



By Carl Davidson

About the Author

Carl Davidson is president of Sales & Management Solutions, which provides sales and management training designed exclusively for the water equipment industry. For more than 13 years, he has helped more than 1,400 companies in seven countries. For a free demonstration tape and catalog, contact the company at 800-941-0068; www.salesco.net.

Rehash

A Sales Manager's Second Most Important Job

I believe I have discovered the two most important jobs of a sales manager: recruiting the right number of great salespeople for the team and calling every family that doesn't buy and trying to get back in the home for an appointment. This article focuses on the latter.

If a typical dealership has three salespeople who each show two demos per night, the dealership does 30 demos per week. If they close at the national average closing rate of 33 percent, that means they sell 10 systems per week. It also means that 20 people per week get a full demo but do not buy. What happens to these people? At many companies, they never are contacted again. I suggest that the owner or manager can turn them into gold with a simple call back.

You may expect your salesperson to call them back but very few ever do. After all, they have tried everything they know to get the close and now consider these people "dead beats" or worse. They just aren't going to face rejection or waste their time again and call back.

Some managers feel they don't have time to do this. However, our clients tell us it

can add 15 percent to sales. A good call-back gets about 33 percent of the people to let you back into the home and many managers report closing 50 percent. That is a good use of time. If our example dealership performs six demos per night and two of those make a purchase, the manager has to call four families per day on average. How long does it take? A total of 20 to 40 minutes. This small investment in time should add 15 percent to sales and is an excellent investment of time.

When calling back, explain that you are the sales manager or owner and that you are checking to make sure your staff did a good job. Sincerely ask if your sales rep was on time, properly dressed, performed a full demo, etc. The last question should be, "Off the record, why did you decide not to invest in better water?" When they tell you, you reply, "Is that the reason?" and set up an appointment to solve their problem in their home.

I suggest that if you get back into the home and get the sale, the original salesperson should get nothing. Let me explain this seemingly cruel twist. If you pay the sales person, you have taken away their reason

to try to close. Why should they face rejection by trying to overcome objections when they know you will close the sale tomorrow and they will still get paid? If they know you will call tomorrow and that they will get nothing, it makes them try harder to close when they are in the home. It also wipes out their sales-killing hope that the people they don't close will "buy next week." Let your team know that you will pay them exactly the same amount as your competitors pay them for setting up the customer but not getting the sales—zero.

In addition to getting more sales, this program also pays for itself by giving your company needed feedback. Are the guys down the street really killing you on price? Do your salespeople really do the full demo? What could you change to get more sales? This information is vital in order to make decisions based on facts from customers, not rumors or facts filtered through the eyes of your sales team.

Rehash, a big money maker and a great intelligence tool. Don't try to get to it in your spare time. Put aside sufficient time every evening to get the job done.

Companies who do this regularly tell us it is their most important program and the foundation of their sales. It not only makes money but it is a great way to inspect what is being done in every home by your sales team. You may think you don't have time to do it, but beware. If that is true, you may need to take a fresh look at your priorities. The customers your company made "hot" but didn't close are prime picking for your competitors. If you don't have time to call one more time, you may be too busy to do business.

If your company currently sells 50 systems per month, this one technique should add 15 percent or about seven systems per month to your total. Those seven systems per month should add about \$10,000 per month or \$120,000 per year to your gross profit and cost nothing in expenses to generate. That means this one technique could add \$120,000 per year to the bottom line and take up 20 to 40 minutes per day. There just are not many things we do that can pay that kind of dividend.

For more information on this subject, write in 1010 on the reader service card.

If you have questions or a topic you would like to see addressed, please e-mail wqpeditor@sgcmail.com; fax 847-390-0408.