

EFFECTIVE SALES STRATEGIES

Firstly, A Word on Discounts...

Discounts don't buy loyalty. If you need proof of that, just consider the daily updates on metropolitan radio stations listing the cheapest petrol outlets for the day. Or "red spot specials" advertised by supermarkets. Or how about those end-of-year stocktake sales? Yes, there are consumers who have made a science out of finding the best deal they can on anything they need. But what are they really looking for? It's said that people will purchase based on trust and value. The discount hunters are clearly looking for value, but for those that frequent the big department store sales, they also trust they will genuinely get a bargain.

For cellar doors, then, adding value rather than subtracting dollars should be the goal. Consider for a moment where the discount you offer actually comes from. It's not a cost of sales, it's actually a reduction in your net profit. A discount can only come out of your profits. Now consider this: If you offer just a 10% discount on your product, and your usual margin is 30%, you'll need to increase sales by 50% to maintain the same margin. Increase that discount to 20% and you'll need to increase sales a whopping 200% in order to retain your margin.

So rather than discounts, offer rewards (the theory of positive reinforcement – remember that one?) Throwing in a 13th bottle when the customer has already purchased or ordered a couple of dozen both surprises and delights the customer, and reinforces their purchasing decision. And ideally the bottle you throw in should be something different – a higher priced wine for special occasions you think they'll like if they've just purchased a dozen everyday drinking wines, or a quaffer if they've already invested in the good stuff. Ultimately, you want your loyal customers buying across your range to satisfy their requirements.

Making Sales Presentations

Like anything done repeatedly day after day, you and your staff can get bored delivering the same material in the same way. And if you're bored presenting, chances are your customer will switch off too. The golden rule to remember in the cellar door environment is that potentially every visitor walking through the door is connecting with you and your brand for the first time. It's new for them and they really don't care if you've just repeated your spiel 20 times in the last hour – they want to hear it and they want it delivered with passion.

Remember that the sale you make at Cellar Door is ideally just the first sale. Your goal should always be to sign them up for your mailing list or wine club to continue developing the relationship.

In professional selling terms, there are several steps involved in the selling process. They're often called different things, but the basic steps are always the same.

Build a Relationship

If a person walks up to you at the end of a party and says, "Hi, looks like things are winding up here, how about going out for a coffee with me?" chances are the answer will be no. Possibly for lots of reasons, but one is for sure: the person hasn't taken the time to build a relationship with you, so you've got absolutely no reason to say yes.

Personal selling requires first building a relationship with your customer. It's about establishing trust. Remember, customers first buy us, then our ideas, and finally, our product or service.

As a reference point, many people use the adage, "Do unto others as you would have them do unto you." That's great, but what if the way you like things done isn't the way someone else likes them done? Instead, find out exactly what they want – and then provide it – the way they, not you, like it. It's just like the wine itself: as a winemaker you make a wine that suits your preference, but if it's not also what consumers want to buy, you'll need plenty of friends to drink it with in the future.

Ask the Right Questions

Your goal is to fulfill your customer's stated needs by providing the appropriate solution – in the form of your products and services. The key here is to ask open-ended questions that elicit a descriptive response. Open-ended questions cannot be answered with a yes or no. They begin with what, when, where, who, why and how.

An example might be:

Closed Question: "Did you enjoy the wine?"

Open Question: "What was it that you enjoyed most about the wine?"

If you continue this process throughout the presentation, you'll gather a great deal of information about your customer that you can use to close the sale.

Listen Up

Two ears, one mouth: remember to listen twice as much as you speak! Actively listening to your customer is essential. There's little point asking lots of questions if you don't take any notice of what your customer is actually telling you.

Remember, you're building a relationship, so take heed of non-verbal cues as well, which you can easily hone in on if you're actively listening. Paraphrasing is also a terrific method of letting your customer know that you're tuned in. Simply repeat what the customer has told you in your own words. You can then follow up with a question that can help you progress the sales process.

For Example:

"So you're telling me that the last time you drank this wine was at your brother's engagement party. What other wines do you like to drink on special occasions?"

Be especially vigilant for questions from the customer that seem obvious to you, or if they appear to be asking the same thing again. Just because you know that Riesling is never oaked, but the customer declares they can taste oak in the wine, is no excuse for a smart response. Simply acknowledge that the flavour they're detecting could be mistaken for oak, but in fact it's a characteristic of older Rieslings, etc. Never embarrass the customer, just gently educate.

And don't crack jokes.

Sell the Features & Benefits

Simply put, people don't buy what the product has (feature), they buy what it will do for them (benefit).

Tony Moore from City Corporate Consultants uses the following example to illustrate this method of selling.

The product is an electric fry pan. Its features include its brand (General Electric), solid black base, matching solid black lid and Teflon coating. Enhancing the features is the first step. Let's take the Teflon coating feature and ask the question, why is it better to have this feature than not have it? In other words, what advantage is there in having Teflon coating? The answer is that food will not stick.

The benefit is what the advantage will DO for the customer: in other words, how will they benefit? The answer is that because the food won't stick it will be easy to clean. In summary:

Item:	Electric fry pan
Feature:	Teflon coating
Advantage:	Food won't stick
Benefit:	Easy to clean

To articulate this benefit clearly to customers and ensure that it's in line with their needs, introduce a "Grabber" to reconfirm the benefit and gain agreement from the customer. In this case the grabber might be, "Isn't it good to know you will be spending less time cleaning?" What the customer is really buying is a labour saving device that will allow them to spend more time doing other things.

Sometimes it's difficult to differentiate between features, advantages and benefits. Tony suggests asking "Why?" to make sure you're on track. Start first with the benefit, and work up to the feature by asking why after each.

Benefit:	Easy to clean	WHY?
Advantage:	Food will not stick	WHY?
Feature:	Teflon coating	WHY?

You know you've detected a feature when the answer to the "why" question reveals an answer like "Because the manufacturer chose to make it that way".

Now, translate that to a typical cellar door situation. The item is an ABC Winery Reserve Label Shiraz, picked from 30 year old vines, aged in American Oak for three years, and in bottle for a further two years. Let's use the extended maturation as a feature.

Feature:	Extended maturation	Which means
Advantage:	Ready for drinking on release	Which means
Benefit:	No further cellaring required	Which means
Grabber:	Isn't it great that we've done all the hard work for you and you can simply decant and serve aged wine to your guests this weekend?	

Is it really a feature?

Benefit:	No further cellaring required	WHY?
Advantage:	Ready for drinking on release	WHY?
Feature:	Extended maturation	WHY?
	Because the winemaker decided to make it that way	

And remember that your customers won't really appreciate what you do for them unless you tell them.

Do You Want Fries with That?

Yes, it's a well-known McDonalds line. The method is actually called "adding on", or value-adding. The key to success is that it must be seen as a benefit to the customer, in some way enhancing the purchase they've committed to.

Using the previous example, you might offer a decanter to accompany the box of Reserve Label Shiraz along these lines:

"Sir, as you know, this wine is ready for drinking once it's been decanted so it can breathe. What sort of decanter will you be using to serve your guests this weekend?"

Now, if the customer already has a decanter, you'll find out what type and can move onto another item, like a pronged cork remover to delicately remove the cork and so on. If not, you've got an opportunity to introduce your range and articulate the advantages and benefits.

It's a simple process and works really well for all kinds of products you may stock.

The Lights are Flashing

Recognising buying signals is all-important to closing your sale. By now you've established exactly what the customer needs and they've likely agreed with you. So all you have to do now is ask for the sale. Yes, ask. Why? Because it's your job to sell and the customer's job is to buy.

Some customers will already have their credit card out of their wallet by now while others may give more subtle cues. These include asking questions about what methods of payment you accept, holding tightly onto the product or moving towards the sales area. Chances are the conversation has stopped entirely, and that's your cue to wrap things up. In this case, if there are no direct buying signals, remind your customer of the things they liked during the tasting. If they've been taking notes and ticking the one's they've liked, point those out and explain the price and any special offers, including free delivery.

Another cue is when visitors speak among themselves, saying things like, "Did you like the Shiraz too?" Or you might hear them say, "I know we liked that Cabernet at the other winery, but this one seems better value. What do you think?" This is definitely a cue for you remain present (not "leave them to it" and attend to other visitors) to reiterate the benefits and reinforce their perceptions of the product. This is especially relevant if the other party in the conversation holds some reservations. If you let them, this is the time they might quietly "escape" and all you'll get is a wave from the door as they leave. You can respond with something like, "I agree, that Shiraz is absolutely fabulous. I've already bought a couple of dozen for my own cellar because I know it's in short supply and I didn't want to miss out."

There are many different ways to close a sale, and the exact wording and delivery will depend on your personality and style as much as anything. Some examples include:

- How would you like to pay for this wine?
- Will you require delivery or would you prefer to take it with you today?
- Would you like a case of the Chardonnay you liked as well?
- I've got some great boxes for travelling. Would you like 6 of the same wine or perhaps a couple of ports as well for after dinner?

The possibilities are really endless.

I Object!

Encountering objections during the selling process is quite normal. Some objections are quite valid, others are simply a stall tactic and some people may be genuinely uncommitted. However, if you've established a relationship (created trust) and explained the benefits clearly (demonstrated value), most objections should be easy to overcome.

The Timing Objection

For some people, it's simply not the right time to buy for a variety of reasons that they articulate. That doesn't mean they won't ever buy, so at least sign them up on your mailing list and contact them at a pre-determined time to follow up. But first, try using encouragement. With vintage wine it's easy, because the product is usually only available for a limited period. Explain that if they don't purchase now, there might not be any stock available for them.

The Price Objection

This is associated with perceived value for money. Or they might genuinely have financial constraints at the time and you may need to offer slightly less expensive products that are similar, but will still fulfill their needs. Most people are aware that quality costs more, and provided you've articulated the benefits clearly, simply re-stating them and gaining agreement might do the trick.

Whatever the objection is, the first step is simply to listen. Let the customer tell you what their objection is and don't interrupt. Many people just want to voice their feelings to get reassurance from you. For example, the customer says, "This wine is far more expensive than what I usually buy." You don't respond immediately. Then they say, "Oh, well, it's for a special occasion, so it'll be worth it." Then you simply agree with them and resume closing the sale.

Always acknowledge the customer's objection. Validate it by using statements that show you understand their concerns. Examples include:

"Yes, I can see how you might think that"
"I agree, you're absolutely right"
"I'm glad you brought that up"

At this point, you might be inclined to follow the acknowledgement with a "but". Don't do it. The moment you breathe the "but" word you've just invalidated their objection and told them they're wrong. Nobody likes to think they're wrong...

So ask a question instead. Try something like, "Tell me exactly what your concern is." This gives you the opportunity to reflect on whether you have indeed matched the right product to the customer's need. If you have, and it's simply a question of price, then reinforce the quality benefits. For example:

"Yes, the Reserve Label is expensive, which reflects it's quality and aged attributes, and that's why you're buying it to serve to your guests this weekend isn't it?"

By framing your response as a question you're seeking agreement from your customer.

Wrap it Up Please

While you're processing the sale is the ideal time to reassure customers and encourage future sales. Most customers will go through some level of buyer remorse post-purchase, so the more positive statements you can leave them with the better. Of course, it's important not to go over the top. You might say, "Your choice of wine today is perfect. Your guests are really going to enjoy it with the special meal you're preparing."

Inviting people to return or purchase in future is vital in continuing the relationship you've spent considerable time establishing. You could start by asking the question, "Would you do me a favour?" Some people will automatically respond yes, and others will ask what kind of favour. Then you respond with, "Would you mind calling in again soon and letting me know how your dinner party went?" If you know it's impossible for the customer to return, then ask if it would be okay for you to call them to find out.

This is also the time to ensure they join your mailing list or wine club.