

BCOS-186
Personal Selling and Salesmanship

BLOCK

3

Selling Process

UNIT 8

Sales Process

UNIT 9

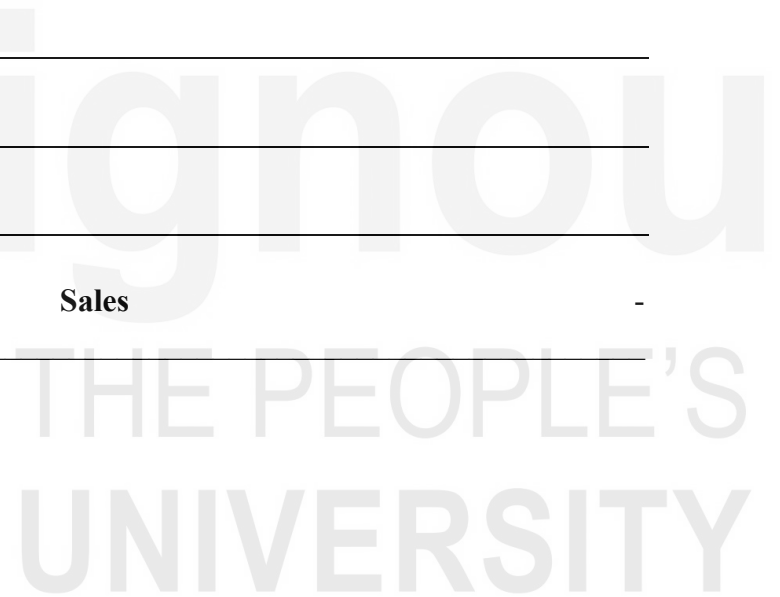
Sales Presentation and Demonstration

UNIT 10

Concluding

Sales

-



BLOCK 3 SELLING PROCESS

In the previous block, you have learned about buying motives, buyer behaviour and sales force motivation. In this block, you will learn about sales process, sales presentation and demonstration and methods of concluding sales. This block consists of three units:

Unit 8 explains the meaning of sales process, steps in sales process. This unit will also discuss about the methods of approaching prospects and how to make sales presentation and demonstration.

Unit 9 discusses the principles of effective presentation, planning the presentation strategy, essentials, tools and techniques and steps involved in sales presentations and demonstration.

Unit 10 discuss the various techniques of closing sales, sales resistance, handling of objections, and post sales services.

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UNIT 8 SALES PROCESS

Structure

8.0 Objectives

8.1. Introduction

8.2 What is meant by Sales Process

8.3 Steps of Sales Process

8.3.1 Prospecting and Qualifying

8.3.2 Planning the Sales Call (The Pre-approach)

8.3.3 Approaching the Prospect

8.3.4 Making a Sales Presentation and Demonstration

8.3.5 Dealing with Prospect Objections

8.3.6 Closing the Sales

8.3.7 The Follow Up or Feedback

8.4 Let Us Sum Up

8.5 Keywords

8.6 Answers to Check Your Progress

8.7 Terminal Questions

8.0 Objectives

After studying this, unit you should be able to:

- define and explain the steps in the selling process;
- discuss the needs of a prospect and prospecting methods;
- enumerate various methods of handling customer objections;
- state various methods to approach the prospect; and
- describe the concept of closing the sales.

8.1 Introduction

The selling process is a process wherein a salesperson identifies and qualifies the prospects, approach them, make a sales presentation, handle their objections and closes a sale. It is the responsibility of the salesperson to follow up with the existing prospects and further identifies sales leads to continue the process further. It is 90% preparation on prospects handling and 10% on sales preparation. So, salesperson must have scientific method of handling prospect and presentation for synergistic effect. In this unit we will discuss the meaning of sales process, what are the different steps in sales process, what are the various strategies used by salesperson at different stages of sales process and how can they maintain good relations with their prospects through feedback of follow up process.

8.2 What is Meant by Sales Process

A sales process is defined as a sequential step that a salesperson performs over a sales cycle to convert a prospect into a customer. Usually a tried-and-tested process, it acts as a guide for salespeople to move a deal through the sales pipeline and close it. It is a step-by-step process which begins long before the contact of the customer and the salesman.

A sales process is a set of activities undertaken to successfully obtain an order and develop long term customer relationship. A sales pipeline is a visual snapshot of opportunities in different stages of sales process. It also enables salespeople to know which deals to focus on, where do they need to put extra efforts, and how much are they likely to make in the coming months.

Benefits of Sales Process

A structured Sales process provides the following benefits:

- Develops and nurtures deeper understanding with the prospects
- Get more qualified leads
- Helps to implement marketing strategies effectively
- Lowers the customer acquisition cost and bring more customer referrals
- Allows to speed up the sales
- Move deals seamlessly by undertaking bottlenecks
- Forecast accurate numbers

8.3 Steps of Sales Process

Organisations can follow different steps in sales process depending upon the nature of business and different types of sales teams and representatives. Different sales teams follow different sales processes. Mentioned below are the generic steps that can be followed by all organisations:



Fig 1: The 7 Steps of a Sales Process

Let us learn these steps in detail.

8.3.1 Prospecting and Qualifying: It is a process of identifying prospective buyers of the product. A lead is not the same thing as prospect. A lead is one for which the salesperson has contact information. Once the lead has been qualified it becomes a prospect. An individual or an institution may be qualified to be a prospect if he has the *need, authority,*

ability and eligibility to buy. Improvement in prospecting is one way to stretch productive selling time. Sales persons who are proficient in prospecting apply their selling efforts productively and do not waste time on; non-prospects.

It is a wastage of time and effort and also unethical for salespersons to sell their product to people who do not **need** it. Salespeople should sell their product in such a manner that product do not come back but the customer do. Individual and organisations who do not have the **ability to buy** should not be pursued because they will try to postpone their purchase. Too much of sales persons time is wasted talking to people who do not have the formal **authority** to purchase a product. Majority of the time organisations have a buying committee who are responsible for making purchase. Purchase decisions may even be shared at consumer level between the family members. Before approaching a prospect, a sales person should confirm that the prospect has **eligibility** to purchase the required product.

Activity1

On the basis of examples below identify if the following leads will qualify to be the prospects and why:

1. Selling a Kanjeevaram silk saree to a household worker for personal use.....
.....
2. Selling a typewriter to a computer operator
.....
3. Convincing a clerk in a real estate company to convince the CGM of the corporate to provide the tender to a contractor.....
.....
4. Convincing a son of rich businessman to purchase a car.....
5. Selling Crizal lenses to a well sighted person

Steps in Prospecting

It is important to define your prospect so that the selling efforts are focused from the very beginning. Once the prospect is defined it is important to search for the potential prospects: where they are located so that the information about each tentative prospect can be collected.

Prospects with requirement ‘too small’ to represent profitable business are removed from consideration. In case more detailed information is needed personal visits may be handy to separate prospects from non-prospects. Finally, it is important to relate the company’s product to each prospects’ requirement in terms of its uses and application from customers point of view.

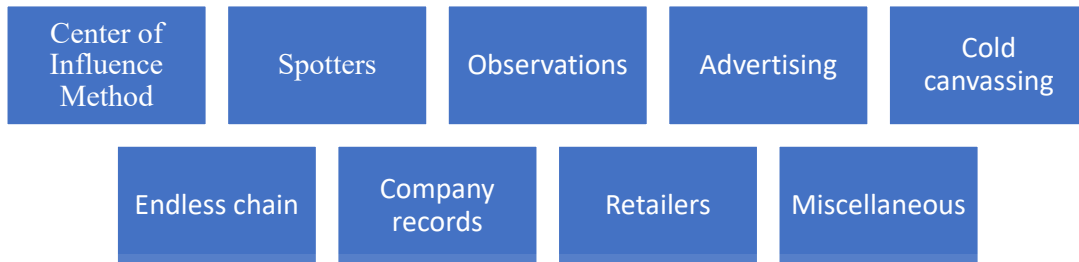


Fig 2: Major Prospecting Methods

Major Prospecting Methods

- i. **Centre of Influence Method:** Salespersons may join organisations, clubs like gymkhana club, press associations, lion’s club where they interact with people of influence who may become their clients or may assist in future networking. However, while doing so the sales people need to maintain a low profile so that the interaction seems accidental rather than intentional.
- ii. **Spotters:** They are also known as ‘sales associates’ and they help the sales person in further spotting the clients or providing a lead for a fee. Current satisfied customers, taxi drivers, clerks or even competitor’s sales persons can be a good source in providing referrals to the sales person.
- iii. **Observations:** Organized and scientific observation may provide salesperson with many fruitful leads. For example, reading newspapers, visiting shopping malls or interacting with people as a part of daily activities may provide sales people with information regarding new job offers, marriages, deaths, births that may indicate change in people’s need and requirement for diverse products.
- iv. **Advertising:** Efficient advertising by the companies in newspaper, radio, television and magazines may also attract the prospect to contact the salesperson and initiate sales.

- v. **Cold canvassing:** It is also known as ‘random prospecting’. In case of daily use products that are needed by everyone, simply knocking at the door to uncover potential prospects can be an efficient technique in generating sales.
- vi. **Endless chain:** By using referrals and testimonials from the satisfied customers, the sales representatives can develop endless chains of lead, but in such case contacting satisfied customer is of utmost importance otherwise chain may be broken.
- vii. **Company records:** Obtaining information from internal records of the company regarding list of customers, their profile, likes and dislikes may reveal information about potential prospects.
- viii. **Retailers:** They are in direct contact with the customers and are familiar about their tastes, needs and preferences.
- ix. **Miscellaneous:** Trade fairs and exhibitions, trade publications, computerized database, group or party plans organised by Tupperware, Oriflame and Amway invite the interested people to follow up later.

ACTIVITY 2

Discuss with the salesperson of an insurance company, an educational institution, a real estate broker and identify the prospecting methods and strategies used by them and discuss why they used those strategies?

Salesperson of an insurance company.....

Salesperson of an educational institution

Salesperson of a real estate broker.....

8.3.2 Planning the Sales Call (The Pre-approach)

This is the second step in the selling process in which sales person gather information about the needs, behaviour, nature, likes, dislikes, preferences, economic and social status so that sales person equip himself to give effective sales presentation accordingly. This kind of preparation to meet the prospect is called **Pre-approach**.

The significance of pre approach lies in concentrating only on prospects and not suspects, hence saving time. It also provides all the required information about prospect so no loose talks or mistakes may happen and sales person can give sales presentation more efficiently and effectively. This builds up the confidence of the salesperson and demonstrate professionalism on his part. It also helps in developing goodwill between the salesperson and the prospect and enhance the probability of making a sale.

Planning the sales call requires **obtaining strategic information** about the prospects like their name, position, personal background, educational background, technical knowledge, normal buying behaviour, personality traits, authority in the decision making etc. Sales person must understand total buying situation and try to gather information from trade associations, chambers of commerce etc. Salesperson may also obtain preliminary information by gathering first-hand information by making a preliminary call. Such a detailed information is necessary to provide complete solution to the buyers.

A number of steps can be taken to **ensure a positive response by the sales person**. A senior official in the company can be asked to set an appointment and salesperson can send a sales promotion gift also known as 'door openers' like pen, key ring, calendar or diary along with a personalized letter and brochure targeting buyer's needs. Once the appointment is finalized the salesperson should plan his sales call route to minimize travel time and expense. Reconfirming the appointment on the scheduled day is always better to avoid unexpected cancellation of appointment.

ACTIVITY 3

1. What kind of strategic information a salesperson selling a vacuum cleaner and a salesperson selling water purifier would require regarding their prospects before approaching them directly. Prepare a checklist of eight items for the same.

Checklist of a salesperson selling vacuum cleaner:

- 1.....2.....
- 3.....4.....
- 5.....6.....
- 7.....8.....

Checklist of a salesperson selling water purifier

- 1.....2.....
- 3.....4.....
- 5.....6.....
- 7.....8.....

2. Compare the checklist of both the salespersons, one selling vacuum cleaner and another selling water purifier. Is there any difference? Why?

.....

.....

.....

.....

.....

.....

.....

8.3.3 Approaching the Prospect

This is when prospect and salesperson come in direct contact with each other. Since this is the first opportunity for face-to face interaction, the salesperson should put his best foot forward and try to gain attention of the prospect by explaining the utility and true value of the product. He should create an impression through his personality, product information, professionalism and command of the situation. A salesperson should always be very well

mannered through-out his interaction with the prospect and show positive attitude to criticisms. This provides salesperson an opportunity to judge if the prospect has positive inclination towards his product.

A salesperson should always avoid paying surprise visits and should try to meet the prospects during the slack hours rather than odd hours like too early in the morning or too late in the evening or during financial closing. It is always advisable to meet during the slack hours. A number of methods and strategies can be used by the salesperson to approach the prospect depending upon the selling situation as explained in Fig 3.

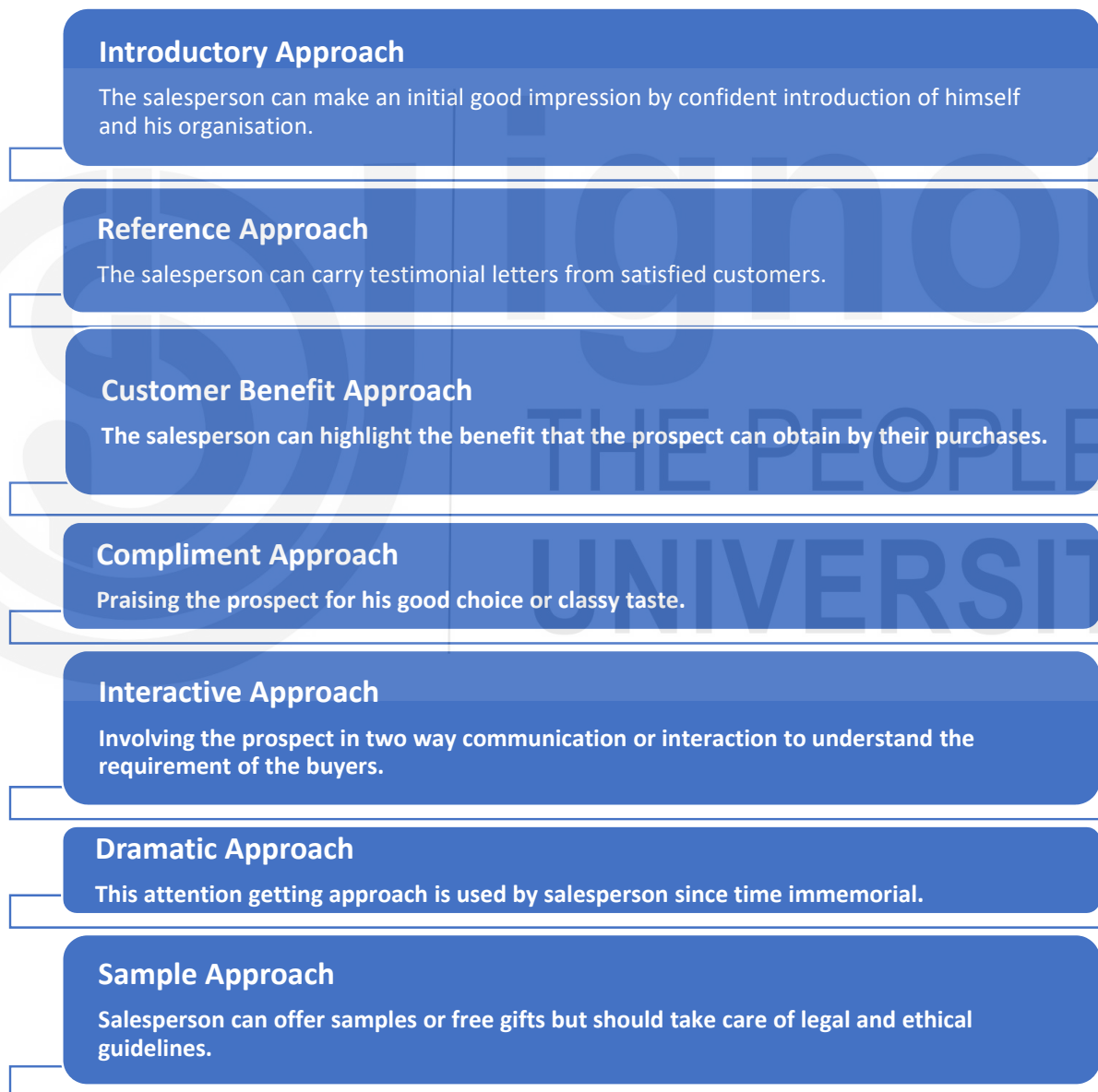


Fig 3 : Methods for Approaching the Prospects

ACTIVITY 4

Identify which approaching method has been used in the following sentences:

1. “Well, I must say Mr. Sharma the interior of your office is very attractive. You have very good taste”.....
2. “Using our product will reduce your energy consumption by 15%”.....
3. “The furniture of our company is light weight, folding, adjustable and also anti-bacterial”.
.....
4. “What is the purpose for purchasing a printer, personal or official?”.....
5. “Let me show you how you can turn your white hair into black within 10 minutes”.....
6. “You can get Free headphones with purchase of a laptop”.....
7. “The premium that we offer if you purchase car could be a year of free gas-fill ups”
8. “Using this lightweight projector will create a balance between size, price, brightness and comfort. A perfect solution for last moment business trips or for work at home presentations”
.....
- 9 “Your friend xyz is satisfied with our washing machine and suggested that I contact you”
.....
10. Welcome to our Apex Audio. Have you been into our store before?

8.3.4 Making the Sales Presentation

Making the sales presentation or demonstration is an exercise to showcase the characteristics of the product and highlight its utilities, performance, services and quality. If the salesperson is able to make the product appeal to the customers half the battle is won. Prospects should be allowed to handle the product. If the prospect can test the product successfully in front of prospect, it will enhance the confidence of the prospect and buying decision is reinforced. Salesperson should never compare their product with the competitor’s product. Help can be taken from overhead projectors, videoplayers, tape recorders to demonstrate the product to

the prospects so that it appeals to all five senses viz: sight, hearing, touch, smell, and taste. Sales persons should make sincere efforts to influence the customers through all senses so that the customer may generate their interest towards the product.

Check your progress A

1. Which of the following statements are **True** and which ones are **False**:

- i. Sales process is a step of sequential steps that cannot be repeated. (T/F)
- ii. Qualifying a prospect on the basis of eligibility is a wastage of time for the salesperson.
- iii. Efficient sales person who aims to focus on productive selling should take time to qualify their prospects.
- iv. Forceful selling is the essence of success for a salesperson rather than to get entangled into the nitty-gritties of courtesies and mannerisms.
- v. A salesperson should always pay surprise visits to his prospects because these surprises rejuvenate his prospects and alleviate their boredom.

2. Fill in the blanks

- i. This stage involves the first opportunity for face-to face interaction, between the prospect and the salesperson and the salesperson should put his best foot forward, it is known as.....
- ii. In this approach a salesperson may carry references from previous customers, it is known as
- iii. An individual or an institution may be qualified to be a prospect if he has the need, authority..... to buy.
- iv. It is very common for the salespeople to overreact and indulge in a kind of performance to get prospects attention. This is known as
- v. Current satisfied customers, taxi drivers, clerks can act asand help in providing a lead for a fee.

8.3.5 Dealing with Prospect Objections

Seldom will the prospects can be taken straight from sales presentation to closing the sales. Once the product characteristics have been demonstrated any rational prospect will have

certain questions, doubts, objections in his mind about the performance of the product. So, objections should be taken as a positive sign of interest and involvement. It may be an indirect way of asking for more information, more time, more convincing or more assurance before they commit themselves. This is just to safeguard themselves to avoid taking a wrong decision. It is the responsibility of sales persons to remove such objections or barriers to the sale. Resistance can be expressed verbally (e.g. ‘I am not clear how will this product help me’) or in a non-verbal manner (e.g. Prospects facial expressions show that he is confused or is in dilemma). Sales objections is an indication that the prospect is paying attention to the sales presentation and may be interested if the objections can be addressed effectively.

Sometimes prospects objections may be to get out of the selling situations or brush off the salesperson. Like they may say, “we are just exploring our options right now” or “we are not ready to take a decision today” or “we do not have money right now”. More often such statements indicate purchase anxiety which can be handled by reducing their risks by providing more information to them or link the product with their needs. Salesperson can use a number of methods to handle prospects objections:

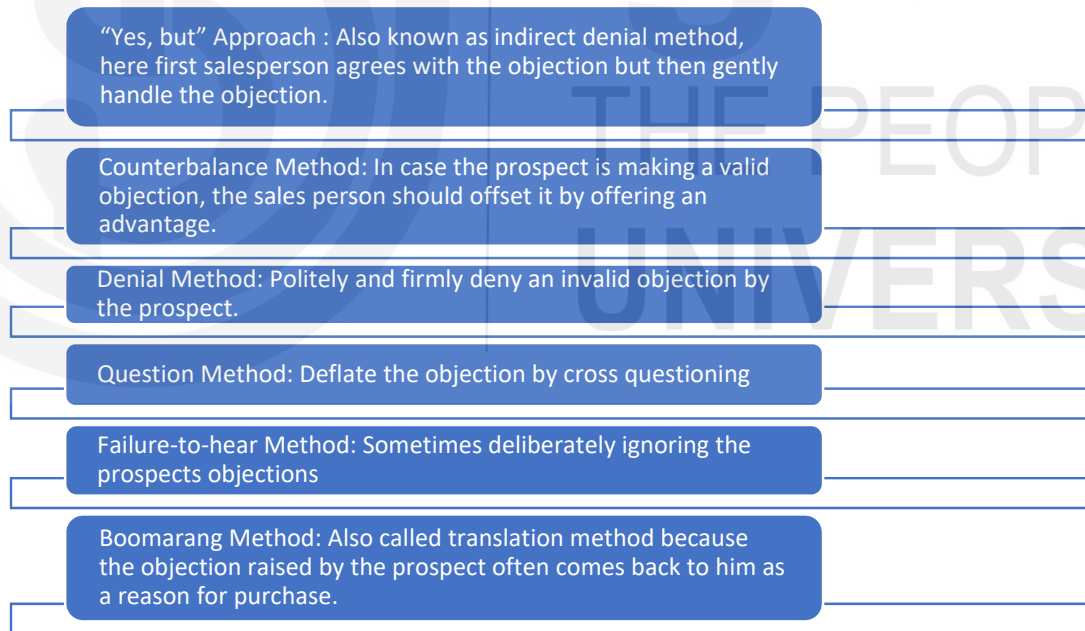


Fig 5: Methods to handle Objections

Rules for overcoming objections

- Never argue with your prospects
- Always refer to an objection as an ‘interesting point’

- Don't jump into providing an answer or be in a hurry to answer. Give a pause then answer thoughtfully
- Don't overanswer. Stick to what has been asked
- If you don't know the answer then the best is to gather the information and then provide an answer
- Don't be drawn into useless discussions
- Be confident and never doubt your answer

ACTIVITY 5

Identify which method has been used to handle objections in the following sentences:

1. Buyer: "We cannot afford to purchase this product."

Salesperson: "Yes, but can you afford not to purchase it?"

2. Buyer: I think this ring is too expensive

Sales person: I do believe it is. I assume you don't want to gift your wife a much cheaper present.....

3. Buyer: I don't see the need for screen guard for the laptop

Salesperson: Do you have kids? If yes then you will be needing it.....

4. Buyer: The fabric of this shirt does not seem to be of the best quality

Salesperson: Yes, you are right. If it had been, the price would have been considerably higher.....

5. Buyer: the colour of this fabric is likely to fade

Salesperson: No, the material will not fade and it has been lab tested that the colour is a fast one.....

8.3.6 Closing the Sales

Once the salesperson has demonstrated the product and handled sales objections then finally the salesperson should close the sales at the right time. Closing time provides an opportunity to register tangible proof of selling skills. Inadequate preparation, poor impression, failure in meeting objections or wrong approach on the part of the salesman may come in his way. For a salesperson such rejections are painful especially if they are on continuous basis. However, if the salesperson has been successful in maintaining good relationship with the prospect closing the sale is a logical outcome.

There can be many ways of effectively closing the sale:

- Taking for granted
- Offer some incentive to purchase e.g discount or a small gift
- Telling success stories of people benefiting from it
- Creating fear of loss
- Stressing small relevant details
- Requesting straight for an order

Every salesperson reach closing with certain apprehension as he cannot be 100% sure because sometimes even after smooth flow throughout the sales process it may not end in sale. If it is a high-pressure sale the salesperson has to convince the prospect that the product is good for him and need effective persuasion to close the sale. Even after refusal of customer salesman should not give up and aim for at least five 'trial close'. A trial close is to see if the prospect is ready to buy and salesperson can close the selling procedure.

Prospects may provide a number of closing cues to the salesperson. For example, 'prospect may begin handling the product'; prospect starts testing and trying the product; 'prospect has nothing more to ask'; 'prospect start asking about the final price, installation, delivery etc.;; 'prospect unconsciously reach for his wallet.

The salesperson may try for 'indirect trial closes' by asking questions like:

- 'Which colour you prefer to buy'
- 'What is your favourite payment option, cash or card?'
- 'The washing machine is absolutely maintenance free.'
- 'When and how will you like it to be delivered'

If even after theses 'indirect trial closes' salesperson fails to close the sale, then he should try for 'direct closes' Sometimes prospect expect the salesperson to 'push them into buying'. It makes them feel important and also put them at much better bargaining position. But certain prospects may respond negatively to such frank requests.

After all these efforts, if the prospect does not show any inclination to purchase the product the salesperson should continue to sell the product by providing more information about the product, stressing upon the positive points, summarising the benefits of the product, offering better price or extending the corporate warranty.

ACTIVITY 6

1. Suggest a suitable strategy for closing the sale of:
 - a) Washing machine
 - b) Car
 - c) Insurance
 - d) An apartment
 - e) A holiday package

8.3.7 The Follow Up or Feedback

Once the product is sold it is very important to take the feedback or follow up with customers to ensure if they are satisfied with the product. This step is very important to reduce post purchase dissonance of the buyers. The buyers may suffer from anxiety regarding their purchase decision. This anxiety can be reduced to a great extent by constant and continuous follow up and re-assuring the buyers about their right decision. It is very important to listen to buyers' feedback even if it is criticism because it provides an opportunity to improve the product and encourage repeat purchase behaviour.

Moreover, if the company do not listen to their criticism, they will bad mouth it to others and this will harm the credibility of the company. It is said that if the customers are dissatisfied only 10% customers come back to you and the remaining will bad mouth to others. Feedback may also help the salesperson to introduce complementary products of the company. A satisfied customer will always be brand loyal and can be used as a reference for establishing future contacts and networking. This is what relationship marketing is all about.

The following steps can be taken by the salesperson after the sales:

- Concentrate on account penetration. Look for people with needs and problems that can be satisfied by you.
- Maintain contact and relationship with customers.
- Handle customers complains immediately because this demonstrates your commitment towards them.
- Always keep your promise as nothing destroys the relationship then not keeping your promises.
- Become a valued partner in business. Shift your role from a salesperson to trusted advisor for customer.

- Appreciate your customer by offering him a birthday card, or a thank you note or, a thank you call.

Check your progress B

1. Which of the following statements are **True** and which ones are **False**:

- Sales objections is an indication that the prospect is paying attention to the sales presentation and may be interested if the objections can be addressed effectively.
- Salespersons should not listen to the criticism by buyers because the more they listen, the more buyers will complain.
- Creating a fear of loss in people can be an effective method of closing a sale.
- Salesperson feel relax once they have sold the product and should forget about the current customers and start afresh.
- Low pressure sales throughout is an indication that prospect will surely purchase the product.

2. Fill in the blanks:

- Prospects objections like they may say, “we are just exploring our options right now” or “we are not ready to take a decision today” show.....on their part.
- Nullifying prospects objections by cross questioning is known asapproach.
- Which color customer would like to buy, which payment option he will use are the few examples of
- Offsetting prospects valid objection by providing an advantage is known as
- Feedback of follow up is very important to reduce of the buyers.

8.4 Let Us Sum Up

This chapter discusses the process of selling as many sales people use in it the field. A sales process is defined as a set of sequential steps that a sales person performs to convert a prospect into a customer. It also enables sales people to know which deals to focus on, where they need to put extra efforts, and how much they are likely to make in the coming months. Different organization operating in different industries has to follow the basic selling process. For example, an automobile company will have different selling process as compared to a company selling insurance.

The process of selling involves a series of seven steps that commences with prospecting and qualifying, Pre-approach, Approaching the prospect, sales presentation, handling with customer objection, closing the sales and finally, the follow-up action. An effective selling process bolster the managers and organization to accomplish their aims and goals set for the individual, territory and organization.

Prospecting and qualifying is a process of identifying prospective buyers of the product. An individual or an institution may be qualified to be a prospect if he has the **need, authority, ability and eligibility** to buy. The major prospecting methods are center of influence method, spotters, advertising, endless chain, observation, cold canvassing, company records, retailers etc.

The second step in the selling process Pre-approach in which sales person gather information about the needs, behaviour, nature, likes, dislikes, preferences, economic and social status so that accordingly sales person equip himself to give effective sales presentation. The significance of pre approach lies in concentrating only on prospects and not suspects, hence saving time.

Third step is Approaching when prospect and salesperson come in direct contact with each other. The salesperson should create a good impression on the prospect through his personality, product information, professionalism and command of the situation. A number of methods and strategies can be used by the salesperson to approach the prospect depending upon the selling situation this includes introductory approach, customer benefit approach, compliment approach, reference approach, interactive approach, dramatic approach and sample approach.

Forth step is Making the sales presentation or demonstration which is an exercise to showcase the characteristics of the product and highlight its utilities, performance, services and

quality. If the prospect can test the product successfully in front of prospect, it will enhance the confidence of the prospect and buying decision is reinforced.

Fifth step in selling process is dealing with prospects objections. Once the product characteristics have been demonstrated any rational prospect will have certain questions, doubts, objections in his mind about the performance of the product. So, objections should be taken as a positive sign of interest and involvement. It may be an indirect way of asking for more information, more time, more convincing or more assurance before they commit themselves.

Once the salesperson has demonstrated the product and handled sales objections then finally the salesperson should close the sales at the right time. This is the sixth step in selling process. Inadequate preparation, poor impression, failure in meeting objections or wrong approach on the part of the salesman may come in his way of closing the sale.

Once the product is sold it is very important to take the feedback or follow up with customers to ensure if they are satisfied with the product. This last step of selling process is very important to reduce post purchase dissonance of the buyers and enhance their loyalty towards the company.

8.5 Keywords

Sales Process: It is a set of recurring steps that a sales person follows while selling a product. It is a complete cycle which commences from identifying the customer to closing the deal with them.

Prospecting: It is the first step in process of sales, which involves identifying and qualifying potential customers. The aim of prospecting is to convert the potential customer into current customer.

Prospects: A prospect is a customer who has potential and has been qualified as fitting certain criteria outlined by a company based on its business offerings.

Approaches to selling: These are the approaches that a salesperson follow to reach the prospect and make good impression. This prepare the prospect to be receptive to sales presentation and demonstration

Approaches to presentation: These refer to the strategies adopted by a salesperson to present his product to the prospects.

Objection handling: When a prospect shows a concern or doubts about the product or service a salesperson is selling and the salesperson answered in a way that mitigate those concerns and allows the process of deal to move ahead.

Sales closing methods: These are the different techniques adopted by a salesperson to close the sales.

8.6 Answer to check your progress

- A. 1. i. False ii. False iii. True iv. False v. False
2. i. approach ii. reference approach iii. ability and eligibility iv. dramatic approach v. Spotters
- B. 1. i. True ii. False iii. False iv. False v. False
2. i. Purchase anxiety ii. question iii. indirect close iv. Counter balance method v. post purchase dissonance

8.7 Terminal Questions

1. Define Sales Process. What is the significance of sales process to sales management?
2. What are the steps involved in the sales process? Discuss.
3. What do understand by Prospecting? Discuss the various methods of prospecting.
4. What are prospect objections? Explain how a salesperson can handle the objections of a prospect.
5. Discuss the Strategies used to approach the prospect.
6. Write Notes on
 - a) Closing the Sales
 - b) The follow up or feedback

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Unit 9 Sales Presentation and Demonstration

Structure

- 9.0 Objectives
- 9.1 Introduction
- 9.2 Meaning of Sales Presentation and Demonstrations
- 9.3 Essentials of Sales Presentation and Demonstrations
- 9.4 Tools and Techniques of Sales Presentation and Demonstrations
- 9.5 Steps Involved in Sales Presentation and Demonstrations
- 9.6 Types of Sales Presentations and Demonstration
- 9.7 Types of Prospect Categories and Strategy
- 9.8 Sales Presentation Strategies
- 9.9 Case Study
- 9.10 Let Us Sum Up
- 9.11 Key Words
- 9.12 Answer to Check Your Progress
- 9.13 Terminal Questions

9.0. OBJECTIVES

After studying this unit, you should be able to:

- explain the meaning of sales presentation and demonstration;
- describe the essentials of sales presentation and demonstration;
- outline Tools and techniques of Sales Presentation and Demonstrations;
- explain the steps involved in Sales presentation and demonstration;
- distinguish between different types of Sales presentations and demonstration;
- discuss different types of prospect categories and strategies; and
- explain different types of Sales Presentation Strategies.

9.1 INTRODUCTION

Sales Presentation and Demonstration is a very important aspect of selling process. Once the salesperson has identified his prospects, planned the sales call and made all necessary preparation for approaching the prospect, next important task is to demonstrate and present the company's product. It is an exercise to highlight the characteristics and attributes of the product. At this stage, the salesperson provides detailed information about the product, narrates the benefits and features of the product and explain real value of the product. During the sales presentation, the salesperson must hold attention of the prospect to stimulate his interest and arouse desire for the product. In this unit, we have discussed the meaning of sales presentation and demonstration, the essentials of sales presentations, tools and techniques of sales presentations, various steps involved in sales presentation and demonstrations, types of sales presentations and demonstrations, types of prospects categories and strategies and various sales presentation strategies.

9.2 Meaning of Sales Presentation and Demonstration

A sales presentation can be defined as a talk, giving information about a product or service that sales person is trying to sell, or intended to persuade people to buy it. A salesperson's success in his selling career is guided by his expertise over his art of presentations. It is persuasive verbal and visual explanation of the selling proposition. Effective presentation can definitely provide him competitive advantage over his competitors. Two-way communication between the salesperson and the prospect and creating a fit between the attributes and characteristics of the product and prospect's needs helps in clearing the doubts and objections of the prospect and help in creating low pressure sales. At no stage the presentation should ignore prospect's interest, nature of the product and availability of time at salesperson's disposal to demonstrate the product. If the salesperson can use sales presentation stage efficiently and effectively, the next stage of handling prospects objections can be effectively handled. An attractive packaging of the product, conspicuous display and placement of the product in a retail outlet and, aesthetic interiors of the retail outlet are also a part of good presentation. A good presentation is as important as good product. Effective presentation facilitates in creating first impression of the customer. Therefore, the sales person should prepare well and rehearse his/her sales presentation thoroughly.

In diverse global market, salespersons customize their presentation according to the customer needs and culture of that country. For example, in Southeast Asia the Muslims and Indian community used to own fine carpets. Electrolux salespersons focussed on cleaning efficiency of Electrolux vacuum cleaners. To cater to Chinese preference for polished floors, Electrolux emphasized on floor polishers in China. Countries have diverse point of view regarding door-to-door selling. In Denmark door-to-door selling is considered as high pressure selling and is legally banned whereas in United States of America door-to-door selling is more mature. In 1990s American International Group (AIG) was successfully selling insurance policies door-to-door in China. Eventually Chinese insurance agencies like People's Insurance and Ping An insurance had to safeguard themselves against the rising competition from AIG started selling door-to-door. Unlike American, Japanese car buyers never visited showrooms and were used to being catered by car salespersons. The auto salespersons and Japanese customers had a long-term relationship. Japanese car buyers used to have several face-to-face meetings wherein trust was developed and this relationship used to continue for effective follow up. Companies like Ford who had set up big showrooms in Japan found it difficult to establish themselves. In 1990s Moscow Bread Company faced a lot of problem with selling their bread which was sold in open without being wrapped as a result more than one third of bread was getting wasted. They hired Anderson Consulting who offered a very simple but effective solution- selling the bread in plastic bags that kept the bread fresh for days and also provided place utility.

ACTIVITY 1

You must have watched salesperson involved in sales presentation and demonstration in B2B and B2C selling. What difference in their approach was witnessed by you?

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Essentials of a good Sales Presentation and Demonstrations

A good presentation should fulfill the following requirements:

- The product should be located in a conspicuous place so that it is visible to the prospect and the salesperson can also present it to the prospect without any problem. Such a sorted approach creates good impression on the prospect.
- Packaging is known as ‘silent salesman’. The product should be packed aesthetically so that it attracts the prospect and take him through the AIDA model.
- Salesperson should be well informed and he should have through knowledge not only of his company’s product but also of the competitor’s product so that he is able to satisfy the queries of the prospect in a satisfactory manner.
- A wise salesperson should never compare his company’s product with the competitor’s product nor criticize the competitor’s product. A thorough knowledge of the competitor’s product shall be used to highlight the benefits of his company’s product and disadvantages of competitor’s product.
- The task of the salesperson is to facilitate decision making by the prospect. Prospect should be shown the kind of product he is looking for. Salesperson should avoid showing too many varieties to him because this will confuse him and should also avoid too less variety because then the prospect will not be able to decide.

ACTIVITY 2

Imagine yourself as a salesperson of Sony LED TV. How will you display a good sales presentation and demonstration?

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9.3 Tools and Techniques of Sales presentations and Demonstrations

Historically sales presentations were delivered by salesperson on one-to -one basis using traditional tools like brochures, charts, slides movie clips etc. Technology further expanded the traditional way of presenting and demonstrating the product to include video cameras,

overhead projectors, telephone presentations, video conference presentations, presentations delivered via emails, internet.

Slide shows and power points do not have the ability to impress the prospects now. Increasing competition require that the message should stand out. Technology can make presentations more memorable and effective. Digital interactivity has become the buzzword today which allows the prospects and the clients to interact with the presentation making it more engaging. Companies are creating multi touch experience with their presentations. Prospects can interact with them using touch points, using their mobile or laptops sitting at home. Digital interactive software is making interactive and colorful presentations. Video conferencing that shows the body language, facial expression is an outstanding contribution of technology. It helped millions in connecting with each other during the pandemic.

The success of e-commerce lies in the power of technology that can effectively present the product using 3-dimensional presentations. Prospects are also provided options to view the product from different angles, in different colors.

However, technology fails to develop relationships and personal interaction to sales which are the foundation to sales. Salesperson should use technology selectively and chose the one that yield highest productivity and performance. A judicious blend of technology with personal touch will win the battle for salespersons.

ACTIVITY 3

1. What were the advantages of technology experienced by you in sales presentations during the pandemic recently?

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9.4 Steps Involved in Sales Presentation and Demonstration

Regardless of tools and techniques followed for sales presentation and demonstration, following logical sequential steps are a pre requisite for making sales. Let us learn them in detail.

1. **Attracting Attention:** It involves reading prospects mind and thoughts and providing them with appropriate product. Prospects attention can be gathered by well-designed and decorated retail outlet, proper illumination, attractive visuals, aroma, decoration and catchy product display so that it appeals to prospect's all five senses viz: sight, smell, sound, taste and touch.
2. **Creating Interest:** The sales persons should possess the detailed knowledge of the product and company. He should highlight the unique features of the product along with various schemes of the company so that the interest of the customers may be aroused. The salesperson create interest in the prospect by providing them more detailed knowledge about the product in terms of features, benefits of the product.
3. **Arousing Desire:** Taking the prospect to the next level in this stage the salesperson converts prospect's interest into desire by providing him emotional satisfaction and showing him that the product will fulfil his needs. The salesperson at this stage is able to influence the prospect's mind and build trust in the product and the brand. This trust may also arise out of prospect's dissatisfaction with products of other brands.
4. **Building Conviction:** At this stage salesperson has provided satisfactory reply to prospect's objections and complaints. The salesperson has provided references of the satisfied customers, explained the entire offer in details along with the discounted price, all warranties, compensations and warnings. The prospect is convinced that the product will satisfy his needs better than the earlier brands.

ACTIVITY4

High-tech Ltd. is an air purifier brand, which has just entered the market. The company wants to make its place in the competitive environment. You are required to design a sales presentation to increase its sales.

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9.5 Types of Sales Presentations and Demonstration

Sales presentations and demonstrations can be oral and written. Oral presentations are used in case of less expensive products and most of the times they supplement written presentation. Oral presentations are used more in case of business to consumer (B2C) selling and explain preliminary information related to features, benefits and uniqueness of the product.

Written presentations are an integral part of Business to business (B2B) selling. Sales presentations are of three types:

1. **Canned Presentations:** The presentations prepared by companies are known as canned presentations. They are designed by experienced people in the organization in the form of printed and audio-visual material and are used by new salesperson and provide them confidence initially. These presentations are not effective in case of multi-product selling and same customer selling situations. Such presentations are of not much interest to the prospects and they do not encourage two-way communication. However, this type of presentation becomes useful when the same presentation must be repeated multiple number of times.

Example: Generally, sales presentation to retailers who may not be always educated to catch up with the little content, so presentation has to be self-explanatory.

2. **Organized Presentations:** In case of organized presentation salespersons have more flexibility to adapt the presentation in accordance with company's guidelines and encourages two-way participation. They can be developed based on experience and understanding of the salesperson.
3. **Tailored Presentations:** Such presentations are tailored to the specific needs of the clients which can be wholesalers or retailers or other business clients and so are mostly used in B2B selling. However, such presentations should be used by experienced salesperson who understand how to portray the company's image and policy.

In modern parlance buying has become more complex because it needs approval from more than one person. Sales teams are involved who together design written proposal who should have following characteristics:

- They shall enhance salesperson and company's image and attract attention of the stakeholders.
- Build trust in the company's image to deliver and they get required response from their client
- The sales proposal should convey an understanding of their business client's needs.
- Deliver solutions to their problems.

Check your Progress A

1. State whether the following statements are **True or False**.

- A salesperson can follow an interactive communication with Canned Presentation T/F
- A salesperson should help customers to make the best choice by showing diverse varieties of a product T/F
- Reading minds of the customer can baffle the salesperson to proceed with his objective T/F
- Interest can be generated in the prospects by giving detailed information of the product. T/F
- Sales person should have thorough knowledge only about his company's product T/F

2. Fill in the blanks

- Prospects who say "This presentation is time-taking" or "Please cut to the chase" are Prospects
- Presentations which are made according to the specific needs of the clients are Presentations
- Strategy aims to provide solution to the prospect.
- Products when packed aesthetically attracts the customers and that is why packaging is also known as
- presentations are not successful in multi-product selling and same customer selling situations

9.6 Types of Prospects Categories and Strategy

Personal selling is a very important wing of promotion mix since it involves two-way communication. A salesperson should have the ability to understand the psyche of his prospect and sell the product accordingly. He cannot use the same selling strategy for all

prospects. Depending upon different categories of customers, different strategies should be used. Some of the strategies are discussed below:

1. **Skeptical Prospect:** This category of prospects cannot be convinced easily. They always have reservations and doubts. Such prospects should not be given a detailed presentation because they are fault-finding people. So, salesperson should be conservative in their presentation with them.
2. **Silent Prospect:** Prospect who are silent type should be asked more questions so that salesperson can understand their needs, interests, problems and provide the product accordingly.
3. **Opinionated Prospect:** Such prospects should be handled with care. Salesperson should listen to them carefully, agree with their point of views and pamper their ego.
4. **Procrastinator Prospect:** Certain prospects are in a habit of postponing the purchase decision. They should be informed of the benefits they will receive if they purchase the product now. They need to be reassured of their authority and purchase decision.
5. **Impulsive Prospect:** Impulsive prospects do not have patience to listen to the entire presentation in details. Salesperson should speed up the presentation and avoid presenting unnecessary details. They should just focus on the highlights and try to close as soon as possible.
6. **Methodical Prospect:** These prospects are interested in all the details, explanations and key points. Salesperson should go slow with them, provide them with all the information and close the sales only when prospect is ready.
7. **Timid and Cautious Prospect:** Too much of showmanship and confidence of salespersons can put such prospects off. Salesperson first should try to make them comfortable and then gently move forward with a simple and straight forward presentation.
8. **Talkative Prospect:** Such prospects have their own long stories to tell. Salespersons should not allow them to take the presentation off the track. He should listen to them but at the same time politely come back to the point. They should not let the prospects take control of the presentation.
9. **Chip on the shoulder Prospect:** These prospects have a lot of attitudes. They should be respected and handled in a sincere and friendly manner. Agree with them and quietly sell the product.

Check Your Progress B

1. Identify the type of prospect in the following statement.
 - i. I will purchase this washing machine later after discussing it with my family
.....
 - ii. Please be quick since I have back-to-back meetings
 - iii. What if this part of the printer is not under the warranty?
 - iv. Please provide delivery details and who else has bought your product
 - v. Why should I listen to you?
 - vi. Where do you hail from?
 - vii. I am thinking to buy at some point later since I have financial issues.....

9.7 Sales Presentation Strategies

A number of strategies can be used by salespersons to make their presentation and demonstration effective and efficient.

1. **Stimulus Response Strategy:** Salespersons using this strategy present the purchase stimuli in such a manner that it receives positive response from the prospects.
2. **Consultative Selling Strategy:** Also known as ‘problem solution strategy’, using this strategy the salesperson aims to solve the problem of the prospect. The entire presentation is guided to provide solution to the client or prospect. The solution is arrived at after several rounds of interaction wherein at each stage advantages and disadvantages are discussed. This is more common in case of technical products like purchasing a software to enhance efficiency, event planners who plan events as per specifications of their clients.
3. **Need Identification and Satisfaction Strategy:** In this selling strategy, the salesperson first identifies the need of the prospect. Prospects disclose their

psychographic characteristics in terms of their attitudes, interests, opinions, personality and lifestyles. This requires skillful questioning by an experienced salesperson. The salesperson, like a psychologist should try to understand the mental framework of the prospect. Try to understand his background and then indulge in demonstration and presentation. Misreading or too conservative reading of prospect may lead to losing the sale.

4. **AIDA Strategy:** When using AIDA strategy, salesperson move prospects through the sequential steps of AIDA: attention, interest, desire, and action. It demonstrates the stages a customer goes through during the process of purchasing a product.
5. **Professional Selling Strategy:** As buying has become more complex phenomenon with purchase committees involving more than one decision makers selling has become more professional involving team work. Each member of the Sales team is specialist in his own field and they make presentation to the purchase committee or buying team and must appeal to them all. Such kind of selling is very common in government organizations.
6. **Depth Selling strategy:** Depth selling involves applying all the above-mentioned selling strategies in unison. It starts with understanding the need of the prospect to uncover the buying motives, stimulus-response strategy to get a positive response from the prospect and then ends with problem-solving strategy to win prospects trust. Using these strategies salesperson takes the prospect through various stages of AIDA. So, it is a judicious blend of all selling strategies which can be used by a brilliant salesperson only.

Check Your Progress C

1. Identify what kind of sales presentation and demonstration strategy is used in the following examples:
 - i. "I am looking for a wedding dress for my sister's wedding"
.....
 - ii. "I am sorry, I will not be able to provide more than 10% discount. If you want more
Let me, call my Team Leader. He can help you with it."
.....
 - iii. "See how quickly and smoothly your photocopier runs,
isn't?".....

- iv. “ You can go for a top up in your existing general medical insurance if you are diabetics”.....
.....

9.8 CASE STUDY ON EUREKA FORBES

INTRODUCTION

Eureka Forbes Ltd. started under Shapoorji Pallonji Group in 1982 as a multi- channel, multi- product organization which included water purifiers, air purifiers, vacuum cleaners and security solutions and India’s leading health and hygiene brand. The prize winning Aquaguard is the star water purifier of Eureka Forbes followed the tried and tested direct selling route and is regarded as the first direct selling companies in India. Sales personnel was considered as the core strength of the company and they focused on recruiting young men in their 30s who were enthusiastic, extroverted, outgoing with effective communication skills called “Eurochamps”.

With a belief that ‘A relationship does not die with a sale. It actually begins.’ Eureka Forbes focused on Customer Relationship Management (CRM) and maintained fabulous customer feedback and today (2021) the company has a gross turnover of 29.6+ millions with 35 countries covered and 20+ million happy customers.

Sales Process

Usually, the following sales process is followed by sales personnel in Eureka Forbes.

Prospecting & Qualifying

The Euro champ requires to make a list of potential customers and qualify the leads.

Formulating prospect definition: They have to identify household, organizations and persons who have the requirement for a water purifier.

Searching out potential sources: A number of traditional and modern methods of prospecting are there and all Eurochamps continue looking for innovative sources.

Qualifying prospects: A customer can be qualified by giving answers to three simple questions asked by a sales person. A prospective customer must have the requirement for the

water purifier, the financial budget to purchase and authority to make a decision to purchase. After, assembling the information the needs of each prospect determined.

Need Identification: From the information that the Eurochamp has about the company's product, now chooses and recommends those that seem to be the most appropriate for a particular prospect.

Pre-Approach & Approach

Pre-approach: The initial contact that Eurochamp make with the prospect is known as approach, and preparing for approach is known as approach. In this stage, the Eurochamp of Eureka Forbes water purifiers gather knowledge about the water purifier he will sell, about the company he will represent i.e. the Eureka Forbes company that he will represent, the competitors, market in which he will sell and about the prices. Eurochamp is also working on the pre-sales objectives, pre-sale presentation plan, details about the requirements of the buyers, their buying behavior, personal characteristics. The more well prepared he is the more chances of success.

Approach: At approach stage when he is meeting the customer for the first time, it is important for him to decide on the approach style so that favourable response can be achieved.

Objectives of Approach:

Creating a favourable impression
(comfortable)

Breaking the ice (Making the prospect

Arresting the attention of the prospect
prospect

Probing to find out the needs of the

Creating an interest for the product
presentation

Planning and designing the

Presentation & Demonstration

This stage is also known as 'story telling stage' where the Eurochamp displays the product to the prospect. Demonstration is 'showing and telling' about the product. The ease of use of the

product is demonstrated to the prospect and how easy it is to have pure drinking water through the purifier is further explained. The presentation and demonstration can be made using brochures, pamphlets, fliers, charts etc. They, are used to 'paint a picture' in the mind of the prospect. Further testimonials and references are used emphasize his point. Eurochamp always link the features of water purifier with the needs of the customer thus, reducing the gap between the customers and the product and reducing the possibility of objection in the subsequent gaps.

While giving a sales presentation, the Eurochamp always try to associate features of the water purifier with the needs of the customer. This helps in lessening the gap and level of customer objection in the subsequent stages.

If the customer agrees with the opening idea, the salesperson goes for a trial closure. Otherwise Eurochamp further elaborates the additional benefits. The apprehensions of the customer regarding product performance are further clarified. Mor informationis seeked from indifferent customers. This probing helps in confirming the fit between the stated needs and promised benefits

Handling objections

The objections of the customers during the presentation are handled positively, deeper probing is done to further clarify the objections, deny the relevance of objections and transform the objections into the reasons for buying the product. Objections can be psychological objections like reluctance, giving up), objections related to delivery, price, company or product characteristics.

Closing

Once all the objections are countered successfully the sale is to be closed. Customers should be motivated to sign the order form. If the customers objections have been handled efficiently, presentation and demonstration is effective then final close should happen without any resistance. First close is hardly so Eurochamps should try for several close and keep trying various techniques of closing the sales.

Follow up and Maintenance

Once the sales has closed, the Eurochampsexpress gratitude to the customer. The continuous follow up is necessary to reassure him on his decision of purchase. Once again,all the

necessary details (like the delivery time, terms of purchase etc.) are clarified. A proper follow up should be done to ensure correct installation, instruction and after sales service. Proper follow up reduces the cognitive dissonance of the customers. These steps may create satisfied customers with brand loyalty.

9.9 Let Us Sum Up

This unit discusses sales presentation and demonstration and the steps involved. Sales presentation and demonstration can be defined as a talk, giving information about a product or service that salesperson is trying to sell, or intended to persuade people to buy. It involves a series of five steps which includes: Attracting attention, creating interest, arousing desire, building conviction of customers. The essentials of presentation and demonstrations are also discussed here. The units has also explained the tools and techniques used in sales presentations and demonstration emphasizing upon the role of technology in improving the product presentations. Different types of sales presentations have also been discussed in this chapter. Canned presentation, organized presentation and tailored presentation.

A prospect is a person who could be a customer of your business based on certain qualifying criteria. This chapter discusses the various types of prospects namely: skeptical prospect, procrastinator prospect, silent prospect, opinionated prospect, talkative prospect, timid and cautious prospect, methodical prospect, impulsive prospect and chip on the shoulder prospect.

This unit also discusses various sales presentation strategies which can be used by a salesperson to enhance the sales. Stimulus response strategy, Consultative selling strategy, need identification and Satisfaction strategy, AIDA strategy, professional selling strategy, Depth selling strategy.

9.10 Key Words

Sales Person: An individual whose primary job is to sell a product/service.

Sales Presentation: A sales presentation is a talk that attempts to persuade an individual with a planned strategy of sales presentation of a product or service.

Canned presentation: Standard presentations which are prepared by companies.

Organized Presentation: Presentations which are based on the experiences and understanding of sales person.

Tailored Presentation: Presentations which are made according to specific needs of the clients.

9.11 Answer To Check Your Progress

A. 1. i. False ii. False iii. False iv. True v. True

2. i. Impulsive ii. Tailored iii. Consultative selling iv. Silent Salesman v. Canned Presentation

B 1. i. Procrastinator prospect ii. Impulsive Prospect iii. Skeptical Prospect

iv. Methodological Prospect v. Chip on the shoulder prospect vi. Talkative Prospect

vii. Procrastinator Prospect

C. i. Need identification and satisfaction strategy ii. Professional selling strategy

iii. Stimulus- response strategy iv. Problem Solution Strategy

9.12 TERMINAL QUESTIONS

a) Define sales presentation and demonstration. What are the requisites for a good sales presentation and demonstration?

b) Explain the tools and techniques used for sales presentation and demonstration.

c) What are the steps involved in sales presentation and demonstration?

d) What do you mean by prospects? Discusses the types.

e) What strategies can be used by a salesperson to make its sales presentation and demonstration effective and efficient?

f) State and explain the types of sales presentations and demonstration.

Some Useful Books

Anderson, Rolph E., Joseph F. Hair, Jr. and Alan J. Bush, 1992. Professional Sales Management, McGraw-Hill, Inc.

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Unit 10 Concluding Sales

Structure

10.0 Objectives

10.1 Introduction

10.2 Meaning of Concluding the sales

10.3 Closing Cues

10.4 Trial Closes

10.5 Sales Closing Techniques

10.6 Case Study

10.7 Closing the sale is not the end

10.8 Case study on Asian Paints

10.9 Let Us Sum Up

10.10 Key Words

10.11 Answer to Check Your Progress

10.12 Terminal Questions

10.0 Objectives

After studying this unit, you should be able to:

- explain the meaning of closing the sale;
- describe the closing cues;
- examine the trial close;
- outline the sales closing techniques; and
- explain the importance of follow up.

10.1 Introduction

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This is the culmination of selling process. The entire exercise of selling a product becomes futile if the sales do not take place. The objective of close is to convince the prospect to place an order immediately or sign the order form. Closing the sales is the logical outcome for every salesperson, the fruit of his labour at the end of long selling process after satisfactorily answering customers objections and removing all obstacles. The salesperson should attempt to close the sales when they are in the conviction stage of buying process. When sales presentation is thorough and complete there is no difficulty in closing the sales. Unfortunately, the research shows that 64% of salesperson fail to close the sales because they are afraid of being told “no”. In this unit, we will study the meaning of concluding or closing the sale, analyze the closing cues, explain how ‘trial close’ be attempted by salesperson, outline the sales closing techniques, and explain that the selling does not end with sale.

10.2 Meaning of Concluding the sales

Once the salesperson has demonstrated the product and handled sales objections then finally the salesperson should close the sales at the right time. An effective close is basically a proof of the efficiency of the salesperson. If the salesperson has been successful in giving impressive presentation, is successful in creating good impression, followed a positive approach in solving prospects objections and maintained good relationship with the prospect sale is bound to close. If he fails to create good impression, there may be rejections of sale which may demotivate a salesperson.

But no matter how good a salesperson is, he cannot be 100% sure that even in case of ‘low pressure sales’ sales are bound to happen and in case of ‘high pressure sales’ sales will not take place. Sometimes it may happen that throughout the selling process the prospect agreed with the salesperson and sales process was smooth, still sales may not happen. On the other hand, it may also happen that the prospect had a very critical approach and there was very high pressure on the salesperson but towards the end the prospect readily agreed to purchase the product.

10.3 Closing Cues

Throughout the selling process the salesperson should be alert and use his wisdom to identify an opportunity which could lead him to sales. Although it requires a lot of experience, the salesperson continuously has to assess the attitude and mood of the prospect, and he should have good understanding of different variety of prospects. The salesperson should be calm,

patient, attentive and answer all the queries of the prospect with a smile. The salesperson must learn not only 'how' to close but also 'when' to close. He should be very intuitive in identifying the 'closing cues. Given below are examples of certain 'closing cues'

- ✓ *When customer is interested, he will start handling the product. "Let me try the trousers to check the fitting and the style" or "let me check the camera of this mobile by clicking a selfie".*
- ✓ *When the prospect admires the product and make a positive statement about the product. He may say, "Oh! This blanket is very soft" or "This puppy is so lively. He will reduce all my stress when I am back from office after a hard day'.*
- ✓ *When the prospect asks for the order form and start reading it.*
- ✓ *When the prospect start asking about the 'best deal' that the salesperson can offer him', or he is interested in the final discounted price of the product.*
- ✓ *When prospect start asking much detailed questions like how will product be delivered, how it will be installed, how early it can be installed, who will come to instal the product.*
- ✓ *When the prospect's voice become soft, expressions become more friendly and pleased and the prospect start conversation with the salesperson in a relaxed and jovial manner.*
- ✓ *When the prospect becomes interested in who all are using the product. This is to reduce his post purchase dissonance and get social approval for his decision.*
- ✓ *When the prospect unconsciously checks if he has the cash or if he is carrying his debit/ credit card. He further asks about other payment options like UPI or net banking or any other.*
- ✓ *When the prospect is interested in trying or test the product.....Like.. "When can I test drive the car.*
- ✓ *When prospect has completed the sales presentation and now, he looks at the prospect for some indication or positivity from him.*
- ✓ *When prospect has answered prospects objections successfully.*

ACTIVITY 1

Have you ever used/ noticed the 'closing cues' in your interaction with salesperson? Is there any difference in the 'closing cues'while making a purchase for your home and while making a purchase for your office?

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Check Your Progress A

- 1. State whether the following statements are **True or False**.
 - i. Once the salesperson has demonstrated the product and handled sales objections then finally the salesperson can close the sales any time.
 - ii. The entire exercise of selling a product becomes futile if the sales do not take place.
 - iii. In case of 'low pressure sales' salesperson can be 100% sure that sales are bound to happen.
 - iv. The salesperson must learn not only 'how' to close but also 'when' to close.
 - v. The salesperson continuously must assess the attitude and mood of the prospect.

- 2. Fill in the blanks:
 - i. If the prospect knows who all are using the product it is easy to get for his decision.
 - ii. The salesperson should attempt to close the sales when they are in the stage of buying process.
 - iii. When customer is interested, he will start the product.
 - iv. The research shows that 64% of salesperson fail to close the sales because they are afraid of being told
 - v. Continuous rejections can be for a salesperson.

10.4 Trial Closes

A trial close is often used by a salesperson to check whether the prospect is ready to buy the product and thus he may proceed to close the sale. It is suggested that a salesperson may use the 'trial close' at least five times before giving up closing the sale. A 'trial close' is a very significant tool at the disposal of salesperson and be used after the sales presentation and demonstration stage and close of the main body of the presentation before moving towards sale or when prospect is ready for sale.

The 'trial close' may help a salesperson to determine:

Whether the prospect likes your product

Whether his objections have been answered satisfactorily.

Whether some additional questions are not answered

Whether the prospect is ready to close the sales.

A salesperson may try for 'indirect close' using verbal and nonverbal forms in the following ways;

“Which brand will you prefer to buy.....SONY or Haier.”

“Which colour refrigerator you would prefer to buy..... grey or white”.

“Will you like to purchase an extended warranty of another one year for this Dell laptop”.

“Will you pay all at one time in cash or you would prefer to pay in instalments and will take loan.”

Give the perfume or product to the prospect to touch, smell, or hear. Let him have multi-sensory experience. “The fragrance of this perfume will last in your clothes for at least two washes”.

“This cardigan will keep you very warm and cosy in this winter”.

The prospect may respond in different ways to the salesperson's 'indirect close'. Some prospects may want more information before he makes his commitment while others may come up with more objections. The prospect may feel that salesperson is too hurried and so he may become defensive. If an “indirect trial close” fails to get a favourable response from the prospects the salesperson may try for 'direct close' as well. For example, he may try for 'direct close' and ask very politely, “What is your opinion about the product”; “What do you think about our offer”; “What is your point of view on the things discussed so far”. If still it does not work, he should continue selling the product with a positive attitude.

ACTIVITY 2

Conduct a market survey with 5 housewives engaged in B2C purchase and 5 heads of purchasing in different offices engaged in B2B purchase. Identify the most common 'trial

closes' used by salesperson that they have noticed. Compare the trial closes used in B2C and B2B.

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Check Your Progress B

1. State whether the following statements are **True or False**.

- i. It is suggested that a salesperson may use the 'trial close' at least five times before giving up closing the sale.
- ii. A 'trial close' is a very significant tool at the disposal of salesperson and be used after qualifying.
- iii. The different prospect may respond in similar way to the salesperson's 'indirect close'.
- iv. The prospect may feel that salesperson is too hurried and so he may become offensive.
- v. The prospect should not be asked personal questions like which color T-shirt they will prefer.

2. Fill in the blanks

- i. A salesperson may use the at least five times before giving up closing the sale.
- ii. If an "indirect trial close" fails to get a favourable response from the prospects the salesperson may try for
- iii. "What do you think about our offer" is an example of
- iv. A is often used by a salesperson to check whether the prospect is ready to buy the product.
- v. "Which model you would prefer is an example of"

10.5 Sales Closing Techniques

There are several closing techniques that can be used by a salesperson alone or in combination with other techniques as per the situation. Let us learn them in detail.

Choice Close: Instead of being asked openly whether the prospect will purchase the product or not, in case of this technique the prospect is gently guided to choose between two items the seller has. For example, prospect can be asked, “Which model washing machine you would prefer?”.

This close avoids giving the option of ‘No’ to the prospect.

Minor Points Close: Using this approach, the salesperson take confirmation from the prospect on minor points and gradually winning him over and leading towards final sale. He may help the prospect in narrowing down his choice by asking questions like, “Which colour would you prefer?”

“You want a deluxe model car or premium model car”, “How would you like to make payment cash, debit card, credit card?”, “Will it be down payment or instalment”, “How soon you want it to be delivered to you”.

Assumptive Close: In this case the prospect assumes that the prospect will make purchase and he communicates this thought to the prospect through his actions, comments etc. “How will you like to make payment- cash or card” “Will you eat it here in the restaurant or take away”. He may start wrapping the product, start preparing the bill or take out his card payment machine. Handling the prospect, a pen to write or handing over the keys to him is an example that the sale is about to close.

Stimulus-Response Close: The salesperson ask such questions that the prospect is stimulated to provide favourable response. “You would prefer a base cream that would compliments your fair complexion, Isn’t”. “You would like to wear such a dress for your wedding that you stand out, something that nobody has worn before, right”. Such a strategy is used more by inexperienced salespersons. However, the salespersons should be

careful in implementing this strategy ascertain prospects may find such compliments irritating.

Summary Close: After the presentation is over the prospect may sum up the advantages and disadvantages of the product to the prospect. So once everything is in front of the prospect in black and white it is easy for him to take decision. He can weigh the advantages and disadvantages and take his decision accordingly. Such a strategy works very well with rational prospects.

Standing Room Only Close: The salesperson wants the prospect to take his decision immediately after the presentation because he knows no matter how much the prospect is impressed with the product, brand and the salesperson once he leaves without deciding he may not be able to come back because of personal, environmental and situational factors. So, they put psychological pressure on the prospect by saying that the only few pieces of the product are left so if they postpone their purchase, they may lose the product as the product is selling like hot cakes.

Special Deal Close: Sometimes it happens that the prospect is almost ready to purchase the product but needs some extra push to take favourable decision. Offering their best deal is one way of luring the prospect to take purchase decision. The salesperson might say, “I can offer microwave idli-maker along with the microwave if you purchase today” or, “Since this is the last piece of electric tandoor left, I can offer 15% discount instead of 10%”. He may also say, “I am giving you discount from my commission because with this piece I will reach my target”.

Success Story Close: The salesperson can cite examples from past customers with similar problems. He may say that the product solved their problems so it will be of great help to them as well. “My sister also purchased this electric scooter and she found it to be very economic with almost zero maintenance” or, “My brother also completed his MBA from this business school, and he is very well placed in Dubai and my cousin from same business school qualified for IAS”.

Closing on Resistance: Sometimes the prospect may still have doubts even when the sale is about to close. Under such situation sales person should be patient and very quietly turn the resistance into the reason for purchasing the product. “Don’t worry about the weight of the pots with fresh plants, I will get them home delivered and not only that my man will plant the saplings also in the pot of your choice”.

Turnover Close: Such closing technique is very common in case of technical products. Today rather than one individual salesperson handling the entire sales, sales team are involved in the procedure. If the salesperson feels that prospect's objections are very technical or in some cases prospect is looking for greater discount, he might handover the prospect to his senior stating, "My team leader can answer your specific questions. Let me introduce you to him".

Pretend-to-leave Close: A very common and polished technique used by experienced salesperson who can understand the psychology of the prospects. Once the salesperson has completed the sales presentation the salesperson in a way pretend to leave and start attending other prospects though his focus is very much there. This provides the prospect some time to think and evaluate the advantages and disadvantages of the final deal. Sometime they may also discuss about it finally with their family. Then the prospect may themselves approach the salesperson to close the deal or if this doesn't seem to be happening the salesperson may come back with final benefit or 'extra incentive' which may motivate the prospect to close the sale.

Puppy Dog Close: It is based on the notion that very few can resist a cute puppy and if they take them home they end up keeping them. Similarly, if the salesperson let the prospect take home the product and try it before finally purchasing it, they will find it difficult to part with it. For example, if the prospect is not able to decide between buying which brand, salesperson may ask the prospect to carry home both the products and take his own time to decide. Majority of the time prospect end up keeping both the products. One prospect stated, "My family jeweller told me to take both the diamond ring and the diamond bracelet home because I was not able to decide what to purchase to gift my niece for her wedding. I ended up purchasing both- ring for my niece and bracelet for myself."

No-Risk Close: This technique also works like puppy dog close. In this case there is no risk for the prospect as salesperson is giving money back guarantee in case the prospect does not like the product, he can return the product and get the money back. Most of the time even if the prospect is not fully satisfied with the product, he will not return the product and adjust. The reason being that the moneyback guarantee reduces his post purchase dissonance. He feels that the product is not forced upon him. The prospect may

think, “I am not fully satisfied with the water purifier and informed the salesperson about it. He said that there is no problem I may try the water purifier for few more days and if still I am not satisfied with the product, I may return it but after few days I got used to the faults in the purifier. Moreover, going to the shop again and trying new product again seemed too much because of my busy schedule so I continued with the same water purifier.”

Lost Sale Close: This sale technique requires humility on part of salesperson. He finally accepts that he was unable to provide the kind of product the prospect was looking for and so apologizes to the prospect for not able to understand him and fulfil his need. He may honestly ask him what would have taken for the sale to happen. This may surprise the prospect and he may himself help the salesperson to provide what he is looking for and ultimately sales may happen on happy note.

10.6 Closing the sale is not the end

Closing the sale is not the end of salesperson and customer’ interaction. In fact, it is the beginning of development of new relation ship between them which is the foundation of any relationship and is known as relationship marketing. After the purchase it is very natural and very human for customers to suffer post-purchase anxiety about the wisdom of their purchase decision. Follow up calls from salesperson play a very important role in alleviating the anxiety and reassure the customers of their decisions. Alleviating this anxiety is very important otherwise an unsatisfied customers may bad mouth it to other prospects and tarnish company’s image. Research prove that the unsatisfied customer will complaint more about the product to other prospects then a satisfied customers spreading the positive reviews. Moreover, it is easy to sale to a current happy and satisfied customer than looking for a new prospect. So, salespersons should always keep the lines of communication open and if salespersons have any problem even after the purchase, resolve them as soon as possible. Maintaining relationship with prospect even after closing the sale also make it easy for the salespersons to introduce complementary products later. The concept of team selling should continue in the follow up stage as well.

ACTIVITY 3

Give one example each for the following closing techniques used by salesperson from your interaction with them on various occasions:

Turnover Close.....
.....

Minor Point Close.....
.....

Assumptive Close.....
.....

Check Your Progress C

1. State whether the following statements are **True or False**.

- i. It is based on the notion that very few can resist a cute puppy especially if it of white colour and has long hair.
- ii. Putting psychological pressure on the prospect and lying by saying that the only few pieces of the product are left is unethical.
- iii. Offering their best deal is one way of luring the prospect to take purchase decision.
- iv. In case of No-risk close even if the prospect is not fully satisfied with the product, he will not return the product and adjust.
- v. Handling the prospect, a pen to write or handing over the keys to him is an example that the sale is about to close.

2. Fill in the blanks:

- i. Asking final short questions that they finally lead to sales is called.....
- ii. When the salesperson starts wrapping up the sales taking it for granted that sales will _____ happen _____ is called.....
- iii. After the purchase it is very natural and very human for customers to suffer..... about the wisdom of their purchase decision.
- iv. The sales technique in which the salesperson is giving money back guarantee in case the prospect does not like the product, and he can return the product and get the money back work like close.

- v. Closing technique where rather than one individual salesperson handling the entire sales, sales team are involved in the procedure is called.....

10.7 Case Study on Asian Paints

This company was started by Champaklal H. Choksey, Chimanlal Choksi, S.C Dhani and A.Vakilback in 1942 as a partnership firm. In 1945, it was transformed into a private limited company under the name of Asian Oil and Paint Company Private Limited. In 1965, the name was modified to Asian Paints (India) Private Limited (APIL). In 1973, it was changed into public limited company; it set up its first plant in Bhandup in 1957.

APIL stems 92% of its returns from paints. It has focused on decorative paints, and it has a market share of 45% in the domestic paints market. It is the only paint company with a captive pan as a key input. The company is streamlining its operations into three SBU's- industrial, decorative, global. It has set itself a target to be among the top five paint companies by 2005.

Sales Process

Usually, the below mentioned sales process is followed by sales managers in Asian Paints.

Prospecting

The territory of sales manager is pre-determined from an existing database of dealers, non-dealers and sub-dealers. A charting exercise is done two times every year (once before the season and one after the season) by the concerned salesperson to attain data on additions to the existing database/corrections to the database. This provides the sales manager with a database of channel members in the territory, their current and potential sales for the future, their linkages, purchase behavior and financials so that the intermediaries can be discovered.

Qualifying

Based on their potential, viability and their effect on other channel partners, a decision is taken whether to pitch for dealership at these shops.

Need Identification

The shops are either proprietorships or partnerships. Asian Paints, being the market leader with an outstanding brand pull, does not require to make market push to create customer traffic. But the requirement for the customers to directly deal with the company is too strong

because of market dynamics. This happens because of low direct benefits for the shop like higher stocking, high levels of instant investment, zero credits and all credits at the end of the month resulting in higher purchase cost or higher obstruction of funds.

The possible requirements of the resellers can be categorized as per the following: the shopkeeper wants to start the shop's image by becoming an authorized dealer; wants to build trust among customers by becoming an authorized dealer; wants to increase share in the market; wants to expand into paints; wants to participate with other shops having dealerships; requires company assistance to growing business.

Demonstration

The terms and conditions of becoming an Asian Paints dealers are explained. The procedures are simple, not much of certification required. The product portfolio is explained with importance on making the brand move quicker in the channel. The standard pack sizes are clarified, and demonstration kits are used if required during the demonstration.

Handling Objections

The most common objections encountered and the way they are handled are explained below: In response to objections on higher stocking (must order in average quantities and not loose), the prospective dealers are instructed that it is proposed for the advantage of the dealer so that he can entice huge number of customers. In such a case, stocking is essential. The SKUs that are not fast moving can be sold loose also.

In response to objections on high level of instant investment, they are guided that this investing is one time and since Asian paints products enjoy a higher return on investments, the returns on the same investments are higher compared to investments with the competitors. It is always advantageous for the dealer to stop the entire range as in such a case he stands to gain customers who may not come to his shop due to non-stocking of the same.

In response to objection on zero credit, they are instructed that this is a company rule as accompany is dealing with the dealer for the first time and the company is not taking any securities like other companies do (It only takes payments for the goods build). The credit provision may be considered once few transactions are over depending on the value of transactions, examples of other dealers are given in the context.

In response to objections on all credits at the end of the month resulting in higher purchase cost/higher obstruction of funds, they are instructed that there are other assistances that an authorized dealer enjoys against which the blockage is negligible.

In response to the argument that competition is offering better schemes and better credit, they are counselled that it is difficult for the competitors to maintain sales as fast as that of Asian

Paints. So, the higher return on investment that the dealer will get by Asian Paints will compensate for the same.

In response to claims of better servicing by the competitor company, they are counselled that this is by far not true and can be countered by comparing the number of visits the competitor's salesperson makes (his frequency of visits are less compared to Asian Paints sales personnel). The responses to dealer are much faster due to the smaller geographical territory assigned to Asian Paints salespeople.

In response to objections on counting complexity (tracking of purchase and settlement of schemes), they are advised that documents of accounts are shown with their responses in the customer service initiative response book for his contentment.

In response to objection against happy selling competition and no needs for Asian Paints dealership campaign run by the competitors, they are counselled that the higher ROI that the Asian Paints dealer enjoys gives him higher returns throughout the year rather than for a specific period.

Closing

Once all the objections are answered successfully, the initial order for first billing is made, this order is made keeping in mind the profile and potential of the shop and no such products are billed that can end up as dead stock. This determination and concern is to bill only those items that will have a fast-moving character in his shop. The sales is closed with a clear signal that the company is acting in the interest of the dealer. Sales activities are also undertaken at the point of the end customers of the product. The end customers include painters, painting contractors, interior designers, architects, committee members (in case of Cooperative societies/Institutions), technical/purchase departments, end customers (husband, wife and even kids), builders, and dealers. The decision makers can be a combination of several or all the above with the varying degrees of influence at different phases of buying paint.

10.8 Let Us Sum Up

This unit summarizes closing the sale stage which is the culmination of selling process. Closing the sales is the logical outcome for every salesperson, the fruit of his labour at the end of long selling process after satisfactorily answering customers objections and removing all obstacles. When sales presentation is thorough and complete there is no difficulty in closing the sales. If the salesperson has been successful in giving impressive presentation, is

successful in creating good impression, followed a positive approach in solving prospects objections and maintained good relationship with the prospect sale is bound to close. But no matter how good a salesperson is, he cannot be 100% sure that even in case of 'low pressure sales' sales are bound to happen and in case of 'high pressure sales' sales will not take place. The salesperson should be alert and use his wisdom to identify an opportunity which could lead him to sales. The salesperson must learn not only 'how' to close but also 'when' to close. He should be very intuitive in identifying the 'closing cues.

A trial close is often used by a salesperson to check whether the prospect is ready to buy the product. A 'trial close' is a very significant tool at the disposal of salesperson and be used after the sales presentation and demonstration stage and close of the main body of the presentation before moving towards sale or when prospect is ready for sale. The 'trial close' may help a salesperson to determine: Whether the prospect likes your product, whether his objections have been answered satisfactorily, whether some additional questions are not answered or whether the prospect is ready to close the sales. If an "indirect trial close" fails to get a favourable response from the prospects the salesperson may try for 'direct close' as well.

There are several closing techniques that can be used by a salesperson alone or in combination with other techniques as per the situation. For example: choice close, minor point close, assumptive close, stimulus response close, summary close, special deal close, turnover close etc.

Closing the sale is not the end of salesperson and customer' interaction. In fact, it is the beginning of development of new relationship between them which is the foundation of any relationship and is known as relationship marketing. Follow up calls from salesperson play a very important role in alleviating the anxiety and reassuring the customers of their decisions.

10.9 Key Words

Closing the sales: The selling process concludes with closing the sales.

Trial Close: A trial close is used by a salesperson to check whether the prospect is ready to buy the product and thus he may proceed to close the sale.

Closing Cues: It is an opportunity that salesperson should identify which could lead him to close the sales.

Sales Closing Methods: Different techniques that can be used by salesperson to close the sales for example choice close, minor points close, assumptive close, summary close, puppy dog close, turn over close etc.

10.10 Answer to check your progress

A. 1. i. False ii. True iii. False iv. True v. True
2.i. social approval ii. conviction iii. handling iv. no v. demotivating

B. 1. i. True ii. False iii. False iv. False v. False
2.i. 'trial close' ii. 'direct close' iii. direct close
iv. trial close v. trial close

C.1. i. False ii. False iii. True iv. True v. True
2.i.. minor point close ii. assumptive close iii. post-purchase anxiety
iv. puppy dog close v. turnover close

10.11 Terminal Questions

1. What is the meaning of concluding the sale? Why it is said that no matter how good the sales presentation was a salesperson cannot be hundred percentage sure of closing the sales.
2. Why is it important for a salesperson to identify the 'closing cues'? What will happen if they do not do so.
3. Explain the significance of 'trial close' in closing the sale with suitable examples.
4. What are the different closing techniques that can be used by a salesperson to close the sales? Explain any two which according to you are most effective in B2B selling.
5. It is often argued that closing does not end with a sale. Explain.

Some Useful Books

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