# Psychological Compost Sales

#### Presented by:

Ron Alexander, President R. Alexander Associates, Inc. USCC 19<sup>th</sup> Annual Conference January, 2011



## **Topics**

- Psychological Aspects of Sales
  - Staff confidence related
  - Prospects
- Importance of market planning and research... preparedness
- Historical sales approaches
- Sales skills and techniques
- Sales sins
- Requirements for sales success

## Importance of Market Planning & Research

- At its simplest, marketing planning sets out what you are going to sell, to whom (and why), how, and at what cost
- Market planning, research considerations and consequences:
  - Compost feedstocks
  - Operations
  - Facility design
  - Staffing
  - Expertise required
  - Organizational culture
  - Economic requirements

Having a good plan gives sales staff direction and confidence (stability)



## Reasons Why Market Planning is Ignored

- Belief that market planning is not necessary
- Lack of understanding of importance
- Over anxiousness to 'sell'
- Management doesn't understand its affect on staff
- Market research can be expensive (& poorly done)
- Lack of attention to marketing side of business
  - Often due to focus on tip fee side of business
  - Focus on process/equipment



## Importance of Market Planning

- Complete as part of composting facility planning process
  - Affects facility design screening, storage/curing space, equipment
  - Affects economics of operation
  - Allows for efficient accessing of market
- Blue print of your Marketing Program
  - Guide, can be modified
  - Allows for pragmatic (organized)
     approach to sales and marketing

Allows you to produce the product that the market requires



#### **Market Research**

- Quantify market
- Qualify market
- Identify competitors
- Identify constraints/barriers
- Develop market plan
  - Identify target markets
  - Value and pricing
  - Product requirements
  - Product placement
  - Determine staff and company requirements
  - Consider promotional requirements (lead generation)

Plan should provide direction and specifics, and consider staff strengths and weaknesses



### Sales Staff

#### Necessary skills or knowledge base

- The composting process
- Compost application
   & benefits`
- Product quality issues
- Government regulation
- Health, safety, & environmental issues

- Competition
- Prior research
- The green industry
- User needs
- Basic sales and marketing

Invest in your staff – train Prepare them to succeed



### The Compost Salesperson

- Must possess the attributes of any good salesperson
  - Hard working
  - Not afraid of the NO
  - Organized
  - Attitude counts!



- Need to be a little better at what we do
- Must possess specific skills and knowledge\* - willingness to learn
- Must be a 'problem solver'
  - Technical sales requires this



## Elements Affecting Your Sales Success

- The ability to stay motivated
- Your level of commitment
- Your desire to set goals
- Your own self esteem
  - -Identity vs. Roles = IR Theory

(self image – important – since sales people are subjected to a lot of negativity)

Proper training > product, sales, etc.



## The Seven Deadly Sins of Selling

- Apathy
  - Service, hard work

Character flaws than must be managed, removed

- Arrogance
  - Humility, never be late, 'trappings'
- Carelessness
  - and complacency, vigilance
- Dishonesty
  - Honesty breeds trust and respect



## The Seven Deadly Sins of Selling

#### Greed

obscures the customer selection process
`we won by losing...by controlling greed'

#### Ignorance

- 'be prepared', think!
- products, services, market intricacies > LEARN

#### Laziness

 the most successful people were all willing to do those things that others were not willing to do



### **Historical Sales Approaches**

#### •1960's – Carnege

- Establish rapport
- Make presentation
- Close
- Handle stalls and objections

#### •1970's - Xerox

- Establish rapport
- Ask probing questions
- Presentation
- Close
- Stalls and objections

#### Beyond – Sandler

(Psychological)

- Rapport
- Close
- Presentation

Techniques require confidence, product knowledge, sales training, ability to 'talk'

Helps if you like people, and try to 'connect'

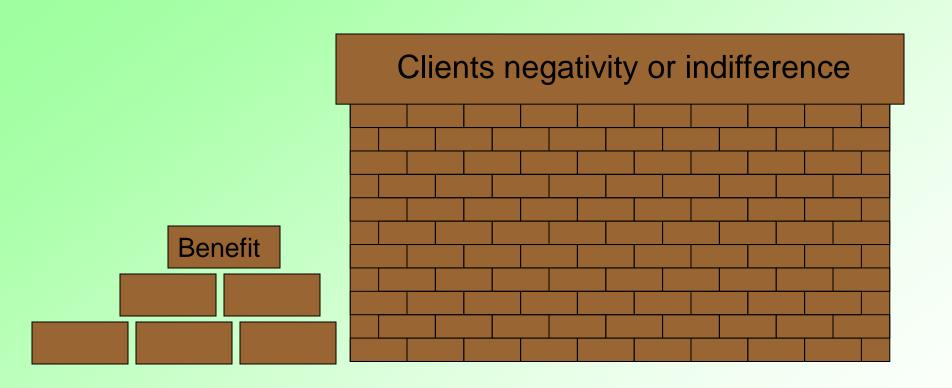


### What Makes People Buy?

- Most people buy emotionally, not intellectually
- Some people buy based on features and benefits
  - Most sales techniques based on this
  - Credibility of the salesperson is a must
- Many people buy to overcome or avoid problems (pain)
  - Help prospect identify and overcome it
  - Credibility of the salesperson is not as important



#### **Product Benefits**



- Understand benefits
- Monetize benefits whenever possible
  - Economic benefits vs. Insurance
- Create a 'tipping point'



## Sales Techniques

- Basic sales presentation process
- Information gathering learn how to ask the correct questions
- Empathizing
  - Show you care
- Chameleon or mirroring
  - Mimic prospect's mannerisms
  - Creates bonding
- Reversing
  - Answering a question, with a question
  - Trying to get prospect to redefine question, until the real concern, etc. comes out

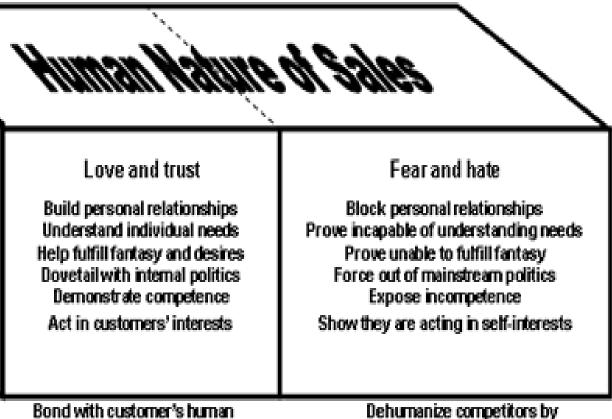


## Winning Over Customers' Hearts & Minds

- Selling requires capturing the hearts and minds of customers based upon a strategy that takes into account the emotions of the decision maker as well as the logical reasons to buy.
- Customers aren't completely logical decision makers in the 'real world'. The final decision-making process is a blend of human nature and logical rationalization. At the foundation of all sales is a relationship between people.
- The interaction between these people, the intangible part of the sales process, is ultimately responsible for the decision being made. Logic and reason play secondary roles. (Does not mean it's OK to be product ignorant)



## 3 Components of Selling to Human Nature



Customers' ▲ psychological needs (massage)

Benefactions'

Physical well-being

Pain avoidance Self-preservation

Self-gratification

Bond with customer's human nature by positioning yourself

Dehumanize competitors by positioning them

▲ Customers opinion of you and ▲ your competition





## **Customers Buying Habits**

## **Customers Purchase Products that Increase their**

- Happiness,
- Esteem,
- Power, or
- Wealth

They rationalize these psychological needs with logic and related facts

### **Preparing for the Sales Call**

- Be mentally and physically prepared before you go into the sales appointment
  - Be mentally focused (prepared questions)
  - Have any required supplies or tools
     (e.g. product samples, literature, analysis, pictures, end use research, etc.)
- Be dressed properly
  - Always try to dress at the same level or slightly above your prospect
    - So, if the prospect wears a tie, then you wear a tie. However, if they are wearing a pair of jeans and a tee-shirt, then you should not be in a suit and tie
  - Consider a company uniform



### **Preparing for the Sales Call**

- Prospect background
  - Obtaining baseline data on a prospect is helpful
  - The greater the sales potential of the prospect, the more preparation you should do and knowledge you should have about them
    - » Easier today with so many companies having websites
  - You could even ask for a company brochure to be posted via reception (in order to minimize the effort made by the prospect him/herself).

Proper preparation leads to confidence Must try to sell from an attitude of strength



#### Sales Call Rules

- Nurture the prospect
- Don't get emotionally involved
- Don't look to get your ego massaged during a sales call
  - Getting the sale, is the goal
    - \* Sales people take a 'maybe' instead of a 'no' because of their self image
- Remember that prospects lie
- Ask for order?
  - If presentation goes well, assume it !



#### **The Sales Call**

- Be prepared mentally, product and client data, tools
- Be a 'problem solver' technical sales
- Listen 2/3rds of the time they should be talking
  - Active listening
- Buying is an emotional action
  - If they like you, they'll often buy from you

## Sales Call Steps

- Gain rapport bond, emotional connection, ask probing questions
- 2. Identify the potential customers problems and needs (3-5), identify ways to solve their problems
  - Once you find them, focus presentation on them
  - Can go over list with prospect
  - Take notes!! (Shows respect, remember nuances)
- 3. Determine the cost of the problem and if money is available to solve the problems (buy your product)

### Sales Call Steps

#### 4. Make sure you are talking to the decision-maker

- Understand decision making process
- Want 'yes' or 'no' answer (upfront contract)

#### 5. Complete the sales presentation

Illustrate a means of solving their problem(s),
 meeting their needs, or addressing their concerns—ask for the order

#### 6. Determine if potential customer has any objections.

If so, address them before leaving

Ask for the sale twice



#### **The Sales Call**

- Sales is a 'numbers game'
- Not everyone will buy
- Stay positive



#### Remember Two Rules of Sales:

- People don't usually buy from people they don't like, and
- There isn't time to become a 'prospects' friend during a sales call. They'll be time to develop a friendship / relationship after they become a customer.
  - It's best to make time for this during the 'off season'
- Since sales is a 'numbers game', working at an acceptable efficiency level is a key to success

#### **Conclusions / Comments**

- Market research, proper preparation helps sales confidence
- Understanding the product and technical end use aspects helps sales staff AND customer confidence
- Understand psychological aspects of gaining rapport and advanced sales techniques
- Helps to be psychology major 'wanta be'
- Never stop trying to improve



### **QUESTIONS?**

#### Available through Biocycle....

