<u>Relationship Selling</u>

John Mitchell

Hilton – Garden Inn
Romulus, Michigan

February 19th and 20th

MITCHELL
Selling Dynamics Inc.

1360 Puritan Ave, Birmingham, MI 48009
Phone: 1-248-644-8092
Email: john@mitchellsell.com
Web site: www.mitchellsell.com
Since 1990

Relationship Selling

Table Of Contents

INTRODUCTION:

Learning research has shown you will retain more if you use more senses

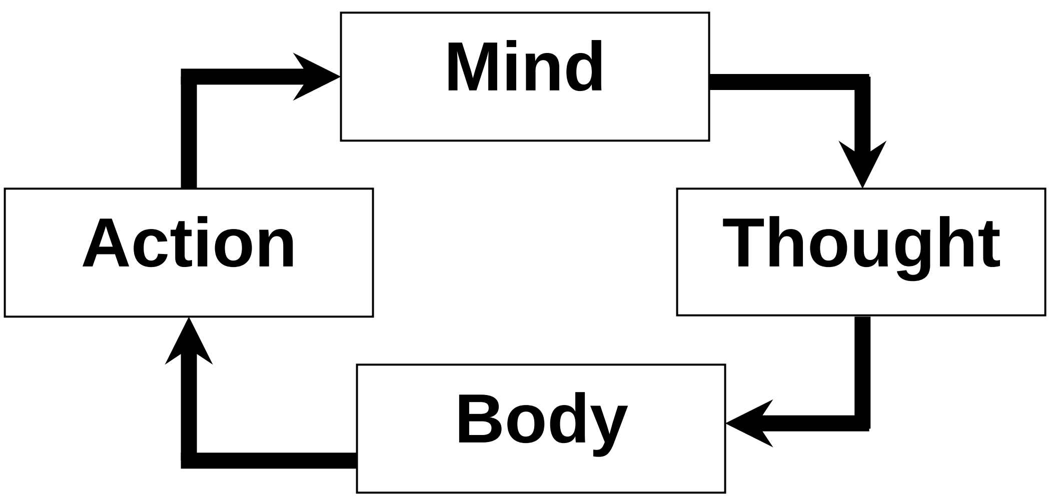
- Hearing only – 5% retention
- Hearing and seeing – 20% retention
- Hearing, seeing and writing – 45% retention
- Hearing, seeing, writing and practicing – 60% retention
- Hearing, seeing, writing, practicing and reviewing – 80% retention

What you can expect to learn from our program

- The skills to find prospects and to get them into the "**Purchase Cycle**"
- The techniques to **deal more effectively with price** matters
- **The situation that faces us** in taking customers away from their present suppliers
- That customers buy based on many reasons and rational, logical thinking is **NOT** at the top of the list.
- The skills to develop long-term relationships with customers and become their **preferred supply**
- A **system to manage time** and manage relationships

The WHEEL of FORTUNE

- There is no substitute for **positive thinking** and **perseverance** in selling



Wheel of Fortune: The MIND has a positive THOUGHT that it sends to the BODY and then the body takes an appropriate ACTION. How about saying: "I love cold calls"

Wheel of Doom: Most of us have negative thoughts about our ability to succeed and to overcome obstacles. It my guess that we have this from birth when we really can not do anything. We spend the first year of our lives being totally dependant on others

One cannot reach his potential alone. Please look at this seminar experience as a means of getting a little coaching, in much the same way as a top tennis star gets help from her coach. Usually the athlete is much better than her coach but the coach can still help if the athlete will listen to the points that are helpful.

We do not propose to have all the answers but we hope to provide a few that can help you. I sincerely want to help you and wish that someone would have sat down with me when I first started out selling many years ago.

Please let me know if there is something you want covered. We will discuss the materials in the table of contents but we will be flexible to satisfy a request. I will modify the seminar to make sure that you get what you want:

Successful Selling Involves The **Systematic** Development And Application of **Skills.** Skills such as: Product knowledge; Making people feel good; Being persuasive; Being tenacious; Attending to details; Being flexible; Focusing on priorities; Being enthusiastic; Being organized; Managing time; Developing yourself and using technology. This book will give you a **sales process** to optimize these skills.

The Learning Process has several steps:
- Being **aware** of alternate processes
- Opening your mind and **being receptive**
- **Understanding** the presented principles
- **Committing** to the application of the principles
- **Debugging and fine tuning** the principles for your situation
- Total **adoption**

You do not have to be the smartest person in sales but it is helpful to have intelligence in some area.
Types Of Intelligence
- Creative
- Quantitative
- Common Sense
- Inter-personal
- Memory
- Artistic

Market model - discussion
- Direct Sellers
- Catalog Sellers
- Solution Sellers
- Fully Integrated Partners

Purchase Facilitators To Encourage The Customer To Choose You (**Perceived** & Actual)
- **Added-Value** Selling - Your product increases your customer's profits.
- Availability - Ease of receiving
- Familiarity - Awareness
- Price
- Product Uniqueness
- Quality/Performance
- Relationship/Service
- **Value-Added** Selling - What you add - Training, Tech Support, Consulting, Use Aides

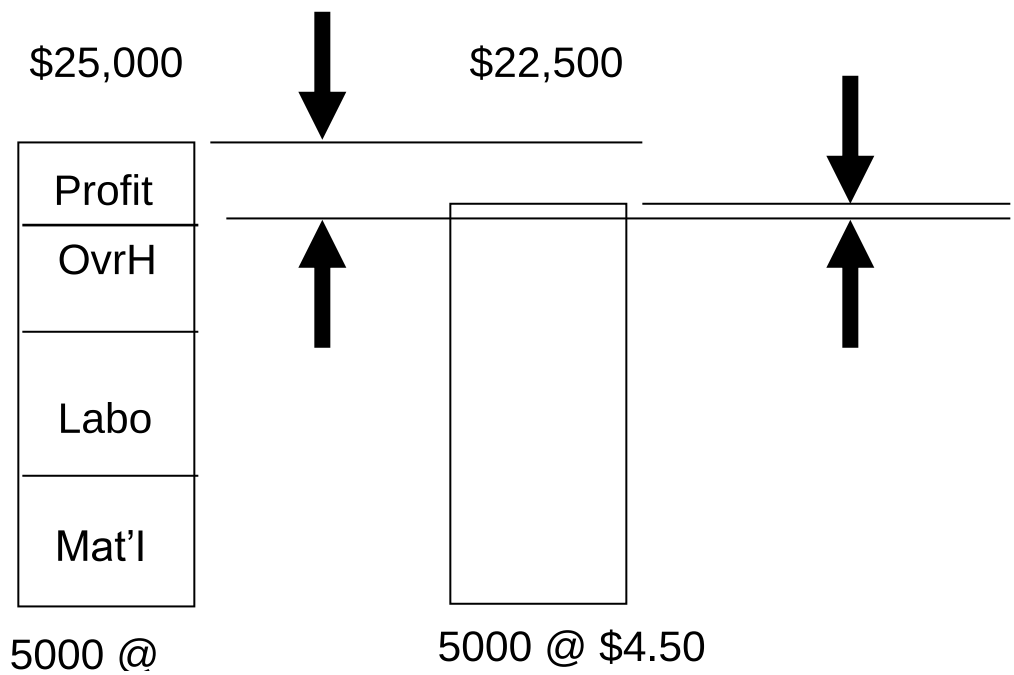
Perceptions Are Everything!

Your customers need one thing ......**profits**!!!!
Increase their sales or lower costs!!!!

Right from the first visit we need to stress the VALUE we and our products provide!!!!!

Profits

- Every employee's job is to bring in profits
- Profits come from an increase in sales
- Profits come from a decrease in costs
- Profits are the basis for survival, growth and security



How many of you have taken the order at $4.50 when you may have been able to get $5.00?

I will guess that you did not ask enough questions!

Relationship Selling is not about "closing"

When I first got started in sales back in the 1970's I remember reading books and **magazines about "closing**". I read about the "**reverse close**" where the sales person is supposed to say something like: "This is a very high quality product that is probably over your budget", expecting the customer to say: "No, I want a quality product and can afford it". I remember reading about the "**assumptive close**" where the sales person is supposed to say something like: "Thank you for letting me demonstrate how this product can save you money, do you want it in stainless steel?" expecting the customer to say: "Sure, stainless steel is fine". There were all kinds of different "closes". These so-called closes seemed to be a magical way to get business without hard work. I felt these closes were a way to try to "trick" a prospect into buying our products. I thought: "**How can we build a relationship if we are manipulating our customers?**"

As I developed my sales skills, from years of experience and training, I came to understand that these quick "closing" techniques often did more harm than good. I found that most prospects were looking for a long-term relationship based on trust before they became customers.

Most often, **prospects told me they were "all set" with their present suppliers**. They were offended by an aggressive "close or die" kind of sales person. I found that these "all set" prospects, actually, were not all set. They were simply **afraid of change** and needed some time to see that they were not all set. Many of us so-called salesmen, obnoxiously, pursued a misguided close rather than take the time necessary to develop a trusting relationship. We were, unknowingly, weeded-out by potential prospects because of our aggressiveness.

Relationship Selling is about helping each other

Now that I am old and gray, I have realized that **prospects want a sales person to move slowly and dependably.** They want the sales person to **show them tenacity and flexibility** at the same time. Prospects want a sales person to **demonstrate that he can help them.** They want to get **attention at their pace** and not be forced into action at the sales person's pace.

The "Purchase Cycle"

The more I worked on prospects, the more I could see a kind of "process" that leads to business-to-business sales. The process, which I call the "Purchase Cycle", may be an informal, or even sub-conscious, procedure that prospects go through in making a change in suppliers.

1. The Readiness To Buy Curve

I am not going to say that there aren't any prospects that are vulnerable to the "reverse close". There are, but these prospects are limited in numbers and will usually give you very little business. It is my guess that most prospects fit the normal distribution curve, which I have labeled the "Readiness To Buy Curve" as shown in Fig 1:

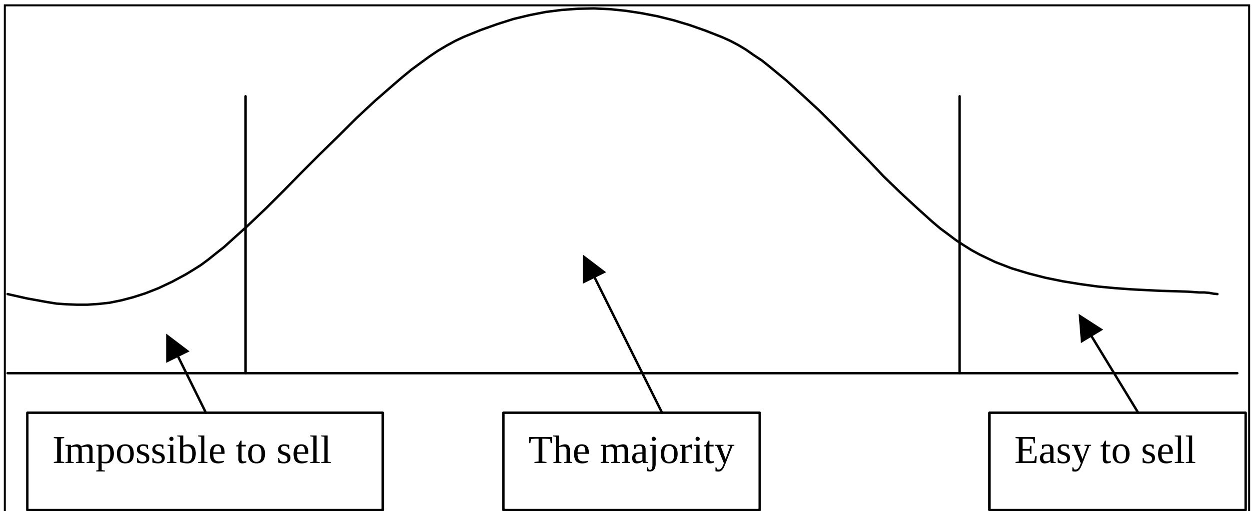


Fig 1. Readiness to buy curve

Techniques that work in the "**Easy to sell**" area do not work in the other areas. The "Easy to sell" prospects may respond to a **single phone call** or a **mailing** or a **web site visit**. They may also become customers as a result of a word-of-mouth referral. These prospects are generally **easy to sell but they are also easy to lose**. That is, they are fickle customers that will jump ship to the next supplier just to try something new.

The majority of the business lies in the area I have called the "majority". To make sales to these prospects we have to understand the "Purchase Cycle" and **employ skills and techniques** that will allow us to develop relationships and **prevent us from getting weeded out** as we attempt to move the prospect through the purchase cycle.

INTRODUCTION continued

2. The Purchase Cycle
The purchase cycle for a first time business purchase of some significance is not a singular event nor is it just a few singular events. Rather, it is a **process of interwoven and complicated activities** that normally stretches over a period of a year! The idea of using a "double-reverse close" or an "assumptive close" simply does not fit for most "Relationship Selling" situations. When our program attendees say they want us to teach them how to close we know they want some magical method for getting orders without the necessary long term effort that is crucial to success.

Fig 2. Purchase cycle overview

Everyone wants an order without any effort. This however, is not realistic. We have found that most prospects that have not purchased from us in the past go through a process that has a **number of elements as shown in Fig 2**.

Awareness
It all starts with the "Awareness" phase or period of just becoming "aware" that there is a product, service or supplier that may be able to help or provide value. Our experience has shown that the awareness **phase can take up to 10 contacts** before the prospect is aware of us and what we have to offer. During this phase the prospect may be looking for ways to weed us out because we represent change and most prospects, if not everyone, hate change. The prospect may be friendly and encouraging on the surface but really have very little interest in taking the time or risk to try something new. We must find a way to repeat the efforts to make the prospect aware of us without being weeded out.

Feasibility Study
Once the prospect is aware of the value we can bring to him or her there is a formal or informal look at **the feasibility or practicality of a change**. This phase may be done entirely subconsciously by the prospect or it may involve quantification and analysis. Any change is going to involve some effort on the part of the prospect and the prospect will try to consider the impact before a change is made. Impact can include relationships with present supplier; ease for employees to deal with new supplier; integration of new supplier's product or service into everyday use and disposal of existing supplier's product or service.

Alternative Review
Assuming you make it past the first two phases, any prospect worth his salt will make some attempt at **considering other possible suppliers** or even go back to his present supplier. If he is going to undertake a change he wants to be sure he makes the right change.

INTRODUCTION continued

Funding
If you make it to the funding part you may be lulled into a feeling of complacency and start adding this order to your "booked" sales but **funding is funding and not action**! This reminds me of the joke about three frogs on a dock. One of the frogs decides to jump in the water. Most people, when asked how many frogs remain on the dock, will answer two. The correct answer is three because one frog decided to jump but he did not take any action. Every sales person has heard the words: "That works great and I am going to order it!" I just wish I had every order involved when I heard those words!

Action
This is where the prospect actually takes the action of ordering your product or service. This could be months after the customer "decided" to order.

3. Account Selection Is Critical.
We must identify which prospects we are going to attempt to move into the purchase cycle and then begin to really work on them.

I recommend selecting accounts based on the following:

- Good match for your products or services
- Size of the opportunity (could be either large or small depending on your strengths)
- Likelihood of success
- Geographical proximity (everyone like doing business locally if possible)
- Growth trend
- Existing business (it is easier to get more business than displace a competitor)
- Your chemistry with buying influences (Achieve a Turning Point)
- Credit worthiness

It used to be that the contacts had to be done in person, face to face. But now it is so expensive to make contacts in person that I recommend a combination of contact techniques as shown in Fig 3.

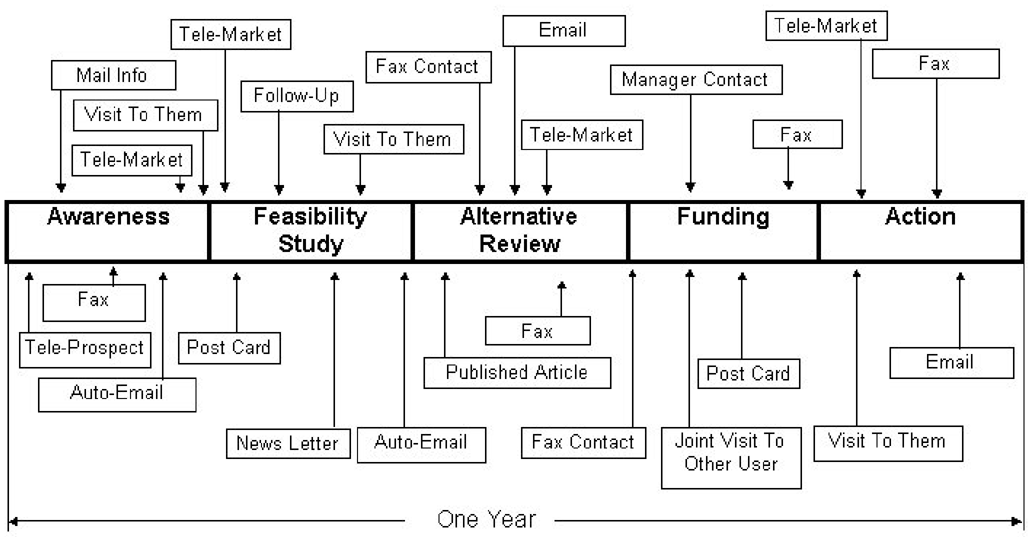


Fig 3. Contact type and frequency to close a first time purchaser

<u>INTRODUCTION</u> continued

Contacts Come In A Variety Of Forms And Costs

We cannot afford to, always, contact our prospects on a face-to-face basis. McGraw-Hill reported, in a study, **that it costs $300 to make one face-to-face visit**. We need to reduce the cost and increase the frequency of our connections with customers.

Tele-prospect

Telephone calling to prospects is my recommended first step. A free local phone call may tell you the prospect is out of business, thereby saving you a wasted face-to-face visit attempt. A few minutes on the phone can result in getting a person's name and verifying address information.

Auto-Faxing

Computer faxing information to a client that requests information will eliminate paperwork and save time. A few mouse clicks and the prospect gets important information about your products or services. **WinFaxPro** is the software that we use and it can merge to a Microsoft Access database very nicely. Fax documents can be created in Microsoft Word and converted to an attachment eliminating any paper. These fax documents can be sent out over the night at a rate **of 300 to 400 per evening**. We like sending them out at night when most recipient fax machines are idle. It is important to get the prospects permission to send a fax but even with that, occasionally, a recipient will, angrily, request that he be taken off the list.

Auto-emailing

Pre-constructed email messages (using FrontPage and Outlook or eNewsLetter Pro) can be sent to prospects almost for free. With bulk emailing the entire database can be contacted at very little cost. Email allows us to put in links to our web site. However, getting email addresses for business-to-business contacts is not easy. Also, emailing results in many returns as "undeliverable" or with requests to "be removed" and each return requires some kind of action. Undeliverable returns should be telephoned to check out the email address and requests to be removed have to be looked up and noted for "do not email".

Tele-follow up

Once you have contacted a prospect and sent him more information then you must follow up to verify that he received the information and to decide what the next action should be. The time to follow up is no later than four weeks after a mailing and preferably within 10 days of sending the information. Often you will find the contact person is in a meeting or out of the office and you will be forced to leave a message. In fact, you may have to contact the prospect up to 10 times just to verify that he got the information. This should not be a problem for a seasoned sales person who does not get frustrated easily. You should know that it is going to take a significant amount of contacts over a significant period of time to make this customer a believer.

Post Cards

Post cards are a low cost contact method and they do not require envelope insertion. Post card postage is $0.23 US to send out first class, which **will be returned by the Post Office, if the address is bad.** This form of contacting customers is pretty reasonable and with Post Office returns it is very good. Heavy weight paper (60 lbs) can be printed on 8 ½ x 11 sheets and then cut to produce four post cards. Mail labels can be added or the address info can be printed right on the sheets prior to cutting them.

INTRODUCTION continued

Newsletter

Another form of low cost contact is a **quarterly newsletter** that is **emailed** to your prospects. This can be written in a simple word processing program like Microsoft Word and pasted into an email message. During the quarter everyone in the organization keeps track of things to put in the newsletter and then someone compiles the newsletter from all the segments. This kind of contact should be a “help” to your prospects and customers and increase their awareness of your company’s products and services.

Published Article

If you have copies of published articles they can be mailed to prospects and customers to increase their awareness of your products and services. Or you can hire a PR company to interview your customers and write articles as though they were written by your customer. **Structured Information, Inc.** is a leading provider in this area.

Joint Visit To Other Customers

One of the best forms of contact is to take your prospect to another customer and demonstrate your product. Additionally, the user will often provide a testimonial to the benefits.

Purchase Cycle Compression

There are some things we can do to reduce the purchase cycle (please see the list in Fig 5.), but we should not plan on making purchase cycle reductions a required activity, since more will go the full cycle than will not.

- Promotions that are time limited - offer expires in 30 days.
- Establish a sense of urgency - this is the key. This can be done by telling the customer there is an open window to do the job but only in the next four weeks or you must act before the winter.
- Limited availability - only 10 left.
- Delivery ease - here it is right here and I will bill you later.
- Opportunity loss avoidance - if you do this now you can take advantage of an opportunity and will not lose out.
- Cost continuation reduction - if you do this now your costs will be reduced immediately.
- Investment avoidance - If you do this you will not have to buy that.
- Immediate sales increase - Doing this now will generate significant sales increases.
- Problem avoidance - If you buy this now the roof will not cave in.
- Comfort level exists and trust of your word is enough. I just trust this guy.
- Impulsive purchase - Just bought it because it looked right.
- Greed - appeal to a customer’s greed. Getting something for nothing.
- Ego – appeal to the customer’s ego. If you buy this you will be first.

Fig 5. Things that can be done to reduce the length of the purchase cycle

INTRODUCTION continued

We Need A System
A company must have a comprehensive system to find clients, qualify them and move them out or into the purchase cycle. A small company can only have a couple of hundred accounts in the target account box and they must be assigned to the top guns once they are identified.

I believe that nearly every employee should have a bunch of prospects that are assigned to them and they should contact the prospects regularly. An employee that can make 3 outbound calls per day can contact 50 customers every month. Imagine the impact of contacting the same 50 customers every month.

A Microsoft ACCESS database can handle this very nicely. The prospects are all entered into the database and then tele-prospected so they can be screened and qualified as shown in Fig 4. The ones that show an interest should be assigned a higher value and assigned to a top gun immediately. Then the top gun should begin the "Purchase Cycle" process shown earlier in Fig 3.

The system we recommend has the following steps:

- Get a good Microsoft **Access database** program to keep track of contacts.
- Use low cost **tele-marketers** to screen and qualify them
- Establish **auto-fax and auto-email** capability which can be set up in Access
- Create the **scripts** for the callers to use
- Create "What's In It For Me" **materials to be auto-faxed and auto-emailed** and regular mail pieces
- **Assign accounts** to outside and inside sales persons
- Use a **variety of contact methods** to repeatedly make connections
- **Follow up**
- Develop **RELATIONSHIPS**

This book is about implementing our SYSTEM.

Cost Of Use Example

Battery:	A	B
Price:	$4.00	$6.00
Life (Days):	1	3
Cost Of Use (Per Day):	$4.00	$2.00

If your customer is using Battery A many would think it should be easy to convince him to use your Battery B. However, I have found it hard to switch customers that are all set. **This switching is not based on ration and logic but rather on Relationships**. This simple "Cost of Use" example will be referred to in this book. Developing a similar example for your product or service is necessary but not so simple.

COMMON BEHAVIORS:

The subject of **behavior** is extremely important because **understanding people** is crucial to making anything happen.

Motivation Theory

- Abraham **Maslow's** Need Hierarchy....**Physiological** needs, **Safety** needs, **Social** needs to belong, **Status** needs to be recognized, **Self Actualization** needs to reach your mind's potential

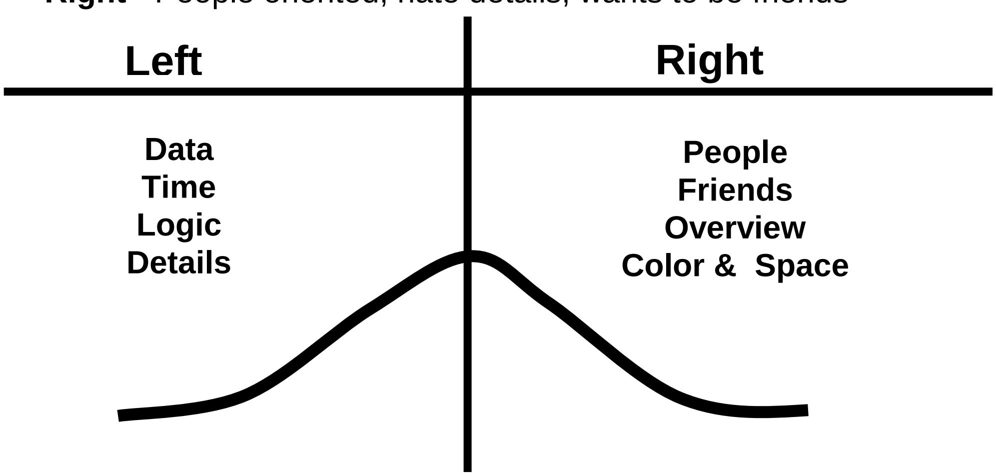
Status is the key need not being satisfied

- **Herzberg's** Dual Factor Theory...avoid pain, increase psychological pleasures
- Overall people have similar motivations
- **People perceive information differently** and their perceptions are affected by the type of person they are and the type of person presenting the information
- You may **think you are communicating one message** and your listener may be hearing/perceiving something different
  - You may be pushing all the wrong buttons for your prospect

Types Of People

- Quadrant theory - There are many and they are used by psychologists
  - **Analytical** - Calculating, data oriented (Delegating)
  - **Achiever** - Assertive, action oriented (Telling)
  - **Amiable** - Friendly, easy going, people oriented (Participating)
  - **Animated** - Spirited, interesting, emotion oriented (Selling)

- Right-brain vs. left-brain
  - **Left** - Data oriented, loves details, focuses on time, uses numbers in speech
  - **Right** - People oriented, hate details, wants to be friends



People are Different

- If you **appeal to them in a style** consistent with their style you will have more common ground and it will be easier for them to accept your presentation
- You want to **avoid being weeded** out based on your style
- Remember that needs are mechanical, but wants are emotional
- Important to be flexible
- Adapt to the situation, to the person
- The same style just won't work with everyone! **Critique yourself after each call & measure how different you were to suit the situation**

HOW TO RECOGNIZE RIGHT AND LEFT BRAIN PEOPLE

RIGHT BRAIN will:

- Want to be your friend first
- Have many pictures of their family in office
- Talk about non-business things for a long time
- Offer you coffee
- Have posters making statements on the walls
- Have business education background
- Be laid back
- Not let you be interrupted during the call
- Talk in broad terms
- Refer to feelings about things
- Be polite, people-oriented
- Be a stylish dresser
- Be creative, imaginative

LEFT BRAIN will:

- Get into a lot of detail about everything
- Use numbers and quantitative measures to describe things
- Be concerned about time
- Have an engineering education background
- Speak fast
- Be tense
- Care more about accuracy
- Refer to specific problems and costs
- Answer the phone during your call, may even leave the meeting
- Move to the business discussion quickly
- Be policy-oriented
- Refer to deadlines
- Be a practical dresser
- Be hard working, diligent

DO'S AND DON'TS FOR RIGHT AND LEFT BRAIN PEOPLE

RIGHT BRAIN

- TO DO:
  - Use words like **Reliable**, **Responsive**, **Dependable**, **Trustworthy**, **Friendship**
  - Tell them they **don't have to worry** about the details
  - Show them **pictures** of your associates
  - Discuss their **feelings** about things
  - Encourage them to **speak broadly**
  - **Stress safety** features....everyone is using this product
  - Use emotional words in your presentation
  - Talk about **service benefits**, inventory availability
  - Let them know you want to **be their friend**
  - Stress the **quality and the honesty of the people** making the product
  - Sit on the **same side of the table** as them
  - Go for a **walk, side by side**
  - Show them a **big smile**
  - Ask them about **their family** and friends

- NOT TO DO:
  - Avoid getting impatient with them
  - Do not jump **right into business** discussions
  - Do not **talk fast** or loud
  - **Never belabor the details**

LEFT BRAIN

- TO DO:
  - Outline your plans for the call and tell him **how long** it "should" take
  - Bring **facts and figures**
  - Encourage them to **give you the details**
  - **Talk specific** savings and rate of return
  - Tell them about your **technical background** or expertise
  - Periodically **summarize the details** of your discussions
  - Ask them to **quantify the details of the problem**
  - **Use numbers** in your presentation...first, second, etc.
  - Lay out the details of your program in specific terms
  - Send them **E-mail**
  - Explain the intricate aspects of terms of sale, warranties, return policies, etc.

- NOT TO DO:
  - Don't try to overcome **objections with words**
  - Do not **waste time** with idle conversation
  - Never question their choice of a supplier

Types Of People – Role Play

OBJECTIVE:

Uncover some clues as to what type of person your neighbor is: right brain (emotional, people oriented) or left brain (analytical, logical)

INSTRUCTIONS:

1. Introduce yourself to the person next to you.
2. Do not tell your partner that you are one type or the other. Simply provide honest, from the heart dialog.
3. Please keep the responses short. Each of you should speak about the same amount of time. Allow enough time to discuss your observations.
4. Ask your partner to tell you about their company
5. Ask your partner to tell you about their job
6. Ask your partner to tell you about himself/herself.
7. Discuss your observations with one another to see if you have gotten the right clues

BEING PROFESSIONAL:

- Appearance
  - **Being too beautiful** or handsome can hold you back
  - You do not want to be **intimidating**
  - Be well **groomed**
  - Maintain personal **hygiene**
  - Maintain personal **fitness**
  - Wear **white shirts** (that fit)
  - Wear **dark sports coat**, nothing flashy (that fits)
  - Wear **black shoes and black socks** and keep them shined
  - No leather jackets

- Be prepared - This should be part of your system
  - Make sure you always have plenty of **business cards**
  - Always carry a **pen and a pad** with you; a **calculator** is a good idea also
  - Make an **appointment** in advance
  - Write down your goals for the visit
  - Develop some **"canned" questions** that will work with this customer
  - Think through **in advance** what you will need for the call
  - Have **extra copies** of important literature
  - Make sure your **equipment** is working and that you have backup batteries, bulbs, extension cords
  - Develop a **checklist** of what you need to do a great job...catalogs, price supplements, samples, note pad, money, pen, schedules, testimonials, spec. sheets, etc., and make sure you have them with you
  - Have the important items right on **top in your briefcase**, bring safety glasses with you if you will be going into a factory
  - Bring a **large briefcase** with everything you will need
  - Bring "**show and tell**" items

- **Never, ever say or agree to anything bad about your company**
- **Never, ever say or agree to anything bad about your competitor**

BEING PROFESSIONAL continued

- Developing **empathy**
  - Practice remembering first names (think of "**STOP**" when you enter the lobby **S**tay **T**uned **O**n **P**eople)
  - When you come in the door have a big **SMILE** on your face. Remember that many customers are trying to figure out "**why not** to buy from you" to eliminate the heartache of changing
  - Get the customer to say **yes 3 times** right away. Ask him if he is who he is, ask her if her business is what it is, ask him if he is 6 feet tall, ask her if she works out, ask him if the building is a new building, ask her if her company is really interested in growing. (Develop your own set of questions that pop out naturally)
  - When you finish a **magazine pass it on** to a customer with notes about articles
  - Give a customer a **lab coat with your logo on it** and his name
  - Look for **ways to identify with the customer**, pictures or items in his office, ask others
  - Let him know you value service and **reassure him** that you will be there consistently when he needs you
  - Use the customer's **first name** in every paragraph
  - Use please, thank you, may I, is it okay... in every paragraph
  - Use **mirroring** to copy the customer's style
  - ♥ Listen and show the customer that you are listening by repeating what the customer has said, **REPEAT THE CUSTOMER'S WORDS** back to him with some minor changes
  - Follow the repeated words with warm, understanding statements
  - Laughter draws people together....be on the lookout for jokes, if you tell them you will hear them
  - If you are tall, do not stand next to your customer, sit if possible. **If you are short** stand next to the customer and let him feel large
  - Remember how **easy it is to get mad**, conflict is normal in any relationship, but wait till you have a relationship before you allow any conflict to stop you dead in your tracks
  - Replace the word **"but"** with **"and"** and **"I"** with **"we".** Never say **"No"**
  - Always **sit alongside** your customer. Let him sit first and then you can pull up a chair along side of him

Support Statements - Role Play

OBJECTIVE:
The objective of this exercise is to try out the concept of showing good listening skills and building rapport by **repeating your partner's statements** and following up with comforting "support" statements.

ROLE #1 INSTRUCTIONS:

Be yourself in this role play and assume that you are sitting on an airplane on the return leg and while there the person next, who you have had a prior conversation with on the flight out, starts up a conversation.

1. You can continue with the conversation you had earlier in the "Types Of People" role play.
2. Let the conversation go anywhere you or your partner take it. You have some time to kill in the air because you are heading home after a full trip and you just want to relax.
3. Speak slowly and give your partner a chance to respond when you say something of significance.
4. You might want to talk about a recent sales success that you had or something that has gone well in your personal life.
5. Another area you might want to discuss is how you overcame a problem with your computer or some other electronic device.
6. Notice how you feel when your partner repeats back what you have said and when a "support" statement is provided.
7. Try to make your partner feel good by demonstrating your listening skills through repeating back and supporting when your partner says something of significance.

ROLE #2 INSTRUCTIONS:
Be yourself in this role play and assume that you are seated on an airplane on the return leg and while there another person sits down next to you. You have had a previous discussion and wish to start up another conversation with the person.

1. You can continue with the conversation you had earlier in the "Types Of People" role play.
3. Let the conversation go wherever you and your partner take it. Consciously, repeat back significant statements that your partner makes and try to add a comforting "support" statement also.
4. You could talk about a special achievement by someone in your family or close circle of friends.
5. You could talk about a special relationship you have with a friend, co-worker or neighbor.
6. Speak slowly and give your partner a chance to respond when you say something of significance.
7. Notice how you feel when your partner repeats back what you have said and when a "support" statement is provided.
8. Try to make your partner feel good by demonstrating your listening skills through repeating back and supporting when your partner says something of significance.

BEING PROFESSIONAL continued

- Value-Added Selling (The value YOU provide) and developing yourself
  - Value-Added selling is giving your customers more than just a product. It is being their consultant and solution provider. It is being a better person.
  - To make a better you, always work on your **Spiritual** development, **Physical** development and **Intellectual** development.
  - Do a **strengths and weaknesses inventory.** Write down your plans to work on fixing the weaknesses and leveraging the strengths
  - The **more you can do, the more you will have in common** with others so learn as many sports and hobbies as you can, go on to new ones regularly
  - **Read the Wall Street Journal, the New York Times and USA Today**
  - Listen to audio cassette tapes while you are in the car
  - Get formal training outside your company
  - ♥ Find ways to **do at least two things at once**.....Read the paper while having breakfast, work out while watching the news, make "hands-free" phone calls while driving, pick up something when you drop something off, call on several customers on one trip, have a breakfast, lunch and dinner meeting while on a trip, take vacations where you can learn as well as relax, entertain customers when you are entertaining yourself....who can think of more ways to implement this?
  - Relax....practice it, do things to increase the feeling, find out what works for you.
  - Drinking alcohol and coffee will never help you. Reduce sugar intake also. I will not even mention smoking!
  - You must totally **defeat procrastination**....make a game of tackling things instantly, start with the easy things first....make it part of your daily life. Read **"Doing It Now" by Edwin Bliss**
  - Do not put off intentionally the things that should be done
  - Procrastination is wasteful and self destructive
  - Write down why you think you procrastinate
  - Make overcoming it a written goal and assign a timetable
  - Bolster your self-confidence by accomplishments. Self-confidence is a reduction in self-doubt or fear. It is the result of continuously proving the "Wheel of Doom is wrong. **NOBODY is born self-confident**

DAILY TIME LOG SHEET

Day:_________________________ Date:________________________________

Time	Description	Priority	Total	Total H	Goal
05:30					
06:00					
06:30					
07:00					
07:30					
08:00					
08:30					
09:00					
09:30					
10:00					
10:30					
11:00					
11:30					
NOON					
12:30					
01:00					
01:30					
02:00					
02:30					
03:00					
03:30					
04:00					
04:30					
05:00					
05:30					
06:00					
06:30					
07:00					
07:30					
08:00					
08:30					
09:00					
09:30					
10:00					
10:30					
11:00					
11:30					
12:00					

Priority = **H** for highly strategic; **M** for moderately strategic; **L** for generally wasting time

We should spend at least half of our time on "H**" activities; Goal = R** for reduce; **I** for increase

BEING PROFESSIONAL continued

- Getting others to help you
  - Make a **list of the top 15 people** that need to help you succeed and develop a program for each of them. You can do so **much more with help**
  - If you **help everyone** else they might just want to help you
  - **Get a reputation for helping**...without putting up a fuss
  - Figure out what you are doing that could be **done by someone else** and then get it transferred....don't tell me why you cannot transfer it...tell me how you have transferred it
  - Figure out what you are doing right and then figure out how to get **others to multiply it** for you

- **Knowing your product**
  - Learn everything you can about your product
  - Take your **catalogs to the key people in your company** and ask them to go through the catalog with you...make notes
  - **Get excited** about your company and its products, focus on the positive
  - Completely understand **how to price** your product under all conditions....what are other salespersons in your company selling things for
  - Learn how your company **processes orders** from start to finish
  - Get training in customer service so you **know what computer information** is available
  - <u>Work with others from your company that can teach you</u> and ask them to teach you
  - Read **Trade Magazines**
  - Learn about **your industry** and all the peripheral subjects
  - Learn as much as you can about your **competitors**
  - ♣ ***Teach your customer something on every visit***

- Being **enthusiastic**
  - It is easier when you **know your product** and your competitor's products and sincerely want to help
  - **Focus on the positive**, stamp out negative thoughts
  - Be known for giving verbal praise, write letters also
  - Being in good physical condition helps
  - **Make a commitment to being enthusiastic**
  - **Transfer enthusiasm** from other areas of your life
  - We get excited about...new things, winning, learning, self-development, helping others, avoiding danger, meeting new people, reaching goals, thoughts about getting excited
  - Drive around in a **great area**, go to a beautiful hotel, test-drive a big car
  - Stand up straight and take a deep breath, hold your head high
  - Sell a **product that you can be enthusiastic** about
  - Listen to motivational **tapes**, make your own cassette tape with your successes
  - Read Norman Vincent Peale's book, "Enthusiasm Makes The Difference" or Zig Ziglar's "See You At The Top"
  - Read Anthony Robbin's book "**Unlimited Power**" from 1986

BEING PROFESSIONAL continued

- Being dependable
  - You must **do what you say** you are going to do without fail
  - This is definitely in the top five things that must be mastered
  - Do **not commit to too much**, it is better to get more done than you commit to doing
  - You have to **write down** what you say you are going to do so that you will not forget it and you can check it off as a record that you did it
  - Always go the extra mile. Be known for this.

- Customer Calls
  - Make **lots of them.**...it's a numbers game
  - Be in front of the customer between **9:00 AM and 4:00** PM
  - Make **quality calls**....don't waste your time on small potatoes or low percentages
  - **Learn** from every call and remember what you learned
  - **Focus on how well you handled what you did right**
  - Remember that even **Michael Jordan** misses about half of his shots

STARTING A SALE:

The System For Business-To-Business Sellers

- Identify prospects
  - Purchase records, seek referrals, register internet visitors
- Screen and qualify
  - Tele-prospectors that are paid by the call ($0.10 each) and have a script
  - Microsoft Access CRM database (Customer Relationship Management)
  - Auto-email and auto-fax to send materials
- Focus on the proper accounts
  - Assign accounts to commissioned sales people
  - Identify a limited number of targets (Usually less than 50)
  - Establish simple measurable goals
- Develop relationships
  - Understand your customer's needs
  - Help customers by providing Value that is real to them
  - Make regular contacts at the customer's schedule
- Become the preferred supplier
  - Share after-work time with key buying influences
  - Set up recommended "project" activities
- Utilize technology to automate sales activities
  - WinFaxPro to fax info
  - Microsoft FrontPage to create HTML email "stationary"
  - Microsoft Outlook to create drafts using the "stationary"
  - Web site pages for on-phone discussions

Key "Elements" of this system include: Managing Time; Scheduling Calls; Preparing For A Call; Identifying/Quantifying Value, Determining Cost-Of-Use; Getting To The Right Contact; Opening With WIIFM's; Leaving Voice Mail; Listening Actively; Probing; Proposing and Quoting; Negotiating; Closing Events; Dealing With Objections; Following up

Selection Criteria For Key Accounts - You should have 20 to 32 key customers

- Pick accounts where you have had a "**turning point**"
- Try to pick ones that do not have a **competitor with a 42% share** or more
- Good **match** for your products or services
- **Size** of the opportunity
- Likelihood of **success**
- **Geographical** proximity
- **Growth** trend
- **Existing** business
- Your **chemistry** with buying influences
- **Credit** worthiness

<u>STARTING A SALE continued:</u>

Before you can go after customers you must know what to say about your company and your products

- For your company, develop your **unique selling advantage** statements
  - Use **mind mapping** to generate thoughts with about 8 creative people
  - Group the thoughts and develop less than 5 statements that express the thoughts
  - Examples that **ARE NOT** good:
    - Our company has been in business for over 20 years
    - We are a division of the XYZ Company
    - We are an industrial distributor
    - We provide the broadest and best line
  - Examples that **ARE** good:
    - We have 30 technical specialists in the Detroit area ready to help you solve problems at a moments notice
    - 96 % of the time if you order by noon you get a delivery the same day
    - 99 % of our orders are shipped or picked up directly from our stock
    - We have a location right down the street from you

- For your products, develop ***<u>What's in it for me</u>*** statements to help **match customer needs** to your product.
  - Your statements have to be made in "**<u>What's in it for me</u>**" terms. They should be very specific and quantitative.....they must be very real.
  - Your product or service **will benefit the customer** by satisfying a need. You must express this in terms that are easy to identify with.
  - **When you find a match** and the customer agrees, you must **point this out** clearly and **remember the match** for a summary during the close
  - Your entire "business" exchanges with a customer have to do with matching your product's features/benefits to the customer's needs
  - Get **excited** when you find a match
  - Examples that **ARE NOT** good:
    - This product will reduce your costs
    - This product will increase your productivity
    - This product has a wide range of applicability
    - This product is made of the latest materials using the latest technology
    - This product is the number one seller in its category
  - Examples that **ARE** good:
    - This product will eliminate one maintenance man from you payroll
    - This product will cut set up time from 30 minutes to 10 minutes
    - This product will allow you to produce 300 parts per shift instead of 200
    - This product can be run safely by a young child
    - With this product there has not been one accidental injury ever

STARTING A SALE continued:

The Global Universe

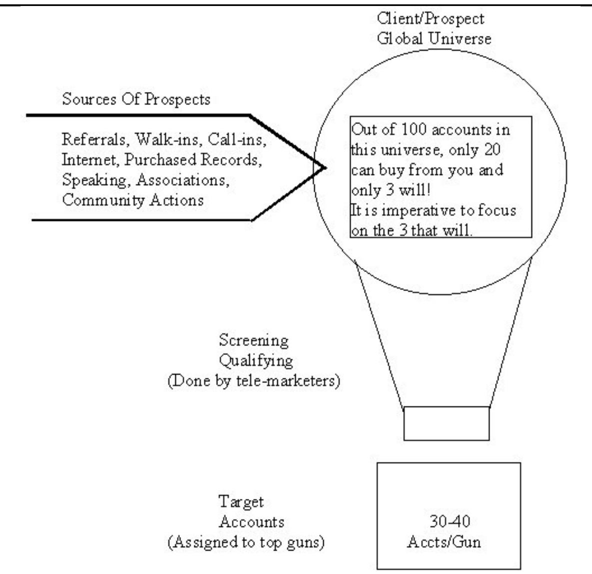


Fig 4. Identifying prospects to target in the global universe

We have a fair amount of experience working with a variety of our clients and have found that, as shown in Fig 4, **most of the accounts (80%) in the "global universe" cannot purchase from you**. Reasons for this include: out of business; only a sales office; locked in to parent or division supplier; account is a student or professor; account is a competitor or other industry sales person.

This is why we recommend screening and qualifying the global universe with lower cost "**tele-prospectors" who can filter out all the ones that cannot buy from you**. In the process they will uncover interested accounts that must be assigned to your sales persons and put into the purchase cycle. Imagine the costs of having an expensive outside sales person visit all the accounts only to find that 80% cannot purchase.

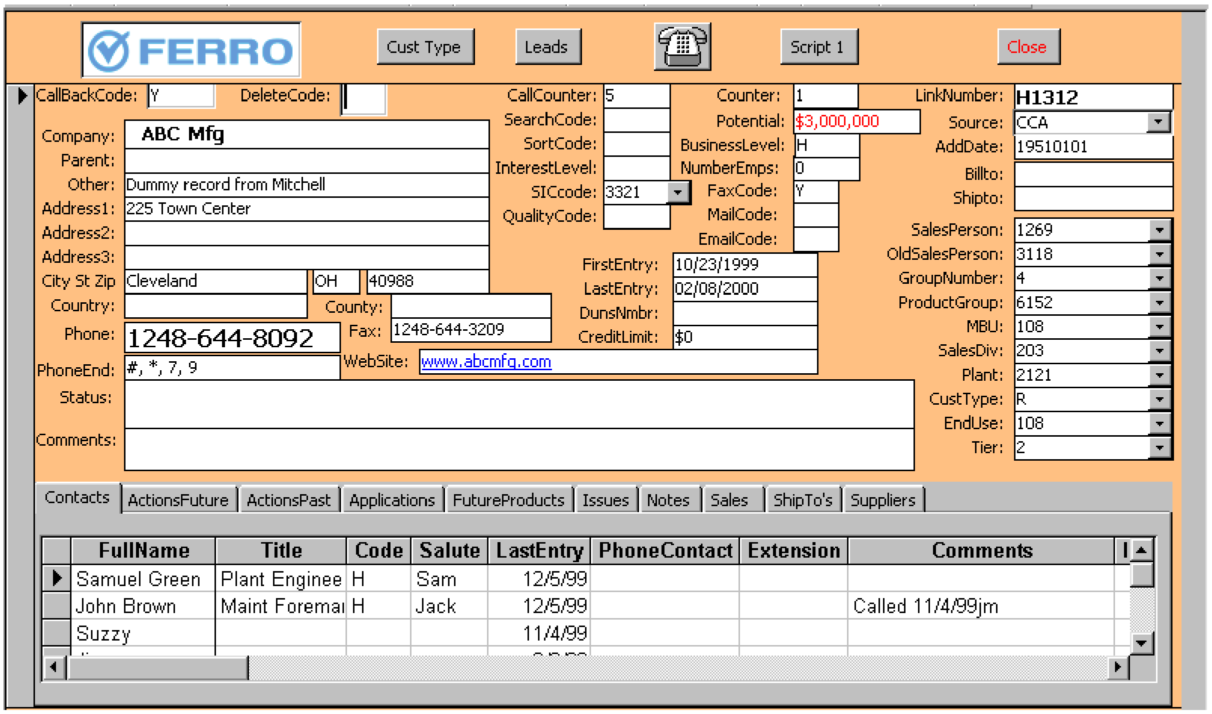
STARTING A SALE continued

Where To Start

In some cases you must determine how to get started to get your first order.

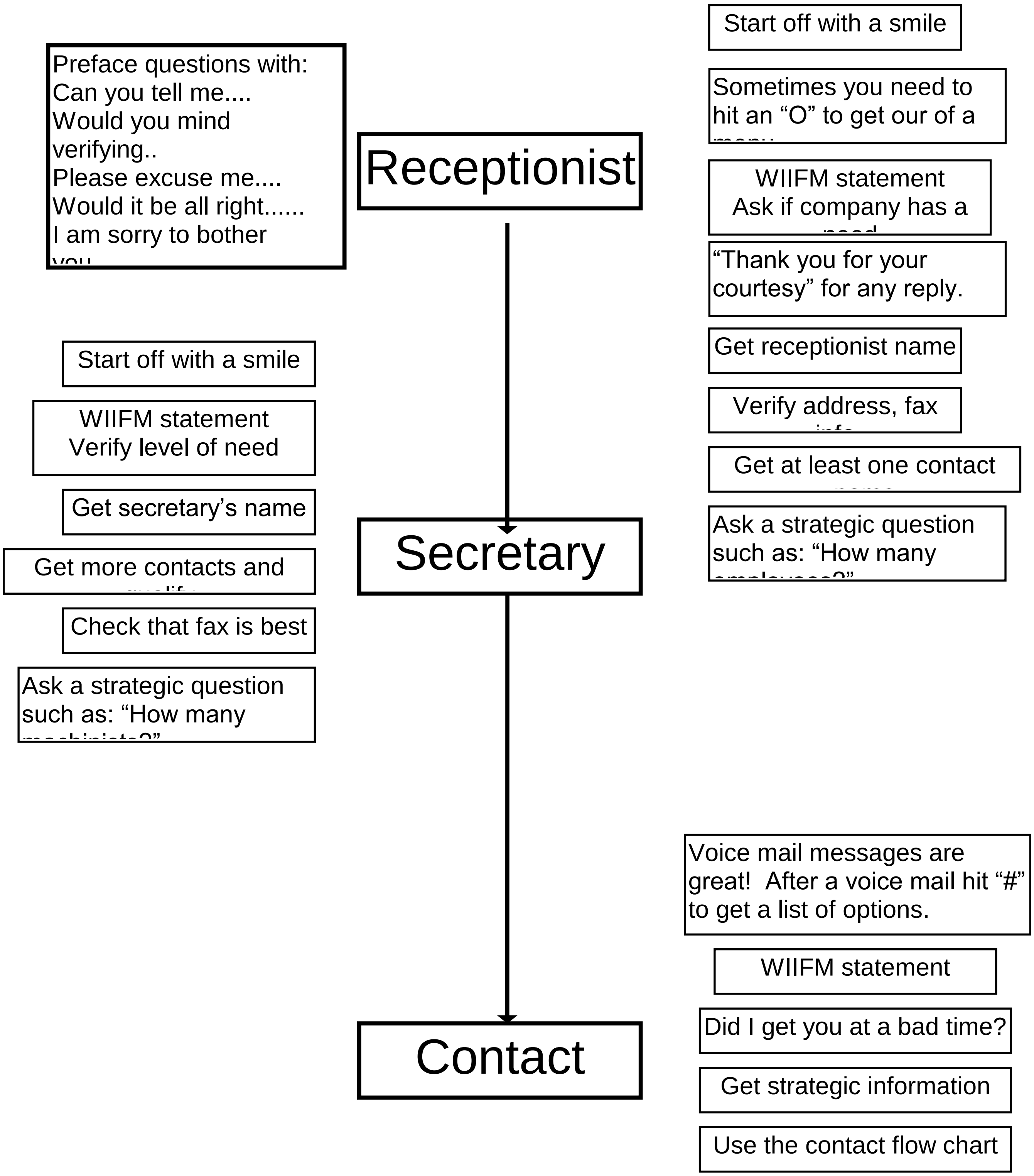
- When you don't know the customers buy **database records,** visit their websites and their competitors too and then telephone them
  - **Start at the top of your prospect's company** with a top executive such as the Plant Manager and use ***the Phone Sales Process Chart*** which is presented on one of the following pages.

Microsoft Access Database

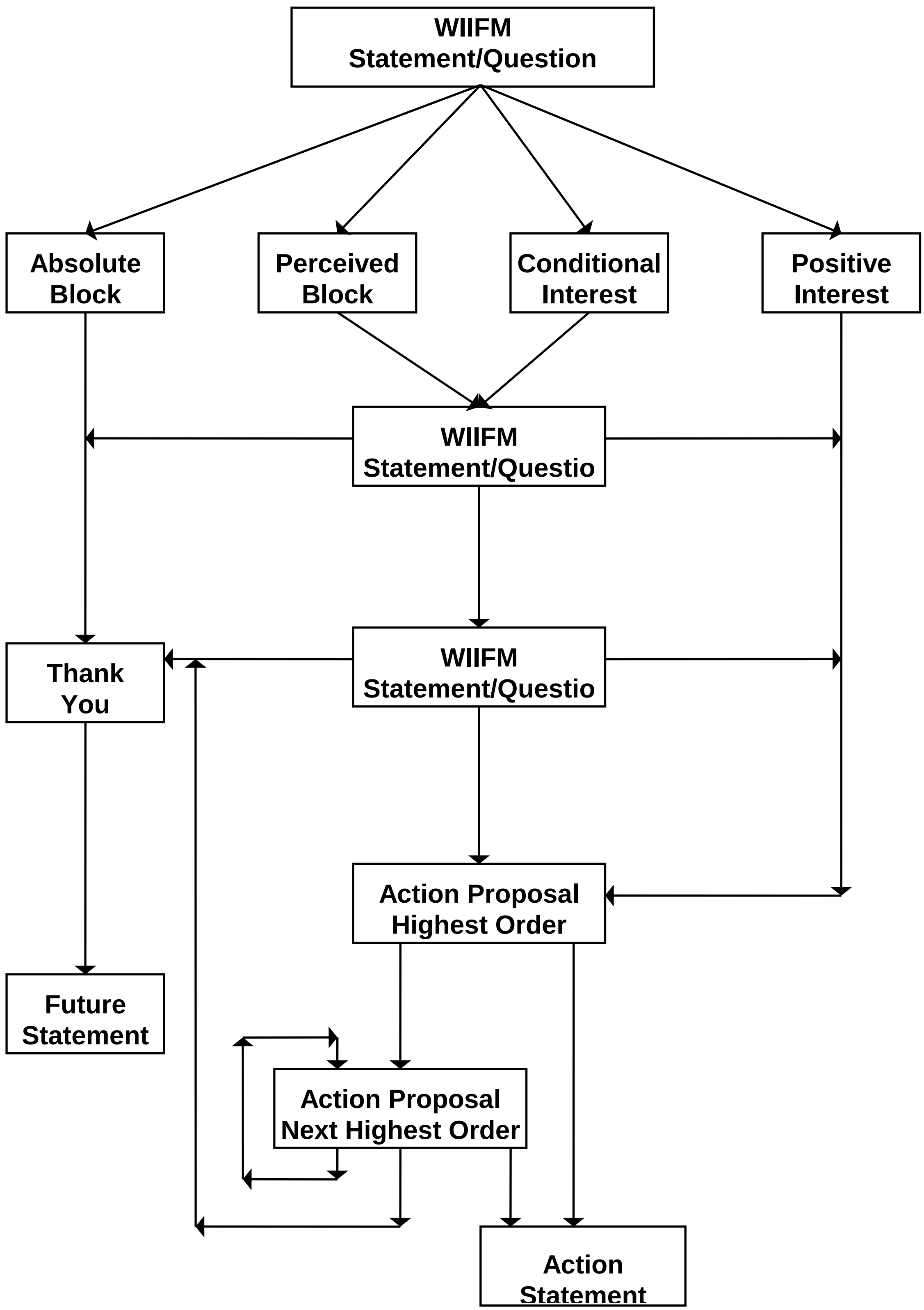


This is a sample screen from a **Customer Relationship Manager** (CRM) database example that was developed by Mitchell Selling Dynamics, Inc. in Microsoft Access.

Phone Sales Process Chart



Phone Sales Contact Flow Chart



Daily Call Log

Caller:_______________________________________

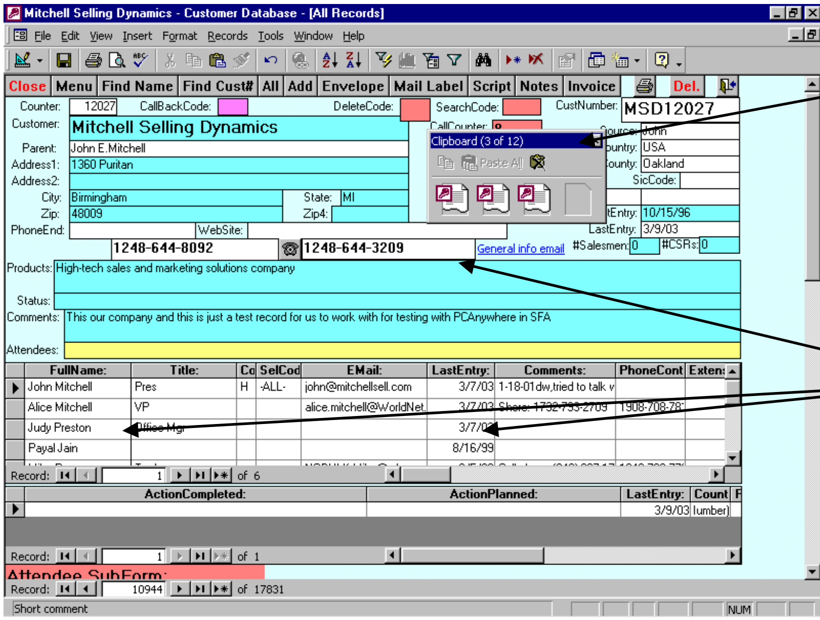
Day: _______________________________ **Date:** ___________________________________

TIME	Number Of Calls	Total	Comments
08:00			
08:30			
09:00			
09:30			
10:00			
10:30			
11:00			
11:30			
NOON			
12:30			
01:00			
01:30			
02:00			
02:30			
03:00			
03:30			
04:00			
04:30			
05:00			
05:30			
06:00			
06:30			
07:00			
07:30			
08:00			
08:30			
	Grand Total:		

STARTING A SALE continued

Using Technology To Contact Prospects

First, when you call a prospect from a **Microsoft Access database**, and the prospect wants more information, you can copy the prospect's name, fax number and email address to the clipboard.



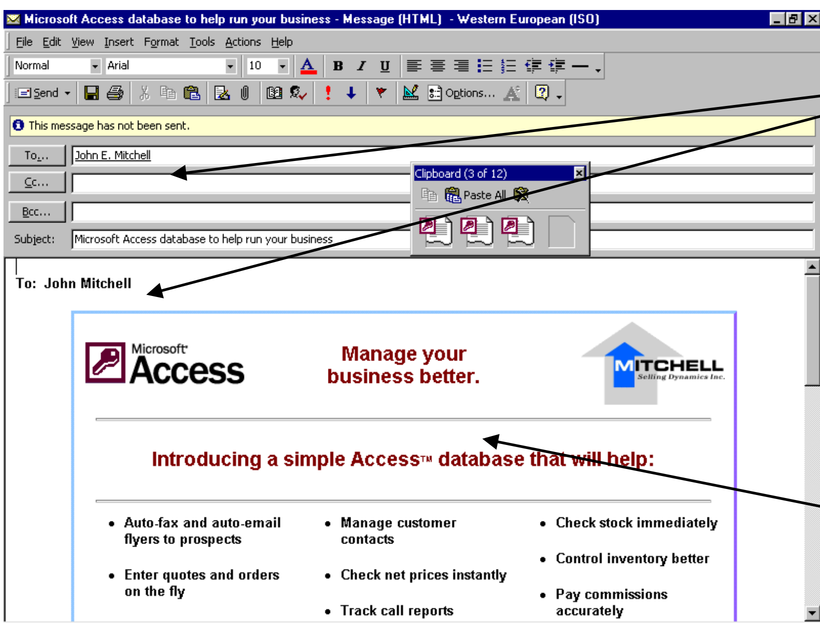
Highlighting a field and then hitting Ctrl+C copies the field's information to the clipboard

Prospect's name, fax number, and email address

Figure 1. Print screen from a Microsoft Access database developed by Mitchell Selling Dynamics

Second, now you can paste the prospect's name and email address into a pre-created "draft" email in Microsoft Outlook and send to the prospect.

Microsoft Outlook Email



Prospect's name and email can be pasted from the clipboard by hitting Ctrl+V

Draft email in HTM format with graphics and text formatting originally created with Microsoft FrontPage.

Figure 2. Print screen from Microsoft Outlook email application with a "draft" HTM flyer that is originally created in Microsoft FrontPage and then made stationery.

Third, using WinFaxPro and a modem on your PC you can fax a Microsoft Word document to a customer so he gets a hard copy.

<u>Symantec WinFaxPro Faxing</u>

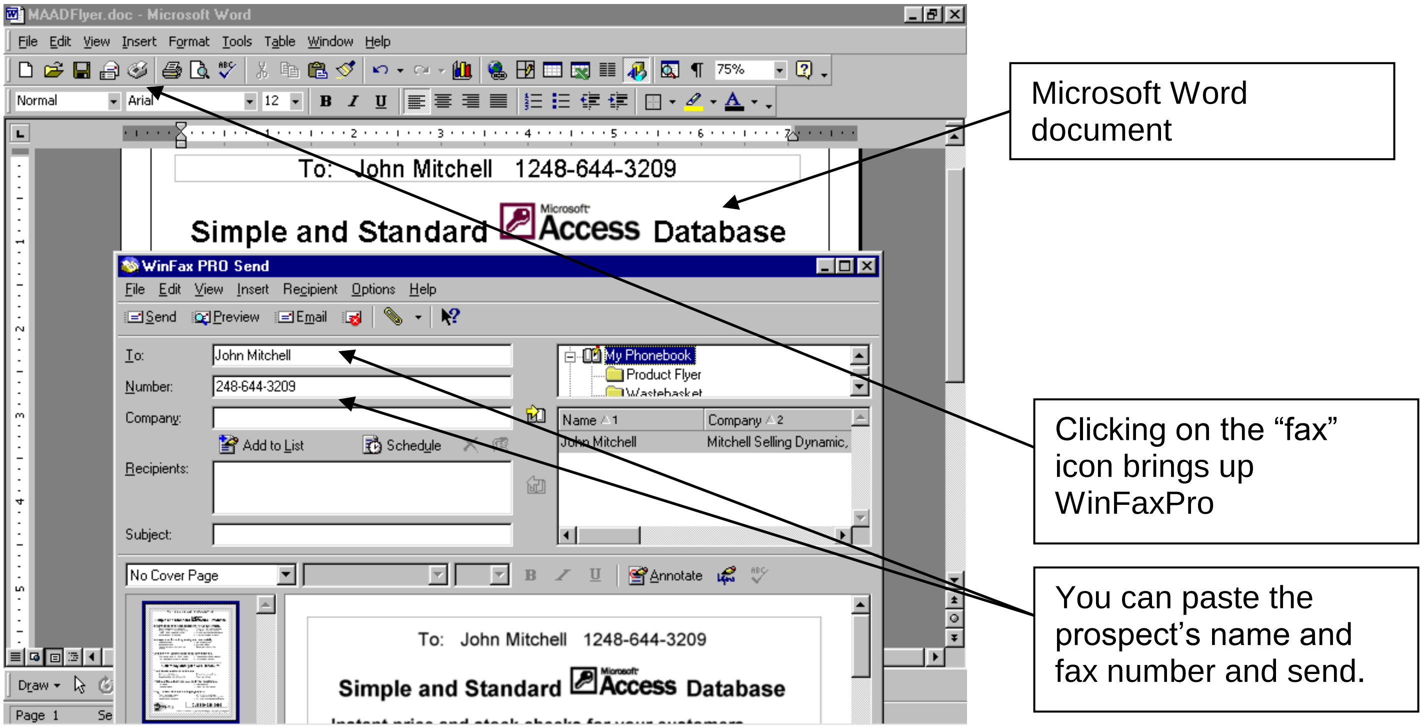


Figure 3. Print screen from Symantec’s WinFaxPro faxing a Microsoft Word document

Three Tier Flyer Design Example

- We saved a client, just like you, over $46,000 askdjasdfalsdfjadjkdjfaklsdjfalksdjfaldjfalkdjakdjfal;sl;jfskdjsdjfaslkasklkjl;asdfkljdfkjlas;dkljlkd fklsdf;lkjasdflkjsdflkjasdlalskdfs;kjfdjfl;sjdflkdjflkdjflskdjflskjflskjflskdjflsdfjlj;sdfjlasdjflas kdjfaslkdjfasldkjfalsdkjflskdjskljfslklskdjflskdjfl;ksjladflkfdslkjsdfklsdfkljjklsdfkl

  - **Here is how we did it:** lasdfklsdjflasdjflsadkjflsdjflsadjflskdjflsdjfkdjfsdjfldjfdfjsdlsjdflsakdjflasdjflsdjflkjasdfljksdflkjas dlfjkalsdjfalsdjfljasdkk

    - **Fixed the absenteeism problem**– at ABC Mfg we reduced it by 22% saving $46,000

      K;ljfds;alsdjfasdlkfjasl;dkfas;dkjalkjasl;asdjalkskjasfjldkfjal;jalksjaskjaskdjasdfal sdfjadjkdjfaklsdjfalksdjfaldjfalkdjakdjfal;sl;jfskdjsdjfaslkaskjsljalsdfal;fakjas;kfalj askdfjsl;jalkdjas;jaskjaskfjasfjjjllkjsdjkl

    - **Lowered employee turnover** – at DEF Mfg turnover is down 19% saving $82,000

      K;ljfds;alsdjfasdlkfjasl;dkfas;dkjalkjasl;asdjalkskjasfjldkfjal;jalksjaskjaskdjasdfal sdfjadjkdjfaklsdjfalksdjfaldjfalkdjakdjfal;sl;jfskdjsdjfaslkaskjsljalsdfal;fakjas;kfalj askdfjsl;jalkdjas;jaskjaskfjasfjjjllkjsdjkl

    - **Increased manufacturing output** – GHI Mfg reports production increases of 18% in the units involved with us

      K;ljfds;alsdjfasdlkfjasl;dkfas;dkjalkjasl;asdjalkskjasfjldkfjal;jalksjaskjaskdjasdfal sdfjadjkdjfaklsdjfalksdjfaldjfalkdjakdjfal;sl;jfskdjsdjfaslkaskjsljalsdfal;fakjas;kfalj askdfjsl;jalkdjas;jaskjaskfjasfjjjllkjsdjkl

    - **Enhanced employee morale** – a satisfaction survey compared to last years results was up 12%

      K;ljfds;alsdjfasdlkfjasl;dkfas;dkjalkjasl;asdjalkskjasfjldkfjal;jalksjaskjaskdjasdfa lsdfjadjkdjfaklsdjfalksdjfaldjfalkdjakdjfal;sl;jfskdjsdjfaslkaskjsljalsdfal;fakjas;kfa ljaskdfjsl;jalkdjas;jaskjaskfjasfjjjllkjsdj

STARTING A SALE continued

How To Start If You Know The Customer

- When you know the customer well but cannot get any real orders
  - **Start at the bottom** of the organization and work on a problem. ie. call a foreman
  - Go through the proper chain of command and get approvals

Providing Value

Regardless of how you get in front of the customer, you must **show the customer that you can provide value** from your company and from yourself. Ask the customer: "Can you tell me about problems in my area where you might need help?"

The kinds of things a sales person can do to provide value include:

- Run **training programs** to teach them how to use your products to save money or increase production – could be lunch box meetings
- Develop **new designs or customize services** working with the customer for guidance to reduce their costs or increase their production
- Propose and **implement unique applications** of your products or services can help the customer
- Develop programs that **reduce the customer's costs of procurement** or satisfy other needs such as safety or security

The real value you can provide becomes more obvious when you know the customer well and usually the customer is involved in helping you figure this out.

You must **identify the right contacts** to focus on at each account:

- Is he the **right person** to talk to about your product. You can call the **sales department** at your customer to get info about contacts. The sales department will usually help you.
- Does the **customer have a need** for your product. Ask him what he is looking for.
- Can you **create a need** for your product by shifting the buying criteria (performance/price)
- Does he have the **authority and the money** to buy it
- Can you get **his budget** or put some "high" numbers as an informal quote and get reaction
- What kind of **time frame** is he operating in days, weeks, years
- Find a soft way to say to the customer: "If I do this and that and you like it, **will you buy it**?"

STARTING A SALE continued

- After a brief introduction, **begin** by asking the customer: “Can tell me about problems you are having and about any expectations you might have of me?” You could say: “I have prepared a presentation for you but before I begin, can you tell me what you would like to hear?”
  - Then say: "**Is it okay if I lay out why I am here?**"
  - Tell the customer what **you have done for customers** just like him
  - You must know why you are there, what you want to do and generally how to accomplish it. **You need graphics, pictures and product.**
  - Use very specific "**what's in it for the customer**" statements like: "Our company has developed a gizmo that is saving companies like yours over $5000 per month"
  - Use short **value statements about your company**: "Our company is the leading provider of gizmos in the mid-west"
  - Short **value statements about who you are**...add a personal statement at the end
  - Suggest that the whole visit will last around 20 minutes **unless there is a larger interest**

- Ask **general questions** first. **Probe** to get the customer talking.
  - You should be like a surgeon **asking intelligent questions**
  - Get the **customer talking** and reinforce his statements by repeating them
  - Understand **before** you are understood
  - You want to **understand his needs**

- **Go for a walk** with the customer
  - Perhaps the customer can show you around
  - Once you are walking **"side by side"** your mind should be like a computer working **systematically** to record everything you see and hear
  - Never daydream while you are on the prowl
  - **Bring key items** with you...a catalog, a pad
  - Stop and **write down** "memory jog" words that you want to follow up on later
  - Ask to **meet key people** and write down their names "for the record"
  - Get a sense of what is your **big opportunity** and what is a little opportunity

- Ask **focused questions** to get more specifics about his **needs**
  - Identify his **real motives** or his main desire
  - Ask him how he feels about a **specific**....
  - Ask him if he is having any **problems** with.....
  - Then ask if this could that **lead to** .....
  - Can you tell me **about your present supplier**....you need to find out if he is unhappy about anything or if he is totally satisfied
  - Can you get **his budget** or give him some “high” numbers as an informal quote

<u>STARTING A SALE continued</u>

- You do not want to try to sell your customer **everything you have on the first visit**, be happy not to overwhelm your customer
- Bite you lip when you want to dump everything you know on a customer.....remember **telling ain't selling**. Put your customer first and your ego next.
- Do not forget the **company owner or purchasing agent**
  - If you are dealing with someone inside a company it usually pays to give the owner/purchasing agent a courtesy call to keep him informed, but ask your contact

- What if the customer is an **old friend** or you have been calling on him for a long time
  - He can be a **strategic linkage** to getting more business
  - Ask to be **introduced** to higher ups in the company
  - Bring in others from your company
  - Constantly remind him and **thank him** for the long lasting friendship that you have enjoyed with him over the years
  - Find out exactly **how much his company is buying** and from whom, WRITE IT DOWN. **Enter it into the database**.
  - **Ask him** what it will take to get all/more of his business
  - Confide in him about what is happening in your life and how you are doing here
  - Look to him to help you **totally penetrate** his company

- Your **goal** should be to "**earn**" the dominant share of your account's business.
  - The F.W. Lanchester says your **share** should be more than **26%** at which you will not get replaced and less than **74%** above which profits go down with a **42%** share being recommended as the top of mind supplier to the account.
  - Remember you do not want just one order...**you want a dominant share**
  - **<u>Every year add at least one customer to your "drop dead to serve" list</u>**

- The idea in "Uncovering needs" is to get something going and be allowed to keep working on it until you get an order, then start all over again. At the **right time you should get explicit agreement with the customer on this.**

- Your **proposal (see this section for a sample proposal)**
  - When it comes to proposals, **bigger is better**
  - Make it as **easy to understand** and clear as possible, use sticky notes
  - Attend to **all the details**: what's included, documentation, training, returns, delivery, installation support, follow on support, warranty
  - Use **WIIFM** statements with each item
  - **Pictures**, catalog clippings, drawings or sketches and videos can really help
  - Put an **executive summary** up front with benefits, expected results, resources required, measurements and estimated costs
  - Tie in the **future** if possible
  - Make your proposal a "**bracket**" proposal that **includes alternatives** such as a bare bones package, mid-range package and a full-blown package. **This takes focus off yes/no**!
  - Your proposal should be whatever it takes to get the order without you there
  - Add a "**pie sweetener**" to penetrate another area, eg. give away a complementary item to get them to try it, as well as, to help with this order

Sample Proposal Letter – Page 1 of 3

Dear Customer Contact:

This letter contains a number of recommended projects that will produce **$1.2 million in savings** and add **$9.4 million in incremental sales**.

Thank you for the opportunity to discuss marketing strategy and to present our recommendations.

This letter lays out a "recommended" series of projects covering several years. It includes the benefits to you from each project, their prioritization and cost. We hope you will add them to your marketing plan.

Please be aware that several of these projects are interdependent. That is, one may need to be completed before another can be started. Our "proposed" timetable takes this into account.

Proposal Summary:

- ***Strategic Projects***: This proposal identifies 17 strategic projects and lays them out on a quarterly timetable.
    - ***Benefits to you***: are included for each project along with the estimated savings
        - ***Skill set improvements*** sales people will be tested and monitored in the field
        - ***Sales increases of 30% the first year are expected and will be measured***
        - ***Cost reductions*** including the removal of two salaried employees will be reported
- ***Software and Hardware Upgrades***: Recommendations to improve your business systems are included
    - ***Benefits to you***: are included for each project along with the estimated savings
        - ***Productivity improvements*** of 80 hours per week are estimated
- ***Lead Generation***: Unique, creative lead-generation initiatives are included
    - ***Benefits to you***: we estimate that we will increase your new prospect contacts
        - ***New Prospect Contacts*** of 40 per week are estimated over the present 6 per week
        - ***Conversion to customer rate*** will be doubled

Please NOTE: If you decide to proceed by ____________ we will provide you with a "**Pie Sweetener**" by giving you the CRM database ***at no-charge***, a value of $xxxx

We present this letter in the humblest terms possible. We are in awe of the tremendous achievements that your company has already made and will undoubtedly continue to make. We simply hope to play a role in your continued success.

Our resources, business associates and experiences stand ready to serve you!

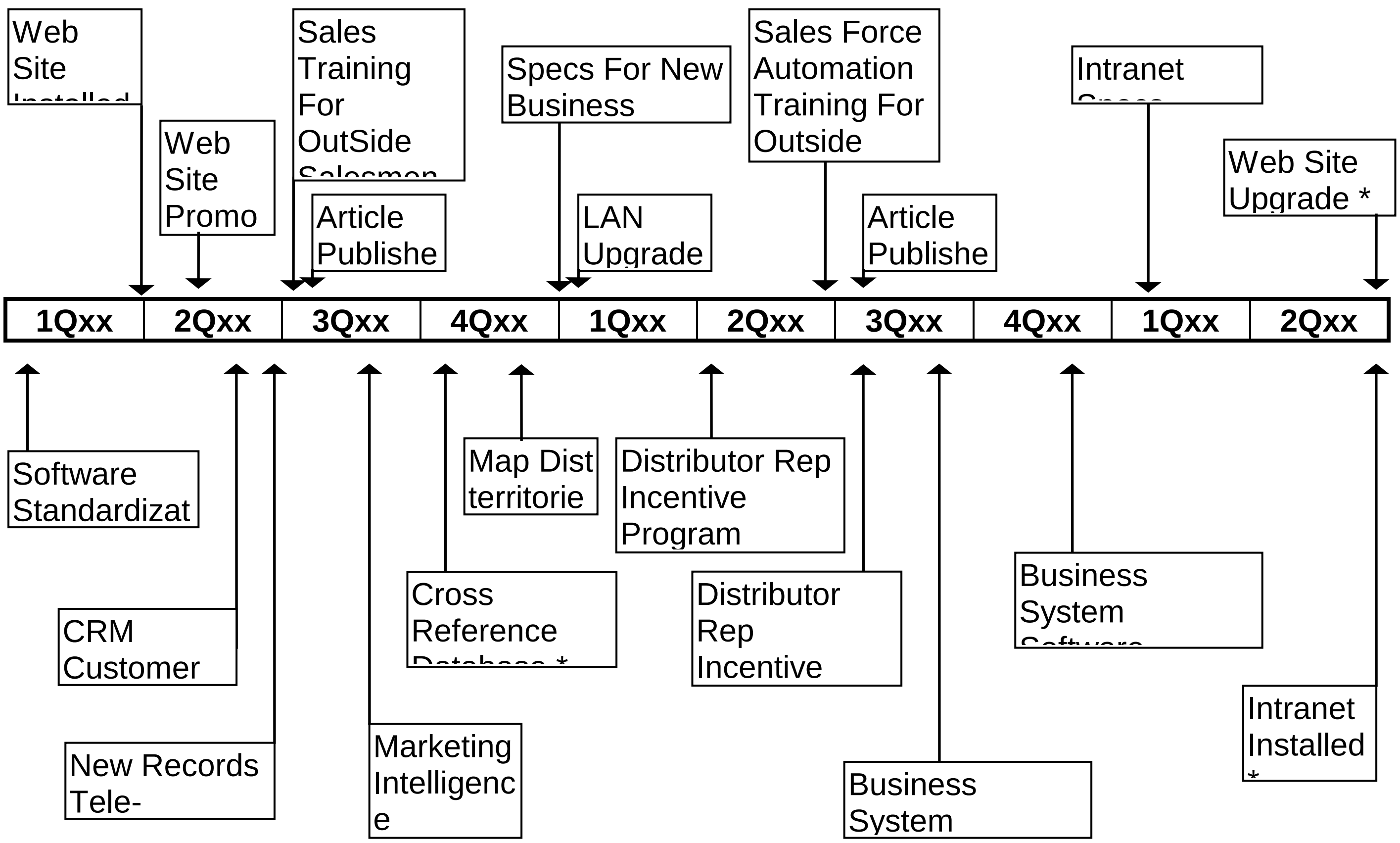
We will contact you in a few weeks to follow-up but please feel free to contact us at your convenience.

Sincerely,

Sales Representative

Sample Proposal Letter – Page 2 of 3

Project Completion Targets By Yearly Quarters



Note: Please see following pages for detailed project description, benefits and cost estimates, etc.
* Indicates projects that require prior completion of other projects.

Note: This page was created in Microsoft Word using the "Drawing"

Sample Proposal Letter – Page 3 of 3

Recommended Projects (Sample for three projects)

1. **CRM Customer Database**
Description: Microsoft ACCESS Customer Relationship Management (CRM) database to provide customer information and sales person contact action history. Project to include present database standardization and address correction to CASS, additional record purchase and creation of forms, reports, queries and macros.

Suggested Supplier: Mitchell Selling Dynamics, Inc., Birmingham, MI, 800-328-9696
(Some projects might show alliances with other "partners" to provide specific services)
Estimated Cost: $xxxx

Benefits: Customer database will provide an information warehouse allowing auto-emailing, auto-faxing, merge-mailings and keep track of your prospects and customers. It will allow management to review all present and planned actions at accounts. ***We estimate this will greatly improve your conversion rate adding at least 200 new customers per year or about $2 million in incremental sales***.

2. "**Relationship Selling" Sales Training**
Description: Send each outside sales person to the two-day seminar: Relationship Selling. Please see www.mitchellsell.com for a complete list of the course content.

Suggested Supplier: Mitchell Selling Dynamics, Inc., Birmingham, MI, 800-328-9696

Estimated Cost: $xxx per attendee for the first attendance, repeat annually for refresher at no charge. Custom programs can be done for your entire organization at $xxxx each.

Benefits: a sales team this is focused on the proper number of accounts and taking the proper actions will generate new, profitable business. ***We estimate an increase in sales by your middle performers of over $200,000 per person.***

3. "**Sales Force Automation" Computer Training**
Description: Send each outside sales person to the two-day seminar: Sales Force Automation to learn how to use PC computers to grow business.

Suggested Supplier: Mitchell Selling Dynamics, Inc., Birmingham, MI, 800-328-9696

Estimated Cost: $xxx per attendee for the first attendance, repeat annually for refresher at no charge. Custom programs can be done for your entire organization at $xxxx each.

Benefits: Each sales person will learn how to work smarter using computers to do many of their labor-intensive tasks. They will be able to contact their customers automatically with promotions and they will maintain current customer contact information. The quality of their presentations will be enormously improved and standardized using PowerPoint presentations with accompanying CD ROM's. They will have up-to-date cross-reference databases to check stock and convert competitive items over. ***We estimate that this will save each sales person in excess of 40 hours per month or $48,000*** per sales person per year.

Starting a Sale Role-Play – page 1 of 2

Description: For a total of 30 minutes you will rotate among the roles of salesperson, customer or observer. Each role-play will take about 10 minutes and the 3 team members will rotate their roles. Following the role-plays each team will elect a spokesperson observer who will be asked to discuss the team's observations with the class. **Use the three "Scenarios" that are explained on the next page.**

Salesperson:

1. You will have to prepare yourself to employ techniques that have been presented in the course you are attending including***: asking the customer's expectations; listening; repeating back; using first name; making value statements; building customer's status; being enthusiastic; being prepared with pen, cards, note paper; stating unique selling advantages; stating WIIFM's***
2. You will have a total of 8 minutes to prepare and make your presentation and the observer will have 2 minutes to make comments. **Use the three "Scenarios" that are explained on the next page.**
3. Explain to the customer and observer the background for your situation including your understanding of what the customer manufactures, what is going on at the account and what you are hoping to accomplish on this call.
4. Introduce yourself and begin your normal sales presentation for the objective to be accomplished.

Customer:

1. Listen carefully and react normally to the lead of the salesperson.
2. Make notes of things you liked and disliked.
3. At the end of about 8 minutes of interaction with the salesperson be prepared to support the observer's comments. **Use the three "Scenarios" that are explained on the next page.**

Observer:

1. Watch for the salespersons use of techniques that have been presented in the course you are attending including***: asking the customer's expectations; listening; repeating back; using first name; making value statements; building customer's status; being enthusiastic; being prepared with pen, cards, note paper; stating unique selling advantages; stating WIIFM's***
2. Listen carefully and make written notes about your observations. **Use the three "Scenarios" that are explained on the next page.**
3. Remember that your elected spokesperson will need to have reference material to present your team's findings to the class.
4. At the end of 8 minutes of interaction with the salesperson lead the discussion about what happened and add your groups comments to you notes and give them to your elected spokesperson.

Starting a Sale Role-Play- page 2 of 2

Situation A - Overview: The Carbilast sales person is visiting a national manufacturer of medium sized cast steel valves. His contact is a **left-brain** tool engineer who has been in charge for many years using mostly Supermetal tools. Carblast and Supermetal are major carbide tool mfgrs.

Items Of Interest:
- The company is using automated mill-turn centers.
- The operations being performed include: facing, turning, grooving, drilling and boring.
- There are problems with chip control, sand inclusions and hard spots.

Salesperson's Objective:
- Get closer to customer psychologically
- Look for a problem to work on.

Customer's Objective:
- Find out what Carbilast and their salesperson can do to help with chip control and tool breakage
- See if Carbilast can help with troubleshooting

Situation B - Overview: The Cimcool sales person is visiting a job shop company producing automotive parts requiring predictable and long tool life on several cast iron turning operations. The owner is a **right brain** person that relies on suppliers for engineering support.

Items Of Interest:
- The company is using CNC turning centers for these automotive parts.
- The operations being performed include turning and chamfering.
- They have not seen a Cimcool sales person in a long time.
- They are presently purchasing Trim Sol machining coolant from Master Chemical

Salesperson's Objective:
- Get closer to customer psychologically
- Look for a problem to work on.

Customer's Objective:
- Find out what Cimcool and their salesperson can do to produce better surface finish
- See if Cimcool can help with troubleshooting.

Situation C - Overview: The Panasonic sales person is visiting a new Panasonic Portable Tool distributor's sales manager with 5 outside salespersons. The sales manager is the owner's son in his 40's.

Items Of Interest:
- The distributor has top construction tool lines such as Power's Fasteners; Senco Nailers; Greenbull Ladders
- They are a profitable company with sales of approximately $5 million.
- They have long-term relationships with several important customers.
- Makita previously supplied $200,000 in portable hand tools but there is a much bigger potential.

Salesperson's Objective:
- Get closer to customer psychologically
- Understand the distributor's needs.

Distributor's Objective:
- Find out what Panasonic and their salesperson can do.
- Understand what Panasonic expects.

CLOSING:

There are two kinds of situations that we would like to close. One is a "micro" situation and the other a broader "macro" situation: These are **"Activity" Closing** and **"Preferred Supplier" Closing.**

- **"Activity" Closing** has to do with persuading the customer to allow some kind of activity to occur. **You must ASK the customer** for permission for the activity. **Asking** will allow you to **measure your likelihood of future success**.

Don't be afraid of NO. It is better to get an insight into the customer's intentions then to go on for a long period of time without any likelihood of an order.

This "micro" activity is minor in scope such as.

- Allowing you to come back again
- Allowing you to send literature or samples
- Making joint visits to third parties to "see" your stuff in action
- Allowing you to run a test or demonstrate your products

Activities involving **samples** should be discussed before we give the samples to the customer. The discussion should involve **what will happen if the samples work well**. Will they be ordered? It is generally expensive to give away samples and, while necessary in many situations, we should get some idea of the likelihood of an order being placed.

Many sales trainers believe there are magical "Closing Techniques" that you can "work" on a customer and manipulate him to take actions that you want. Some times these will work in the "Activity Closing" situation. Popular among them are:

Trial Close where the sales person is supposed to say something like: "I can get a box of them over here by Wednesday if you want?", expecting the customer to say: "Okay."

Assumptive Close where the sales person is supposed to say something like: "Thank you for your interest in our widget line. It looks just perfect for you. I will come bye tomorrow and take you to a plant where you can see them in action." expecting the customer to say: "Sure, tomorrow is fine".

Reverse Close where the sales person is supposed to say something like: "I can get back to you after the summer", expecting the customer to say: "No, I would like you to get back to me next week.".

Inducement Close where the sales person is supposed to say something like: "I would love to talk more about this with you. How about if I come bye next Thursday and take you to lunch? expecting the customer to say: "Sure, I would like you to get back to me next week.".

- **"Preferred Supplier" Closing** is where we persuade the customer to prefer our products over our competitor's products (macro), which is not a simple activity. This type of "share growth" closing is not a singular event but rather a **process over a long term**
  - Please refer to our "**Purchase Cycle**" exhibits in the appendix for our views on the elements and time involved with converting a customer to our products
  - You should do a number of "Activity Closes" on **one small objective** each call so you can measure the likelihood of success that you will be allowed to become the Preferred Supplier.
  - Beginning objectives can be simply to be allowed to come back again or to drop off some literature or to visit another member of the company. Get something going and follow up on it
  - If the customer falls into the "**Easy To Sell**" category on the "**Readiness To Buy Curve**" it may be possible to get an order AND become the Preferred Supplier right away. **Some times** you can get "the" order on the first call so do it!
  - To become the Preferred Supplier **the sales person will have to get "involved"** with the customer. This can be done both **on-the-job** and **after normal working hours** in a social setting.
  - To become the Preferred Supplier the customer will have to have the trust and confidence that you and your company can **perform consistently and this MUST BE DEMONSTRATED** over a reasonable period of time.
  - Examples of "macro" closing techniques are:
    - Setting up **training programs** that run 10 weeks and completing them providing certificates to the attendees
    - Developing **cost reduction projects** to reduce your customer's costs and managing the project and reporting results on a timely basis.
    - Identifying **productivity improvement projects** jointly with your customer and managing the project and reporting results on a timely basis.
    - Formally agreeing to "**partnerships**" with written commitments from both sides usually signed by the top executives in both companies.

- **Your Objective**
  - Every customer visit should have an objective that must be accomplished in the context of becoming this customer's Preferred Supplier.

“Preferred Supplier” Projects (Developed jointly with a customer)

These two projects are examples of planning created jointly with a customer. Projects created and planned in this manner will get you well on the way to being the **Preferred Supplier** and prevent you from giving the customer costly “demo” products at no charge.

		MilestoneTimeTable.xls							
			Jan	Feb	Mar	Apr	May	Jun	Jul
	1	**Re-engineer A474 Shaft**							
	1.1	Meeting to propose and approve	PS-PF						
	1.2	Identify team members	PS-PF						
	1.3	Analyze existing process	PS	PF					
	1.4	Present recommendations		PS	PF				
	1.5	Order test tools and other items			PS-PF				
	1.6	Receive all new items				PF			
	1.7	Install new items and debug				PS	PF		
	1.8	Change process sheets					PS	PF	
	1.9	Setup new items in crib						PS	PF
	1.10	Train machinists						PS	PF
	1.11	Report results							PF
	1.12	Follow-up							PS
	2	**Train Department 34**							
	2.1	Meeting to propose and approve	PS-PF						
	2.2	Analyze needs	PS-PF						
	2.3	Develop curriculum	PS	PF					
	2.4	Identify attendees		PS	PF				
	2.5	Schedule classes			PS-PF				
	2.6	Assemble materials			PS	PF			
	2.7	Identify facilities				PF			
	2.8	Develop demonstrations				PS	PF		
	2.9	Order items for demonstrations					PS-PF		
	2.10	Debug demonstrations						PS	PF
	2.11	Hold classes							PF
	2.12	Hold graduation ceremony							PF
	2.13	Report results	PS						

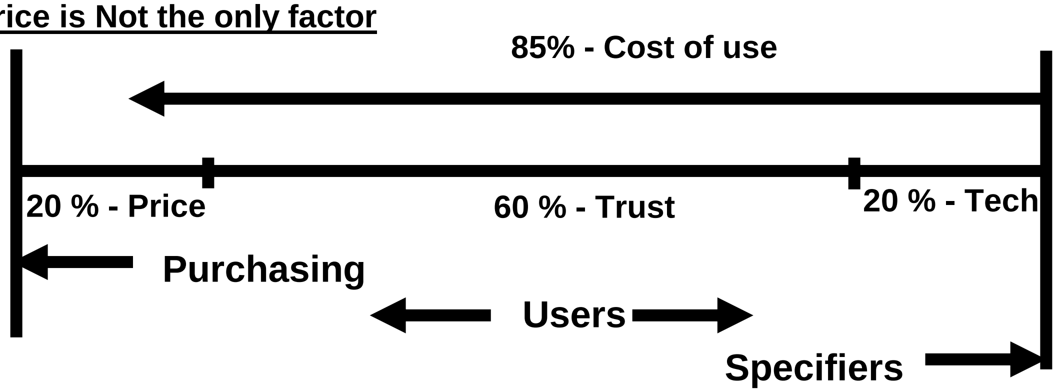
PS=Planned Start
PF=Planned Finish

After the projects are completed you can put the **AS** (Actual Start) and **AF** (Actual Finish). Doing this will help you create future project plans with more realistic timetables. You can also increase your credibility by showing new customers ACTUAL implemented projects.

CLOSING continued

- Dealing with **price**
  - **Price is seventh** in the list of why customers buy
  - **Cost-of-Use** should be stressed constantly
  - Only **20% of the customers are pure price buyers**.
  - **If you drop the price** by 10% you could be giving up 80% of your profit.
  - If by dropping the price by 10% you give up 50% of your profits you will have to double your sales to be at the same profit level.
  - It is difficult/impossible to increase the price but **you can drop the price in a matter** of seconds and it will take years to get it back to where it was.
  - ❖ **Can you ask**: “What do you think the odds are that the lowest bidder is going to provide the most value or provide the lowest cost of use?”
  - **Hold off** technique.....can we hold off on that for just a minute.
  - **Create concern** technique.....you get what you pay for.
  - **Sympathy** technique....don't you want our company to continue to furnish the very high quality products.
  - What to **take out** technique.....we can remove the....
  - **Larger order** technique.....we can meet that price if you buy more.
  - The **no** technique....I am sorry but I just cannot do it (you can always call the customer back later if he does not order).
  - Can I **add something** technique....if I throw in this is it okay
  - **Sweeten the pot** - We need this order right now because of idle resources and we will give you this....
  - **No authority** technique....I have to check that with my boss.
  - Give me the order **this time** technique....and next time I will see what I can do about the price.
  - When it comes to proposals, **bigger is better**
  - Make your proposal include alternatives such as a bare bones package, a mid-range package and a full blown package. **This takes the focus off yes/no**!
  - Give me **part of the order** this time....just in case.
  - Never give up price on the spot or without **getting something** back.
  - Get the customer to tell you **the price he needs** and then work on making him go up before you come down
  - When he goes up you can **come down by half** (or a tenth) of what he went up
  - **Understand** all aspects of the situation before you take any price action

Price is Not the only factor



- Overcoming **Objections**
  - **First objection** is usually not the real one
  - Tests or **trial** usage's can often answer an objection without "telling" the customer
  - Make sure you do this **face to face** and not on the telephone

Don't ask the customer "why". Say to him: "You must have a good reason for that. Can you share it with me?"

  - Stop and **confirm that you heard** the objection. "Let me make sure I understand your concern"
  - Ask for **further clarification. "**Would it be all right for me to ask you to give me more specific info"
  - Are they logical or emotional
  - Is this the **only objection**. If this objection is overcome will you get an order
  - **Case histories** can lower the worry about an objection
  - **Letters of recommendation** can lower the worry about an objection
  - **Joint visits** to other customers can lower the worry about an objection
  - Joint visits to your company can lower the worry about an objection
  - Please **help me understand** your concern technique....
  - **I understand** technique....I understand your concern and this is why
  - Minimizing technique....**while you are right** about your concern a specific feature may provide benefits that over shadow
  - Using the "**we/us**" technique.....we need to find out about this so that it does not hurt us
  - **Confirmation and Leading Questions**. Ask the customer: (**Confirm**) "Sounds like you are concerned about….?" and then (**Lead**) "Well, that is a valid concern and there are others that share that concern, however… most of my customers are more concerned with the cost of use. Can I show you what I mean?"
  - **Feel, felt, found** (from Carl Henry) I understand how you feel; Others like you felt; Once they evaluated the cost of use they found

- **Summarizing Builds Momentum For You**
  - **Keep track** of the product features and benefits to the customer that you have discussed during your visit and that the prospect has accepted. Tie in a benefit to the customer with each of your product's features. These are the "The What's in it for the customer" statements.
  - **Lay them out** to the prospect as two family members would do prior to making a purchase.
  - You and your prospect sitting on the **same side of a table** or standing side by side.
  - **Let's review what I think we have agreed to so far..**..
  - **Is it okay for me to summarize?**
  - **Send an email that "documents" what happened, agreed-to or was discussed.**

<u>CLOSING continued</u>

- Getting an order
  - Do not be afraid of a **NO**
  - You will have to make it happen...**Do not assume** you will get an order.
  - **It starts before you visit** the customer because when you agree to visit him you should have said something like: “If I come over there and do what you request and solve the problem, can you tell me what will happen next?”
  - Watch for buying signals....do not oversell. This may be the “Easy To Sell” guy
  - You should do some **preliminary question asking**...what color would you like...or...will you want the big one or the small
  - Your should build a story and **leave no doubt** that the logical next step is for you to do what you set out to do
  - Some times you can suggest to your customer that you will **stop at purchasing** to pick up the PO if he calls while you are walking there
  - In a very confident manner inform your customer that **you can deliver it** as early as tomorrow or does he need it today
  - Suggest that **your company is very creative in terms of getting payment**...would he like to do a credit card or pay after the present quarter or next year.
  - You can say: “I will start working for you today and **you can send in the deposit after** you get my invoice
  - If your close fails for any reason politely **ask what the specific reason** is and then isolate the reason and deal with the reason. A good way to do this is to say: “You must have a good reason for not wanting to proceed. Can you share it with me?”
  - Be careful not to get the customer in a box that he cannot get out of....you could **ask him to suggest what the best next step should be**
  - Remember that **a professional salesperson <u>sells</u>** and that means asking for the order. It does not mean assuming the customer will send in the order or orders will mysteriously materialize.

- **After the order**
  - **Write a thank-you** letter
  - **Follow up** at your company
  - Do not assume that things will go right...get involved
  - **Follow up** at your customer's company
  - **Get back right away** and start working on the next order
  - **Look for problems**, if you find them you can fix them earlier, if you do not find them it is just great
  - Work on **setting up the larger sale**: yearly contracts, the whole department, the whole company, standardize your products

<u>CLOSING continued</u>

- Dealing with rejection
  - Try to remember that **negative feelings are just that**....they are not tangible...they are in your mind
  - Look for the **lemonade** in the lemons
  - Every problem is an **opportunity**
  - Try not to take it **personally**
  - Even Jesus Christ didn't have everyone in his camp
  - Focus on the **customers that love you**
  - Call on the **tough customers when you are best able** to handle it
  - Employ the "Being Enthusiastic" remedies in this book
  - **<u>Thank God for all the customers out there</u>**
  - I want to be the best failure out there
  - The **difference between getting a “yes” and getting a “No”** is usually very small...in golf it is two or three strokes out of almost 300.
  - In running it is just a fraction of a second
  - Keeping that **positive mental image** of yourself is crucial.
  - If you get down, think about staying with it for **30 days more**
  - Audio cassette **tapes** such as Zig Ziglar's "Building Your Self Image" or a fun cassette tape that you make yourself help to keep your mind focused on the positive
  - What **separates great salespersons** is how they deal with frustration...everyone gets frustrated
  - **Isolate the rejection** as just one event...package it and put it on a shelf
  - Remember, this is the **difficult part of my job** and if it did not have a level of difficulty it would not be worth doing and certainly would not pay much
  - Read Anthony Robbins’ book ***Unlimited Power***

Closing Role-Play

Description: For a total of 30 minutes, including preparation, you will be salesperson, customer or observer. The sales person should **prepare his presentation** with written Unique Selling Advantages, WIIFM's and be ready for objections. The customer and observer should prepare for the role-play by writing what they expect the sales person to do and say. Following the role-play each team will elect a spokesperson that will be asked to present the team's observations.

Overview: The sales person is visiting an automotive parts manufacturer producing plastic interior trim components requiring consistent **color** (GM Specification Bordeau Blue # 9934) and an appropriate **hardness** reading (Shore Durometer D=40). The owner is a **right brain** person that relies on suppliers for engineering.

Items Of Interest:

- The company uses computerized injection molders to produce these automotive parts.
- The operations being performed include injection, densification and finishing.
- They have seen you in the past, an ABC Plastics sales person, but never really listened to you.
- They are presently purchasing polypropylene from a Dow Chemical distributor and paying about $0.10 per pound in rail car lots. It comes in the form of a "salt & pepper" mix with a combination of white and blue pellets that "could" have a mix change separation during shipment.
- About 12% of the finished parts have to be scrapped due to inconsistent color
- About 3% of the finished parts have to be scrapped due to out-of-spec durometer readings

Salesperson's Objective:

- Practice all of the presented Mitchell Selling Dynamics' skills including *asking the customer's expectations; listening; repeating back; using first name; making value statements; building customer's status; being enthusiastic; being prepared with pen, cards, note paper; stating unique selling advantages; stating WIIFM's* with special attention being given to **overcoming objections**, executing **"activity" closings** and get started on a **"preferred supplier" closing**.
- Get closer to customer psychologically
- Set up a Value-Added project and get the customer to **purchase** some polypropylene that you get from GE Plastics so that it can be tested. Custom small lots are very expensive to furnish ($1.80 per pound) because the exact "blue" color pellets are created so there can be no separation in shipment.

Customer's Objective:

- Find out what ABC Plastics and their salesperson can do to reduce scrap
- Cautiously, let ABC Plastics know that you are unhappy that Dow Chemical and their distributor haven't provided any help
- Let ABC Plastics know you are very reluctant to change suppliers due to the hassles involved
- Get technical evidence that GE Plastics polypropylene is better than Dow Chemical's product
- Object to purchasing any trial materials because they are expensive and may not be representative. However, if the sales person makes a convincing argument you may use your own judgment as to purchasing trial materials.

Observer:

1. Watch for the salespersons use of techniques that have been presented in the course you are attending including***: asking the customer's expectations; listening; repeating back; using first name; making value statements; building customer's status; being enthusiastic; being prepared with pen, cards, note paper; stating unique selling advantages; stating WIIFM's; and do some activity closing and preferred supplier closing***
2. Remember that your elected spokesperson will need to have reference material to present your team's findings to the class.

<u>SELLING IN A DOWN MARKET:</u>

There are a lot of opportunities in a down market. Most customers are looking for ways to reduce costs and there are often personnel changes that sever existing relationships allowing something NEW to be introduced. We need to move the focus for growth from new products to **new customers**. This usually means taking business away from someone else.

- **<u>Develop Strategic Linkages</u>**

  The idea here is to study every avenue possible to help you, dramatically increase sales. Look for a lot **more than just one order**, look for ways to identify and penetrate new customers in a bigger way and existing customers further due to some advantage you might have.

  - **Commonalties**
    - Look for commonalties in your **existing customer base** (NAICS or SIC codes, regions, dealers, products used, common obstacles). This helps you identify the niches you may enjoy that can be expanded.
    - You have strengths with **certain industries** or customer types
    - **Focus on these segments** (buy databases, make products for them, join associations, go to trade shows, do PR in their trade magazines, hire employees that are from your intended target industry)
    - Examples include: American Express and business credit cards; Accountemps and temporary finance employees); safety products for OSHA controlled companies.

  - **Partnering**
    - **Dedicate** your services to a company in a partnership fashion
    - Use your resources to **eliminate the need** for your customer to provide what you are providing
    - You become dependent on each other in a complimentary way
    - **Upper management** at both companies will help this happen
    - Examples include: MacDonald’s and Coke; GM and EDS; Meijer's and private label manufacturers; ADP doing payrolls; installers for Sears

  - **Vertical Networking**
    - Look to your **suppliers or landlords** to help you by using your product/service or to help you land new customers
    - Ask your **customers and past customers** to help you sell your product/service to their customers, their suppliers or their associates
    - Examples include: financial service companies can get you market leads; you can get advertising money from product providers; installers can get leads from wholesalers; your landlord can provide a list of his other tenants; tax attorneys can ask for referrals; food services companies could do catering for cafeteria users

- **Linkage expansion**
  - Use contacts that are **out of work**. Help them find a job and you are in
  - Call **contacts** at existing accounts when they move to another company
  - Use **employees** to identify leads where they can help
  - Use **family and friends** to tee up leads
  - **Government** officials that you voted for can help
  - Trade or volunteer **association** officials can be helpful
  - **Club** memberships such as Rotary, Masons, Optimists, Golf, Alumni, Church, etc.
  - Existing **employees from other countries** can help get started in their homeland (Canada, eh)

Strategic Linkage Exercise

INSTRUCTIONS: With your team identify strategic linkages that could be used to increase your businesses. Separate them according to the headings below. Please be prepared to share one or two examples of your ideas with the rest of the class.

COMMONALTIES:

PARTNERING:

VERTICAL NETWORKING:

LINKAGE EXPANSION:

OTHERS:

- **Offer more value** that doesn't cost you much
  - Extended warranties
  - Scheduled shipments
  - Re-engineering

- **Do more problem solving** that is very focused
  - We can help you machine stainless steel
  - Don't panic, a big problem is a big opportunity
  - **Write down a definition** for a problem, define it in very specific terms
  - A well-defined problem is half way solved
  - **Gather evidence**, some is good, more is better
  - **Study** the evidence carefully
  - Get the **customer to provide input**
  - Have as many **customer personnel** involved as possible
  - Be sure to **put down all the broad issues** that normally surround a problem
  - Look at the history of the problem...also the future
  - Brain-storm solutions (**Mind Mapping**)
  - Write down all the **possible** solutions, no idea is a bad idea, no judgements here!
  - Estimate resources and **costs** with each solution
  - Consider the **pros and cons** of the alternatives
  - Select **one solution** in a participative way
  - Lay out an action plan
  - **Choose the easy steps** or a reduced version of your solution first
  - Be certain **everyone agrees** with the choices
  - **Assign responsibilities** in a participative manner
  - Develop **commitment dates** with those responsible
  - Implement your plan
  - Document, Document, Document, keep **written records** of all activities and results
  - Keep **samples** along the way
  - Make oral presentations to **report** regularly to everyone involved
  - In the end write down what was learned and how the lesson can help avoid other problems
  - **Send out** written documents to everyone involved

- **Follow up on all leads** both old and new, 70% of leads are not followed through
- Dig into accounts that **stopped doing business with you** years ago
- **Share success stories** within the organization
- **Use team selling** on critical opportunities to give it your best shot
- **Initiate drives into new markets or new customers** that are close to you geographically
  - Do ***web searches*** on www.google.com for companies and email addresses
  - Find women or ethnic minorities that you may have something in common with
  - Most customers would rather buy from a company that is close to them
- **Set up auto contacts** to communicate more widely
  - Auto-faxing with WinFaxPro and Auto-Emailing with Outlook
  - Do publicity stunts and write articles for trade magazines
- **Work harder** by putting in more hours doing prospecting work on the phone
  - Do the paper work after hours or on the weekends
- Make sure you are **working on the stuff that's worth working on**
  - Write down the high priority work activities and set minimum daily times to work on them. This will increase the amount of time each day spent on the right stuff.
- **Try to up sell and cross sell** with every order
  - Up selling involves having the customer buy more or bigger/better items. "Some customers buy two of those so they have a backup."
  - Cross selling involves getting a customer to buy another complimentary or supplementary product with the product he is buying. Sometimes this can work as a form of discount. You say to the customer: "We cannot lower the price on the item you ordered but we can throw in this new product that is worth $$$"
- **Hold the line on price**
  - Add services, add value, add anything but hold the price
- **Reevaluate your assumptions**
  - There may be opportunities where you used to think there were not

PUBLIC SPEAKING:

- **Dealing with fear**
  - Get as much **practice** as possible...family, ***Toastmasters*** (toastmasters.org 1248-435-4994; 440-234-3771), clubs, school, teach if possible
  - **Do not let fear enter** into your mind prior to giving your presentation. Each time your mind starts thinking fear, force success thoughts to overtake the fear thoughts. Picture yourself helping others while doing a great job. Picture yourself relaxed and in control.
  - Find **a way to start** that you are comfortable with. Pass out papers, ask questions, ask for a round of applause for someone in the room, look at the wall in the back of the room.
  - Do not start with a **long joke**, it is too risky, unless jokes are your way
  - Look for friendly **faces** in the audience before you begin and say to yourself I am going to help her.
  - A **microphone** should always help...it is your friend
  - If you are asked a very difficult question think of the **three "P's"**...Past, Present, Prediction. First, talk about the past, then the present and then future
  - You are not expected to have all the answers...**say you do not know** when you do not....it is much better than trying to BS the group
  - Do not try to resolve a difficult issue on the board in front of the group unless you know exactly where you are going
  - Try to make the presentation at **a location** where you feel comfortable, look over the location before you give your presentation and visualize yourself knocking them out

- **Preparation**
  - Do the right **amount** of preparation...not too much and certainly not too little
  - Make notes that lead you through in a **logical progression** and put key words or phrases in bold letters... 5x7 cards can work
  - Minutes before **add something relevant** about what has just happened...at the hotel, to a prior speaker, in the paper
  - Think through the whole presentation and **anticipate** what the audience will need, what questions they will ask, what might go wrong
  - Do not drink any alcohol or take any drugs
  - Get regular **exercise** several days prior to your event
  - Put **water** out for you to wet your whistle with
  - Develop a **checklist**
  - Make sure your **visuals are large** enough to be seen 20 to 50 feet away
  - Check out all your **equipment** well in advance, bring spare bulbs and batteries
  - Think about who will be in the **audience** and what they will want to get out of it
  - Know **how many** will be there
  - Always provide **handout materials** that the audience can use to order something from you and make sure they know that it's there
  - Take several **deep breaths** before to help you relax, but don't hyperventilate....relax your neck

- **Delivery**
  - Start off with an appropriate **thank-you**
  - **Do not apologize** when starting, you should be humble though
  - Always be **clear and simple**
  - Speak with **sufficient volume** so that you can be heard
  - Use a **microphone** with a group of 20 or more
  - Use the **Socratic method**...ask a lot of questions...audience participation is the best
  - **Ask them** what they want to hear and then tell them what you plan to tell them, change it if necessary
  - **Refer to your catalogs** often
  - **Move around** in the room and change your voice continuously
  - Remove any **jingling change** from your pockets
  - **Stay on track**, watch your time carefully and put target completion times on sections so you finish as scheduled
  - Do not use any **ethnic jokes**
  - Do not **make fun** of anyone or their questions
  - Do not refer to **competitors** by name and do not say bad things about them....or good things either
  - Be careful not to block any one's view
  - Always refer to your company as **"we"** and not "they"
  - If, during your presentation, you believe what you are doing is "not working", change it using your instincts
  - No profanity
  - Use **personal experiences** as often as possible

- Stress increases effectiveness
  - A race horse is a lot faster than a mule and higher strung too

- **Ask for the order**
  - Speaking is always an **opportunity to close**
  - Always **thank the audience for their support of your product or services**
  - Put together a phrase that works for you that reminds them that you are selling....thank you for attending the meeting and please **think of me the next time you need...**
  - Bring promotional literature/catalogs and order forms and make sure the audience knows how to **read the catalog and fill out the order forms**
  - Always give the audience a way to get in touch with you to place an order
  - Ask attendees that are **planning an order** to fill out a 5x7 card with their name
  - Make sure you **get everyone's name and address**

Public Speaking Role-Play

Please use principles from this section and present yourself to the group.

You will have a few minutes to do the following:

Tell us about yourself
- Your background
- Your job
- Your company

Use Techniques from our program
- Make notes to refer to before you give your presentation
- Use a comfortable way to start
- Can you use the Socratic technique of asking questions
- Is there a business opportunity here?????

MANAGING YOUR TIME:

- Time is the most **valuable resource** on earth
  - To reach your potential you must make the most of your time
  - ♥ **Always try to do at least two things at one time or half as often**. Schedule around this goal
  - Take an inventory of how you spend your time and then see what activities can be doubled up or tripled up
  - The **Daily Time Log** (Priority, Leisure, Switch-To-Phone, Switch-To-Someone, Redundant, Goal)
  - Saving an **hour a day** could double your self productivity time
  - **Eliminate activities** where possible
  - Can it be done more efficiently by another method
  - Can someone else do it or can it be done at another time
  - Does it have to be **done this often**
  - Classify activities by goal oriented, priority, other
  - Between 9:00 AM and 4:00 PM you must be with customers
  - Use the telephone where possible

- The **Crisis/Priority quadrants**
  - Focus on the "High priority, not crisis" category
  - Eliminate the "not crisis, low priority" category activities

- Match **"What You Do" with "What Is Worth Doing"**
  - Don't waste time on bad matches
  - Look at the size of all opportunities

BATCHING EXERCISE

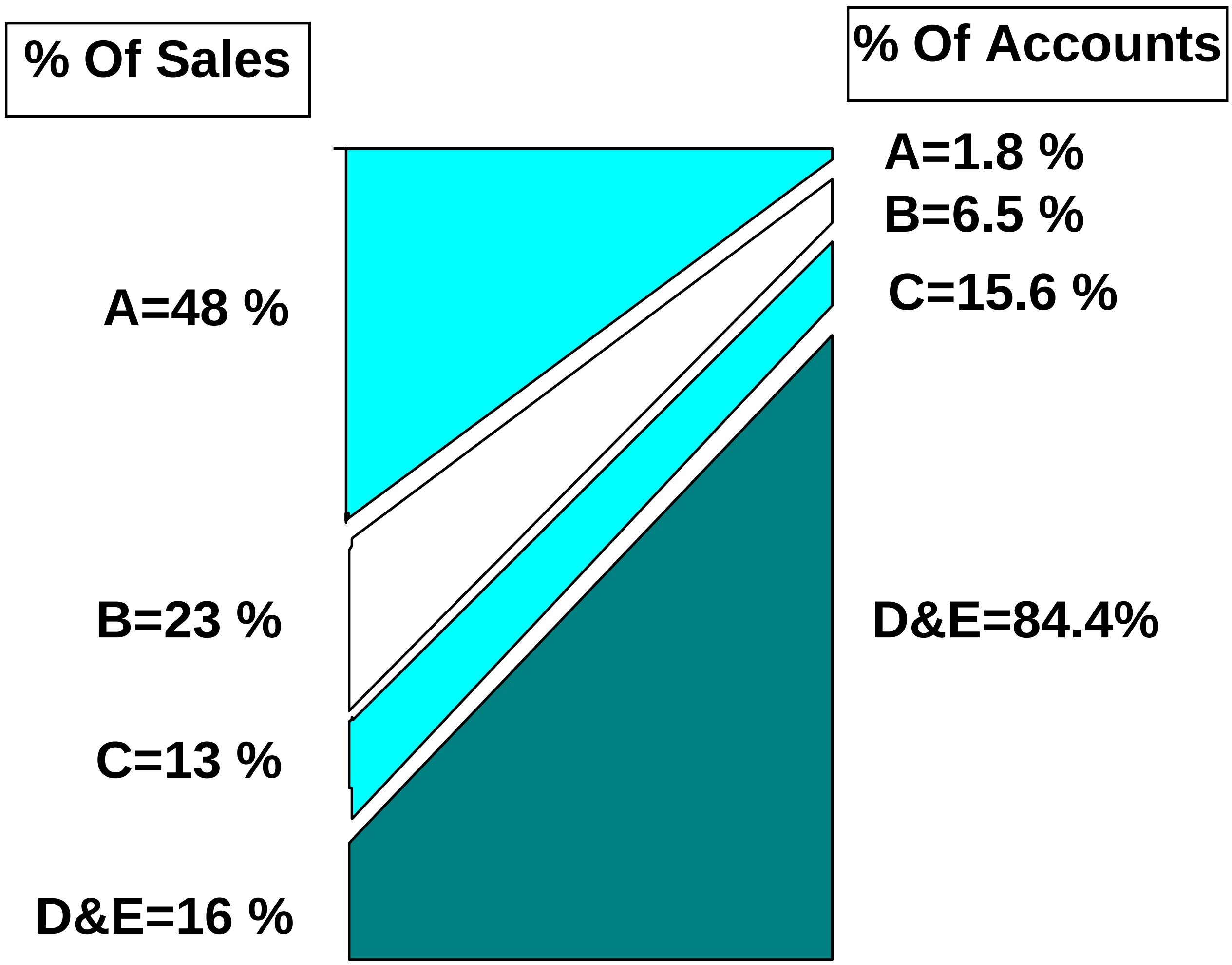
Instructions: Make a list of things that are often done sequentially, grouping those that could be done simultaneously, so as to be doing more than one thing at a time. For example, you could group "Read the paper" and "Eat lunch". You will be asked to share an example or two from your list with the rest of the class. (Note: the items you list may, or may not be, actual examples from your own activities). Please work alone.

MANAGING YOUR TIME continued:

Need to focus on "Key"accounts

This chart is typical of many companies. Most of the business comes from very few accounts. In this example 48% of the business comes from 1.8 % of the customers.

- Sales people handling these important customers spend a lot of "**after hours" time** with the key buying influences
- The sales people at these key accounts have **strong personal relationships** and the customer views the supplier as providing value
- Sales people need to find these "few" customers and then become the "**Preferred Supplier" over time.**



MANAGING YOUR TIME continued:

- **Selection Criteria For Key Accounts - You should have 20 to 32 key customers**
  - Pick accounts where you have had a "**turning point**"
  - Try to pick ones that do not have a **competitor with a 42% share** or more
  - Good **match** for your products or services
  - **Size** of the opportunity
  - Likelihood of **success**
  - **Geographical** proximity
  - **Growth** trend
  - **Existing** business
  - Your **chemistry** with buying influences
  - **Credit** worthiness

How Many Accounts Can A Sales Person Handle?

To successfully move a prospect through the Purchase Cycle we must select a relatively small number of target accounts and work on them repeatedly. Even with this tremendous activity and information stream **some** potential clients will go to competitors. However, without it, **most** will go to competitors. This is why it is so important to focus on a relatively few number of accounts.

The number of accounts cannot be more than we can handle. We have found an **outside sales person can focus on 20 to 32 accounts** and an **inside sales person can focus on 50 to 100.**

Each account must be **assigned to an employee** and specific instructions given to that employee about frequency and method of contact. The outside and inside sales persons can be assigned more than these but they cannot focus on more than these.

By focusing, I mean **develop specific action plans to sell to them and make regular contacts and continually follow-up with them…. and make something happen!!!**

Many inexperienced sales people will tell their boss that they have 600 prospects that they are working on, or some larger number. It is easier for sales people to go after hundreds of prospects instead of focusing on 20 to 30 prospects because with 600 prospects the sales person is just spinning his wheels and not really making something "substantive" happen. The new sales person will tell his boss he made a zillion contacts with a zillion customers but he will never make a relationship sale. It is much harder to get really "involved" with a few customers and continue to work "with" them.

Tell a new sales person that you want him to visit a prospect every week and he will ask you: "**What am I going to do there?"** And that is the tough part of selling, figuring out what you are going to do there. For the prospect to allow a sales person to visit him once a week, or contact him once a week, the sales person will have to be providing value. Selling involves helping customers and getting to know their needs. This can only be achieved with many repeat contacts.

How many accounts can a sales person handle?

The question about home many accounts a sales person can handle is one that has troubled me for many years. After careful consideration and discussion with numerous sales managers I have come to the conclusion that it is somewhere between 20 and 32 accounts. This page and the following two pages attempt to explain this.

NOTE: This is to be accompanied by the two calendars, one for a maintenance territory and the other for a growth territory.

ASSUMPTIONS:

1. Salesmen should have a territory that produces $1.4 million is sales
2. At $1.4 million in resales a salesman should spend 66% of his time maintaining his accounts
3. At $700,000 in resales a salesman should spend 66% of his time growing his accounts

"HR" HIGH RESOURCE ALLOCATION ACCOUNTS:

- High win-ability
- Growth trends favorable
- Good match for your products/services
- Good geographic location (not isolated and far from your other customers)
- Should be able to get $50,000 in new sales in 12 to 24 months
- Call once per week (2 hours per call)
- Four calls per day

"MR" MODERATE RESOURCE ALLOCATION ACCOUNTS:

- Large share maintenance accounts
- Should be able to get $20,000 in new sales in 12 to 24 months
- Good geographic location (not isolated and far from your other customers)
- Good match for your products or services
- Call once per two weeks (2 hours per call or 1 hour per week)
- Six calls per day

"LR" LOW RESOURCE ALLOCATION ACCOUNTS:

- Bad geographical location
- Minimum potential of $25,000
- Worth keeping in touch with personally
- Phone contacts mostly plus some short personal visits
- Contact once per month
- Eight contacts per half day

Maintenance Territory - 66% MR, 33% HR)
96 Total Accounts (8HR, 24MR, 64LR)

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1	2	3
4	5 LR1 LR2 LR3 LR4 LR5 LR6 LR7 LR8	6 HR1 HR2 HR3 HR4	7 MR1 MR1 MR2 MR3 MR4 MR5 MR6	8 MR13 MR14 MR15 MR16 MR17 MR18	9 LR33 LR34 LR35 LR36 LR37 LR38 LR39 LR40	10
11	12 LR09 LR10 LR11 LR12 LR13 LR14 LR15 LR16	13 HR5 HR6 HR7 HR8	14 MR07 MR08 MR09 MR10 MR11 MR12 MR13	15 MR19 MR20 MR21 MR22 MR23 MR24	16 LR41 LR42 LR43 LR44 LR45 LR46 LR47 LR48	17
18	19 LR17 LR18 LR19 LR20 LR21 LR22 LR23 LR24	20 HR1 HR2 HR3 HR4	21 MR1 MR1 MR2 MR3 MR4 MR5 MR6	22 MR13 MR14 MR15 MR16 MR17 MR18	23 LR49 LR50 LR51 LR52 LR53 LR54 LR55 LR56	24
25	26 LR25 LR26 LR27 LR28 LR29 LR30 LR31 LR32	27 HR5 HR6 HR7 HR8	28 MR07 MR08 MR09 MR10 MR11 MR12 MR13	29 MR19 MR20 MR21 MR22 MR23 MR24	30 LR57 LR58 LR59 LR60 LR61 LR62 LR63 LR64	31

Growth Territory - 33% MR, 66% HR
84 Total Accounts (8 HR, 12 MR, 64 LR)

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1	2	3
4	5 LR1 LR2 LR3 LR4 LR5 LR6 LR7 LR8	6 HR1 HR2 HR3 HR4	7 HR5 HR6 HR7 HR8	8 MR1 MR2 MR3 MR4 MR5 MR6	9 LR33 LR34 LR35 LR36 LR37 LR38 LR39 LR40	10
11	12 LR09 LR10 LR11 LR12 LR13 LR14 LR15 LR16	13 HR1 HR2 HR3 HR4	14 HR5 HR6 HR7 HR8	15 MR07 MR08 MR09 MR10 MR11 MR12	16 LR41 LR42 LR43 LR44 LR45 LR46 LR47 LR48	17
18	19 LR17 LR18 LR19 LR20 LR21 LR22 LR23 LR24	20 HR1 HR2 HR3 HR4	21 HR5 HR6 HR7 HR8	22 MR1 MR2 MR3 MR4 MR5 MR6	23 LR49 LR50 LR51 LR52 LR53 LR54 LR55 LR56	24
25	26 LR25 LR26 LR27 LR28 LR29 LR30 LR31 LR32	27 HR1 HR2 HR3 HR4	28 HR5 HR6 HR7 HR8	29 MR07 MR08 MR09 MR10 MR11 MR12	30 LR57 LR58 LR59 LR60 LR61 LR62 LR63 LR64	31

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

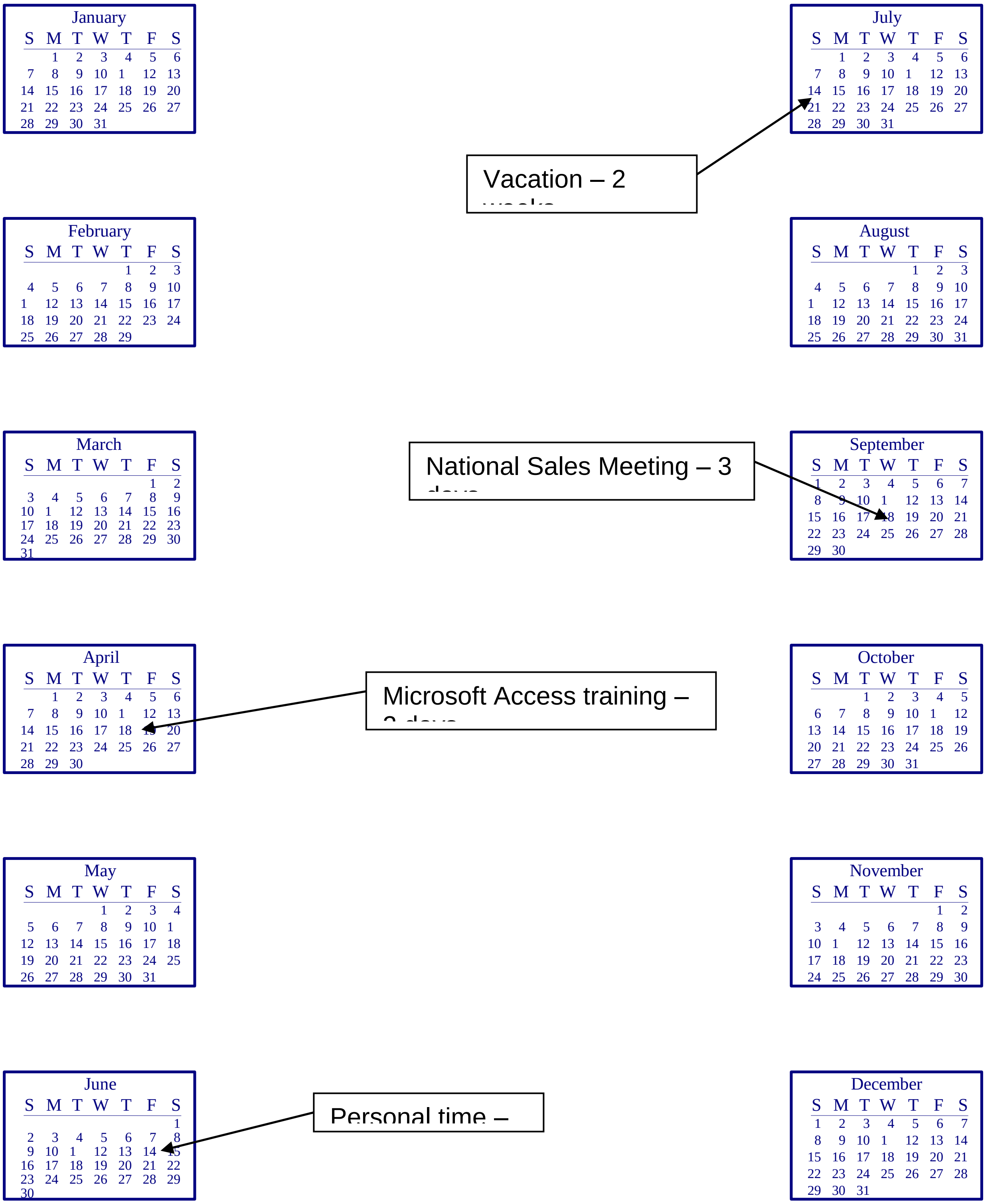
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

<u>Your TIME is so important – it must be planned and tracked, just like money</u>

- We have found it necessary to keep a **yearly schedule** of your overall activities
  - **Plan your next year during the Christmas holidays**. Lay out your holidays, vacations and other time off so you know **how much time you have available**
  - Decide what **training you need** to improve your skills and get it on your calendar – At least one significant learning endeavor!
  - Decide what you need to get done during the year and **schedule the high priority activities** in a time frame that meets your objectives

- You will also need a **detailed monthly schedule**
  - You must know where you are going **if you want to get there**
  - Work in the details from the overall yearly schedule (**vacation, holidays, training, trade shows, etc**.)
  - Schedule your **visits to customers** using the **Mitchell system**
  - Leave time for emergencies

Start With The Whole Year – Take Out Non-Work Days



Scheduling Example

Areas Of This Territory ($000)

	Orange County	San Diego County	LA County	Total
SALES ($000)				
Potential:	$6,000	$3,000	$1,000	$10,000
Present sales:	500	200	100	800
Probable new $:	500	100	300	900
	---------	---------	---------	---------
Present+probable:	$1,000	$300	$400	$1,700
PERCENTAGES %				
Potential	60%	30%	10%	100%
Present sales:	63	25	12	100
Probable new $:	56	11	33	100
	-----	-----	-----	------
Present+probable:	58%	18%	24%	100%

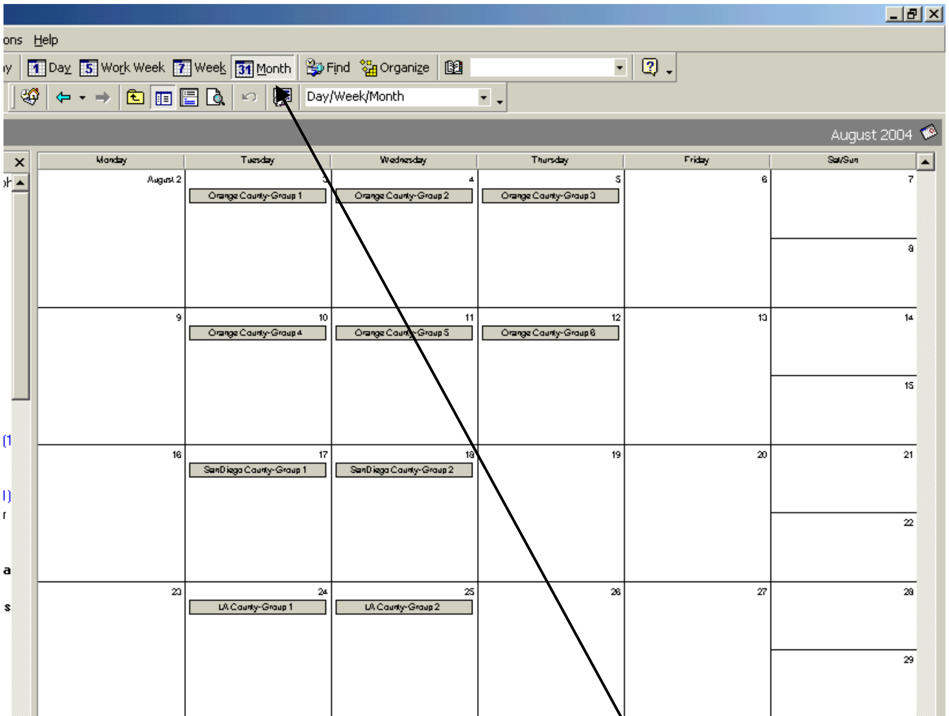
DAYS ANALYSIS

Total # days	+365
Weekend days	-104
Vacation day(Tue-Thr)	-10
Holidays (Tue-Thur)	-2
Training	-5
Sales meetings	-14
Mondays, Fridays	-104
Personal days	-5

For this person and this year, there are 121 days available to be scheduled on Tues, Wed, Thur.

Tues-Thur available:	121			
Goal: **Percentage**	60%	20%	20%	100%
Goal: **Days/Year**	73	24	24	121
Goal: **Days/Month**	**6**	**2**	**2**	10
Goal: **Calls/Month** (assume 4 per day)	**24**	**8**	**8**	**40**

MANAGING YOUR TIME continued
Microsoft Outlook Calendar

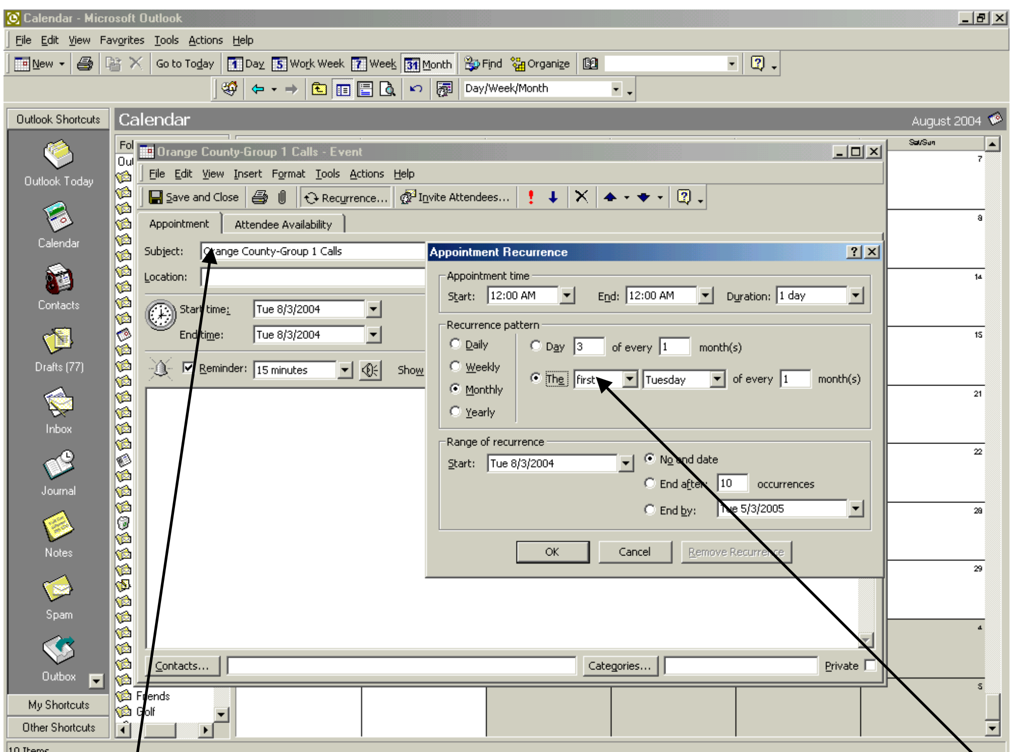


Orange County is OC1 through OC6

San Diego County is SD1 through SD2

Los Angeles County is LA1 through LA2

This is Microsoft Outlook's "Calendar" in the "Month" view with Call Groups.



Each call group can be entered into Microsoft Outlook and made a monthly recurring event.

Orange County Area

Account	Potential	Present	Add'l	Total	Calls/month
Trigere	$ 160	$ 60	$ 10	$ 70	1
Aerogere Machine	500	100	50	150	3
Veppert	150	75	25	100	2
St.Leonard	160	5	40	45	1
Mt. Tremblant	280	20	40	60	2
Chateau Frontenac	360	40	---	40	1
General Machine	385	20	60	80	2
Outills Machine	150	20	20	40	1
Pempard Engr	420	30	80	110	2
Dominion Quebec	150	15	25	40	1
RDE	150	30	15	45	1
Melaude	150	20	15	35	1
Norvik-Dist					1
Ind. Steel-Dist					1
DoAll-Dist					1
OIE-Dist					1
Sub total:	$3,015	$435	$380	$ 815	22
All Others:	$2,985	$ 65	$120	$ 185	2
Total:	$6,000	$500	$500	$1,000	**24**

San Diego County Area

Account	Potential	Present	Add'l	Total	Calls/month
Cavaliere	$ 180	$---	$ 10	$ 10	1
Munigere Engr	150	50	20	70	1
Dovehe	130	65	25	90	1
Lug Machine	125	5	10	15	1
Livernois Mach	75	10	---	10	1
Quebec Ind-Dist					1
HPL-Dist					1
Outillage MC-Dist					1
Sub total:	$ 660	$130	$ 65	$ 195	8
All Others:	2,340	70	35	105	1
Total:	$3,000	$200	$100	$ 300	**9**

Los Angeles County Area

Account	Potential	Present	Add'l	Total	Calls/month
Gagne	$ 275	$---	$105	$105	1
Riviere Engr	200	20	40	60	1
Maryse	200	40	20	60	1
Maurice Machine	100	20	60	80	1
Daunais-Dist					1
JR Blanchard-Dist					1
Outils Maur-Dist					1
Sub total:	$ 775	$ 80	$225	$305	7
All Others:	225	20	75	95	1
Total:	$1,000	$100	$300	$400	**8**

Orange County Area

Account	Calls/month	Call Group
Trigere	1	OC**1**
Aerogere Machine	3	OC**1**, OC**4**, OC**6**
Veppert	2	OC**1**, OC**6**
St.Leonard	1	OC**1**
Mt. Tremblant	2	OC**2**, OC**5**
Chateau Frontenac	1	OC**2**
General Machine	2	OC**3**, OC**6**
Outills Machine	1	OC**3**
Pempard Engr	2	OC**3**, OC**5**
Dominion Quebec	1	OC**4**
RDE	1	OC**4**
Melaude	1	OC**5**
Norvik-Dist	1	OC**5**
Ind. Steel-Dist	1	OC**3**
DoAll-Dist	1	OC**2**
OIE-Dist	1	OC**2**
(There are 2 other calls to be worked in each month)		Total: 6 days/month

San Diego County Area

Account	Calls/month	Call Group
Cavaliere	1	SD**1**
Munigere Engr	1	SD**1**
Dovehe	1	SD**1**
Lug Machine	1	SD**1**
Livernois Mach	1	SD**2**
Quebec Ind-Dist	1	SD**2**
HPL-Dist	1	SD**2**
(There is 1 other call to be worked in each month)		Total: 2 days/month

Los Angeles County Area

Account	Calls/month	Call Group
Gagne	1	LA**1**
Riviere Engr	1	LA**1**
Maryse	1	LA**1**
Maurice Machine	1	LA**1**
Daunais-Dist	1	LA**2**
JR Blanchard-Dist	1	LA**2**
Outils Maur-Dist	1	LA**2**
		Total: 2 days/month

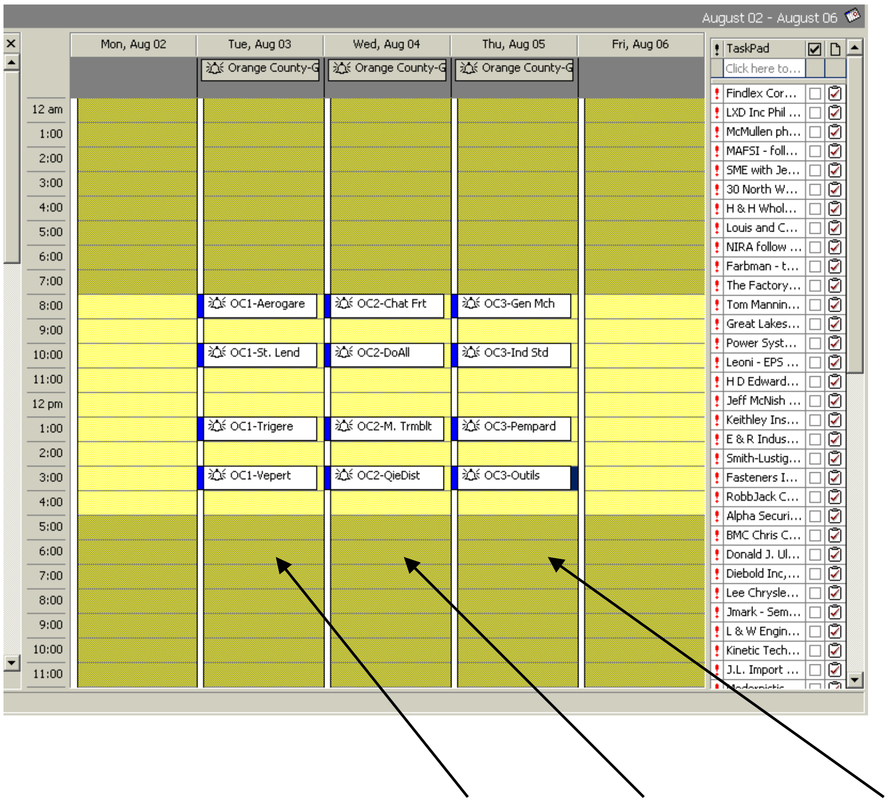
Total Companies visited: **31** Total Call Groups Per Month: **10** Total number of calls: **41**

Note: These calls are scheduled for Tuesday, Wednesday or Thursday each month. Allow Mondays and/or Fridays for other activities, travel, emergencies, etc.

MANAGING YOUR TIME continued

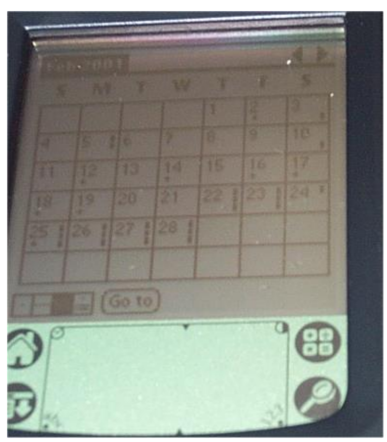
Note: These calls are scheduled for Tuesday, Wednesday or Thursday each month. Allow Mondays and/or Fridays for other activities, travel, emergencies, etc.

Once you have the accounts identified for each call group you can go back to your Outlook calendar and enter them.



This is a typical workweek. It shows Call Groups OC1-Tuesday; OC2-Wednesday; OC3-Thurday

Palm Pilot



The Microsoft Outlook calendar can be synched easily with a Palm Pilot. There are third party applications which can be very helpful. To sync with Outlook, get PocketMirror from www.chapura.com. To sync with LotusNotes get EasySync Pro from IBM

++ Don't forget to print out your past year Outlook calendar in January each year ++

MANAGING YOUR TIME continued

- What you should do on **Mondays and Fridays**
  - **Screen and qualify** accounts by telephone using WinFaxPro for "auto-faxing" and Outlook for "auto-emailing" (see the Appendix for examples of using technolgoy)
  - Work on scheduled **appointments that you missed** on Tuesday through Thursday
  - Schedule **other customer visits** that come up outside your formal schedule
  - **Preparations** for making your scheduled visits that cannot be done at night or on the weekends
  - **Complete actions** that were teed up at your formal scheduled visits
  - **Contact low priority accounts** by telephone or make short visits
  - Prepare for and provide **training programs** for your major accounts

NOTE:

- Documentation and reporting activity should be done at night and on the weekends and not take up valuable customer contact time during the week
- Ditto for evaluating and adjusting your plan

Time Management Role-Play page 1 of 7

Description: For a total of 30 minutes your team will be asked to develop a call schedule based on one member's top 20 to 32 accounts. During the class you will be presented with a "Call Schedule" system to help focus on the right accounts.

Instructions:

1. Discuss each team member's territory and choose one team member's situation.
2. Split the chosen territory into 3 areas (1, 2 and 3) and, using the attached **worksheet #1**, determine the total potential sales, existing sales volume and expected new sales for each area.
3. Still using **worksheet #1**, determine the relative time in each of the 3 areas that the sales person should work on a percentage basis.
4. Using the calendar provided on the attached **worksheet #3**, determine the number of Tuesdays, Wednesdays and Thursdays available for scheduling. This can be done by taking out all Tuesdays, Wednesdays and Thursdays that will not be worked. These "will not be worked" days will include vacations, holidays, meetings, classes and other known non-workdays.
5. Calculate the number of Tuesdays, Wednesdays and Thursdays that will be scheduled in area 1, 2 and 3 per month. This is simply the percentages from #3 above times the number of Tuesdays, Wednesdays and Thursdays to be scheduled from #4 above. This will give you the days to be scheduled in each area for the year. Divide these numbers by 12 to get days per month in each area.
6. Multiply the days per month in each area by "4" to get the number of customer visits to schedule in each area. This is based on 4 visits per day, two in the morning and two after lunch.
7. Using **worksheet #2**, split the territory's top 20 to 32 accounts according to area 1, 2 and 3.and estimate the total potential, existing business and probable new business for each of these accounts. Then plan the number of visits to each account using the number of visits available to be scheduled from #6 above and then group them geographically, as best as you can, and put them into call groups so that you spread out visits to the customers with more than one scheduled call per month.
8. Using the monthly calendars supplied, schedule visits to each of the 20 to 32 accounts first by call group (**worksheet #4**) and then by company to be visited (**worksheet #5**), visiting them at least once per month or as determined on **worksheet #2** above in #7.

Area 1:
Description:____
____
____
____

Total Sales Potential: $___________________________

Existing Sales Volume: $___________________________

Expected New Sales: $___________________________

% of scheduled time to spend in area 1:

% of Total Potential _________ % of Total Existing and Expected Sales _________

Area 2:
Description:____
____
____
____

Total Sales Potential: $___________________________

Existing Sales Volume: $___________________________

Expected New Sales: $___________________________

% of scheduled time to spend in area 2:

% of Total Potential _________ % of Total Existing and Expected Sales _________

Area 3:
Description:____
____
____
____
____
____

Total Sales Potential: $___________________________

Existing Sales Volume: $___________________________

Expected New Sales: $___________________________

% of scheduled time to spend in area 3:

% of Total Potential _________ % of Total Existing and Expected Sales _________

Grand Total Potential: __________ **Grand Total Existing & Expected Sales:** ____ ___

Time Management Role Play page 3 of 7 Worksheet 2

Area 1 Account List

Account	Location	Potential	Exist Sales	New Sales	Visits/Month	Call Group

Area 2 Account List

Account	Location	Potential	Exist Sales	New Sales	Visits/Month	Call Group

Time Management Role Play page 4 of 7 Worksheet 2 continued

Area 3 Account List

Account	Location	Potential	Exist Sales	New Sales	Visits/Month	Call Group

Worksheet 3

Start With The Whole Year – Take Out Non-Work Days

January

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	1	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

February

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
1	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29		

March

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	1	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

April

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	1	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

May

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	1
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

June

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	1	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

July

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	1	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

August

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
1	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

September

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	1	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

October

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	1	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

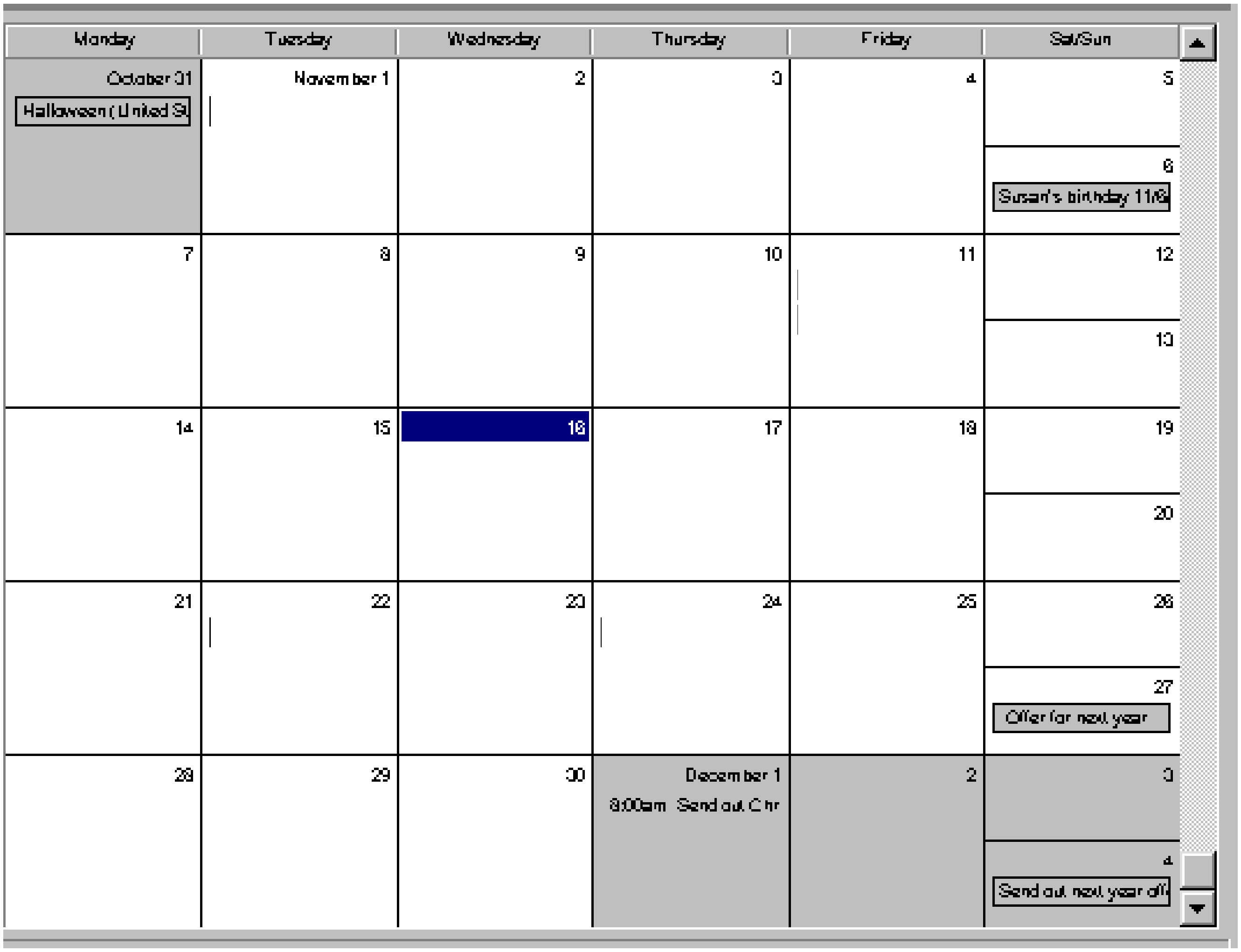
November

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	1	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

December

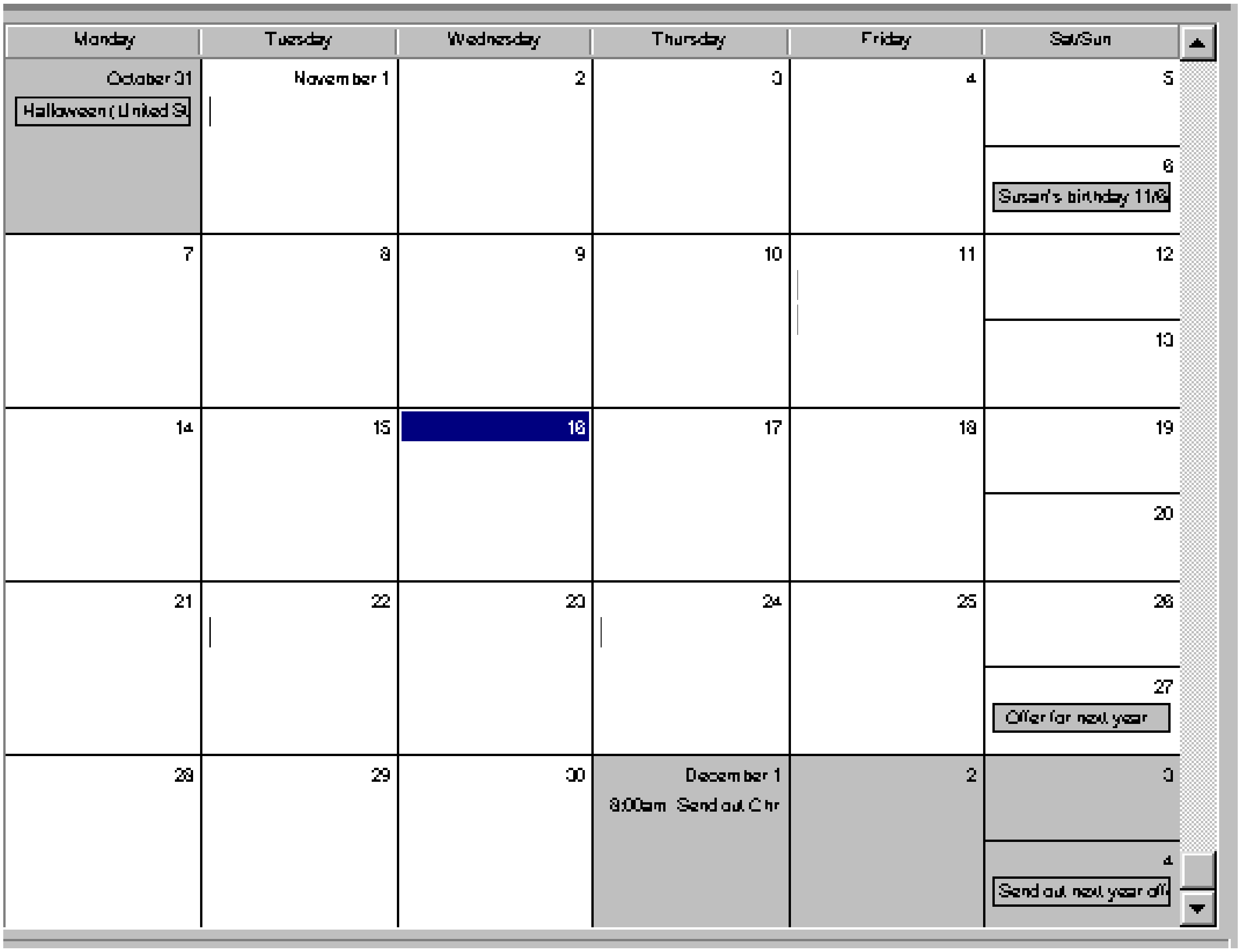
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	1	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

 Worksheet 4



Use this page to enter your call groups and the next page for the actual companies you will visit

Time Management Role Play page 7 of 7 Worksheet 5



Use this page to put the actual companies you will visit

BEING ORGANIZED:

- Follow-up or following through is very important in selling
  - You must be well organized to maximize your effectiveness
  - It does not take intelligence or education to be organized, it takes a commitment and discipline

- Set **goals** for your major accounts after you have identified obstacles. They should include long term, short term and intermediate term. They must be measurable, realistic and written. Typical goals are:
  - **Increase market share** by a specific percentage
  - **Increase sales** by a specific percentage. Forecast to this level **before** each month
  - **Penetrate** with additional products or services
  - **Broaden your contact base** of buying influences
  - **Develop specific purchase facilitators** discussed earlier
  - **Improve specific customer perceptions**

- Tie the following **action plans** to your scheduled accounts based on the above goals
  - Regular **visits**
  - Other **contacts**
  - **Open house** for customer to visit your company
  - **VIP visits** by your brass
  - Blanket **purchase agreements**
  - **Training** sessions
  - **Demonstrations**
  - **Proposals**
  - **Entertainment**
  - Providing **literature**

Account Goals and Plans

	Account	**Goal**	**Plan**	**Jan**	**Feb**	**Mar**	**Apr**
1.	ABC Manufacturing	Sell $12,000 in new products	Multi-Master	Approval meeting	Process developmnt	Change approval	Order tools
2.	DEF Manufacturing	Broaden contact base	Training on Chammill		Approval meeting	Develop demo	Hold class
28.	XYZ Manufacturing	Sell $60,000 in tool ups	Tool 4 new Toyodas	Get info on machine	Prepare proposal	Trips to third parties	Present proposal

Plans with Milestones

		MilestoneTimeTable.xls							
			Jan	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**
	1	**Re-engineer A474 Shaft**							
	1.1	Meeting to propose and approve	PS-PF						
	1.2	Identify team members	PS-PF						
	1.3	Analyze existing process	PS	PF					
	1.4	Present recommendations		PS	PF				
	1.5	Order test tools and other items			PS-PF				
	1.6	Receive all new items				PF			
	1.7	Install new items and debug				PS	PF		
	1.8	Change process sheets					PS	PF	
	1.9	Setup new items in crib						PS	PF
	1.10	Train machinists						PS	PF
	1.11	Report results							PF
	1.12	Follow-up							PS
	2	**Train Department 34**							
	2.1	Meeting to propose and approve	PS-PF						
	2.2	Analyze needs	PS-PF						
	2.3	Develop curriculum	PS	PF					
	2.4	Identify attendees		PS	PF				
	2.5	Schedule classes			PS-PF				
	2.6	Assemble materials			PS	PF			
	2.7	Identify facilities				PF			
	2.8	Develop demonstrations				PS	PF		
	2.9	Order items for demonstrations					PS-PF		
	2.10	Debug demonstrations						PS	PF
	2.11	Hold classes							PF
	2.12	Hold graduation ceremony							PF
	2.13	Report results	PS						

PS=Planned Start
PF=Planned Finish

After the projects are completed you can put the **AS** (Actual Start) and **AF** (Actual Finish).

Doing this will help you create future project plans with more realistic timetables. You can also increase your credibility by showing new customers ACTUAL implemented projects.

- Keep **track** of your customer's purchases
  - Know **who is buying** from you and how much
  - **Thank** your customers for their business regularly
  - Keep your **customers informed** about how they are doing in terms of their purchases. Do not tell them how much they are buying from you but let them know that you are keeping track and that you appreciate their business
  - Keep your **sales records with you** all the time

- **Keep a file** on each major customer and keep it with you
  - Keep a **diary** of your account activities as the top sheet/s in the file
  - A manila colored file should be maintained on every **major customer** and the records should always be with you when you are in the customer's place of business
  - As the file gets bigger **split it up** into travel file and backup file.

- Keep track of what you have to give out
  - Keep an "up-to-date" inventory of your **samples, catalogs and give-aways**
  - Establish a **min/max quantity** for each item (reorder at the minimum and order enough to get to the maximum)
  - Keep a **"drop off" bulletin board** that you look at every day for things to be dropped off....place these things on your front seat
  - Keep track of everything you have **given out** so you can follow up

- Keep a "**headquarters' contacts**" bulletin board where you keep track of open matters with your company headquarters
  - Key people and phone number extensions
  - Key words, phrases, reports, specs, etc.
  - Add thank-you notations for others along with phone number
  - Add all other headquarters' matters to this

- Handbook of **important information**
  - Formulas
  - Form numbers
  - Phone numbers
  - Organization charts with titles
  - Policy statements
  - Examples that you understand

- Set up a **home office**
  - Develop a comfortable, friendly place to work
  - Locate it **near the family center**
  - Put in excellent lighting
  - Get a good chair
  - Put in plenty of bookcases and systematize your references
  - Establish a filing system that puts often-used files at easier access
  - Get a fax machine that makes copies

BEING ORGANIZED continued

- Maintain **the best trunk** in the business
  - Plastic "**milk crates**" from Office Max allow hanging files
  - Make something out of wood that can go from car to car
  - Essential to know what you have and where it is.........exactly!
  - If you can cut 10 minutes a day out you save one full week per year

- There is **no substitute for doing your homework**
  - Here an ounce of prevention is worth a kilo of cure

- **Utilize the latest tools** of the trade to stay organized
  - Visit the Office Max, Business Mart, etc., and see what is available

TOOLS OF THE TRADE:

- Briefcase
  - **Bigger** is better, get one with wheels
  - Keep two sets of literature (one to give away)
  - Marked up Catalogs, examples, case histories, note paper, safety glasses, give-aways, show and tell, envelopes, extra cards, tooth brush, frequent flyer information, tools of the trade

- Microsoft **Outlook**
  - This is the basic program for Phone numbers, addresses, schedule, calendar, alarm, calculator, memo pad, **automatically searches** for things
  - **Synchronizes** with Palm Pilot and Excite.com (for internet sharing)

- **PDA (Smart Phone, Pocket PC, Blackberry)**
  - Extra business cards
  - Phone numbers, addresses, schedule, calendar, alarm, calculator, memo pad, **automatically searches** for things
  - Should be **2 megs minimum**
  - You can keep **inventory listings** here
  - You can keep expenses here
  - **Synchronizes** this with Microsoft Outlook and Excite.com (for internet sharing)

- Things-**To-Do** Book
  - Cross off the actions as you do them
  - Move old ones forward as necessary
  - Write the dates in the margins
  - Write your name and phone in the front

- **Inventory Book**
  - Up to date running inventory of samples
  - Up to date running inventory of catalogs
  - Up to date running inventory of gifts
  - Minimum and maximums listed
  - Dedicate a section to "Things To Be Dropped Off"

- Computer and printer
  - Plan the time you will spend here and **do not spend more**
  - Measure the time you are taking away from selling, **efficiency is not effectiveness**
  - Get a laptop with a third-party USB type dock
  - You need to get a fast connection, DSL's and Cable Modems are best

- Word Processing
  - **Microsoft Office with Microsoft Word** is the standard
  - If you can't write, you can get someone to write **"canned" letters** or get a book of sample letters. "**2001 Business Letters"** is available on disk (1-800-801-3880) and costs about $40

TOOLS OF THE TRADE continued

- Spreadsheets
  - Great for keeping track of who is buying from you and making proposals
  - **Microsoft-Excel and Lotus 1-2-3** can be up and running in an hour
  - Get your company to accept a spreadsheet file for your monthly expense report
  - **Excel** is part of the Microsoft Office family

- Database Programs
  - You need a class to learn but these can be the most help to increasing your business
  - **Microsoft Access does it all** and it is also part of Microsoft Office
  - These are more difficult to use than spreadsheets or word processors but you can aggregate more information on your customers

- Cellular phone
  - Discounts are available to pooled phones, add your company's callers to another's
  - Install an hourglass egg timer in the car
  - Get a hands-free model with a 30 number memory (at least)

- Other stuff
  - **ACT** is a calendar, address/phone book, database manager, auto dialer, word processor, scheduler and more. (1-800-365-0606) Not as good as Access but easier to learn
  - Microsoft **PowerPoint** also part of Microsoft Office makes slide presentations
  - **Calendar Creator** is for scheduling and printing calendars. (415-345-0551)
  - **Win Fax Pro** ($89) automatically sends faxes and faxes can be turned into files (like a scanner)
  - **Car Desks** are available from Jotto Desk (800-548-3373)
  - **Laptop Table** ($80) collapsible stand can be seen at http://www.lapstand.com
  - **Scanners** are available for under $100. HP makes one that can be networked
  - Graphics software like **PaintShopPro** can be used to edit scanned images
  - **MapPoint** ($199) Microsoft mapping program for geocoding accounts by zip code and for establishing territory maps
  - **Streets # Trips** ($39) Microsoft trip planning program for creating maps, directions and estimating travel times

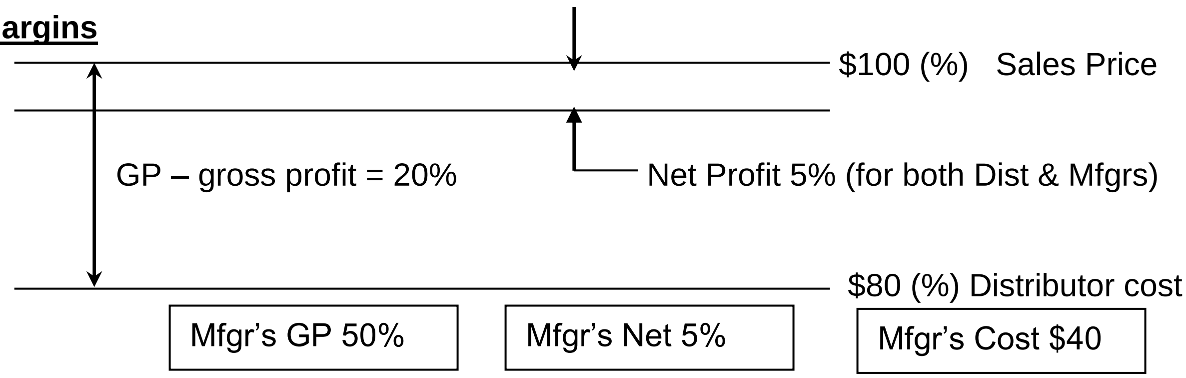
COMMON PROBLEMS TO AVOID:

1. **Telling** rather than listening
2. Using the **same selling technique** in every situation
3. **Pushing a customer** rather than persuading a customer
4. Not using **time** effectively
5. Being poorly **organized**
6. Not **asking for the order**
7. Accepting a **smaller part** of the business than you can get
8. Failing to penetrate an account vertically
9. Doing things that are **nice to do** instead of what we need to do
10. Dropping the **price** unnecessarily
11. Doing other things instead of being in front of customers between **9:00 AM and 4:00 PM**
12. Not treating your job as **your own business**
13. Not continually **developing yourself**
14. Not **following through**
15. Not communicating in **writing** to all levels of your company and the customer's company
16. Not having clear **goals and objectives** that are written
17. Not having a written **plan**
18. Working on accounts that have a **low potential or a low probability** of success
19. Failing to **say no**
20. Letting **rejection** dictate your actions
21. **Not being serious**
22. **Procrastination**
23. **Giving up** in your mind, letting your fears take over
24. **Using old technology** when new technology requires a change
25. Thinking that you are going to get something **without working hard**
26. Thinking that you are going to **get something big right away**
27. Thinking that you can do it **all by yourself**
28. Watching too much **television**
29. Always doing just **one thing at a time**
30. Not taking care of your **health**

BONUS MATERIAL:

Understanding Distribution

Margins



- A distributor buys a product for $80 and sells it for $100. His gross profit margin is $20 or 20%.
- His costs of doing business could eat up $15
- Leaving him with a $5 net profit (net being what is left after expenses)
- If the distributor can sell the product for $101 his net profit will go up $1 so that instead of it being $5 it will be $6 or a 20% improvement
- A manufacturer has a 50% GP but his costs are much higher

Inventory Cost

- If the end user owns it, his cost is $100
- If the distributor owns it his cost is $80
- If the manufacturer owns it his cost could be $50 or lower so it can be attractive to move the inventory up the chain

Inventory Turns

	Distributor A	Distributor B
Distributor Sales	$10,000,000	$10,000,000
Inventory	$1,000,000	$5,000,000
# Turns	10	2
Net Profit	$500,000	$500,000
Return On Investment (ROI)	**50%**	**10%**

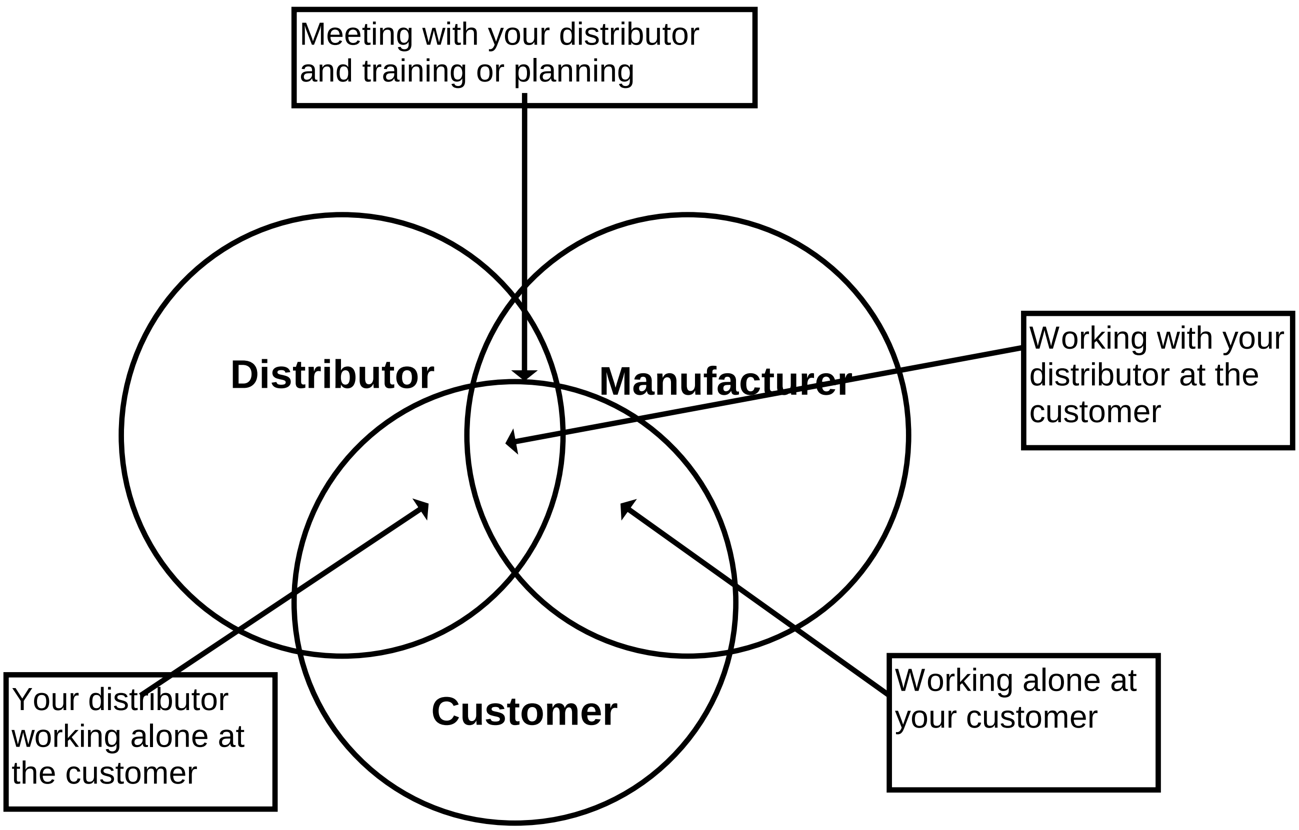
Inventory Carrying Cost

	Distributor A	Distributor B
Opportunity Cost	$100,000	$500,000
Tax	$10,000	$50,000
Obsolescence	$50,000	$250,000
Storage	$10,000	$50,000
Shrinkage	$10,000	$50,000
Inventory Carrying Cost	**$180,000**	**$900,000**

BONUS MATERIAL continued:

Working Well With Customers And Distributors

You need to spend time with end users and distributors but the time during the day should be devoted to end users, calling on them alone or with a distributor



Cash Flow Example

A company starts with the following balance sheet:

Trends over several years are very important. Three to five years is the minimum

Assets		**Liabilities**	
Cash	$10,000.00		
Equipment	$30,000.00	Stock equity	$40,000.00
Total Assets:	$40,000.00	**Total Liabilities**:	$40,000.00

When a company buys cutting tools and fixturing, totaling $8,000.00, to manufacture products for a received order the balance sheet changes as follows:

Assets		**Liabilities**	
Cash	$10,000.00		
Inserts & tooling	$5,000.00	Accts Payable	$8,000.00
Fixtures	$3,000.00		
Equipment	$30,000.00	Stock equity	$40,000.00
Total Assets:	$48,000.00	**Total Liabilities**:	$48,000.00

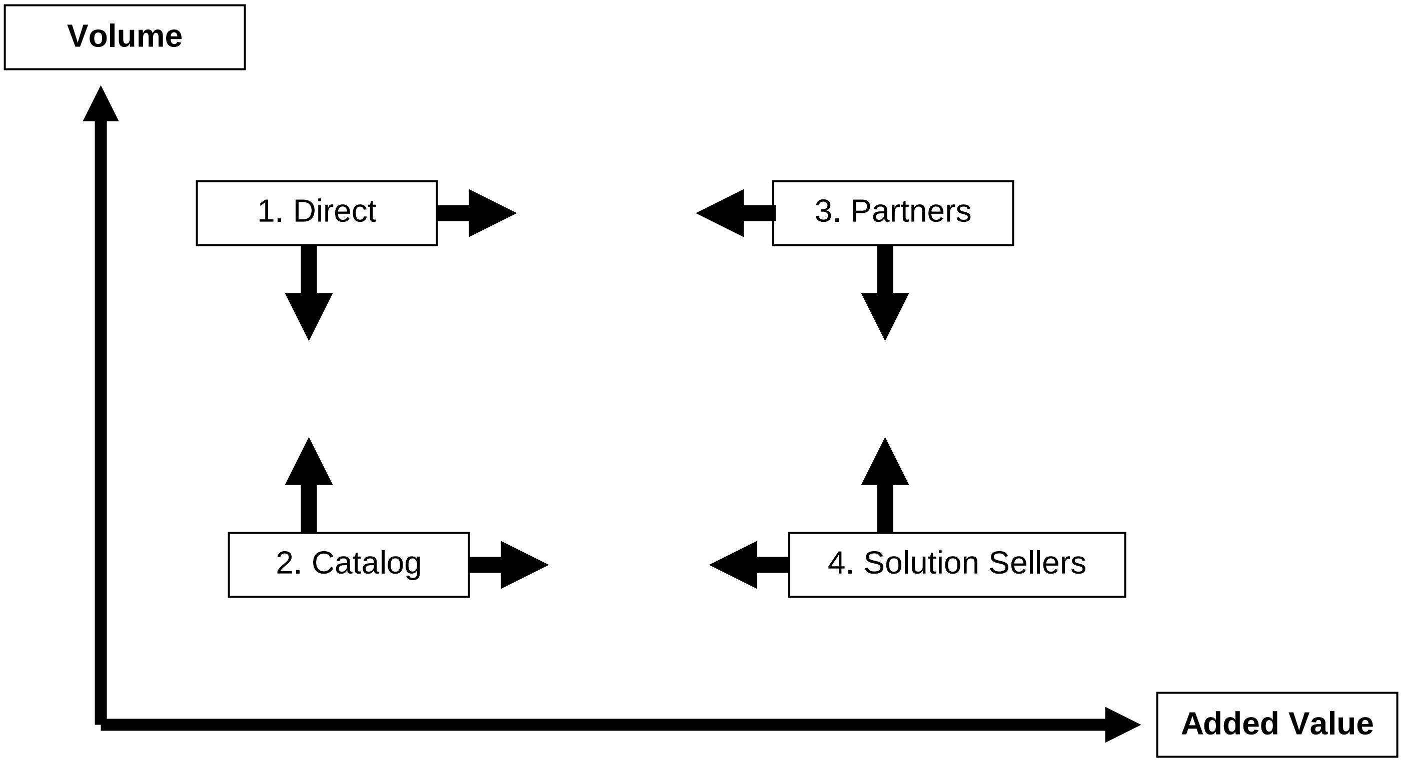
Unless this company delivers this order immediately and gets paid immediately they will have to pay for the inserts and fixturing and inserts and will have only $2,000.00 in cash left!!!!

If this must be paid before the company is paid the cash will be very low!

The key here is to avoid tying cash up in receivables, inventory, labor and expenses.

BONUS MATERIAL continued:

Channel Alternatives



All sellers want to increase market share

1. Direct sellers want more market share but margins are low and share is high
2. Catalog sellers provide low value but are useful to skilled buyers who just want an efficient transaction.
3. Full blown partners where the customer and supplier agree on price with a decent margin but the customer expects lots of help (value) from the suppler.
4. Solution sellers are often Agents or Reps with a lot of personal expertise

SOURCES OF AUDIO PROGRAMS

American Management Association
PO Box 319
Saranac Lake, NY, 12983
518-891-0068

Mitchell Selling Dynamics, Inc.
1360 Puritan
Birmingham, MI, 48009
810-644-8092

Nightingale Conant
7300 North Lehight Ave
Chicago, IL, 60648
1-800-323-5552

Pryor Resources, Inc.
2000 Shawnee Mission Pkwy
Shawnee Mission, KS, 66205

Career Track
3085 Center Green Drive
PO Box 18778
Boulder, CO, 80308
1-800-334-1018

Dartnell
4660 Ravenswood Avenue
Chicago, IL, 60640
800-621-5463

Success Motivation Institute
5000 Lakewood Drive
Waco, TX 76710

Simon & Shuster
1230 Ave Of Americas
New York, NY 10020

Mobil Desks For The Car

Joto-Desk (Mounts to floor)
Rogers, Arkansas
1-800-548-3373 x133

PowerDesk (Fits over steering wheel)
Massillon, OH
1-800-470-4482

SOURCES OF DATABASE RECORDS

*******Dirmark Inc.*******
Atlanta, GA
1-800-805-9490
Linda Serpico

Hugo Dunhill Mailing Lists, Inc.
630 Third Ave
New York, NY, 10017
1-800-223-6454

Business America
5711 South 86th Circle
PO Box 27347
Omaha, Nebraska, 68127
402-592-9000

PRO CD
222 Rosewood Drive
Danvers, MA 01923-4520
1800-992-3766

Alvin B. Zeller
224 Fifth Ave
New York, NY, 10001
800-223-0814

The Special Lists Ltd
120 East 16th Street
New York, NY, 10003
1-800-888-3462

Database America
100 Paragon Drive
Montvale, NJ 07645
201-476-2300

Others include:
- Dun & Bradstreet
- Harris Directories

BONUS MATERIAL continued:

Periodical Literature

Sales & Marketing Management
355 Park Avenue, South
New York, NY, 10010
800-821-6897

Mobil Office
470 Park Ave, South
14th Floor
New York, NY, 10016
212-683-3540

Processor (Excellent source for computer products)
PO Box 85518
Lincoln, NE, 68501
800-334-7443

Sales & Marketing Strategies & News
211 W. State Street
PO Box 197
Rockford, IL, 61105
815-963-4000

Call Center Magazine
1265 Industrial Highway
Southampton, PA, 18966
215-355-2886

The Working Communicator
212 W. Superior, Suite 200
Chicago, IL, 60610
312-335-0037

Lan Times (Free Subscription)
PO Box 652
Highstown, NJ, 08520
800-525-5003

Business Marketing
Crain Communications
740 N. Rush St
Chicago, IL 60611-2590
888-288-5900

Today's Distributor
PO Box 470
Fort Atkinson, WI, 53538-0470
414-563-1744

Industrial Distribution
275 Washington Street
Newton, MA, 02158
617-964-3030

Cowles Report On DB Mktg
911 Hope Street
PO Box 4949
Stamford, CT, 06907
800-775-3777

Direct Marketing Magazine
Hoke Communications, Inc.
224 Seventh Street
Garden City, NY, 11530-5771
516-746-6700

Computer Telephony
1265 Industrial Hwy
Southampton, PA, 18966
800-677-3435

Potentials In Marketing
50 South 9th Street
Minneapolis, MN, 55402
800-328-4329

Selling Power
PO Box 5467
Fredericksburg, VA 22403
800-752-7355

BONUS MATERIAL continued:

Recommended Books

Selling To The Top
David A. Peoples
John Wiley & Sons

Successful Large Account Management
Robert B. Miller & Stephen E. Heiman
Warner Books

The 22 Immutable Laws Of Marketing
Al Ries & Jack Trout
HarperCollins

Tomorrow's Competition
Mack Hanan
American Management Association

Advanced Selling Strategies
Brian Tracy
Fireside Book, Simon & Schuster

Tested Advertising Methods
John Caples

Twelve (12) Hour Audio Sound Track on:

How To Increase Your Sales Through.............

Relationship Selling

Sound Track on CD's or Audio Cassette Tapes

FEATURING:

- Understanding personalities, actions to take (and to avoid) when dealing with a variety of people
- Developing yourself to sell your product or service
- Techniques to hold the line on price
- How to close on more than one order through partnering and linkages
- Tips on public speaking to increase sales
- Scheduling your time, based on priorities

SPEAKER: JOHN MITCHELL is an interesting and entertaining speaker and president of Mitchell Selling Dynamics, Inc. He has made presentations to audiences of over 10,000 people from companies including: Eaton Corp, W.W. Grainger, General Electric, J&L Industrial Supply, TRW, Pratt & Whitney, Caterpillar and many more.

CUT ALONG DOTTED LINE

To Order Your Sound Track Program:

Mail this bottom section to: Mitchell Selling Dynamics, Inc.
1360 Puritan Ave
Birmingham, MI, 48009

Price: $49.00

Includes: tax and shipping/handling, 12 audio cassette tapes or CD-ROM's, 60 minutes each on how to increase sales through Relationship Selling

Name:____________________________ Title: ____________________________
Company:____
Address:____
City: ____________________________ State:_________Zip Code:______________
Phone (include area code): ______________________ Fax:_____________________
Number of employees: __________________ Number of salespersons: __________

Choose one: _____ Audio Cassette Tapes ______ CD-ROM's

Payment Form

[] Check enclosed made payable to Mitchell Selling Dynamics, Inc.
[] Visa [] MasterCharge [] American Express
Card number: _______________________________ Exp. Date: __________________
Exact name on card:____________________________Signature:_____________________
[] Purchase Order (enclose hard copy)
How did you hear about our sound track?_________________________________

To get more information call 248-644-8092

ABOUT **JOHN MITCHELL.....**

BACKGROUND:

John Mitchell is an enthusiastic and entertaining speaker who has given seminars throughout the world. He has developed original, practical, useful techniques and principles that will increase selling effectiveness. His speaking style involves interesting audience participation and his high energy level provides a motivational extra not found at other seminars.

EDUCATION:

John has a Master's Degree in Business Administration from Michigan State University's Executive MBA Program and a Bachelor of Science degree in Physics and Electrical Engineering from Fairleigh Dickinson University in Teaneck, New Jersey. He attended General Electric's Executive Development Institute at Crotonville, New York and completed the General Electric Company's Management Training Program.

WORK EXPERIENCE:

John founded Mitchell Selling Dynamics in 1990 to provide new sales ideas to virtually all persons involved in industrial sales. In the past, he has been a 20-year employee of the General Electric Company holding a variety of Engineering, Sales and Marketing positions. He has over 25 years experience in sales and marketing and has been a marketing manager for 13 years including such positions as Manager of Education Programs, Product Manager; Manager-Technical Marketing and National Sales Manager.

COMPANIES ATTENDING MITCHELL SEMINARS:

American Machine Tool Distrbs Assoc
Allied Signal
American Label & Tag Inc.
Ameritech Publishing
Argent Corp
Atotech USA, Inc
B A S F Corp
Carboloy Inc.
ChemCentral-Detroit
Chester Industries
Controled Power
Delta Dental
Eaton Corporation
E L A Medical
Federal Mogul Inc.
Flexovit
Ingersoll Cutting Tools
Iscar Metals
J & L Industrial Supply
Komet
Landmark Plastic Corp
Man-Gill Company
Masco-Tech Forming Technology
Midwest Mica
Modell Supply Company
Nippon Express USA, Inc.
Norton
P C C Airfoils, Inc.
Rockwell Automotive
Saint-Gobain – (Norton)
Stanley Industries, Inc.
Test Equipment Distributors
Toshiba Tungalloy.
Tokico USA, Inc.
T R W Vehicle Safety Systems
United Label & Package
Valenite
W. W. Grainger

PUBLICATIONS:

John has been published extensively in trade publications and has written the course books on Relationship Selling, Negotiation Excellence, Inside Sales Excellence and others.