

CROSS-SELLING & UP-SELLING: DO YOUR CUSTOMERS A FAVOR

I'm on my favorite on-line bookstore website and after I click on the book I want to add to my cart, a list of other books pops up with the message, "Customers who purchased this book also purchased the following books:..." I felt challenged and maybe intrigued so I browsed through the list, and sure enough found another book that was just as interesting as the book I was purchasing. I clicked and added the second book to my cart. Yep, another list of recommendations popped up along with a reminder that I would qualify for free shipping if I spent another \$9.08. I got the free shipping, and three books later, I realized I had definitely been up-sold.

The guy at the auto repair shop wasn't quite as lucky since I didn't want to spend anything more than the oil change on my clunker. But he tried. The customer after me went for two out of three recommended repairs the service clerk listed. His late-model luxury auto was apparently worth it though. He was up-sold.

Up-selling and cross-selling are so ubiquitous that I wonder why salespeople fret about it at all. People not even trained in sales are doing it, often very well. The woman at the pizza delivery shop casually asks if I want wings with my pizza—well of course—and extra ranch?—uh huh—then she just as casually asks if I want the special cinnamon-dip-em-in-icing desert thingys (I can't even remember what they're called)—and we didn't even eat them. In this case the up-sold products cost more than the pizza we originally called in for.

As salespeople we should be more aware, but as ordinary consumers we often don't even realize when we are being up-sold.

Cross-selling and up-selling involve increasing your sales by offering customers products or services in addition to what they are already purchasing. We tend to think of cross-selling and up-selling items that are related to what the customer is purchasing—pizza, wings, and cinnamon thingys—but very creative companies have used techniques such as shipping discounts and product/service combining to sell more unrelated to customers.

Web-based companies frequently use free shipping on purchases over a certain dollar amount to entice shoppers to buy more of any items. A classic cross-selling technique is used by the travel industry where you can purchase flights, hotel rooms, rental cars, and even entertainment tickets as a package for less than you would pay a-la-carte. My personal favorite is the online bookseller's technique of showing what other customers purchased—I felt so psychologically manipulated.

Most salespeople back away from cross- and up-selling for fear of losing the sale altogether. As salespeople, we are hyper-aware of how we are often negatively perceived and we don't want to risk losing rapport and credibility with a customer by sounding overly "selly".

What we should realize though, is that during the selling/buying process, at some point we become more than just salespeople to our customers—we are consultants and advisors—and up-selling is adding more value to the solution we are providing which is something that most customers would appreciate.

Let's say you have a pizza delivered and so does your neighbor, except he tells you he got the cinnamon things for half-price because he purchased pizza and wings. You would probably say, "Hey, they didn't offer that deal to me!"

At some point our customers do trust us and expect us to look out for their best interests. If they can get more value or enhanced performance by purchasing more or additional products/services, they at least want to know about it and have the opportunity to decide on the purchase.

The point of sale is the most opportune time for cross-selling and up-selling. Salespeople can learn to make a smooth, seamless transition from the decision to purchase to cross-selling and up-selling, but they certainly shouldn't shy away from it. If a customer understands how X product will meet his/her needs and has decided to purchase, then they will also appreciate the opportunity to evaluate how Y and Z might enhance the performance of X. They won't re-evaluate their decision to purchase X simply because you're talking about Y and Z (after all X still meets their needs). What they will be concerned with evaluating is the added value that Y or Z might bring, and if that added value warrants the additional cost. Rather than being a salesperson who is "selling", you are a consultant/advisor in a position to help them evaluate.

Another optimal time for cross-selling and up-selling is new customers and accounts. For some reason, the majority of cross-sells and up-sells to existing customers, comes from customers who are just coming on board or who are still new (within the first 6 months of service). For this reason, customer service departments are good resources for potential cross-selling and up-selling opportunities. Customer service representatives who are in contact with existing customers regularly should be trained to recognize when a customer's needs are changing and could benefit from an upgrade or addition to their current product/service.

Salespeople can keep on top of the evolving needs of their customers by practicing good account management and following up with existing accounts and new accounts coming on board. Certainly keeping the products and services that existing customers are using up to date will keep them a step ahead of your competition. Your customers are relying on you, as a consultant, advisor and partner, to be more knowledgeable and aware of their needs. If you have a way to make your customer's current product or service faster, more efficient, more powerful, then show them the value of it—they would be upset to find out that you didn't.

Yes, I could have sufficed with one book, but I was excited about reading two others that I didn't even know existed.

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