

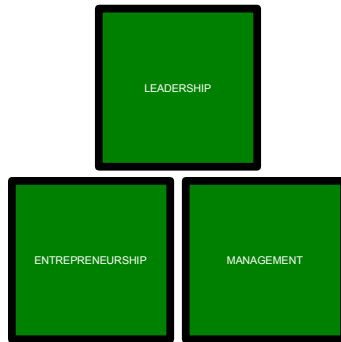
# **SELLING TIPS FOR INDIVIDUALPRENEURS**

**NIGEL A.L. BROOKS**



**THE BUSINESS LEADERSHIP DEVELOPMENT CORPORATION**

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by

Nigel A.L. Brooks

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## FOREWORD

A note from the author:

I am lucky to have had a very interesting and diverse career as an entrepreneur, business enterprise owner, management consultant, corporate executive, motivational speaker, and expert author.

I began my entrepreneurial endeavors when I was fifteen. From my bedroom in North London, England, I organized a poetry competition, and collected poems from all over the world. I subsequently published a collection of the best as a book entitled: “Versewise – A collection of poems,” and awarded prizes.

I became fascinated with computers when the industry was called “data processing,” and spent many years building operational and analytical systems in the automotive, construction, education, energy, financial services, food services, high-tech, hospitality, manufacturing and distribution, merchandising, pharmaceutical, transportation, and government industries.

By building transaction processing, management information, and decision support systems, I understood how enterprises worked. By working in the financial services industry, I understood how entire industries worked and fitted together, because every enterprise has a relationship with at least one financial institution.

Because I worked in many countries around the world, and many of the systems that I built were related to foreign exchange, import/export, and shipping and distribution, I understood how global commerce worked.

The genesis of the ideas for *Enterpriship BLDer™* and **Sustainable Advantage BLDer™** began in 1986, when I wrote a position paper that contained a model that showed how a commercial bank works.

*Enterpriship BLDer™* and **Sustainable Advantage BLDer™** are components of the intellectual capital of The Business Leadership Development Corporation, doing business as BLD Solutions.



The paper was based upon some ideas that I had formulated while developing strategic and information technology planning and development methodologies. It described a hypothetical bank, the banking industry at large, and relationships between banks and their consumer, commercial, industrial, corporate, and real estate customers.

The paper was a first attempt at defining process and function models for enterprises, and included a project management methodology. Later, I enhanced it to include financial, managerial, and regulatory accounting models.

At about the same time, I wrote a series of articles for the magazine of the Bank Administration Institute (“Bank Administration” later “Banking Strategies”), as a contributing editor, that presented outlooks for the future of information technology in the global banking industry.

I wrote an article entitled “Strategic Issues for Financial Services Marketing,” which was first published in 1987 in the United States, and in 1989 in the United Kingdom, that discussed forces driving change in the banking, insurance, and securities industries, and the implications for market segmentation, product development, and delivery channels.

This article helped many financial institutions around the world apply the concepts of demographics and psychographics to their customer databases.

Writing these articles shaped my thinking about the structure of industries.

During my tenure with Andersen (now Accenture) and Booz Allen Hamilton (now Booz & Company), I worked with many enterprises in the development of both business and technology strategy. I understood how enterprises worked and behaved from the inside to the outside, and from the top-down.

Because I was an agent of change, I learned how individuals react to change, both favorably and unfavorably, and whether welcomed or not. I began to understand what is referred to herein as “Personal Styles.”

A personal style is a set of personality characteristics.

At American Express I learned the importance of values and quality, first as a customer, then as a client of mine, and later as a member of senior management.

In 1995, I opened my own retail and food service enterprise to apply much of what I had learned in the corporate world to a small enterprise from the inside-out.

My career objective had been to combine my large enterprise management experience with lifestyle business enterprise ownership, as a basis for returning later to management consulting.

As a client, I worked with both Accenture and Booz Allen while at American Express, which was also a client of my food service enterprise (both individuals and the company itself).

Five years later, I sold my award-winning enterprise to return to management consulting, applying my local-to-global experience with entrepreneurs, lifestyle business enterprise owners, executives, and managers in start-ups to large corporations, and governments.

Over time, I had become familiar with many personality tests while rendering client service.

From 2000 to the present, I provide “project-based” consulting through BLD, and business/technology strategy consulting with TechKnowPartners, LLC. From 2008, I provide seminars through BLD’s “The Center for Business Leadership Development.”

I developed a new set of models, methodologies, and tools for strategic planning, deployment and execution, and performance measurement, and packaged as *Enterpriship BLDer™* and **Sustainable Advantage BLDer™**.

This set of intellectual capital provides a systematized approach to enterprise building, and has been used on client engagements from 2000 to the present time.

The material is integrated – meaning that it fits together in a way that is usable for any enterprise in any stage of development. It provides a mindset for enterprise management and the actions required to transform vision into value.

The material is designed to provide “just-in-time” information in an integrated (systematic) fashion for entrepreneurs, lifestyle business enterprise owners, executives, and managers as their enterprises migrate through the various stages of development.

Not only has this material been used on client engagements, but components have been taught in both private and public seminars in academic institutions, businesses, and membership organizations.

Over time, the “Understanding Personal Styles” seminar emerged as both an offering in its own right, and as a topic on the agenda of more comprehensive seminars, although not necessarily under that name.

At BLD, I promoted this seminar because people-oriented capabilities are just as important as both product and service and process capabilities in the sustainable enterprise.

These seminars included exercises that enabled me to observe how the participants behaved and to listen to the words they used. Client engagements, including one-to-one coaching and mentoring situations, provided the same opportunities.

Over time, at BLD, I developed the material for the Personal Styles model, including the Profile Survey. Understanding Personal Styles is an essential discipline for building a sustainable enterprise that is environmentally, economically, and socially responsible. It is also an essential discipline for building social relationships too.

I developed a companion offering – the “Individual Competencies Assessment,” which is a self-assessment for enterpriship competencies.

I assembled a collection of articles that I have written about individualpreneurship and enterprises, including enterpriship (entrepreneurship, leadership, and management) topics as a book entitled “The Individual As An Enterprise.”

This book expands on the notion of individualpreneurship and individualpreneurs by discussing techniques to generate revenue.

I wish to acknowledge Rebecca McKinstry for designing the cover.

I welcome comments at [nalb@bldsolutions.com](mailto:nalb@bldsolutions.com).

I have been lucky to pick-up variations of my name during my travels.

*Nigel A.L. Brooks*

*Niguel*

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*Na Jie*

*Naj*

March, 2013  
Tempe, Arizona



## SELLING TIPS FOR INDIVIDUALPRENEURS

### SETTING THE TONE

*This material is an extract from the book “The Individual As An Enterprise,” which discusses the notion of the Individualpreneurship discipline, setting the tone for this book.*

The notion of the individual as an enterprise (individualprise) and the individualpreneurship discipline must be of interest to anybody who wants to:

- Advance as an employee into a leadership and/or managerial capacity.
- Be self-employed as an independent contractor or freelancer.
- Be an entrepreneur/business owner by transforming innovative ideas into value by starting and operating an upwardly mobile enterprise that is focused on capturing large markets, or a lifestyle enterprise in local communities, such as a restaurant or a retail business.
- Manage their own investments.

Individualpreneurship embraces activities whereby an individual (the individualpreneur) behaves as an enterprise in their own right, and as such builds the individualprise. In effect, the individualpreneur is in business for themselves. Whereas solopreneurs are independent professionals, individualpreneurs can have multiple businesses, can be employed, and can employ others.

The individualpreneur develops multiple income streams from many sources. Thus the individualpreneur is better hedged against uncertain economic, regulatory, and social conditions than those individuals who rely primarily on one source of income.

Individualpreneurship provides a mindset for income generation for the fully-employed, self-employed, under-employed, and unemployed, whether working for somebody else, for themselves as sole-practitioners, while planning the next ventures, or just in-between opportunities.

Individualpreneurship is in effect “focused multipreneurship.”

## **SELLING TIPS FOR INDIVIDUALPRENEURS**

Opportunity is just beyond an individual's comfort zone, and the individualpreneurship discipline provides the framework for capturing it.

Individualpreneurship has its roots in the agricultural age when individuals and families had multiple streams of income from such activities as farming, metalwork, needlework, and woodwork. During the industrial age, the notion of full-time employment became the norm for many people in managerial, staff, and labor capacities. Labor and employment, immigration, and taxation laws, regulations, and practices were established to encourage academic and vocational education as the basis for career opportunities in stable jobs. These practices were extended to encourage home ownership by providing income tax breaks on mortgage financing and property taxes to stabilize the economy as a whole. The information age has changed many of the prior assumptions.

New technologies cause paradigm shifts. Globalization is enabled through improved telecommunications and transportation technologies, and jobs have been eliminated through improved information and process control technologies, impacting managers, staff, and labor. The result is that the economy has become less stable over time.

When national economies are self-sustaining, they are effectively vertically integrated – meaning that (almost) all aspects of the factors of production and supply chains are domestic. In a global economy, this is no longer the case, with various nations becoming “centers of excellence” for certain activities. Over time, the extent of vertical integration of national economies has declined, such that there is a much heavier reliance upon both imports and exports. For example, the United States is a center of excellence for aerospace manufacturing and , whereas Germany and Japan are centers of excellence for automative manufacturing. The United States is a center of excellence of information technology innovation, but many other countries, such as China, Japan, Korea, and Taiwan, are centers of excellence for specific information technological components.

In a global marketplace with differing laws, regulations, and practices in various jurisdictions, new markets can open for revenue for both existing and new products and/or services, and new sources can open for cheaper materials, supplies, assemblies, and finished products and services at the same or higher quality. As a consequence, off-shore outsourcing has become commonplace. Job markets have changed in the United States, with more emphasis on service delivery and "knowledge work" than manual labor than in prior generations.

## **SELLING TIPS FOR INDIVIDUALPRENEURS**

Knowledge work opportunities exist in many industries, such as construction, manufacturing, and professional services. Knowledge workers can perform planning, analysis, and design activities electronically, and transmit results to operations facilities around the world, such as construction sites and factories for fabrication and assembly. However, workers in foreign markets can develop the same knowledge and skills at potentially lower cost in many cases.

Globalization leads to consolidation of large enterprises between and within mass markets to create economy of scale through increased effectiveness and efficiency. Hence, over time there will be fewer large enterprises on a global basis. However, specialized boutiques continue to provide value-added products and/or services in market niches, with higher qualified workers. As a consequence, in the United States, markets are changing to more knowledge-based jobs, less manufacturing jobs, and more lower-paid service jobs over time. Both domestic and foreign outsourcing is becoming commonplace for commodity products and/or services to providers who achieve economy of scale by serving many customers in essentially the same way. The result is that many individuals who were previously fully-employed are becoming under-employed, or even unemployed.

Many future sources of employment come from innovative entrepreneurs who form boutiques that develop products and/or services that form new industries. Although these industries are sometimes bootstrapped, they are usually financed initially by angel and venture capital. From innovative research and development jobs, held by primarily professional and technical personnel, come infrastructure jobs in business development, operations, legal, finance, human resources, and information technology functions. These jobs provide opportunities for executive, administrative, professional, technical, and vocational management and staff. For example, the innovations of Thomas Edison, Alexander Graham Bell, Henry Ford, Frank Whittle, Jack Kilby, Robert Noyce, and Steve Jobs, have led to entire industries of workers who have delivered products and/or services that otherwise may not have existed.



## SELLING TIPS FOR INDIVIDUALPRENEURS

Information technology has made it easier for individuals to develop their own "nonemployee" businesses as solopreneurs such as offering professional services and marketing products and/or services of their own or others. Many solopreneurs work from home in a micro-enterprise, and can be described as micropreneurs. Many individuals are becoming webpreneurs by marketing and selling products and/services over the internet with solely a virtual presence. Solopreneurs can be sole proprietors of their own lifestyle enterprises and/or independent contractors to others (as permitted by law). Over time, solopreneurs may add employees, thus becoming more traditional business enterprise owners if demand requires the additional labor.

The trend towards a few large global enterprises and millions of webpreneurs was first identified by futurist Frank Feather at the beginning of the 21<sup>st</sup> century. Frank is also responsible for the phrase, "thinking globally, acting locally."

According to the United States Census Bureau, there were 21.1 million nonemployer businesses in 2009. Nonemployer businesses have annual receipts of \$1,000 or more across 450 industries, except in the construction industry, which includes receipts of \$1 or more. Most nonemployers are self-employed and operate businesses that may or may not be their primary source of income. Of the 21.1 million businesses, 18.7 million were sole proprietorships, 1 million were partnerships, and 1.4 million were corporations. In 2009, these businesses generated \$838 billion in receipts. In 2007 according to the full census, the number of nonemployee businesses peaked at 21.7 million and generated \$992 billion in receipts. There were 6.0 million employee businesses, with \$29.7 trillion in receipts, 121 million paid employees, and an annual payroll of \$5.0 trillion. Less than 1,000 businesses had more than 10,000 employees. In summary in 2007, the average enterprise with employees had approximately 20 employees, an annual payroll of \$831,000, total sales or receipts of \$4,917,000, average wage per employee of \$41,600, and average sales or receipts per employee of \$246,000 (*figures adjusted for roundings*); the average nonemployee enterprise had total sales or receipts of \$46,000.

## **SELLING TIPS FOR INDIVIDUALPRENEURS**

For entrepreneurs starting businesses as providers of new products and/or services, developing networks of independent but affiliated solopreneurs as marketing representatives may be a more effective way of building market share than traditional wholesale and retail distribution channels. The use of social media for electronic "word-of-mouth" marketing in conjunction with personal websites, webinars, and online ordering makes the use of webpreneurs as independent marketing representatives extremely attractive. These representatives earn commissions from sales and referral fees. If the product and/or service providers perform the bulk of the administration, the representatives can concentrate their efforts on marketing.

The use of smartphones and tablets for email, phone, and text messaging in conjunction with personal websites, social media websites, and provider websites, increases the effectiveness of webpreneurs. However, no technology will replace the benefits of personal relationships and face-to-face communication. Marketing representatives may struggle at first as they learn new skills such as the art of persuasion, especially if they had been previously employed in administrative or operations capacities in the "corporate" world. However, being both "high-tech" and "high-touch" helps promote business opportunities.

## SELLING TIPS FOR INDIVIDUALPRENEURS

The restructuring of markets and opportunities in the information age leads to the individualpreneurship discipline and the notion of an individual as an enterprise through multiple income streams including:

- Wages - all forms of compensation for full and/or part-time employment, or combinations of both (including as a founder in a "C" corporation).
- Interest on investments.
- Dividends on investments (including as a founder in a "C" corporation).
- Capital gains on investments.
- Net income as an entrepreneur/business owner from active revenue generation activities, such as commissions, fees, rents, royalties, and sales less expenses.
- Net income as an investor from passive revenue generation activities, such as real estate rents and/or royalties less expenses.

Under employment and taxation laws, entrepreneurs/business owners can fall into one of three categories:

- Founder employee of a "C" corporation.
- Shareholder/officer employee of an "S" corporation (self-employed in mindset, but employed for tax purposes) receiving cash flows consisting of salary and capital distributions.
- Self-employed as a sole proprietor of a lifestyle business enterprise and/or as an independent contractor, as a partner in a partnership, or member in a limited liability company.

Establishing the individualpreneurship mindset enables an individual to exert more control over all of their income generating activities, whether fully-employed, self-employed, under-employed, or unemployed. The individualpreneurship discipline embraces the enterpriship disciplines of entrepreneurship, leadership, and management, which apply to every individual in business, whether fully-employed or not.

## **SELLING TIPS FOR INDIVIDUALPRENEURS**

Understanding enterpriship disciplines is extremely important for success as an employee, as an entrepreneur/business owner, and as an investor. In the corporate world, leadership and managerial capabilities are essential for advancement through the ranks.

This book contains useful tips of the individualpreneurship and related enterpriship (entrepreneurship, leadership, and management) topics. In effect, individualpreneurship is a discipline for building an individual enterprise for a sustainable self-reliant career; that means having the confidence to exercise one's own judgment so as to be able to continue over time in endeavors of achievement in both personal and professional lives.

## **SELLING TIPS FOR INDIVIDUALPRENEURS**

### **ASSOCIATION, OPPORTUNITY, INCENTIVES, AND FEAR - HOW LEADERSHIP AND SALES DISCIPLINES ARE RELATED**

*Both the leadership and sales disciplines are about persuading people through influence. Leaders establish direction for others to follow; salespeople persuade prospects to buy. Leaders promote their aspirations to followers; salespeople set directions for prospects to follow. Leaders and salespeople use both imagery and language that convey association, opportunity, incentives, and fear to drive momentum and urgency.*

Unless forced, a person will only do something well if they are self-motivated; the word "motivation" means "motion for action." The word "emotion" is derived from Latin roots meaning "to move." People are "self-motivated" when they find a reason to do something - the decision is often made emotionally, and then justified rationally.

Leaders have to motivate themselves first, relying on their own instincts, sometimes in uncertain conditions, whereas followers have leaders to inspire them. Using their best influence, leaders establish an environment that enables followers to motivate themselves. However, followers can be leaders too if they can inspire others to achieve results.

When tasks are assigned, leaders have to assess both the competencies and commitment of followers, and qualify them accordingly. If a follower is competent, but not committed, the quality of their work may be substandard. So a leader has to influence the follower to commit to the task so as to achieve quality results.

For all the effort that enterprises expend in research and development, operations, and business development, the costs and expenses are only recovered and profits earned if salespeople close sales to move products and/or services to customers.

Salespeople have to motivate themselves first in order to create an environment that influences others to buy. It can be an uncomfortable feeling to make a cold call, or to promote a new product for which there is no track record. However, salespeople have to meet new prospects and promote new products and/or services on an ongoing basis to keep their pipelines flowing.

## **SELLING TIPS FOR INDIVIDUALPRENEURS**

Salespeople have to qualify their prospects in terms of authority, desire, and resources to buy - if a prospect is not qualified, the only answer is "no."

An individual is "casually motivated" when they act regardless of the efforts of others.

To establish an environment that motivates others towards the desired result, leaders and salespeople have to understand the difference between what people need and what they want.

Whereas the needs of individuals tend to be rational, the wants tend to be emotional. For example, a person may need food, but wants a banquet; may need shelter, but wants a mansion; and may need a job, but wants to be boss.

When needs and wants don't align, influencing people to act through their emotions helps as savvy advertisers know. Using images and words to raise the emotions of followers and prospects can turn a boring task or product into something exciting and compelling. Even the packaging of everyday products can create an emotional spark through the use of images and words that create momentum and urgency.

However, if a person isn't in the mood or is in a state of denial, then they may not want to act, even though they need to.

A mood is less intense than an emotional state, and is less likely to be influenced by an event or situation.

Denial means that an individual believes a certain condition to be true or false when facts and other information suggest otherwise. Believing that there is a market for their products and/or services, entrepreneurs, executives, and lifestyle business enterprise owners can be in a state of denial when the behavior of prospects suggests otherwise - it's a function of how long they can withstand the pain. However leading salespeople make markets for products and/or services even when they are playing against the odds. If a person is really self-motivated to make a difference, they will keep trying, even in the face of failure.

Leaders and salespeople use four drivers based upon wants to influence others to achieve results or buy: association, opportunity to gain, incentive, and fear of loss.

## SELLING TIPS FOR INDIVIDUALPRENEURS

### *Association:*

Followers or prospects want to associate with a respected or well sought team or buyer group because they share the same values, attitudes, behaviors, and beliefs:

- Becoming a member of a highly visible team, appointed by top management, and consisting of the perceived "up-and-comers" of the enterprise.
- Becoming a member of an elite country club or similar group.
- Acquiring products and/or services used by celebrities, such as cars, clothes, electronic gadgets, and gourmet food and beverages.
- Acquiring "designer label" products and/or services because they are perceived as stylish and in-vogue.

### *Opportunity to gain:*

Followers or prospects want to take advantage of an opportunity for either tangible or intangible benefits:

- Obtaining a job position through which higher compensation can be earned.
- Obtaining a job position through which new knowledge, skills, and experiences can be gained.
- Acquiring a product and/or service through which new knowledge and skills can be learned.
- Acquiring real estate in a neighborhood where property values are appreciating quickly.

## SELLING TIPS FOR INDIVIDUALPRENEURS

### *Incentives:*

Followers or prospects want to receive rewards and recognition:

- Receiving additional compensation such as higher salary, bonuses, and commissions.
- Receiving awards and citations at "town hall" meetings or in the media.
- Receiving discounts or bonus points, such as frequent flyer miles.
- Receiving invitations to special events not open to all employees or the general public.

### *Fear of loss:*

Followers or prospects fear losing their "want" - the ability to associate, take advantage of an opportunity, or receive an incentive:

- Perceiving that time, space, or inventory are running out, such as for events, trips or products and/or services.
- Perceiving that someone less qualified will get the offer or incentive.
- Knowing that they are not qualified for the offer, but the leader or salesperson is ignoring that fact, enabling them to have something that they otherwise would not be entitled to.
- Knowing that they are not qualified for the "advertised" offer, but the leader or salesperson is offering something which is more achievable or affordable, such as a less demanding position or a less sophisticated product and/or service, without creating an embarrassing situation.



## **SELLING TIPS FOR INDIVIDUALPRENEURS**

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Successful leaders and salespeople know how to use imagery and language to influence others through momentum and urgency; the alternative is force.

Using the four drivers of influence to lead and sell are enterpriship (entrepreneurship, leadership, and management) competencies.

## SELLING TIPS FOR INDIVIDUALPRENEURS

### SALES IS THE FOURTH “S”

“Sales” is the fourth “S” after “Stewardship,” “Strategy,” and “Structure” – the governance disciplines for an enterprise. Governance disciplines are the attitudes and behaviors required to build sustainable advantage for a vision (or dream), including taking responsibility for an enterprise, positioning it, and enabling the necessary relationships that deliver value. Note: the fifth “S” is “Systems.”

Governance disciplines include:

- Stewardship – the responsibility for the performance of an enterprise and the delivery of value to constituencies. Stewardship competencies have three components: enabling, domain, and core. Enabling competencies depend upon the effectiveness of entrepreneurial, leadership, and managerial roles. Domain competencies represent the specific functional knowledge and technical skills required to perform an activity. Core competencies represent activities well done that give the enterprise an advantage.
- Strategy – the beneficial positioning of an enterprise in marketplaces so as to deliver value over time. Strategic plans are long-term statements of direction – typically three-to-five years or more, with short-term initiatives as necessary from the point of departure to one-to-three years out. Strategic plans decompose into enterprise aspiration and industry position and posture, competitive position and posture, performance improvement, constituency-based, functional, and governance components.
- Structure - the enabler of relationships between an enterprise's infrastructure, products and/or services, markets, and constituencies that deliver value. An enterprise's infrastructure includes processes, functions, facilities, and equipment.

Sales is the process of distributing products and/or services from those who produce them to those that consume them based upon wants and/or needs.

Without sales, the first three “s”s do not matter. Without sales there is no top line, only a negative bottom line – without selling, eventually all financial capital erodes.

## SELLING TIPS FOR INDIVIDUALPRENEURS

The public-at-large are wary of salespeople for fear of being persuaded to buy something that they really don't want or need; or worse, to be tricked into doing something that they don't want to do.

To some extent the concern is valid. Successful sales people use persuasive techniques that can be very compelling. Many techniques have been developed over long periods of time and have been thoroughly tested. In fact, selling is a predictable process, and over time, trends will emerge that can be captured in ratios.

These techniques have been manifested over time as scripts that guide salespeople through process, if they chose to use them. The objective is such that if the salesperson stays on script, then the prospect or customer will stay on (the predicted) script, and the “deal” will get done. However, successful salespeople do not sound scripted, even though they may be using one.

The irony is that without sales, there would not be an economy. In fact, without salespeople, new products and/or services would not have markets. The status quo is always “no” because people generally resist change. To adopt a new product and/or service, an individual has to switch from one that they are already using, or adopt something that they previously didn't want, need, or use.

The sales discipline is related to those of leadership and strategy:

- The leadership discipline sets direction.
- Strategy is about positioning, posture, plans, and programs within the direction.
- Sales is about exchanging the value produced by the leadership and strategic initiatives of producers to the wants and needs of consumers.

Sales is about getting prospects and customers to:

- Become new consumers from previously using nothing at all.
- Or switch from current suppliers or products and/or services, or both.

## SELLING TIPS FOR INDIVIDUALPRENEURS

Everybody sells from time to time – at interviews, dates, competitive situations, etc. It's a matter of mindset, emotion, and going beyond the comfort zone.

Salespeople have either sales or excuses, and thus are either very highly paid for results, or not paid at all.

Whereas prospects and customers may be concerned about price, salespeople and their managers are concerned about gross profit, because that is what ultimately contributes to the bottom line. Convenience and quality are factors that may be as important to consumers, if not more so.

*The business model determines the method of selling*

Methods of selling will vary according to the business model of the enterprise, but the techniques are essentially the same.

These techniques are based upon both mindset and language – the art of persuasion. A sale has to be envisioned first, and then the language to persuade the potential buyer developed accordingly.

The methods are:

- Over-the-counter – prospect or customer comes to the facility and is served by inside sales representatives, including:
  - Market stand.
  - Offices of professional service providers.
  - Retail store and/or restaurant.
  - Street vendor.
  - “Will call” at a wholesale facility.
- Channel sales – manufacturer, wholesaler, distributor, or broker sells through channels to other manufacturers, wholesalers, distributors, brokers, and retailers – uses sales representatives (independent, outside, and inside).

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- Direct sales – manufacturer sells directly to end-customers without intermediate channels, such as wholesalers, distributors, brokers, and retailers – uses sales representatives (independent, outside, and inside) – this technique is commonly used in network marketing systems.
- Telesales – uses inside sales representatives:
  - Inbound telephone calls to customer service call centers in response to direct marketing initiatives or to existing product and/or service sales, such as:
    - ◆ Advertising:
      - Print.
      - Billboard.
      - Radio, television, including web-based and satellite.
      - Internet:
        - √ Click-throughs.
        - √ Websites – brochureware.
    - ◆ Infomercials.
    - ◆ Direct mail including catalogs.
    - ◆ Direct email including links to websites.
    - ◆ Outbound telemarketing.
    - ◆ Follow-up from a sales call by a representative.
    - ◆ Follow-up from a visit to a retail facility.
    - ◆ Service call from an existing customer.

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- Outbound telemarketing – phone calls to prospects and customers:
  - ◆ From direct sales representatives scheduling appointments.
  - ◆ From call center sales representatives.
- Direct mail sales – similar to telesales, except everything is done by mail – once popular but being replaced by telesales and ecommerce – used primarily for:
  - Credit card applications.
  - Book, cassette, CD, and DVD sales.
  - Tools.
- Ecommerce – purchase of products and/or services directly over the internet including:
  - Auctions, such as eBay.
  - Exchanges, such as for trading securities.
  - Online catalog sales.

Many ecommerce initiatives involve affiliate marketing programs based upon referrals from third-party sites in exchange for commissions.

Note: the dream of many entrepreneurs that sales can be made over the internet with no face-to-face interaction whatsoever.

Sales initiatives can involve combinations of methods.

## SELLING TIPS FOR INDIVIDUALPRENEURS

For example:

- Real estate agents work from office facilities that prospects and customers may visit. However, they also work in the field, such that the prospect or customer never visits their office. Sales are usually made in the field, and closed in the offices of an attorney or title company.
- Accountants, attorneys, and consultants work from offices that prospective clients can visit. However, the sales agreement/contract is made at either the client's office or their own.
- Customers search for products online, but make the purchase at a brick and mortar retail store.

Ultimately, except in ecommerce, the sale is always an “individual-to-individual” interaction, either in person, or over-the phone, regardless of whether the buyer and/or seller is an individual or an enterprise. A prospect is either representing themselves or an enterprise, depending on whether the transaction is personal or business in nature. However, the techniques used in ecommerce usually resemble those that would be used in face-to-face interactions. Buyers often choose sellers based upon specific individual-to-individual relationships, especially in retail, where the appearance and friendliness of the seller can make a difference.

There may be a series of interactions at one or more places before the sale is closed. A prospect may visit a retail store before buying a product from the internet, or visit several facilities before finding a salesperson that they like and trust.

### *Independent and employee representatives*

Many enterprises use sales representatives who are independent contractors, and hence not employees. The technique is used in network marketing businesses, and in situations where independent contractors may represent multiple lines of brands under either exclusive or non-exclusive relationships. Hierarchies of relationships can exist between independent contractors in agency relationships. Such hierarchies are common in the health and wellness and the telecommunications industries, where commissions and referral fees are common.

## **SELLING TIPS FOR INDIVIDUALPRENEURS**

To be independent under the Internal Revenue Code, sales representatives may not receive any specific guidance from the represented enterprise on how to sell – only what to sell. Independent sales representatives may receive training from other independent sales representatives, usually using third-party materials. The represented enterprise may only produce very general sales materials. Independent sales representatives are responsible for paying their own taxes.

Note: in many network marketing systems, independent sales representatives promote motivational books, tapes, and seminars of their own or from third-parties. This is because the represented enterprise won't provide them so as to preserve independence. Many representatives have found that the business of selling such materials is more lucrative than the underlying network marketing system itself. This issue has been a big cause of aggravation to participants in such systems who are confused as to where the real revenue opportunities are – in the products and/or services, or in the tools to sell them.

In some industries, it is common to use agents who are independent sales representatives, but do have office space at the represented enterprises' facilities, for which they pay fees, either in advance or in arrears from commissions, or both. Some industries have a multi-tier approach – the sales representative is an agent of a broker, who in turn represents either a seller or a buyer.

Many enterprises use outside sales representatives. Outside sales representatives are employees, but are exempt from the Federal Fair Labor Standards Act, if they fit certain definitions of supervision and work.

Often outside sales employees are commission-based, and work in the field. They may receive training and supervision from their employer regarding the appropriate sales techniques. The employer is responsible for ensuring that all income and employment taxes are properly withheld and paid.

Enterprises that classify outside sales representatives as independent contractors face severe penalties from state employment and taxation agencies.

Inside sales representatives are employees and work primarily from their employers' offices.



## SELLING TIPS FOR INDIVIDUALPRENEURS

Both Federal and state employment and tax laws define the various situations for defining independent contractor versus employment situations, especially for real estate agents, mortgage agents, stock brokers, etc.

From the enterprise's perspective, employers don't want to be burdened with the overhead of carrying salespeople that cannot sell. Commission-based sales are attractive to employers, because they serve as an incentive to sell, which creates a win-win situation for the both salesperson and the enterprise.

From the regulators' perspective, taxes and other employment fees need to be collected. These mechanisms are usually based upon employment laws that do not address independent contractor relationships to the same extent as employment. Therefore, some regulators do not capture taxes and fees from employers who are using independent contractors. As a consequence, state agencies may strictly enforce employment laws and attempt to limit an enterprise from using independent contractors. Independent contractors may need business licenses in their own right.

Regulators also want to create a “level playing field” between enterprises in the same industry, so that one enterprise is not advantaged by not paying its proper share of employment-related taxes and fees.

When using independent contractors, the enterprise should establish an agreement that states exactly what the responsibilities of the enterprise and the contractor are with respect to income taxes, employment taxes, workers compensation insurance, licensing, and any other issues that may relate to businesses and employment in the local jurisdictions.

For example: is an enterprise responsible for providing workers compensation insurance on independent contractors, unless a contractor has specifically declined it?

### *Relationships between marketing, sales, and service*

Marketing initiatives are about determining wants and needs and creating awareness. Sales initiatives are about fulfilling those needs. Service initiatives are about ensuring that the customer is satisfied.

## SELLING TIPS FOR INDIVIDUALPRENEURS

The process is a continuum, usually organized into three overlapping functions: marketing, sales, and service. No function is successful unless the other two are because over the long haul, sustainable profits come from synergistic relationships between people and processes.

For example, the marketing function may generate leads for salespeople to use, but salespeople may also generate their own based upon their personal relationships. Salespeople are naturally active marketers, generating leads and converting them into sales. They may be passive marketers also, doing their own direct mail and outbound telemarketing initiatives. However, whatever salespeople do on their own should be in compliance with policy, and should not conflict with “official” marketing activities. The best approach is for the marketing and sales functions to work as cross-functional teams.

Service situations create sales opportunities. When servicing a customer, there is always an opportunity to cross-sell new products and/or services, especially if the customer is satisfied with the current product and/or service, or if it will provide additional benefit going forward.

*What is being sold?*

Salespeople sell three types of items:

- Products – hard and soft:
  - Tangible products (hard) – consumable and durable.
  - Service-driven (soft) products, such as financial, health, and educational services.
- Supporting services to the products and/or services, especially aftercare or aftermarket programs.
- Business systems, such as franchises, network marketing opportunities, and referral opportunities.

## SELLING TIPS FOR INDIVIDUALPRENEURS

### *Compensation*

Compensation plans incent salespeople to close transactions that maximize the gross profit of the enterprise.

Most salespeople are driven by incentive-based compensation. Therefore, effective compensation plans should include a high percentage of variable commission-based compensation relative to fixed salary depending upon the risks that a salesperson is willing to take. Tiered programs that place more weight on higher variable compensation levels are the best.

For example: tips are a form of incentive based pay – the better the service the server provides, the higher the tip (at least in theory). In effect, tips allow a free market for the delivery quality service.

Note: tipped employees can actually earn more from their transactions than the enterprises they serve. If a tipped employee consistently receives fifteen to twenty percent of gross sales amounts inclusive of sales taxes, they are most likely making more than the net (operating) margin of the restaurant enterprise on a transaction basis. Net operating margins for restaurants are usually lower than twenty percent and may be lower than fifteen.

Younger salespeople tend to prefer higher risk-based plans, where the variable compensation component is a higher percentage of sales. Mature salespeople who have fixed obligations may lean more towards a higher fixed salary and lower variable commissions.

However, industry and the maturity of the enterprise are both factors. Some industries have relatively short sales cycles, such as retail, food service, and financial services. Others have much longer cycles, such as real estate, and large durables – therefore a higher salary component may be necessary to provide income coverage over long durations in these industries.

Salespeople in younger entrepreneurial enterprises may take longer to build relationships than those in older institutional enterprises. Therefore, a younger enterprise may wish to buy a “book of business” by recruiting salespeople who already have established, but transferable relationships.

## **SELLING TIPS FOR INDIVIDUALPRENEURS**

Salespeople are often given quotas – a predetermined goal to be achieved within a certain period, such as a month or a quarter. Quotas are linked to sales plans and budgets, with allowances for contingency. Quotas can be expressed in terms of absolute numbers or relative to prior periods.

Note: achieving quotas can cause some salespeople to slow down or even stop selling once the quota has been achieved. Therefore, quotas should be set higher for those salespeople who have a tendency to slow down.

Sales commission caps tend to be demotivators. If the salesperson is reaching a cap, there is a likelihood that the deal will get put off until the next period. This behavior can hurt the enterprise if the customer subsequently changes their mind because of the delay.

If caps are established to keep salespeople's compensation below that of management (a common issue), then the management compensation plan should be designed to encourage their salespeople to sell regardless – the use of overrides is one approach. Overrides are percentages of commissions earned by salespeople paid to sales managers. Overrides provide incentives to sales managers to motivate their salesforces. The sales organizational structure may appear to be a (legal) pyramid.

However, depending upon the design, the compensation plan may be a hierarchical or a matrix structure. In a hierarchical structure, the people at the higher levels earn more; in a matrix structure, that is not necessarily the case.

Salespeople are highly competitive. Therefore, the enterprise can benefit by organizing sales campaigns and contests with special prizes and awards, including “spifs.” A “spif” is a sales promotion incentive fund – a sales bonus used to motivate salespeople on ad-hoc basis, especially on days when sales are slow. The cost of these campaigns must be built into the cost of selling, so that customer and product profitability can be fully understood and budgeted for.

Sales contests and campaigns should not interfere with customer relationships – never sell a customer a product and/or service that they do not want or need (they may want it, but not need it) – ultimately, the long-term relationship will be damaged.

## SELLING TIPS FOR INDIVIDUALPRENEURS

Bonus and commission plans should be linked to gross profit, not gross or net sales. If an enterprise does not want salespeople to know the dollar value of the gross profit, then a point system can be used so that the relative profit between products can be established.

Point values can be assigned to the products and/or services, and for optional functions and features, thus giving leeway for the salesperson to negotiate with prospect or customer.

This system allows for managing quotas, and ensuring that loss leaders are promoted if they encourage healthy customer relationships, without penalizing the salesperson for selling low margin products and/or services.

Compensation plans should be designed to allow for teamwork and training of newer salespeople. Such designs could be achieved by commission sharing, but this concept can act as a demotivator to the experienced salesperson. Two ways to compensate for teamwork and training include:

- Double counting commissionable gross profit so that both parties get something – the cost of the additional commissions is a cost of selling.
- Establishing a multiple dimensional compensation system that awards bonuses based upon the development of new salespeople by experienced ones, or sharing resources with others.

Reward and recognition programs are essential motivators for salespeople. They can be in the form of award pins for achieving certain levels and membership of “sales clubs,” which can be noted on business cards.

Non-monetary awards, such as trips, cars, and dinners can also be motivators – in fact anything for which a salesperson can be recognized for accomplishment is beneficial.

### *The sales process*

The sales process embraces the marketing, sales, and service functions. Sales are made by people in the sales function, equipped by the marketing function and supported by the service function. Hence, all three functions participate in the process.

## SELLING TIPS FOR INDIVIDUALPRENEURS

The *mindset*:

- A prospect is a “customer who is not yet a customer.”
- There is no such thing as “no;” only “yes” and “not yes,” or “not yet.”
- A former customer is always a “customer even when they are not a current customer.”
- “Not-for-profit” does not mean “not-for-revenue.”
- Everybody is selling all the time even when they think that they are not selling – advertisements are everywhere for:
  - Manufacturers, wholesalers, distributors, retailers, and food service providers.
  - Professional service providers:
    - ◆ Accountants, attorneys, and consultants.
    - ◆ Financial.
    - ◆ Medical and dental.
    - ◆ Cleaning, maintenance, and repair.
  - Transportation and hospitality providers.
  - Utilities.
  - Philanthropic enterprises.
  - Entertainers.
  - Friends.
  - Potential spouses.

## SELLING TIPS FOR INDIVIDUALPRENEURS

- Salespeople must tell stories to build emotion to make the sale; give clues to the customer to justify sale rationally should buyer's remorse set in.
- Salespeople must believe in:
  - The enterprise.
  - The products and/or services.
  - Themselves.

The *process* – effectively the same for all situations:

- Contacting – building leads – the raw material of sales.
- Approaching – making contact with a prospect.
- Prospecting – determining if there is interest.
- Qualifying – determining if the prospect has authority, desire, and resources to demand and subsequently purchase a product and/or service.
- Presenting – convincing and persuading the prospect and/or customer to buy.
- Closing – asking for the sale.
- Follow-up – ensuring that everything is in order.

## SELLING TIPS FOR INDIVIDUALPRENEURS

The *situation*:

- Over-the-counter – sales of products and/or services to individuals for personal use or on behalf of another person, or as a representative of an enterprise on a face-to-face basis (note: orders may be placed on the phone, by fax, email, or text message for subsequent pickup):
  - The design of the retail facility is extremely important in terms of layout, lighting, music, color, and overall ambiance.
  - The top brand products (highest priced) should be placed at the front or at eye level on shelving, and the second tier brands should be placed at the back or on higher or lower level shelving - top brand products should be easy for prospects and customers to see.

Note: some retailers charge fees to suppliers for shelf positioning.

  - The retail enterprise knows that some prospects and customers will only buy second tier brands, but also use second tier brands as bait for top tier brands for situations where a salesperson can cross-sell.
- Channel – sales of products and/or services to individuals as a representative of an enterprise – usually face-to-face, but over the phone if convenient to do so.

Note:

- If prospecting is performed over the phone, actual selling may be better done in person depending upon the confidence of the salesperson; however, with the use of the internet for demonstrations or reference, it is possible to complete entire transactions over the phone.
- When asked the question: “what is it?” on the phone when a demonstration is best, the answer could be:  
  
“Describing it over the phone does not do it justice; I just need a quick moment to show the benefits to you.”



## SELLING TIPS FOR INDIVIDUALPRENEURS

- Always focus on benefits first, then features.
- Direct – sale of products and/or services to individuals for personal use or as a representative of an enterprise, and/or a business system to individuals – usually face-to-face.
- Telesales – sales of products and/or services to individuals for personal use or as a representative of an enterprise over the phone.
- The tone of voice in “telesales” varies from that in “teleservice:”
  - Telesales calls are always conducted with energy and urgency, and must be quick and to the point:
    - ◆ Must be prepared to answer the question: “what is it?”
    - ◆ Must use verbal signals to indicate smiles and nods.
  - Teleservice calls are “problem solving-oriented” and therefore may take longer.

The *reasons for buying*– individuals are more likely to buy products and/or services from an enterprise when they:

- Value the association, such as:
  - Designer labels.
  - Trusted brands.
- Earn an incentive, such as:
  - Frequent flyer miles.
  - Discount coupons.
- Realize an opportunity, such as:
  - Earned the status to own a Mercedes-Benz.
  - Can afford to live in a certain neighborhood.

## SELLING TIPS FOR INDIVIDUALPRENEURS

- Fear of losing an opportunity, such as:
  - Supplies are limited.
  - Collectors edition.

The *language* – sales requires a persuasive vocabulary and scripted conversations to navigate individuals from being unwilling prospects to satisfied customers. The language should always relate to association, incentive, realizing an opportunity, or fear of losing an opportunity.

Prospects will always want to know “what is in it for me:”

- “If I could show you a way to increase your company's cash flow, you would be interested in that, wouldn't you?”
- “Our customers are just like you.”
- “Other customers like you have said the same thing.
- I know how you feel, I felt the same way, and here's what I have found...”
- “You are always in control.”
- “Lowers costs, increases profits.”

The *numbers* – sales is a numbers game, or more specifically a *ratios* game, if the prospects are properly qualified and scripts are properly used. If not, the ratios won't make sense, which is a key indicator that the process is not being followed correctly.

The *urgency* – the more time a prospect has to say no, the more likely that they will say no. Therefore, time is of the essence while supplies last, or until this offer expires at midnight, or until the first two hundred people have taken advantage of this special offer.

## SELLING TIPS FOR INDIVIDUALPRENEURS

The *appointment* – whereas management have meetings internally, so salespeople have appointments externally. Sometimes it takes one appointment to close a sale – the “one-stop” sale; and on others it takes two: one appointment to qualify, and one to present and close. If it takes three appointments, the third being to find out, the answer will probably be “no.” However, it may take five or more calls to book an appointment in the first place.

It is better to say “visit” than to “schedule an appointment,” or even better to “just drop in for a quick minute” – appointments sound to "salesy."

Note: sales situations are “opportunities for investment,” contracts are paperwork that have been “approved,” and problems are opportunities for a solution.

*Objections* are often areas of further interest or concern. However, sometimes what appears to be an objection is actually a condition that prevents the prospect from moving forward. When conditions arise, such as lack of time or money, postpone any further discussion until the condition resolves itself – which it will if the prospect really wants the product and/or service.

Salespeople must be motivated to make calls overcoming:

- Hearing repeated objections.
- Fear of rejection, which can lead to fear of failure.
- The mundaneness of following the same script over and over again and hearing “no” almost all the time.

The meaning of the word “FEAR” – false expectations appearing real.

Salespeople have to set certain parameters for making their calls:

- Planning from the close backwards by doing research on the customer, determining the best way to close, and determining the approach from there.

## SELLING TIPS FOR INDIVIDUALPRENEURS

- Visualizing the sale:
  - Seeing the customer enjoying the products and/or services.
  - Enjoying the consequential commissions.
  - However, no sale should ever be made for the commission – the commission is the consequence, not the reason.
- Getting in the mood to establish emotion and urgency:
  - Being infectiously enthusiastic about representing the enterprise and its products and/or services.
  - Speaking with momentum; displaying energy and excitement.
- Making an attention getter that gives a strong first impression and arouses interest, enabling the prospect to stop what they are doing and listen; i.e., breaks the preoccupation of the prospect, both physically and mentally.
- Building rapport with the prospect:
  - Being polite:
    - ◆ Welcoming them by last name and preferred title.
    - ◆ Using titles and last names until the customer says otherwise.
  - Telling them that they are special.
  - Setting the context for the call.
  - Ensuring congruence in language (voice and body) and gesture.
  - Removing the pain – customers like to buy, they don't like to be sold.

## SELLING TIPS FOR INDIVIDUALPRENEURS

- Reinforcing positive messages through smiles, nods, and tie-downs aimed at getting to “yes.”
- Treating objections as questions, complimenting the prospect on their savvy:  

“That’s a great point – other savvy customers like you have said that too, and here’s what they found...”
- Closing at least three times, especially when the prospect’s guard is let down.

### *The test:*

Every individual involved in selling should practice using the “how to sell a pencil” exercise. The objective is to sell a pencil by describing benefits and features to each of the four personal styles.

### *Four personal styles...*

Success in business is as much based upon using inter-personal skills effectively as it is based upon using professional skills. Personal characteristics are specific to each individual, and include preferences regarding the self and relationships with others. Professional characteristics apply to occupation and public life in terms of role, qualifications, competence, and experience.

Inter-personal characteristics include oral and written communications abilities, and the extent to which an individual is a team player. Individual contributors usually have less developed inter-personal skills than experienced entrepreneurs, leaders, and managers who are able to get things done through others.

A personal style is a set of personality characteristics. Every individual has a personal style profile - specific personality characteristics that determine their preferences.

## SELLING TIPS FOR INDIVIDUALPRENEURS

Definitions of personal styles have been used throughout history by philosophers; modern definitions trace their roots to research work by Swiss psychiatrist Carl Jung. Although there are many themes and variations, basically four personal styles exist:

- Challengers - who appreciate action and adventure.
- Causals - who appreciate creativity and relationships.
- Stabilizers - who appreciate law and order.
- Visionaries - who appreciate innovation and understanding.

By understanding how to quickly identify certain key attributes of each personal style, and to recognize them in other people, an individual can quickly relate, build a rapport, and interact with others. Hence, an individual is more likely to appear friendly and be able to influence others. "Relate" means that an individual has similar preferences to another; "rapport" means that an individual can build a relationship with another; and "interact" means that two or more individuals can do things together.

Whereas there are more scientific approaches, two ways exist to quickly identify the personal styles of others. The first is to listen to the words that others use; the second is to observe how they dress. Words and dress are key indicators of values, attitudes, beliefs, and behaviors:

- Challengers use words that suggest the notions of competition, courage, energy, excitement, and incentives. They tend to dress casually.
- Causals use words that suggest the notions of acceptance, friendship, ideals, peace, and sharing. They tend to dress fashionably.
- Stabilizers use words that suggest the notions of budgets, loyalty, responsibility, safety, and security. They tend to dress formally.
- Visionaries use words that suggest the notions of analysis, competence, explanations, research, and solutions. They tend to dress functionally.

## SELLING TIPS FOR INDIVIDUALPRENEURS

If an individual can adapt their personal style to another's without losing their own, they can increase the likelihood of success in entertaining, informing, convincing, persuading, and negotiating to close transactions for mutual benefit.

Understanding personal styles is the key to balancing interpersonal skills with professional skills.

With respect to the test – sell me a pencil: adapt the benefits and features to the preferences of the buyer, which are determined by their personal styles profile:

- Challengers – keeping score.
- Causals – artistic drawing and writing fiction.
- Stabilizers – writing policies and rules.
- Visionaries – technical drawings, and writing theses and textbooks.

### *The sales process – contacting:*

Contacting is about list management and appointments – anybody can be contacted as long as they are on a list. In some situations, especially in network marketing, everybody on the list should be contacted because their personal situation as it relates to the product and/or service may be unknown. In other situations, the list should be qualified.

Success in sales is a function of the length of the contact list – the longer the list, the more sales opportunities. If the closing ratio is 1 in 10, the list must have ten names for every one sale. If the ratio is 1 in 10 to get to a sales presentation, and the ratio is 1 in 3 to make the sale then the contact list needs thirty names to get to one sale.

It is very important to maintain the ratios of contacts to prospect appointments, prospect appointments to presentation appointments, and presentations to sales.

Note: a sale is not closed until money has changed hands no matter what the contract may say.

Leads can come from anywhere, but it is important to have an organized system for collecting them and storing them.

## SELLING TIPS FOR INDIVIDUALPRENEURS

Many enterprises use sophisticated contact management systems and salesforce management systems to track leads, appointments, and sales. These systems can help predict sales volumes using a funnel technique based upon the prospecting/presenting and closing ratios.

Leads can be generated from:

- Special purpose websites.
- Purchased lists – saving time for money – these lists may have to be filtered to weed out the unqualified leads (usually most).
- Business directories and phone books – tip: enterprises with big Yellow Pages ads are often buyers because they know how the game is played.
- Networking groups and leads groups:
  - Chambers of commerce.
  - Breakfast, luncheon, and dinner clubs.
  - Industry associations.
- Trade shows, conferences, and conventions.
- Advertisements.
- Word of mouth (best).

Leads can be used for passive marketing, such as direct mail – however, unless a follow-up call is made, the marketing effort is effectively useless.

When out looking for leads (everywhere), be prepared with:

- A confident posture.
- A professional appearance – even in the era of business casual, a suit (for both men and women) makes a statement – darker colors with lighter shirts.



## SELLING TIPS FOR INDIVIDUALPRENEURS

- Clean business cards – do not mix cards collected from others, but do write notes on cards as memory joggers – business cards should be professional and memorable because it is very difficult to remember somebody after the fact.
- An elevator speech:
  - One line:
    - ◆ “I help people turn dreams into money.”
    - ◆ “I help entrepreneurs turn vision into value.”
  - Situation – solution:

“You know how people want to look younger and lose more weight; I have a natural blend of herbs and vitamins that will do just that. Dolores Sanchez – Vitanutramin – your daily dose of health.”
- A positive attitude with a smile and firm handshakes – smiles can even be heard on the phone – use visualization techniques to see future results – I can even see the individual I met at a cocktail party using the products – better still – I was able to get them to describe to me how they would use the products.

When meeting people at business networking events, don't ask them what they do for a living right away – find out about them as individuals first – ask them FORM questions:

- Family.
- Occupation.
- Recreation.
- Money – may be indirect – but the objective is to find out their buying power as an individual in their own right; or as a representative for an enterprise.

## SELLING TIPS FOR INDIVIDUALPRENEURS

Take notes mentally, and record them on the back of a business card, in a personal digital assistant, or smartphone.

Ask for a business card after a conversation has started – don't begin by presenting the card. When receiving it, read it and say the person's name and title back to them as memory joggers.

Note: titles are important, so use them. Be respectful. Find out if they are a decision-maker, and if not, who is.

When presenting business cards, use two hands – don't throw them through the air like darts.

In conversation, ask questions that persuade them, and let them do ninety percent of the talking. People always enjoy talking about themselves.

Define their needs for them and play them back to them to get confirmation. Always stress the positive, and use nods and tie-downs to get positive responses:

- “This is a nice place, isn't it?” (Nodding...)
- “You'll be coming back next month, won't you?” (Nodding...)
- “Shouldn't we try to meet again soon?” (Nodding...)

Speak in their language using their jargon – sound like them.

Always follow through after an event with a note or phone call – email may be sufficient, but hand-written notes, or “Send Out Cards” are better.

*The sales process – approaching, prospecting, and qualifying:*

Leads can be used for active marketing – contacts for prospecting.

Only decision-makers count. It is not worth presenting to a non decision-maker because the only result will be a non decision, regardless of what the non decision-makers may think.

## SELLING TIPS FOR INDIVIDUALPRENEURS

Approaching can also be done without a list – for example: sitting next to somebody on an aircraft and making them a contact through a causal, but focused conversation starting with FORM.

Approaching is paving the way for a prospecting appointment. The approach may become a prospecting call, and a qualification or disqualification.

There are four types of contact:

- Cold – never met the individual and they may never have heard of the products and/or services, or the enterprise itself.
- Warm – have met individual and they are aware of the products and/or services of the enterprise.
- Hot – have met the individual and they have expressed an interest in the products and/or services.
- Very hot – have met the individual and they want or need the products and/or services, or they are a referral who is known by the referrer to have a need.

Note: customer wants are always better than needs – but be careful not to sell something that they may later regret.

The basic model for all conversations is:

- Create urgency – “Is this a good time? “If not, when would be – X time or Y time?”
- Sincerely compliment the decision-maker.
- Use scripts that have been tested – repetition works.

## SELLING TIPS FOR INDIVIDUALPRENEURS

- Handle objections, noting that sometimes these are clarifying points, not opportunity breaking points:
  - Be positive and appreciative of the comment.
  - Identify the problem: “I can appreciate that...I know how you feel...I felt the same way...here's what I found...I would be willing to share my findings with you...”
  - “Does that answer your question?”
  - “Fair enough!”
  - Make it convenient: “If I could be there at X time, would you be available?”
  - Be ready to book an appointment: “I have this time and that time, which one works better for you?”

Note: if a prospect leans forward, or starts speaking faster, these behaviors usually indicate that they are interested and are thinking about the opportunity.

When promoting business systems, especially related to health (which many network marketing systems are), use “if I could...would...”

- “If I could show you...
- ...a business that would make sense to you...
- ...that is risk free and you couldn't lose money – actually you could make more money than you are earning now...(it's up to you)...
- ...that will give you more time flexibility and will enable you to work from home...
- ...that does not require selling, order taking, or carrying inventory...”
- ...and makes you look younger, and feel healthy, vibrant, and alive...
- ...that be of interest to you, wouldn't it?”

## **SELLING TIPS FOR INDIVIDUALPRENEURS**

When prospecting business systems, such as network marketing, always establish why somebody would want to do it – if the pain that they are experiencing isn't greater than the gain, they probably won't. However, having established their reason why, always refer to how the system addresses the need.

Cold contacts are reached with cold calls, either over the phone or by “dropping in.” This is an unpleasant task for some; however, it is all about building relationships through people meeting people. Relationships can be built over time, some usually mean having to give first, before being able to receive. People usually do business with people that they like and respect – therefore, building trust and integrity is important.

Note that most large businesses are built from mainly cold prospects, unless the salesperson has a very large number of warm or hot contacts.

Cold calling often means having to “deal” with gatekeepers – receptionists, secretaries, administrative assistants, and others who are paid to prevent cold calls from getting through to decision-makers. In family situations, the spouse can be the gatekeeper. Therefore, it is best to present to both spouses together – recognizing that women are usually the buyers.

When meeting gatekeepers in person, it is essential to break eye contact with them and leave them hanging. They are more likely to follow through on the request if they cannot respond directly. If this approach does not work, always compliment them and tell them that that they are really in charge – they can help, not hinder.

When meeting gatekeepers on the phone, be friendly, and ask them for help.

Approaching gatekeepers with wrong information often results in them providing the correct information.

## SELLING TIPS FOR INDIVIDUALPRENEURS

Whether calling or visiting in person, the approach is basically the same:

- Try to get through to the decision-maker:
  - “Hello - I need to speak to the decision-maker right now – would you let them know that Fred Bloggs is calling, thank you.”
  - “I only have a few moments (in an urgent emphatic voice).”
- If not possible to get through, try to find out when the decision-maker will be in and then call back – do not leave messages or voicemail – they are barriers because the decision-maker knows that a sales call is coming, and can block the call:
  - “*He is not in right now.*”
  - ”When do you expect him in.”
  - “*He only takes calls from people with appointments.*”
  - “Do you keep his calendar or does he?”
  - “*He does*” or “*I do.*”
  - “Then I need to make an appointment.”
  - “*What is this about?*”
  - “It’s a matter that he would consider confidential” or “my company is considering doing some business with your company, and I need to see if your company qualifies.”
  - “*We don’t take sales calls.*”
  - “Actually, I thought that he might be interested in seeing some competitive trends in your industry that we have gathered.”
  - “*We don’t need that.*”

## SELLING TIPS FOR INDIVIDUALPRENEURS

- “Don't you think that he would be interested in knowing why your biggest competitor thinks that this is a great idea?”
- “*We are already a customer.*”
- “Thank you very much for your business.”
- “*We tried you once before.*”
- “We are out of the Stone Age now – we've made some new advancements that your competitors are excited about.”
- “Can you help me find some time that I could just drop in for a few moments to see if your company qualifies? Thank you.”
- If it is possible to get through to the decision-maker:
  - State who you are, who you are with, what the products and/or services are, and that you only have a few moments.
  - Ask “do you have a moment to speak?”
  - If no, schedule another time.
  - If yes, thank the prospect for the time to speak.
  - “We are working with ABC, DEF, and GHI (name drops) and getting some great results –they are businesses just like yours, aren't they?”
  - “We help businesses like yours improve their customer satisfaction scores by fifteen percent which leads to higher sales and greater profits.”

## SELLING TIPS FOR INDIVIDUALPRENEURS

- Let the prospect talk for a while – play back what they say:
  - ◆ “How do you handle those negative cash flow situations when they arise?”
  - ◆ “So you dip into credit lines just like our other customers did before they started using our cash management services...”
- Pose an opportunity:

“If I could show you a way that you could get better results at lower cost, that would be worth a few moments of your time, wouldn't it? You be the judge. If you decided that the solution wasn't for you, it wouldn't cost you anything, would it? Fair enough.”
- Disposition is usually “no...”
  - ◆ *Don't have the commitment.*
  - ◆ *Don't have the interest.*
  - ◆ *Don't have the knowledge.*
  - ◆ *Don't have the money.*
  - ◆ *Don't have the need.*
  - ◆ *Don't have the patience.*
  - ◆ *Don't have the posture.*
  - ◆ *Don't have the skill.*
  - ◆ *Don't have the time.*
  - ◆ *Don't want people to wonder what would people think.*
- If not interested – how much money would it take (in additional income or savings) to become interested?



## SELLING TIPS FOR INDIVIDUALPRENEURS

- If “no,” ask how they stand relative to their competitors who are using the product and/or service and try again:
  - ◆ “I can appreciate that you are busy and don't have that problem, or do it in house. In our experience, companies such as yours experience ten to twenty exceptions a month conservatively.”
  - ◆ *“No, we have many more than that.”*  
  
Note: it is human nature to ensure that other people have correct information.
  - ◆ “Perhaps it might be worth a few moments of your time, after all?”
- If “no,” ask for referrals – clarify that it is alright to mention the referrer's name:  
  
“I am trying to focus on your industry...I value your opinion – which companies are the most established in this area?”  
  
“... ”  
  
“Who would you suggest that I contact there?”  
  
“... ”  
  
“Thank you very much.”
- If yes, ask qualifying questions to establish the need, the authority, and the urgency - “if you like what you see and hear, is there any reason why we couldn't get started right away?”
- If qualified, schedule an the appointment by giving them choices: “I have Monday at 2:45 pm and Tuesday at 9:15 am , which one works best for you?”
- Book appointment and repeat back to them.

## SELLING TIPS FOR INDIVIDUALPRENEURS

Note: if passed to a junior member of staff, it will be necessary to establish an immediate method of getting back to the decision-maker, or be brushed off. Sending information through the mail is ineffective – it will get lost in the pile of junk mail in the inbox:

“I cannot send confidential information through the mail that reveals what our customers are looking at. I would be willing to give you a private showing, as long as you understand that I must take back the information at the end of the meeting.”

“Tell me this, lifestyle enterprise owner, does Freda care about your bottom line as much as you do?”

If timid – use an ice breaker using the “situation-complication-problem-concern” model to get the conversation started, but be concerned about time.

- “I am doing some research on industry leaders such as your company – do you have a few moments to speak?”
- “What is your biggest concern about your business right now?”
- “Why does that complicate your business?”
- “Why is that a problem?”
- “Do you have a solution to address that concern?”
- “If I could show you a way to resolve that concern, would that be of interest to you...?”
- Book appointment, but ensure that all individuals that the decision-maker needs to make a decision are present, including influencers that could say no.

Always thank decision-makers and gatekeepers. Send gatekeepers thank you cards if they have been helpful, especially during the holiday season.

## SELLING TIPS FOR INDIVIDUALPRENEURS

For warm contacts, the approach is more direct, because a relationship has been established already. Ask for and tell them that it “OK” to say “no” to take the pressure off:

- “Hello – this is Fred calling. I talked to you the other day, and you asked me to send some information – have you received it yet?”
- *“Er...let me see...what did it look like?...mmm...hang on...oh, why don't you tell me anyway...”*

Or:

- “Hello – this is Fred calling. You may remember that we met at the big event recently. I only have a few moments...do you have a minute to speak?” (Look at watch if meeting in person to create urgency.)
- “When I met you the other day, you came across to me as someone who is really diligent and organized, very business like, and people-oriented.”
- “I am expanding a catalog business with great products and services in your area. I am working with professional and talented people just like you.”
- “I do need some help. It may or may not be of interest to you right now. At the very least, you may be able to introduce me to some other people who might be able to help.”
- “The catalog has environmentally safer products that make you look younger, and feel vibrant, healthy, and alive. You save money over both department store and grocery store brands.”
- “If I could show you the results that others are getting, then you could decide for yourself, and maybe refer me to someone who wants to improve their health, or earn some extra income right now.”
- “It would take just a few moments together to show you the benefits – you be the judge – and it will be educational. It is OK to say no.”

## SELLING TIPS FOR INDIVIDUALPRENEURS

- “If we are together for more than twenty minutes or so, it is because you want to learn more, and may be take it a step further, or help me find other people.”
- “I have tonight and tomorrow night available right now – which time works better for you?”
- If the response is “what is it?” then “It’s ABC company, has anyone taken the time to show you the benefits yet?”
- If the response is an objection, then:
  - “I can appreciate that you are:”
    - ◆ “Not interested.”
    - ◆ “Too busy.”
    - ◆ “Think it is a pyramid.”
    - ◆ “Don’t have time.”
    - ◆ etc...
  - “Tell me this, is it the environmentally safer products or the opportunity to make more money that is the hang up?”
  - “...”
  - “I know how you feel, I felt the same way – here’s what I found...”
  - ...
  - “Fair enough?”
  - “To be fair, I need to give you a visual presentation so that you can make an informed decision.”

## SELLING TIPS FOR INDIVIDUALPRENEURS

For hot and and very hot contacts, the approach is basically the same, but more to the point because introductions are less necessary. However, if the prospect is a referral, then always mention the referrer if they have given their permission:

- “Hello decision-maker. John Owner at ABC company suggested that I give you a call as a leading company in your industry. Do you have a moment to speak?”
- “I promised George at Dutton's Cakes that I would give you a call.”

Always qualify prospects before presenting – it may take a few follow-up calls to do this effectively. Qualifying involves determining:

- Does the prospect have the right mindset and mood – are they in the market to buy?
- Is the prospect willing, ready and able to buy?
  - Want it and/or need it
  - Can pay for it/have authority to buy it?
  - Will use it?
- Does the prospect have the time and the inclination?
- Does the prospect have evidence of the problem?
- Is the prospect the real decision-maker, or are there others?
- Do influencers need to be present?
  - Accountants.
  - Attorneys.
  - Bookkeepers.
  - Consultants.
  - Peers.
  - Secretaries.
  - Spouses, friends, family, pets,...
  - Staff.
  - ...

## SELLING TIPS FOR INDIVIDUALPRENEURS

Send cards to confirm appointments, and preferably hand write them.

*The sales process – presenting and closing:*

Begin by confirming the appointment for the presentation – but don't just confirm it – state that it has required some effort to produce information that will be of benefit to the prospect.

- “Fred, I am calling to tell you how excited I am to present the conclusions and recommendations from my research work for you in our meeting tomorrow at 9:00 am in your office...
- ...I know that you will find the results very compelling.”
- “*What meeting? – Oh...mmm...*”
- (The one that you scheduled with me a while ago.)

If the decision-maker wants to delegate to a lower level individual, reschedule the appointment.

The sales presentation is a persuasive discussion with the objective of getting to “yes” – nothing else matters. However, getting to yes means avoiding “yes/no” questions and answers, unless they are designed to get information, or tie-down the decision-maker.

Use a speaking style that isolates objections so that they can be resolved and disposed of. Let the prospect fully explain their objections and then play them back.

Selling is an emotional process for the buyer – the seller as to raise the emotions of the buyer by suggesting:

- Association –“This is what people like you/companies like yours are buying.” (Actually the people/companies may be perceived as being better than the potential buyer, although they may not necessarily want to admit it to the seller or to themselves – there is an opportunity for a bridge to be like them.)

## SELLING TIPS FOR INDIVIDUALPRENEURS

- Realizing an opportunity – “By doing this, people like you/companies like yours have obtained something that they wouldn't have otherwise thought possible.”
- Incentive – “By doing this, people like you/companies like yours have earned significant income or realized substantial savings.”
- Fear of not realizing an opportunity:
  - “The inventory is running low and there are many people like you/companies like yours that want this – I don't think we'll be able to offer something like this again after today.”
  - “This is only for such-and-such kind of people/companies – you don't fit their profile or that is not for you.”

(Use shock treatment - taking the opportunity away from the buyer - then follow-through with a more appropriate offer.)

“Here, this is a more suitable package for you – it has all the same benefits, but is specially designed for people like you/companies like yours.”

(The offer could be essentially the same, but a more affordable or economical version with less functions an/or features.)

Ask rational questions that stir emotional answers related to liking or disliking somebody or some person:

- “This is better than that noisy X cleaning system, isn't it?”
- “You hate the smell of the chemicals that that X system uses, don't you?”
- “You want your customers to think that you are not state of the art, don't you?”

## SELLING TIPS FOR INDIVIDUALPRENEURS

Use visualization techniques to stir emotions:

- “Imagine a world where you could have:
  - More time.
  - More money.
  - More flexibility.
  - Better health.

If you accept our offer today, it's all yours.”

- “Think about the damage that global warming is causing. You want your customers to think that you're conserving, don't you?”
- “Tell me this – where are you going to put the new product – in the front, or in the back?”

Use the outline for a persuasive presentation:

- Use tie-down questions to get agreement - “this is what you expected, isn't it? – You can see why others are happy with it, can't you?”
- Use an inverted tie-down to confirm agreement:
  - “Aren't these results better than average?”
  - “*No.*”
  - “Why do you say that?”



## SELLING TIPS FOR INDIVIDUALPRENEURS

- Use alternative choice questions to confirm that the prospect is involved and moving forward:
  - “Where will you put the equipment – in the north factory or in the south factory?”
  - *“In the east factory.”*
- Or:
  - *“I haven't made up my mind.”*
  - “What would it take for you to determine where?”
- Use alternative choice questions in answer to questions?:
  - *“Do you carry a European version?”*
  - “Built according to imperial standards or metric standards?”
  - *“Do you make it in green?”*
  - “Based upon what you have told me so far, either emerald green or shamrock green will be best, it's up to you – which one is your preference?”
- The porcupine – answering a question with a question:
  - *“Do you produce a daily trial balance?”*
  - “Do you do that now?”

Never tell them anything that you can ask them.

## SELLING TIPS FOR INDIVIDUALPRENEURS

- Use questions to stir emotions and get prospects involved in the presentation:
  - “How does it feel when your customers complain about the broken water system?”
  - “How does it feel when your employees steal your inventory?”
  - “How does it feel when you miss a bonus by 1%?”
- Confirm that they have an answer:
  - “Does that answer your question fully?”
  - “No. ”
  - “What else would you like to know – more about the products or more about the services?”

Avoid using catalogs and list prices, if possible. Makeup specification sheets instead with pricing based upon a selling strategy for the specific situation at hand. In the selling strategy, expect to negotiate and allow for price drops. Substitute functions and features so as to preserve gross profit. Make the prospect think that a special offer has been made for them...because they are special.

A formal sales presentation should be made within twenty minutes or less, or else the audience will lose attention.

It is important to access the personal style of the decision-maker (a person focused on ideas, action, people, or structure) use language that fits their decision-making style.

Sales decisions are made on emotion, and then justified rationally. Therefore, it is important to raise emotions in the sales presentation.

Emotions can be raised based upon association, incentive, realizing an opportunity, or fear of losing an opportunity.

## SELLING TIPS FOR INDIVIDUALPRENEURS

The enterprise and the salesperson is on display during a sales presentation, which should be a well-staged performance.

However, the prospect is on display too. The prospect will either want to be perceived that they are as good, if not better than others, or will admit to problems. Either way, there is an opportunity to raise emotion state of the prospect.

If the salesperson can find out who the prospect associates with, they should provide an opportunity for the prospect to associate, then create fear that for some reason they can't – the emotional response from the prospect will be such that the salesperson should be able to provide an acceptable incentive to buy.

For example: in a retail situation:

The prospect is interested in buying a home entertainment system, but funds are tight. They are looking at second tier brands even though they know that the top tier brands have the best quality. They really would like a top tier brand, but are concerned about their ability to afford it. They know that a top brand will last longer.

The prospect doesn't want to be bothered by a salesperson, and actually fears them.

However, in a very friendly and non-confrontational way, a salesperson starts the conversation with the prospect.

The salesperson begins by saying “if you have any questions, I would be willing to assist.” The salesperson tells the prospect their name, learns the prospect's name, and uses it frequently in later conversations.

When the prospect appears interested in a product, the salesperson approaches them and makes a positive statement, such as “that is a popular model” suggesting that the prospect is moving in the right direction.

## SELLING TIPS FOR INDIVIDUALPRENEURS

The salesperson compliments the prospect on their appearance and knowledge, associating them with other customers who have bought top brand names, playing into the ego of the prospect. The salesperson considers these customers to be higher value profile customers, but doesn't tell the prospect this.

The prospect likes to be associated with a higher value profile and doesn't want to acknowledge that they are not. The salesperson knows this.

The salesperson asks a positioning question that gives the prospect a way out:

- “Our customers generally buy these top products from the top brand manufacturers – we also have quality products from the same manufacturers at *very* reasonable prices...”
- “...and I know that you would qualify for financing.”
- “Is this in addition a present system or a replacement.”
- “It's a replacement.” (Information has been obtained.)
- “What kind of music do you enjoy on your current system?”
- “Classical.”

The salesperson then demonstrates top brand products with classical music, building the opportunity for the prospect to associate with brand. The prospect would not have been interested in the brand if left alone, thinking that it was not affordable:

- “This product makes classical music sound great, doesn't it?”

The salesperson discusses features and functions as benefits that both a high valued person as well as the prospect would appreciate and respect.

As the prospect becomes more emotionally charged with the top brand, the salesperson moves into to close.

## SELLING TIPS FOR INDIVIDUALPRENEURS

The salesperson hands the prospect a flyer for a top name brand product with a high price – the specifications are attached. The flyer has pictures of the product with people using it. The salesperson states that this is what customers who really appreciate classical music are buying.

The prospect looks at the flyer, and notes the specifications – associating with the product, but knowing that the price is extremely high. The prospect would like to be considered as one who really appreciates classical music and the benefit of a top brand system playing it.

At this point, the prospect either buys the product anyway based on emotion, then justifies the purchase later rationally, or gestures to hand the specification sheet back to the salesperson, or asks if they can keep the sheet.

Unless the prospect buys the product based upon the price on the sheet, the salesperson takes the sheet back quickly, claiming that they need it for other customers, regardless of what the prospect says.

At this point, the prospect is in a lost opportunity situation. They have not bought the product, and the opportunity is eroding. They know that the second tier brands are inferior.

The salesperson presents another flyer that shows what the “best value shoppers” are buying. These people are intelligent buyers.

This flyer has the specifications for the same top brand with a slightly lower priced product, and with a financing package that would enable the customer to buy a top product under easier terms and conditions. The financing is only available for this product – it is not available for the second tier brands. This flyer is limited time offer, creating a sense of urgency.

At this point, the prospect has an incentive to buy – a top brand but lower priced product, and a mechanism to buy the top brand product with through financing.

## SELLING TIPS FOR INDIVIDUALPRENEURS

The salesperson points out the value of the deal – the top name brand, a quality product, and the financing offer that is affordable – a no risk “win-win” situation.

If the prospect is hesitant, the salesperson looks at their watch, mentioning that they are expecting a call from an important customer at any moment – they may have to leave.

The prospect buys on emotion realizing the opportunity with the association and the incentive.

The worst case is that they don't buy at all. Whether they buy a top brand product, a top brand lower priced product, or a second tier brand, it doesn't matter to the retail enterprise if the gross profit on any transaction is more or less the same.

The sale is an emotional play. When there is no emotion involved, most prospects would say that they wouldn't be fooled; but in the emotional state, where perceived social status, intellectual capability, and face saving issues are at stake, different behaviors occur.

Some products should be displayed so as to sell others.

The same behaviors apply to job interviews, first dates, etc.

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The salesperson has about twenty minutes to complete the transaction, or else the prospect will move on.

In formal presentations, set the tone for the agenda:

- “I am going to ask you about the current situation in your company to see if you *qualify* for our products and/or services.”

Note: seeing if they *qualify* raises the emotions – why won't they qualify? - Is that an indication of a problem?

- “I am going to give you some information about our company.”

## SELLING TIPS FOR INDIVIDUALPRENEURS

- “I am going to demonstrate a product and/or service that I believe that you will find to be very beneficial to your company.”
- “If what I am presenting makes sense, I would like to discuss the steps required to enable you to benefit from our product and/or service right away. Fair enough?”

If a formal proposal in response to a request for proposal (RFP) that has been prepared, bring plenty of copies. Refer to the original briefly, but focus the audience on a discussion.

When making the presentation in an office or boardroom:

- Be organized – don't have too much on display; don't use thick presentation books where the number of pages left to be presented can be counted – use visual aids sparingly.
- Be careful with PowerPoint presentations – slides should be simple and clear, and there should always be handouts (as individual pages) for if (and when) the equipment fails.
- Remember that it is the singer, not the song – don't darken the room.
- Demonstrating the product always helps, but get the prospect involved – let them try it out – don't make the product seem complicated to use - “will Jane be servicing the machine or will Maude be doing it?”
- Try to sit on their side of the table looking at the presentation together – it is not us versus them – we're on their side – solving problems together.
- Sit up and lean forward.
- Listen to the prospect, but ask simple questions to maintain control – let their answers persuade themselves – pay attention to the spoken and unspoken responses – if there is a conflict between spoken and body language, the body language tells the truth.

## SELLING TIPS FOR INDIVIDUALPRENEURS

- Never argue with a prospect – they are always right (even when they are wrong); all concerns and objections that they have are valid – compliment them on their concerns – “I know how you feel, others felt the same way, here's what *they* found...”
- Always tell the truth – never exaggerate, mislead, or lie.
- Ask the prospect to state some problems regarding their situation up front, write them down on flip charts, if possible, and solve the problems during the presentation – get agreement from them that the solution is doable.
- Have the paperwork on the table – always have clean copies – pulling paperwork out can upset the momentum, and can make the prospect feel uncomfortable – use the term “paperwork” - not agreements or contracts:
  - “You don't mind if I take notes, do you?” (using the paperwork).
  - “It helps me if I can write down the exact particulars as we move forward – that's OK, isn't it? I can leave you with this list if we don't go forward.”

Move to the close smoothly:

- “Have you seen enough, or would you like to see more?”
- “It will be operational soon, won't it?”

Expect to make the sale, acting in a consultative style. Be respectfully bold – a person that is approachable and caring.

Make sure that all objections are tied down.

Review the problems that they stated and check them off one by one, using tick marks if flip charts were used.



## SELLING TIPS FOR INDIVIDUALPRENEURS

Hand them the paperwork (contract) with a pen asking for the sale by gesturing:

- “...and if you could just initial/approve the paperwork here, here, and...here (mark with “x”s), we can get to work as soon as is convenient for you...”
- “Would you like us to start at the north location, or at the south location?”

**The person who speaks first owns the product. The salesperson *remains silent* since they do not want to retain title to the product. Even if the silence feels uncomfortable – they remain silent. Even if the silence feels like an eternity – they remain silent.**

- “*Are you asking for the sale?*”
- “Yes.”

The right angle close:

- “*Can you deliver the product by Monday?*”
- “I can deliver the product by Monday if you sign the paperwork right now.”
- “*I have to consult with my accountant.*”
- “What information can they add that you don't already have?”

The price negotiation – if quality, convenience, and service are important, price may not be the highest issue, but it is always *an* issue:

- “*What about price?*”
- “Let me discuss how the pricing works.”

The salesperson goes into detail on pricing, using specially prepared specification sheets where possible.

## SELLING TIPS FOR INDIVIDUALPRENEURS

Either the price was already entered on the paperwork, or requires discussion.

If the prospect signs the paperwork before pricing is agreed to, then price is not an issue. If further discussion is necessary, create emotion using the “association, incentive, realizing an opportunity, or fear of loss of an opportunity” framework:

- “Our high volume/best customers pay \$X per unit as shown on this specification sheet.”

Hand the prospect the specification sheet.

- *“We’ll do our best to make that volume – let’s go with it.”*

Or:

*“We would never be able to do that volume.”* (More likely...)

As a surprise, pull back the specification sheet. The opportunity has been taken away. The prospect may be surprised. Pause. Shuffle around for another specification sheet, and hand it to the prospect with a direct motion.

## SELLING TIPS FOR INDIVIDUALPRENEURS

- “Yes – I wondered if that might be the case.”

“As you can see from this sheet, for this month only, I am able to offer more upscale customers, such as yourselves, a package that includes \$Y (Y less than X) per unit for V units and \$Z (Z less than Y) per unit for W units. This offer includes insurance.”

“It’s a limited time offer, but it enables you to get the same benefits as our high volume customers, many of whom are your competitors.”

*“I don’t want the insurance.”*

“I would have to get approval, but I believe that I could drop the price by five per cent if you didn’t take the insurance. Let me call and check.”

“Yes, that’s OK.”

*“Well, we’ll have to think about it, I’ll have to check with the CFO.”*

“With respect, you told me that you already had the agreement from the CFO.”

“What else is there to think about?”

(Pause)

“Is it the volume that is a concern?”

*“No.”*

“Is it the speed that is a concern?”

*“No.”*

“Is it the training that is a concern?”

*“No.”*

(Pause)

## SELLING TIPS FOR INDIVIDUALPRENEURS

“We do have an entry level model that is about ten per cent less, but it has the same basic features – many of our first time customers have bought this model, and upgraded later – one extra benefit is that it only requires half the maintenance.”

Note: when prospects want to “think about it,” the issue is usually “all about the money.”

However, “I need to think about it and get back to you “ is really “no” – prospects never think about it after a meeting that didn't close.

*“Can we get financing?”*

“Subject to credit approval, which takes a matter of moments, you could put 10 per cent down, and finance the rest over three of five years, whatever is the most convenient for you.”

*“It sounds to good to be true!”*

“It's a great offer, isn't it?...I can only make that to a few select customers.”

*“I like to speak to a current user.”*

“I can appreciate that – Bill at DEF would be more than happy to take your call because he has so many successes to talk about – however, he only wants to talk to confirmed customers because his time is limited.”

*“Where do I sign?”*

Note: here the offer as accepted is what the salesperson anticipated. In the negotiation, the salesperson knew that the price would drop, and the insurance would be taken out. The interest rate on the financing adds to the gross profit of the transaction (net of the cost of money). In this case, the maintenance charge on the entry level model is actually high than on the volume models, further increasing the gross profit.

## SELLING TIPS FOR INDIVIDUALPRENEURS

If price is not negotiable by policy, and the prospect has an objection:

*“The product costs too much – I can get something like it cheaper elsewhere.”*

“I understand how you feel...many of our customers felt the same way as you do until they realize that they could not have the best quality, convenience, and service at a lower price – at least not for long.”

“They found that the cheapest in the short-term is always the most expensive in the long-term. That been your experience too with other products, hasn't it?”

If they are still concerned, try listing pros and cons, strengths and weaknesses, pluses and minuses:

“Let's list all of the pros and cons that we can think of and see where we come out; will that help?” (The Ben Franklin Close.)

*“OK.”*

“Let's list the pluses first: A, B, C, D, E, F, G – anything else?”

“Let's list the minuses next: X, Y, Z” – anything else? We have more pluses than minuses – does the cost of the minuses outweigh the benefit of the pluses?”

*“No.”*

“When would you like to start? Approve/initial/OK here, here,...and here!”

*“But ABC's product is twenty percent cheaper than yours...”*

“Yes, their customers have told me that many times, after they find out that that total cost of ownership of ABC's product is fifty percent higher than ours over five years.”

## SELLING TIPS FOR INDIVIDUALPRENEURS

“That’s because their training and maintenance costs are higher than ours.”

*“Your product is \$200,000, ABC’s is \$160,000 - \$40,000 cheaper.”*

“How long do you expect to use it – five years?...and there are 250 work days in a year and 8 hours in a work day – therefore, you would be using the product for 10,000 hours. Our product is \$4 per hour more.”

“However, we know that it will generate an extra \$200 per hour, whereas ABC’s can only generate an extra \$120 an hour – net net, we are \$76 per hour ahead regardless of the total cost of ownership. Am I missing something?”

*“Where do I sign?”*

Shake hands when the transaction is complete and celebrate a “win-win” situation.

Always ask for referrals at the time of the sale, while emotions are high:

“Who else can you think of that would benefit from this product?”

*“I can’t think of anybody right now?”*

“You know the guys at PQR, don’t you? Maybe you could give Tom a call, and let him know that I will be calling?”

Aim for at least three referrals, if possible.

Call to action:

“I’ll be back early next week to get you started – how about Monday afternoon or Tuesday morning?”

Always send a hand written “thank you” note after the event.

Note: there are no immediate bounce-backs – needing time to think about it means “no.” However, since “no” really means “not yet,” call again in three months, six months, ad infinitum...

## SELLING TIPS FOR INDIVIDUALPRENEURS

If the bid is awarded to the competition, go back within a month and ask for help and referrals:

“Jim, you know that I really worked hard on the “Blueknife” proposal.”

*“We know you did, but our CEO is friendly with the CEO at Pinkknife. Give Harry at MNO a call, they may need some help.”*

“Thanks, Jim. I assume that it is OK to mention your name, isn't it?”

In retail situations, always upsell to make the customer experience enjoyable using suggestive selling:

*“I'd like a mocha.”*

“Raspberry truffle or chocolate mint?” (Priced 10 percent higher...)  
(Nodding...)

*“mmm...”*

“How about enjoying the chocolate mint?...It's our most popular – It's to die for – the magnum size is the best experience.” (largest of three sizes...)

*“I'll take a medium...”*

...”and it's a great opportunity to try a slice of the ultimate chocolate experience...”

*“Too many calories...”*

“Two forks lightens the load!”

*“How about half a slice?”*

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*“I’d like a wheatgrass juice...”*

“Double shot?” (Nodding – note: don't say, “single or double?”...)

*“OK.”*

“What else?” (Smiling...)

The “relative close approach” is where the salesperson asks the prospect to find the competitor with the lowest price, and then gives the best offer (which is \$1 less than the competitor's lowest price.)

The “market research approach” is where the salesperson calls an existing customer to thank them, and then uses the call as an opportunity to obtain information that may be used in initiating a future sale.

Tip: *always be closing.*

### *Visualization*

Always visualize the sale being made by getting the prospect to visualize using the product themselves:

- “You will look great inside that Porsche, won't you?”
- “That Rolex watch was made for you, wasn't it?”

...and always nod affirmatively, underscoring the positive.

None of the effort from contacting to closing is of value unless money has flowed to the enterprise and/or individualpreneur.



## SELLING TIPS FOR INDIVIDUALPRENEURS

### *Track the results*

Track the ratios over time against other salespeople and the competition:

- Number of leads to approaches.
- Number of approaches to prospects.
- Number of prospects to presentations.
- Number of presentations to closes.

Set standards for selling, and build the standards into the cost of selling.

Know what the value of a lead is. If an average sale is \$1,000 and it takes 10 leads to close a sale, then each lead is worth \$100.

Successful salespeople recognize that sales is a process, but make it entertaining, informative, convincing, and persuasive.

They also recognize that they are problem solvers, focusing on products and/or services that get beneficial results. Products and/or services that:

- Enable competitive advantage.
- Improve efficiency.
- Increase value.
- Save money.
- Make the user feel and/or look:
  - Friendlier.
  - Happier.
  - Trimmer.
  - Wealthier.
  - Younger.
  - Irresistible... ..

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*Also by Nigel A.L. Brooks...*

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## SELLING TIPS FOR INDIVIDUALPRENEURS

### *About Nigel A.L. Brooks*

Nigel A.L. Brooks is an individualpreneur, entrepreneur, business owner, corporate executive, management and marketing consultant, motivational speaker, and expert author.

He obtained his professional experience as a partner at Andersen Consulting (now Accenture, Ltd.), as a vice president at Booz Allen Hamilton, Inc. (now Booz and Company), as a senior vice president at the American Express Company, as president of Javazona Cafes, Inc., as president of The Business Leadership Development Corporation, and as a principal at TechKnowPartners, LLC. He has been a contributing editor for the Bank Administration Institute magazine, and has served on boards of entrepreneurial networks.

He was educated at the University of Exeter, Devon, United Kingdom.

He has local-to-global experience (North and Latin America, Europe, and Asia-Pacific) from start-up entrepreneur to Fortune 100 executive. He has experience in the construction, education, financial services, high-tech, manufacturing (aerospace, automotive, consumer products, and pharmaceuticals) and distribution, merchandising, oil and gas, professional services, telecommunications, transportation, and public administration industries.

He is the founder of The Business Leadership Development Corporation, originally a management consulting firm, and now a publishing company.

He offers management and marketing consulting services "from vision to value" through Nigel Brooks, LLC and TechKnowPartners, LLC - specializing in business strategy, technology strategy, organizational reviews, and performance assessments. TechKnowPartners is a technology strategy and infrastructure professional services firm.

He is the developer of the "enterpriship" discipline. Enterpriship is the process of building sustainable advantage, and has a framework of three related disciplines: entrepreneurship, leadership, and management.

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“Enterpriship” is derived from the words management, leadership, enterprise, and entrepreneurship.

He is also the developer the "individualpreneurship" discipline and the notion of an individual as an enterprise. As an individualpreneur, he is a director/officer employee of the Arizona Sonora Development Corporation and an entrepreneur/business owner at Nigel Brooks, LLC, The Business Leadership Development Corporation, TechKnowPartners, LLC, Achieve Plan B, and Vitaprise. He is an investor in both private and public equities.

Thus as an individualpreneur, his sources of income include fees, salary, and bonuses; distributions from LLCs and S Corporations; net profit from sole proprietorships; and capital gains, dividends, and interest from investments.

More specifically, distributions and net profit are sourced from commissions, fees, and royalties from referrals and professional services that include affiliate and network marketing, consulting, and product sales.

Achieve Plan B is a consulting service that shows others how to become individualpreneurs; Vitaprise is a core network marketing opportunity within the Achieve Plan B service.

Currently his principal activities are at TechKnowPartners, LLC.

### *About The Business Leadership Development Corporation (BLD)*

The Business Leadership Development Corporation is a publishing company that offers articles, books, and seminars to entrepreneurs, lifestyle business enterprise owners, executives, and managers, and the enterprises they serve.

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The material contained herein has been developed from research and seminars that BLD has conducted over several years. BLD's intellectual capital consists of a set of models, methodologies, and tools that have been developed for strategic management consulting, executive coaching and mentoring, and professional training engagements.

One of BLD's principal intellectual capital offerings to its clients and customers is packaged as *Enterpriship BLDer™*, a set of capabilities that provide a systematized approach to building enterprises through models, methodologies, and tools. BLD also offers intellectual capital packaged as **Sustainable Advantage BLDer™**, which provides a framework for **Building Sustainable Advantage<>From Vision to Value™**.

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**NOTES**

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