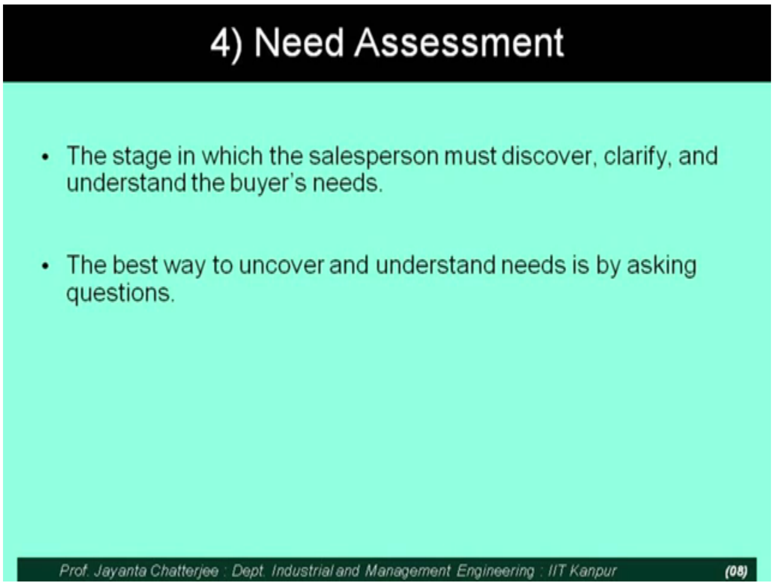

And of course, reference is a very good and effective way of making a good impression that means if you are meeting somebody, already from a reference of a satisfied customer, and then it is a greater a if the likelihood is better that you will be able to create a good first impression.

Need assessment this we have discussed in more a lot of detail in the previous sessions that how this need assessment should not only be explicit immediate need, but it has to be understood in terms of associated needs, in terms of immediate consumption as well as the whole chain of consumption. So that you can not only understand explicit needs, but you can also understand implicit needs.

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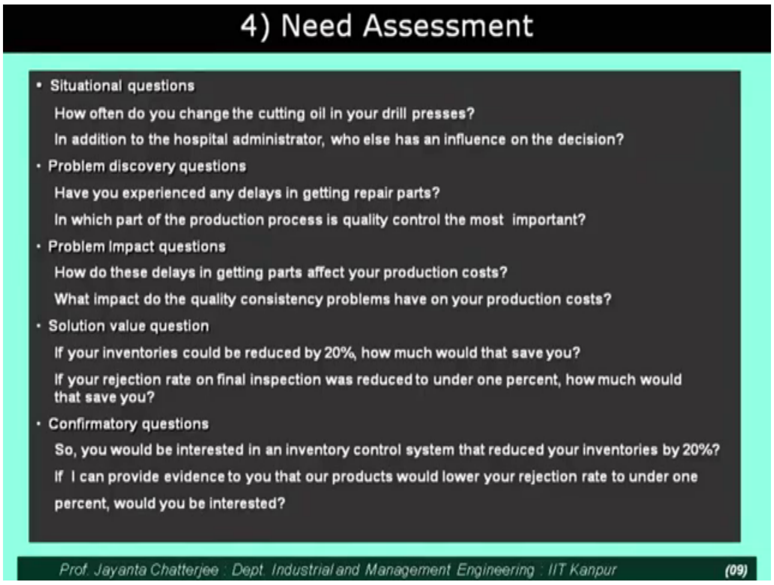

So, need assessment again is comes from intelligent questioning. In this session, I am again and again emphasizing your understanding of questioning putting forward the right kind of questions in the right kind of style and manner as, so that you can extract the necessary building blocks of information that will guide your sales strategy forward.

So, for example you know you the these are different classes given from research, like there are questions which are called situational questions, where you try to understand the situation that how often do you change the cutting oil in your a drill or in addition to hospital administrators, who else will be involved in this particular decision making. So, these are questions relating to the situation, where the sales will happen.

Then you have problem discovery questions that problem discovery is what is coming out from the discussions we add yesterday that means, you are looking at tangible problems that your product or service need to address as well as you know some associated like how do you experience any delay in getting repair parts that will give you the clue to come up with the solution approach, where a certain kind of availability of regional service will a become an important part of your sales propose or what kind of contribution is expected from in the in your quality control, in your quality assurance system from this particular product that you are looking for.

The impact your product can create on the problem situation or and at the end of these various types of questions, you must have a confirmatory question, this is a very important concept. A confirmatory question puts together your understanding from the previous questions, and by are making or articulating that explicit question, you may be able to get a good understanding of the importance of that question not only you are seeking the answer to the question, but you are also trying to asses that how important is this question, because those will guide you to create the solution that you are going to propose.

So, a typical type of confirmatory question is so you would be interested in an inventory control system that reduces your inventory by 20 percent or if I can provide evidence to you that our product would lower your rejection to rejection rate to 1 percent, I am sure you will be interested or would you be interested and so on. So, you see here we are trying to put forward a question, which puts together our understanding from the previous questions, and trying to put some value or some measure.

Of course, here you must have the expertise in the customer’s process, you must have a good product expertise of what you can offer, then only you can say that you know my software will reduce your inventory cost by 20 percent. So, it can be because, obviously once you make this statement that can become a guiding principle in the mind of the buyer. So, do not make false promises, which you cannot keep or two ambitious promises through this question that you will not be able to meet.

So, understanding of the whole situation and the nature of the problem, the explicit problem, and the implicit problems all those put together will help you shape the confirmatory question, but in the confirmatory question you it is expected that you have good product expertise. And you have good understanding of the customers process and customers requirement. And then you will be able to create this kind of question, which will give you lot of good insight as well as you may be able to get closer to the customer, because you might be touching a real pain point.

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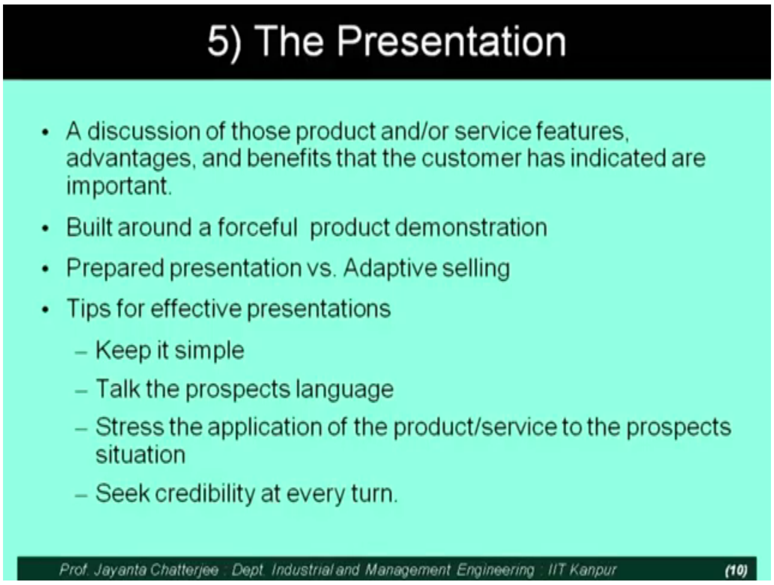

And presentation I will discuss in much more detail later on when we discuss sales presentation, but at this stage I will just a point out some common sense issues that your presentation must be kept simple it must be in direct language, and it must be presented in the prospects language. But here language does not mean English or Sanskrit or German, it means also that when you address the purchaser, purchase manager, your language will focus a lot on the commercial side. Whereas, if you are actually talking to the user your language may have to focus more on the technical side and so these variations, you should be able to manage in your presentation.

And most importantly your presentation must project and not only at the openness and expert expertise based concerned based approach that we discussed. But also you must therefore project all put together at every stage of presentation, your credibility as the sales person on the spot and your companies credibility.

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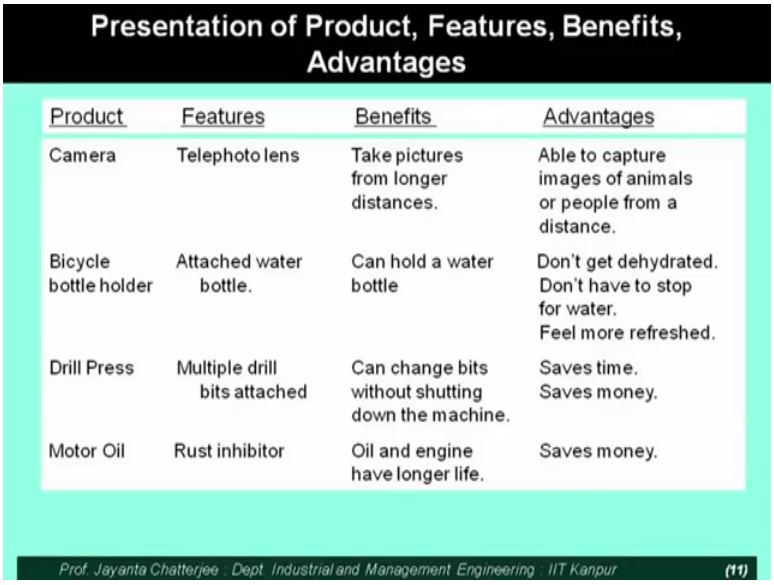

The often this is achieved by focusing on facts as well as certain intangible benefits. So, suppose you are actually selling a new design of drill press, where multiple drill bits are attached to the tool, then you are pointing out the benefit that the tool can changed without shutting down the machine and then you are actually talking about the long range benefits that it saves time, it saves money and so on.

So, some of these examples that if you have a telephoto lens in a camera, then you will be able to capture images of animals or people from a distance is just explain series of facts. But you can associate it and emphasize it if you are trying to sell a camera to say may be a professional photographer, a newspaper or media photographer, or a wildlife photographer as opposed to somebody who is just looking for a good reliable solution for family photographs. So, understand the occasion, understand the user, create a proposition which makes sense in that situation.

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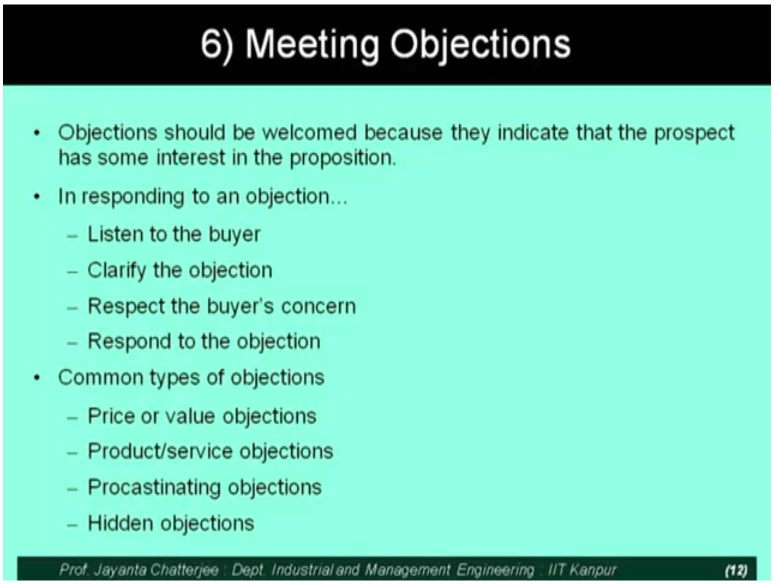

Now, comes the other important part meeting objection. Objections will always be there in almost all sale situations. The objections can be just a negotiating stance or the objections maybe genuine. To distinguish a you know the between price or a value type of objections and procrastinating objection, that means the customer is not immediately ready to buy, and therefore, creating objections to keep you engaged I mean the customer is interested in your proposition, but the customer may not be as yet ready maybe budget is not yet available. So, they may actually raise different kind of objections to keep you busy and keep you engaged.

But sometimes the objections will not be voiced and a hidden objection can create a lot of surprised at a late stage. These you have to understand. And understanding this starts from a very simple thing that we discussed last week about do’s and don’ts in the sales process that you listen to the buyer listen; and listen and listen, and talk less. And when you are actually facing the objection, you may need to go to that I wants to be an important issue and let us understand it in little bit more detail in the context of your process or your usage.

So, what is happening is that you are trying to go through the objection to understand that how important it is and it is nature that whether it is a just a negotiating objection or procrastinating objection or it is actually a deep requirement which you have not identified. Also it will sometimes help you uncover when you are actually trying to clarify the objection, probing on the objection in a positive manner not in a defensive manner or you versus I type of situation, but you are trying to understand, understand, listening more, triggering questions which therefore three words from you should generate 30 words from the customer that sort of situation if you are able to do well in framing your response, then you may be able to also uncover some hidden objections. Or some objections which the customer may be making due to some wake and ease and together you can find out the objective base of that unease.

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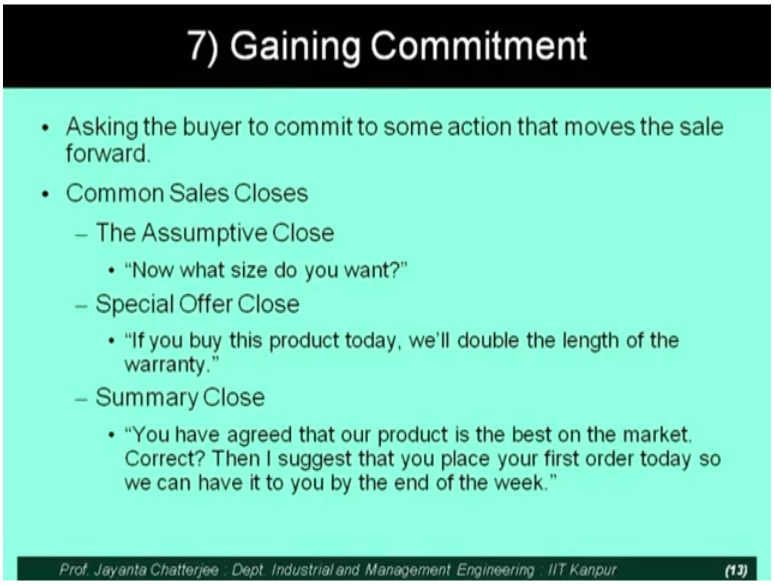

And once you have gone through the objections, and you have responded to the objections, and the customer is in a the more positive frame in your favour, do not neglect the importance of closing or getting closer to the closing situation. Which means that try to make statements that take you forward to the final signature or the final order, so some of this close closing questions are questions like you know what size is therefore you will finally need this is an what we call an assumptive close where you are assuming that the customer has already decided in your favour and in the in favour of your range of products.

And if the customer response to this particular question that what sizes will you need, you will get insight the feeling that, yes, I am now getting closer to the closure. Or if you buy this product today, we will double the length you know, that means, you are actually creating a special occasion or some incentive for creating a sale right at that moment. So, we often do this, ok, this buy one get one free, or we will give you a higher warranty length if you make a decision now. All of these are important types of closing questions. And finally, just as in the previous slide I talked about the, this what we call the summary question and that puts together all the different understanding from the past.

Similarly, in the closing situation also you will have this type of closing question where you are somewhat provoking the customer in a in a decent manner to understand that how close you are to the real sale. Like if you have a like if you say I understand that you have agreed that our product is the best in the market correct, then I suggest that you know you place a first order. And we can get it to you by next week, and then you can you know get going.

Now, here this is a bit bold question and this to some extent maybe provocative to say, so you accept that our product is the best in the market. If the customer continues to object, then you may be able to through this process of course, you have to do this in a way that the customer does not feel that you are too presumptive or you are too what should I say too arrogant or you are taking the customer for granted. No, do it in a nice manner in the with the proper lubricating conversations, then if the customer accepts this statement that you agree that our solution is the best then it means you are very close to the sale. But if the customer further objects, no, no, no, I think your computer A, B, C, D they have this x, y, z other possibilities which you do not have etcetera it gives you guiding points of further improving your sales proposition.

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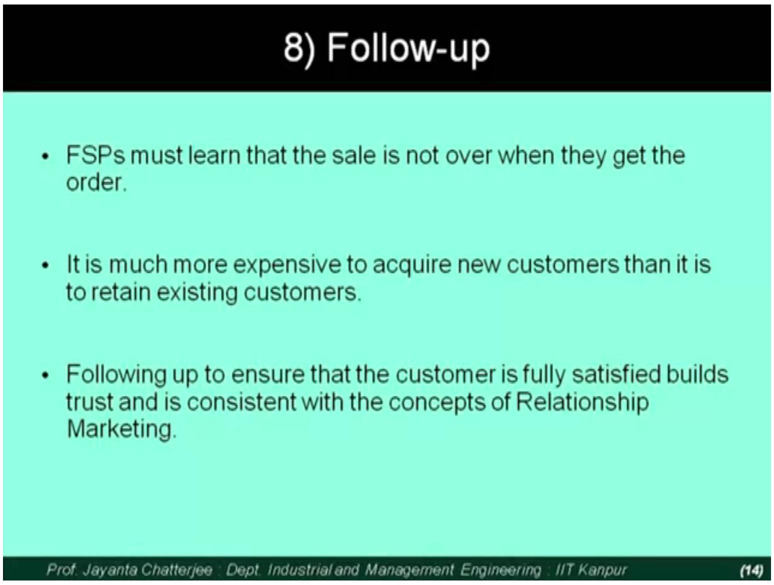

And then comes this question of follow up this is something that was quite neglected by the earlier sales professionals that means, they often disengaged from the sales from the customer once the sale was made. Because they said ok, now, it is the responsibility of the operations people now it is the responsibility of my service people to deliver the product and keep it running.

But today we understand that the relationship that is created by the salesperson to create and get an order that is a very precious relation and that should be maintained at all cost over all time. So, which means that a sale has been made, and the product is in the process of getting delivered or might have been delivered and has been already installed by the service people. The product is performing and sometimes the service people are interacting, the sales person really at this stage has no objective of getting another order immediately.

But the sales person must visit the customer must talk to the customer, must keep enquiring that is everything ok. Sales persons are normally under tremendous pressure to meet quota, and they ignore spending time on such they feel it is just spending time on nice cities. What I am trying to point out is no this follow up on a sale already made as a part of the sales process is extremely important today, because as we mentioned that today's selling is relationship oriented, it is retention driven as opposed to acquisition driven.

So, you must spend enough time on retention you must pay enough time to enough attention to retention issues. And therefore, you should keep on interacting with the customer, identify what is keeping them happy, what botherations they are facing, you will have a superior sales process if you do that. So, this was a short discussion on the fundamentals of the sales process. And I introduce to you the building blocks or the steps in the sales process, and some of these we will take up in greater detail in the following sessions.

Thank you.