

The Little Red Book of Selling

By Jeffrey Gitomer

“Why do people buy?” is a thousand times more important than “How do I sell?”

1. I like my sales rep. Liking is the single most powerful element in a sales relationship. Like leads to trust. Trust leads to buying. Buying leads to relationship. That's the life of sales.
2. I understand what I am buying.
3. I perceive a difference in the person and the company that I am buying from.
4. I perceive value in the product I am purchasing.
5. I believe in, have confidence in, trust, am comfortable with, my sales rep.
6. I feel there is a fit of my needs and his/her product or service.
7. The price seems fair, but it's not necessarily the lowest.
8. I perceive that this product or service will increase my profit.

People don't like to be sold... but they love to buy!

The difference between success and mediocrity is philosophy. Most people think end of the month. But you have to begin thinking end of time. If you think end of time, each time you are in a selling situation, the sale will always be long term, relationship driven, and referral oriented. Not transaction oriented.

What's the difference between failure and success in salespeople?

1. Believe you can. I wanna be a success! I wanna be a success!
2. Have the right associations. Network where the best customers and prospects go.
3. Expose yourself to what's new. If you're not learning every day – your competition is.
4. Plan the day. Are your plans and goals in front of your face every day?
5. Become valuable. Become known as a resource, not a salesperson.
6. Have the answers your prospects and customers need.
7. Take responsibility. Get the job done no matter what. Don't blame others or yourself.
8. Take action. Nothing happens until you do something to make it happen.

The Little Red Book of Selling (continued)

9. Make mistakes. The best teacher is failure. It is the breeding ground of self-determination.
10. Be willing to risk. Taking chances is a common thread among every successful person. Most people won't risk because they fear the unknown. If you want to succeed, you'd better be willing to risk whatever it takes to get there.
11. Keep your eyes on the prize. Post your goals. Stay focused on your dreams and they will become reality.
12. Balance yourself. Your physical, spiritual and emotional health are vital to your success. Plan your time to allow your personal goals to be synergized with your work goals.
13. Invest, don't spend. Reduce your spending and make a few investments each month.
14. Stick at it until you win. Most people fail because they quit too soon.
15. Develop and maintain a positive attitude.
16. Ignore idiots and zealots. These people will try to rain on your parade because they have no parade of their own. Avoid them at all costs.

The biggest secret (and the biggest obstacle) to success is you. The formula is there for everyone to know – BUT, there is a big difference in knowing what to do, and doing it.

12.5 PRINCIPLES OF SALES GREATNESS

Principle #1 – Kick Your Own Butt

No one will do it for you. No one really wants to help you. Very few will inspire you. And even fewer will care about you.

Principle #2 – Prepare to Win, or Lose to Someone Who Is

In order to be a success at sales or life, the first thing you have to master is homework. Getting ready, preparing analyses, developing questions, creating ideas, and every other facet of your sales life presupposes that you have done your homework.

“The work day starts the night before.”

Principle #3 – Personal Branding is Sales; It's Not Who You Know, It's Who Knows You

Personal branding is ...

- ✓ Getting the business community to have confidence in you.
- ✓ Establishing yourself as an expert is much more powerful than someone perceiving you as a salesman.
- ✓ Building your image by
 - being a consistent positive performer
 - associating with quality people
 - delivering what you promise

Principle #4 – It's All About Value, It's All About Relationship, It's Not About Price

1. Give value to your clients, without expecting to get anything in return.
2. Market with information prospects want – not literature about you.
3. Write (good) information in journals, newspapers, etc. Writing creates a perceived leadership position.
4. Take opportunities to speak in public.

Price vs. Value – The REAL Way to beat “price.” How much is it? Answer: Doesn't matter if the value is there.

The sale is emotionally driven and emotionally decided. Then, and only then, is it logically justified.

1. Stop thinking of your product as a commodity. If you tell yourself you're selling a commodity, you are doomed to selling price.
2. It's all about relationship. It's all about perceived value. Not everyone will buy value – 30 to 40% will buy price but the good news is that 60 to 70% will buy value if you provide it to them.
3. Make friends before you start, or don't start. I don't win sales on price. I win sales on friendship.
 - a. I establish rapport that includes some common ground.

The Little Red Book of Selling (continued)

- b. I laugh with them.
 - c. I talk to them about them.
 - d. I establish credibility with them and then I make my presentation.
4. If you make a sale, you can earn a commission. If you make a friend, you can earn a fortune.

All things being equal, people want to do business with their friends. All things being not quite so equal, people STILL want to do business with their friends.

Principle #5 – It's Not Work, It's NETWORK

Networking is a mandatory function of business for salespeople.

What do you need to be a successful networker?

1. A GREAT 30-second commercial that engages and asks questions that qualify the prospect, and gets to the next step in the sales cycle.
2. Your willingness to dedicate time it takes to do it and be excellent at it.
3. A plan of where and when.

To maximize your networking effectiveness you must go where your prospects go, or are likely to be.

1. Your city's business newspaper event.
2. A networking club.
3. Your trade or professional association
4. Any type of class you take to learn more about your profession.
5. Your customer's trade or professional association.
6. Join a private club.

List every possible area that you can think of for networking. Write them down.

Secret: Get respected by those who count – don't just attend – get involved and lead.

Bigger secret: To make the most of a networking event, spend 75% of your time with people you don't know.

Principle #6 – If You Can't Get In Front of the Real Decision Maker, You Lose.

Principle #7 – Engage Me and You Can Make Me Convince Myself

The most important aspect of making a sale – is also a major weakness of every salesperson: Asking questions.

The first personal (rapport) question sets the tone for the meeting, and the first business question sets the tone for the sale.

Do you have 25 of them – the most powerful questions you can create – at your fingertips?

Here's the challenge: Get every prospect to say, "No one has ever asked me that before."

Ask questions:

1. That makes prospects evaluate new information.
2. That qualifies needs.
3. About company or personal goals.
4. That separates you from your competition.
5. That makes the prospect think before giving a response.

Principle #8 – If You Can Make Them Laugh, You Can Make Them Buy!

Making people smile or laugh puts them at ease and creates an atmosphere more conducive for agreement.

I believe that making people smile is a major key in selling. The prospect may not be interested in hearing about your stuff, but they're always looking to smile or laugh.

Don't tell jokes, tell stories.

The Little Red Book of Selling (continued)

Humor not only helps make the sale – it also helps build the relationship. Laughter is mutual approval, and mutual approval is at the fulcrum point of selling.

The essence of humor is that it is relaxing and creates a more open atmosphere. An atmosphere that will begin to breed friendship, respect and compatibility.

Principle #9 – Use Creativity to Differentiate and Dominate

Principle #10 – Reduce Their Risk, And You'll Convert Selling To Buying

Eliminate risk and prospects are more likely to buy.

A risk of purchase is some mental or physical barrier, real or imagined that causes a person to hesitate or rethink ownership. As a salesperson your job is to identify the risk and eliminate it.

Interestingly risk is harder to identify than it is to eliminate. The problem is that the buyer keeps this information to himself. His "hole-cards" if you play poker. And he's not gonna show them unless you "call." Once he shows his cards, he has revealed his "motive to buy," the single strongest piece of sales information you can obtain. It's also the single hardest information to obtain.

Know your risks of purchase. List them and have "risk removing" answers for them.

Here are some of the common risks of purchase:

1. I may be able to get the same thing cheaper someplace else.
2. I'm comfortable with my existing lender relationship.
3. It will be much easier financing with my existing lender.
4. This is not what I really want. I'm risking getting something I really don't want.
5. Something better exists. The risk that there might be a better mousetrap.

SUCCESS STRATEGY: Identify and eliminate (or outweigh). Ask your prospect: "What's the risk?" Then ask, "What's the reward?" If the risk is low and the reward is high, then the decision is obvious.

The Little Red Book of Selling (continued)

Ask yourself, "What risk element is present that I can remove to close this deal?"

The risk factors are usually both invisible and unspoken because they expose the inner guts, feelings, and thoughts of the customer.

If the risk is price, then the compensation is value.

Risk is real and a real block to a sale. And too often salespeople misjudge risk for objection and continue to press for the close.

One at a time, brick by brick, remove the risks that the buyer perceives as fatal mistakes in his decision-making process. Then drive home the rewards, both emotionally and logically.

Principle #11 – When You Say It About Yourself, It's Bragging. When Someone Else Says It About You, It's Proof.

Your reputation is everything.

Principle #12 – Antennas Up! Using Your 6th Sense, the Sense of Selling.

If your dominant senses you radiate are positive, you can make sales – lots of them. The big question is: Do you radiate the positive senses or the negative ones?

Here are the 4 positive sales senses:

1. The sense of confidence. The air you have about you that's bred by preparation and previous wins. The best part about confidence is that it's contagious. You can give it to your prospect.
2. The sense of positive anticipation. Thinking you can close the sale is 50% of the outcome.
3. The sense of determination. The sense of hanging in there no matter what. Determination is having the prospect tell you "no," and you hear it as, "not yet."
4. The sense of success. That calm feeling of money in the bank. An "I can do it" attitude. The sense of positive purpose.

The Little Red Book of Selling (continued)

Here are 4 negative senses that the subconscious mind presents and projects when selling.

1. The sense of fear.
2. The sense of nervousness.
3. The sense of rejection.
4. The sense of self-doubt.

The most powerful way to get rid of the negatives is to counter-balance them with positive thoughts and words.

You're not sensing alone. The prospect has senses too. And often he can sense your senses – especially the negative ones. If your negative senses like fear and self-doubt dominate your presentation, they will preoccupy the prospect.

The great news about sales sense is you're in total control. You can convert negative senses to positive senses with a combination of dedication to lifelong learning, and the achievement of a positive attitude.

Principle #12.5 – Resign Your Position as General Manager of the Universe

You now know all the principles necessary for your own success. But there is more. You need to understand how to make each of these principles your own. You have to master these principles.

And the first part is to master yourself. Keep your focus on these principles. Don't get sidetracked with other people's problems.

The less time you spend in other people's business, other people's problems and other people's drama, the more time you'll have for your own success.

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