



Smart Selling in Tough Times

Workshop Leaders:

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CENTER FOR ECONOMIC
DEVELOPMENT



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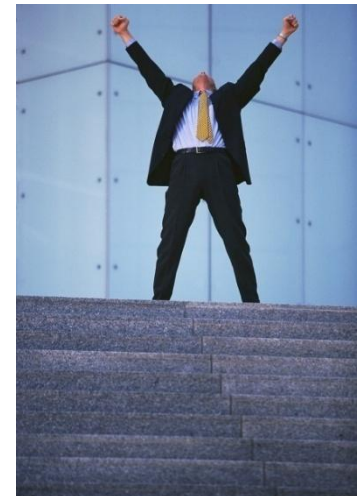
Workshop Topics

- How recessions can impact *sales cycles*
- How to *match* your sales approaches to different buyer types
- Activities that may not work
- Sales tactics for different buyer types



Our Goal

- Stimulate your *thinking* about successful selling during a recession
- Provide suggested *strategies* and *tactics* that you can put to *immediate* use
- Have fun!



How Bad is it Really?



“An economic downturn is a terrible thing to waste!”

Recession Impact:

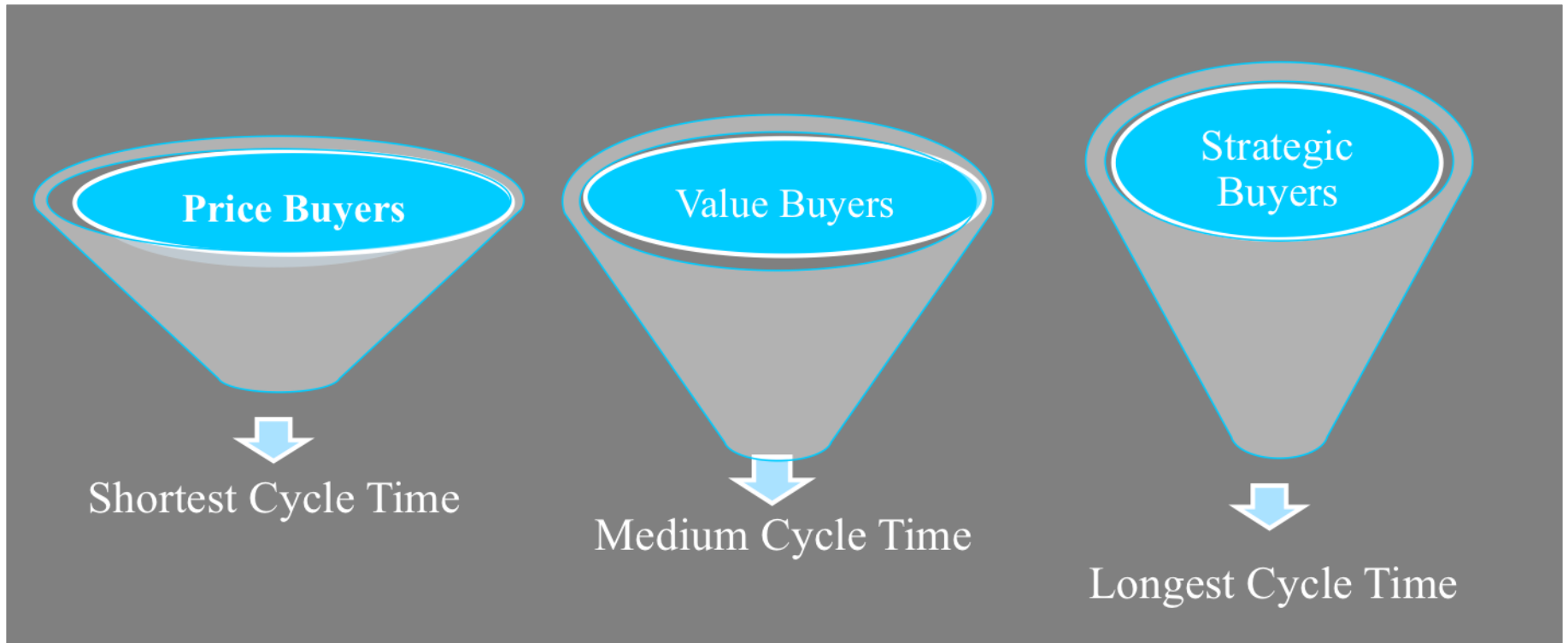
Survey of Sales Executives/Consultants

- 77% reported buying decisions are *taking longer*
- 52% stated buyers are *purchasing less*
- 41% felt buyers were demanding more *price concessions*
- 38% were directing sales organizations to *pursue new categories* of customers

Common Issues During Recessions?

- Our sales people have never sold during an economic downturn
- Our sales people are not as prepared as they could be to call higher in the organization
- The length of our sales cycles are increasing
- Buyers are requiring more value justification and are stalling out in the land of “NDI”
- Marketing messages aimed too low in the buying organization & focused on buyers that can’t make the buying decision
- Others?

Different Types of Buyers Require Different Approaches!



Efficient sales cycles

Buying cycles extended in tough times

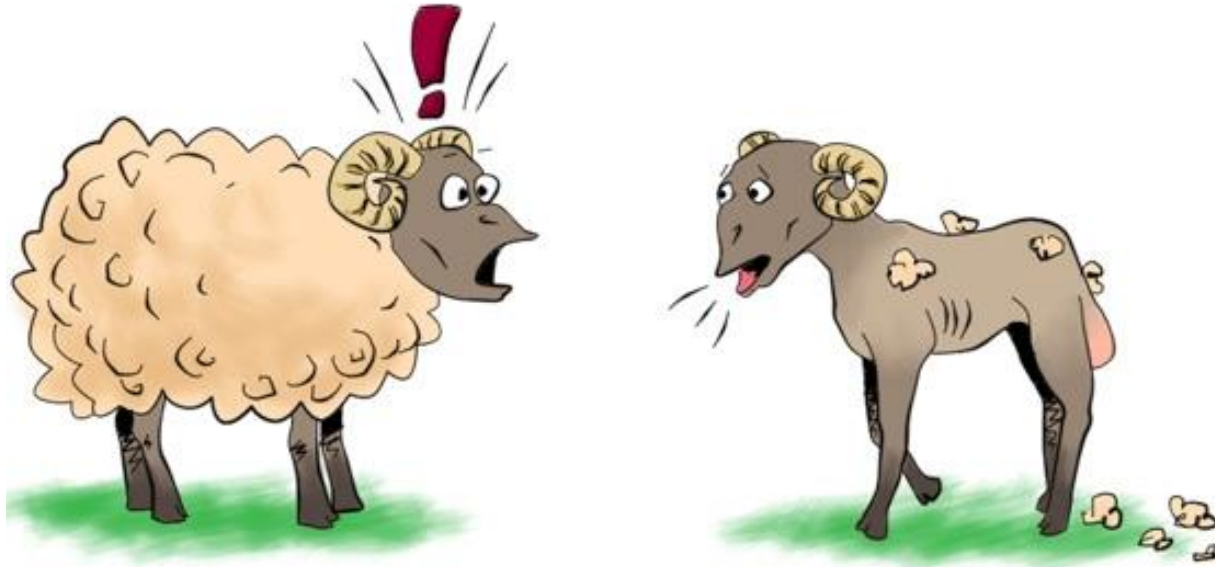
Company abilities is first priority

Price, delivery, works out of box

Solution first, value justification next

Ability to deploy company resources

Tactics That Can Hurt!



**“Yes they shaved our margins a little,
but they signed the contract!”**

Activities That May Not Work!

- Inaction?
 - “Isn’t a great strategy for good times, in a recession, it’s suicidal.”
- Increase Sales Activities?
 - More Calls \neq More Orders!
 - Price Buyers - increase the *right* activities!
 - Value Buyers - increase the *right* prospects!
 - Focusing on the *wrong end* of the sales cycle!
- Price Reductions?
 - Value Buyers will purchase *safety, security and reliability* at a *price premium*!

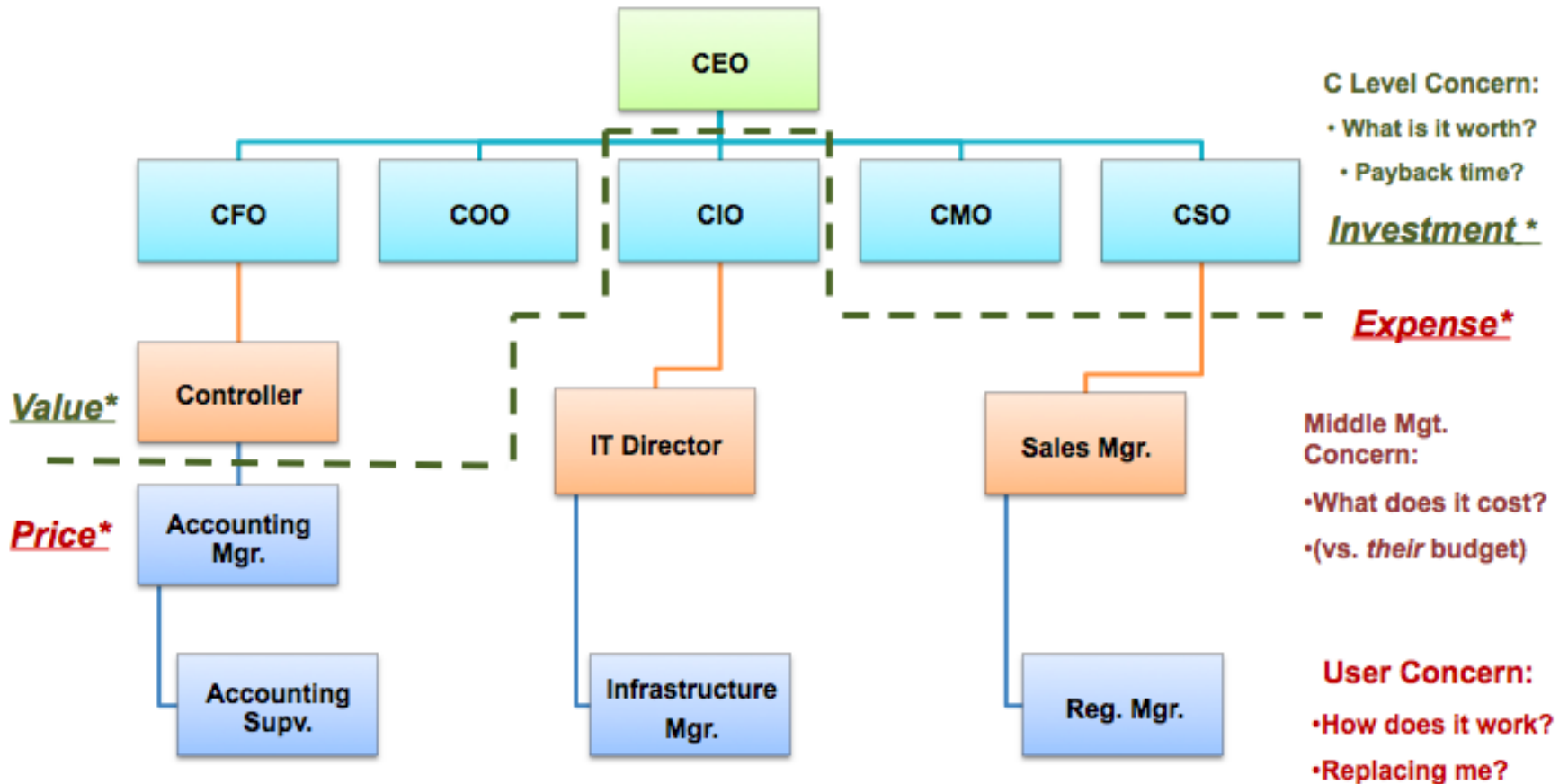
Recession Tactics: Price Buyers

- Pumping-up the volume of “productive” calls
- Minimize *non-productive* activity reporting
- Negotiate with *company agreed upon* concessions
- Streamline pricing/quotation *processes* for speed

Where is the “Value” Customer at Today?

- During a recession, the normal value buying cycle will be extended
 - Some studies have shown up to 40%
- *Security* and *safety* become more important !
 - “No one ever got fired for buying IBM”
- More buying decisions are being made by committees and groups
- Budgets are tighter
 - Approval of funds may be moving higher in your customers organization!

The Value Line*



*Line moves up or down dependent upon size of expenditure and organization. It also varies from opportunity to opportunity.

Recession Tactics: Value Buyers

- Have a process to discover all key buyers *goals, needs, issues*
- Train more on the *product usage* tied to value for each key buyer, (*not product features*)
- Begin your coaching at the *prospect stage*
- Call *higher* on both *new* and *existing* customers
- Sell *reliability, peace of mind, security and safety*
- Have a process to work with *buying committees*

Recession Tactics: Strategic Buyers

- Initiate at Senior Executive Levels:
 - Both buyer and seller organizations
- Integrate *cross-functional* teams on both sides
- Have a process for *discovering* and *clearly defining* customer's *goals, needs, issues*
- Develop *mutually-agreeable* evaluation timelines with agreed upon go/no go steps

Review

- More activity does not equal more orders
- Have a process to discover all key buyers *goals, needs, issues*
- Train more on the *product usage* vs. product features
- Begin your coaching at the *prospect stage*
- Call *higher* on both *new* and existing customers
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Take Away Considerations

- Protect and grow your existing 80/20, both volume and margin
- Grow new prospects where you are the strongest
- Identify your unique product features providing the most competitive position
- Convert product “features” to product “usage” by title/position/roles
- Using your unique product “usage”, what key players by title/position/role should you be calling on?

Questions?