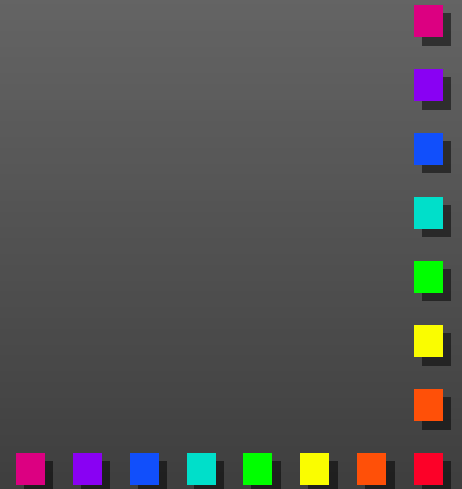


Sale and Distribution

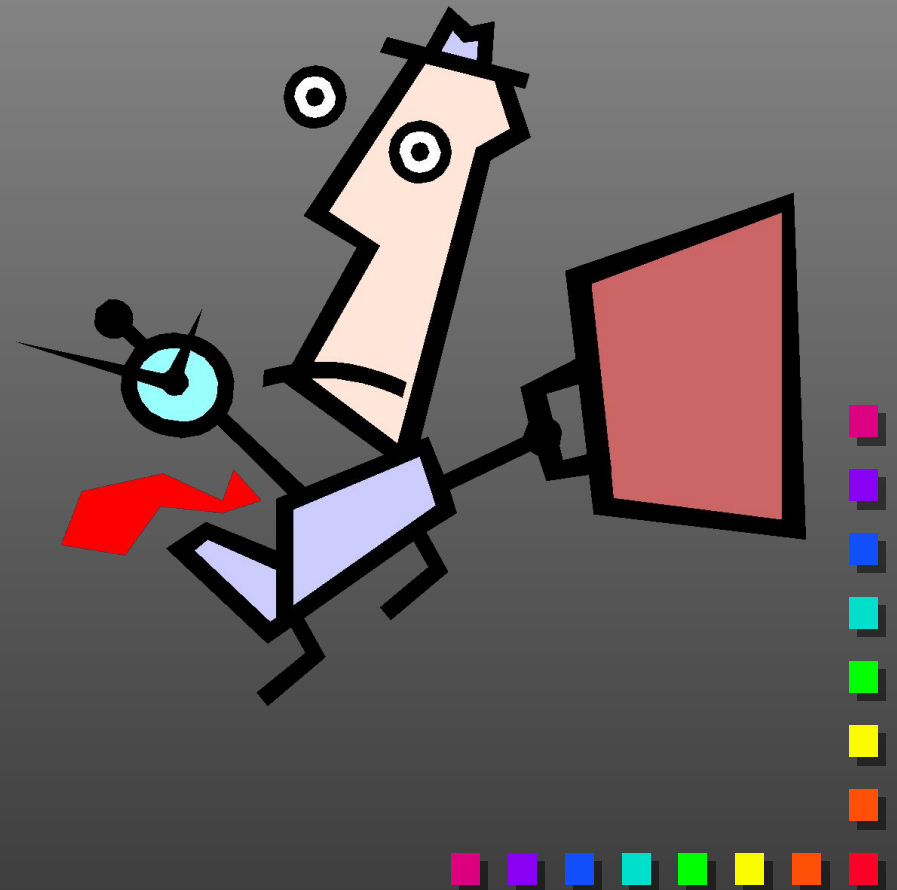


Sale



The Steps of a Sale

- Preapproach
- Approaching the customer
- Determining needs
- Presenting the product



The Steps of a Sale

- Handling questions and objections
- Closing the sale
- Suggestions selling
- Reassuring and following up



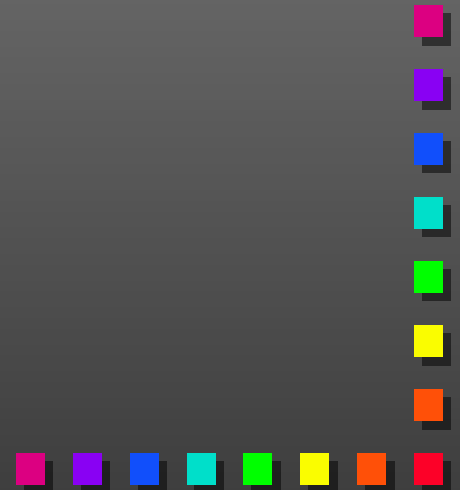
The Preapproach-Getting ready to sell.

- Finding new customers by prospecting
- Retail sales not a prevalent because the customers come into the store.
- Important for the salesperson to open new accounts to generate sales volume.



Sources and Methods of Prospecting

- Employer leads
- Telephone Directories
- Trade and Professional Directories
- Newspapers
- Commercial Lists
- Customer Referrals
- Cold Canvassing



Preparing for the Sale

Industrial Sales

- Analyze past sales records.
- View notes about the personal aspects of the customer.
- Qualify new customers.
- Inquire with other salespeople who are with non-competing lines.



Preparing for the Sale

Industrial Sales

- Ask questions in a pre-visit phone call.
- Make an appointment to see the prospect in order to have time to explain the features of your product.



Preparing for the Sale

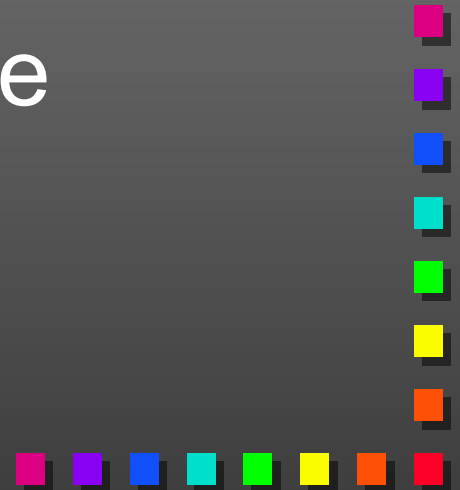
Retail Sales

- The customer comes to you, so most of the preparation is in the retail store.
- Stockkeeping and housekeeping duties are important.
- Learn about the merchandise and the prices of the merchandise.



Approaching the Customer

- First impressions count; if a customer is turned off by the approach it will be difficult to win him or her over.
- Be alert to what interests the customer.
- Establish rapport.



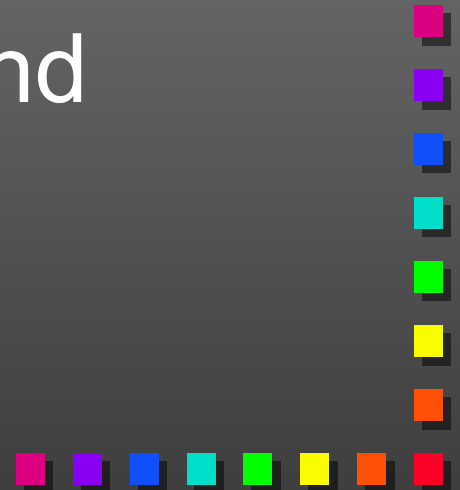
Approaching the Customer

- Be aware of the customer's buying style.
- Follow good guidelines for establishing a positive relationship with customers.



The Approach in Industrial Sales

- Setup an appointment during the preapproach, and arrive early to the appointment.
- Introduce yourself, smile, and shake hands.



The Approach in Industrial Sales

- Engage in small talk to build a relationship with the customer.
- Comment on important things to keep the customer interested.



The Approach in Retail Sales

Service Approach Method

- “May I help you”
- Appropriate when the customer is obviously in a hurry or you are simply an order taker.
- Ineffective in most situations; you lose control of the sales situation.



The Approach in Retail Sales

Greeting Approach Method

- “Good afternoon, Mr. Wright” or an appropriate personal comment.
- This approach begins conversation and establishes a positive rapport.
- Do not focus on the merchandise.



The Approach in Retail Sales

Merchandise Approach Method

- The salesperson makes a comment or asks questions about a product that the customer is looking at.
- Ask questions about the item.
- Usually the most effective approach because it immediately focuses attention on the merchandise.

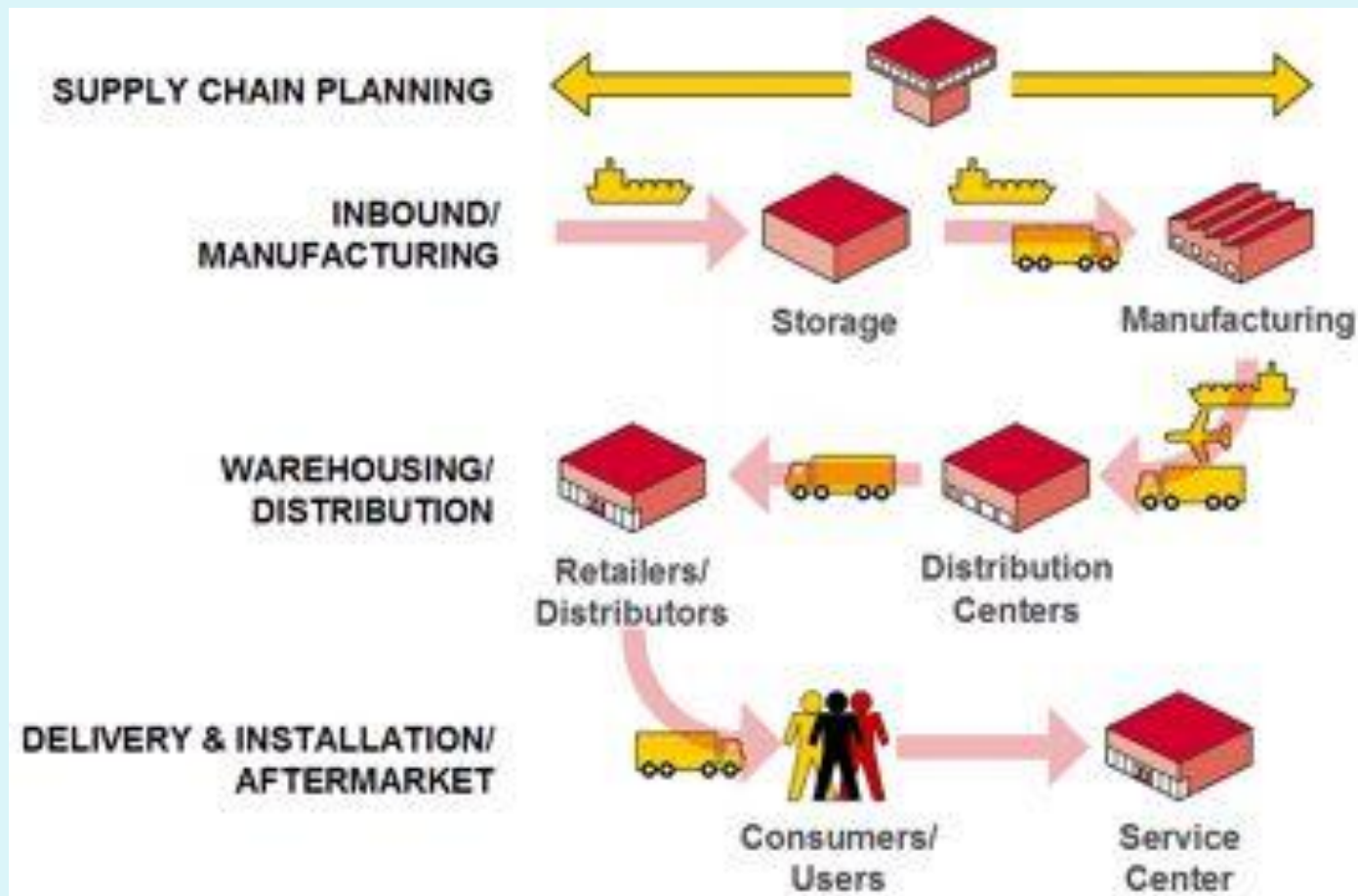


Distribution



Distribution:

the flow of goods and services from producer to consumer



Canada's sheer size and sparse population cause special distribution problems.

It costs a great deal of money to transport goods from those who produce the goods to those who consume them.



There are six elements in the distribution process:

- Producers
- Processors
- Manufacturers
- Wholesalers
- Retailers
- Consumers

Producers:

Extract raw materials from the earth.

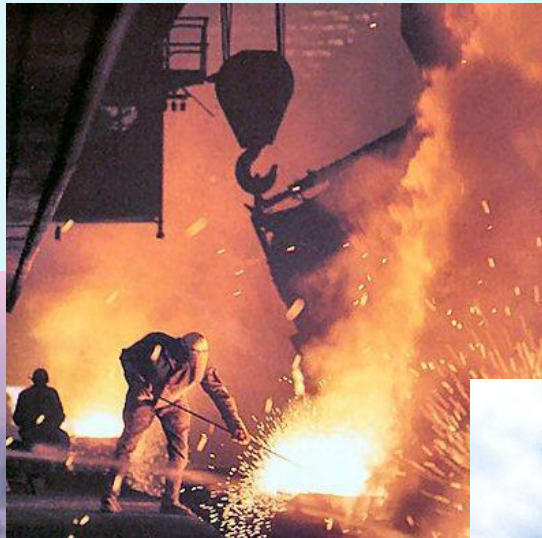
Mining, agriculture, oil exploration are examples.



Processors:

Few materials are useful in their raw state, they must be altered to be useful. Processors alter the raw materials.

Iron ore is made into steel
Oil is turned into gasoline



Manufacturers:

Manufacturers alter the processed raw materials into products for the consumer.

Steel is turned into an automobile.



Wholesalers:

Wholesalers are businesspeople who purchase goods and in large quantities and resell them in smaller quantities at higher prices.

There are three major types of wholesalers:

- Merchant Wholesalers
- Agent Wholesalers
- Manufacturers' Representatives



Merchant Wholesalers:

They take full ownership of the goods purchased from the manufacturers.

Once the sale is completed, the wholesaler takes possession of the goods, then stores and warehouses them.

The merchant wholesaler then finds customers for the goods.

Merchant wholesalers earn their profits by marking up the price of the goods they purchase beyond the price that they paid.

Agent Wholesalers:

Agent wholesalers never take ownership of the goods.

They arrange for the sale of the goods between manufacturers and those that wish to purchase the manufacturers' goods.

Agent wholesalers are usually paid on commission, a percentage of the sale, by the manufacturer.

Manufacturers often prefer to deal with agents because of their expertise. Agents know the product, the parts of the country that represent the best sales opportunities and the types of consumers who will purchase the item.

Example:

A manufacturer in Singapore wishes to sell a new line of ski boots in Canada.

The Singapore manufacturer will contact an agent wholesaler in Canada who specializes in skiwear.

This agent will be familiar with the retail stores and the parts of Canada that represent the best possible market for the item.

The agent will visit the stores, bring samples and take orders.

The orders will be sent by the agent to the manufacturer and the manufacturer will ship the product directly to the store.

The Singapore manufacturer will invoice the store for the cost of the boots.

The agent will receive the predetermined commission from the Singapore manufacturer once the sale is completed.



Manufacturers' Representatives:

Some manufacturers set up their own wholesale divisions.

The division is comprised of manufacturers' representatives who specialize in the wholesaling of the manufacturer's products



Retailers:

Retailers sell directly to the consumer and make it convenient for consumers to purchase goods.

Without retailers, consumers would be forced to seek out wholesalers or go directly to manufacturers' factories to obtain goods they need.



Types of Retailers:

- Specialty Stores
- Single-line Stores
- Convenience Stores
- Department Stores
- Supermarkets
- Machine Vendors
- Roadside Establishments
- e-tailing
- Discount Stores

Specialty Stores:

They carry a broad line of goods, all directly related.

A women's wear store carries skirts, blouses, suits, belts, hosiery, coats, slacks, and accessories for women.

A sporting goods store carries sports equipment, clothing, and accessories for a wide range of sports.



Single-line Store:

Carry a wide variety of one product.

Opticians and Second Cup are examples of single-line stores.



Convenience Stores:

Are located in most neighbourhoods and obtained their name because they are situated close to those who use them and in most cases are open long hours.

They carry a large variety of necessities for the home, including milk, eggs, bread, and other everyday items.



Department Stores:

Are usually part of large chains (a chain is a group of stores that are managed through a central office).

These stores provide a wide range of consumer goods in specialized divisions or departments such as sporting goods, ladies' wear, or furniture.

Examples are Sears, The Bay, Walmart.



Supermarkets;

They are large-scale food retailers.

Examples are Loblaws, Sobey's, Longo's, No Frills, and Metro.



Machine Vendors:

Are businesspeople who place vending machines in certain contracted locations.

The vendor is responsible for stocking and maintaining the machines.



Roadside Establishments:

Usually located in agricultural growing areas.

They are highly seasonal operations that do large volumes of business when crops are being harvested.

Consumers are often encouraged to stop and purchase fresh fruit, vegetables or pies.



e-tailing:

The selling of retail goods on the internet.

Examples are ebay, Amazon, Dell.



Discount Stores:

These stores depend on selling a large quantity of goods at a low price in order to maintain profitable operations.

Prices are kept at a minimum.

Examples include Dollarama, Giant Tiger, and Honest Ed's.

This category also includes Costco.

