Sales Strategies For The Small Business

During the last few weeks I have been doing a little anecdotal research on what are the most common issues facing small businesses. This informal process is based on my conversations with business owners in a variety of settings and also as I observe and listen to the SCORE clients who request help each week from local SCORE volunteer counselors and mentors. I have concluded that one of the biggest issues facing small businesses these last few months is “how to increase sales”.

I began to jot down some notes on what I know and learned over my experience in business life. I also dug out some books and references on the topic. Then I came across a book that made me think about what I thought I knew about “sales”. But, first, let me ask you, have you ever had the experience of reading something or listening to a speaker and your brain started to tell you that this is really “baloney”. Well, I had that kind of experience when I started reading a business book published last fall written by Matthew Dixon. The book is titled “The Challenger Sale”.

Small-business owners have known for a long time that transactional selling is dead. It was replaced by relationship selling, where trusted connections formed with prospects over a long period of time led to sales. This was/is effective because people tend to buy from people they know, like and trust.

But Dixon says that this type of relationship selling is now dead. He asserts that the Internet changed the way that customers buy. Most products and services are commodities, which are sold for the lowest price. Matthew Dixon, writes that this is a result of the amount of information that customers can find on their own.

He declares, “Customers no longer need suppliers. They need professional sales consultants, who can show real value in solving business problems”. He also states that Challenger salespeople take control of the conversation and bring “insights that the customer can’t find out (on the Internet) because they don’t exist.”

I will summarize some tips on how to take control of the conversation and sell more to your customers using the Challenger sales method:

**Get to the prospect early.** Relationship builders wait until the customer has identified a clear need and a budget to solve it. Dixon believes this is too late. He writes that the best salespeople get in to see the customer before their needs are emerging. They help the customer make sense of these changes and what actions should be taken. With this strategy, a salesperson can have more leverage on influencing the purchasing decision.

**Stand your ground.** Relationship builders want to “resolve tension and make everything okay.” They wait until the customer is ready to take action. Dixon says that Challenger salespeople do something that is more effective. “They stand their ground and say to the customer: You need to think differently about your business. There are things happening in the market that we see. I need you to pay attention to the insights that I am delivering you and what actions you need to take.”
Talk insights, not product features. Passive relationship builders are in danger of getting boxed out of critical conversations. Challenger salespeople know how to build relationships based on an aggressive, but respectful approach to customers that still deliver value. Customers want to hear insights from salespeople that they can’t get anywhere else. Dixon says that in this way “You are actually helping the customer’s business and not talking about your product’s benefits and features.” In this way, you can almost guarantee a sale.

Build the right kind of trust. Relationship builders are trusted to bring their best products and highest benefits. Challenger salespeople bring insights with the latest information, which is much more valuable to the customer. When this is achieved, the customer would not even think of buying anywhere else, but from this trusted source.

Train your salespeople to think like Challengers. Dixon says that business owners should train their salespeople to articulate their company’s differentiator in the market, and help them on ways to clearly convey insights to share with customers about their businesses.

So, what do you think? Is this “baloney” or is there some good sales strategy “meat” here. I will let you know in next week’s column what I think about this as I make more comments about sales strategies for the small business over the next few columns.

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