SCHOOL-BASED ENTERPRISE INSTRUCTIONAL UNITS
SELLING

EMERGING LEADERS AND ENTREPRENEURS IN MARKETING, FINANCE, HOSPITALITY AND MANAGEMENT
There are many facets of the sales function. Some businesses have entire sales divisions comprised of individuals in charge of bringing in revenue through the marketing of the business’s products. A recent sales trend is the development and maintenance of customer relationship management (CRM). Customer relationship management refers to activities performed for the sake of finding and keeping customers. While your SBE most likely doesn’t have its own sales or CRM divisions, these are important concepts to grasp in your understanding of the selling function as a whole. The sales concept most often illustrated in your SBE is probably personal selling. Personal selling is any form of direct contact between a salesperson and a customer.

Personal selling comprises many techniques used by salespeople to positively influence customers’ buying decisions. Personal selling techniques are wide-ranging; some are formally defined while others are simply personality traits that are difficult to define or teach. Perhaps the most important sales technique, though, is the mastery of the selling process, the steps of which are as follows:

1. Prepare for the sale (pre-approach).
2. Approach the customer.
3. Determine needs.
4. Present the product.
5. Handle questions and objections.
6. Close the sale.
7. Use suggestion selling.
8. Follow up.

**PREPARE FOR THE SALE**
Preparing for the sale (the pre-approach) involves knowing all the information that will help you make the sale. This includes knowing about your product (cost, features/benefits, variations, etc.) so that you can relay that information to your customer. You must also know your customer and your business/store/school-based enterprise. Who shops at your business? Why do they choose your business over another? Is it because of impeccable customer service or competitive prices? Knowing why your customer chooses to shop with you will help you deliver in those areas that keep them coming in. Lastly, you need to know where merchandise is located, procedures for returns, and other business policies.

**APPROACH THE CUSTOMER**
Approaching the customer is one of the more delicate steps in the selling process. Some people welcome assistance from a salesperson, while other prefer to browse on their own before requesting assistance. Mastering three styles of approach will help ensure that you can successfully greet all customers and move along in your attempt to make a sale. These styles of approach include the greeting, service, and merchandise styles. The greeting approach is just that—a simple greeting. You might say “Hi,” “Good morning,” or something of the sort. Your goal is simply to acknowledge...
the customer. The service approach is an inquiry of the customer. You are offering your services through a question such as “How may I help you this evening?” or “What are you looking for today?” The secret to a successful service approach is in not asking a closed-ended question like “May I help you?” You probably often hear closed-ended questions being asked of customers, but they are rather ineffective as they give customers an opportunity to say “No.” Open-ended questions not only demonstrate that you are there to assist the customer, but they also force the customer to provide you with information helpful to your making a sale. The merchandise approach focuses on a product. You should use this approach when the customer appears to be interested in a particular item. If you notice the customer eyeing a display of T-shirts, you might say to them, “Those T-shirts are 100% cotton, and they’re actually on sale this week.” Of course, you can always combine any of these three approaches to form your own customized approach. For instance, you can say hello to the customer before asking how you might assist them (greeting and service approaches).

**DETERMINE NEEDS**
You determine a customer’s needs through observing, questioning, and listening. All three of these techniques will help you hone in on what it is your customer is looking for. Take note of what the customer is looking at, and ask questions based on your observations. Remember to give the customer plenty of time to answer your questions and to talk freely.

**PRESENT THE PRODUCT**
Determining the customer’s needs allows you to narrow in on a range of products that they might be interested in purchasing. Once you have done so, you can present the product to the customer. Let’s use the T-shirt example from earlier. You’ve determined your client’s needs—a T-shirt. Present them with various options for the T-shirt (sizes, colors, etc.), but not with so many options that they feel overwhelmed. Discuss the benefits of the T-shirt and encourage the client to try it on (if allowed) or to imagine an outfit using the T-shirt as an element.

**HANDLE QUESTIONS AND OBJECTIONS**
Customers are bound to have questions about and objections to the product. Understand that questions and objections are not threats to the sale, but rather opportunities to move the sale along! If your customer objects to the T-shirt’s high price, praise the T-shirt’s high quality. If the customer is buying the T-shirt as a gift and is unsure the recipient will like it, inform the customer about your return and exchange policies. There’s always a way to take a question or objection and continue the conversation about the product, but it does take some effort. Just remember to be patient and tactful.

**CLOSE THE SALE**
Closing the sale is another delicate step in the selling process. The actual “close” of the sale occurs when the customer says that they will purchase the product. Sometimes the customer will tell you they want to buy it. Other times, you may need to coax an answer out of an indecisive customer. If you have exhausted your selling techniques, a friendly question can often swing the sale in your favor. Something like “Are we going to take this home today?” sounds non-threatening and unforced. Always be prepared to answer more follow-up questions about the product at the close of the sale.

**USE SUGGESTION SELLING**
You employ suggestion selling when you encourage the customer to buy additional (but related) goods or services. This is often very easy to do once you’ve closed the sale, as you have concrete knowledge of what the customer wants (the product they are purchasing). You also know that they will be parting with some of their money today, and encouraging them to spend more is typically less difficult than convincing them to make a purchase in the first place. If you’re selling a T-shirt as a gift, ask the customer if they’d like a T-shirt for themselves or to give as a gift to someone else. If you’re selling a sandwich, ask the customer if they’d like an additional food item to complete their meal.

**FOLLOW UP**
Follow-up is where many salespeople come up short. You’ve already made a sale, so why should you make contact with that person in the future? Taking a little time out of your day a few days or a week after the sale may not seem like it will directly translate into more sales, but it will over time. Consistent follow-up with your customer base lets them know that you genuinely care about their satisfaction with the product you sold them, and it also allows them the opportunity to get to know you. The payoff is in the customers who routinely come in to your business and make purchases from you.
While the selling process is the foundation of personal selling, a successful salesperson demonstrates other techniques and traits. A personal interest in the product you are selling helps convince customers that the product is worth buying—after all, they have a walking testimonial right in front of them! A kind and approachable demeanor is another helpful tool. No one wants to buy anything from someone who is unfriendly and impatient. Additionally, the ability to “read” people and respond to them as individuals will endear a salesperson to many customers. While you should be kind and helpful to everyone, tailor your conversations to the individual.

**REFERENCES**


**CLASSROOM ACTIVITIES**

**ACTIVITY 1**

Referencing a recent sale, document your successful completion of the selling process by answering the following questions:

1. Describe the product you sold, when you sold it, and to whom you sold it.
2. How did you prepare for the sale?
3. What kind of customer approach did you use? How did the customer respond?
4. Describe how you clearly determined the customer’s needs. What were they shopping for?
5. Describe how you presented the product. Did you show multiple products from which to choose?
6. What were some of the questions and objections your customer had? How did you turn these into selling points?
7. How did you close the sale?
8. Were you able to add on any products through suggestion selling? What were they? How did the customer respond to your suggestions?
9. What follow-up did you perform after the sale occurred? Describe why this last step in the selling process is important.
10. Describe what you learned from this sale and how you will apply what you learned to future interactions with customers.

**ACTIVITY 2**

Create a training plan to train new SBE employees on proper personal selling techniques and strategies.
Nordstrom is considered one of the top luxury retail stores in terms of customer service. Its sales associates are known to go above and beyond the call of duty at each step of the selling process, which not only ensures that customers are satisfied, but also translates to impressive sales for the company. Let’s discuss how Nordstrom’s legendary customer service impacts each aspect of the selling process:

1) **Pre-approach:** all Nordstrom employees are expected to be experts on the products they are hired to sell. If a salesperson has to ask another associate three or more questions about a product, it is expected that that salesperson hand over the sale to the associate who knows more about the product. This eliminates concern on behalf of the customer that the person selling them their product does not know enough about it. It also encourages salespeople to become experts on more products.

2) **Approach the customer:** Nordstrom sales associates utilize all three styles of approach, though they are careful to avoid closed-ended questions. Successful salespeople at Nordstrom often have a customer base of both extremely loyal and new customers, so they tailor their approaches to the individuals they service.

3) **Determine needs:** salespeople at Nordstrom are highly adept at determining their customers’ needs. They do this by monitoring customers’ purchases over a period of time to identify trends in buying habits, observing customers’ senses of style, and treating customers as individuals through tailored conversations.

4) **Present the product:** Nordstrom salespeople know the value of presenting products effectively. Associates in clothing departments always re-fold and re-hang clothing after customers have tried it on so it looks nice and neat for the next customer. When a customer asks to see a blouse or a pair of pants, the associate may encourage the customer to hold up the garment to their body and view it in a mirror. Presenting the product is all about making sure the merchandise looks neat and appealing – and that the customer can envision themselves using it.

5) **Handle questions and objections:** Sales associates at Nordstrom are trained through role-play to handle difficult questions and objections. Managers and upper level employees take on the role of customers with doubts about purchasing a particular item, and the new associates must figure out how to eliminate those doubts. Knowing all there is to know about a product allows a salesperson to answer any question that arises about the product’s quality, materials, intended use, etc.

6) **Close the sale:** Methods to sale closing at Nordstrom vary from department to department. Regardless of what they are selling, though, Nordstrom salespeople always try to prevent the customer from second-guessing their purchases. They want to give the customer enough time to make a thoughtful buying decision, but they don’t want to give the customer so much time that they reconsider making a purchase. Associates in a clothing department will usually close the sale in the dressing room; they’ll ask their customer what garments they’ll be taking home and offer to hold them behind the register. This tactic eliminates any second-guessing on behalf of the customer, who could easily leave clothes in the dressing room or return them to the display racks if their salesperson didn’t have the foresight to close the sale in the fitting area. Cosmetics associates close the sale while their customer is still in the makeup chair. The associate will usually give the customer a mirror; hopefully, the customer is convinced that, in order to replicate the look, they will need all the products the associate used.

7) **Use suggestion selling:** Nordstrom salespeople are experts at suggestion selling. Once they have closed the sale, they will ask their customer if they’d like to purchase anything else. These questions sound casual and conversational, but they are powerful selling techniques. A salesperson for men’s suits can easily ask their customer if they’d like a pocket square, collar stays, or a new tie—all smaller, less expensive add-ons to the original purchase. Nordstrom salespeople are also known for the ability to cross-sell, or sell products from other departments. An associate in women’s shoes may suggest a matching handbag or necklace to complement the shoes. This technique works only if the associate has sufficient knowledge to seamlessly cross-sell the other products.

8) **Follow Up:** Nordstrom salespeople rely on follow-up to boost their sales. They write thank-you notes and make follow-up phone calls to see how their customers are enjoying their recent purchases and invite them in for exclusive events. Such efforts may not directly sell a product (though they occasionally do), but they establish goodwill between the sales associate and their client base. Such goodwill works to the salesperson’s advantage, for those customers will come to know that associate and shop with them in the future.