



Selling In An Increasingly Complex World

Today a company's sales strategy has to be carefully tailored to the kind of sales it engages in with nearly every product or service categorised into either a "Commodity" sale or a "Consultative" sale.

Commodity Sale:

Products and service in this group are identical or nearly so and are bought mainly on the basis of price (think of a book title, groceries, lawn mowing, a Holden Commodore). Buyers can go to the newspaper or Internet, quickly find the vendor with the lowest price and complete the transaction with little or no assistance.

Consultative Sale:

Products and services are far more complex in this group. Buyers of scientific instruments, industrial machinery, intangible products and services, consulting services for example, usually want and need hands on assistance in making their decision.

The two categories have always existed but the Internet has widened the gap between them. Never before have the buyers of commodities had so much information at their fingertips. Never before has it been so easy for them to switch suppliers.

As for buyers of consultative products and services never before have they expected the seller to add so much value during and after the sales transaction. Most companies offer products and services in both categories and they have to adapt their selling strategies to this new age.

Customers already have more information than was once given to them by sales reps. Therefore companies may no longer need a sales team that just communicates information and may no longer care to spend money on having one.

Also, it is becoming difficult to differentiate the product from your competitors nowadays. With so much information so easily available to customers minor differentiations between many competing items have been virtually eliminated - if not in fact, then certainly in the customer's mind.

In a commoditised world, salespeople win more customers with creating value in the PROCESS than with sprouting PRODUCT knowledge. The most successful sellers are those that offer ease of purchase and use



emerging technologies to bond with customers. Amazon.com tailors its “Welcome” message and book suggestions to individual buyers.

Whereas commodity sellers may jettison their sales force entirely to sell via less expensive channels (e.g., Internet, direct sales), the consultative selling path could not be more different.

Sales people must add value, not just communicate it. A rep who can rattle off product features and just communicates product value rather than creating value in the sales process is a dinosaur and doomed to extinction. How can you tell the difference between a rep who communicates value and one who creates value? Would the customer be willing to write a cheque out simply for the sales call? They would if you brought valuable expertise to the table, or offered a customised solution to a problem, or showed how to look at a problem from another perspective. Such contributions create value in the sales PROCESS.

The process starts not with the business you are in, such as selling two way radios to a security firm, but what business the customer is in, such as becoming the safest security firm to work for. This broadens the perspective of salespeople and enables them to come up with solutions that the client may not have even considered.

It is not the ability to communicate product knowledge but to understand the clients business, listen and ask high powered questions that involve the customer in problem solving and solution seeking. It is not in the ability to persuade but to understand the customer. It requires a completely new skill set.

This would seem to be a simple process for salespeople to grasp but, like a lot of things in life - simple but not easy! When you have been selling for years in the old style, then it takes a lot to change.



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