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Essentials of Profitable Inside Sales in Distribution©

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Essentials of Profitable **Inside Sales** in Distribution©

from the

ASA Education Foundation

ASA UNIVERSITY

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A Message

from the ASA Education Foundation

To most distributors, inside sales personnel have always been core components of their business. More often than not, the inside sales person acts as the customers' first point of contact. The inside sales rep often takes the order, provides product information, locates information for outside sales, troubleshoots orders, and expedites solutions. Collectively these daunting tasks provide a basic level of service, but not the competitively superior service or enlightened business activity that enhance a company's competitive position or drive profits to sustainable higher levels.

Today, inside sales professionals are taking on greater responsibility for their company's profitability and assuming many of the duties formerly performed by outside sales. The well-trained and organized sales rep spends more time selling and making sure that those sales are profitable. In ***Essentials of Profitable Inside Sales in Distribution***©, we introduce the concept of the **Distribution Sales Specialist**—a highly trained sales professional with a seriously expanded set of expected outcomes, defined duties, and required skills.

Preparing people who have the potential for this expanded role requires ongoing improvement in the tools, training, and systems that reduce the distributors' error and tighten the focus on profitability. ***Essentials of Profitable Inside Sales in Distribution***© provides much of the training your staff will need to take on this expanded role.

Essentials of Profitable Inside Sales in Distribution© is the second publication in the ASA Education Foundation's **Essentials** series of distribution business courses. **Inside Sales** builds on the basic distribution business knowledge provided by the ***Essentials of Profitable PHCP Distribution***©. The benefits delivered by ***Essentials of Profitable Inside Sales in Distribution***© will be significantly enhanced if the basic distribution course is completed first.

Essentials of Profitable Inside Sales in Distribution© begins by explaining the expanded role of inside sales in wholesale distribution. It contrasts the changing natures of inside and outside sales and explains the need to increase the level of professionalism. It provides a detailed set of expected outcomes, job duties, and common requirements for the position.

Chapters 2 and 3 explore distribution from the customer's viewpoint. They explain how customers' priorities and needs are changing.

A Message

from the ASA Education Foundation

The critical role of internal customers and the need for the entire team to take responsibility for the total transaction the customer experiences are also explained. Techniques that enable the inside sales professional to deal calmly with troublesome or troubled customers are prominently featured.

Next, ***Essentials of Profitable Inside Sales in Distribution***© delves into the economics of profitable transactions. It explains the factors that make sales and customers profitable or unprofitable. The reader learns how to recognize unprofitable transactions and encourage customers to engage in different ordering procedures. Readers learn the importance of holding the line on price and avoiding mistakes.

Essentials of Profitable Inside Sales in Distribution© helps the inside sales rep tie basic pricing tactics to profitability. Margin and markup are explained as well as the differences between cost and value. The rep learns how to avoid the Stockholm Syndrome. The chapter further arms them with knowledge of the 10 factors that impact price sensitivity.

Essentials of Profitable Inside Sales in Distribution© provides the basics of selling including basic selling principles, selling features vs. benefits, selling up, closing, cold calling, using voice mail properly, and getting past the gatekeepers. Tips on time management, getting organized, and using computers to maximize productivity are included.

Finally, ***Essentials of Profitable Inside Sales in Distribution***© provides significant guidance on how to establish oneself as a professional. It complements the personal strengthening strategy of high personal integrity, with the companion strategies of maintaining a professional image, staying current on industry trends, and maintaining oneself as an exemplary citizen of one's community, company, and industry.

Essentials of Profitable Inside Sales in Distribution© was developed by a team of leading distribution operators, sales professionals, writers, trainers, and business experts. Much of the material has been tested in many years of inside sales training. During the program's development, the manuscript was thoroughly vetted and tested by a team of experts from **Supply House Times' *Wholesalers of the Year*** wholesaler/distributors. Inside sales professionals who study the material and diligently put it into practice will find their productivity, personal satisfaction, and contribution to the profitability of their company increase immensely.

Acknowledgements

Developing ***Essentials of Profitable Inside Sales in Distribution***© was an exciting and energizing undertaking. With this course wholesale distributors are taking their inside sales teams to a new level of profitability and professionalism.

In developing this course, many of the best and brightest writers, educators, and practitioners in the industry shared their knowledge, expertise, and resources. The energy, real world applicability and readability of the program ensure significant benefits to the ardent student or casual reader.

We are grateful to Jim Olsztynski, who authored the exceptional manuscript and presented his 30-year encyclopedic knowledge of the wholesale distribution industry in a compelling and engaging style.

Thank you also to the reviewers who reviewed the text for its real world applicability, accuracy, and comprehensive coverage of inside sales responsibility. Erick Weyler of Torrington Supply, Pam Mouton of Coburn Supply, Alan Cohen of Davis and Warshow, Marian Henry of Noland, David Speer of First Supply and Tim Fries of Wiseway Supply were exceptionally diligent with their time, thoughtful reviews, and suggestions for content. As a result of their input, the users of the program can immediately put the content to use in their daily jobs.

The Foundation also expresses its very special gratitude to the visionaries who led the charge to develop the Karl E. Neupert Endowment Fund. Contributions that established the Fund were provided by hundreds of manufacturers, wholesalers and individuals who recognized the need for a permanent endowment fund that would ensure the ASA Education Foundation's ability to develop and provide programs needed by the industry in perpetuity. Their generous contributions are making a major impact on the education and training opportunities available to the wholesale distribution industry. We are deeply grateful for their commitment.

Welcome to the Exciting World of

Essentials of Profitable Inside Sales in Distribution!

We work in a fascinating industry! The wholesale/distribution industry generates almost $3 trillion dollars in sales every year. It is a very competitive and exciting industry, and running a successful company requires cooperative efforts from knowledgeable and motivated employees. The inside sales professional is an increasingly important member of the wholesale distribution team.

What you will learn from this course

During this course you will learn how the inside sales professional contributes to the health and well being of your company and the entire distribution team. You will learn how to make sales profitable, how to provide superb service to your customer, and how to develop your own expertise and image as a wholesale distribution professional, and much more.

How the course is organized

The course is divided into twelve chapters, each with instructional text and a review quiz that you correct yourself, using the answer key provided to you at the end of each chapter. A glossary of common wholesale-distributor terms is included so you can easily look up any term unfamiliar to you.

When you feel that you understand the basic ideas, have learned the important facts, and have answered the questions on the chapter quizzes correctly, it is time to take the final exam.

First complete all the exam questions on the exam pages; then transfer your answers to the separate answer sheet that is included with the exam.

On the answer sheet, please clearly print your company's name and your name the way you would like it to appear on your certificate.

Finally, send the answer sheet to the ASA Education Foundation, via mail or fax. We will correct the exam, and if you earn a passing score, we will issue you a certificate.

Welcome to the Exciting World of

Essentials of Profitable Inside Sales in Distribution!

Tips for easier studying

1. **Read the learning objectives**
   At the beginning of each chapter you will find learning objectives or goals. They tell you what you should know when you complete the chapter. Go back after you read it and see if you have accomplished these goals. If not, re-read the chapter.

2. **Search for the important ideas**
   Use a highlighter marker or a pen to highlight or underline the most important points as you read. Think about how each idea relates to the rest of the chapter. Write notes in the margins about points you don't understand or about how the material you read applies to your own company.

3. **Ask questions**
   Ask your supervisor or mentor about any points you do not understand. Especially ask people in the company how what you learn applies to your own company.

4. **Get personally involved**
   Use a calculator to play with the numbers and formulas in the chapters on the basics of distributor finance. See how changing one number can affect other numbers and the "bottom line," which is the profit. If your company is publicly traded, look at its annual report and see how what you learned is used there. Compare your company to what you have read.

5. **Pace yourself while you study**
   Don't try to complete the course in too short a time. You will remember what you learn more effectively if you make sure you understand each chapter thoroughly before you move on to the next. This is especially true for the financial chapters on profitability and pricing.

6. **Brag a little**
   When you complete the course, display your certificate proudly. You earned it.

7. **Develop your skills**
   This course is just one step in developing your professional knowledge and your career skills. Read industry trade journals; study the manufacturers' literature; listen to company and industry experts. Visit the ASA Education Website at www.asaef.org to find out about other learning opportunities to advance your career.

Good Luck. Good Learning. Have Fun.

– The ASA Education Foundation

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CHAPTER 8

Basic Selling Skills Need to be Mastered by Every DSS

Now it's time to put theory into practice.

After reading and studying the material in this chapter you will be able to:

1. **Practice the techniques to make a sparkling first impression.**
2. **Prepare for the call and qualify the prospects.**
3. **Demonstrate the three keys to an effective sales presentation.**
4. **Practice effective closing techniques.**
5. **Overcome price objections six different ways.**

CHAPTER 8

Basic Selling Skills

Need to be Mastered by Every DSS

So far, you've learned quite a bit about the strategies and tactics used by distributors to maintain profitability through optimal pricing. You'll need to put the theories into practice by actually convincing customers to buy from you. This requires selling skills.

Some people hold to the stereotype of a salesperson as a fast-talking snake oil peddler who will never take no for an answer and will say anything in order to get the customer to buy. Nothing could be further from the truth in the wholesale distribution industry. Keep in mind one of the most important truths about selling:

Top sales professionals do more listening than talking.

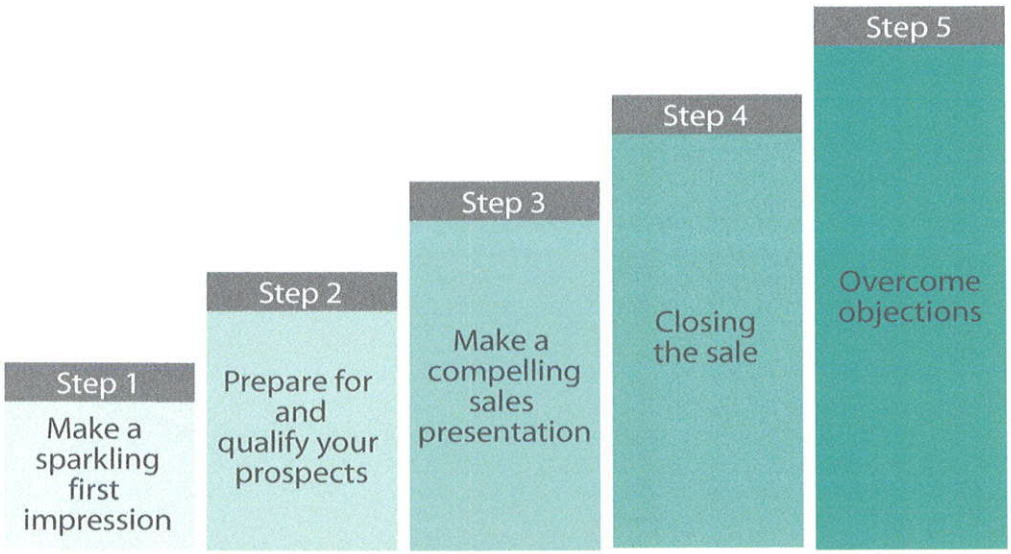
Top sales professionals do more listening than talking.

Their powers of persuasion don't come from bludgeoning a customer into submission. Instead, they have a knack for convincing customers to do what's in their customers' best interests. In this chapter we'll examine ways to do this.

Selling can be broken down into steps

Many sales trainers break down the selling process into a series of steps. These steps tend to be geared to face-to-face calls in the field, but they also have application to the kind of inside sales handled by a DSS. Let's review some of these basic steps in a sales call.

For our purposes, we'll break a sales call down into five steps. The techniques will vary slightly for inbound versus outbound calls, although the basic principles remain the same.



Step 1: Make a Sparkling First Impression

Do you ever get responses like the following when placing a phone call to someone with whom you do business?

"Yeah, this is Joe."

"Jack here."

"Sales. Can I help you?"

All of us have heard things like that—too many times. It takes only one or two words in a dispirited tone of voice to let the caller know that you are bored or don't want to be bothered.

A DSS cannot afford to let this happen. In your job, it is essential to develop a cheerful demeanor when speaking to customers and prospects, even if you have to put on an act.

Face it, you may not feel chipper every hour of every day. Nonetheless, professionalism demands that a DSS convey a favorable first impression that comes across as likable, helpful and honest.

If you don't convey a positive, upbeat attitude, you may lose the sale before you ever get a chance to present what you have to offer.

Control the tone of your voice

Your first impression is determined not only by what you say, but how you say it. It's important to maintain a friendly tone of voice. This can be hard to do when you've been talking on the phone all day and feel discouraged by complaints and rejections. However, your next customer doesn't care about your last customer, so maintaining a positive attitude and an open mind is critical.

One trick used by many telephone sales professionals to maintain a cheery disposition is to keep a small mirror on the desk. They make it a point to smile when making or answering each call. The mirror helps them check themselves to make sure they're smiling. Smiling forces a cheerful tone of voice. Check it out yourself using a mirror. Try to sound grouchy with a smile on your face. It's almost impossible to do.

Keep a small mirror on the desk. The mirror helps to make sure you're smiling.

Throat lozenges are another staple found on many desks. A raspy voice is annoying to any listener.

Help people delight to the sound of their name

Some distributors insist upon a scripted response to telephone calls, especially for novices. A script might be along the lines of: "Good morning. This is Jill Smith, how can I help you?"

Whether required by your employer or not, it would be good to develop a habitually buoyant greeting that you don't even have to think about saying. As you gain experience, you can vary the language of your introduction to suit your personality, as long as it makes customers feel comfortable.

Your response might vary depending on whether or not you know who is calling. If a call is transferred and you're told the name of the person calling, it is a good idea to greet the person by name: "Hi Mary, what can I do to help you?" This establishes a psychological bond of familiarity and friendship.

Answer your phone promptly

Make it your goal to answer every call within three rings. Research shows that callers get progressively more annoyed with each additional ring beyond three—and are progressively more likely to hang up.

When the phone rings, put aside any paperwork you may be working on until the call is completed. Also, you absolutely have to cease talking with co-workers. Any background noise, such as ruffling papers or typing on a keyboard, also will be disruptive. As a DSS, nothing you do is more important than the opportunity to speak with customers and prospects over the phone.

Return calls right away

Inevitably, some calls will be missed. What's important is to return phone messages as soon as possible. Long delays tell callers that they rank low in priority with you. That's not the message a DSS wants to convey to potential buyers.

Sometimes it may take a while to retrieve certain information requested by a caller. If this looks like it will be the case, call the customers involved to let them know approximately how long they can expect to wait.

Outbound calls must not waste time

A big advantage with an inbound call is that you know the customer wants to talk to you. With an outbound call, you must convince the customer you're worthwhile talking to. Nonetheless, some of the same basic principles apply. You must first identify yourself and establish a positive tone of voice.

In today's business world, nothing irritates customers more than someone wasting their precious time. Some old-fashioned sales training manuals recommend making small talk to "break the ice" with a customer. This advice is poisonous in the modern business world. Most customers will get annoyed if you discuss the weather or sports. They also probably won't react well to a conversation beginning with, "How's it going?"

Making small talk annoys many customers.

You have only a few seconds to convince someone that your call is important

Set the stage for your call

Make the most of those seconds by asking yourself two questions:

1. **What is your objective in making the call?**
2. **Why is this call important to the customer?**

Your objective may be simple or complicated

Maybe you're just returning a phone call or calling back with some requested information. These objectives ought to be noted in the first few seconds of conversation.

"Hello, this is Jill Smith from ABC Supply returning your call."

"Good morning, this is Bill Smith from XYZ Supply. I'm calling with the equipment ratings you requested."

In these cases, you know the call is important to the customer. That's more than half the battle.

It gets trickier when your objective is to sell something the customer has not requested. This is where question number two comes into play—why is it important to the customer?

Consider the WIIFM principle

Another way of stating this from the customer's perspective is, "What's in it for me?" Think of the initials WIIFM.

The answer could be that the customer uses a lot of these items and would find a special deal attractive. Or maybe it's a limited time offer and time is running out.

"This is Tina Jones from Very Best Supply Co.

I'm calling because we have some specials on sale for a limited period and I want to give you an opportunity to take advantage before time runs out."

The success you have with these kinds of calls will depend a great deal on how well you handle Step 2 in the selling process.

Step 2: Prepare for and Qualify Your Prospects

Preparation means learning everything possible about customers and their needs.

Qualification means determining who has purchasing authority or influence.

You could make the best sales pitch the world has ever known, yet it would be nothing but a waste of time if delivered to the phone receptionist. Time is a precious commodity to both you as a DSS and your customers. You can most efficiently use your time by targeting your conversations to people with buying authority or influence.

When making an outbound call, a DSS ideally should target a specific person. Preparation includes learning the roles that various individuals play in customer organizations—especially those who are involved in the buying process.

Be sure to pronounce names correctly

Obtain the correct pronunciation of the person's name you're calling. It's best to do this before making the call by asking co-workers who might be familiar with the individual.

This is especially good to do if it's a difficult name. This way you'll have a chance to practice saying it aloud before making the call.

If nobody in your company knows the way the name should sound, then perhaps the phone receptionist could prove helpful after you make the call. You might say:

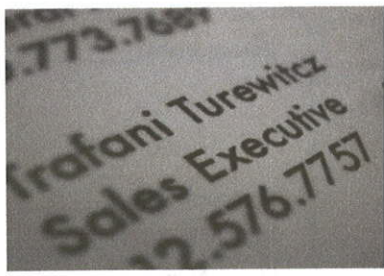
"Good morning. I'm trying to reach Carol Smythe. Can you tell me if she pronounces her name like 'Smith,' or 'Smythe' as in 'Scythe'?"

As a last resort, ask the person you're calling for the correct way to pronounce his or her name.

"Good morning. I'm sorry, but do you pronounce your name as 'Smith' or 'Smythe'?"

Or, if it's an especially difficult name:

"I'm sorry, but I don't want to mispronounce your name. Will you please tell me how to say it?"



As a last resort, ask the person you're calling for the right way to say his/her name.

Learn your customer's business

Some people in a customer's company will have direct purchasing authority. Others may leave the buying to someone else but will have considerable influence over what is purchased.

For instance, engineers and technical support personnel generally don't issue purchase orders, but they usually have a great deal of say over which products get bought. The same holds true with many maintenance staffers. A DSS needs to cultivate good relationships with both direct buyers and those who influence purchasing.

So, how do you find out who is influential? Let's return to something that was addressed back in Chapter 2: *Learn your customer's business ... That's the recipe for becoming a top-rated DSS.*

Find out how and why the customer decides to purchase the products you sell. Are they typically purchased for inventory replenishment or on an "as needed" basis? What kind of time frame and order quantities are usually involved? What type of purchase terms does the customer expect?

Salesperson: _____ **Date:** _____

CUSTOMER PROFILE SHEET

Company Name: _____ Company Address: _____
Type of Business: _____ Contact Person: _____
Phone Number: _____ Email: _____ Fax: _____

Purchasing Information:

1. Purchasing Contact: _____ Department: _____ Phone: _____
2. Secondary Contact: _____ Department: _____ Phone: _____
3. Who Specifies Vendor? _____ Purchasing _____ Other
4. Other Purchasing Locations? No _____ Yes _____ ***If Yes, Contact Name & Number:* _____
5. Total Annual Purchases: $25,000___ $50,000___ $100,000___
6. Available Storeroom: No: _____ Yes: _____ ***If "Yes," contact name and phone:* _____
7. Typical Products Purchased: _____
8. Sketch buying process here:

_____

Vendor Information:

1. Primary Vendor: _____ Number of Years: _____ Reason: _____
2. Secondary Vendor(s): _____
3. What is the most important factor in choosing a vendor? _____
4. What could your current vendor(s) do better?
_____
5. With the primary vendor(s), do you have a: Blanket PO _____ System Contact _____

_____

Purchasing Priorities:

1. How are major projects handled? In-house _____ Outside Contractor _____
2. How important are regular calls by an outside salesperson? _____
3. How important are experienced inside salespeople to your company? _____
4. Do you pay from a statement (once a month) or invoice (more than once a month?) _____
5. Do you currently use: ___ barcoding for receiving ___ EDI ___ VMI or other automatic replenishment

If we can show that we can save you time and/or money, could you and would you consider changing primary vendors?

Salesperson: _____ **Date:** _____

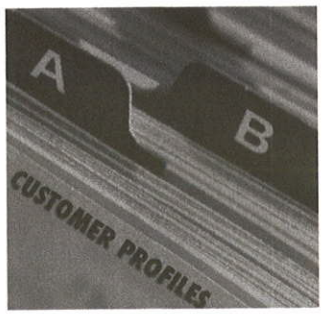
_____

No ___ Yes ___

Basic Selling Skills

Need to be Mastered by Every DSS

The more you know about customer buying habits, the better positioned you'll be to sell products they need. Customer knowledge also gives insight into which high-profit items they use most. Does the customer prefer a particular brand name of equipment, which only you can provide locally? Who are your customer's customers? Knowing who your customers work for will often give you a good idea of the types of products and services that they find important.



Some distributors may require a DSS to keep detailed customer "profiles" that are filled with information about customer buying habits.

Customer profile records are a big help

Some distributors may require a DSS to keep detailed customer "profiles" that are filled with information about customer buying habits. A sample Customer Profile Sheet is shown on the left page.

Even if your employer does not require this kind of record keeping, it could be helpful for you to develop it on your own. The more information you gather, the better able you'll be to anticipate and fulfill your customers' wants and needs. This leads to more sales and more commission income.

Qualify prospects by asking questions

Sometimes you won't be able to research customers and their businesses in advance. People may call you with information requests, and you'll be in the dark about their roles. Here's where "qualifying" comes into play.

Qualifying means determining whether they have purchasing authority or influence. You can obtain this information simply by asking: "Are you the person in charge of purchasing?"

If the answer is no, then it makes sense to follow up with: "Who in your company handles the purchasing of these products?"

Sometimes the answer might be noncommittal. The person might indicate that he/she sometimes buys the products, or maybe is "involved" in purchasing decisions. Then the question becomes: "Who besides yourself is involved in the decision-making process?"

Asking questions is the best way to obtain valuable information. You will read more about this in the next chapter on communications techniques.

Step 3: Make a Compelling Sales Presentation

The third step in the sales process is what some might call the sales "pitch." It's a matter of presenting the offer and giving the customer reasons to buy.

The most important thing to remember in this regard is the need to be helpful to the customer. Don't think of it as a seller-buyer relationship. Instead,

Think of yourself as a business consultant sitting on the same side of the desk with the customer.

What advice can you give them about the products you sell that would best fit their needs? A DSS is not like a used car salesman who probably will never see the same customer twice. A DSS must cultivate long-lasting customer relationships that result in repeat sales over and over. This means selling items that prove beneficial to customers, as well as profitable to your company. Here again, a big advantage comes from learning everything you can about the customers' businesses.

At the same time, three basic selling principles come into play that are just as relevant to a DSS as to any other salesperson:

Let's examine each of these in some detail.

Basic selling principle #1: Sell up by selling down

One of these principles is known as selling up by selling down. This means that you need to make the customer aware early in the presentation of the best you have to offer in any given product category.

Let's say your company carries three grades of a certain kind of product. Product A is top of the line and most expensive. Product B is middle grade, and Product C is the low end of the line and costs the least.

Think of what's likely to happen if you begin your presentation by saying: "Product C will do the job just fine, and it only costs $50. Oh, and we also carry Product B for $75, and Product A, which costs $100."

As soon as they hear you say Product C will do the job and costs less money, most people will tune out everything that follows. Everyone is interested in saving money. That's what will be going through their minds when you start to describe the better features for Products B and A.

A better way to make this presentation would be along the following lines:

"The best item for this purpose is Product A. It's easiest to install, requires less service, and lasts the longest. We have it on sale for $100."

Selling "down" makes it more likely the customer will buy "up"

Afterwards you can describe the attributes of Product B and Product C, explaining that they cost less because they don't have as many beneficial features. Some customers may decide that Product B or Product C meets their needs just fine and won't want to pay a premium price for Product A. But at least you'll have had a chance to present Product A to a receptive audience.

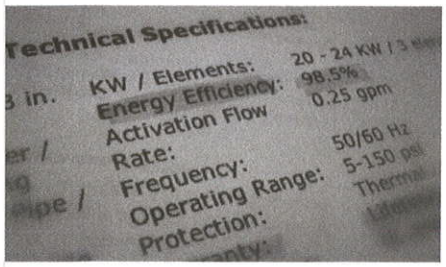
However, if you begin your presentation describing the virtues of Product C, many customers will never move beyond that point psychologically. As long as the product functions okay and costs less, they'll tune out your subsequent presentations of better-grade products.

Begin selling at the top of the line. A better-grade product may contain an attribute for which the customer may be willing to pay more.

But you may never find that out if you start by describing the virtues of the bottom-grade products.

Basic Selling Skills

Need to be Mastered by Every DSS



Too often, salespeople leave it to customers to figure out benefits for themselves.

Basic selling principle #2: Sell benefits over features

A "feature" is something a product has. A "benefit" is a good thing that happens because of a feature. Better gas mileage is a selling feature of some automobiles. The benefit is substantial savings in fuel costs.

Customers buy benefits more than features.

Too often salespeople leave it to customers to figure out benefits for themselves. Benefits aren't always self-evident, however. A DSS who handles the same products day in and day out often takes for granted that customers know all about a product and its features and benefits.

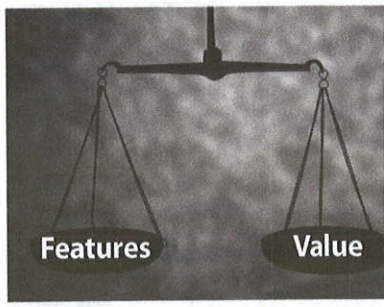
Often, inside salespeople just listen and type as they take a list of materials from a customer. Instead try working a product benefit into the conversation with something like: "Hey Joe, you know that the water heater you just ordered, the one you always buy? It now has a self diagnostic control on it. It'll be easier for you to troubleshoot those occasional nuisance callbacks. And don't worry, they didn't raise the price!"

Or, a distributor might carry a product touted as having a more powerful motor than competing models. That doesn't mean much to the average person. More meaningful would be the benefits of that powerful motor. For example, it enables operation at higher speed with less strain. This contributes to a longer life and less servicing, which means fewer shutdowns. In the long run, a powerful motor saves time and money.

Speak the language of benefits

Saving time and money are the benefits of a powerful motor, but it takes several steps of reasoning to teach them. Your sales presentations will be more successful if you speak in terms of benefits ("saves time and money") more than features ("has a more powerful motor").

This doesn't mean you should never draw attention to features. Distributors sell many products whose features can be measured in terms of BTUs, horsepower, or RPMs, or described in general terms such as bigger, stronger, quicker. These features provide a shortcut to describe product value.



Features equate with value

Products with more advanced features tend to be more profitable for the distributor. You want to sell as many high-value products as you possibly can to your customers.

Just make sure your customers understand the benefits derived from certain features. Products made of stainless steel tend to cost more than comparable items made from carbon steel. Some people understand this helps the product resist corrosion, but don't assume everyone does. Make the benefit clear to them.

Benefits include anything that saves time, money, or energy. Less installation time is a benefit. Fewer service calls are a benefit. Longer lasting is a benefit. You'll be more successful selling benefits over features.

Promote yourself and your company as benefits

Don't forget the value you and your company add to the products. Most of the products you sell can be purchased from other sources. The main reason to buy them from you might have nothing to do with a product's features.

The main benefits come from your ability to provide exceptional services to the customer. Be sure to define what you do better than other sellers and include that in your sales presentation, i.e., delivery, technical knowledge, installation knowledge, showroom products and showroom staff, inventory availability, quick and hassle-free processing of credits, no handling charges on products returned that go back into regular stock, etc.

Basic selling principle #3: Positive selling works better than negative

Numerous studies have shown that positive messages work much better than negative selling techniques. Bashing your competitors or their products reflects poorly on your professionalism. Frequently, it can come back to haunt you because the day may come when your company starts selling the product you have been bad mouthing to a good customer.

Emphasize the positive reasons customers have to buy from you and your company. Sometimes it may be the best price for a given item. It also may include better service capabilities, longer warranties, better payment terms, a trip promotion, or myriad other advantages. Weave these messages into your sales presentations. Throw the negative stuff overboard.

Step 4: Closing the Sale

This is the most important part of any sales call.

You can do everything else right, but if the customer doesn't buy, you can't make any money.

Ask for the order

Probably the most common reason for failing to close a sale is so simple it's almost laughable. A sales rep will neglect to ask for the order.

The rep may convey a friendly impression and do all the preparation and qualification work described previously. The rep may engage the customer in a detailed sales presentation doing all the things right that we described in Step 3. But then the conversation meanders all over the place without ever resulting in an agreement to buy. The customer says thank you for the information and hangs up the phone without placing an order.

An experienced, first-rate DSS will not let this happen. One of the most basic selling skills is learning how to move someone from just an interested sales prospect to a customer.

Asking for the order is as simple as it sounds: "Should I go ahead and place your order?"

That's a straightforward way to prompt an order, but probably not the best way in most cases. Anytime you ask questions beginning with "Should I…May I… Is it okay if I…?" you invite the customer to respond with "no."

Use assumptive closing—it works better.

A better sales closing technique is to assume the customer is ready to buy from you. So-called "assumptive" closing puts the onus on the customer to reject the sale. An assumptive close usually is triggered by a question:

"Do you want this order delivered, or will you pick it up?"

"Is UPS ground okay, or do you want it second-day air?"

"Which color would you like?"

"Is there anything else you need?"

Timing is everything—Detect when the customer is ready

Closing a sale depends less on what you say than when you say it. Top sales professionals develop an almost intuitive sense for timing their close. They detect signals that tell when a customer is ready to buy.

These signals may consist of questions asked by the customer: "How long will delivery take?" or "When will payment be required?"

Sometimes the signals are subtler. Customers may change the pace of the conversation, either slowing down or speeding up. Either case might provide a clue that they have made a decision and are thinking of something else, perhaps other items to buy.

Closing too early invites objections

The most important thing to realize about timing the sales close is to make sure you have provided all the information needed for the customer to decide. Trying to close too soon opens the door to objections.

Handling objections is a key to successful selling

Handling objections is a skill that must be learned by every sales professional. Seldom will a customer come right out and tell you why he or she does not want to place an order. Most objections are unspoken. They get signaled by statements such as:

"Thanks for your help. I'll get back to you."

"I need time to think it over."

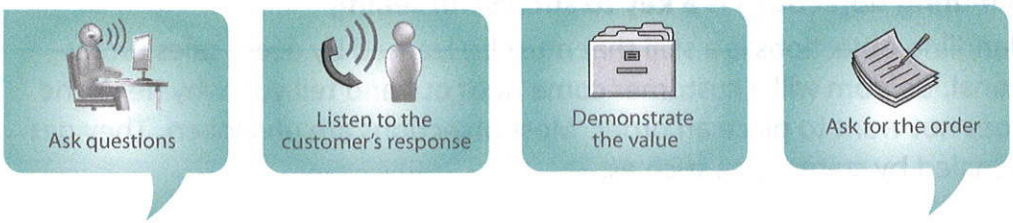
"I don't need this right now. I'm just calling to gather information."

Ask, Listen, Demonstrate, Ask

The correct way to respond to these rejections involves a four-step process:

1. Ask questions to determine what the objection is. "Is there something else you need to conclude this purchase now?"
2. Listen carefully to the customer's response. "Well, I can get them cheaper at XYZ Supply Co."
3. Demonstrate the value of your offer by once again reviewing all benefits and value-added provided by your company.
4. Ask for the order again.

This is the stage that some people might describe as "never take no for an answer." That's not literally true. You will not be able to close every sale. It's better to lose a sale than to badger customers mercilessly so that they never call you again. At the same time, it will be hard for a DSS to earn a good living if he or she takes every customer objection as the final word.



Step 5: Overcome Price Objections

There are many reasons customers may resist buying, but most have to do with price. Customers feel they can get a product cheaper somewhere else. Here are some proven techniques for dealing with price objections.

1. **Demonstrate value first**
   A price objection is another way of saying you haven't adequately demonstrated value. Focus on why buying products from your company is advantageous, and then discuss prices. Talk about price last—especially with customers who always ask about the price of every item that they need. If necessary, refuse to quote a price until the entire list of goods required has been presented to you. Quantify the value if possible.

That is, break down into dollars and cents how much services such as quick delivery, extended terms, engineering assistance, etc., are worth to the customer.

2. **Put them in your shoes**
   "Tell me, is yours the cheapest company in your field? Well, neither are we. We need to charge a fair price in order to provide the great services that you need."

3. **Break down the difference into chunks**
   If a customer pays $25 more for a pump than a competitor sells it for, talk about the life span of that pump. If it's 10 years, the extra cost amounts to $2.50 per year. Point out how trivial that is compared with the value-added services provided by your company.

4. **Give them alternatives**
   As stated earlier, always begin by selling the highest-priced items in a category. But, remember, you also have to know you customer. Don't try to sell high-end products to contractors who are always after the least-expensive alternative. If price becomes an obstacle, try to sell the customer lower-price alternatives that will still do the job.

5. **Negotiate something else of value**
   Trade something of value in return for holding firm on the price. These could include price, such as extended terms, lower order quantity, special deals on other products, etc. Or, maybe there is some leeway to cut the price on other products to bring the total package in line with what the customer is willing to pay.

6. **Give up**
   Refusing to be undersold can be a route to bankruptcy. In most cases, unprofitable sales are worse than no sales.

This chapter has reviewed the basic selling techniques you need to master in order to become a skilled DSS. In the next chapter we'll take a look at the advanced communications techniques that come into play in all of these steps.

Quiz

Basic Selling Skills Need to be Mastered by Every DSS

1. Which of the following is a very important characteristic of a top sales professional?

A. Never takes no for an answer
B. Does more listening than talking
C. Sells everything possible to every customer
D. Closes the sales as quickly as possible

2. When speaking to prospects on the phone, you can make a favorable first impression by

A. offering to sell your product at the lowest price.
B. revealing details about your previous customers.
C. maintaining a friendly tone of voice at all times.
D. sharing some personal details about your life.

3. It is important for a Distributor Sales Specialist to promptly answer the phone because nothing is more important than

A. checking the caller ID and referring to the person by name.
B. talking about every product in stock.
C. speaking to prospects and customers.
D. using your time effectively.

4. Which of the following statements BEST demonstrates the "WIIFM" principle?

A. Determine what's important to the customer
B. Present high-price products first
C. Qualify customers for buying authority
D. Determine the best way to make a sale

5. When employing the basic selling principle of "selling up by selling down," the Distributor Sales Specialist ensures that customers

A. understand the difference between features and benefits.
B. hear about the lowest priced product first.
C. who want the lowest possible price have their needs met.
D. hear about the best products in any category first.

Quiz

Basic Selling Skills Need to be Mastered by Every DSS

6. Which statement about benefits and features of a product is TRUE?

A. A benefit is a good thing that happens because of a feature.
B. Customers usually figure out benefits for themselves.
C. Customers like to hear about features more than benefits.
D. Features include anything that saves time, money, or energy.

7. Which of the following is the MOST important part of qualifying customers?

A. Getting information from your co-workers
B. Estimating how much your company will make from your sales
C. Establishing a friendly and cordial relationship immediately
D. Determining purchasing authorities and influences

8. One of the signals that tells the Distributor Sales Specialist that the customer is ready to buy is that the customer

A. asks questions about things like delivery time or payment terms.
B. offers to think about it and call back later.
C. says "no" but really means "yes."
D. asks for a discount.

9. All of the following are examples of an assumptive close EXCEPT

A. "Which color would you like?"
B. "Is UPS okay or would you like second-day air?"
C. "Should I go ahead and place your order?"
D. "Will you pick this up or would you like it delivered?"

10. All of the following are ways to overcome a customer's price objections EXCEPT

A. Demonstrating the value of the product first before mentioning price
B. Offering lower-priced alternatives that meet the need
C. Trading something of value but retaining the price
D. Refusing to be undersold by any company

(Answers below)

Answers: 1-B; 2-C; 3-C; 4-A; 5-D; 6-A; 7-D; 8-A; 9-C; 10-D

CHAPTER 9

Communication is the Key to Effective Selling

You learn nothing by talking. You can learn everything by listening.

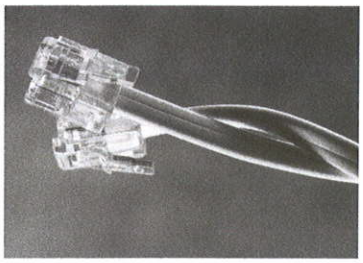
After reading and studying the material in this chapter you will be able to:

1. **Follow the five key steps in the communication process.**
2. **Apply the principles of effective listening.**
3. **Ask the five types of questions at the most appropriate times.**
4. **Avoid the seven major causes of communication breakdowns.**
5. **Choose the right communications media and use them properly.**
6. **Use effective communications practices with internal customers.**

CHAPTER 9

Communication

is the Key to Effective Selling



Most dictionaries define communication as the act of conveying information.

We all know what the word "communication" means.

Or do we?

Most dictionaries define communication as the act of conveying information. That's correct as far as a straight definition goes. But to be effective as a DSS, you have to take it further.

Follow the Five Key Steps in the Communication Process

To do the job right, a DSS must practice five key steps:

1. **Obtain the right information**
2. **Convey the right information**
3. **Make sure the recipient receives the right information**
4. **Verify that the recipient understands the information**
5. **Follow up quickly with new communication when information changes.**

Communication breakdowns occur at every step of the way—and with disturbing regularity—in the business world. In this chapter, we'll take a look at some principles of effective communication, the causes of breakdowns, and the techniques that can help you avoid them.

Of the five communication steps cited above, the first one is the most important.

A DSS must first obtain accurate information before it can be conveyed to anyone else.

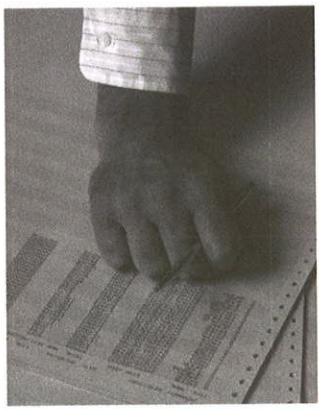
This means paying attention to detail. That, in turn, requires concentration.

Determine what can be skimmed and what needs to be read carefully

A DSS typically works with an endless stream of printed documents. The work you do has to be coordinated with quotations, catalog pages, proposals, invoices, purchase orders, letters, memos, etc. You won't have time to belabor every document that crosses your desk.

You'll have to develop some speed-reading habits to process all of them.

Many routine documents can be merely skimmed, but some need to be read more carefully. This is certainly true of technical information. If a customer needs something with a pressure rating of 1500 psi and you provide a 150 psi product in its place, it can lead to big trouble. It's easy to make mistakes like that if you're in a hurry and just take a quick glance at the charts and tables from a specification sheet or catalog. If there are any technical terms, acronyms, or abbreviations you don't understand, find out their meaning before you attempt to pass along the information.



It's easy to make mistakes if you're in a hurry and just take a quick glance at the charts and tables from a specification sheet or catalog.

Also, be sure to read carefully any letters or memos pertaining to customer transactions. This is doubly important if the document is about a mistake or complaint. You don't want to compound a mistake with a further misunderstanding.

Master the Principles of Effective Listening

With printed documents you can take as much time as needed to read and re-read until you fully understand something. Verbal communication is a different matter. Frequently, you get only one chance to hear key information. This is why it's important for a DSS to master the art of listening.

Listening is hard work

Listening is more than just keeping quiet. To truly listen requires training your brain to focus on the speaker instead of yourself or your surroundings.

This may sound easy, but listening is hard work. You may be working in an area bombarded with sounds from colleagues on the phone, radios, intercoms, warehouse noise, office equipment, and extraneous conversations. We've learned to tune out most of it as background noise. But our aural processing systems don't always work to perfection. Unfortunately, distractions sometimes cause us to tune out stuff that matters.

Faster hearing than speaking distorts messages

We also succumb to impatience. The average person speaks at about 135 to 175 words a minute, but a listener can process 400 to 500 words a minute. People have a tendency to fill the extra time daydreaming, anticipating what the speaker will say next or forming an answer.

Your motivation comes from wanting to be the best you can be at your job as a DSS.

Doing this often short-circuits the communication and distorts the message. We end up interpreting what we think the speaker will say.

Listening requires motivation

Most people are born with the ability to hear, but hearing is not the same thing as listening. Hearing is to listening what holding a scalpel is to performing surgery.

Hearing is a passive activity that comes naturally, while listening requires training and motivation.

You have to really want to understand what the other person is saying.

You can become a better listener

Your motivation comes from wanting to be the best you can be at your job as a DSS. Once motivated, here are some tips to help you master the art of listening.

- **Ask questions**
  Asking questions forces you to concentrate on listening. Get in the habit of asking speakers to clarify or elaborate things you don't fully understand. This not only helps you to listen, it will also help you learn things. Later in this chapter we'll examine the art of asking questions effectively.

- **Take notes**
  Even if you never refer to these notes, the act of writing things down on paper forces you to concentrate on what the other party is saying. It also helps lock the information in your mind. The notes don't have to be detailed. Just jot down key words, phrases, and numbers. People speak much faster than anyone can write. If you try to write down every word that's said you will lose track of the conversation and miss some of the speaker's main points.

- **Get rid of distractions**
  Avoid the temptation to multi-task by doing paperwork, checking e-mail, etc., while someone is talking to you. Don't try to answer another incoming call on a different line. This is aggravating to the other party. Leave it to the phone receptionist or voice mail to take a callback message.

- **Briefly interject**
  During a long conversation make brief comments such as: "I understand…I see what you're saying." This helps you to stay alert, and also shows the speaker that you are paying attention.

- **Don't interject your own thoughts**
  Make sure the other party is done talking before you venture an opinion or explanation. Some people have trouble getting to the point. Give them time to tell you what they want to say, although it's okay to move the conversation along by asking questions.

- **Don't rehearse a response**
  Listen to the full message. Respond only after the other person has finished talking. There may be some key information that the speaker does not reveal until near the end.

- **Pause**
  After the other party finishes talking, pause for a few seconds before responding. The other person might be pausing, just catching a breath, or formulating other remarks. Pausing allows you a chance to soak up and retain what's been said, as well as to collect your thoughts.

- **Sit at the end of your chair**
  Being too comfortable promotes daydreaming. When speaking on the phone, try to assume the same business-like posture you would if you were meeting the person face-to-face. This will help make you more attentive.

- **Tune in to unspoken messages**
  Studies show that only 7% of communication is conveyed by spoken words. Facial expressions and body language account for 55%, with the remaining 38% coming through in one's tone of voice. Over the phone you will not have access to the visual information, so it's crucial that you pay attention to the other party's tone of voice. It's not enough to listen only to what people say—it's important to pick up on how they say it. They may be trying to tell you something but don't know how, or they may be uncomfortable saying it. For example, they may not want to get someone in trouble by criticizing that person's performance. However, their tone of voice often will reveal this information as the root of a problem.

Listen to the full message. Respond only after the other person has finished talking.

Learn by listening

It's been stated several times throughout this course that one of the most important duties of a DSS is to learn as much as possible about a customer's business.

You learn nothing by talking.
You can learn everything by listening.

In contrast to the stereotype of fast-talking sales reps, effective sales presentations generally find the sales rep talking only about 10% of the time, while listening the other 90%.

"Tis better to be silent and thought a fool,
than to speak and remove all doubt." – Abraham Lincoln

Ask the Right Questions at the Right Time

The distribution business involves a series of complex sales. As the name suggests, a "complex sale" involves a lot more than trying to sell one customer one product one time. It is the opposite of the stereotypical used-car sales pitch.

The complex sale involves:

The complex sale leads to long-term relationships with repeat buying patterns. This requires understanding what constitutes value in the client's mind, and how your company can best fulfill those values.

Good questioning skills are essential in dealing with the complex sale.

You can't tout your company's value to a client
until you find out what the client values.

For a DSS, five types of questions are especially useful. They are:

The art of questioning includes knowing when and how to use each one.

Open-ended questions lead to long responses

Open-ended questions cannot be answered with a simple yes or no, a number, or some other short response. Examples of open-ended questions are:

"How does your company evaluate its suppliers?"

"What problems have you encountered with your production lines owing to product failures?"

"What do you feel your supplier(s) could do better?"

The objective of an open-ended question is to get the other party speaking freely. The more customers talk, the more information you will learn about them and their businesses.

Open-ended questions are ideal for qualifying sales prospects

Open-ended questions elicit the most information of any of the four types. A DSS should use open-ended questions extensively when qualifying prospects. Many open-ended questions begin with the words: "What,""Why" or "How."

"What are some of the things you look for in a supplier?"

"Why are those things important to you?"

"How do most suppliers fall short?"

"What alternative solutions have you considered?"

"It looks like our product lines and services are a good fit for your company. What do you think?"

Not only do open-ended questions require a longer answer than yes or no, they also do not automatically lead to a particular answer.

Closed-ended questions can be answered briefly

Closed-ended questions are not intended to make the client talk a lot. They are intended to help you obtain specific information or confirm facts.

Closed-ended questions usually can be answered with a yes or no, or with a number or brief statement. For instance:

"How often do you order that?" "About once a month."

"How much do you usually order at one time?" "About 100 items."

" When was your last order?" "Yesterday."

"Would you be interested in purchasing this product in carton quantities and saving money?" "Yes."

Probing questions are used to follow up

Probing questions are a type of open-ended question. They are good to use when an open-ended response does not provide enough information that you need. Examples include:

"Please tell me more about the vendor evaluation program you just mentioned."

(This imperative sentence serves the same purpose as a question. A statement does not have to be followed by a question mark to qualify as a question.)

"You say the failure of that product caused a number of problems. What kind of problems?"

"What happened after that?"

"Tell me about the features of the high-efficiency equipment you currently install."

"How do you market this equipment to your customers?"

Probing questions are a way to get to the heart of a matter. You can't really prepare probing questions ahead of time. They require you to listen carefully and think about what the client is saying.

Clarifiers make sure of understanding

The clarifier may not be a question at all. It may simply be a statement to make sure you have properly understood the client. Sometimes it's a matter of paraphrasing something the other person said, such as:

"Did I hear right that a production line shutdown costs you $10,000?"

"You expect next day delivery?"

"As I understand it, you prefer to keep a large stock of these items on hand."

Leading questions help close sales

Recall that in the last chapter we discussed the "assumptive" technique of closing a sale. It involves asking a question that assumes the customer is ready to buy. Examples used were:

"Do you want this order delivered, or will you pick it up?"

"Is UPS ground okay, or do you want it second-day air?"

"Which color would you like?"

"Is there anything else you need?"

These also are examples of "leading" questions. They often are used to close a sale.

Leading questions often use phrases that nudge a customer toward the desired answers. These are phrases such as:

"Don't you…?" "Shouldn't you…?" "Won't you…?" "Isn't that right?"

"So is it safe for me to assume that our pricing on this job was competitive?"

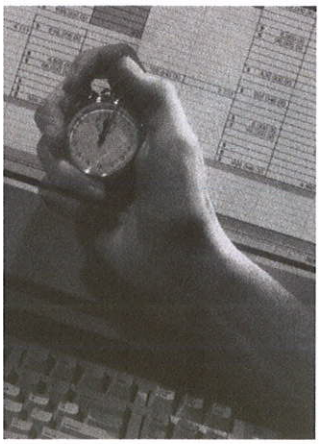
Leading questions can go haywire

Leading questions require a deft touch. If the answer is too obvious, clients will see it as an insult to their intelligence.

For instance, some sales trainers recommend asking questions that "secure agreement," such as:

"Is reliability important to you?"
"Do you want to save money?"

Simple-minded questions like that are likely to backfire with sophisticated clients in a complex sales process. You're not trying to push them into buying something they don't need or want. Your goal is to understand their business and how your company's value proposition fits into it.



Asking the right question at the right time serves its purpose only if you listen carefully to the answers.

Timing is everything

Each of these five types of questions must be used properly. To achieve success, a DSS has to develop a sixth sense for when to ask each type of question.

- As noted, the open-ended question is the type used most frequently by salespeople, especially when prospecting and qualifying. It gives you the most information in the most unbiased way.
- The closed-ended question is useful for obtaining factual information such as time, quantity, and yes or no responses.
- Probing questions are a way to uncover layers of important information beyond the first open-ended answer.
- Clarifiers are used to make certain you understand important points.
- Leading questions help nudge a prospect toward buying from you.

Listen and learn

Asking the right question at the right time serves its purpose only if you listen carefully to the answers.

Inexperienced salespeople sometimes start thinking about the next question before the speaker finishes answering the previous one. Or they get too anxious and start trying to sell additional products before the client is fully convinced of placing the original order.

You learn nothing by talking.
You can learn everything by listening.

Communication breakdowns have many causes

Mastering the art of listening and questioning will help ensure that you obtain the right information. That's just the first of the five steps we identified at the beginning of this chapter. The rest have to do with conveying accurate information to recipients, and making sure they receive that information accurately.

You do not have total control over these steps. Nothing you do can guarantee with absolute certainty that the people you deal with will be careful listeners or attentive to detail.

Eliminate the Seven Common Causes of Communication Failure

You can increase the odds in favor of effective communication by removing obstacles that might prevent the other party from receiving your information accurately.

Probably 90% of all business errors can be traced to some kind of communication breakdown. Some of the most common mistakes occur when customers order products they don't normally use or when customers say something such as, "Send me the widget I usually order," or even when they say, "Send me the box quantity" without knowing the box quantity.

Failures to communicate happen in many ways. Let's examine some of these.

Breakdown #1: Evading responsibility

"It's not my department."

"That's not my job."

"It's not my responsibility."

How many times have you heard those lines when you've called a business to resolve a problem? Think of how annoyed it made you.

It's beyond anyone's job description to know everything. Yet anyone can say, "I don't know, but I'll do my best to find out or transfer you to someone who can help."

You probably came away with an impression of the company as an inept bureaucracy where the right hand doesn't know what the left one is doing.

That's exactly how clients will perceive you and your company if you keep "passing the buck" in response to inquiries.

It's beyond anyone's job description to know everything. Yet anyone can say, "I don't know, but I'll do my best to find out or transfer you to someone who can help."

If finding an answer might take awhile, ask for the caller's number, do your research, and call back as soon as possible with the requested information.

As a DSS, you will be on the front lines of customer contact. You will not have all the answers they seek, but you always should be willing to help customers find the correct information or direct them to someone who can.

Breakdown #2: "I assumed"

A new employee at a large company doing sensitive military work walked up to a paper shredder and stood before it with a puzzled look. A senior secretary noticed the confusion and offered, "Need some help?"

"Yes," said the novice. "How does this thing work?"

"It's simple," said the office veteran, who took the thick report from the new employee's hand and fed it into the shredder.

The document came out the other end in thousands of little pieces. "See how it works?" the experienced person said.

"I see," replied the newcomer. "But I wanted to make some copies."

This tale shows how assumptions can lead to serious mistakes and trouble. The secretary assumed that because the newcomer was standing in front of the shredder, the purpose was to shred the document in hand.

Think of how lost you felt the first day on a new job. You had to be taught simple things like how to use the office copier or fax machine. People spoke with jargon and acronyms that you didn't have a clue about. Maybe you even had to ask the location of the restroom.

Later, all these things became second nature to you. You also came to learn hundreds of details about the business and industry that are likely imbedded in the brains of your fellow employees and industry colleagues. It became natural to assume that everyone you speak with knows them.

Be on guard against this.

Avoid insider jargon and acronyms unless you're absolutely sure the other party knows them as well as you.

Listen for clues that the person you're speaking with may not fully understand.

Don't assume the people you speak with will ask for clarification of things they don't understand. It's human nature to pretend to understand out of fear of being thought of as less knowledgeable. Some clues that may give you an indication the other party doesn't fully understand are a confused tone of voice or saying things that don't make sense.

Breakdown #3: "I think so"

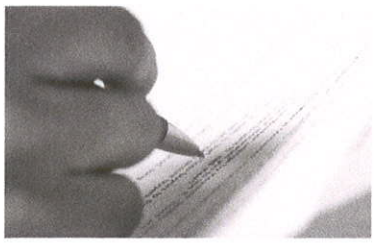
"I think the order was shipped."
"I'm pretty sure we back ordered that product."

Which is it? Do you think you know or do you know? Are you pretty sure, or are you certain? Customers have a right to be angry if you tell them you think you have something in stock, but then it's not there after they make a trip to pick it up.

What's behind this communication breakdown is nothing more complicated than laziness. Someone won't make an effort to take whatever steps are necessary to verify something.

Take a cue from commercial aviation and the space program. Despite the vast experience of pilots and astronauts, before every flight they read a lengthy checklist aloud of things to do before taking off. They may have repeated the sequence thousands of times, but the stakes are too high to take a chance on missing something.

Leave nothing to chance. If there's the slightest possibility something may have been overlooked, check, and double-check.



Important information needs to be put it in writing. Nobody likes paperwork, but there's a reason for it.

Breakdown #4: If it's not in writing, it's not real

When you tell somebody something over and over, it seems reasonable to assume—oops, there's that dangerous word again—that everyone gets it.

Not necessarily. Spoken information tends to go in one ear and out the other. People have selective memories that lead them to hear what they want to hear. Plus, they are bombarded with so much information on a daily basis that they're apt to forget much of it.

Important information needs to be put in writing. Most people don't like paperwork, but there is a reason to write things down.

Even that isn't enough. Once written, the documentation has to be accessible. Keep your files in order. Post important messages to a bulletin board or circulate it via e-mail to all colleagues who need to know the information.

Breakdown #5: Lack of follow through

Job quotes, back orders, and materials requisitions sometimes get side-tracked for months because nobody thinks to follow up on them. It's just assumed—uh oh—that purchasing agents, estimators, vendors, receiving personnel, and everyone else in the system will do their jobs right.

Clients don't react well to excuses. It may not be your fault that an order fell through the cracks or that someone delivered the wrong products, but you'll be held responsible anyway.

Get into the habit of following up on important orders and paperwork. Call the client to make sure they received that rush order in time.

Breakdown #6: Imprecision

A distributor called a vendor to order two truckloads of pipe. Business suddenly took a downturn, and just before delivery the distributor called to tell the vendor, "Cut the order in half."

Sure enough, when the two trucks arrived, each piece of pipe was cut in half!

The English language is filled with ambiguities, i.e., words, phrases, or expressions that can mean more than one thing. "Cut the order in half" could be taken two ways. This distributor needed to be more precise in telling the vendor to cut his order to one truckload.

Vagueness leads to many communication failures. Imagine making an appointment to meet someone "after dinner." How useful would that be without telling the person at what time you finish eating dinner?

Imprecise communication not only leads to mistakes, it also wastes time. Instead of communicating something once, it causes both the sender and recipient of the message to go back and forth trying to clarify what's going on.

Even worse, some people don't bother to clarify. They'll simply act upon what they think the request is about. That's how two truckloads of pipe get cut in half.

Breakdown #7: Ignoring context

Just short of touching down at an airport, the pilot determined that the runway was too short for a landing approach. So he decided to circle around and try it again.

"Takeoff power!" he yelled to his co-pilot. The pilot, of course, wanted extra power to lift back up to circle around. But the co-pilot interpreted the command as take OFF power. In response, he turned off the engines. The plane crashed.

This fatal mistake stemmed from failure to understand the context of a situation. The difference between "takeoff" and "take OFF" might involve a subtle voice inflection. Nonetheless, the co-pilot should have known from the context of the situation that shutting power off was not the right thing to do. The pilot, too, must share the blame. He should have been more precise in saying, "Full engine power."

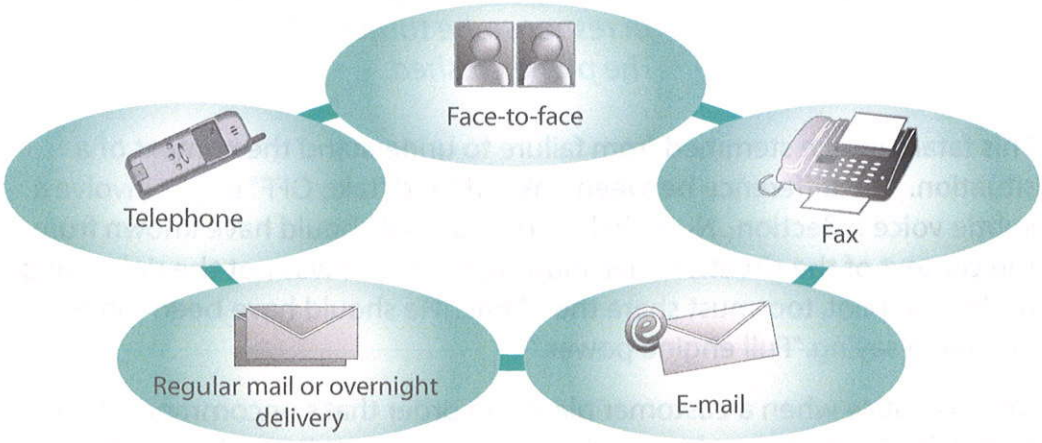
Do you notice when a customer places an order that's uncommonly large or small? Or when a customer who usually orders unit number 12345 suddenly orders 12346?

A sharp DSS will notice when certain things just don't "feel" right. For example:

- **A customer orders products he doesn't normally use.**
- **Many customers place orders that are vague, i.e. "Send me the faucet I usually buy." Insist upon clarification from the customer.**
- **Some customers may order by "box quantity," but not know the exact quantity in each box they are requesting. Clarify this with the customer.**

Choose the Right Communications Media and Use it Properly

In most distribution companies, there are five ways a DSS has to communicate information:



Telephone is the most common form of DSS communication

The telephone is, by far, the most common and important communications instrument used by most DSS personnel. There are times, however, when it's more appropriate to use one of the other media—sometimes in conjunction with the telephone. For instance, you may sell a large order over the telephone, but find it prudent to confirm the information via e-mail or letter.

Each medium has its advantages and disadvantages. Let's examine some of them.

Face-to-face is best for many internal communications

A DSS seldom has the opportunity to meet with customers or vendors face-to-face, but this option is available with your internal customers—the colleagues you work with. For routine communications, face-to-face encounters are usually a time waster. It's faster and easier to pick up the phone or send an e-mail message.

Sometimes it is better to arrange an in-person encounter, however. This is true especially when you have something sensitive to discuss or a complaint to voice. DSS phone conversations usually can be overheard. Some things are better discussed behind closed doors.

Also, remember something noted earlier in this chapter. Facial expressions and body language convey about 55% of meaning. If you want to emphasize something or make sure it's understood, communicate in person.

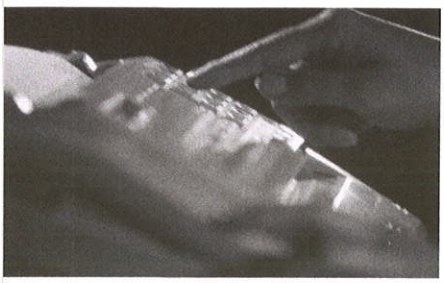
Faxes are still used extensively in distribution

Most distribution businesses are not using fax communications as much as they did in previous decades. To a large degree, the fax has been superseded by e-mail.

Faxes have many drawbacks compared with e-mail and other forms of communication. Users have to contend with transmission failures, paper jams, low toner, blurred type, misrouted documents, etc.

Nonetheless, many companies still use faxes extensively to send proposals, bid submittals, purchase orders, quotations, and myriad other business documents. Some of your customers may prefer to communicate by fax rather than telephone or e-mail. If that's what customers want, follow their wishes—they're the bosses.

Some people prefer faxes because of security concerns with e-mail communications. Or, it may be just because old habits are hard to break.



For very important documents, make it a point to follow up with a phone call confirming that the other party received everything clearly.

Make the best use of faxes

Most distributors continue to communicate via fax to some degree. Here are some tips to ensure the best possible fax communications.

- **Always verify that a transmission goes through**
  Most fax machines have a feature to verify whether a transmission has been successful. Often it may print out a confirmation sheet advising "OK" for a successful transmission or "NG" (no good) if it didn't go through. The latter means you need to re-transmit the document or send it by other means. Whenever you send a fax, check later to make sure it went through. It's a good idea to keep the successful transmission sheets on file as proof that the message was sent. For very important documents, make it a point to follow up with a phone call confirming that the other party received everything clearly.

- **Whenever possible, send original documents rather than photocopies**
  If this isn't possible at least make sure copies are crisp and legible. Some documents get copied so much they are barely readable when transmitted via fax. Blurry type can spell big trouble.

- **Try to avoid sending lengthy documents via fax**
  The more pages sent, the greater the chances that some will get lost, crumpled, misdirected, or turn out illegible on the other end. If time is not critical, it's better to send lengthy documents via regular mail. Overnight delivery is an option if time is short, though that is more expensive.

- **Change toner when low toner warnings are indicated**
  It's tempting to leave this task to the next person using the fax machine. The problem is that the toner situation worsens with every use and incoming documents eventually become illegible. Be part of the solution rather than the problem.

- **Be a team player**
  Some fax machines are shared by many employees. Don't just throw pages around while sorting your pages from other transmissions. Be conscientious about routing incoming messages to the correct parties—and they may do the same for you. If necessary, set up a file holder with labels for different personnel or departments.

E-mail is the wave of the present

Today's distributors find more and more communications coming their way via e-mail. E-mail is a quick, efficient, inexpensive, thorough, and convenient way to communicate with people outside or inside your office. It can be accessed 24/7, and provides a ready-made record of the message that can be saved electronically or printed out.

E-mail is a quick, efficient, inexpensive, thorough and convenient way to communicate with people outside or inside your office.

What's not to like about e-mail?

Beware of e-mail drawbacks

Well, there are indeed drawbacks. For one thing, not all customers are tuned into e-mail communication. Some businesses still don't use it much and you need to abide by customer preferences.

E-mail offers the promise of speedy communication, but that doesn't do any good with people who don't check their e-mail frequently.

Another shortcoming is that many companies have systems to filter out spam messages. These filters often are tied to the number of recipients. They detect and will block any message sent to many people.

This undermines one of the biggest potential advantages of e-mail to a distributor—the ability to send quick and inexpensive mass mailings.

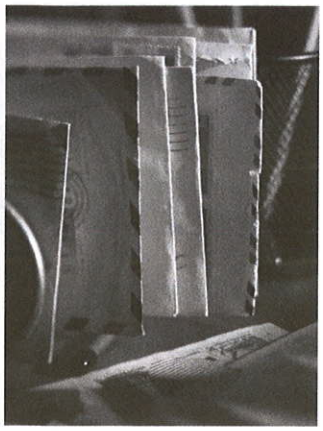
E-mail is not a good way to convey emotions

Perhaps the biggest drawback to e-mail is its potential for misinterpretation. An employee once got in trouble for penning "Have a nice day" at the end of an e-mail exchange with a customer. While done with the best intentions, the e-mail concerned a major problem, and the customer accused the employee of sarcasm with that closing statement.

Because it's so quick, e-mail lends itself to spontaneous, careless writing. Most people do several drafts when composing a letter, but are apt to write e-mails off the tops of their heads.

Avoid firing off angry e-mails. Take some time to cool off and think in a level-headed way about the problem before responding. Criticism is better conveyed in person or over the phone.

E-mail lacks clues like facial expression and tone of voice that help recipients decipher meaning. Sarcasm and humor are easily misunderstood.



For certain types of communication, old-fashioned mail delivery is sufficient—even preferable.

Never forget that e-mail messages provide a permanent record of what is said, and that they are easily shared with anyone, anywhere.

This can be a convenience, but it also opens the door wide to possible regret. Never say anything in an e-mail that you wouldn't want revealed to the entire world, because that potential exists.

Old-fashioned mail sometimes is the best way to communicate

For certain types of communication, old-fashioned mail delivery is sufficient—even preferable. Promotional literature and company news are usually best handled this way to ensure the widest distribution and receipt of the information.

So-called "snail mail" also is a good way to send thank-you notes to customers and other people when appropriate. When timing is critical and expense is not a major consideration, overnight delivery services serve their purpose.

Use Effective Communications Practices with Internal Customers

Don't forget something we addressed back in Chapter 2: Distributors have both external and internal "customers."

You sell to external customers, but you rely on various internal customers to do their jobs right so you can be successful selling.

And they rely on you to perform well so they can do their jobs effectively.

Communicating accurately with internal customers is just as important as your external communications. If you don't provide accurate information to the warehouse, the order will not be pulled or shipped correctly. If you don't provide accurate information to accounts receivable, billing will be wrong. If you don't adjust inventory, future purchasing will be off.

Mistakes result in unhappy customers who are less likely to buy from you.

Communication

is the Key to Effective Selling

Haste makes waste

Many internal communications are verbal. You refer to a product by name and number, you call for additions or adjustments, and you quote the selling price.

That's a lot of information when you really think about it. Even routine transactions are filled with opportunities to transmit or receive misinformation.

This is particularly true when reciting product descriptions and part numbers. Some products may be identified by code numbers that run a dozen digits or more, and there may be dozens of products attached to an order.

Check and double-check code numbers. Ask the recipient of the information to read back what he or she took down.

Everyone is busy and in a hurry

That's why it's important to concentrate on speaking clearly. Check and double-check code numbers. Ask the recipient of the information to read back what he or she took down.

Communicate internally by computer whenever possible. Internal e-mailing or messaging ensures you are clear in your request or response and that you've included all the appropriate parties in your discussion.

Take a cue from the military

Military communications often involve matters of life and death. It's easy to confuse certain sounds, which is why the military has established word counter-parts for each letter of the alphabet, i.e., Alpha (A), Beta (B), Charlie (C), etc.

As a DSS, you often will find yourself reciting alphabet letters as part of product codes and descriptions. It's a good idea to get in the habit of using military-like word counterparts when reciting these over the phone. For instance:

"I need to know how many items we have in stock of product number FTS1234. That's Foxtrot, Tango, Sam, one, two, three, four."

Quiz

Communication is the Key to Effective Selling

6. A Distributor Sales Specialist typically might ask an open-ended question in order to

A. get a brief answer.
B. clarify a statement.
C. qualify a prospect.
D. close a sale.

7. Which of the following question types is best to obtain brief, specific answers?

A. Closed-ended
B. Qualifier
C. Open-ended
D. Probe

8. Communication is affected when a Distributor Sales Specialist uses imprecise language because vague words

A. resist the need for further clarification.
B. remove communication obstacles.
C. waste time and lead to mistakes.
D. result in a lack of follow through.

9. Which of the following is the MOST important communications tool for a Distribution Sales Specialist?

A. E-mail
B. Fax
C. Telephone
D. Letters

10. Which of the following is likely to lead to a communication breakdown?

A. Too many telephone calls
B. Written instructions
C. Taking notes
D. Assuming information

Quiz

Communication is the Key to Effective Selling

11. All of the following tips about effective use of faxes are true EXCEPT

A. Always verify the transmission went through
B. Only fax photocopies to protect original documents
C. Avoid sending lengthy faxes
D. Cooperate with others when sharing a fax machine

12. Which of the following statements about communications media is TRUE?

A. Overnight delivery is the quickest way to communicate.
B. E-mail has some drawbacks because of spam filters.
C. Face-to-face meetings are the best way for a DSS to reach customers.
D. Faxes are no longer used extensively in the distribution business.

(Answers below)

Answers: 1-B; 2-C; 3-A; 4-B; 5-A; 6-C; 7-A; 8-C; 9-C; 10-D; 11-B; 12-B

CHAPTER 10

Prospecting for New Customers

Drumming up new business can be lucrative for a DSS.

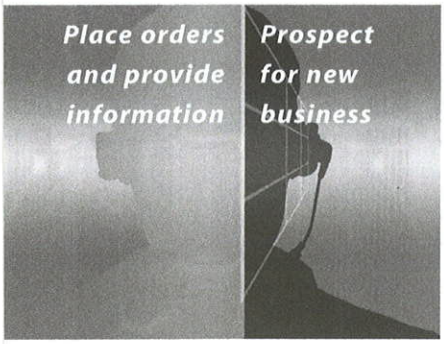
After reading and studying the material in this chapter you will be able to:

1. **Develop and qualify sales prospects.**
2. **Get past the prospect's gatekeeper.**
3. **Get past the electronic gates.**
4. **Generate hot responses from cold calls.**
5. **Take rejection in stride.**
6. **Practice persistence, variety, and enthusiasm.**

CHAPTER 10

Prospecting

for New Customers



Your employer may ask you to spend a portion of your time prospecting for new business.

The vast majority of the time, a DSS serves customers who repeatedly do business with the company. Often these customers initiate phone calls to place orders or request information. You develop a certain comfort level dealing with people you know and who want to speak with you. Some sales will come your way with little effort on your part.

Many DSS job descriptions include another duty that is not so comfortable to most people. Your employer may ask you to spend a portion of your time prospecting for new business. This involves identifying and calling potential customers who may know nothing about your company.

Even worse, they may know of your company but don't have a good impression of it. Maybe they heard something bad about your company or hold a grudge because of something that went wrong in the past. Or, perhaps they have nothing against your company, but are satisfied with current suppliers and see no reason to change. More often than not, this is the case. People are creatures of habit and enjoy a certain comfort level that they prefer to maintain.

Prospects are often resistant to change.

From the prospects' point of view, taking on a new supplier involves some risk and extra effort in building new relationships and learning new procedures. Maybe the new supplier won't perform to the same level. Why should they change? They are really busy and their current supplier does a decent job. It will be your job to try to change their minds.

New business is needed to make up for normal attrition

Distributors need a constant flow of new customers to sustain business growth.

Prospects are much harder to sell than existing customers. At the same time, a distributor must continually prospect for new business. Distributors need a constant flow of new customers to sustain business growth.

"Grow or die" is a famous slogan coined by the late Peter Drucker, who was widely regarded as one of the most brilliant business management authors who ever lived. He contended that businesses must keep growing just to stay fresh and replenish customers lost to normal attrition.

On average, businesses lose around 9% of their customers each year through no fault of their own. These are customers who die, go out of business, move away, or develop new business relationships.

Your company may have done nothing wrong to cause the loss of their business, but it's loss nonetheless. Most customers in these attrition categories can never be recaptured. So they must be replaced.

Develop and Qualify Sales Prospects

Prospecting is often referred to as "cold calling." Success in prospecting does not necessarily mean generating immediate sales. Realistically, the chances are slim that a DSS will convince a prospect to place an order the first time he or she speaks to that person on the phone.

For many distributors, the main goal of cold calling is to introduce their company and gather information about prospective customers.

For many distributors, the main goal of cold calling is to introduce their company and gather information about prospective customers.

Key information that can be gained from these calls includes:

1. **Names and titles of key purchasing decision makers**
2. **Assessment of the company's potential to buy your products**
3. **An estimate of potential purchase volume**
4. **Learning details about the prospect's business**

** See the Customer Profile Sheet on page 120 for other useful information to gather*

Gathering information sets the stage for follow-up phone calls and e-mails, literature mailings, and perhaps a visit from an outside salesperson. These subsequent contacts are more likely to result in sales than the initial phone call.

That's because if you succeed in making contact and collecting information with the first phone call, the second time you call a prospect, you're no longer a stranger. Your chance of selling that person goes up accordingly. The tricky part is to gain that first conversation with a prospect and establish enough rapport that your second call is accepted.

You can spend a lot of time simply finding out the name of the decision maker who might be worth talking to.

Some call lists are of marginal quality

Prospecting or cold calling does not literally mean calling people out of the blue. Almost always, you will be provided with a list of companies thought to be potential buyers of the products you sell.

The quality of these lists varies. Some are purchased from companies that specialize in telephone list rentals. Often these lists are developed from Yellow Pages directories and tend not to be precisely targeted. Many of the phones may be disconnected, or the type of business turns out to be not very relevant to your company. Rented lists sometimes do not contain contact names; in addition some of the names provided may be no longer with the company. You can spend a lot of time simply finding out the name of the decision maker who might be worth talking to. Such lists are better than nothing, but generally entail a low conversion rate.

Hot leads can be generated in-house

The more information you have about a prospect going in, the better your chance of connecting in a meaningful way. Good prospect lists sometimes are compiled in-house from leads your company has gathered in various ways. Some of the best prospects may include:

Some of the best prospects may include people who someone from your company made contact with at a trade show or social event.

- Customers who have done business with your company in the past but haven't bought anything in a long time. Former customers are probably the best place for a DSS to start calling and the "easiest" call to make. The customer already knows your company, to some extent. Just showing an interest in their business can be enough to rekindle the relationship.
- Referrals from other customers, vendors, etc.
- Respondents to advertisements placed by your company.
- People who have called or e-mailed someone from your company, or made contact via its Website.
- People who someone from your company made contact with at a trade show or social event.

In some cases, a DSS may be asked not only to call people on a prospect list, but to do the research needed to compile a call list. The bullet points on the previous page identify some of the hottest prospects. Even if you're not asked to put together a call list, it's a good idea to collect information about people in these categories for your own use. As you gather information on prospects, pass it along to your branch or sales manager for further analysis. The most valuable Distribution Sales Specialists are always prospecting.

The more information you can obtain, the greater your chance of developing new business.

The more information you can obtain, the greater your chance of developing new business. Contact names and titles are especially important.

Get Past the Prospect's Gatekeeper

Most people you call will have either voicemail or a phone receptionist/ administrative assistant whose job it is to screen incoming calls. There are techniques you can use to increase your chance of getting past these "gatekeepers." Let's deal with the human element first, then voicemail.

First, realize that you are dealing with human beings. The gatekeepers are people like you and me. So let's walk a mile in their shoes.

As humans, the gatekeepers respond better to friendly voices than to brusque ones. They respond better to people who speak softly as opposed to loudmouths. They are especially anxious to repel pushy salespeople, but they don't want to turn away anyone who has something beneficial to offer their company. They respond better to callers who ask them questions than to those who seem to know all the answers.

There are techniques you can use to increase your chance of getting past "gatekeepers."

Ask for prospects by name

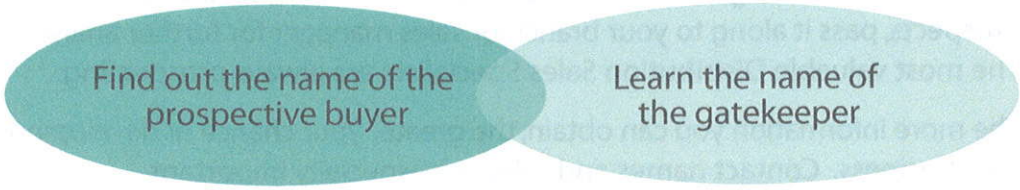
They are apt to respond well to requests for help or advice. For instance, here's an opening that could get you inside the gatekeeper's door.

> *"Good morning, I'm Jane Smith with XYZ Supply. We distribute (products) that are used by your company, and Mr./Ms. Prospect contacted us recently with interest about these items. I need your help to make sure that Mr./Ms. Prospect gets informed of a special program we have that can save your company money."*

Often the gatekeeper will say the prospect isn't available and offer to take a number. Give it, but also ask for the best time to reach the prospect.

Most gatekeepers will give you a straight answer, and that becomes your first bit of useful information gathered.

Be sure to note the following two tips:



Learning the gatekeeper's name can be a good way to establish rapport.

First, your chance of getting a positive response from the gatekeeper is much improved if you know the name of the prospective buyer. In small companies, it might be the owner. Within larger companies, it could be anyone from a department manager to a purchasing manager or a purchasing agent who is in charge of specific product categories. Asking to speak with "whoever's in charge of purchasing" won't get you past too many gatekeepers.

Also, learning the gatekeeper's name can be a good way to establish rapport. "Hi, this is John Jones from XYZ Supply. What's your name?"

Ask the gatekeeper for help

Most people delight in being helpful. It makes them feel useful and important. So if you don't know the name of the purchasing authority, a good way to find out is simply to ask the gatekeeper. This would be a good time to use the name of the gatekeeper that you just learned.

"Linda, can you help me identify who in your company would be the best person to contact with regard to…"
Or
"Linda, can you advise me of the best way to get five minutes to speak with Mr./Ms. Prospect?"

Never tell lies

In this example, we said that "Mr./Ms. Prospect contacted us recently ..." Only say things like this if it's true. If the prospect responded to an ad, made an inquiry via your Website, or spoke with someone from your company at a trade show or social event, it's okay to refer to that contact to establish credibility.

But don't lie. Even if lying can help get you past the gatekeeper, it's unethical and not a good way to start a business relationship. If the gatekeeper's boss says he or she has never heard of your company, that gatekeeper will work doubly hard to block you in the future. Lies have a way of coming back to haunt you. Nobody wants to buy anything from a liar.

You need to determine what to say that would strike the gatekeeper as important.

Be specific about your reason for calling

Our example referred to a "special program." It's a good idea to hinge your cold calls to some kind of special deal or promotion, or anything else that would give the gatekeeper an excuse to open up.

In our example, the reason is stated up front. Some cold callers prefer to remain silent about the purpose of their call, simply saying something like:

"This is so-and-so from XYZ Supply. Can I please speak with Mr./Ms. Purchasing Authority?"

Sometimes that will be sufficient to get you inside the gate. More often, you'll be asked: "What is this call in reference to?" Then you'll have to recite the reason for your call.

Become an ally with the gatekeeper

Be mindful that the gatekeeper's job is to keep people away who are perceived as wasting the boss' time. In particular, they want to refuse passage to pushy salespeople.

At the same time, the last thing a gatekeeper wants to do is deny entry to someone the boss would consider important to speak with. So, you need to determine what to say that would strike the gatekeeper as important.

Has this company had problems with product failures lately? Maybe your opening to the gatekeeper could refer to: "...a way to prevent the kind of shutdowns your company has experienced lately." Is a competitor giving them fits? "I have something that could help level the playing field with Brand X."

Your goal is for the gatekeeper to regard you as an ally rather than an intruder.

Some cold callers get frustrated when they are not able to speak directly with a human being.

There is no single canned pitch that will work with all gatekeepers. In fact, you should avoid canned pitches altogether. By being well-prepared and researching the prospect before initiating that first call, you'll be able to effectively communicate something that has value to the prospect. That—plus always treating him or her with respect and being friendly—is how you get past the gatekeeper.

Get Past the Electronic Gates

Some cold callers get frustrated when they are not able to speak directly with a human being. Actually, voicemail screens can be easier to get past than human gatekeepers. This is especially true of systems that allow direct passage into the voicemail of the person you are trying to reach.

The techniques here aren't that much different than those used to get past the human gatekeeper, except there is one less individual to deal with. Assuming you have identified the correct purchasing authority, you are able to speak directly to that person's voicemail.

The only challenge remaining is to entice that person into returning your call—or at least lay the groundwork for your follow-up phone call to be accepted.

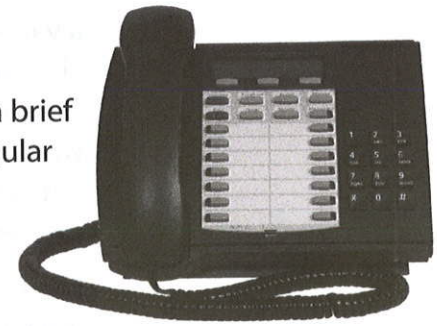
Here are some tips to effectively deal with voicemail

1. **Speak clearly**
   A DSS needs to develop a voice that enunciates clearly and is easily understood. Avoid monotone delivery, and especially get rid of the "ahh…ummm…errr…duh" debris that aggravates listeners and marks the speaker as inarticulate. Your voice must convey a measured amount of enthusiasm—but not so much that you sound like a huckster or street peddler. When you leave your phone number, say it slowly and distinctly so the prospect doesn't have to listen to the message again to get your phone number. You may want to repeat your number slowly a second time.

2. **Leave an intriguing message**
   Most cold calls don't get returned, but you can improve your chances if you leave an intriguing message. For instance, since your goal is to gather information, you might say: "Mr. Smith, this is Fran Jones from XYZ Supply.

We have widgets on sale for a limited time at a price that I think you'll find lower than anyone else's. My phone number is…" You might want to add: "In order not to waste your time playing telephone tag, if I'm not in when you call me, please advise me about the best time to reach you."

3. **Make it easy for the prospect to contact you**
   Leave your e-mail address along with your phone number in case the prospect prefers that method of communicating. Also refer to your company's Website as a source for more information.



4. **Avoid being too wordy**
   Don't provide too many details about the purpose of the call, just a brief benefit statement such as: "I know you buy many widgets on a regular basis, and so I wanted to let you know about a special offer we have on them for a limited time."

5. **Mention referrals**
   "I do business with Mr./Ms. Associate, who recommended I give you call."

6. **Mention internal referrals**
   This one is a bit sneaky, but it's within bounds to say something like: "The head of our business development team, Mr./Ms. Distributor, suggested I give you a call about ways to improve the productivity of your work crews using some new devices we have on sale."

7. **Detect personalities in voicemail recordings**
   You can tell a lot about people from the nature of their voicemail recordings. Some leave clipped messages: "This is Fred. I'm not in, so leave a message." Others are more detailed: "This is Fred Johnson. Today is Monday, May 19. I'll be out of the office until Thursday, May 20, and will not be checking voice messages until my return. Leave your name, number, and a detailed message, and I'll call you back as soon as possible."

   This message says Fred is a detail-oriented person, so your response should be precise and detailed as well. (As a general rule, avoid leaving overly long voice messages that sound like infomercials.) If the voice recording is abrupt, make sure your message is brief as well.

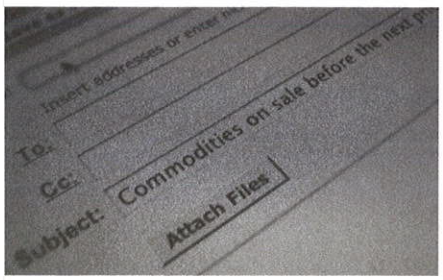
8. **Detect hidden messages in voicemail recordings**
   If the voicemail tells you someone will be gone a week, it may be better not to leave a voice message. Your message could be easily be ignored. Make a note to call back after the person returns. Call a day or two beyond the date the person is expected back to allow some time for him or her to catch up on work after being away.

Cold calling can integrate various media

Although the telephone is the main tool used by a DSS, today's world offers a variety of communications options. Some people prefer to communicate via e-mail rather than over the phone. Other prospects may respond better to faxes or letters. Learning their preferences is part of the information you want to gather. These different media are not mutually exclusive. Letters, e-mails, phone calls, and faxes can be combined in various ways to get your message across to prospects.

The more often you can get your name in front of a prospect, the greater the chance you will receive a positive response. A prospect may not have time or be in the mood to talk with you when you call. But that person may be interested in what you're offering when he or she sees it detailed in a letter, fax, or e-mail message.

The more often you contact a prospect, the more likely he or she will remember you.



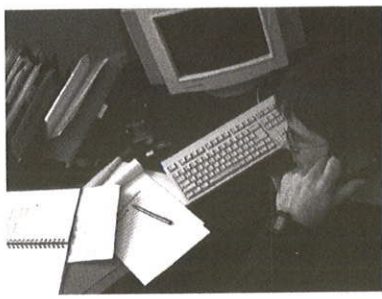
It takes only seconds to send an e-mail "blast" to hundreds of people if you have compiled a suitable e-mail address list.

E-mail prospecting holds promise

E-mail, in particular, can be an effective way to reach prospective customers. It takes only seconds to send an e-mail "blast" to hundreds of people if you have compiled a suitable e-mail address list. It would take days or weeks to reach that many people by phone. The downside is your message likely will get blocked from many recipients' in-boxes by spam filters or deleted unread. Nonetheless, even a tiny success rate can bring in considerable new business.

The key is to get your e-mail opened and read by the recipient. As with speaking on the phone, this requires an intriguing message combined with a benefit statement. A subject line might be something like: "Commodities on sale before the next price increase." The message itself could explain that your company has embarked on an inventory clearance and has a limited-time sale on certain items that the prospect buys. And, be sure to select the "receipt requested" setting on your e-mail to verify that the e-mail was opened.

Generate Hot Responses from Cold Calls



Being prepared is crucially important going into the first voice contact. You have to know exactly what you want to say to the prospect.

Now let's assume you've gotten past the gatekeeper and voicemail. You have the ear of someone who you have identified as a buyer or purchasing influence. How do you make the most of these opportunities?

Know what you want to say—Get to the point quickly

Prospects don't know you or what you want to talk about. You have only a few seconds to make an impression that convinces prospects you're someone worth their time.

That's why being prepared is crucially important going into the first voice contact. You have to know exactly what you want to say to the prospect.

Dispense with small talk. Don't bother asking how the prospect is doing today or comment about the weather outside. Get to the point.

You might do well to have a script in mind or even written down on paper. Guard against sounding like you are reciting a canned pitch, but it's better to have a script prepared than to stumble around with "ahh…ummm…errr" while you're trying to figure out the best way to say something. It's a good idea to practice your opening lines aloud before picking up the phone.

Different folks require different strokes

The exact wording of a cold call will vary according to whatever background information you may have accumulated about the prospect. For instance, let's say it's a past customer who hasn't bought from you for a long time. Your opening might go something like this:

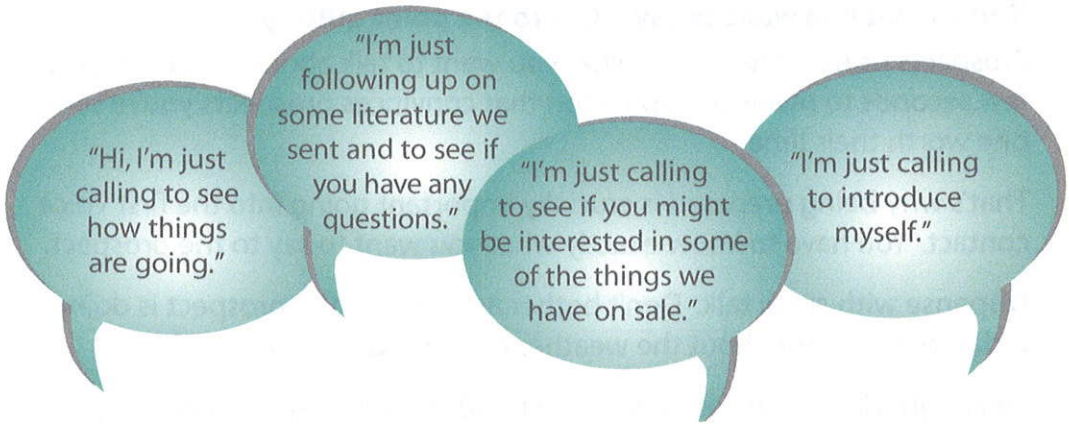
*"Good morning. I'm Joe Jones from XYZ Supply.
Our records show you used to be a regular customer of ours
but haven't bought anything in a long time.
I'd like to find out why and see if there's anything I can do
to resolve any problems you may have had."*

Or, maybe it's someone referred to you by another customer. This opening statement might be along the lines of:

*"An associate of yours buys a lot of material from us,
and recommended I give you a call because you stand to benefit just
as he does from the services we offer."*

Avoid "I'm just..." blunders

Exactly what to say will vary with prospects and situations. Nonetheless, it's important to avoid some common blunders that are virtually guaranteed to annoy the person you're calling. These are statements that often begin with, "I'm just ...":



Develop Strong Benefit Statements

Make your introductions short, but be sure to include a benefit statement of some kind. Put yourself in the prospect's shoes. Why should he or she give up several minutes of precious time to speak with you? What can you say in a few seconds that could convince the prospect it would be time well spent?

Focus on your customer's world. For instance:

"We're aware that companies like yours face escalating manufacturing costs, and our company has developed a number of services to control those costs and save you money."

"We offer a variety of innovative devices that help save labor costs and improve productivity."

"Mistakes cost you money and aggravation, and we can eliminate almost all mistakes in the ordering cycle."

Place calls when prospects are available

The best time to make cold calls varies with a distributor's type of business, as well as your own work schedule. However, many experienced sales pros find that early morning phone calls often bear more fruit than those made later in the day.

This is because pressing duties and emergencies tend to pile up as the day wears on. Positive outcomes are more likely to occur if you reach prospects when they're fresh and not burdened with other distractions.

In fact, some successful sales professionals like to call people even before the working day officially begins. If normal business hours start at 8:30 a.m., start prospecting calls at 7:30 a.m. If the person isn't in yet, don't leave a message. Instead, go down the list to the next prospect and so on down the line. When you reach the end of the list, resume calling from the top to reach people who weren't in earlier.

Do this and you're bound to catch some people who are early starters at a time when they likely have few other business intrusions to deal with. You may also impress them as a kindred spirit who likes to start early. Some customers like to be seen or will be available to chat at the end of the day, after most of their work crew has gone home.

Some successful sales professionals like to call people even before the working day officially begins.

Prospecting Requires Taking Rejection in Stride

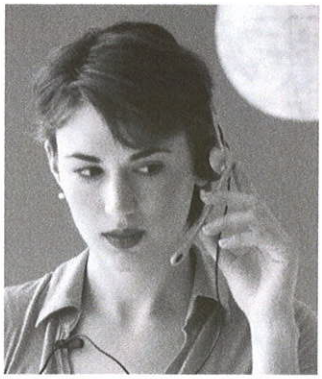
Cold calling can be discouraging to a DSS because the success rate may be quite low. Face it, most people hate to spend time talking on the phone to strangers who want to sell them something. Often, it takes considerable effort just to identify the purchasing decision makers in an organization and get through to them. Then, some will curtly hang up on you after you've barely gotten a few words out of your mouth. This gets discouraging.

Take rejection in stride

It's natural that we humans want to avoid rejection. Fear of rejection causes many novice sales reps to develop a phobia about picking up the phone and talking to strangers. But you can't give in to it.

Prospecting

for New Customers



Handling rejection is part of the job of a DSS. Accept the fact that a small percentage of people you speak with will be downright rude to you.

Handling rejection is part of the job of a DSS. Accept the fact that a small percentage of people you speak with will be downright rude to you. When it happens, the only thing to do is shrug your shoulders and make the next call. Eventually you'll find someone more receptive to your message.

Cold calling has a bright side

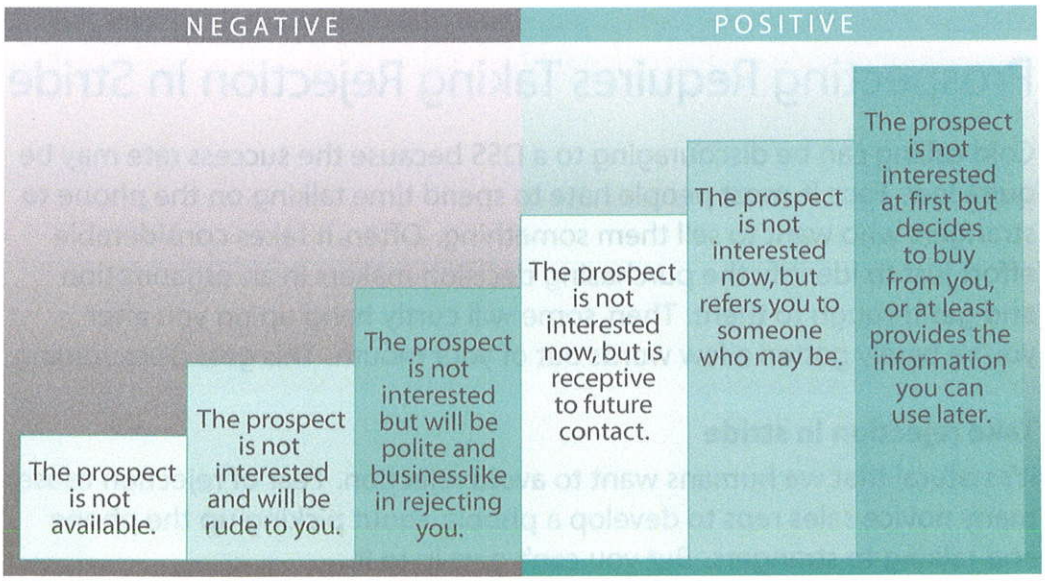
The good news about cold calling prospective customers is that it often can prove quite lucrative to a DSS who becomes good at it.

Many distributors pay premium commission rates on goods sold to new clientele. This policy recognizes that it's much harder to drum up new business than it is to keep selling to repeat customers.

It's also because gaining a new customer is not about selling a single order. It's about establishing a business relationship that can pay dividends for years and years. Many distributors are willing to pay extra commission dollars to gain new customers who likely will keep buying from them well into the future.

Many cold calls have a positive outcome

Think for a moment about all the possible responses to a prospecting call.



Three of these responses are positive in nature. Even the negative outcomes may turn around at some point. Keep that in mind when you hesitate to pick up the phone.

Practice Persistence, Variety, and Enthusiasm

Studies have shown that it requires an average of at least five sales contacts before a sale is made.

Success with cold calling boils down to a numbers game. The more people you call—and the more often you contact them—the more likely you will be to convert some of them to long-lasting customers.

Studies have shown that it requires an average of at least five sales contacts before a sale is made. There are numerous reasons for this:

- **People may not be around**
  So it's up to you to try, try again to make contact.

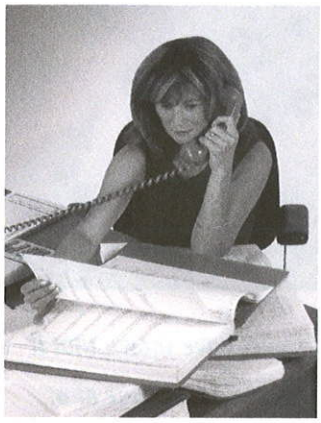
- **People are busy**
  The first time they speak with you, they may be interested in your offer but have other things on their mind. If you contact them a second, or third time, they might take action.

- **They forget about you**
  Think of how many times you've spoken with people over the phone and forgotten their names a day later. After several contacts, that doesn't happen as often.

- **They don't have a pressing need right now**
  But they might need something next month or the month after.

- **They procrastinate**
  They're too busy or lazy or preoccupied to place an order with you now, but they count on you being there when they're in a better frame of mind to make a buying decision.

- **They hesitate because of the expense**
  Customers may not have the money now but their cash flow may be better next week or next month. Often, customers will curtail their buying during the last week of the month and push forward their purchases into the next month in order to get more time to pay. If the DSS is having trouble making sales during the last week of the month, it might be wise to make outbound calls during the first through third week of the month.



Cold calling is just one of many duties assigned to a DSS. This will limit the time you have available for drumming up new business.

- **They just patronized someone else**
  They just placed an order with another supplier for the goods you sell, but maybe they'll be dissatisfied with the service they receive. Or maybe the other company will move away or go out of business. They could be receptive the next time you call.

- **They just got new information about your company**
  The first time you called, your company's name did not ring a bell. But now the prospect has heard something positive about it and suddenly will become receptive.

Set cold call objectives

Cold calling is just one of many duties assigned to a DSS. This will limit the time you have available for drumming up new business.

Moreover, prospecting tends not to be the highest priority of a DSS. First, he or she has to respond to existing customer's orders and emergencies.

These factors make it easy to develop excuses for not making any cold calls. People who don't like to make cold calls have a way of stretching out the time it takes to complete other tasks. Then it's easy to say, "I just couldn't find the time." It may be a subconscious tactic that the person is not even aware of.

Some distributors overcome this phobia by setting cold call objectives of a certain number of calls per day or per week. If your employer doesn't do this, set your own goals of making 10 or 15 cold calls each day, or 50 to 60 in a week. Set aside time to do it during slow periods or outside of normal business hours.

The time challenge

Finding time to perform all the duties assigned to you is a challenge unto itself for those who strive to be a top-notch DSS. That's why the entire next chapter is devoted to the subject of time management.

Quiz

Prospecting for New Customers

1. What is the MOST important reason for Distributor Sales Specialists to prospect for new customers?

A. Customers are always on the lookout for new distributors.
B. New customers buy more products than existing customers.
C. The expense of an expanded inventory must be justified.
D. Customers lost through attrition must be replaced.

2. All of the following are suitable purposes for a prospecting call EXCEPT

A. Relating negative information about your competition
B. Getting the names and titles of key decision makers
C. Learning details about the prospect's business
D. Developing an estimate of the potential purchase volume

3. All of the following are good sources for developing prospect lists EXCEPT

A. Customers who have done business with you in the past
B. Referrals from other customers and vendors
C. People turned down by other distributors due to bad credit
D. People who have contacted you via the Internet

4. When contacting a prospect, a good way to get past the gatekeeper is to

A. pretend to be someone important.
B. ask to speak to someone in purchasing.
C. ask for the gatekeeper's help.
D. pretend that you are returning a call.

5. Which of the following is NOT a good technique to use when leaving voicemail messages?

A. Include lots of detail in the message.
B. Make it easy for the prospect to contact you.
C. Speak clearly and enthusiastically.
D. Mention referrals and recommendations.

Quiz

Prospecting for New Customers

6. After you've gotten through to the prospect, what is the BEST way to make the most of your opportunity?

A. Say "I'm just calling to introduce myself."
B. Get to the point of the call quickly.
C. Make small talk before a sales pitch.
D. Recite a canned speech about the product.

7. What is the best reason for integrating various media when prospecting?

A. The different media are mutually exclusive.
B. You can avoid getting your name in front of the prospect too many times.
C. You should always use the media you are most comfortable with.
D. Different prospects prefer to communicate through different media.

8. When a prospect rejects your offer it is important to keep in mind all of the following EXCEPT

A. Many cold calls have a positive outcome.
B. Once someone says no, don't ever call them again.
C. Persistence in making many calls will eventually lead to sales.
D. Handling rejection is part of the job.

9. Which of the following responses from a prospect is NOT considered a positive outcome from your prospecting call?

A. Rejects you in a polite and businesslike manner
B. Encourages future contact
C. Refers you to someone who may be interested
D. Provides information you may use later

10. On average, how many sales calls does it take to gain the first sale?

A. 5
B. 8
C. 10
D. 12

(Answers below)

Answers: 1-D; 2-A; 3-C; 4-C; 5-A; 6-B; 7-D; 8-B; 9-A; 10-A

CHAPTER 11

Time Management is Essential to Get Everything Done

There are barely enough hours in the day for a diligent DSS to accomplish every task, so it's important to learn how to work smart.

After reading and studying the material in this chapter you will be able to:

1. **Increase the amount of time you spend selling.**
2. **Identify and eliminate time-wasting work practices.**
3. **Avoid wasting customers' time.**
4. **Practice seven crucial time management principles.**

CHAPTER 11

Time Management

is Essential to Get Everything Done

Take a moment to go back and read the typical job duties listed for a DSS in Chapter 1. It's a long list. Time is a precious commodity in this job. For you to get everything done that needs to get done within normal working hours, you will have to manage your time effectively.

Experience and knowledge are great time management assets. As you gain experience, you'll be able to perform your duties better and in less time. You'll know where to find information quickly. You'll become familiar with many customers and their preferences. You'll figure out shortcuts that save you time. By taking the time now to learn everything you can about your products, your customers, and the business, you will become more efficient for the long haul.

Take control or the job will frustrate you

One aspect of the DSS job does not change—even with experience. A harsh reality is that as a DSS you are never in total control of your workload and the time it takes to perform all tasks. A DSS cannot predict how many customers will call on any given day, what services they may require, how urgent those services may be, or how much time it will take to solve their problems.

On certain days you may spend virtually all of your time troubleshooting emergencies. Sometimes you'll have several customers calling at once with urgent requests. These situations will throw anyone's plan for the workday out of whack. At times you may feel frustrated at not being able to catch up with all you are called upon to do.

Uncertainties aside, many DSS duties are routine and predictable. You must take control of the job by planning and managing the time you devote to these routine duties. This will enable you to handle urgent and unanticipated tasks without sacrificing overall job performance. Let's explore some ways to do this.

Time Management

is Essential to Get Everything Done

Allocating Time to Sell is Your Top Priority

For a DSS, nothing is more important than time spent talking to customers. When customers call, they deserve your full attention.

Time management is largely a matter of setting priorities. You want to allocate enough time to accomplish the tasks that are most important.

For a DSS, nothing is more important than time spent talking to customers. When customers call, they deserve your full attention. It's time to put aside paperwork, e-mail, and other tasks that can be done later. Even though we all think we can multi-task, it's impossible to give customers your full attention if you are scrolling through an e-mail or filing paperwork.

Every customer call is a sales call

Every customer conversation can be regarded as a sales call. This may not be the case in a literal sense, because every call doesn't concern ordering products. Yet every customer contact helps to shape that customer's attitude toward you and the company you work for. How you handle these discussions sets the stage for future sales.

If the customer has a problem, it's an opportunity for you to solve it. If a customer requests information, the speed and thoroughness of your response will be a factor in how much confidence the customer places in you. Customer conversations allow you opportunities to help customers and learn more about their business.

Every customer call is a sales call.

You need to maximize these sales opportunities. That's why no DSS duties have a higher priority than customer contact.

More selling time means more money

Research by the Industrial Performance Group (IPG) found that peak sales performers in the distribution industry spend 85% of their time engaged in revenue-generating activities. On the other hand, IPG found that the *average* salesperson spends only 42% of his or her time in sales-related activities.

What does that mean in terms of dollars and cents? Let's assume that the average DSS uses 42% of his/her time in selling activities to sell $300,000 worth of goods in a year—which is about average in some distribution industries. Let's also assume that the same DSS puts in 2,000 hours of work per year, the equivalent of working 40 hours per week for 50 weeks.

This *average* DSS thus generates about $150 of revenue for each hour worked.

	$300,000	***Sales***
÷	***2,000***	***Hours***
=	***$ 150***	***Per Hour***

Remember, this average DSS was engaged in selling activities only 42% of the time. That means out of those 2,000 hours worked, only 840 were devoted to generating revenue.

	2,000	***Hours***
x	***42%***	***Sales Activity***
=	***840***	***Sales Hours***

Thus, the rate of dollars generated per hour of selling activity was $357.14.

	$300,000	***Sales***
÷	***840***	***Hours of Sales Activity***
=	***$ 357.14***	***Per Hour of Sales Activity***

Suppose this average DSS learned to manage his or her time well enough to reach the peak performance stage, where 85% of working hours are spent in selling activities. Working smarter rather than harder, the DSS puts in the same 2,000 hours a year. Except now, 85% of those hours would be spent selling, amounting to 1,700 hours.

	2,000	***Hours***
x	***85%***	***Hours of Sales Activity***
=	***1,700***	***Hours of Sales Activity***

There's no reason to believe that the rate of dollars generated per hour of selling activity should decline with an increase in selling hours. Let's assume it would remain around $375 for this individual. This peak-performing DSS would thus more than double the $300,000 in revenues brought in by the average DSS, who is devoting only 42% of his/her time to selling activities.

	$ 357	***Per Hour of Sales Activity***
x	1,700	***Hours of Sales Activity***
=	$606,900	***Total Revenue***

Similarly, this DSS's sales commission would likely more than double as well. Looking at real world personnel productivity statistics compiled by the American Supply Association in its *Operating Performance Report*,* the most profitable distribution firms generate at least 10% more sales per employee than the lower-profit firms.

Identify and Eliminate Time-Wasting Practices

This doesn't mean a DSS can neglect the non-revenue generating parts of the job. Paperwork and other administrative tasks must be done—and done correctly. The key is finding ways to accomplish these tasks quickly, efficiently, and accurately to allow more time for customer contact.

To do this, you must avoid time-wasting activities. Here are some notorious time wasters:

- **Mistakes**
  If you take a few extra seconds to do something right, you can save hours of wasted time if you must do it all over again. Correcting mistakes and dealing with the problems they cause are the biggest time wasters in a company. In fact, the same IPG survey cited earlier** found that sales-people spend an average of 22% of their time—almost one-quarter of the hours worked—dealing with problems and mistakes. Another study by a manufacturer that sells to distributors found that it took an average of seven phone calls to correct a mistake. Think of how much time it takes to complete seven phone calls. Follow the master craftsman's rule: "Measure twice, cut once." Make it a habit to double-check complicated or unusual orders.

- **Needless business tasks**
  Some tasks seem important, but they are just a waste of time. These tasks include running to the warehouse to check inventory when the computer tells you there's plenty available to fill an order.

Killing time kills profits. Avoid the following:

- *Mistakes*
- *Needless business tasks*
- *Pointless meetings*
- *Procrastination*
- *Indecision*
- *Incessantly checking e-mail*
- *Surfing the Internet*
- *Long lunches & breaks*
- *Idle chitchat*

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** *Published by the Industrial Performance Group, Inc*

Meetings can sometimes be considered time wasters that take time away from selling and other important activities.

Or second guessing an associate's way of doing something. Or handling the same piece of paper two or three times. Or performing tasks normally assigned to an administrative assistant. The distribution business is a team effort. Don't try to do everything yourself.

- **Pointless meetings**
  Some meetings can be time wasters that take time away from selling and other important activities. Employees don't often have control over choosing whether or not to attend certain meetings. However, they do have the ability to understand the agenda, prepare their own objectives before going into the meeting, and contribute positively to the outcome during the meeting. In some cases, it may be possible to tactfully suggest alternative times for meetings so they don't conflict with your selling priority.

- **Procrastination**
  Some individuals spend more time thinking of ways to avoid an unpleasant task than it would take to actually perform it. Your mind will be free and uncluttered if you make it a point to get distractions out of the way quickly.

Do the hardest tasks first to get them off your plate and off your mind.

- **Indecision**
  When you don't know how to handle a situation, do you put it aside to think it over and over and over? If you don't know how to handle something, ask someone who does. Then take care of it and get it out of the way.

- **Incessantly checking e-mail**
  It's important to check e-mail regularly throughout the day and respond to important messages promptly. However, this doesn't mean you need to read every e-mail the second it arrives and respond immediately. If customers have something urgent to discuss, they most likely will pick up the phone rather than try to reach you by e-mail. So turn off those program features that announce when an e-mail arrives via sound or a pop-up screen. Instead, schedule several times during the slowest periods of the day to answer your e-mail. Many people check e-mail first thing in the morning and then again in the afternoon.

- **Surfing the Internet**
  There's a world of information available to you with a few clicks of a mouse. That's both good news and bad. The Internet enables you to find out just about anything, but it also offers a world of time-wasting temptations. Web surfing can be hazardous to your income. Don't even think about visiting porn or gambling Websites. Many companies have programs that monitor employees' computer usage. Some have policies that call for automatic termination of those who visit forbidden Websites. And politely tell your friends that you are too busy to read all the jokes that circulate by e-mail.

- **Long lunches and breaks**
  Don't feel guilty about taking breaks to eat, relax, and reenergize. Just be aware that time spent in these activities is time taken away from selling opportunities. Try to schedule your breaks for slack periods in the day.

- **Idle chitchat**
  There's nothing wrong with indulging in a little small talk with colleagues about sports, weather, movies, or whatever else sparks a common interest. The emphasis is on "little." Many companies have individuals who treat the workplace as a social hub. A DSS doesn't have time to get bogged down in office politics, gossip, and other trivial matters. Get back to work when others start to waste your time.

Dancing to the work day rhythms provides more time to sell

Work days in every industry have an ebb and flow of busy and slow periods. A DSS needs to identify the rhythm of a typical workday and schedule activities accordingly.

A DSS needs to identify the rhythm of a typical workday and schedule activities accordingly.

Incoming calls always will be the top priority of a DSS, of course. You can't schedule those.

Nonetheless, at most distributors' operations, calls tend to stack up during certain hours of the day. You'll get a sense of this rather quickly. If the phones typically don't start heating up until mid-morning, then devote time when you first come in to prospecting, paperwork, e-mail, etc. If slack time tends to come in the afternoon, then use those hours for your paperwork and cold calling.

Schedule your outgoing calls with your customers' time in mind, as well as your own.

Avoid Wasting Customers' Time

Your customers value their time just as much—if not more than—you value yours. They hate talking to salespeople who waste their time.

Here are a few key ideas to follow:

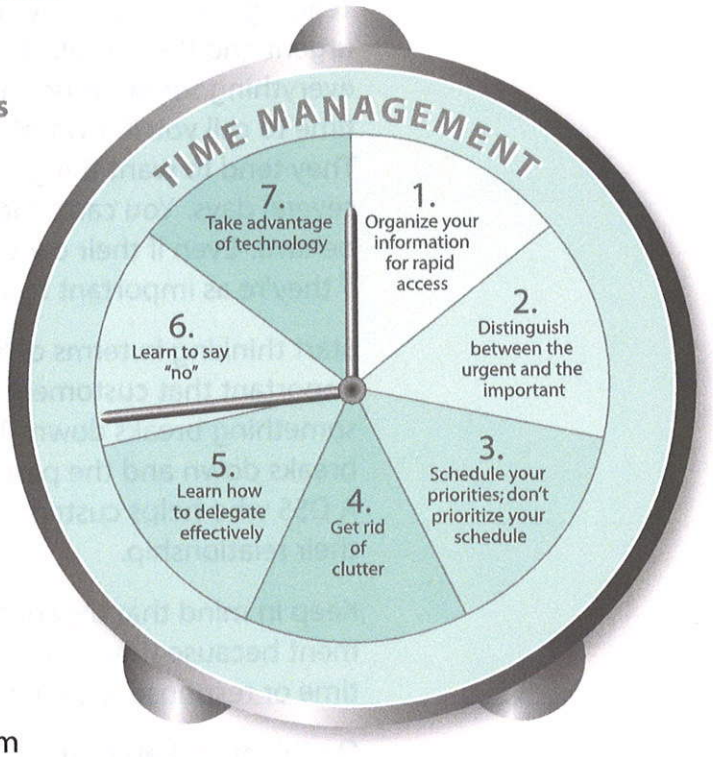
- **Schedule your outgoing calls with your customers' time in mind, as well as your own**
- **Don't call them during their busiest hours**
- **Don't waste time trying to reach them then when you know they are not available**
- **Organize your information and prepare to state your business quickly and succinctly on every sales call**
- **Keep small talk to a minimum; get to the point**
- **Check the duration of your calls**
- **Don't suggest items that are unimportant to their businesses**

Know your customers' businesses

The better you get to know your customers' businesses, the more efficient you'll be in your customer contacts. You won't bother trying to sell your customers products that are not a good fit for their businesses. You'll learn their preferences and buying habits.

Take notes and make it a point to learn something new about a customer's business with every conversation.

Practice the Seven Crucial Time Management Principles



1. Organize your information for rapid access

Keeping orderly files and a neat desk is more than a matter of appearance. It will help you save time.

You should have a folder devoted to each customer that contains all the pertinent paperwork for that customer—orders, notes from previous conversations, background information, maybe a printout of the customer's key Web pages, etc. When the folder starts getting too thick, start a new one organized by year or some other parameter.

When you prepare to call a customer, take a few moments to review the contents of the customer's folder first. Have your filing system nearby for quick and easy retrieval in case the customer calls you. Keep the information in front of you when speaking to a customer.

Use the computer to save time

Some distributors may have extensive customer records available via the computer. These are real time savers. If not, build your own electronic database and/or paper files.

The key is being able to access the information you need quickly.

This will save many minutes throughout the day. It will also eliminate a lot of those "I'll have to get back to you" phone calls that are big time wasters.

2. Distinguish between the urgent and the important

Years ago, we would have encouraged you to distinguish between the urgent and the "trivial." In today's fast-paced business world, almost everything seems important to your customers. They wouldn't take the time to call you if it wasn't necessary. People also have grown impatient. They tend to want things right now, even if they could live without it for several days. You can't change the way your customers may think and behave. Even if their concerns seem trivial to you, you must treat them as if they're as important to you as they are to your customers.

Start thinking in terms of "urgent" versus "important." For example, it is important that customers have replacement parts close at hand when something breaks down. The situation becomes urgent when something breaks down and the part that will minimize down time is not on hand. A DSS who helps customers avoid downtime adds significant value to their relationship.

Keep in mind that urgent tasks are the enemy of effective time management because they must be done immediately without regard to the time or response required.

On the other hand, important needs must be addressed quickly and accurately so as to avoid becoming urgent situations. For example, if the important task of ordering needed replacement parts had been done in a timely manner, the urgent task of getting the replacement part during a breakdown would not have occurred.

The more effectively you address the important, the less time you will have to spend on the urgent.

3. Schedule your priorities; don't prioritize your schedule

A DSS's job description is long and varied. Not every task needs to be done every day, however. And, as we have seen, some duties are more important than others.

Daily to-do lists can be helpful

Some people find it helpful to jot down a "to-do" list of things they want to accomplish each day. There is one principle to follow in making and managing your list:

Not everything on your to-do list carries equal weight.

Time Management

is Essential to Get Everything Done

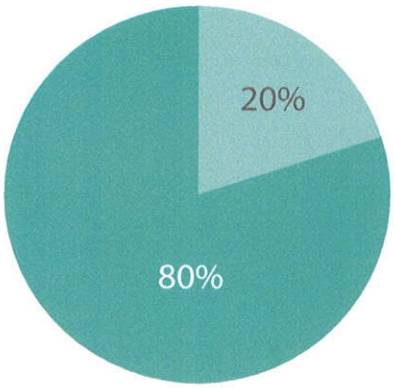
"Schedule your priorities" means you must decide which of the many tasks you need to do are of highest priority. Then do those tasks first.

For instance, if there are 10 items on your daily "to do" list, it may be that only two of them are a top priority. You may want to devote the first hour(s) of the workday to these tasks. The other hours would be devoted to the remaining eight tasks on the list.

The following is an example of a prioritized to-do list:

Today's "To Do" List

1. **Follow up on Anderson back order shipment (use as much time as necessary)**
2. **Answer incoming phone calls (use as much time as necessary)**
3. **Review credit reports on new customers**
4. **Follow up on last week's Smith shipment to ensure satisfaction**
5. **Mail catalogs to new customers**
6. **Speak with purchasing manager about sudden change in usage**
7. **Speak with sales manager about complaint voiced by Smith**
8. **Update/clean up files in lower right-hand desk drawer**
9. **Read product literature on updated Product A**
10. **Make 15 prospecting sales calls**



Pareto's Law

The 80/20 rule

You'll find that the responsibilities of a DSS, as do most jobs in the business world, follow Pareto's Law. More commonly known as the "80/20" rule, Pareto's Law refers to a curious natural phenomenon that many human endeavors tend to follow an approximate 80/20 ratio.

For instance, most businesses find that about 80% of their sales revenue comes from around 20% of their customers. As a DSS, you are likely to experience this phenomenon with your customers as well.

Pareto's Law also determines that about 80% of your time will be spent—and *should* be spent—on about 20% of your duties.

4. Get rid of clutter

When they run out of room in their desk and/or file cabinet, most people request a bigger desk or cabinet. In most cases, it's time to start tossing stuff out.

Questions to distinguish clutter from paperwork worth saving

1. **Does this require action?**
2. **Does it exist elsewhere?**
3. **Would it be difficult to get again?**
4. **Does it have legal implications?**
5. **Is the information up-to-date?**

If the answers to all of the above are no, ask one more question:

6. **What's the worst thing that could happen if I didn't have this?**

If you can live with the results, toss it.

Be decisive with paperwork

Clutter frequently results from hanging on to too much paperwork. This happens when people can't decide what to do with it. They'll keep a document on their desk or in a file because they are afraid it will turn out to be important—even if it doesn't seem to be when they first read it. They waste time reading it over and over, trying to determine what to do with it.

You'll save time if you make it a point to read every piece of paper that crosses your desk only once. Then, do one of three things with it:

Computers get cluttered, too

Clutter pertains to electronic files as well as paper files. Computer folders and files also tend to proliferate and become disorganized. You need a logical system for organizing computer files by customer, time, territory, or any other parameters that may be relevant.

5. Learn how to delegate effectively

As a DSS, you probably will not have any assistants reporting to you, to whom you can pass off any of your duties. However, you will work with colleagues in other jobs who have their own duties to perform.

Delegating in this case means trusting them do their jobs while you tend to yours. A DSS can get into the bad habit of being so intent on making sure a customer gets served properly that he or she tries to fulfill the entire order.

Most distributors employ administrative assistants and clerical personnel to handle routine chores. Let them handle routine mailings and the like.

You don't have to go into the warehouse to personally check inventory, pull a product, and process an order. Nor should you feel compelled to deliver the product to the customer on the way home.

Time Management

is Essential to Get Everything Done

Sometimes certain individuals may ask you to do things that are unreasonable. It might be a time-consuming task that has nothing to do with your job or customer satisfaction.

Delivering great customer service is a noble instinct that can be carried too far. You will have your hands full doing your own job as a DSS. Trust others in the company to do theirs, too.

6. Learn to say no

Be very careful with this one. Being a good team player means going the extra mile to help out your internal customers. You want to be cooperative and assist co-workers when they ask for your help.

Sometimes, though, certain individuals may ask you to do things that are unreasonable. It might be a time-consuming task that has nothing to do with your job or customer satisfaction.

Situations like this require a judgment call. If it's a good friend asking you for a favor, maybe you'll say yes. But the request might also come from a shirker just looking to pass off an unpleasant duty. In cases like this, it might be a good idea to check with your supervisor.

7. Take advantage of technology

Almost all distributors have computerized database systems to keep track of customer records. Some are more sophisticated than others.

Learn to effectively use whatever information technology exists in your company. Automated recordkeeping is one of the biggest time savers available to the modern DSS.

You're almost there!

This manual has explained the most important considerations that go into becoming an effective DSS. One more chapter will put it all together and define the characteristics you need to become a first-rate DSS professional.

Quiz

Time Management is Essential to Get Everything Done

1. Why are experience and knowledge considered to be great time management assets?

A. Familiarity with products and customers help you learn shortcuts.
B. As you learn more, people don't bother you with trivial tasks.
C. Knowledgeable sales professionals work fewer hours.
D. You make more money with less work.

2. Which of the following should be the MOST important priority of a Distributor Sales Specialist?

A. Correcting mistakes
B. Getting rid of clutter
C. Contacting customers
D. Delegating tasks

3. What percentage of time do the peak sales performers spend on sales-related activities?

A. 20%
B. 42%
C. 80%
D. 85%

4. What percentage of time does the AVERAGE sales performer spend on sales-related activities?

A. 20%
B. 42%
C. 80%
D. 85%

5. The BEST way for Distributor Sales Specialists to double the amount of their sales commissions is to double the

A. company's gross profit margins.
B. amount of selling time each day.
C. number of cold calls made each day.
D. number of hours spent at work.

Quiz

Time Management is Essential to Get Everything Done

6. If a Distributor Sales Specialist has a problem with procrastination, which of the following might be a solution?

A. Carefully find ways to avoid unpleasant tasks.
B. Finish the hardest tasks first before tackling easier ones.
C. Finish the easiest tasks first before tackling the harder ones.
D. Delegate as many tasks as possible to other people.

7. All of the following are ways to avoid wasting your customers' time EXCEPT

A. Call customers during their slow business periods.
B. Monitor the duration of the call.
C. Offer items the customer normally does not purchase.
D. State the purpose of your call in your opening sentence.

8. Which of the following is NOT a good rule to follow in managing your schedule and priorities?

A. Schedule your priorities.
B. Make daily to-do lists.
C. Treat customer concerns as important.
D. Assign equal weight to every task.

9. The BEST reason for reducing clutter on your desk and keeping your filing system nearby is to

A. make the office look more professional.
B. reduce the amount of storage space you will need.
C. make you look as if you are organized and tidy.
D. make it easier to find important information.

10. After reading a piece of correspondence, an organized sale professional may do any of the following EXCEPT

A. Save it to read one more time.
B. Save it in an appropriate folder.
C. Throw it away.
D. Pass it on to someone else.

(Answers below)

Answers: 1-A; 2-C; 3-D; 4-B; 5-B; 6-B; 7-C; 8-D; 9-D; 10-A