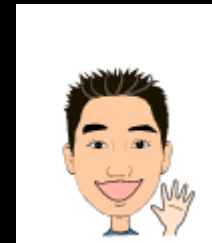


Mastering the art of selling

Sales Training Materials



September 2007
Japan





Theories

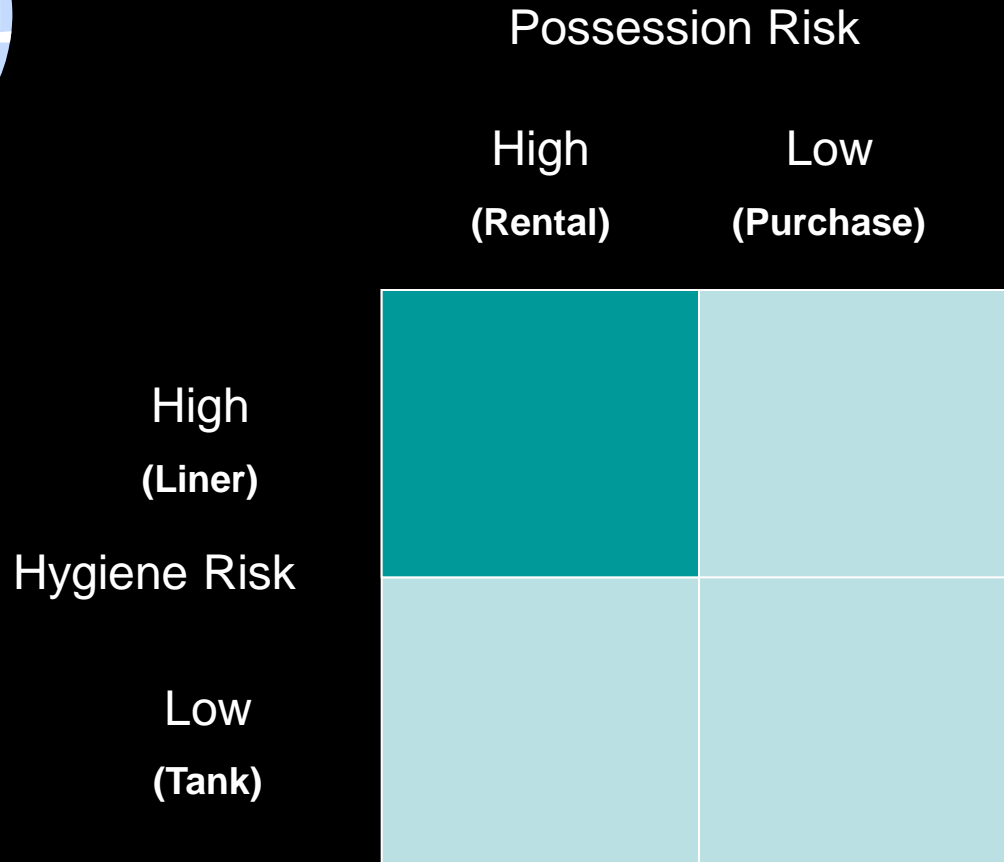
1. Strategic Positioning
2. Rental Advantage Matrix
3. Trade-offs
4. Revenue – Cost = Profit
5. Revenue = Unit Price x Nos.Sold
6. Pricing
7. Numbers



Strategic Positioning

	Rental	Sale
Liner		
Tank		

Allocate competitors to four cells as many as possible.



From customers/prospects point of view the strategic positioning map corresponds to the Possession/Hygiene Risk matrix.

Rental Advantage Matrix

Customers' Business Sustainability

		High	Low
Product Seasonality	High	A	B
	Low	D	C

Which cells are advantageous for rental?

In which cell doesn't rental work?

Rental Advantage Matrix

Customers' Business Sustainability

	High	Low
High Product Seasonality	A	B
Low	D	C

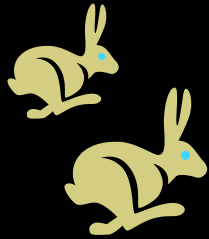
Which cells are advantageous for rental?

In which cell doesn't rental work?

5

Recall this matrix whenever you are asked 'why rental', and ask a question about the risks that a prospect may take.

Customers do not always stay in the same quadrant. We should accept the facts that some customers move to D at later stage.



Trade-offs

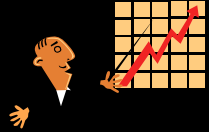
Stay with the products which are taken by, or used for the human body.

Foods and skin/hair care products are the segments where liner x rental combination works.

Do not be lured by the cell D prospects of which business volume is normally large.

If you run after two hares, you will catch neither.

(The Japanese saying)



Revenue – Cost = Profit

Profit is generated as long as
the revenue exceeds the cost.

Hence the most important thing is to earn **REVENUE**.

Who can earn revenue?

Salespersons only....

Revenue = Unit Price x Nos.Sold

In our case

Hire revenue = Daily hire rate x Nos. on hire

This simple formula tells us two fundamentals.

- ① We must choose the correct hire rate.
- ② We must sell more.



Pricing

Price is always relative.

Nothing is absolutely expensive.

Guide prospects professionally.

Management is pricing.

(Kazuo Inamori)



Price doesn't matter, Product Value does.

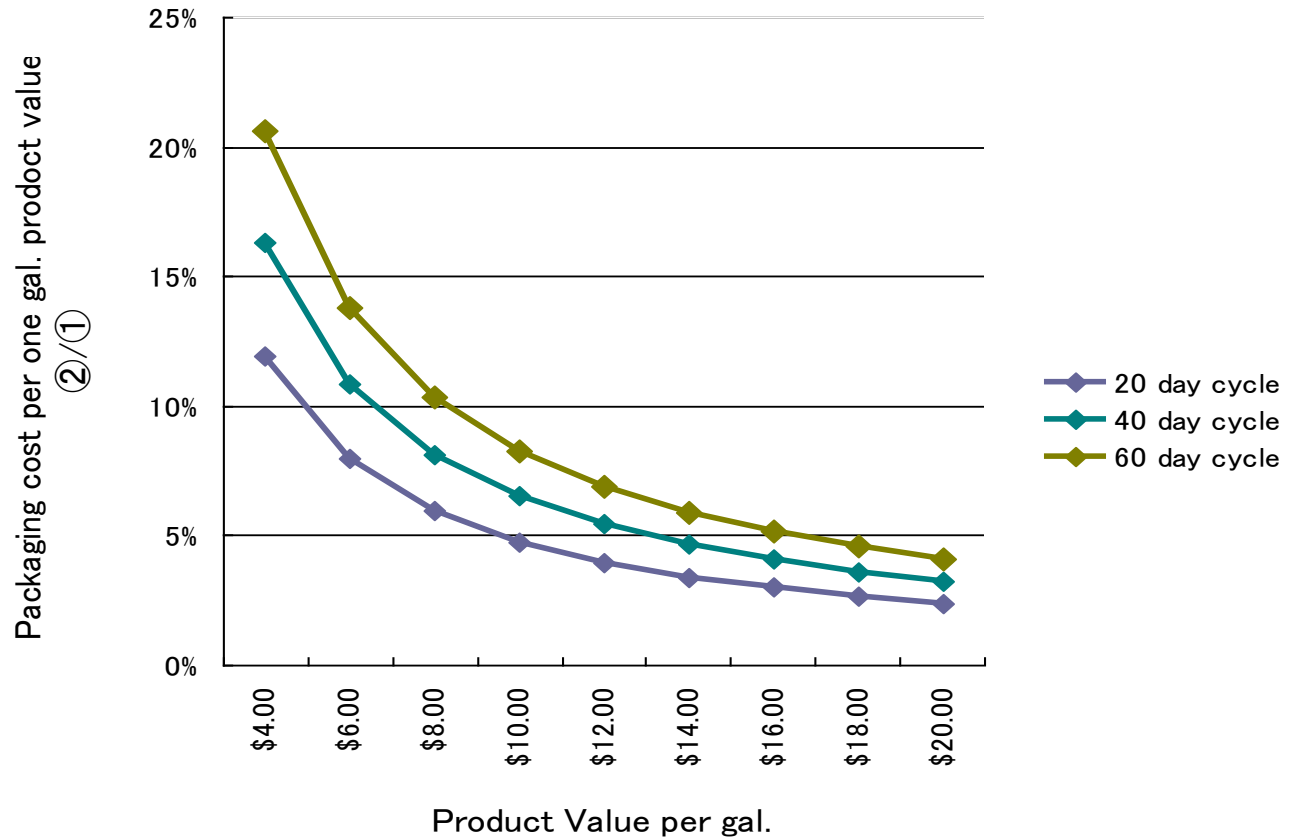
- ① Ask the value of the product per kg.
- ② Estimate the packaging cost per kg.
- ③ Divide ② by ① to get %.

A champion knows this % before meeting with a prospect.
Be prepared.

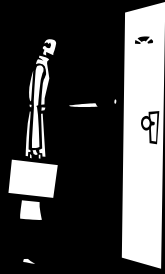
Compare the package of a diamond ring at a jeweler's shop and that of its imitation at a night stall.



Pricing Theory



What do you learn from this chart?



Numbers

- ① Sales is 'Numbers game'.
- ② Numbers mean how many new applications are listed in the Prospect Control Sheet.
- ③ The more Numbers, the higher closing ratio, the higher commissionable revenue

Set your targeted numbers and write down in your Prospect Control Sheet.

Monitor, review, and reset your numbers twice a year.



The examples of the numbers of applications that the salespersons have for 6 months

Nos. of Applications	04 FH	04SH	05FH	05SH	Avg.	Experience
Salesperson A	60	55	51	47	53	9 years
Salesperson B	44	49	50	41	46	6 years
Salesperson C	48	50	51	37	47	5 years
Salesperson D	45	46	43	35	42	2 years
Average	49	50	49	40	47	5.5 years

Set your own target!



What are their closing ratios?

Closing Ratio	04 FH	04SH	05FH	05SH	Avg.	Experience
Salesperson A	28%	25%	41%	45%	34%	9 years
Salesperson B	39%	41%	30%	54%	40%	6 years
Salesperson C	25%	24%	29%	30%	27%	5 years
Salesperson D	13%	15%	28%	11%	17%	2 years
Average	26%	26%	32%	35%	30%	5.5 years

Set your own target!



How much do they earn?

Commissionable Revenue	04 FH	04SH	05FH	05SH	Avg.	JPY Mil.
						Experience
Salesperson A	27	23	26	26	25	9 years
Salesperson B	14	13	18	16	15	6 years
Salesperson C	14	10	6	8	9	5 years
Salesperson C	8	7	6	9	8	2 years
Average	16	13	14	15	14	5.5 years

Set your own target!



Figuring Your Sales

Allocate the following points to your sales activities.

C&V = 1 point

Demo = 2 points

Trial = 3 points

Trade = 4 points

All other prospect/customer calls = 1 point/call



Points x Revenue Matrix

The matrix reflects your daily sales footwork and your revenue contribution to the company.

Get away from the “new-comer zone” as quickly as possible.

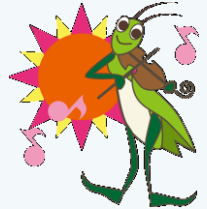



Do not stay at the “ant zone”.

Do not enter into the “grasshopper zone”.
Revenue drops down sooner or later.

Stay at the Star zone!

Set your own target when you enter the Star zone!

Points x Revenue Matrix

		Points	
		Low	High
Revenue	High	<p>Grasshopper</p> 	 <p>Star</p>
	Low	<p>Newcomer</p> 	<p>Ant</p> 



Presentations

1. Handling Objections
2. Objections or Conditions?
3. Common Objections
4. Prepare for FAQs
5. Stimulate Prospects' Five Senses



Handling Objections

Most objections are predictable.

Prepare, and enjoy objections.

Preparation means to write down your answers in your notebook.

An objection is a statement by your prospect that he wants to know more.
(Tom Hopkins, How to Master the Art of Selling)



Objections or Conditions?

1. A condition is a total block to the sale that you must accept and walk away from.
2. Tell conditions from objections as quickly as possible. Do not waste your time.

Try to break it down. If it doesn't break down, it's a condition.

If no conditions exist and they don't buy, it's your fault.

(Tom Hopkins, How to Master the Art of Selling)



Common Objections

1. We don't rent. We prefer buying.
2. We had a bad experience with xxx before.
3. It is more expensive.
4. It is heavier, or more difficult to handle.
5. Products are easily leaked through a liner.
6. Depots are too far. Transports are costly.
7. We cannot control losses or damages at our customers.
8. We have a long and good relationship with our current supplier.
9. We need our customers' or suppliers' consent.

Write down your answers to those objections.



Prepare for FAQs

Most questions are predictable, hence you must be well prepared to answer.

FAQs from those who haven't used IBCs before.

1. What are the IBCs advantages?
2. How do we calculate and assess the costs?
3. How do we get and/or return containers?
4. How do we weigh the product?
5. Do our current facilities accommodate your IBCs?

Write down your answers.



Prepare for FAQs

FAQs from those who have used other IBCs

1. Why is “rental” better than “purchase”?
2. What are the advantages of your products and services?
3. What are the differences between xxx and yours?
4. Tell me how we can justify the higher cost.
5. Who else do you rent your IBCs? Do our oppositions use your system?

Write down your answers.



Presentations



Touch the prospects five senses as much as possible.

Your talks stimulate their ears only.

Stimulate their eyes by showing the visual aids such as videos, pictures, your hand writing sketches, etc.

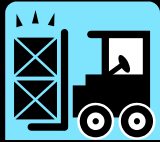
Let them talk about the advantages of our system.

Make him feel liners, glands, perforators, etc.

Let them assemble/disassemble a container at a demonstration.

Let them touch the water through the top of the liner.

Let them feel the water pressure through a membrane.



Demonstrations & Trials

Do not omit demonstrations. Jumping to a trial (or even to a trade) will end up with a failure.

Do demonstrations at both suppliers and receivers.

Trial is a prospect final process of making decision, or a convincing process of their customers, suppliers, and their people.

Do spend time and money for demonstrations and trials.

It is the shortest and the safest way to trade.



Trade

Trade means to make a prospect change to a customer.

Trade means to let a prospect sign the contract.

Be prepared that you can close the deal anytime, anywhere.

Stop the trade immediately, if a customer does not pay .



Handling Customers Complaints & Claims

There is no business that have no complaints & claims from customers.

It is the best opportunity for you to strengthen relationship with your customers.

Take customers complaints as the first priority. Cancel other appointments. (Those who are cancelled appreciate your “customers claims first” policy.)

It is the greatest chance to show the differences with your competitors.



Good luck!