

This paper has been included in the materials, as the stages that are used in the selling process have some resonance with what we are trying to do to attract and retain members.

We are trying to 'sell' membership and the opportunities it gives. Use it if it helps, ignore it if it doesn't!!

7- Step Sales Process: When to Use It and When to Break It

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- 1. Prospecting**
- 2. Preparation**
- 3. Approach**
- 4. Presentation**
- 5. Handling objections**
- 6. Closing**
- 7. Follow-up**

Overview

As the old adage goes, "Learn the rules like a pro so you can break them like an artist." Once you've mastered the seven steps of the sales process you might learn in a business class or sales seminar, then you can break the rules where necessary to create a sales process that, like a rogue cop in a bad TV show, doesn't follow procedure but gets results.

The textbook 7-step sales process

What are the seven steps of the sales process according to most sales masters? The following steps provide a good outline for what you should be doing to find potential customers, close the sale, and retain your clients for repeat business and referrals in the future.

1. Prospecting

The first of the seven steps in the sales process is prospecting. In this stage, you find potential customers and determine whether they have a need for your product or service—and whether they can afford what you offer. Evaluating whether the customers need your product or service and can afford it is known as qualifying.

2. Preparation

The second stage has you in preparation for initial contact with a potential customer, researching the market and collecting all relevant information regarding your product or service. At this point, you develop your sales presentation and tailor it to your potential client's particular needs.

3. Approach

In the approach stage, you make first contact with your client. Sometimes this is a face-to-face meeting, sometimes it's over the phone. There are three common approach methods.

- **Premium approach:** Presenting your potential client with a gift at the beginning of your interaction
- **Question approach:** Asking a question to get the prospect interested
- **Product approach:** Giving the prospect a sample or a free trial to review and evaluate your service

4. Presentation

In the presentation phase, you actively demonstrate how your product or service meets the needs of your potential customer. The word presentation implies using PowerPoint and giving a salesy spiel, but it doesn't always have to be that way—you should actively listen to your customer's needs and then act and react accordingly.

5. Handling objections

Perhaps the most underrated of the seven steps of a sales process is handling objections. This is where you listen to your prospect's concerns and address them. It's also where many unsuccessful salespeople drop out of the process—44% of salespeople abandoning pursuit after one rejection, 22% after two rejections, 14% after three, and 12% after four, even though 80% of sales require at least five follow-ups to convert. Successfully handling objections and alleviating concerns separates good salespeople from bad and great from good.

6. Closing

In the closing stage, you get the decision from the client to move forward. Depending on your business, you might try one of these three closing strategies.

- **Alternative choice close:** Assuming the sale and offering the prospect a choice, where both options close the sale—for example, “Will you be paying the whole fee up front or in installments?” or “Will that be cash or charge?”

- **Extra inducement close:** Offering something extra to get the prospect to close, such as a free month of service or a discount
- **Standing room only close:** Creating urgency by expressing that time is of the essence—for example, “The price will be going up after this month” or “We only have six spots left”

7. Follow-up

Once you have closed the sale, your job is not done. The follow-up stage keeps you in contact with customers you have closed, not only for potential repeat business but for referrals as well. And since retaining current customers is six to seven times less costly than acquiring new ones, maintaining relationships is key.

There are many marketing definitions. The better definitions are focused upon market orientation and the satisfaction of customer needs.

Marketing is the social process by which individuals and organizations obtain what they need and want through creating and exchanging value with others.

Kotler and Armstrong (2010).

The definition is based upon a basic marketing *exchange process*, and recognises the importance of value to the customer.

The process by which companies create value for customers and build strong customer relationships in order to capture value from customers in return.

Kotler and Armstrong (2010).

Marketing is the management process for identifying, anticipating and satisfying customer requirements profitably.

The Chartered Institute of Marketing (CIM). Accessed 2012.

The CIM definition looks not only at identifying customer needs, but also satisfying them (short-term) and anticipating them in the future (long-term retention). The definition also states the importance of a *process* of marketing, with marketing objectives and outcomes. CIM is recognised as being one of the most influential marketing bodies in the world. It is the professional body for marketing in the United Kingdom.

Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large. (Approved October 2007)