Title-Selling process

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MEANING OF SELLING PROCESS

- ♣ In primitive days, demand preceded the supply and therefore, there was no need to do any effort to sell one's own products.
- ♣ But as there is progress in society, production is no longer carried on, on a small scale but on a large scale.
- ♣ Even one product is produced not by one producer but by several producers, such as cotton textiles, steel, shoes, paper etc.
- **4** It results in overproduction and competition among the producers.
- ♣ The consumer is considered as the King of market.
- ♣ The producer follows different steps, one by one so as to persuade the consumer to buy his product that will give him satisfaction.
- ♣ The steps taken by the salesman to perform his function of selling successfully are included in selling process.

STEPS IN SELLING PROCESS

1) PROSPECTING

- Prospecting is the 1st and the foremost stage of the selling process.
- Prospecting means identifying and locating Potential buyers.
- It helps in planning the whole selling efforts so that there is no or minimum of wasted calls.
- Regular and systematic prospecting is the foundation of all selling.

2) PRE-APPROACH

- Pre-approach is the 2nd stage of the selling process.
- The salesman is to acquire enough information about such prospects in order to approach each one in the most effective manner.

- Pre-approach involves developing an understanding about those prospective buyers who have been identified and on whom the salesman proposes to call.
- This understanding may relate to buyers' needs, personality drafts and behavior patterns which are critical to their buying decision.
- Pre approach prepares effective background of making approach and ascertains the best and the most effective method of approaching the prospect.

3) APPROACH

- Approach is the 3rd stage of the selling process.
- When the salesman comes in actual contact with the prospect or likely customer, the next stage, namely, the 'approach' is reached.
- The face-to-face contact with the prospect is termed as approach.
- It involves use of different methods for seeking an access to the prospect so that the product/offer may be presented to him.

4) PRESENTATION AND DEMONSTRATION

- It is the 4th stage of the selling process.
- In this step, the salesman demonstrates to the customer the need-satisfying characteristics of the products being offered for sale.
- The objective of presentation and demonstration is to help in convincing the customer that the salesman's product is the best one for satisfying his needs.
- In this way, effective presentation and demonstration plays a vital role in the selling process.
- Effective demonstration can be done through AIDA approach.
- According to this approach, the product should be demonstrated in such a manner that it gains the customer's attention, holds his interest builds up his desire for the product, and ends up in purchase action.

5) MEETING OR HANDLING OBJECTIONS

- It is the 5th step in the selling process.
- Under this step the salesman is required to handle and over come objections arising during or as a result of presentation and

demonstration, it is just natural for the customer to ask questions, raise objections and seek explanation.

- It is the most difficult situation that a salesman is required to face.
- The salesman's job is to effectively meet, handle and answer them in a most convincing and systematic manner.

6) CLOSING THE SALES

- It is the 6th stage of the selling process.
- After having answered and overcome objections, it is the right time for the salesman to clinch the deal by closing the demonstration.
- The object of closing the sale is to get the customer in the mood of saying 'yes' so that the salesman can ask for the order.
- It is a very important step of the selling process.
- The salesman is expected to perform the same in a very decent manner.

7) FOLLOW - UP

- It is the 7th and last stage of the selling process.
- After closing, it is important for the salesman to follow up the order booked so as to ensure that the order is properly executed.
- Follow-up is also necessary to gather information from the customers regarding product use, problems, if any, and the level of customer satisfaction.
- It builds up goodwill, ensures feedback and encourages repeated purchases.

PROSPECTING

Just as the prospector in case of mining explores with a view to finding valuable mineral deposits, in the same way the salesman looks for and explores valuable prospects, that is, persons who are in need of his product. The need can be converted into want and the same may finally be converted into purchases. Prospecting means finding out qualified and potential customers. In other words, prospecting is the method of finding out the prospects or likely customers.

Actually selling process starts with prospecting. Regular and systematic prospecting is the foundation of all selling. A salesman is constantly on the lookout for prospects, which means he is looking out for Individuals, whom he can ultimately convert into buyers. In this case, we must remember that

prospecting is not a wild goose chase. It is a systematic and continuous search of a potential customer.

CHARACTERISTICS OF A GOOD PROSPECT

- Prospecting is as wide as a desert; but it does not mean that because it is desert, oil can be found everywhere.
- Prospects are too many, for that reason every human being may be considered as a prospect.
- But this concept is wrong. It is not correct to consider everyone to be a prospect without first determining whether these individuals possess the necessary characteristics of a good prospect.
- Thus it is most essential for an efficient salesman to know the characteristics of a good prospect.

METHODS OF PROSPECTING OR SEARCHING FOR THE PROSPECTS

The salesmen from time to time for prospecting or searching the prospects are employing different methods. The important methods, which are usually employed for prospecting by the salesmen are as follows:

- 1. Cold-Canvass Method.
- 2. Endless Chain or Family Tree Method.
- 3. Centre-of-influence Method.
- 4. Personal Observation Method.
- 5. Junior Salesmen and Bird Dog Method.
- 6. Trade Fairs, Exhibitions and Demonstrations.
- 7. Miscellaneous Method.

1) COLD-CANVASS METHOD

- The cold-canvass method or, as is popularly known in America, "Cold-turkei calling", is also resorted to by salesmen to increase the number of their prospects.
- In this method a salesman prepares a list of individuals or firms who are most likely to purchase his product on certain presumptions.

- For instance, let us suppose that an office stationery salesman assumes that wherever there is an office there is the need for office stationery.
- Having prepared the complete list of all the offices that exist in his sales territory, he starts converting each one of them on a certain plan.
- His plan is to visit five such offices everyday and leave his name and address behind. Within the course of a month he will have covered about 140-150 such offices.
- Later on, he will start making calls in those offices. It is likely that some calls may be successful and some may not.
- o In case of unsuccessful calls, he may continue to make calls in the next month or on the appointee date and time and so on.
- This method is most common now-a-days. Mostly those salesmen who are hard working and untiring in energy adopt this method.

2) ENDLESS CHAIN OR FAMILY TREE METHOD

- Another method of increasing the number of prospects is called "Endless Chain or Family Tree Method".
- This is a term applied to the process of securing an endless number of prospects. 'This is a very useful and popular method for securing new customers.
- Under this method, when a salesman interviews any customer, he secures the names of some prospects for future interviews.
- For instance, he may ask the customer to give names of two or three acquaintances, relatives or friends who may be interested in what he is selling. Thus one prospect leads to another and an endless chain of prospect is formed. The advantage of this method is that it is a continuous process and an intelligent salesman would in this way collect a mass of information about relatives friends and associates etc. who may be potential customers in the near future.

3) CENTRE-OF-INFLUENCE METHOD

 In this method, the salesman consults influential persons in his locality or territory such as bankers, teachers, doctors, leading politicians, business executives, club official etc. about their acquaintances, relatives, friends etc. who may turn out to be potential customers. • This method is a modification of the endless chain method.

4) PERSONAL OBSERVATION METHOD

- o This is also an important method of prospecting.
- Just as dogs are employed by the police to find out a culprit who is guilty of some crime, similarly experienced salesmen are employed to discover a good prospect.
- The personal observation of the salesman for a prospect is not merely confined when he is on duty.
- He will remain constantly on lookout for bits of information of value to him, whether on way to the work, in the office at a dinner party or any social function.

5) **JUNIOR SALESMEN AND BIRD DOG METHOD**

- It is also an important and popular method used by the salesman for identifying the prospects.
- O In this method, junior salesmen are employed to call at the door of every house in a particular locality of community, inquire about the type of product which is being used, and from the reactions obtained, an attempt is made to get an appointment at a later time for the experienced salesman to explain the features of their latest product.
- This method is usually applied for selling costly domestic products, such as washing machines, grinding machines, refrigerator or even automobiles etc.
- o Bird dog' is a name given to water and electric meter readers.
- o In this method, the salesman contacts them whom, on certain payment, give a clue as to kind of prospects residing in a particular locality.
- On the basis of the clue the salesman picks out certain person only and tries to sell his product to them.

6) TRADE FAIRS, EXHIBITIONS AND DEMONSTRATIONS

- Participation in trade fairs and exhibitions etc. is another method of prospecting.
- Many companies display or demonstrate their products in trade-fairs and exhibitions organized at state level, country level or even world level.

Care is taken to obtain names and addresses of individuals and firms etc.
 who appear to be interested in the company's products.

7) MISCELLANEOUS METHOD

- There are other miscellaneous methods of prospecting.
- They include inquiring on the telephone, use of direct mail (sending of a circular letter enclosing a return card), launching advertising campaign, using trade directories etc.

PRE-APPROACH

- Pre-approach commences as soon as the salesman obtains the name and address of prospect.
- Prospecting is generally completed when the salesman feels that he knows enough about the prospect and there is a chance of selling to him.
- Pre-approach is a fact-finding stage of selling process in which additional information, other than that about the prospect, such as his likes and dislikes, habits, type of buying motive, economic status etc. which will enable him to plan his selling campaign intelligently.
- The salesman by means of pre-approach ascertains the best and the most effective method of approaching the prospect.
- For instance, a doctor before prescribing any medicine diagnises the disease of the client.
- Similar is the case with the salesman, who before starting his approach,
 plans the approach and, therefore, this process is known as pre-approach.

OBJECTIVES OF PRE-APPROACH

- The main objective of pre-approach is to help the salesman get further insight into the customer's needs and attitude so that he can select the best approach for the individual prospect.
- Through the pre-approach the salesman would know the prospect's likes and dislikes as well as his preferences.
- The pre-approach would provide to the salesman the complete picture of the prospect well in advance.
- Knowing this, the salesman can treat him as he likes to be treated. '
 The objective of the pre-approach is to provide the salesman with all
 the information necessary to plan his sales strategy properly.

 Backed with the requisite information, the salesman can meet the prospect with full confidence.

APPROACH

Approach means meeting the prospect face to face. It is the first appearance of the salesman with the prospect. Merely pre-approach is not enough to convert a prospect into a buyer; he must see him face to face. The sales strategy is complete only when a salesman comes face to face with the prospect.

The pre-approach knows things only in part and to know him fully an approach is necessary. Approach is the most critical part of the selling process. At this time the salesman should create a favourable sales impressing on the prospect. To make a favourable sales impression the salesman must look as active sales professional.

METHODS OF MAKING APPROACH

- Nowadays-different salesmen for making approach with the prospect use different methods.
- The important methods are as follows:
- o The Personal Call without Introduction
- Sending to the Business Card
- Using the Telephone
- Writing for an Appointment
- o Premiums or Door-Openers
- Introduction
- Sending Advance Sales Letters
- o The Use of 'Trickery' for Securing Appointments

PRESENTATION

Presentation or sales presentation is a process during which the salesman tries to attract the attention and the interest of the customer towards the product. Presentation helps in convincing the customer that the salesman's product is the best one for satisfying his need. A planned presentation saves the time of the customer and the salesman. It relieves the salesman of the nervous strain and gives him the much-needed confidence.

Effective sales presentation is a vital force in selling. The customer normally r preaches the shop of the salesman with a vague idea of what he actually needs or

wants. It is the sales presentation, which helps the customer in taking final decision for purchasing the product.

Essentials of Sales Presentation or Effective Sales Presentation

- The following are the essentials of effective sales presentation:
 - Promptness
 - Clarity
 - Showing the Proper Quality and Quantity
 - Dramatization
 - Appealing to the Senses
 - Suggesting Tests
 - Handling the Product
 - o Guarantee

DEMONSTRATION

According to B.R. Canfield, "Demonstration is showing with proof and example how a product or service benefits the buyer. "The objective of demonstration is to provide the customer with definite proof of the benefits as claimed by the salesman in his product. It gives the customer an opportunity to experience for himself the benefits or profits to be derived from the ownership of a product. The customer should be allowed to see, touch, feel and even operate the product for his satisfaction.

FORMS OF DEMONSTRATION

The following are the two main forms of demonstration:

- 1. Demonstration in Use.
- 2. Demonstration of a Specific Feature.

MISCELLANEOUS

Demonstration should be done according to the needs of the customer. If the customer is doubtful about the benefits of a product, the salesman may offer a specific guarantee to relieve him. Product demonstration, Ability to express and to expound etc.

VARIOUS METHODS OF HANDLING OBJECTIONS

- o A Salesman's job is not the bed of roses.
- To make people buy is a difficult task even when a need is established and there are adequate means to satisfy it.

- Most of the customers are indifferent to buying and they raise several kinds of objections when approached by the salesman.
- Sales resistance or objection expresses disapproval of an action.
- Sales resistance or objection is an outward expression, usually verbal, intended either to put off the idea of making purchases or postpone the decision to purchase of some item.
- It is the obstacle, which prevents the customer from making a commitment.
- o It postpones, hinders or prevents the completion of sales.
- o An obstacle may be real or unreal or sincere or insincere.
- The sales resistance or rising of objections is a natural feature and normal way, which is expected, in almost all sales deals.

75. METHODS OF MEETING OR HANDLING OBJECTIONS

- Whatever the customer's objection may be, at least one thing is certain that the customer is taking interest in the product.
- Hence the first thing to do is that the salesman should listen to the customer's objections attentively and without any interruption.
- After he has understood them, he should think as to which method should be applied in meeting or handling the objections.
- In this connection there are a number of methods used by the salesman to meet and handle the objections.

The most important methods are as follows.

- 1. The Direct Denial Method.
- 2. Indirect Denial Method.
- 3. Boomerang Method.
- 4. Compensation Method.
- 5. Question Method.
- 6. Pass-by Method.
- 7. Reverse Position Method.