



## Unit 3

# Customer Focused Selling

## Learning Outcomes

**By the end of this unit the learner will be able to:**

- ✓ Discover the benefits of developing a support network of connections.
- ✓ Understand how building relationships can help you develop your business base.
- ✓ Learn how to apply communication techniques to build your network.



## Unit 3

### Customer Focused Selling

#### Focusing on Your Customer

There was a time where sales efforts focused on getting as much product or service sold as possible. We worked with sales quotas based on monthly, quarterly, and annual numbers. If you approached a used car lot, you might have dreaded it because you knew the salesperson would be selling hard, and perhaps it's not an approach that you appreciate. While that hard sale kind of practice is still used today, it has for the most part become very unpopular with our customers. They tell us that when sales are about being pushy, upselling, and designed to convince people to buy things they may not need, they do not want to buy from us. Instead, those **hard selling practices** are being replaced by a focus on what the customer needs.

We **can figure out what our customers need** by exploring what their challenges are and how we can help to minimize those challenges. When we take a real interest in our customers we develop relationships with them that ultimately help us to sell more. When customers have a choice about who to buy from, they shop with companies that they like, that they have positive feelings about, and that they know will help them with a problem. While you may not like each of your customers personally, it's important that your attitude reflects that you enjoy your work, and being able to help your customers.

There are several terms in current usage for this type of selling, but most often you will hear **Customer Focused Sales**, or **Consultative Selling**. While the titles sound simple, it takes consistent work and skill development to be effective and to generate sales no matter how we do it, and these relationship models make a big difference in your results.

A customer focus should be applied at each sales opportunity that you have, including telephone calls, appointments, presentations, and each conversation throughout the process. Depending on what you sell and the complexity of the buyer's decision, the process can be very brief (a phone call or visit to your front counter, for example), or it can take several months.

**Think of your own company, as well as companies in your area. Can you name some examples of older style sales?**

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**Can you name some companies who are successfully using a customer focused or consultative approach?**

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**What do you love about sales?**

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**Understanding Effort vs. Results**

It's helpful if we consider our attitude and the way we approach our work as we consider our business relationships. As outlined in the diagram below, the efforts we make and the results that we get are related.

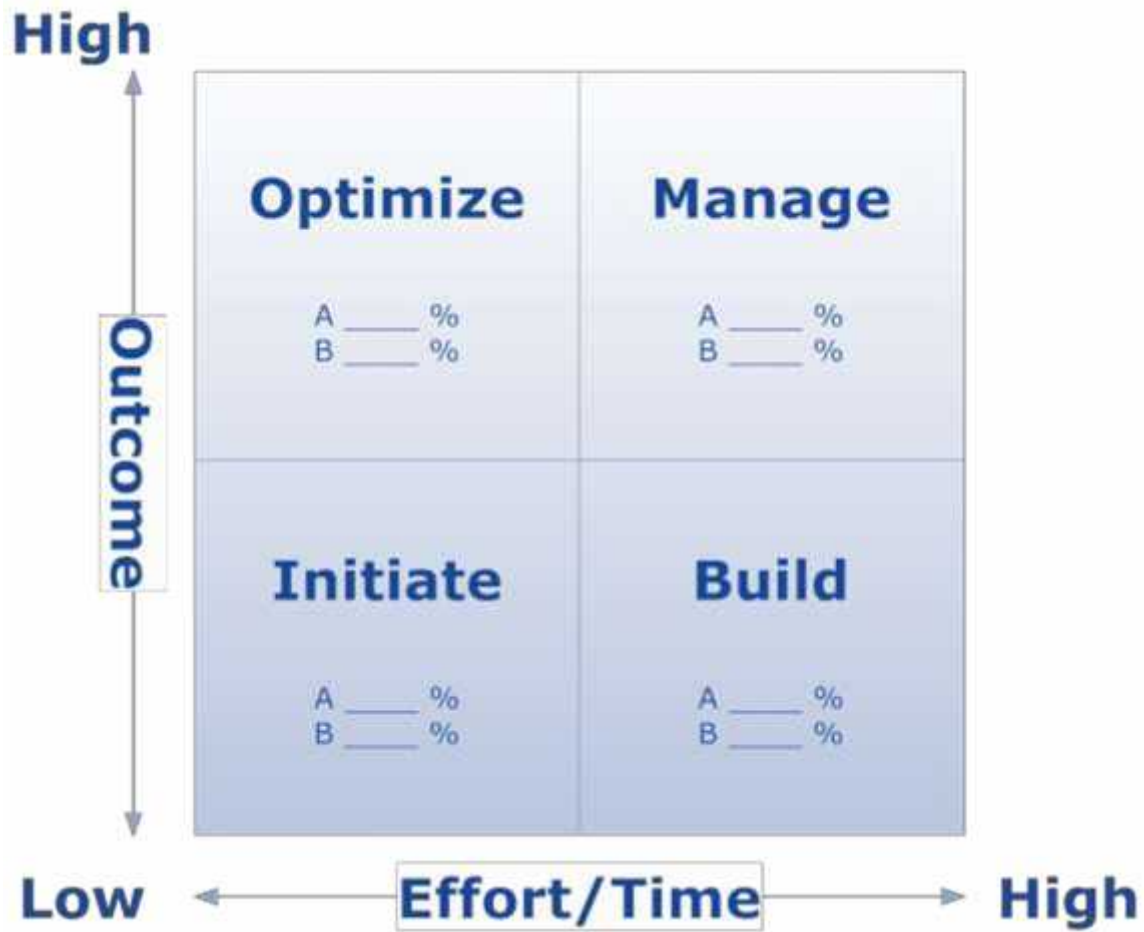


The quadrants defined by the matrix are:

- 🏠 **Initiate:** Find new opportunities
- 🏠 **Build:** Convert those opportunities into clients by building trust
- 🏠 **Manage:** Manage the relationship and focus on serving your customers by offering solutions
- 🏠 **Optimize:** Grow the relationship with consistent results and problem solving

### Activity

Based on your work today, what percentage of your time do you spend in each category? Write the percentage on the lines marked A in each of the quadrants.



Consider your sales goals for the next 3-6 months. In order to reach your goals, what is the ideal amount of time to devote to each category? Write those percentages beside the B in each category.









### **Complementarity**

People may be attracted to others who fulfill a particular need at a particular time in their lives. If you know their needs and you can fulfill these needs, with your own talents or with your products or services, it is easier to create an interest in what you offer.

### **Reciprocity**

This relates to our tendency to repay others in kind for what they have given us. It often comes as some kind of obligation. Some examples include inviting people to parties after they have invited us, buying a gift for someone who buys us one, or sending holiday cards in return for those sent to us.

#### **How can we make reciprocity work for us?**

- Ñ We can be generous, giving our time or our talents to others.
- Ñ We can do good turns for others without expecting payment of any kind.
- Ñ We can treat others with kindness and respect, just as we would like to be treated.

### **Competence**

People can be influenced by the knowledge and skill that people bring to a situation. Certainly, it is important to be seen as knowing what you are doing. Testimonials from others who have used your services can provide proof of your competence.

#### **How can we become more competent?**

- Ñ Find an area of sales that you excel in, and become even better.
- Ñ Practice, read books, and learn about your field.
- Ñ Become an expert in a particular area.
- Ñ Collect testimonials.
- Ñ When people say nice things, ask if they'd put them on paper. This isn't the same thing as bragging (something most of us find obnoxious).

### **Proximity**

The sheer chance of physical location determines to a large degree those with whom we do business. On the whole, proximity allows us to gather more information about others and to benefit from a relationship with them. How can this work in your favor?

According to research, we are more apt to form relationships with people who live in our community, our city, our province, or our state. This is good news in one way. We don't have to conquer new territories. We can build strong relationships right on our own home turf.

However, with the advent of the Internet, we do have access to, and virtual proximity to, a far greater geographical region than ever before.



**Exchange**

In differentiating exchange from reciprocity, a person must determine whether working with another is a good deal or a wasted effort. It suggests that we seek people who can give us personal rewards equal to or greater than the costs we face in dealing with them. In economics, this is called the **exchange theory**.

**Can you think of an example of the exchange theory in your selling experience?**

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One example might be, all other things being equal, that you wouldn't incur a \$1000 travel cost to get \$500 worth of business. Getting sales training is only rewarding if we can use that knowledge to bring in more dollars that you paid out in training.

These components of interpersonal attraction influence us in our social as well as our professional lives. Most people do not have a choice when it comes to the people they work with (although these determinants often determine the degree to which they appreciate and nurture those relationships), so they may choose to exercise these factors to a greater extent when they feel they are in the driver's seat, as a buyer.

**Building Customer Connections**

**Where do you live?**

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**When is your birthday?**

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**Where were you born?**

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**If you have a significant other, what does he/she do?**

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**Where else have you lived?**

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**Where did you go to high school?**

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**Where did you go to college/university?**

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**Do you have any personal hobbies?**

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**What is your favorite vacation spot?**

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**What is your favorite meal?**

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**Do you play golf?**

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**What is the best movie you have seen lately?**

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## Disclosure

**Disclosure** is the degree to which we are willing to be authentic with others and share appropriate information about ourselves. The idea here is that the more authentic we are, the stronger our relationships will be.

There are two significant ways of becoming more self-aware. The first involves listening to yourself to understand what causes your reactions or feelings and to look at how you react. We have a tendency to ignore our reactions to people and the world around us, but we can make our feelings and reactions more conscious if we raise our awareness and work on these things.

The second way to become more aware is to ask for feedback from other people about how they see you and how they react to your behavior.

To further our understanding, we'll use the **Johari Window** concept, which was developed by Joe Luft and Harry Ingham.

	Known to Others	Not Known to Others
Known to Oneself	<b>Open</b> <b>1</b>	<b>Partially Open</b> <b>2</b>
Not Known to Oneself	<b>Partially Open</b> <b>3</b>	<b>Hidden</b> <b>4</b>

When we raise our self-awareness and we get brave and ask feedback of others, it can help us become more authentic in how we communicate and interact with people.

The window illustrates the point that there are certain things you know about yourself and certain things that you don't know. Similarly, there are certain things others know about you (that you may or may not know) and then there are things that don't know.

One assumption of the Johari Window is that it takes energy to hide information from yourself and others, and that the more information is out in the open, the better and clearer communication will be.



Building a relationship often involves working to expand your open/free or “known to self and others” window, while decreasing your blind and hidden areas. As you become more self-disclosing, you reduce your hidden area, and give other people more information to work with, thus reducing your blind area.

As you encourage others to be more self-disclosing with you, your blind area is further reduced. As you reduce your blind area you increase self-awareness and this helps you to be even more self-disclosing with others.

## How to Win Friends and Influence People

### About Dale Carnegie

One extremely successful book that has been sold and translated around the world is Dale Carnegie’s *How to Win Friends and Influence People*. He first wrote the book in 1936, and after many reprints it was re-issued again by his family in 1998. It’s a classic that has stood the test of time because people relate to the principles discussed and easily see their value.

Carnegie was born in 1888 and died in 1955. He worked as a salesman and recognized a need for people to become better public speakers. He developed a system for teaching public speaking which still exists today. He also strongly believed in a theory called **responsibility assumption** that describes how your actions are responsible for what you get in life.

Let’s go back and revisit some of Carnegie’s basic principles, since he touches directly on how we connect with people. Self-awareness is the first step towards understanding yourself and making a choice as to whether you wish to change certain current patterns of behavior to more productive ones.

### Small Group Exercise

**Talk to people about the things they are interested in.**

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**Try to see things from their point of view.**

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**Genuinely like other people.**

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**Smile.**

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**Make them feel important.**

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**Don't criticize others.**

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**Further Reading:**

- ✓ *Berkley, Susan. Speak to Influence. Campbell Hall Press, 2004.*
- ✓ *Blake, Joanne. No More Cold Calling . Business Plus, 2007.*
- ✓ *Carnegie, Dale. How to Win Friends and Influence People. Pocket Books, 1998 (Reprint).*