

Denver Business Journal - February 11, 2008

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DENVER BUSINESS JOURNAL

Friday, February 8, 2008

How to keep selling, near a recession

Denver Business Journal - by [Garry Duncan](#)

Despite conflicting economists' views and indicators, the mainstream media seems unwavering in focusing on a possible recession. One has to wonder about the self-fulfilling prophecy concept. One economist wisely noted there's always a way to make money -- you just do it differently in good times versus slow times.

For those of you with concerns about your industry, here are a few tactics to consider. Keep a positive attitude, find opportunities to take business away from competitors, keep the customers you do have, up sell or cross sell, diversify your offerings, get better and listen to your customers.

Some guidelines:

- Sometimes it's difficult to keep a straight head and positive attitude during a slow economic period. The important thing to avoid is using the slowdown as a reason to fail. Making excuses creates the victim mentality, and no one can be effective believing they have little or no impact.

Manage the negative self-talk and excuses first by being aware of your attitude and then by changing it. Stay away from the naysayer and whiners. Put things in perspective.

One seasoned sage put it this way, "If you are 101 percent of target and everyone else is 110 percent, you are still a bum. But if you are 85 percent and everyone else is 80 percent, you are a hero."

- Recognize that slow times create great opportunities to take business away from competitors, for many reasons.

Often when companies start tightening their belts, they unwittingly move away from customer service, new product introductions, and other services that their customers have come to know and expect. In a sense, they've created their own self-fulfilling prophecy.

Look for reasons of discontent at different levels within your competitive accounts. If possible, find extra services to offer that your competitors can't. For example, one distributor added a SWAT team to make emergency deliveries to customers who had cut back their staffs. It acquired several competitive accounts.

- Make sure to hang on to the business you have. Relationships are paramount, especially in tough

times.

What have you done to expand your level of influence in an organization? Make it a point to meet others besides your usual contacts, because they could be the first to go if your customer downsizes.

Prepare your customer for the onslaught of competitive price dropping. At a minimum, seek a commitment from your customer that they'll not make a change in vendors without you having a last look.

Remember, studies consistently show that customers change vendors most often (more than 60 percent of the time) because they feel unappreciated, though they tell us it's because of price. Price is the real reason less than 20 percent of the time.

The lesson is get to all your best customers as soon as possible, and make sure they sincerely know how much you appreciate them.

- Whenever possible, try to up sell or cross sell.

Up selling is usually more difficult when business is trying to contain costs, but cross selling often works. When trying to cross sell or get add-on sales, make sure you really have the initial order. You don't want to risk losing it by trying to cross sell. In fact, it's a good idea to compliment or stroke the buyer on the first order so they feel reassured about their decision.

It's always easier to sell add-on services or products when they relate closely to the item or service first ordered. If you're selling industrial pumps, add-on couplings and bearings are more likely to work than suggesting a circuit breaker. Generally, it's difficult to sell add-on or cross sales for more than about 25 percent of the initial order.

- Diversify your offerings. It sounds redundant in a way, because everyone always says we are a "full-service" company. Well who isn't full-service? Almost everyone tries to do as much as possible for their customers.

Consider smaller service packages, if you sell intangibles, to attract smaller clients in order to broaden your horizontal -- or perhaps you can tap a new vertical market. Contact old leads, previous customers and lost bids, as they may be ready for change.

- Experience indicates it takes more prospects in the funnel during slower economic growth because more will drop out, and many opportunities will be smaller. It means all of us will be busier than ever.

That only means one thing: You have to get better. Get organized and get systems in place. Upgrade technology if it will help you be more efficient, whether it be a contact manager, Blackberry, order-entry software or something else.

Refresh your selling and customer management skills. You'll need to focus and aggressively manage time, resources and prospecting.

- Most importantly, talk to your customers and prospects, and listen closely. Get clear on what they need and their challenges. Then look for creative ways to help them.

It's all a matter of perspective. Someone will find a way to grow. Will you?

Garry Duncan, principal of Denver-based Leadership Connections, a sales training company, can be reached at 303-462-1277 or garry@leadershipconnections.com.

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