

F3

Vysoká škola
ekonomická v Praze
Fakulta podnikohospodářská

Personal Sales

Jan Mareš

fph.vse.cz



EVROPSKÁ UNIE
Evropské strukturální a investiční fondy
Operační program Výzkum, vývoj a vzdělávání



PERSONAL SALES



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Marketing communication

- Advertising
- Public Relations
- Sales promotion
- Direct marketing
- **Personal sales**

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Personal Sales

Ferrazzi (2010) points out that it is important to build a **network of contacts** for the commercial success of a business project.

The author also states that entrepreneurs often underestimate **networking**.

Integrated marketing communication



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Marketing vs Sales

Marketing	Sales
A complex set of activities and business philosophy	Set of concrete activities
Is done even before the development of the product	Can be done while the product exists
Demands upfront investments	Generates cash flow
The assumption is to uncover the right market	Works with market already defined
Creates conditions for sale	Creates sale as such
Strong analytical thinking	Excellent negotiation skills
Sees the big picture and the possibilities	Fast orientation in given problem
Strategic thinking several years ahead	Quick decision making
Produces what the customer wants	Sells what the company produced
Focuses on customer needs	Focuses on the needs of the company

Source: based on NIJSSEN, E.J. (2014)

What is sales?

- **Transaction (something for something)**
- **We need to gain client's trust first**
- **And also we need to find „common ground“ for negotiation**

An entrepreneur is a salesman 24/7.

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Source: author

„Timid salesman has skinny kids.“

- Zig Ziglar

Lead

- **A potential customer**
- **We should have an idea, what our potential customer looks like (e.g. age, income, etc.)**
- **The best leads are generated from recommendations from previous customers**

How leads are generated online?

Údaje o osobě, která uzavírá pojištění

Typ pojistníka: * Fyzická osoba ?

Datum narození: * Den Měsíc Rok ?

PSČ: * ?

Město * Nejprve zadejte PSČ ?

Email: * ?

Pojistník je držitel: * ano ne ?

Bonusy za bezeškodný průběh

Kolik měsíců platíte povinné ručení: 0 ?

Počet škodných událostí: ?

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The AIDA Model

- **Attention**
- **Interest**
- **Desire**
- **Action**

THE CUSTOMER = OUR BOSS

A modern conference room with a long wooden table, several beige chairs, and large windows overlooking a landscape. The room is empty, with a laptop open on the table. The ceiling has recessed lighting and a grid pattern. The floor is covered in a dark, textured carpet.

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The customer is our boss

- We should choose them wisely
- We need to assess his / her purchase power
- Will we be able to deal with this customer in the long run? (i.e. additional service)
- Our portfolio of customers should be cleared by Pareto's rule 80:20

How to determine the price?

- **Methods**
 - **Replacement cost**
 - How much would it cost to make an exact copy?
 - **Market comparison**
 - For how much money are similar products sold?
 - **DCF / NPV (Net Present Value)**
 - Only products with recurring payments
 - **Price determined by value to a certain customer**



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UPCOMING EVENTS

Oscar de la Renta Bridal Trunk Show Mar 26 - Mar 28
Jenny Packham Trunk Show Apr 22 - Apr 25

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Beautiful #markingramrealbride Karie is stunning in @amanda_wakeley! Photo: Maile Lani Photography... <https://t.co/wfTfH8Mmq8>

What about lowering the price?

- Makes sense when we sell a commodity



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Source: author

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Luxury products

- Part of added value is in their high price



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Source: author

„Sales begins when the customer says NO.“

Usual barriers to purchase

- **It costs too much**
- **It won't work**
- **It won't work for ME**
- **It is too difficult**

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Source: based on Kaufman (2012)

Reactivation

- **Selling to customers that already bought from us**
- **It is ideal to have a permission to contact them again with out offer**
- **Subscription is an example of reactivation**

How to lead a business meeting

1. Define your goals

- What is the purpose of the meeting?
- What do I offer to my partner?
- What has value for him / her ?
- What will I want in exchange?

2. Prepare ahead

- Will the meeting be rather formal or informal?
- Where will the meeting take place?
- What do I know about my partner?

3. Prepare psychologically

- Mindset „I am OK, you are OK“
- The deal will be mutually beneficial
- If we close the deal, it's a win-win situation
- If not, we both lose

4. Arrive on time

- Arrive to the meeting on time, or rather few minutes earlier
- If some beverage is offered, have one (you demonstrate self-confidence)
- Water = shorter meeting, coffee = meeting will be longer

5. Ask and listen

- What does our partner want and need?
- What problems does he / she want to solve?
- How can I help with it?
- Ideally summarize what your partner said and then talk

6. Arrange next steps

- Ideally close the deal during the meeting
- Sometimes this is not possible (e.g. we have difficult product)
- What will follow after the meeting?

Q & A



Sources

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