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Fact-Based Selling—A Value Add for Your Customer!

Now, more than ever, it's important for manufacturers to find ways to offer additional value to their customers. An area many times overlooked by the manufacturer's marketing, and more often their sales staff, is "fact-based selling." There is an increasingly important need for the sales staff to be the retailer and/or distributor's "category expert" on not only their products, but those of the competition. Fact-based selling can be instrumental in increasing share position for both you and your customer.

Outlined below are some simple steps to begin the process. It takes a little time and effort but once you become a fact-based selling organization, your customer will look to you as their category expert!

AN ACCURATE COMPILATION OF INFORMATION

Find out what type of sales information is currently available on your category(s) within your company and how it can be interpreted correctly.

- What type of internal sales information is available?
- Are you receiving sales information from your customers, and if so, is it competitive information as well as your own?
- What type of category information is available over the Internet?
- Are you purchasing information from a third party/syndicated data supplier? Successful manufacturers find that a reputable third party proof of perfor-

mance can give them the extra edge to earn the customers confidence in the category information being presented.

You may have access to an abundance of internal information, but is it being accurately interpreted and used by both marketing and sales?

MAKE THE BEST USE OF THE DATA YOU HAVE

Decipher which of the information sources above can be easily accessed, analyzed, updated and put in presentation form. How many times do you receive those last minute e-mails or phone calls for category information from your customers?

How meaningful and accurate is each piece of category information you receive?

Of this information, what pieces can be easily compiled? How can I use this information to sell more product? Can this information be transferred into presentation form for those last minute requests from customers? From management?

If you're purchasing information from a syndicated data supplier, they should be able to show you how to use the information in sales and how to quickly and easily update your presentations. Make sure you are taking advantage of their analytical support!

WHAT'S MISSING?

Do you have all the pieces in place to accurately measure what's going on in your category?

FACT BASED SELLING BY PRODUCT TYPE

Can you show your customer the top selling "types" of products within your category? Teach your sales representative how to use a chart like the ones on the following page as a selling tool!

To your customer: "42.3% of fluorescent bulbs currently sold in your market are CLF screw-ins, are you getting your fair share? Perhaps you should be carrying more than one brand? I have this product available!"

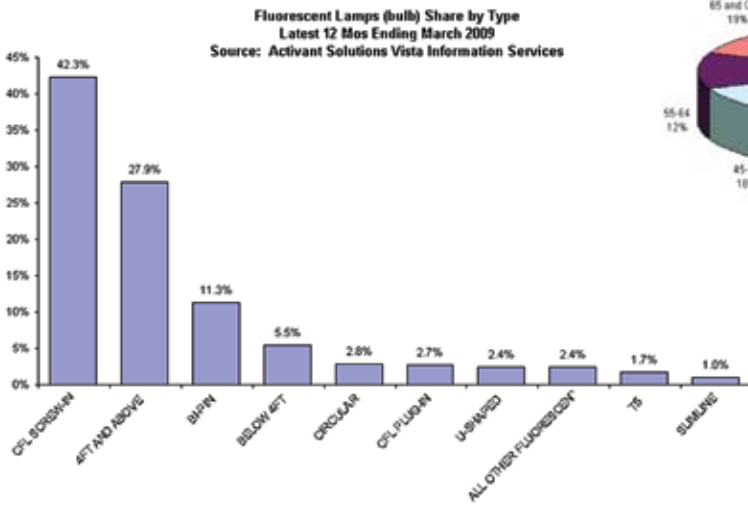
FACT-BASED SELLING BY DEMOGRAPHIC MAKEUP

Can you tell your customer what "type" of products within your category are preferred by the various ethnic groups? Can you give your customer a better understanding of American's buying habits within your category and what they should be carrying based on their demographics?

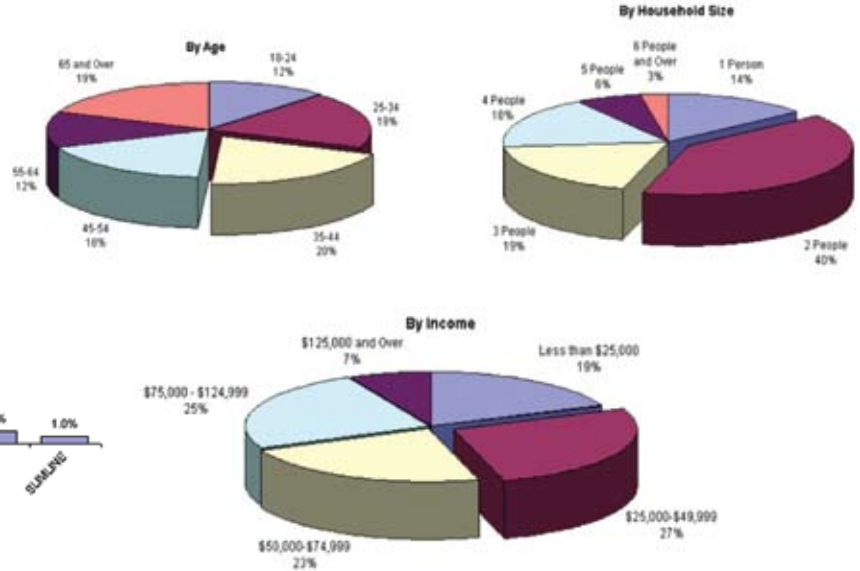
To your customer: "The customers in your store/distribution area seem to be higher income, over 30 and more 1-2 person households. Perhaps you should be carrying more Compact Fluorescent bulbs to appeal to this demographic?"

SEASONAL TRENDS

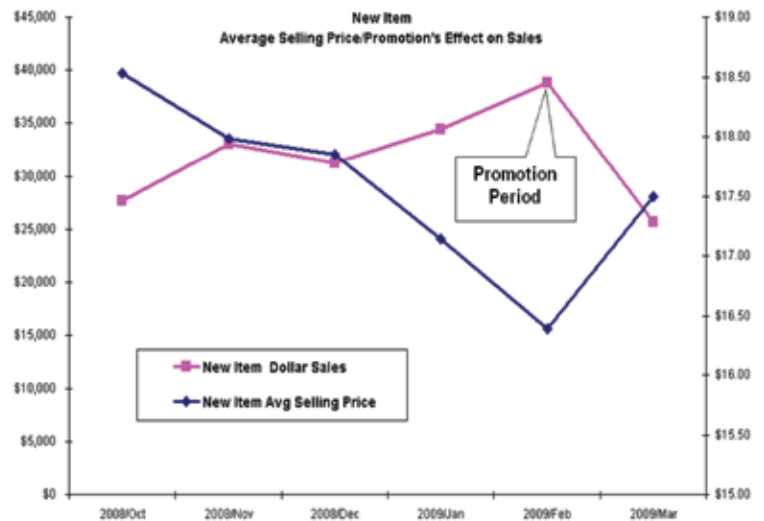
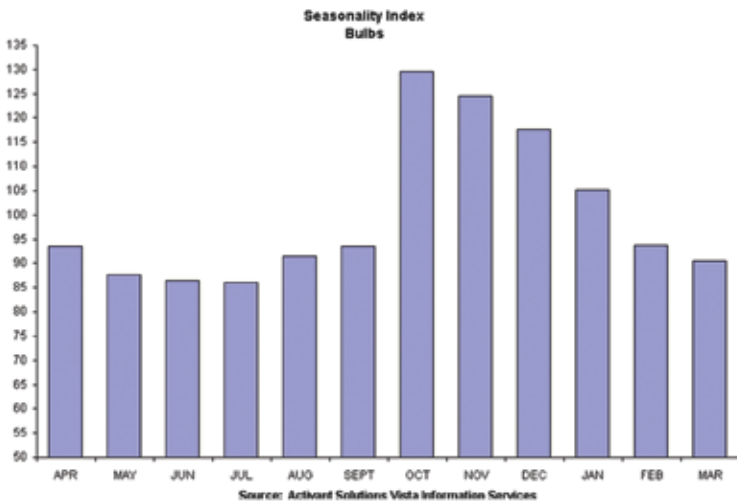
Can you show your customers the most cost effective and profitable use of shelf space by identifying seasonal category trends of the various products? When is the product truly leaving



Compact Fluorescent Sales



Show your customer when they need to "stock up!"



the store, not just entering it or entering the distribution center?

To your customer: "Bulb sales peak in October, you need to be stocking up now to prepare for the season."

TRACKING

Are you able to show your customer the effect of new product entries and promotions in your category over time? Show them not only the effect a new entry or promotion had on your products, but competitive products within the store/category.

To your customer: "This new item has been highly successful. Look at the significant increase in sales the last time we ran this promotion at the promotion price? We're going to run it again ..."

While going through an exercise like this, you may realize that some of the information you thought to be true is not actually fact based. Customers will seek you out if they know you are going to be a true and reliable source of information to help them remain competitive. Make sure your sales

staff is armed with "fact based selling" for their sales calls and at your booth. Your competition will!

Becoming your customer's "category expert" takes a coordinated effort within your organization, but the outcome can lead to not only further profits and share gains, but your customer's newfound respect for your sales organization.

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