

Sales and Distribution Management
Prof. Sangeeta Sahney
Vinod Gupta School of Management
Indian Institute of Technology, Kharagpur

Lecture – 20
The Selling Process

[FL] Today, we will be discussing another topic in our course on Sales and Distribution Management. This particular topic is the selling process and as far as this topic is concerned; we shall be covering it in two lectures which should be lecture 20 and lecture 21. Now lecture 20 happens to be the 5th lecture in the 4th module and lecture 21 shall be the first chapter or the first lecture in the 5th module.

So let us first start with The Selling Process here where we will talk about what the process is. And then the first four stages of the process we shall be covering in this particular lecture and then after we shall be moving to lecture 21, where we shall be doing the other four stages or the other three stages of the selling process.

(Refer Slide Time: 01:23)



So, this particular lecture shall talk about the selling process and the topics that are covered is the selling process of the various stages of the selling process.

So, we begin here with a brief introduction about what this topic will deal about. Now, any and every sales person sells different kinds of products in different kinds of

situations and he follows a sequential order. Now this particular order would mean different kind stages in the selling process or in the sales cycle process. It is noteworthy that not all purchase situations, not all kinds of clients and customers, not all kinds of products and services would require this process to be followed in entirety. In fact, for certain kinds of purchase situations for certain kinds of products it may so happen that we do not follow an order at all in this way, but in certain kinds of situations we may have to go step by step following each of the different stages.

I would also like to point out here that when we talk of goods there are two kinds of goods high involvement goods and low involvement goods. We have discussed about high and low involvement goods in the previous sessions as well, but just a brief you know recap on that. High involvement products are those; where which are expensive which are infrequently bought with the level of perceived risk is high and the action is irrevocable; which means that once the product has been bought; it cannot be returned you know it can only maybe paired or it can be the parts may be replaced, but it cannot return the product. So the level of perceived risk is very high.

On the other hand there are goods which are low involvement goods and in case of low involvement goods what we talk of is the converse where they are inexpensive, they are frequently bought frequently used. And the level of perceived risk is low as compared to high involvement products.

Also, the action is irrevocable in sense that you know if you do not like a product; you can always go and return it or you can ask for a replacement. So, the process is not very very complex in terms of low involvement products; neither does the salesperson have to put in a lot of effort nor does the customer or the prospect go through a very complex cognitive process before he decides to buy a product which is a low on involvement.

This is typically you know in the case of a B 2 C; in the case of B2B also we see high and low you know levels of involvement. And in there that we would define that in more in terms of the kind of complexity that goes about in the entire process. Because it is not a straight simple decision taken by members of a family or by an individual in the case of B2C as in the case of B2C, but it is more complex where the buying decision is actually taken by you know buying center or the decision making unit or the purchase unit of the organization.

So, over there even if products are low involvement products; they may involve some level of formality, some level official procedures some level of documentation, some amount of decision making. Now in the case of B2B scenario we speak of purchase situations as new tasks modified rebuy and straight rebuy. Again we have discussed this very you know in the previous classes, but a quick recap.

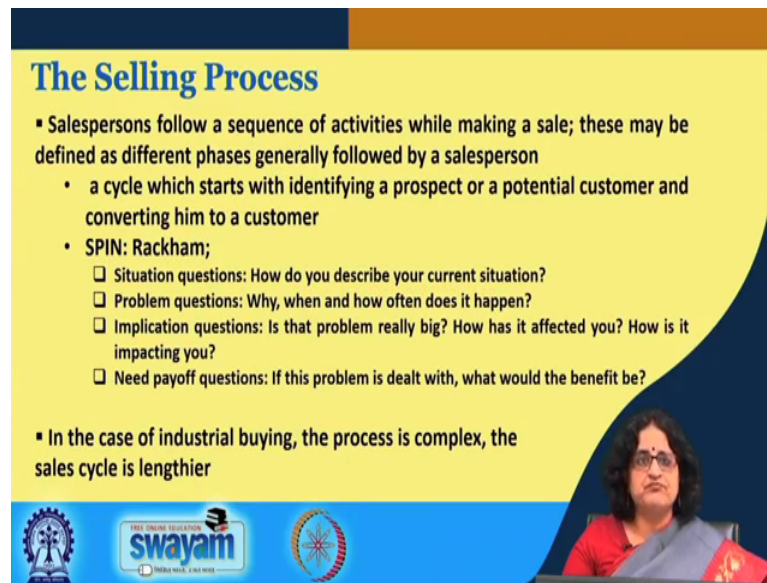
A new task is when a product or service is being bought by an organization for the first time. And so it is a very complex product a process where the buying center needs to decide on the various criteria on which they must evaluate the product or the supplier. And they must also get to know the different alternatives available before which they can before, and it is only then they can start the buying purchase process.

In the case of a modified rebuy; it is something where the product or the service offering has already been bought before, but it has to be some change with respect to you know newer attributes, newer features which are desired or it could also be in the form of change in product specifications, delivery terms, pricing etcetera.

But in the case of a straight rebuy; it is actually a repeat order or repeat purchase. Now in all of these cases whether it a high or low involvement product spread across you know a new task or a modified rebuy or a straight rebuy. The sales person would face different kinds of purchases you know situations and different, and he will have to actually go through a different kind of selling process.

Generally what he would go through is something which we will discuss today. But, as I said this may not be different stages which we shall be discussing today; may not always be required for all different kinds of products or for all different kinds of customers or for all different kinds of purchase situations. So, let us go into the selling process and their dynamics of the selling process.

(Refer Slide Time: 06:35)



The Selling Process

- Salespersons follow a sequence of activities while making a sale; these may be defined as different phases generally followed by a salesperson
 - a cycle which starts with identifying a prospect or a potential customer and converting him to a customer
 - SPIN: Rackham;
 - Situation questions: How do you describe your current situation?
 - Problem questions: Why, when and how often does it happen?
 - Implication questions: Is that problem really big? How has it affected you? How is it impacting you?
 - Need payoff questions: If this problem is dealt with, what would the benefit be?
- In the case of industrial buying, the process is complex, the sales cycle is lengthier

The slide also features a video inset of a woman in a red and grey saree speaking, and logos for 'swayam' and 'THE ONLINE EDUCATION' at the bottom.

Now sales persons will as I said follow a sequence of activities when they make a sale and these will be defined as the different phases which a salesperson would follow.

It would be a cycle which will start with identifying a prospect or a potential customer and then converting him to a customer. Now what we are talking of here typically is a B2B scenario; it is we are going to talk more in terms of the industrial buying process or the organizational buying situation. And if you recall in the previous lecture we had spoken about something called the spin.

We spoke about the spin as a communication focused strategy which a salesperson must adopt; where he must ask questions. And then he must give a patient listening to the prospect and through a series of questions which he would pose he would be able to you know reach a close or release a closure of the sale. Now it is very important that the right kind of questions are asked and that is how you know Rackham; who actually proposed the spin spelling sorry spin selling he actually defined four different kinds of situations.

You know four different kinds of questions which a salesperson must ask across different situations. Now, 1 was the situation questions, the 2 was the problem questions, the 3 was the implication questions and the 4 was the need payoff questions. We discussed these in the previous lecture and according to Rackham if a sale has to be you know conducted successfully; it is very important that the sales persons asks the right kind of situation questions, problem questions, implication questions and need payoff questions.

The situation questions would make the customer or the prospective customer aware of a situation that he is facing. The problem questions would make him aware of a problem that he is facing which he probably has not realized till now. The implication questions we will talk about you know how to make the prospect realize of the seriousness of the problem.

And the neat payoff questions would talk about the kind of benefit that the prospect would earn if he actually goes in for a solution to the problem through a purchase or through the benefit that a purchase would bring about. And so the different kinds of questions which we can have an example is like; a situation question could be a salesperson asking a prospective customer how do you describe your current situation or what are the kind of things you are facing today?

So, a problem question would be further why when and how often does it happen? A implication question would be is that problem really big, how has it affected you, how is it impacting you? And the need payoff question should be if this problem is dealt with what would the benefit be? So, here the prospective customer or the prospect is made to understand on his own through a situation question as to what is this current situation.

So, it could be like; so how are things in your plant going on. So, he would the prospect would start talking about a situation which he is facing in his plant. And through a series of you know statements that he makes the client or the customer would be able to understand the kind of problem he is facing.

And they would lead to the next kind of situation the next kind of questions which is the problem questions, where the salesperson must then ask; well if your plant you know is production is getting halted because of a breakdown of a machinery very often, how does how often does it happen? When does it happen? Why is it happening? So, say the prospect then starts talking about the why when and how and would be to realize the seriousness of the problem this would bring into the implication question to make the prospect again realize about the seriousness here.

So, the next question should talk would be should be made or framed in such a way that the prospect realizes the implications. So, the salesperson must intelligently ask well is this problem of breakdown too often? Is it really affecting you? Is it affecting your production line? Is it affecting your finished goods inventory? Is it going to lead to a

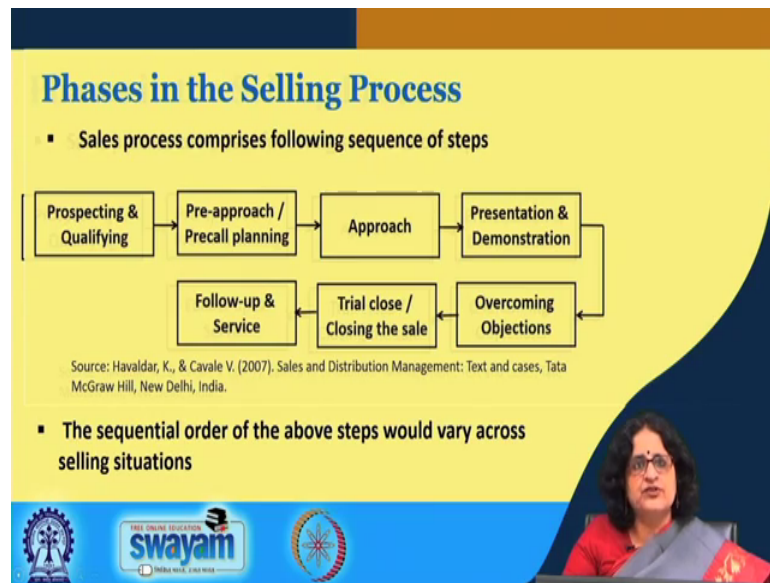
problem? Would the competitor be able to gain advantage of this you know halt in your production line and you know you know delivery schedules; is it going to have an impact on the competitor will the competitor be able to sway away your customers towards him?

So, this kind of situation would make the say if the prospect realize these kind of questions would make the prospect realize that yes I must act now otherwise it is going to be a problem. And this brings the salespersons role here now is to ask a need payoff question; which can be framed in a manner, where the prospect begins to realize yes I have to look in for a benefit.

So, the salesperson must very intelligently put the next question where he should say that; if this problem is going to be sorted out what would your benefit? You think there is something which is going to be beneficial. And then this is the prospect must understand and realize that yes; the salespersons product or service offering or the kind of business that the salesperson is into is something which can help me and the kind of product that the salesperson is deals with is something which could bring me a benefit.

So, he would actually get into this action mode or this mode into actually going in for a purchase of something which is the salesperson has to offer. So, the sales cycle would start when you know the when; the when the salesperson identifies a prospect. And then the sales person job here is to begin the dialogue and a spin could be an effective strategy. Now in the case of industrial buying; we see that the process is very complex the sales cycle is very lengthy.

(Refer Slide Time: 13:03)



And we have these different stages of the sales process. So, we begin with prospecting and qualifying once the salesperson has you know has his leads in place, he qualifies them to be prospects and then he goes in for a pre approach you know information search and pre-call planning. Thereafter he the next stage is the approach where he actually goes and meets the prospect, fourth stage is the presentation in demonstration where the salesperson makes a presentation to the prospect gives a demo or demonstration.

And then the next stages where he overcomes objections which have been posed by the prospect and then he goes in for a trial close and closes the sale. And then finally, he must go in for a follow up and service with the customer; so, that a customer satisfaction is ensured and loyalty can be built and long term relationships can be can be achieved.

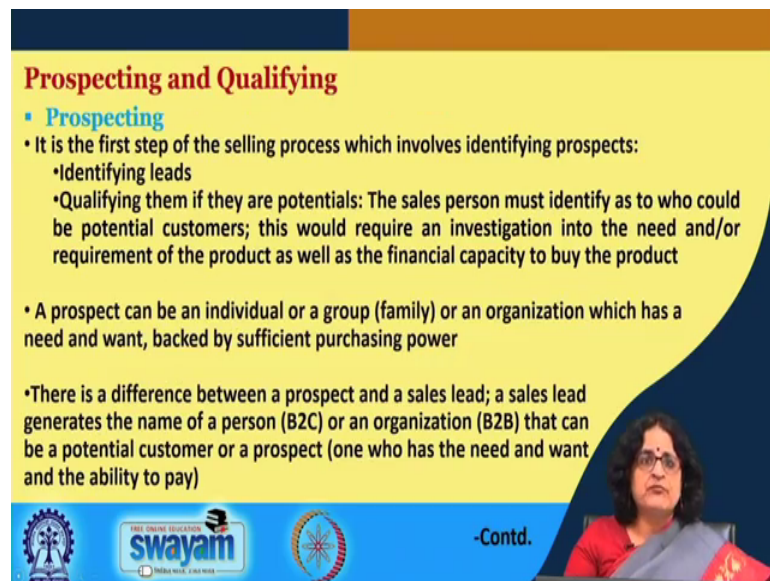
So, this particular process is something which has been proposed by Havaldar and Cavale and we this figure is sourced from his book on Sales and Distribution Management Text and Cases by Tata Mcgraw Hill. Now, as I said in the previous few you know slides I mentioned a little while ago as well that the sequential order of the above steps would vary across selling situations.

In fact, it may so happen that you know a salesperson may be very successfully able to lead a prospect across all these stages in the sales selling process. It may so happen that he that the process may get halted in between omega totally terminated in between. And

it is important that the salesperson can carry out this process as efficiently and effectively as he can.

So, that you know there is a sale and you know the customer could be satisfied at the end of the day and to be mutually beneficial for both the organized company as well as the customer.

(Refer Slide Time: 15:07)



Prospecting and Qualifying

- **Prospecting**
 - It is the first step of the selling process which involves identifying prospects:
 - Identifying leads
 - Qualifying them if they are potentials: The sales person must identify as to who could be potential customers; this would require an investigation into the need and/or requirement of the product as well as the financial capacity to buy the product
 - A prospect can be an individual or a group (family) or an organization which has a need and want, backed by sufficient purchasing power
 - There is a difference between a prospect and a sales lead; a sales lead generates the name of a person (B2C) or an organization (B2B) that can be a potential customer or a prospect (one who has the need and want and the ability to pay)

-Contd.

Now let us go into this process in detail and we will first start with the first stage which is prospecting and qualifying now. Prospecting is the first step of the selling process which involves identifying prospects. We start with identifying leads and if in qualifying them if they are potentials. So, the salesperson must identify as to who could be your potential customer.

Now this would require an investigation into the need and or want or the requirements of the product as well as the financial capacity to buy the product. So, it is important that he investigates the prospects need and or want and our requirement of the product and of course, the financial ability or the capability of the prospect to enter into a sale.

Now a prospect here can be an individual or a group in a family in the case of B 2 C; it could also be an organization which has a need and a want. And a backed by sufficient purchasing power. Now it is important here that we understand that we can identify leads

but in order to qualify them as potentials not only should they have a need and a want, but they also must have sufficient purchasing power.

Now there is a difference between a prospect and a sales lead; a sales lead generates the name of a person in the case of B2C or organization in the case of B 2 B that can be a potential customer or a prospect. That is one who has a need and an ability to pay; what we are trying to say is that not all of the sales leads would have the need and want and or the ability to pay.

So, a sales lead would just generate the name of a person ok; who can be a potential prospect, but whether he is a potential prospect or a customer or not would whether he is a prospect or a potential customer or not would actually depend upon whether he has the need and the want and has the ability to pay. So, the lead is generated and then of the various leads were generated; some of them qualified to be prospects or potential customers.

So, the salesperson has to identify who could be the potential customers and his job here starts with first identifying the potential customers and then going forward.

(Refer Slide Time: 17:33)



▪ **Methods of Prospecting:**

- Referrals from the existing customer base
- Salespersons' own circle and networks
- External sources like vendors and suppliers, channel intermediaries, industry and trade associations
- Trade fairs and trade shows
- Yellow pages and industrial and trade directories
- Cold canvassing

-Contd.

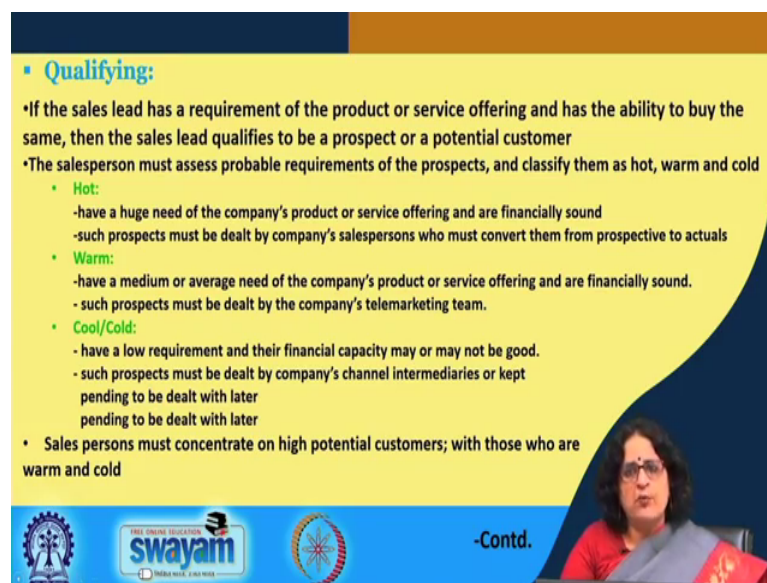
The slide features a yellow background with a blue and orange header. At the bottom, there are logos for 'swayam' (The Online Education Platform) and 'Digital India' (Empower to Empower), along with a small inset image of a woman in a red and blue sari.

Now, how what are the different methods of prospecting the sales persons could you know you know actually refer to people in their own circle in their own network. They could seek referrals from existing customer bases.

They could also you know seek help from sources like venders and suppliers and channel intermediaries or industry and trade associations. A trade fairs and trade shows are again you know forums where you know sales persons can look for prospects or can identify prospects. The yellow pages and trade directories are again a source of prospecting.

Now there is also something called cold canvassing which again is a method of prospecting. Cold calling means you know or cold canvassing means just making unannounced calls to prospects who would you know get back once they have a need or a want. So, very often salespeople go to organizations and leave behind their visiting cards or the business cards; sometimes even samples of what they produce and sell and as in when required the customer or the prospective customer would actually get in touch with them.

(Refer Slide Time: 18:47)



▪ **Qualifying:**

- If the sales lead has a requirement of the product or service offering and has the ability to buy the same, then the sales lead qualifies to be a prospect or a potential customer
- The salesperson must assess probable requirements of the prospects, and classify them as hot, warm and cold
 - **Hot:**
 - have a huge need of the company's product or service offering and are financially sound
 - such prospects must be dealt by company's salespersons who must convert them from prospective to actuals
 - **Warm:**
 - have a medium or average need of the company's product or service offering and are financially sound.
 - such prospects must be dealt by the company's telemarketing team.
 - **Cool/Cold:**
 - have a low requirement and their financial capacity may or may not be good.
 - such prospects must be dealt by company's channel intermediaries or kept pending to be dealt with later
- Sales persons must concentrate on high potential customers; with those who are warm and cold

-Contd.

Now, qualifying is very very important if the sales lead has a requirement of the product or the service offering and has the ability to buy the same; then the sales lead qualifies to be a prospect or a potential customer.

It is very important here that the salesperson is able to assess the probable requirement of the prospects, and then he must classify them into hot, warm and cold. Now hot prospects are those who have a huge need for a company's product or service offering and they are very very financially sound. Such people must be actually dealt with by the

company's own sales persons who would put in that effort to convert them from prospective to actual.

Warm prospects are those who have a medium or an average need of the company's product and service offering and are financially sound. And such prospects must be dealt with by the companies telemarketing team; then we have the cool prospects or the cold prospects, who have low requirements and their financial capacity also may not be too good; so they are you know people who can be dealt with you know by the channel partners or the trade intermediaries or they could be dealt they could be you know they are dealing with them could be postponed for later times.

And the hot are those who have a huge need and have financially sound, warm have medium or average need and they are financially sound they must be dealt with by the companies telemarketing team. And the cool or the cold are those who should be dealt with later they could be dealing with them could be postponed for sometime in future. Sales persons must actually concentrate on the high potential customers; you know and rather than with those who are warm and cold ok.

(Refer Slide Time: 20:35)

Pre-approach/Pre-call planning

- **Pre-approach**
 - In this stage the sales person gathers information about the prospect and tries to understand him, his background, and his problems before making a sales calls
 - This enables the salesperson to be organized and prepared for a meeting; it prepares a ground for the buyer-seller interaction or the dyad; Problem-solution linkage; Need-Benefit
 - The salesperson may access different sources of information, be it the company website, Internet pages, industrial and trade directories, business magazines etc.
 - A pre-approach callings helps the salesperson gain familiarity with the prospect and helps build confidence; this would increase the likelihood of a sale

-Contd.

The next stage is what we refer to as the pre approach or the pre plan a pre call planning; we refer to it as the pre approach or the pre call planning.

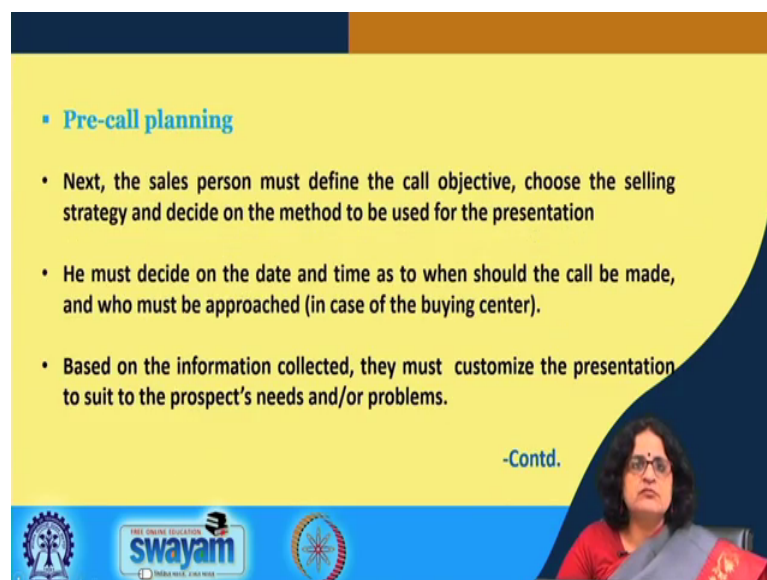
Now what is a pre approach? In this stage the salesperson gathers information about the prospect and tries to understand him his background, and his problems before making a sales call. So, this enables the salesperson to be more organized we know prepared with the first interaction with the prospect.

It prepares the ground for the buyer seller interaction or the dyad and it is important here that the salesperson understands his prospects problems; you know through other sources before he can actually present a solution through his dialogue; and the presentation which would follow later. So, it is; the pre approach important to design the product.

So, to design the problem solution linkage or the need benefit you know a relationship. So, the salesperson is able to present the product as a benefit which would help solve a problem or satisfy a need which the prospective customer is facing.

So, sales person may access different kinds of you know information sources be it the company website, the internet pages, industry and trade directories, business magazines etcetera. Also, a pre approach calling helps the salesperson gain familiarity with the prospect and it helps build confidence this would again increase the likelihood of a sale.

(Refer Slide Time: 22:15)



- **Pre-call planning**
- Next, the sales person must define the call objective, choose the selling strategy and decide on the method to be used for the presentation
- He must decide on the date and time as to when should the call be made, and who must be approached (in case of the buying center).
- Based on the information collected, they must customize the presentation to suit to the prospect's needs and/or problems.

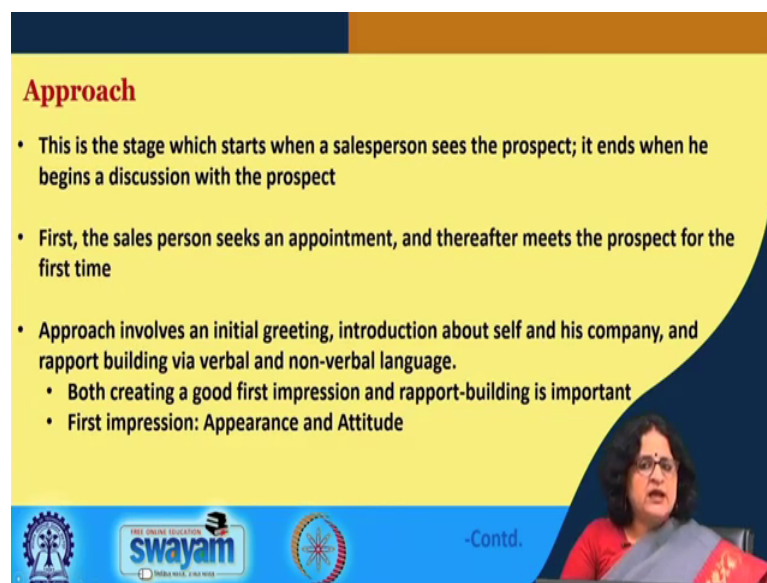
-Contd.

The next is within the same stage is pre called planning where the salesperson must define this call objective, choose the selling strategy and decide on the method of presentation.

So, he must decide on the date and time as to when should the call be made and who must be approach in who must be the approached in case of the buying center; that is in case it is a purchase committee which is which takes calls or which takes a final decision. And the sales persons job is here to decide the; whose person should be with whom he must interact or whom he must approach and present his offering.

So, based on the information collected the salesperson must customize the presentation to suit the prospects needs and or problems.

(Refer Slide Time: 23:03)



Approach

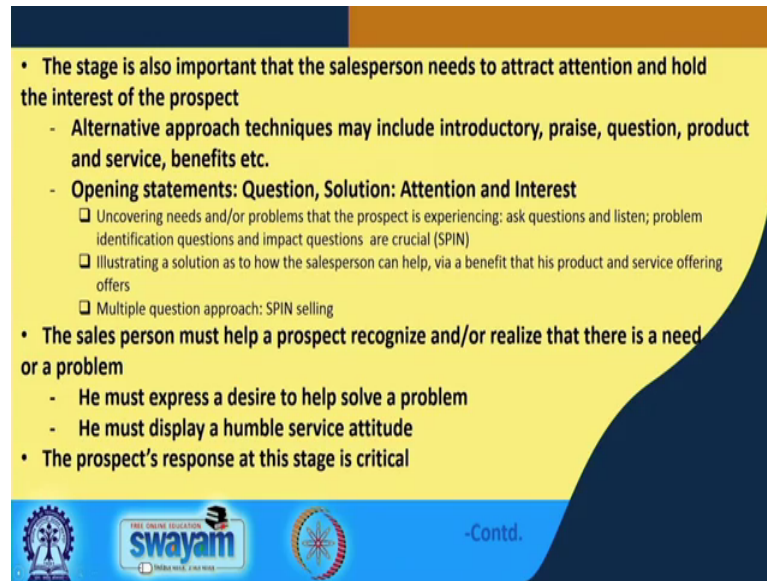
- This is the stage which starts when a salesperson sees the prospect; it ends when he begins a discussion with the prospect
- First, the sales person seeks an appointment, and thereafter meets the prospect for the first time
- Approach involves an initial greeting, introduction about self and his company, and rapport building via verbal and non-verbal language.
 - Both creating a good first impression and rapport-building is important
 - First impression: Appearance and Attitude

swayam
-Contd.

The next stage is the approach stage: now this is the stage which starts when a salesperson sees the prospect, it ends when he begins a discussion with the prospect. So, if this is the initial few moments or initial few minutes which he spends with the prospect before he begins discussions on the product. So, the first here the salesperson must seek an appointment and thereafter he would meet the prospect for the first time.

Now approach involves an initial greeting an introduction about self and about the company and rapport building via verbal and nonverbal language. Now both creating a good impression and rapport building is very very important; first impression of course, gets created not only with your appearance but also with the kind of attitude that you exhibit or that you display.

(Refer Slide Time: 23:49)



- The stage is also important that the salesperson needs to attract attention and hold the interest of the prospect
 - Alternative approach techniques may include introductory, praise, question, product and service, benefits etc.
 - Opening statements: Question, Solution: Attention and Interest
 - Uncovering needs and/or problems that the prospect is experiencing; ask questions and listen; problem identification questions and impact questions are crucial (SPIN)
 - Illustrating a solution as to how the salesperson can help, via a benefit that his product and service offering offers
 - Multiple question approach: SPIN selling
- The sales person must help a prospect recognize and/or realize that there is a need or a problem
 - He must express a desire to help solve a problem
 - He must display a humble service attitude
- The prospect's response at this stage is critical

The footer contains logos for Swamyam (Free Online Education) and a 'Contd.' label.

Now the stage is also important you know because the salesperson needs to attract attention of the prospect and hold the interest of the prospect. Different kinds of approach techniques may be used which may be introductory where you introduce yourself and the company or it may be a phrase; where you start with praising the prospect prospects organization or his office or his appearance. It could also be a question where you start with asking; Sir is it the right time to talk?

Or it could be a product and service you know it start talking; Sir I am so and so; and I have come here to display this kind of a product or present myself to present to explain what this product is about or the benefits are about. Now the opening statements again; if in the form of a question and a solution would actually you know grab attention and you know solicit interest on the part of the prospect and here is again where there are useful takeaways from the spin selling.

So, this particular state would involve uncovering the needs and our problems that the prospect is experiencing, asking questions, listening to them; problem identification questions and impact questions are very very crucial here and again we can draw upon you know insights from the spin.

Illustrating a solution as to how the salesperson can help via a benefit that the product or the service; you know offering offers is again something which we will attract attention and hold the interest of the prospect. Multiple question approach which is the which is

the fundamental of the spin selling is can be very very useful to attract attention and hold the interest of the sales of the prospect.

Now, the salesperson must help the prospect recognize and realize that there is a need or a problem and he must actually express a desire to help solve the problem. He must display a very very humble service attitude and the prospects response is something which is very very critical at this stage to take the process forward.

(Refer Slide Time: 25:59)

Presentation and Demonstration

- This is the stage where the salesperson describes his product and explains as to how it meets buyer's needs
 - Customers buy products and services to meet their needs and requirements
 - It is important that the salesperson understands prospect's needs or requirements
 - He must begin the presentation keeping in mind the sales objective
 - He must be humble, and illustrate to the prospect that his need/problem can be resolved
- He must understand the prospect's mind and the cognitive processes through which he passes; he must move the prospect to a state of desire, and a conviction towards purchase
 - Decide on the sales presentation method
 - Develop a good sales presentation, and move the prospect across stages of desire, action and purchase

-Contd.

The slide features a yellow background with a blue and orange header. At the bottom, there are logos for 'swayam' and 'THE OPEN UNIVERSITY', along with a small video inset of a woman in a red and grey sari.

The next stage is the presentation and the demonstration, and this is the stage where the salesperson describes his product and explains as to how you know it meets the buyers needs. Now in we would not be able to emphasize much about the spin here.

Because it we the in the case of spin it is in the buyer or the prospective buyer who must be encouraged to talk and speak. But in this case it is more of the seller who must dominate the discussion where he must make a presentation and give a demonstration. Now it is very important to understand the fact that customers buy a product and services to meet their needs and requirements.

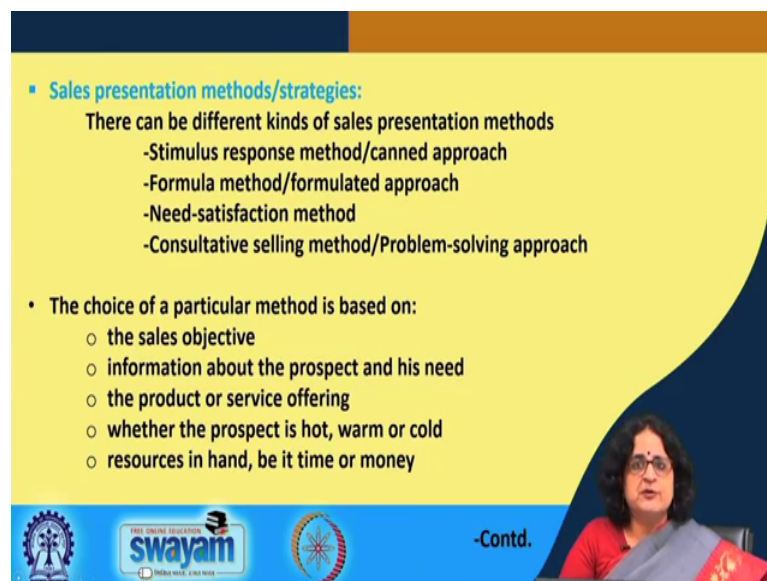
And it is important that the sales persons must understand the prospects needs or requirements. He must begin the presentation keeping in mind the customer's needs and requirements and how the product or service offering which is he offers is something which would lead to a benefit which should help solve the need or the problem.

So, he must be very humble and you must illustrate to the prospect that his need of problem is something which can be definitely resolved. So, he must understand the prospect's mind and the cognitive processes through which the prospect passes and he must move the prospect to a state of desire and conviction towards the purchase.

So, it is very important here that the salesperson decides on the salesperson sales presentation method and develops a very very good sales presentation and moves the prospect across stages of desire action and purchase. Now in the previous stage in the pre call and the pre planning; the salesperson would already have done his homework with the kind of presentation he should make or the kind of strategy he must adopt.

But the final call of the final decision must be made at this stage after the approach has happened.

(Refer Slide Time: 27:51)



▪ **Sales presentation methods/strategies:**

There can be different kinds of sales presentation methods

- Stimulus response method/canned approach
- Formula method/formulated approach
- Need-satisfaction method
- Consultative selling method/Problem-solving approach

• The choice of a particular method is based on:

- the sales objective
- information about the prospect and his need
- the product or service offering
- whether the prospect is hot, warm or cold
- resources in hand, be it time or money

-Contd.

Now, what are the different kinds of sales presentation methods and strategies? There can be different kinds which we will deliberate on and explain more you know there is a stimulus response method or the canned approach, the formula method or the formulated approach, the need satisfaction method and the consultative selling method or the problem solving approach.

Now choice of particular strategy or a method again depends upon what is the sales objective; is it cognitive effective behavioral the input again it should be based on the

information about the prospect and his need the product or service offering in question whether the prospect is hot, warm or cold.

And what and what are the different kind of resources which the salesperson is has in hand be it time or money.

(Refer Slide Time: 28:37)



Stimulus response method/canned method:

- The salesperson delivers a memorized sales talk; and delivers a standardized sales presentation
- There is no linkage with prospect's needs, or what the customer requirements are
- A structured approach; Lacks customization in entirety
- It ensures that a company's salespersons make the same presentations and give the same information
- It is used by tele-marketing or door-to-door salespersons
- It is appropriate when the product is simple, non-technical; selling time is short

-Contd.

The slide features a yellow background with a blue and orange header. At the bottom, there are logos for 'swayam' and 'MHRD' along with a small inset image of a woman speaking.

Now let us talk about the different methods the stimulus response method or the canned method involves or memorized sales talk which is delivered by the salesperson.

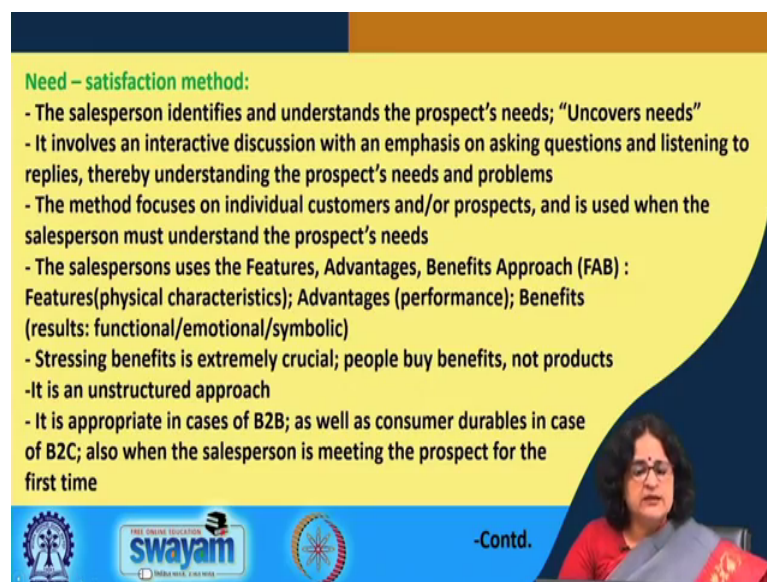
It is a very standardized sales presentation where there is no linkage with the prospects need or what the customer requirements are. It is a very structured approach and the company's sales person makes the same presentation and it gives the same information to everyone. This kind of a method is used by telemarketers or by door to door sales persons and at lacks customization in entirety; it is appropriate when the product is simple when it is non technical and the selling time is short.

And again it is something which will ensure that the salesperson makes the same presentation and gives the same information to everybody. Second is a formula method or a formulated approach where the salesperson uses the AIDA or the attention interest desire and action model and moves the prospect through the five through the five mental states. It is based on the assumption that all prospects are similar and similar and in similar situations and the similar stimulus would lead to a similar response.

It is a very it is a semi structured approach the same standard formula for different customers is used. And while we focus on the attention interest desire an action; we also think about the fifth stage which is satisfaction. And so the prospect moves through the five mental states and its responsibility of the salesperson to move him through these five stage stages.

Now this particular approach is appropriate in cases of repeat purchases on the part of the customer. It is also appropriate when the salesperson is aware of the customer requirement and so he would present his offering through keeping in mind the attention, interest, desire, action and satisfaction model.

(Refer Slide Time: 30:35)



Need - satisfaction method:

- The salesperson identifies and understands the prospect's needs; "Uncovers needs"
- It involves an interactive discussion with an emphasis on asking questions and listening to replies, thereby understanding the prospect's needs and problems
- The method focuses on individual customers and/or prospects, and is used when the salesperson must understand the prospect's needs
- The salesperson uses the Features, Advantages, Benefits Approach (FAB) : Features(physical characteristics); Advantages (performance); Benefits (results: functional/emotional/symbolic)
- Stressing benefits is extremely crucial; people buy benefits, not products
- It is an unstructured approach
- It is appropriate in cases of B2B; as well as consumer durables in case of B2C; also when the salesperson is meeting the prospect for the first time

-Contd.

The slide also features logos for Swamyam (Free Online Education) and a small video inset of a woman in a red and grey saree speaking.

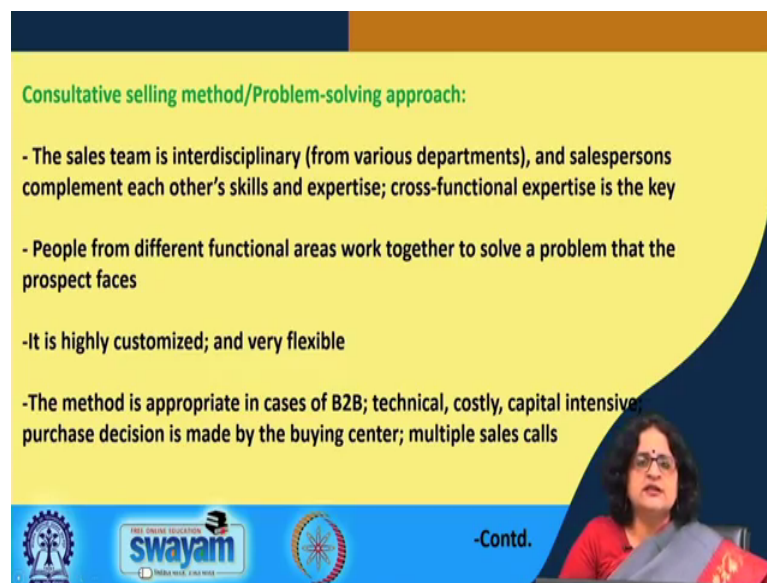
The third is a need satisfaction method which is where this salesperson identifies and understands the prospects needs. He uncovers the needs and it involves an interaction decision in interactive discussion with the in emphasis on asking questions, listening to replies. Thereby, understanding what the prospects problems are, what his needs and requirements are.

So, the method focuses on the individual customer and is used when the salesperson must understand the prospects needs to be able to sell products which are you know expensive or technically complex. The salesperson uses the FAB approach or the Features Advantages and Benefits approach.

Now the FAB approach here means emphasizing upon the features which are the physical characteristics of the product, the advantages or the performance of the product and the benefits or the results of the performance or the results here you know could be functional, emotional, symbolic. Stressing the benefits is very very crucial people buy benefits they do not buy products and we have to understand here that benefits have to be very very explicitly stated.

So, the features talks about the physical characteristics, the advantages talk of the performance and the benefits talks about the results of the performance in terms of functional, emotional and symbolic benefits. Now the need satisfaction approach is an unstructured approach its highly customized to customer requirements or the customer needs. And it is appropriate in case of B2B; it is also in the case of you know B2C it is appropriate for consumer durables and it is also appropriate in cases where the salesperson is meeting the prospect for the first time.

(Refer Slide Time: 32:25)



Consultative selling method/Problem-solving approach:

- The sales team is interdisciplinary (from various departments), and salespersons complement each other's skills and expertise; cross-functional expertise is the key
- People from different functional areas work together to solve a problem that the prospect faces
- It is highly customized; and very flexible
- The method is appropriate in cases of B2B; technical, costly, capital intensive purchase decision is made by the buying center; multiple sales calls

-Contd.

The slide features a yellow background with a blue and orange header. At the bottom, there are logos for Swamyam (Free Online Education) and a circular logo, along with a small inset image of a woman in a red and grey saree.

The next is the consultative selling method or the problem solving approach; where a cross functional team is used and sales are conducted or sales presentations are made.

Now the sales team is interdisciplinary from different departments, from different divisions and the sales persons complement each other with respect to their knowledge with respect to their skills and expertise. So, it is a cross functional expertise is the key

people from different functional areas work together to solve a problem that the prospect may be facing.

So, it is very very customized and very flexible and the method is appropriate in the case of B2B scenario where which involve technical products costly product, capital intensive products and where purchase decisions are made by people in the buying center. Also this would mean that you know the sales team would have to make multiple sales calls.

So, this method is appropriate for cases where product is highly technical costly capital intensive and purchase decisions are made by the members of the buying center or the purchase committee. Each of which I can say no each of which can say yes and this would mean multiple sales calls at you know before a fine before the next stages reached.

(Refer Slide Time: 33:41)

FAB selling technique:
-Use the SELL Sequence

S	E	L	L
Show feature	Explain advantage	Lead into benefit	Let customer talk

-Contd.

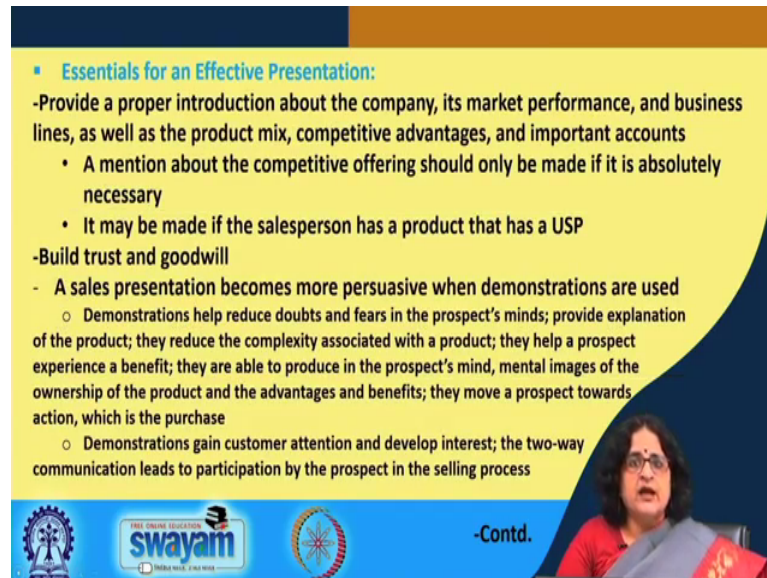
The slide features a yellow background with a dark blue header and footer. At the bottom right, there is a small video inset of a woman in a red and grey sari. The footer contains logos for Swamyam and other educational institutions.

So, here we often can use the FAB selling technique with the selling with the sell sequence. So, a FAB selling technique clubbed with the sell sequence where you know you show the feature which is F, you explain the advantage which is A and you will lead into a benefit which is B.

Now showing the feature means S, explaining the advantage means E, leading into a benefit means L. And then of course, it is important that you let the customer talk and

listen to him which is L. So, that is how you club the FAB selling technique and you use it with the sell with the sell sequence.

(Refer Slide Time: 34:23)



▪ **Essentials for an Effective Presentation:**

- Provide a proper introduction about the company, its market performance, and business lines, as well as the product mix, competitive advantages, and important accounts
 - A mention about the competitive offering should only be made if it is absolutely necessary
 - It may be made if the salesperson has a product that has a USP
- Build trust and goodwill
 - A sales presentation becomes more persuasive when demonstrations are used
 - Demonstrations help reduce doubts and fears in the prospect's minds; provide explanation of the product; they reduce the complexity associated with a product; they help a prospect experience a benefit; they are able to produce in the prospect's mind, mental images of the ownership of the product and the advantages and benefits; they move a prospect towards action, which is the purchase
 - Demonstrations gain customer attention and develop interest; the two-way communication leads to participation by the prospect in the selling process

FREE ONLINE EDUCATION
swayam
BROADEN YOUR KNOWLEDGE


-Contd.

Now before we finish let me quickly talk about the essentials of effective presentation. The salesperson must introduce you know the company its market performance; its business line this product makes the competitive advantages important customers and clients.

I mention about the competitive offering of course, must only be made if it is absolutely essential and in cases where the salesperson and his company offers a USP or a Unique Selling Proposition. So, a sales presentation must also be something which will build trust and goodwill. Demonstrations must be used because they help reduce doubts and fears in the prospects mind, they provide explanation of the benefit, they reduce the complexity associated with the product; they also help a consumer experience a product you know mentally.

So, if the consumer the prospect can form mental images of the ownership of the product and the advantages and the benefit. And so this would move a prospect towards action. Demonstrations also gain customer attention develop is interest and the two way communication between the prospect and the salesperson also is very very beneficial.

(Refer Slide Time: 35:31)



▪ Guidelines for an making a Presentation:

- Plan the sales call
- Understand the prospect's needs and/or problems
- Select and appropriate sales presentation method
- Emphasize upon the benefits of the purchase; provide facts and evidence: Features, Advantages, Benefits
- Make use of exhibits, facts and figures, testimonials; also make use technological aids: graphics, audio visuals
 - Visuals: graphics, dramatization, and demonstration
- Ensure cultural norms are adhered to

THE ONLINE EDUCATION swamyam MEDIA WISE. LEAD WISE.

-Contd.

So, in order to have make a good presentation, plan the call; you know understand the prospects need, select the right kind of sales presentation method, emphasize upon the benefits; provide facts figures, talk about the features advantages and benefits.

Make use of you know facts, figures, testimonials; also make use of technical aids you know graphics, audio, visuals. Visuals here if in graphics limited dramatization and demonstration. Again could be very very helpful and very important is that ensure that cultural norms are being adhere to. Because in the case of you know selling what is very very important is building rapport building interpersonal relationships and so it is very essential that cultural norms are taken care of.

(Refer Slide Time: 36:19)

References:

- ❑ Still, R.R., Cundiff, E.W., Govoni, N.A.P. and Puri, S. Sales and Distribution Management, 6th Edition, 2017, Pearson India Education Services.
- ❑ Havaladar, K.K. and Cavale V. M., Sales and Distribution Management: Text and cases, 3rd Edition, 2017, McGraw Hill Education (India) Private Limited.
- ❑ Havaladar, K.K. and Cavale V. M. (2007; 2008), Sales and Distribution Management: Text and cases, Tata McGraw Hill, New Delhi, India.
- ❑ Panda, T. and Sahadev. S, Sales and Distribution Management, 2nd Edition, 2011, Oxford University Press, India.
- ❑ Futrell, C. (2008), Fundamentals of Selling, 10th Edition, 2013, McGraw Hill Education.

The slide features a dark blue background on the left with the word 'References' in a yellow, cursive font. The right side is a light yellow trapezoidal shape containing the reference list. At the bottom, there is a blue banner with the Swamyam logo and a small video inset of a woman in a red and grey sari.

So, with this we have come to an end of this particular lecture; the references are as follows.

(Refer Slide Time: 36:25)

Conclusion:

This brings us to an end of the fifth lecture on the fourth module of the Course.

The slide has a dark blue background on the left with the word 'Conclusion' in a yellow, cursive font. The right side is a light yellow trapezoidal shape containing the conclusion text. At the bottom, there is a blue banner with the Swamyam logo and a small video inset of a woman in a red and grey sari.

And I hope you found this lecture useful, we shall be talking about the next three stages in the next lecture.

Thank you so much.