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Not What It Seems

Learn what sales tactics do not lead to the road of success

By Carl Davidson

This article is about sales and management techniques that sound good but usually don't work. You may think they will be successful in increasing sales and profits but in the end they fail. Take a look, maybe we can help you avoid trying them before you waste a lot of time and money.

Multimedia Sales Tools

Some dealers rely on multimedia programs to sell water equipment. However, just like flip books, these programs will prove useless if used improperly or not used at all. While these tools will be useful to good salespeople, they will never sell your products and services on their own. Keep in mind that there is no substitute for enthusiasm and sales skills in a sale.

Both GM and Volvo for example, have invested on mall kiosks that will sell cars automatically, yet they haven't proven as successful as an actual dealership.

Working Non-retail Hours

Today, many dealers are open Monday through Friday. Some are only open evenings, and only if absolutely necessary. This sounds good but results in many "one-leggers" and call backs. Worse, the sales staff is now used to working unproductive hours. Once your staff has a taste of bankers' hours, you will have a tough time getting them back to a successful schedule.

Many dealers have their staff arrive between 8 and 9 a.m.—not a peak time for selling. Later in the day at 7 p.m., when they could be selling, they want to go home. We have to realize that we are in a business with retail hours. The customers will not take time off from work to come see us.

Selling on the Web

Everyone is rushing to have a website. I am amazed at dealers who are very disorganized but have made it a priority to have a website. Despite what you have heard,

the world doesn't beat a path to your website. It is likely that web traffic will be very low until you advertise your site over a long period of time.

Even those who visit your site won't necessarily buy right away. First, customers will use your site to make sure you are a reputable company and then maybe buy some parts or products, but the web doesn't generate the same enthusiasm in customers like a great demo would. So just keep this in mind before you make your website a priority.

Doing your Own Thing

Many dealers today teach the demo "roughly" and then let the sales staff go out and "do their own thing." Top companies around the country still make their staff learn the demo word for word, action for action. However, failure to standardize not only costs sales but it leads to distortions of truth and misunderstandings. We estimate that 30% of all water equipment salespeople do little or no demo. No wonder so many dealers face price objections. Don't lower your prices, raise the quality of your demo.

Cell Phones

One of the first things companies invest in is cell phones for their sales staff. Some have fancy two-way radio features for paging at any time and instant communications. While cell phones are very helpful, they do not replace the need for good management. Although they allow you to page your staff at any time, do you actually know where your staff is and what they are doing?

Try this simple experiment. At 4 p.m., call or buzz everyone on your staff and see where they are and what they are doing. If you can reach all of them, you are getting a good value from your cell phones. If many of their phones are shut off, or if you get voice mail and they are not doing a demo, technology has failed to replace management in supervising your staff. Don't invest a lot in cell phones unless it adds to sales.

Territories

At a first glance, sales territories seem like a good idea. At seminars, I often ask attendees what benefits do companies receive from having territories? It appears that there are a lot of benefits for the salespeople but not much for the company. I have yet to see an example where one salesperson actually covers their territory better than if there were no territories and all salespeople covered everything.

In addition, territories could lead to tension between salespeople. I have noticed that eventually, good salespeople negotiate until they get such good territories that the ones left cannot support a new salesperson, and in my opinion this is a certain way to see new salespeople fail. I have a client who reports his sales increased by 30% when he stopped assigning territories to his sales staff.

Self-generated Leads

Paying extra for self-generated leads also sounds good but often fails. In fact, it is an attempt to get your sales staff to prospect by "bribing" instead of managing them. I know very few companies where this actually generates any leads. The problem is it can cost you a great salesperson if you end up in a disagreement over whether a lead was or was not self-generated. The downside is a lot bigger than the up side but it does look great on paper.

These are a few of the things that sound good but don't work in real life. I hope you can avoid them as you go down the road to success. *wqp*



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