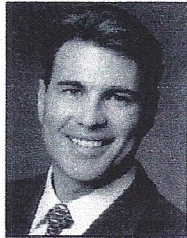


INFLUENCE WITH EASE

Effective upselling can take as little as 30 seconds

Collision Quarterly is pleased to add a new column from Calgary-based writer Jeff Mowatt, Influence with Ease, to help provide shop owners with a look at effective business strategies used in many industries.

If you and your employees aren't trained on effective ways to upsell, chances are you either offend customers by being too pushy, or leave money on the table that customers would have willingly spent with you. Either option is costly.



Jeff Mowatt

When organizations bring me in to train employees on how to increase revenues from current customers, I often find that not enough attention is paid to upselling.

Upselling refers to when you help a customer decide to buy a little extra or "upgrade" slightly the final purchase. A car dealer, for example, might inform customers at the time of ordering about upholstery protection and undercoating. A shoe salesperson might suggest that when you buy a pair of shoes that you also use some weather protectant spray. These are usually small purchases that the buyer doesn't have to put a lot of thought into. The bonus is they can be extremely profitable for you as the sales person and for your organization.

Why upselling is so profitable

Consider this example. A customer buys a car with monthly payments of \$395. With that size of investment, there's very little resistance to adding \$2 to the monthly payments for upholstery protection. For you, however, that additional sale is significant, as over 48 months it adds up to a \$98 sale, with a huge profit margin.

Some would say that a \$98 sale on a \$25,000 vehicle is only a minimal increase in the overall sale. Why waste your time? My argument is that if it

only takes 30 seconds to make that extra \$98 sale, then you're making more money for the company than with any other activity you do. If your salary is \$20 per hour then doing the math, the 30 seconds you take to upsell costs the company about 17 cents. If it only costs the company 17 cents to make \$98, that's a huge return on investment. The fact that it's attached to a \$25,000 sale is completely irrelevant. So, upselling is one of the highest and best uses of your time.

Upselling should be easy

The best part of upselling is that it's practically effortless. Since it's done after the customer has decided to go ahead with a major purchase, the hard part of the sales conversation has already been done. You've already established rapport, identified needs, summarized, presented benefits, asked

for the order and handled objections. Upselling is just presenting the information in a "by-the-way" assumptive manner.

The three biggest mistakes in upselling:

1. No attempt is made to upsell.
2. The salesperson comes across as being pushy
3. The upselling is made in an unconvincing manner so the customer generally refuses.

Effective upselling strategies

Being assumptive is the key. You've got to assume that the customer will naturally want this. Begin the upsell with a brief benefit, then if possible, add something unique about what you're selling. To avoid sounding pushy, particularly if the upsell requires some elaboration, ask for the customer's permission to describe it.