Husqvarna®

EXPERIENCE CENTER

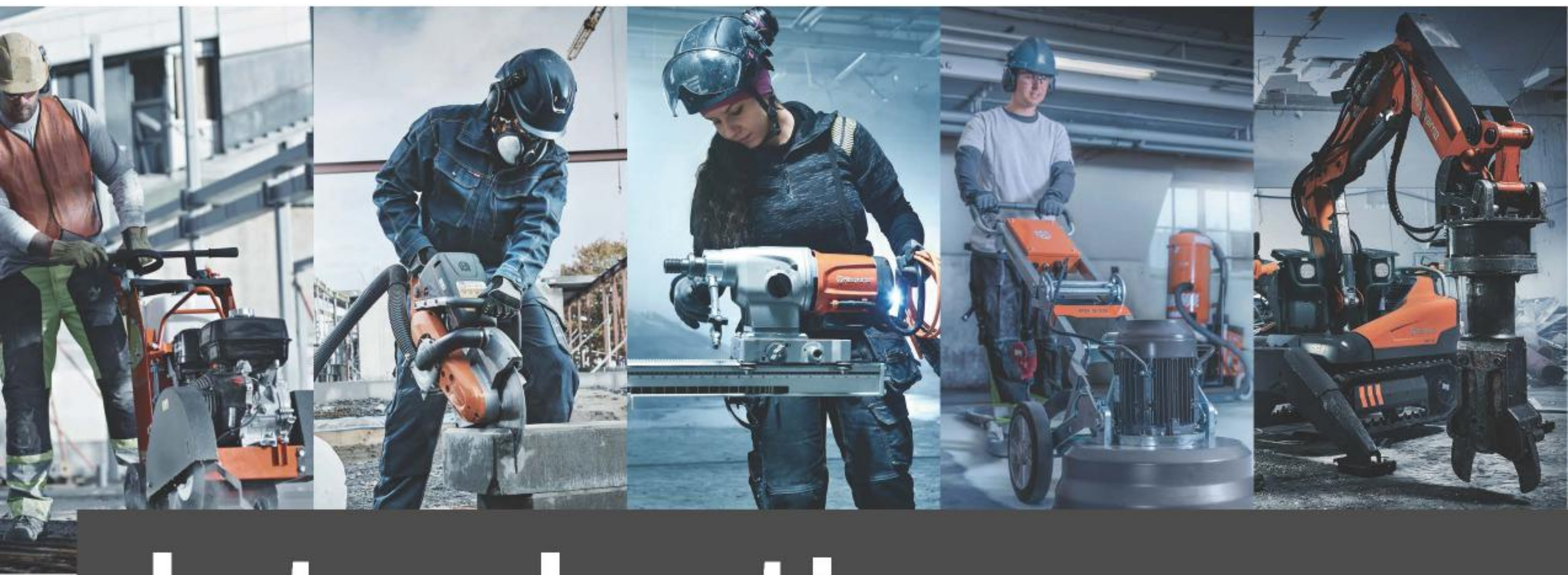
SALES SUCCESS PARTICIPANT GUIDEBOOK

VERSION: 1.00 (RE. 01/01/2021)

This workbook is for use in Husqvarna Sales Success Digital and On-site workshops.

Table of Contents

Table of Contents



Introduction

Introduction to the Course

Prerequisites

To take this course participants should come prepared with the following experience or courses:

- Understanding of the "Digital Toolbox"
- Reading of the KEYper Systems Case Study
- Completion of the Husqvarna Sales Success Prerequisite course available on Brainshark.

Course Description

Husqvarna Sales Success provides participants with the knowledge and skills required to be an effective asset to the company and achieve their personal sales goals. Husqvarna Sales Success will streamline problem solving across the enterprise by providing a common baseline of terminology and processes. This blended and integrated sales curriculum will be composed of 3 modules:

- Pre-work Assignments and Assessments
- A Classroom or Digital Workshop Module of Skill-based Practice, Application, Role Play, and Feedback
- Structured Feedback and Assessments

When you see these icons, you will know that you need your case study, toolbox, or both!

Case Study

Toolbox

Learning Objectives

Upon completion of this course you will be able to create a comprehensive sales strategy based on market, competitive, and customer data.

Additional benefits of this course include:

- Unifying the sales process and terminology amongst the entire sales force.
- Building a Sales Strategy and learning new skills.
- Managing your current and prospective business.

The goal of the Husqvarna Sales Success program is to increase your generation of profitable and recurring revenues!

Husqvarna®
EXPERIENCE CENTER

Course Roadmap

DAY ONE 8:30 AM – 5:00 PM

8:30	Introduction and Overview
9:00	Build a Customer Strategy
9:15	Strategy in Selling
10:00	Morning Break (15 minutes)
10:15	Market Analysis
11:15	Competitive Analysis
12:00	Lunch (60 minutes)
1:00	Account Analysis
2:00	Goal Setting
3:00	Tangible and Intangible Needs/Wants
4:00	The R.A.S.I.C. Chart
4:30	Day One Knowledge Check and Summary
5:00	Departure

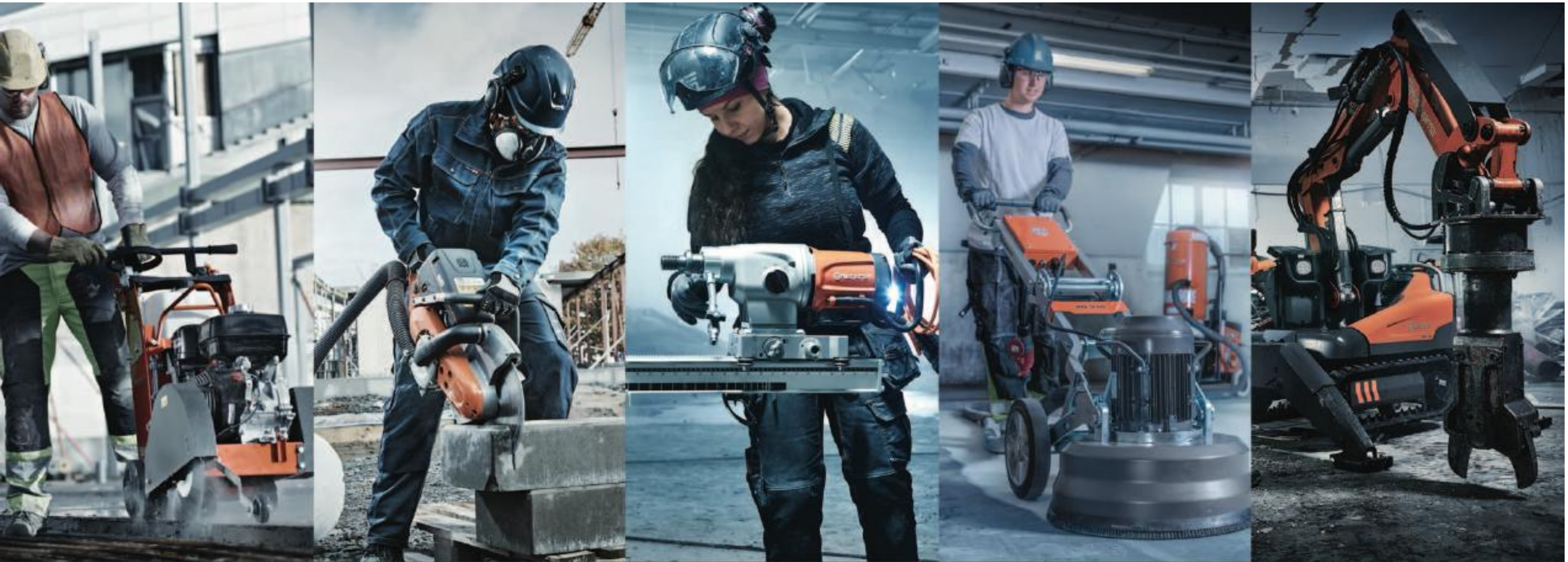
DAY TWO 8:30 AM – 5:00 PM

8:30	Welcome and Warm-Up
9:00	Module 2: Enhance Your Selling Skills
9:15	The Importance of Communication Cues in Selling
10:00	Morning Break (15 minutes)
10:15	Asking Questions
12:00	Lunch (60 minutes)
12:00	Problem Identification
2:00	Overcoming Objections (L.R.E.A.T.)
3:30	Afternoon Break (20 minutes)
3:50	Overcoming Objections (L.R.E.A.T.)
4:30	Day Two Knowledge Check and Summary
5:00	Departure

Course Roadmap

DAY THREE 8:30 AM – 4:30 PM

8:30	Welcome and Warm-Up
9:00	Module 3: Manage Your Business
9:15	Value Proposition
10:00	Morning Break (15 minutes)
10:15	Cold Calling
11:15	Pre-call Planning
12:00	Lunch (60 minutes)
1:00	Manage Your Territory Pipeline
2:00	Course Review/Open Discussion
3:00	Knowledge Check
4:00	Day Three Summary and Wrap-Up
4:30	Departure



Module 1

BUILDING A CUSTOMER STRATEGY

- Strategy in Selling
- Market Analysis
- Competitive Analysis
- Account Analysis
- Goal Setting
- Tangible and Intangible Needs/Wants
- The R.A.S.I.C Chart

Strategy in Selling

What is a Sales Strategy?

By definition, a strategy is a plan or method including options and priorities, that is deliberate and goal-oriented (has an identifiable outcome) and is achieved with a sequence of steps subject to monitoring and modification.

A **sales strategy** allows you to position yourself in the right place with the right resources (information, people, dollars, etc.) at the right time so that you can make the right tactical presentation leading to a positive buying decision.

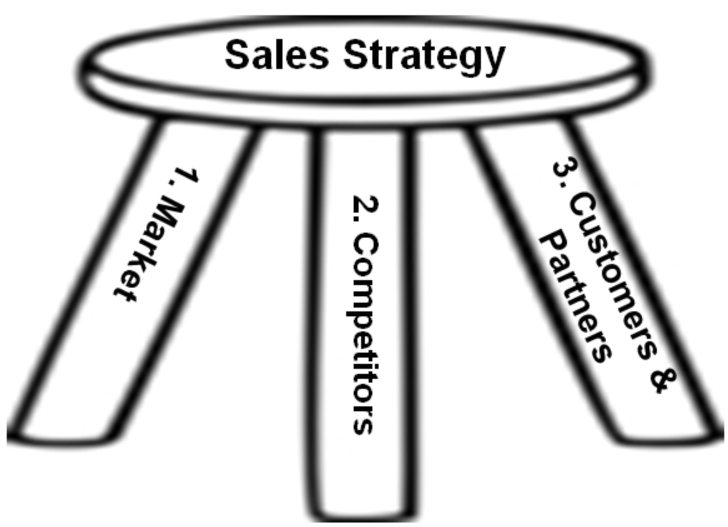
Objective: data that can be validated and is typically numeric.

- Most technical salespeople are pretty good with this input.

Subjective: information that is based on observation, conversation or other collection methods, and is equally important as data.

- This is the input that typically offers the greatest challenge to technical sales professional.

There are three basic components to a sales strategy that we will explore in this module.



Market Analysis

Market Analysis - What and Why

Your market is the target area within which you are expected to sell. It includes multiple customers or channel partners. Some markets are based on geography, such as a specific territory. Some markets are based on an industry, such as healthcare or manufacturing. A market can also be based on demographic or other human factors.

Market analysis is the process of uncovering and describing groups of customers who respond differently in some important way to external or internal factors. Successful sales professionals keep current with knowledge of their market and how it influences a buyer's decision making. Current market data and information helps sales professionals know how to position themselves and their products and services in each customer's mind.

Market segmentation criteria typically reflect multiple categories. We suggest the four below to help you identify market trends.

Geographic Factors: where the buyer is physically located and how this location with its economics and politics affects buying decisions.

Examples include political conditions in a country or region, environmental factors or legislation; economic conditions and how they are affecting business growth or stability and decision making.

Demographic Factors: can be measured or quantified about customer characteristics.

Business demographic examples include specific characteristics of industries or organizations. For example, a mature market may have buyers resistant to innovation that is unfamiliar or may reflect buying trends like a move from local distributors to national distributors with large service networks. Individual human demographics can include factors such as age, gender, income, occupation, education, religion, race, or social class.

Psychological Factors: influence the way a buyer thinks.

Examples typically are based on how buying decisions are influenced by values, perceived needs or im- portance, attitudes, interests, opinions, or beliefs; like a saturated market that has too many players may create buyer confusion or a new player that is unknown will automatically be not trusted.

Behavioral Factors: what the buyer actually does.

Examples include how a customer actually uses offerings and solutions, how loyalty (a value) and history influence a customer to buy from a friend or family member, even if the price is higher or the quality is lower; or the reluctance of a customer to try a new provider because the existing one has been there so long.

Market Analysis Activity

Use information from the Keyper Systems case study to complete this market analysis.

Directions: Complete this form in preparation for an annual review and update of your sales strategy. Answer the questions below to complete your market analysis.	
What are the **geographic factors** that affect my market? Where is the buyer and how does this location, with its economics and politics, affect buying decisions?	
What are the **demographic factors** that can be measured or quantified about a customer's characteristics?	
What are the **psychological factors** that influence the way a buyer thinks?	
What are the **behavioral factors** that describe what the buyer does?	

Competitive Analysis

Competitive Analysis - What and Why

Another thing that sales professionals need to know is how their offerings and solutions, *really* compare with whoever the customer thinks is the competition; and how the customer *believes* they compare, whether the belief is accurate or not.

Performing regular and structured competitive analysis ensures that you are gathering the right information and are able to use it in the most productive manner to reinforce your strengths and manage misconceptions. It also ensures you know as much or more about your competitors than your customers do.
(Remember, you are working to influence your customers' decision making.)

One example of competitive analysis many of us can relate to is the analysis of the videotape a sports team makes of a difficult competitor. Before and after each match the team studies the tape to analyze and understand the opponent's players and how each player plays the game.

The most productive competitive analysis in sales includes more than information about the products or services your competitors bring to your market. It also includes information about the business, culture and personality of the competitive organization at three levels:

1. Its national or international level

2. Its regional or local level

3. The individual one-on-one relationship-building skill level of the salesperson that is calling on the same people you are calling on.

A competitive analysis allows you to formulate a strategy to differentiate yourself from your competitors at all three levels. It allows you to plan how you will surface and address your customers' perceptions during a sales call or other communication.
(*Perception is reality to the person that perceives it.*)

Understanding your competitor's business, offerings, solutions, and personality as well as they understand themselves is an essential tool for effective positioning in a productive sales environment.

Competitive Analysis Activity

Open your toolbox to the tab that says **CASE STUDY Competitive Analysis**. Briefly review the contents with the instructor to better understand the case study if you need clarification.

Fill out each box using information from the case study then discuss your observations with your group and record them below. Be prepared to share with the class!

Competitive Analysis Group Observations:

Competitive Analysis Review

Compare your answers to those listed here.
How did you do? Discuss with your group.

	MORSE WATCHMAN	KEYTRAK	TRAKA	KEYPER
What is their market share?	35%	25%	20%	17%
What are their core products and services?	Largest electronic key management company - KeyBank sold in auto sector	KeyTRAK System	Traka Key Management System	KEYper System
What is their sales or promotion strategy?	Strong brand identity with many adjacent businesses	Quality Product/Qualoty Software/Quality Product; Ease of Use	Provides basic low-cost system with upgrade options	Customer intimate to insure products are operational from cradle to grave
How are they similar to us?	Electronically allows for sign out of keys using software	Customized Pricing	Similar reporting capability	
How are they different from us?	Training/Support at installation requires extra cost	Maintenance agreement requires to have long-term training/tech support	Designed and manufactured in the UK	

Competitive Analysis Review

Compare your answers to those listed here.
How did you do? Discuss with your group.

	MORSE WATCHMAN	KEYTRAK	TRAKA	KEYPER
What is their pricing strategy?	Standard pricing for product starting at $9.995	Customized pricing based on each customer's needs	Starting price of $8k which includes reporting features and is upgradable	Based on a 280 complete key management system beginning at $12k
What are their strengths?	One size fits all, commodity approach; largest market share	Quality and ease of use	Low cost due to scalability and basic system offering	Established long-term relationships
What are their weaknesses?	Software does not offer as many features	Drawer system limits the number of keys and configurability	Weaker sales penetration in NA	Lowest market share due to higher costs
What are their opportunities?	To expand into other markets and dominate the key managment market	To design a more flexible and sophisticated system	Extending their offering into NA	To expand theirmarket share
What are their threats?	Large cash flow to invest and dominate the auto sector of the business	New product that will set a new standard in automotive key management	Software technology capability	
What are their trends?	Moving towards commodity approach	Developing a new sophisticated system that is more flexible	Moving towards more customized features and service due to software capability	Moving to improve quality and reduce cost/price for systems

Customer/Channel Partner Account Analysis

Account Analysis - What and Why

Successful sales professionals work hard to collect significant information about their customers and prospects. If the salesperson goes to market through a distributor or channel partner, he or she also works hard to gather as much information about each channel partner as possible.

It is "common sense" to both the new and experienced salesperson that the more you know about an existing or prospective customer the easier it will be to talk their language and establish rapport. And most sales professionals agree that establishing rapport is a foundation for helping a prospect turn into a customer and a customer provide recurring selling opportunities.

However, with existing accounts it is too easy for a salesperson to become complacent with known information and not stay current with any changes in that account that may impact decision making now.

In today's marketplace the only thing we can guarantee is things will change. Keeping up to date with customer account information for potentially dozens of customers whose information may be constantly changing is hard work and takes time. Doing regular and structured account data and information collection and analysis, for all your accounts, ensures you know as much or more about your customers within their own marketplace than they do. Knowing as much about your customers and the unique issues they are facing in their marketplace, positions you to be their business partner and a solution provider instead of just another vendor.

Relevant and accurate information and knowledge allows you to stay current on the details in each of your accounts. It allows you to best position your products or services to *help them* enhance their Strengths, minimize their Weaknesses, leverage Opportunities, safeguard against Threats and use Trends to help in business planning and good decision making.

(Knowing your customers trends also helps generate recurring business by allowing you to ***climb inside your customer's head and see the world through his or her eyes.***)

Customer/Channel Partner Account Analysis Activity

Open your toolbox to the tab that says **Account Analysis**. Briefly review the contents with the instructor to better understand the case study if you need clarification.

Fill out each box using information from the case study then discuss your observation with your group and record them below. Be prepared to share with the class!

Customer/Channel Partner Account Analysis Group Observations:

Fill in the Missing Blanks

Research to Keep your Sales Strategy Information Current

Creating a sales strategy requires the collection of both baseline and continuous information on your marketplace, your competitors, your customers, and channel partners.

Using information to stay current with your sales strategy is essential to yours and Husqvarna's sales success. If there are gaps in the information you have collected, there will be gaps in your sales strategy.

The following resources can be used to keep your information current in each of the three categories of your sales strategy:

Company Websites: of accounts, competitors, our company and your sector.

Google Alert: email updates of the latest relevant Google results (web, news, etc.) based on your choice of query or topic. With them you can receive timely information from Google in various forms on any item, company, market, individual, etc. daily, weekly or as it happens.

Social and Professional Networking Sites: such as Facebook, LinkedIn and Plaxo - provides information on specific people in your accounts. The information can include such things as former places of employment or other work experience, details of their job responsibilities and other people they know that you might know.

Dunn & Bradstreet (D&B): the world's leading source of commercial information and insight on more than 130 million business records. This information is the foundation of their global solutions that customers rely on to make critical business decisions.

Hoovers: "A D&B Company that delivers comprehensive insight and analysis about the companies, industries, and people that drive the economy, along with the powerful tools to find and connect to the right people to get business done."

SEC: All companies, foreign and domestic, who work in and with the US are required to file registration statements, periodic reports, and other forms electronically to the US Securities and Exchange Commission. The data and information from these forms is publicly available

Letter to Shareholders: about publicly traded companies from an internal organizational perspective.

Trade Shows: or trade magazines or journals.

Employees: current or former.

Goal Setting

Account Strategy

An account strategy is a fully integrated project plan developed as a result of analyzing and understanding the data and information collected about your market, your competitors, and your account. A well-defined account strategy focuses on achieving a specific set of revenue and relationship goals.

An account strategy also describes what will be done by you or others to define and achieve long- term goals and objectives with an account and the individual people in it. It includes how you will manage the account's perception of your contribution to *their* business and *their* organizational objectives.

An account strategy is a long-term plan to position yourself for long-term success with multiple buying centers in your accounts.

> A **buying center** is any place in the organization that has its own budget and can spend the budget on the products and services you are offering.

Sales professionals often develop account strategies for a handful of key customers or channel partners that could make or break the success of their year.

To achieve these high-level account goals, break the goals into manageable and measurable steps, then tackle each step with vigor. Strengthening multiple relationships within key customers and multiple buying centers reduces the risk of losing one sale and jeopardizing the value of the overall account.

A Single Sale SMART Objective is a single selling activity within the overall account strategy. Larger or more complex organizations may have multiple single sale SMART objectives. Each single sale SMART objective aligns with and supports the account strategy.

SMART Goals

Single Sales Objective Strategy

SMART is an acronym that stands for Specific, Measurable, Agreed upon, Realistic, and Time- bound. The table below provides greater detail. It is important that you align each single sale SMART objective with the account strategy. SMART also provides a formula for a well-written sales goals and objectives.

SMART Goals

Specific	A clear and concise statement that describes what you will do in specific terms.
Measurable	Clarifies how you will know you have succeeded in terms you can measure such as quantity, quality, and cost.
Agreed upon	You and your customer commit to accomplishing the objective and the customer agrees there is value.
Realistic	You and your customer believe the objective is possible to achieve and you have the resources and authority to be successful.
Time-bound	Specifies when the objective will be completed and is agreed on with the customer.

SMART Goal Setting Activity

Making Smart Goals Real

Achieving SMART Goals requires the creation of mini project plans with specific objectives and tasks on the "critical path." Defining this "critical path" ensures that every activity, resource and deadline required for success has been thought of and scheduled ("**calendarized**") in order to achieve the SMART Goal. The mantra for success becomes:

"PLAN YOUR WORK AND WORK YOUR PLAN"

Activity Directions:

Working individually, use the following formula to write a SMART Goal in the space on the next page for a real customer or channel partner, and then write a few of the real steps (Objectives) that are on the "critical path" for you to achieve this SMART Goal.

Action word + targeted area + measurable objective + targeted date = SMART Goal

Sample: *SMART Territory planning objective:*

Secure one new order for incremental business within 90 days of the audit by performing three customer facility health check audits per quarter and presenting customer recommendations.

Sample: *Customer specific SMART account objective:*

Achieve full implementation by end of Q3 by initiating EMS pilot program in customer's three (3) major food processing plants by end of Q2 and providing specific recommendations based on results.

Continued on Next Page…

SMART Goal Setting Activity

Making SMART Goals Real

Name of Customer or Channel Partner:

SMART Goal:

What are some of the things you must do (objectives or tasks) on your "critical path" to success?

Choose one person from your group to present their SMART Goals and "critical path" and provide feedback.

Tangible and Intangible Needs/Wants

What Motivates the Buying Decision?

Needs and wants are different for different individuals even within the same account. Needs and wants are what motivate the buying decision.

Needs are typically based on *logic or reason*. If needs are the driver of the buying decision, they may cause the sale to happen more quickly.

Wants are typically based on *feelings or emotion*. If wants are the driver of the buying decision, they may reduce sensitivity about price.

Even though many people believe their decision making is logical or rational, research continues to prove that most of us consider the facts then use our emotion, or gut feel, to make final decisions. Research also suggests that the relationship between the buyer and the salesperson is the number one motivator of most buying decisions.

Positive Business Outcomes

As an effective and productive sales professional, we will assume you have done your research. You know everything you can know about your Market (all four factors), your Competition (all three levels) and your Customers (all of them). If you go to market through a channel partner, you know everything there is to know about the channel partner, their business and their people. And you know all you can about the products and services you bring to your market.

All this combined data and information allows you to *form a **hypothesis** (educated guess) about what each customer may need or want and why*, and how to influence a buying decision from a specific human being in a specific buying center.

Each individual within each of your customers has both tangible and intangible needs and wants that must be met in order to sustain and grow their operation. Fulfilling these wants and needs can be stated as helping them to achieve their "**POSITIVE BUSINESS OUTCOMES**."

Your responsibility is to determine what these outcomes are and what you can do to help achieve them.

Tangible and Intangible Needs/Wants

The Role of Economics

Needs and wants are also influenced by economics. Economics are influenced by two significant factors.

Tangible factors influencing needs and wants relate to things that can be easily counted or measured. They are fairly easy to quantify by asking questions about how much, how many, how often. Thus, they are often described in terms of how they relate to the "bottom line." (Some salespeople refer to these factors as surfacing ***cost***.)

Asking the right questions will help pinpoint tangible needs and wants. For example, to identify one potential tangible need (e.g., excessive costs that could potentially be reduced by the use of an electronic key management system) you might consider asking the following question:

What costs are incurred as a result of excessive turnover in the sales department?

Intangible factors influencing needs and wants also have an economic impact, but may be less obvious in how they financially impact the business. Interestingly, intangible needs and wants often influence the bottom line as much or more than tangible needs or wants. (Some salespeople refer to these factors as surfacing *confidence.*)

Asking the right questions about intangible needs will help you disclose the risk or value they present to the customer and quantify them. For example, employee morale is an intangible need that can significantly affect the bottom line but is less easy to quantify. You may consider asking a question like:

How often do disagreements between porters and service personnel (an indication of employee morale) cause delays in moving vehicles through the service department?

Asking the right questions about BOTH tangible and intangible factors helps you:

- validate or change your hypothesis,
- understand your customer needs and wants
- help your customer recognize your value in impacting their bottom line.

Tangible and Intangible Needs/Wants Activity

What you Need to Know Before Asking Questions (Your Hypothesis)

Traditional sales training places high emphasis on tangible needs and wants. Studies about human psychology and decision-making show that *intangible* factors in most business situations influence decision making as much as or more than the more obvious tangible factors. Therefore, to best influence your customers buying decisions, you must be able to start with a good hypothesis of what these two sets of factors might be. Once you have your *hypothesis* you will be prepared to ask well-designed questions to either validate or change your hypothesis and understand *the customer's point of view* as well as the challenges that he/she is facing from the perspective of business sustainability.

Directions: Think of a real customer or channel partner from your pre-work analysis or any other customer. Then list below two of the biggest ***tangible*** and two of the biggest ***intangible*** needs or wants you believe they are facing in their business today, t
hat would be resolved through your offerings and solutions. These form your *hypothesis* of their situation, which you can use as a starting point for your sales strategy.

Tangible or Intangible Needs and Wants of One of Your Customers or Channel Partners Name of the Customer or Channel Partner is: ____________________
Tangible Needs or Wants:
Intangible Needs or Wants:

The RASIC Chart

The RASIC Chart is a tool that has been used for years in project management and other processes where understanding individuals and their roles and responsibilities is essential. The name RASIC comes from the five roles that are most often taken in projects and in buying decision scenarios.

Using a RASIC Chart in sales integrates the benefits of a traditional RASIC Chart with the attributes of a relationship strategy planning analysis. To use the RASIC characteristics, you must make sure that for each customer or channel partner business/buying center, you have identified at least one name for each of the five roles in RASIC.

One person may take on more than one role, but in all cases, each of the roles is played by someone in every sale. The following describes the five roles and what they typically do during the buying decision making process.

R - Responsible: this person owns the problem or the project.

A - Approval or Accountable: this person must approve the finances associated with the purchase or acquisition; is typically accountable for the finances.

S - Supportive: this person must support the deal because he or she ultimately has resources, typically tangible, needed to support success.

I - Informed: this person must be kept informed through all milestones and with all results.

C - Consulted: this person has information, typically intangible, and/or capability necessary to complete the sale or the work.

POLITICS

As you can see from the above, the S.I.C. roles are typically played by individuals who may be less visible in the decision-making process but may actually have a more significant influence over the decision than the contacts you are working with.

You can ask carefully worded questions of your contacts to help determine who plays each of role. For example, you might ask, “Who in your organization seems to ask the most questions about every potential sale even though they have no budget or direct operational involvement?”

The RASIC Chart Activity

Completing a RASIC Chart

The purpose of the RASIC Chart is to identify the people who can make or break your deal, then determining what they need to know or how they need to be involved in order to influence their support of your sale. The sample on the following page shows how a salesperson used the RASIC chart to explore potential deal makers and potential deal breakers.

Directions: Working individually go to the tab in your toolbox that is labeled “RASIC Chart” (Not the KEYper example). Complete the RASIC Chart for at least one of your customers or channel partners. Then record your observations below. How will this help you?

Observations:

Reflection Guide

Building a Customer Strategy processes that met your expectations:

Surprises you learned in the processes:

Explanation of surprises:

Actions you will take to implement the processes:

Module 1 Knowledge Check

Building a Customer Strategy

Complete the knowledge check by circling the correct answer.

1. Select the three basic components of a sales strategy?

    a. customers and partners
    b. distributors
    c. competitors
    d. market.

2. When developing a sales strategy, information gathered can be objective or subjective. Which can be the greater challenge to process?

    a. subjective
    b. objective.

3. To identify market trends, there are a number of criteria's and factors analyzed. Behavior factors, refer to what?

    a. physical location
    b. what the buyer actually does
    c. influences the way buyers think.

4. Competitive analysis ensures that you gather the right product information to fully understand comparisons in your market. How do we focus those efforts?

    a. whoever the customer views as our competition
    b. global competition
    c. the competitor with the cheapest price.

5. Competitive analysis is most effective when utilized to reinforce your strengths and manage misconceptions. The most important key to remember is:

    a. you are smarter than the competition
    b. you are working to influence your customer's decision
    c. this is only a tool used in your strategy.

6. If there are gaps in your information collected during your initial analysis:

    a. your competition will provide that information for you
    b. there will be gaps in your sales strategy and continuous analysis is needed
    c. once you complete your initial strategy, no further action is required.

7. An account strategy is a long-term plan to position yourself for?

    a. long-term success
    b. a large purchase order
    c. landing a big account.

8. What type of strategy focuses on achieving a specific set of revenue and relationship goals?

    a. competitive
    b. account
    c. market.

9. The measurable objective of SMART goals refers to?

    a. clarifies how you have succeeded in terms that can be measured, such as quantity, quality and cost
    b. a clear and concise statement describing specific terms
    c. specifies when the objective will be completed

10. What is the mantra for success, in achieving set SMART goals?

    a. specific measurable an agreed upon
    b. single sale objective strategy
    c. plan your work and work your plan

11. The purpose of the RASIC chart is?

    a. to help define the competition
    b. to identify the people who can make or break your deal
    c. to understand the individual's needs and wants

Module 2

ENHANCE YOUR SELLING SKILLS

- The Importance of Communication Cues
- Asking Questions
- Problem Identification
- Overcoming Objections (L.R.E.A.T.)

The Importance of Communication Cues

How the sales professional looks, sounds, or what he or she says, all combine to create interpreted meaning in the buyer. Several years ago, a social scientist named Albert Mehrabian conducted research and found certain behaviors associated with communication make a bigger impression on people than others.

Knowing how you are perceived by others when you are with your customer and being able to emphasize the communication cues that make the greatest impact are part of effective selling skills.

Directions:

1. Based on your experiences write in what you believe the percentages are for each communication cue.

2. Which of the three cues do you think influences others the most?

Dimension	Communication Cue	Face to Face	Over the Phone
Verbal	Choice of Words	________%	________%
Vocal	Tone of Words	________%	________%
Visual	Look of Communication	________%	________%

The Importance of Listening

How to Listen

Listening is a core skill in both selling and influencing. In Husqvarna Sales Success, the sales professional's ability to demonstrate excellent listening skills could be the difference between a trusting relationship built on rapport and one that goes nowhere. It is useful to understand what effective listening is.

Listening is a four-step process that most of us do automatically. It happens when you:

1. **Hear** the words your customer uses.
2. **Pay** attention to what your customer is saying.
3. **Translate** the customer's words into something that makes sense.
4. **Understand** it in terms of your own experiences and intentions.

The challenge of effective listening is that even though we may hear the words the customer says, we may only pay attention to what we believe is important, translate it into something that we are already familiar with and then our understanding may or may not reflect what the customer is really trying to explain.

Understanding the three levels of listening and becoming an expert with the most involved level increases your sale effectiveness.

The Importance of Listening

Types of Listening

Passive Listening: The least amount of involvement with the speaker. You respond to your customer's words with silence with little or no body movement. The customer does not know if you understand and hopes that you are paying attention.

Acknowledgment Responses: Minimal involvement with the speaker. You signal a response to your customer/channel partner with direct eye contact, a head nod, "mm-hmm," or other body movement. The customer still does not know if you understand, but most likely has a stronger belief that you are paying attention.

Interpretive Listening: Full involvement and total engagement with the speaker. When you are listening *interpretively*, you ask questions or use paraphrasing (put into your own words, *not* a restatement of their words) *what you believe the customer means.*

This skill is based on the assumption that in many situations people do not say what they mean or because of style differences, we do not understand what the other person really meant.

We use interpretive listening to restate what we have interpreted from their comments then check to learn if our interpretation is correct. This includes the interpretation of what you sense or "feel" might be any concerns, thoughts, feelings, or emotions from the customer.

Listening and Selling Activity

Part 1

Directions: Working as a team use one of the below examples, practice your listening skills. These **must be topics you can get emotionally engaged in** and they can be work or nonwork related topics. Record your ideas below. Topics sometimes identified include:

- People should be paid on commission vs. salary.
- The Customer Service Representative should do ALL customer support work vs. salesperson providing customer support takes the salesperson away from opportunities to interact more with their customers/channel partners.
- Face-to-face contact with the customer/channel partner is the best way to establish or maintain rapport vs. using email or text messages will do just as well.
- Salespeople barely have enough time to manage their own accounts let alone help find "dual citizenship opportunities" for other business units vs. dual citizenship opportunities is the best way to leverage relationships for other Husqvarna business units into new or existing accounts and should be done because it is the right thing for the business.

Listening and Selling Activity

Part 2

Directions: Working in groups of three, one person takes the role of Person #1, one person takes the role of Person #2, one person listens to the exchange and take notes on the next page to the extent to which real active listening was taking place. You will have 15 minutes in total for each person to perform each role. Five minutes per person.

Step 1: Choose a topic that two of the three group members can clearly disagree about. These two people will become Person 1 and Person 2.

Step 2: Person 1 will strongly voice his/her opinion in an attempt to sway the opinion of person 2 (get him or her to "buy" their perspective).

Step 3: Person 2 must listen to the whole opinion, and then ask questions or paraphrase what he/she heard. This paraphrase is to confirm understanding, *not* to persuade or influence.

Step 4: Person 1 must agree that the paraphrase or active listening was accurate before person 2 can then voice his/her opinion in an attempt to sway Person 1's opinion.

Step 5: Step 3 is repeated in reverse.

Step 6: Continue the process back and forth until one of four results take place:

- Person 1 convinces Person 2 that his or her perspective is correct.
- Person 2 convinces Person 1 that his or her perspective is correct.
- Both people agree to disagree.
- Both people work together to find a win-win alternative.

Listening and Selling Activity

Observer Notes

The person in the role of the observer takes notes based on the following criteria for each of the two people he or she is observing. After five minutes of exchange, observer please provide feedback to the people you have been observing answering the questions below. Switch roles and do this activity a second time.

- How did the communicators stay focused on each other? (consider verbal, vocal and visual cues, word choice, tone of voice and body language or facial expression)
- What barriers may have gotten in the way of effective listening? (consider verbal, vocal and visual cues, word choice, tone of voice and body language or facial expression)
- How did the communicators use active and interpretive listening? (restating in their own words what they believe the other person intended or *means*)

	Person A	Person B
Listening Skills		
Listening Skills		

Asking Questions

Husqvarna Sales Success is about staying focused on the customer. When we ask questions, we are learning more about our customers so we can better understand the customer's perspective of the challenges they face, specifically in terms of:

- Tangible and intangible needs and wants
- Problem identification and optional solutions

Asking the right questions in the right way at the right time is how to validate your hypothesis about the customer or know how to change it. Because of this, some salespeople call question-based meetings "Discovery Meetings."

Types of Questions

Sales questions fall into three types: open-ended, closed-ended and complex.

Open-ended Questions:

> Invite conversation. They specify a topic and then in the way they are worded, allow the customer freedom in determining the amount and kind of information to give. Sometimes they do not end with a question mark, but begin with words like "describe," "explain," or "tell me." Open-end questions allow to co collect "you saids" that can be used later when you present your solution.

Closed-ended Questions:

> Are restrictive in nature and supply brief and to-the-point responses. They typically can be answered with "yes" or a "no" or a few focused words. Although they may close the opportunity for further conversation, they can be effective if what you are looking for is the yes, no or the focused response.

"However, if the answer you get to a closed-end question is a "no" or "yes" and it stops further conversation it is called a "GAME OVER" question and should be avoided at all costs."

Complex Questions:

> Are a planned mix of both open and closed-ended questions targeted at achieving specific objectives.

Different Types of Closed-ended Questions

Closed-ended questions are important in that they allow the salesperson to collect facts and data. Technical salespeople tend to be more comfortable with closed-ended questions because they do not require the use of complex interpretive listening skills. Although some customers may launch into conversation as a result of a closed-ended question, it is unrealistic to expect an open dialogue from all customers as a result of asking a closed-ended question.

Closed-ended questions do not allow the salesperson to "climb inside the customer's head" and see their world through their eyes. Closed-ended questions are typically asked by vendors who want to collect enough hard data to put together a quote. Business partners ask closed-ended questions, but ask more open-ended questions to really understand their customers' perspectives.

Types of Closed-ended Questions:

Data Collection

Confirming

Leading

Game Over

Different Types of Closed-ended Questions

Data Collection Questions:

Data collection questions are used to acquire information about quantity, frequency, specifications requirements, personnel distribution or assignment, and other very specific and unambiguous information.

> *"How often do….?"*
> *"Who is responsible for approving items that fall into the 'capital investments' category?"*

Confirming Questions (Paraphrasing):

Confirming questions are used to verify that what you heard and interpreted is accurate. This is typically a two-part communication, comprised of a paraphrasing statement as the first part, and the closed-ended question as the second part (as stated in the listening activity, paraphrasing or interpretive listening is putting into words *what you think the customer means*). To be most useful, the sales professional should use as many of the customer's words as possible without mimicking.

> *"So, what I understand is ________, and you want to make sure ________. Is that correct?"*

Leading Questions:

Leading questions are questions phrased in a manner that tends to suggest the desired answer. Leading questions are considered to be highly manipulative by some styles, but not necessarily by others.

> *"If there was a way to ________, you would want to know about it, right?"*
> *"Don't you agree that ________ will help contribute to your bottom line?"*

Game-Over Questions:

Any question that can be answered with a "no" that could stop the conversation from going in a favorable direction.

> *"Can you see a way that this could help your ________?"*
> *"Are you achieving the energy savings you would expect from your current ________?"*

Different Types of Open-ended Questions

Open-ended questions invite conversation. They specify a topic and then, in the way they are worded, allow freedom for the customer to determine the amount and kind of information to give. Sometimes they do not end with a question mark, but begin with words like "describe," "explain," or "tell me."

Some technical salespeople may be less comfortable with open-ended questions because the resulting answers can take a conversation along a less predictable path and requires more time than closed-ended questions.

Some relationship-based salespeople, although more comfortable asking open-ended questions, may become uncomfortable "waiting for the well thought out answer" from a customer whose style prefers "thinking time."

Most important in asking open-ended questions is the salesperson's ability to use interpretive listening to ensure that what the salesperson is understanding matches what the customer is intending to say.

Another important reason for asking open end questions is the collection of customer **"you saids."** When the salesperson takes notes and collects the exact words and phrases the customer says, they can be included later in the proposal or presentation when it is time to describe the solution.

Types of Open-ended Questions:

Exploratory

Impact

Different Types of Open-ended Questions

Exploratory Questions:

Are used to engage in conversation targeted at understanding what is in the customer's head around any given opportunity or concern.

Examples:

> *"Explain how your technicians…"*
> *"Tell me about the process your facility uses to…"*
> *"What do you know about…?"*

Impact Questions:

Are used to help you and your customer determine what impact one or more variables have or may have on an outcome. Good impact questions engage clients personally, not telling them but *helping them* to recognize their business problems.

Examples:

> *"What happens when…?"*
> *"How do your customers respond when…?"*
> *"How is this problem impacting the bottom line?"*

Complex Questions

Complex questioning uses a combination of both open and closed questions along with skillfully used paraphrasing in a planned sequence to best achieve a specific objective or a series of objectives.

Sequencing can follow any number of patterns depending on where you are in your relationship. A sample sequence might accomplish the following objectives:

1. **Establish rapport**
2. **Explore for general or overview understanding**
3. **Collect specific data or information**
4. **Determine a real or potential impact**
5. **Demonstrate or confirm understanding**

The verbiage below provides an example of how a salesperson might engage a new customer in a conversation to explore needs, collect data, and gather information on a potential impact.

You may ask a sequence of questions like:

(**Rapport**) You seem like a guy with a great sense of humor, but you want things done right the first time; do I have that right?

(**Explore**) Tell me about ___________.

(**Collect**) How much ___________?

(**Impact**) Let me make sure I have this right. You said that ___________.

(**Confirm**) Do I have that generally correct?

When you plan your complex questions you may choose a different sequence of objectives and types of questions.

Problem Identification

All businesses have needs based on the common and unusual problems of their particular business and how they are interfering with Positive Business Outcomes. These business problems can be divided into three categories. In the example below the sales professional is calling on Phillip (General Manager) after conversations with Frank (Service Manager.)

Asking the right questions in a productive sequence helps you to climb inside your customers head and see and feel their concerns from their perspective. The more you know about their needs and wants from a tangible and intangible perspective, the better you will be able to identify real and potential problems with real and potential solutions.

Three Types of Problems:

Hidden

Visible

Working

Three Types of Problems	Potential Problems Based on Analysis	Examples of Questions You Might Ask
Hidden Problems: The customer doesn't know he or she has the problem or need or has suppressed the problem because a solution was considered impossible or highly unlikely. Therefore, the customer will not easily admit the problem exists.	*Frank (Responsible) may not have told Phillip (Approval) yet, and the issues may be new news to him. He doesn't like surprises.* *Phillip may think that Frank is exaggerating in order to get a new technology "toy."*	• *How familiar are you with electronic key management systems?* • *What's your perspective on electronic key management systems?* • *What is the latest information you have on electronic key management systems?* *Be careful not to "throw your contact under the bus"*
Visible Problems: The customer knows the problem exists and will acknowledge the problem when asked. Or the customer may allow the sales professional to perform an analysis of the situation and will acknowledge any problem uncovered.	*Phillip has heard about and read the report from the process improvement team and wouldn't mind if the sales professional did some additional analysis, but remains a bit skeptical about the real value of such an investment to manage something as simple as keys.*	• *What concerns do you have about having an electronic key management system in your store?* • *How might an electronic key management system impact your sales and service department?* *Based on your hypothesis, what Might be his "hot buttons?"*
Working Problems: The customer knows about the problem and is already working on a solution. While this situation sounds like good news, it usually means the customer is working with a competitor and has developed a vision of a solution using the competitor's products and services.	*Phillip has heard about and read the report from the process improvement team and you are concerned that he may be speaking with other vendors that Frank mentioned slightly in previous conversations.*	• *What options are you considering?* • *What do you like or don't like about our system?* • *What additional information do you need from me to help you make a decision?* *Carefully phrased questions can help you know what competitors he is talking with, and what the Competitor may be talking about that this customer likes.*

Uncovering Problems Activity

The practice of asking questions will demonstrate that you have created a working hypothesis of the tangible and intangible needs and wants facing a real customer in terms of his business.

Directions:

Individually consider a real customer or channel partner from your pre-work. Based on your analysis (consider the RASIC Chart you did earlier), determine what type of problem or problems your customer may be facing from the options below. Then list several questions you might ask your customer or channel partner to help uncover any problem and demonstrate your understanding. This will help validate or change your hypotheses as stated on the RASIC chart and also potentially identify any *"hot buttons"* and existing competition.

Hidden Problems	Visible Problems	Working Problems
Potential problem(s) based on your analysis. Name of customer: ___		
Sequence of questions you might ask:		

Provide the Customer's or Channel Partner's Solution

Matching the Solution to Needs and Wants

Assuming you followed the principles described in the Husqvarna Sales Success curriculum so far you have:

1. Created a sales strategy that provides you with a roadmap for speaking with each of the individuals in your customer/channel partner buying center,

2. Formed reasonable assumptions (your hypothesis) about each of their tangible and intangible wants and needs that may be interfering with their positive business outcomes,

3. Asked complex questions to dig deeper into their issues and concerns, to see their world through their eyes, and to either validate your assumptions or change them.

You are now ready to offer your offerings and solutions in a way that matches everything you have heard from your customer.

A traditional approach to selling asks the sale professional to describe their offerings and solutions, along with its "features, functions and benefits or advantages."

Feature-function-benefit selling is one of the most common of all selling techniques. The definitions below describe how this approach is typically used.

Features: the salesperson *tells* the customer the characteristics or attributes of an offering or solution that distinguishes it from others. The focus here is on the product, not on the customer.

Functions: the salesperson *tells* the customer what these characteristics or attributes will do for them. They may or may not relate to any of their tangible or intangible needs or wants.

Benefits: the salesperson *tells* the customer what the benefits will be.

Husqvarna Sales Success suggests there is an alternative to this process that is more customer focused, productive and efficient. When the salesperson starts with the features-functions-benefits approach the focus is on telling…

The HAT

An Alternative to Features, Functions and Benefits

The sales professional that chooses to be a business partner rather than a vendor acknowledges that selling is *influencing* the customers' buying decision, not *telling* them what they should decide. Wearing a customer-focused HAT demonstrates to your customers that you see their world through their eyes as a partner in their business. When you wear your "HAT" you:

H - HYPOTHESIZE:

You form a realistic hypothesis based on your strategic customer research and the experience you have with this customer and others who may be similar. You form a hypothesis about what improvements in business performance they may be expecting, what capabilities are required to achieve their business performance expectations and how they may plan to measure success. But you must remember that this is only a hypothesis, a well-educated assessment; and then you go to the next step.

A - ASK AND LISTEN:

You ask pre-planned complex questions (with more open-ended questions than closed-ended questions) which inspire the customer to describe tangible and intangible needs and wants. You do not tell the customer they have a problem; the questions you ask help them discover opportunities for themselves. You use interpretive listening to validate your hypothesis, to make adjustments to your hypothesis, and to fill in any missing blanks. You work hard to match the customer's communication style to increase the probability that he or she is paying attention to you and views you as a business partner rather than a vendor.

T - TAILOR YOUR SOLUTION:

Once you've demonstrated that you heard and understood the needs of the customer, you shift your focus to the solutions that Husqvarna offers to meet their needs. You use their words when possible, and make sure that every aspect of the description of your offering or solution supports a need or want this customer already said was important. You show the customer how the Husqvarna offering or solution is differentiated from the competition and you use customer testimonials as proof points and confidence builders when needed.

The HAT

The HAT adds value because it:

- Uses information gathered through data and information followed by carefully thought-out questioning to provide a platform to explore the customer's vision of a solution, i.e. "What is their positive business outcome?"

- Confirms that the benefits the sales professional has to offer fits the customer needs and wants based on the responses to a sequence of questions.

- Reduces the occurrence of objections because the benefits are those the customer identified.

Remember:

A benefit is not a benefit unless the customer says it's a benefit.
Assumptions about benefits can easily create customer objections.

Overcoming Objections

When you are proposing your offering or solution, or at any time during the selling process, your customer or channel partner may object to your questions, your assumptions, your analysis or even to you.

Objections:

- May occur anywhere in the sales cycle
- Are a natural part of the selling process
- Should be anticipated and prepared for
- Indicate a customer’s involvement and attention
- Represent an opportunity for learning more about the customer and educating them
- Reveal a customer’s concerns

Responding to Objections:

- Understand the customer's point of view
- Be relaxed when responding
- Encourage the customer to talk
- Establish an atmosphere of problem solving
- Listen, listen, listen interpretively
- Maintain poise and maintain confidence
- Be polite, speak clearly
- Recognize he is objecting to your position, not to you as an individual
- Take a consultative, non-adversary approach

Overcoming Objections

L.R.E.A.T.

There are many processes and descriptions of steps that have been identified for overcoming objections during the selling process. For the customer-focused sales professional, the following five steps will prove effective:

Step 1. **L**isten

Step 2. **R**estate

Step 3. **E**xplore

Step 4. **A**nswer

Step 5. **T**est

These five steps will help you put out a potential fire between you and your customer. Because of this we say that when you hear an objection, **STOP** thinking of your response before you hear what
he is saying, **DROP** your potential need to get defensive and **ROLL** with what the customer means.

The best chance the sales professional has to overcome an objection is to address it at its root cause rather than at a symptomatic level. The goal of L.R.E.A.T is to get to the root cause of the objection and "roll" with what is in the customer's head at that moment.

Overcoming Objections

Step 1: Listen

When overcoming sales objections, don't interrupt. Listen patiently and intently. Interrupting a customer will intensify the objection and may cause the customer to become preoccupied with it.

Begin by paying full attention to your customer by using passive silent listening with interested eye contact and appropriate acknowledgment responses, as these processes are less involved. Avoid contradicting your customer regardless if they are right or wrong.

Avoid responding to the objection before the customer finishes - that will only elicit irritation and a sense of being discounted. Especially when you know how you plan to proceed, you may feel a tendency to say, "Yeah, but…". **Resist this temptation**. Your customer **must** understand that you accept his/her position.

When your customer gives you an objection, say "OKAY."

You can <u>accept</u> your customer's position without agreeing with it.

As you listen, your customer is likely to expose hidden reasons for not wanting to buy. It is not unusual for a customer to continually volunteer new information that will help you better understand their needs and desires. Allow yourself to hear the complete objection.

Overcoming Objections

Step 2: Restate

State your interpretation of the Objection back to the customer for validation of your understanding and to demonstrate that you were paying attention and that you understand in your own words what you believe they meant.

By using interpretive listening, you can restate the objection by putting into your words *what you think the customer means*. This will demonstrate your concern for your customer and his/ her perception and get clarification in case you misunderstood his/ her point.

You may want to use a combination of the exact words your customer used ("I heard you say") along with *your interpretation* of what you think was meant (the underlying concern). Some customers may even withdraw their objections once they hear how it is being interpreted spoken aloud.

Listen carefully to the objection being raised. Is it an objection or just a delaying tactic? A customer often will repeat an objection if it's real.

To uncover the true reason causing the objection, try saying something like – *"I can appreciate that. What I understand you to be saying is… (objection)."* or *"Do I understand you to mean that…"* **In this step you are only seeking to understand NOT refuting the objection.**

Restating ensures that your customer knows you have taken an interest in, and understand, the objection. It also gives you an opportunity to restate the objection in a more favorable way.

Customers are more inclined to listen to you when they know you have listened to them.

Overcoming Objections

Step 3: Explore

Start your exploration by asking open-ended questions to "get everything on the table." Use interpretive listening as much as you can to make sure you are hearing what they **might *not* be saying**.

If the objection is "*your price is too high*" you may need to probe to find out just what they mean. For example, do they mean:

- "I can get it cheaper elsewhere"
- "Your price is more than I have in my budget"
- "I don't understand the value for the cost"
- "It costs more than the last time we talked and I don't understand why"

Nod to accept their answers (even if unreasonable) and continue with well phrased questions. Frequently, it will take three to seven questions to truly explore the root cause of the obstacle you face.

Be careful that your questions are not accusatory, such as, *"What do you mean it's too expensive?"* Instead, express your desire to really understand what they mean. Often, you'll find that your customer did not understand a specific point the way you had intended, or that you did not communicate it properly.

Ask open-ended and closed-ended questions in a planned sequence (complex questions) to understand the details of their objection. With carefully phrased questions relating to tangible and intangible needs and wants, you may even hear the answer to the objection come from the customer himself.

Ask questions like: *"What other issues might be concerning you?"* Invite your customer to elaborate fully by listening with appropriate eye contact and attentive body language.

Use your observation skills to echo the customer's body language without mimicking. For example, if the customer leans forward, you also lean forward; if the customer speaks more quietly, you lower your voice. This echo reinforces that you are really paying attention to the customer more than to your own need to defend.

Overcoming Objections

Step 4: Answer the Objection

Having determined the nature of the objection, you are now ready to provide a solution that demonstrates your ability to overcome the objection, solve tangible or intangible needs, wants or problems as initially identified or as re-diagnosed through this process.

Once identified, most objections can be classified into three general types:

1. Misconception:

The customer does not or did not fully understand the offering or solution or has been otherwise misinformed. Misconceptions are common because certain offerings or solutions are complex or have been understood through filters of understanding that are incorrect.

- You can lead a person to answer his or her own objection by asking appropriate questions (the Socratic Method).
- You can provide statistics, refer to satisfied clients, demonstrate how the offering/solution works, or show a brochure.

2. Skepticism:

The customer is not convinced that your offerings and solutions will do what you claim or that your plan will solve the problem. He or she is being cautious or is probing for more information. If the objection reveals skepticism, you must prove to the customer's satisfaction that your offering/ solution can perform or that your plan will work.

- You can submit a testimonial letter, a competitive comparison chart, or a special time-sensitive or price-related offer.

Continued on Next Page…

Overcoming Objections

Step 4 Continued: Answer the Objection

3. Legitimate

The customer has a valid point about some disadvantages in your offering/solution—a way in which your offerings or solutions does not meet his/ her expectations or needs. Frequently, these issues concern rates, terms, processing times and efficiency, or product capabilities. Show how the advantages of your offering or solution outweigh any disadvantages the customer has identified by matching your hypothesis to their needs using their words as much as possible.

- You can answer by admitting the shortcoming of your offering or solution and shifting quickly to a strong advantage.

Overcoming Objections

Step 5: Test

The last step in overcoming sales objections is when you confirm your response has been received, understood and accepted. Don't reply to the objection and leave it hanging in the air. Some simple phrases include:

- *"What else may be a concern?"*
- *"When you think of it that way, how do you feel about this _______ satisfying your needs?"*
- *"Are there any other reasons you wouldn't want to....?"*
- *"What else do you need to know to help clear up this issue?"*
- *"Does this answer your concerns?"*
- *"I'm really glad you brought up that point, because it's very important to us that any issues or concerns get addressed right away. Are you comfortable that we have addressed this to your complete satisfaction?"*
- *"With that question solved, can we go ahead?"*

If your customer says their concern has been addressed, you can move to the next step. In some cases, it is the request for the PO; in other cases, it is permission to submit a proposal. If your customer doesn't feel his/her objection has been dispelled, you must analyze your work to date.

- *Have you begun with a hypothesis based on good research?*
- *Have you used your questioning skills to identify all possible needs and wants from a business and emotional perspective?*
- *Have you identified the various problem scenarios with tangible and intangible impact?*
- *Have you done your cost justification?*
- *Have you offered the best solution in a way that used as many of the customer's words as possible and tailored to as many of their concerns or issues as possible?*
- *Any steps left undone or incomplete can be redone as you move back through the influencing/selling process while staying focused on your customer.*

Overcoming Objections

L.R.E.A.T.

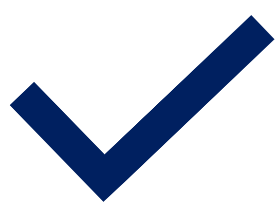
Listen

Restate

Explore

Answer

Test



Offer Solutions & Overcome Objections Activity

Prepare for Roleplay

To practice everything you have learned so far you will engage in a role play using the information from the case study. For this role play, consider that you have already called on the service manager (the role play you observed) and are now following up with the sales manager.

Directions:

1. Form triads and decide who will play the role of customer, sales professional, and observer.
2. Read the instructions for your selected role.
3. After preparing for the role-play, take up to 20 minutes to complete your conversation.
4. Following the conversation, the observer will provide the sales professional with feedback.

Continued on Next Page…

Offer Solutions & Overcome Objections Activity

Three Roles:

The Customer

You are Gary Smith, sales manager, at Markham Chevrolet dealership (Case Study P. 12-13).

You are concerned about reducing sales staff turnover, Customer Satisfaction Index Scores (CSI) and repeat customers as well as porters that do their jobs as required (see page 27 RASIC chart for additional concerns).

Use the case study description of this person and feel free to be creative and fill in any missing information to help make the role-play more realistic.

The Sales Professional

You have done your homework and have learned some general background information about Markham Chevrolet. Use the case study as your context. You are now making a call on the sales manager to practice the following in order to influence the buying decision:

1. Match the customer's style; use communication cues to establish rapport, demonstrate genuine interest, and clarify the purpose of the meeting while positioning the company without over emphasis?
2. Ask an effective sequence of questions with an emphasis on tangible and intangible needs and wants, and to uncover hidden, visible, or working problems?
3. Use effective listening skills to validate your hypothesis and understand the customers position?
4. Narrow possible solutions to the *best* solution while appropriately overcoming objections during the problem-solving process?
5. Probe for and address hidden risks, then ask for support or the sale? Use appropriate words to confirm the support you are looking for, a purchase order, a second meeting, or a request for a quote or whatever is the purpose of the meeting.
6. Use the LREAT (Listen, Restate, Explore, Answer, Test) to overcome objections and get the order?

The Observer

Watch and listen carefully so that you can provide instructional feedback to the person assuming the role of the sales professional. Use the following page titled Observers Check Sheet to record your observations. Please be as detailed as you can to help the learning process.

The Observer Check Sheet is on the Next Page…

The Observer Check Sheet

Did the sales professional do the following?	Yes	No
1. Match the customer's style; use communication cues to establish rapport, demonstrate genuine interest, and clarify the purpose of the meeting while positioning the company without over emphasis?		
Examples where this was or was not done:		
2. Ask an effective sequence of questions with an emphasis on tangible and intangible needs and wants, and to uncover hidden, visible, or working problems?		
Examples where this was or was not done:		
3. Use effective listening skills to validate any hypothesis and understand the customer's position?		
Examples where this was or was not done:		
4. Narrow possible solutions to the *best* solution while appropriately overcoming objections during the problem-solving process?		
Examples where this was or was not done:		
5. Probe for and address hidden risks, then ask for the support or the sale? (Use appropriate words to confirm the support you are looking for or a purchase order)		
Examples where this was or was not done:		
6. Use the LREAT (Listen, Restate, Explore, Answer, Test) to overcome objections and get the order?		
Examples where this was or was not done:		

Module 2 Knowledge Check

Enhance Your Selling Skills

Complete the knowledge check by circling the correct answer.

1. Select the most effect level of listening.

   a. Passive
   b. Interpretive
   c. acknowledgement responses
   d. translate

2. These types of questions are restrictive in nature and supply brief and to the point responses.

   a. closed-ended questions
   c. open-ended questions

3. The "A" in HAT stands for?

   a. ask and listen
   b. accelerate your confirmation
   c. accept the objection

4. You can accept your customer's objection without agreeing to it.

   a. true
   b. false

5. L.R.E.A.T stands for?

   a. Listen, Restate, Explore, Accept, Test
   b. Listen, Restate, Evaluate, Answer, Test
   c. Listen, Restate, Explore, Answer, Test

6. Asking the right questions helps you identify the three types of problems. They are:

    a. hidden
    b. service
    c. visible
    d. working

7. Select the closed-ended questions.

    a. confirming
    b. exploratory
    c. leading

8. Select the open-ended questions.

    a. exploratory
    b. confirming
    c. impact

9. Listening is a 4-step process,

    a. true
    b. false

10. Which step in L.R.E.A.T. offers a solution?

    a. Listen
    b. Restate
    c. Explore
    d. Answer
    e. Test

Module 3

MANAGE YOUR BUSINESS

- Value Proposition
- Cold Calling
- Pre-call Planning
- Manage Your Territory and Pipeline

The Value Proposition

The Value Proposition is a formal statement of how your business **brand** proposes to deliver superior value to customers and differentiate itself from competitors. It is typically created by marketing professionals that study the marketplace, our competitors, and what the typical users of our offerings and solutions expect.

Husqvarna has created a formal Value Proposition for all of our business platforms. These **Market-level Value Propositions** can be found on our product-specific website, brochures, and in other marketing materials. These Value Propositions are used to help customers and sales professionals understand and clarify the value that specific offerings and solutions bring to our markets.

The salesperson is responsible for creating a **Customer Level Value Proposition** by starting with the market-level Value Proposition and tailoring it to specific customers within the market to fit the exact needs and wants of each individual customer.

This customized version describes the value we bring to each individual customer, rather than the market as a whole. Because each customer is different in each part of the world, the high-level value proposition must be translated to a level that reflects your specific customer's perception of value.

A value proposition does not create value.
Value is defined by the customer and is constantly changing.

This means you must target specific customers and know from their words (their "you saids") what they value. Sometimes the value we offer is not what the customer values right now. Therefore, your value proposition will change over time.

Using the value proposition in sales

The process of developing the customer-level value proposition -- what differentiates your offerings and solutions offerings from your competitors' in the specific customer's mind -- is a strategic selling skill. The customer-level value proposition can describe to individual customers such things as:

1. What this customer told you they value; what they **want or need**.

2. What you can provide them in their market and the ***value*** it offers them based on how **they** define value.

3. How you are **different** from your competition with this customer.

Customer Level Value Proposition Activity

Directions:

In the top box below, select one customer and write what you believe is their "customer level" value proposition. If you go to market through a channel partner, write the Value Proposition for the channel partner that connects you with that customer. In the bottom box, adapt that statement to align with the Value Propositions in the top boxes.

The Value Proposition Your End Users Offers to their Customers (Who?) 1. Their customer wants and needs 2. What is provided to their customers and its value 3. How this end-user is different from their competition	
The Value Proposition Your Channel Partner offers to the customer above (tailored to support the customer above) 1. End-user's wants and needs 2. What is provided and its value 3. 3How the Channel Partner is different from their competition	
Your Value Proposition (tailored to support the customer above) 1. Chanel or end-user's wants and needs 2. What is provided and its value to them 3. How you are different from your competition	

Cold Calling

Background

A key part of developing your business is to find, meet and establish productive relationships with potential customers. These relationships typically begin at some point with an initial contact.

A contact is considered a cold call if the customer has had no contact with the salesperson and the salesperson knows nothing about the customer.

Many sales professionals find this the most difficult of all tasks. Others find the challenge stimulating and fulfilling. Regardless how you feel about the cold call, it is essential to recognize that the cold call exists for one purpose -- and that purpose is NOT to make a sale.

The purpose of the cold call is to get the prospective customer interested in you, your **offerings and solutions**, so they are willing to further explore the development of a business relationship leading to a buying decision.

There are four ways of looking at cold calls that concern the sales professional:

1. Phone call to a new customer business that may or may not know you or your organization.

2. Phone call to a new contact/person within an existing customer organization that already has a relationship with your business.

3. In-person/drop-in style visit to either the new business or the new contact.

4. Chance encounters:

    a. with someone that asks you about your business
    (Someone sees you in a store wearing a logo shirt from your company and asks you: "What do you do?").

    b. with someone you believe might have an interest in your business
    (You're sitting in an airport and start a neighborly conversation only to learn that the person with whom you are speaking works for a company that might be interested in your offerings and solutions.)

Prepare for the Cold Call - Warm it up

Warming up a cold call happens when you acquire knowledge about a potential new customer or when you review your value proposition and make specific decisions as to how you may modify it to describe the value you believe a specific new customer may be looking for from you based on your research (your hypothesis).

Husqvarna Sales Success believes that there are very few reasons a salesperson should make a call without warming it up.

Each of the four types of cold calls described on the previous page should begin with some type of preparation. For the first three types of calls (for everything but the chance encounter), use the market analysis and account analysis tools in your toolbox to begin developing an understanding of who you are calling and why they may be a good candidate as a customer.

In-person/drop-in style calls are typically planned to "blitz" new territories or markets and establish name recognition or are the result of some type of unexpected opportunity. The blitz is a marketing event where a small group of sales professionals call on potential customers for their offerings and solutions for the purpose of introducing themselves, meeting potential decision makers or influencers, and initiating a presence in an area where you may not have previously known. You can certainly do research on the territory or the geographic market, and although you may not be able to gather extensive information on a company you don't know, you can fully prepare yourself.

For in-person conversations, drop-in or by-chance, remember the purpose of the conversation is to generate interest in what you can do for them and their business, NOT to make a sale right then!

For the two types of phone calls, (phone call to a new customer business and phone call to a new contact/person within an existing customer business) remember the purpose of the call is to get a visit, NOT to make a sale right then!

1. When planning a phone call to a new customer that may or may not know who you or your organization is, find out as much as you can about them, their industry, their business, their customers and any issues they may be facing. Use all the methods discussed earlier in the section on researching for your sales strategy.

2. When planning a phone call to a new contact with an existing customer that has a relationship with your business, make sure you are up to date on what the company has done for and/or with them in the past (use your business sector CRM and the do the same research as #1 above).

Cold calls MUST be warmed up in order to generate the most value from the time you have with the decision influencer or decision maker.

Pre-Call Planning for Existing Customers

Preparing for the call

Every call and visit to a customer must be made with a purpose in mind; and this purpose **MUST** be to add some type of **VALUE** to your customer. Creating Sales Success includes informing your customer of the purpose of each call.

The following “tickler questions” can be used to help prepare for any key call or visit. Ask yourself, since the last time you spoke, has anything changed in:

Your industry? (regulations, competition, etc.)

Your product or service line? (additions, discontinuations, modifications, etc.)

The customer's industry or environment? (regulations, competition, weather, etc.)

The customer's organization? (new leadership or re-organization, new products or services they are offering, acquisitions, new facilities, etc.)

The relationship between the customer and your organization? (successes to be leveraged or issues to be mitigated?)

Use the resources you used to create your initial strategy to stay current, such as:

- Company website
- Google Alert
- Facebook, LinkedIn, Plaxo
- Dunn & Bradstreet (D&B)
- SEC
- Letters to Shareholders
- Trade shows or trade magazines or journals
- Current or former employees

Activity!

Look at the tab in your toolbox for a sample Pre-Call Planning Sheet from the Case Study. Then make a copy of the blank page in the toolbox to make a call plan for the next call or visit with a real customer or channel partner.

Territory Management

What is Territory Management?

Territory management is similar to "portfolio management" in that it requires continuous actions from
the sales professional to target and manage all sales opportunities based on:

- the current or future value each opportunity provides to the sales cycles (value is based on specific segmentation criteria)
- the extent to which he or she believes that each customer, prospect or channel partner requires a high level of energy through face-to-face or other means to generate revenue

The salesperson determines who or what (customers, prospects, individuals within each, etc.) to focus attention, including **when, where, how, why** and **what** to execute in order to effectively penetrate and develop the sales potential in a given territory.

Territory management includes the following:

- Defining the boundaries of the territory for which you are responsible
- Identifying the specific location within that territory of existing customers and prospects for each (your targets)
- Creating a GOAL for the time period in which you are traveling
- Determining which targets will benefit from your visit during a given travel cycle, based on their needs and your GOAL
- Developing a pre-call planning sheet for each target
- Creating a path along which you will travel (car, train, tram, plane or all) in order to achieve the objectives of each pre-call plan
- Ensuring that you have considered the real travel time requirements between each call as well as the amount of time required to be spent during each call (remember your time management tips about estimating time)

Territory management works best when the sales professional has taken the time to segment customers and channel partners and keep the rating current.

Territory Management

Relies on Segmentation

Segmentation, for the purpose of our approach, is the practice of dividing a customer/ prospect/ channel partner base into groups of buying centers that are similar in ways relevant to marketing or sales efforts. Using segmentation allows companies to target groups and allocate sales and marketing resources effectively.

Value-based segmentation, what we are suggesting you do as part of your sales strategy, looks at groups of customers, prospects, and channel partners in terms of several characteristics. Consider each buying center within each customer or prospect organization and consider each channel partner as an extension of your own business. Each brings you potential selling opportunities with their own SMART goals.

For all selling opportunities, consider the following:

- Amount of profitable revenue that is or could be generated
- Amount of time required to get the P.O. or the order
- Level of effort or time from you that is or will be required to acquire, maintain or grow the desired level of revenue
- The probability of acquiring, maintaining or growing that level of revenue

For channel partners also consider:

- To what extent is the channel partner achieving sales that you would not be able to acquire without them?
- To what extent does the channel partner represent your business Brand in the way that you want it represented?

Rate each opportunity A, B, or C based on your analysis. You can create a spreadsheet to compare and contrast your prospects and customers according to the dimensions above.

A rating typically means this opportunity offers higher dollars, higher probability and lower effort as compared to other opportunities

C rating typically means this opportunity offers lower dollars, lower probability and higher effort as compared to other opportunities

B rating typically means this opportunity is somewhere in the middle of these characteristics

Your sales and travel strategies usually include what you are going to do and say with each of these three categories of opportunities to either move them to a more important level, or decide they are not worth your effort at this time.

Territory Management Activity

Each territory in each region or country has different factors that influence the extent to which the salesperson is able to easily manage relationships in order to influence buying decisions. This activity will give you the opportunity to practice creating a travel path for visiting customers based upon segmentation and strategic goal setting.

Directions:

In table groups, complete a hypothetical one-week travel plan using the "Travel Plan Activity" provided in the case study. Your assignment is to leave Detroit, Michigan (your home base) Monday morning and return Friday by end-of-day.

Be prepared to report your travel path strategy. What was the GOAL for this travel period? Why did you choose the specific places to visit over others based on segmentation and other factors your group considered important?

Pipeline Management

What is a Pipeline?

A sales pipeline, sometimes called the sales funnel, is the description of all the steps or activities that a salesperson goes through in order to get prospects at the start of the selling process and then convert them to customers (ideally with recurring sales) at the other end of the process.

Thoughtful use of a sales pipeline management tool allows a reasonably accurate forecast of sales projections and equally as important, ensures that the salesperson is managing their sales activities through time.

How do you use it?

Every call and visit are part of your sales strategy and as such is part of your sales pipeline. The steps below describe one way you can manage your selling business. The worksheet on the following page and in your Toolbox follows these steps:

1. Define each of the steps in sequence that you use to generate recurring profitable revenues.
2. For each step determine the percentage that describes the probability you will generate revenues at that step (for example, you know that you get a P.O. from 80% of the buying centers you work with at the Proposal stage of your process).
3. Identify each account and each buying center in each account with whom you are working.
4. For each buying center, identify the potential amount for that specific sale.
5. List where that specific sale is according to the steps in your process.
6. Identify the specific task you will do to move that sale to the next step; how long it will take and when you will do it.
7. Forecast the revenue by multiplying the potential dollar amount of that specific sale by the probability of the step you are at and list the amount under the quarter you expect to get the order.

This process is one of many that salespeople use to manage their business over time and to generate reasonably accurate forecasts. Also, when you use a tool like this, trends will emerge.

What will you know if most of your accounts are at the earlier steps of your pipeline process? What should you do?

What will you know if most of your accounts are at the later steps of your pipeline process? What should you do?

Review the following page for a sample Pipeline Status Worksheet.

Pipeline Status Worksheet

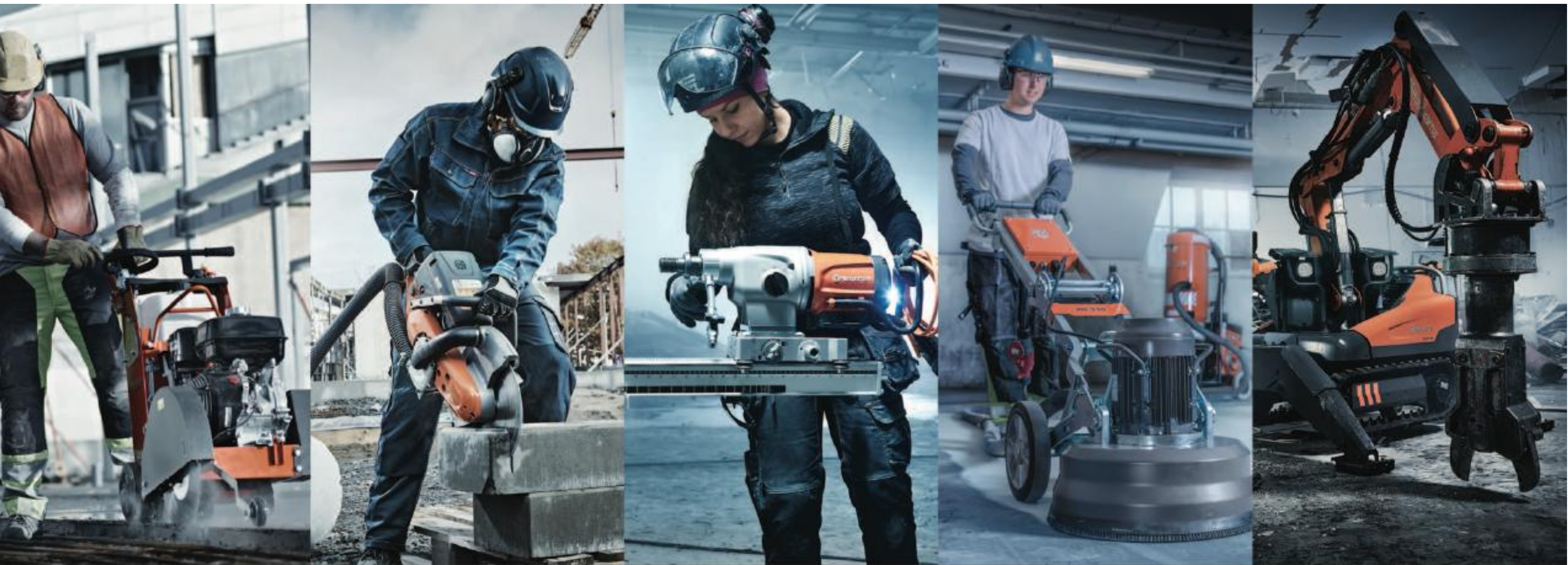
Directions:
1. This tool is based on your personal/organizational formula for accurate forecasting. **Before using this tool**, you must put in cells 5 D-K your perception of the percent of probability that you typically acheive when you are at each of the listed steps (1-8) in the sales process.

2. Then complete Section 1 by listing your accounts, buying centers and potential total dollar amount of each sale. Once these are listed, place an "X" in the box under the space in the pipeline where this customer/prospect buying center is presently positioned in your sales relationship.

3. In Section 2 complete the cells to determine where you need to invest the most time with each customer/prospect in order to keep them moving through your pipeline and estimate in hours the time you will have to invest.

4. In Section 3 forecast and identify which quarter each customer/prospect buying center will generate revenue for your business by computing the dollar amount of your sale as you predict for each quarter divided by the probability of the payment being received.

SECTION 1											SECTION 2		SECTION 3							
Customer or Channel Partner Organization	Customer or Channel Partner Buying Center (for a specific revenue opportunity)	Potential total dollar amount of the specific revenue opportunit y	1. Develop a Strategy (% probability)	2. Make Initial Customer Contact (% probability)	3. Confirm and Expand Needs (% probability)	4. Jointly Develop Solutions (% probability)	5. Create the Proposal (% probability)	6. Present the Proposal & Get Agreement (% probability)	7. Launch and Manage the Project (% probability)	8. Manage the Relationship to Develop Recurring Revenues (% probability)	List below the specific tasks required to help this customer or buying center move to the next step in your pipeline	Estimated time required to move to the next step (Hours)	Q-1	Q-2	Q-3	Q-4	Q-1	Q-2	Q-3	Q-4
			40%	50%	70%	80%	85%	90%	100%	95%										
Murray Auto Corporate (CSK Auto, Inc)	Rob Burgess Murray's - Livonia, MI	100,000				X					Prepare proposal for extra incentive plan	1.5						80,000		
Murray Auto Corporate (CSK Auto, Inc)	Tom Crosby Murray's - Flint, MI	30,000		X							Create open ended questions for meeting to confirm and expand customer needs	1					15,000			
Superior Lock and Key (Rochester Hills, MI)	Joe and Becky Sykes, Superior Lock and Key - Rochester Hills, MI	28,000						X			Prepare for meeting by having all information clearly laid out for their understanding. Anticipate any questions / concerns they might have	2		25,200						



Summary

REFLECT ON YOUR LEARNING

Summary and Reflection

Working individually take a few minutes to do the following:

1. Review everything you have learned in the last three (3) days
2. Determine a minimum of three to four tools and/or behaviors you plan to implement immediately back at work and write them down below
3. Project what you believe the impact will be on your business and the Company from these changes and write them down below
4. Be prepared to share with the rest of the class one tool or behavior you plan to implement and how you believe it will impact your business and the Company

Review what you have learned:

Behaviors or tools you plan to implement:

Project the impact on your business:

Review what you have learned:

Notes

Notes

Notes

Notes

Notes

Notes

Husqvarna®
EXPERIENCE CENTER

www.husqvarnacp.com