

ATN Business Column
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Selling in Challenging Times

Only 50% of sales people on the planet have sold in an economic downturn. This was noted earlier this year by Neil Rackham, author of SPIN selling. SPIN stands for situation, problem, implication and need. The book is excellent and clearly explains a ten step sales process.

Rackham commented that sales cycles are typically 40% longer in economic downturns. Importantly for the transport industry he said it is a fallacy that customers buy purely on price in hard-times, they actually buy on value. Many people in transport consider customers only buy on price but that is not so. Transport operators who just sell on price will generally struggle. They can only successfully sell on price if they have a low cost business model which is hard to achieve and still provide a quality service. Research shows that during difficult times customers buy 'safety' i.e. less risk.

During difficult economic times decisions are made more by committees and lower risk options are generally favoured in group decision making. Buyers of products and services realize their decisions will come under greater scrutiny and they may be personally blamed if a deal goes poorly.

Many operators struggle. They make more calls but their planning is poor. They are just a talking brochure and their calls are shorter. They are nervous and rushed and have a low conversion rate into sales. On the other hand, survivors are focused on the best opportunities. They have good preparation and planning. They ask good questions and their calls are longer and deeper. They are confident, in control and have a high conversion rate into sales.

In his article, Rackham says sales supervisors are the key to success. Better results come from better supervisors not better sales people. Fewer accounts mean more sales. Dramatic improvements can come from cutting 30% of salespersons opportunities.

Sales people must become value creators. Talking brochures no longer works in sales. Sales people need to be problem solvers and value creators. Sales people need to learn problem solving tools to be able to help their prospects and offer solutions to their issues.

Coaching brings results. Get some great coaching support for your team. A good supervisor can coach and mentor their sales people. They can guide them and help them keep focused on their best, properly qualified prospects.

Integrate Sales and Marketing. Too often one does not understand the other resulting in considerable wasted effort. With integration and a concise, clear and regularly

updated plan both areas can become more efficient and effective. If you do not have a written plan, chances are you are just drifting along with a haphazard approach; making it up as you go. How long can you afford to operate like that?

There are many advantages in business owners being the leaders in sales. They can be Deal-making vs. Order Taking in sales. They generate greater trust and respect. They are problem solvers. They are Gap sellers by finding a gap and filling unmet needs. They are door openers. Prospects are more likely and more comfortable to meet with business leaders. There is also perceived less risk in dealing with a business leader. Business owners leading in sales enable quicker decision making. And of course business leaders have the discretion and ability to customise deals to each client

What steps do you need to take now to increase sales? What must you do today?

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