



SELLING...Don't Take It for Granted!

What do you know about the **4 Ps** of marketing?

Most manufacturers and service providers of all sizes are quite familiar with **product, price, and place**—that is, the wood widget you make or install, what you charge, and how you get the widget to market.

Too often wood product firms overlook the aspect of *selling* or take it for granted. It's important to understand that selling, whether it is a product like lumber, or a service like installing hardwood floors, is a part of **promotion** (the other P in marketing). This article will focus on *selling* and its importance to the wood business entrepreneur.

Have you ever gone into a store to buy a not-too-familiar item only to find that an inexperienced salesperson knows less about the product than you do? Or have you experienced a salesperson who offers to give you a product demonstration and then fails to get the new gadget or gizmo to work? How do you feel when you're seeking a solution to a problem but can't find a salesclerk eager and willing to do some problem solving for, or with, you?

These examples—and I'm sure you can think of more—are all directly tied to *selling*.

such as public relations and advertising. It's not uncommon to get a glossy, multicolored flyer in the mail with a discount coupon for your next pizza or burger. But it is highly unlikely you'll get a random "cold call" on the virtues of buying a Big Mac and super-sizing your fries.

Most wood product firms, especially the larger ones, sell directly to industrial customers rather than to end-users. For example, larger sawmills sell to wholesalers or other firms that reprocess lumber. These middlemen are typically large-volume buyers. For most of these larger firms, direct contact with the end-user of the product is unlikely.

You might be thinking, "My business is very small. One minute I'm sawing a log and making lumber, and the next I'm on the phone with a potential customer. So what does this mean to me?"

With the growth of small production mills, more producers (especially readers of this magazine) find themselves dealing directly with an end-user. These end-users (customers) could be hobbyists, do-it-yourselfers, or local woodworkers.

Regardless of the type of selling you do—to industrial clients or directly to end-users—the roles of your sales staff and the specifics of "making a sale" are the same.

The Many Roles of a Salesperson

Regardless of your firm's size, there are key points that apply to all salespeople.

Increase Revenues – This is obvious, but too often the focus is in the wrong place. Sometimes a production mentality takes over and the process of selling the product suffers. A good example is a warehouse, barn, or garage or whatever, full of dry, but unsold, lumber. Constantly remind yourself that the products you make (or the services you provide) won't put food on the table until a sale is made.

Where "Selling" Fits into the 4 Ps of Marketing

Mastering the 4 Ps of marketing, often called the marketing mix—Product, Price, Promotion, and Place (distribution)—is the bedrock of successful companies. You're on thin ice if your business strategy ignores one or more of the 4 Ps. The third P in this list—Promotion—includes activities like advertising, public relations, direct marketing communication, and personal contacts such as selling. Personal selling is the most popular type of marketing communication in the wood products industry.

Types of Selling

Wood product firms rely heavily on personal contacts with the customer—in other words, personal selling. In contrast, cosmetic firms, designer clothing manufacturers, the beverage industry, and fast-food firms depend heavily on promotional activities

Find New Customers – To make a business grow and economically prosper, your customer base will likely need to grow. Many firms, especially small start-ups, put too many eggs in one basket, as the saying goes. Sometimes a business model is predicated on one or two customers, which can be a dangerous strategy. A good salesperson is always looking for new customers, even if the current situation is rosy.

Keep Old Customers – The key message here is not to take your current customers for granted. They have options—maybe more than you realize—and can quickly “switch sides” if your product quality, price, or customer service no longer fits their needs. An occasional phone call, letter, or postcard is a great way to stay in touch with customers. It lets them know that they’re not forgotten and that their business is appreciated.

Know the Competition – A good salesperson not only knows their own firm’s products but understands competing products as well, including pricing, customer service, and so on. Much of this information can be gleaned from conversations and feedback from your own customers. Attending trade shows and talking to people there (don’t hide behind a screen!) is a good way to learn more about your competitors. You can observe the competition’s activities, such as showcas-

ing a new product, expanding sales territory, or offering discounted prices.

Know the Markets – Salespeople are in a unique position in that they are (or should be!) in constant contact with customers and potential customers. Your sales staff should use these “contact opportunities” to explore customer views on future demand for your products as well as new products they anticipate needing in the future. This includes scoping out opportunities for developing specialty or custom-made products. I know a salesperson at a midwestern wood products firm who was talking with a customer looking for someone to manufacture a one-of-a-kind product; this contact led the mill to produce and sell over 1 million of these specialty wood items every year.

Coordinate Sales Activities – Firms with more than one person engaged in sales need to make sure all sales efforts are coordinated. It is extremely frustrating for a customer (it has happened to me!) to be told by salesman #1 a certain product and/or quantity is not available only to discover later that salesman #2 could have filled the order.

Work with Manufacturing – Sales and manufacturing need to work “hand in glove” with one another.

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“Follow-up is key to customer satisfaction and to the building of long-term relationships. A follow-up is the perfect opportunity to fix customer problems.”



Can you imagine the poor image created by a company if a salesperson tells a customer he can immediately ship 2,000 board feet of dry 8/4 white oak lumber only to discover from manufacturing that the lumber won't be out of the dry kiln for 15 days? Problems like this can be avoided through regular internal staff meetings or memos. Also, sales staff should be knowledgeable about operation specifics—sawing, drying, finishing, assembly, shipping, or whatever. This gives the customer confidence that the salesperson is more than an order taker and truly someone who understands the product or service being sold.

Being web-savvy is a big plus when developing, or implementing, a sales program. In many regards, web-based communications have leveled the playing field between small- and big-time operators.

E-commerce, for example, has opened a new world for wood-based businesses. Today a customer, without leaving the privacy of his or her home in, say, California, can order a product online from a manufacturer in Maine and have it shipped to a location in Texas. This is an innovative “meeting” between buyer and seller that has become commonplace throughout the world.

E-commerce has skyrocketed in popularity due to the presence of company websites. A website is practically a necessity today as it can serve as a firm's business card, brochure, and product catalogue all rolled into one. If your firm doesn't have a website, there is good news. Most websites don't have to be expensive or complex. The key—especially if you're new to web-based communications—is to keep your website simple with crisp photographs and/or graphics, easy-to-read and understand language, and appropriate contact information. The downside to developing a website—and there is a downside to everything—is you have to keep your site current. I'm sure you have visited websites where the information is dated and the site hasn't been updated by the business in many years. Don't let this happen to you!

Cost shouldn't be an issue as there are lots of free website “builders” on the Internet. Check them out if you're new to this game. Also, you can visit your local

library and tell them your needs for creating websites, developing e-commerce, and learning about social media.

Selling's Seven Steps

If you're familiar with the above “roles,” you might be thinking, “What's next? I need more specifics!” As always, the devil is in the details—and selling is no exception. There are seven basic steps in the sales process. Your firm, depending on its size, product, reputation, and existing customer base, may rely on some steps more than others.

Identifying and Qualifying Customers – This step is often called prospecting—evaluating customers' interests and financial situations. For a new business, this involves phone call after phone call (often cold calls), site visits to potential customers, yellow page and industry directory searches, and countless e-mails, faxes, and letters. Renting space at trade shows and “putting on your best face” for, sometimes, days at a time is also a prospecting technique. This stage of the selling process is often slow, frustrating, and may take years to pay off, especially in major industrial sales. Sometimes in this stage of the selling process, the key target markets or segments have not been clearly defined, so a sense of “spinning your wheels” is normal. Regardless of the disappointments you might experience, identifying and qualifying customers before major production begins (sawing lumber, for example) is key to long-term success.

Approaching the Prospect – This step is often called the opening. Information you've gleaned from the previous step is helpful, i.e., the customer's business, personality, buying habits, etc. Your goal is to get started on the right foot. If you're meeting the prospect face-to-face, then your appearance and punctuality can pay big dividends down the road.

Presenting the Sales Message – This refers to the features of your product (or service) and how they help solve the customer's problems. If your prospecting has not uncovered your customer's needs, then be a good listener! (See the above “Know the Markets” section for a real-world example on making a specialty item to solve a customer's need.) Find out what problems the customer has, or anticipates having, and explain how your product addresses them.

Demonstrating the Product – If appropriate, a demonstration makes an excellent sales presentation. This might take place one-on-one or in a formal setting (if you're selling green/dry lumber, show the customer a couple boards). Or, if you make and install

kitchen cabinets, demonstrating how easily they can be attached to the wall might clinch the sale. Be careful, though, to practice the demonstration so there won't be any surprises when you're face-to-face with customers. Having to apologize for a missing screw or bracket during the demonstration will have a negative impact on you and your product. Also, good public speaking skills are a valuable asset (see if there is a Toastmasters club in your area).

Handling Objections – If you get questions like, “I’m not sure about your yellow-poplar paneling,” then the customer wants more information. A good salesperson will be prepared for objections and have a plan for how to handle them. With experience, a salesperson will anticipate most objections and feel confident in responding to them.

Closing the Sale – Asking the customer for their order is often the hardest part of the job for sales staff. Every salesperson will develop an approach for the close—offer special services with the order, promote quantity discounts, or highlight “locally-sourced,” to name a few. You might choose to offer the customer various alternatives—buy now for cash, or later for financing. If you don't expect to carry a similar prod-

uct in the near future—curly maple, for example—then tell the customer, so they have the facts to make a decision.

Follow Up – The perfect situation would be to follow up after every sale. Of course, this is probably not possible if your business sells small quantities to hundreds of people (for example, a high-volume retail lumberyard). However, follow-up is key to customer satisfaction and to the building of long-term relationships. A follow-up is the perfect opportunity to fix customer problems.

Final Thought

It is a mistake to focus your business strategy solely on the production side. Too many wood product firms ignore the sales side of the equation. Remember, to be profitable your firm needs to sell your product or service on an ongoing basis. The different sales roles you and your staff play, and your ability to master the *selling steps*, are important keys to your success. ■

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