

THE KEYS TO CROSS-SELLING

One of the most powerful ways to increase your bottom line is with add-on sales.



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ross-selling is about selling add-ons. It's as easy as selling a customer one or two more items than they originally may have set out to buy.

Cross-selling is cheaper than acquiring new customers and easier than getting customers to return. Acquiring new customers is expensive. Getting repeat business takes work keeping in touch with customers by mail, email or phone. Both require an investment of time and waiting. Cross-selling makes the most of the customer in front of you right now.

The key to successful cross-selling is that it's a natural extension of what your customer is buying. Cross-selling exhaust tips when your customer comes in for a performance tune is a stretch. But sell-

ing him an upgraded chip set or new plug wires might not be.

At first, the idea of cross-selling might be intimidating to you. You probably hate it when someone tries to sell you more than you want. You assume your customer knows what he wants and doesn't want to be sold more than he asked for.

But I'm not talking about selling more than your customer wants. I'm talking about finishing the job by being sure that you have presented your customer every option. That includes things they may not have thought of, asked for or even knew about.

More at 'Steak'

There's a keen difference between cross-selling, underselling and overselling.

It's easy to fall into underselling—offering the customer less than he wants or is willing to pay for. Sometimes it's because we're concerned that a customer isn't willing to pay for the best package. Other times, it's just oversight—we just don't think of some extras they might want. But in either case, by underselling, you risk creating a dissatisfied customer.

For example, let's say you went to dinner at a steakhouse and asked your waiter for a recommendation. He tells you the porterhouse is popular. So you order it, it's good. You're satisfied. After your meal, he promptly brings you the check.

Then you look at the table next to you and their waiter brings them this lush chocolate cake for dessert. Now maybe you didn't think of dessert. But you feel jilted by the waiter for not bringing you the dessert menu or even asking you if you're interested. He's undersold you.

That waiter did both you and himself a disservice. You lost out on a great dessert. The waiter lost out on a bigger tip on a bigger tab. And you leave feeling strangely dissatisfied. You didn't go out for dessert. You went out for dinner, but you almost resent the waiter for not

trying to cross-sell you on dessert. He didn't even *offer*.

The same is true for your performance shop. A guy may come in for headers. So, you sell him headers. Nothing more. And he may leave happy, but he may not be fully satisfied. But offer him a full exhaust system complete with a fancy exhaust tip and even if he just buys the tip, you both come out ahead.

Avoid Overselling

Overselling is the opposite extreme. It's what you expect when you think of the stereotypical, fast-talking, sleazy salesperson—someone who doesn't care about you, but who just wants to line their pockets with your money.

Up-selling is not like that. It's helping your customer buy the highest



Cross-selling is cheaper than acquiring new customers and easier than getting customers to return. (Photo by Beth Sasso)

quality to meet his wants or needs. Notice, up-selling is not about pushing a customer into buying something he doesn't want or can't afford. There's a fine line between up-selling and overselling.

Up-selling will create more satisfied customers. Overselling will create resentment.

For instance, when we go to our steakhouse for a porterhouse steak, you don't want to leave with a side of beef. And if some cunning waiter sold you a side of beef, you might get pretty frustrated when you got home and couldn't fit it in your side-by-side refrigerator.

You'd probably get a little mad at that waiter. You'd feel taken advantage of and never return to that steakhouse. You might even tell your friends how you feel this particular steakhouse pushed you into buying more than you really wanted or needed. That's overselling.

Getting Suggestive

When you push someone to buy something, their knee-jerk reaction will be to pull back—even if it's something they may want. There is a natural human resistance to feeling railroaded. So I don't recommend you try any hard-sell techniques. A better, more effective technique is Suggestive Selling.

Suggestive Selling is the subtle art of asking for an add-on sale by suggesting options. It comes across more as customer service than salesmanship.

Probably one of the most common examples can again be seen at restaurants. It's the same technique the cashier at the fast-food joint uses when she asks if you want fries and a drink with your Mambo Burger. She isn't being pushy. She's just asking a specific question. Only in a performance business, it's much more sophisticated and requires more in-depth product knowledge.

Perhaps a better analogy might be the waiter at that steakhouse visited earlier. (I'm getting hungry just writing this article.) He might suggest a wine to pair with your meal. Once he knows what your main course is, he can recommend a wine that goes with it. The key to making Suggestive Selling work in a performance business is to ask meaningful questions to determine your customers' needs. What are their goals? How long do they want to keep the car? What's their budget? What do they want to do next?

The more you understand your customer, the better you can meet his or her needs.



The point of up-selling is not to pressure customers into unnecessary purchases, but to ensure they have everything they need to get the job done right. (Photo by Beth Sasso)



Head in the Game

I once did some marketing work for a cylinder head builder in the general automotive market. It was basically a mail-order operation. Their telephone reps took orders and shipped crated cylinder heads across the nation.

What made my client especially successful was how he trained his inside salespeople to diligently ask the customer for add-on sales. "Need a head gasket?" "Need head bolts?" "Anything else?" And the add-on sales really added up, since he made much higher margins on those small-ticket items than he made selling heads in a highly competitive market.

Now, don't get me wrong, no one's going to get rich by selling head bolts or gaskets, but they're not going to go broke either. Adding 5 or 10 percent to each sale in add-ons adds 5 to 10 percent to your overall sales—and potentially far more to your profits.

And add-on sales don't just add a few more dollars of profit to each sale; they make for more satisfied customers. That translates to more repeat business and referrals.

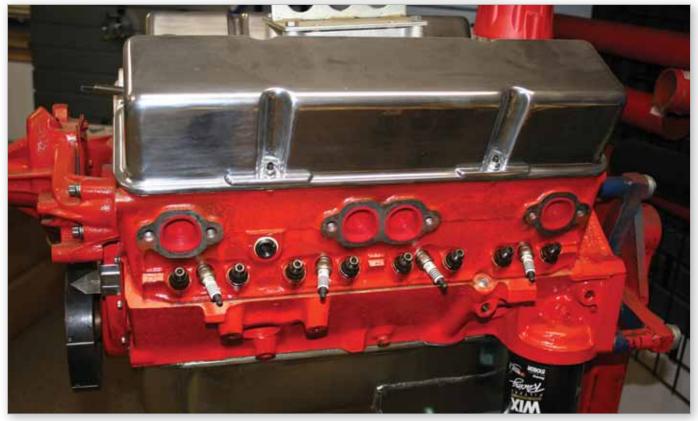
In my client's case, no one wants to be in the middle of an engine

overhaul and find they don't have the right gasket in stock or that the old head bolt is stripped or broken.

So, do yourself and your customers a favor and be sure you finish the job. Ask them for the add-on sale. Don't just ask "anything else?" That question begs a "no." Be specific. They may not be thinking of the whole process and your simple questions may be more helpful than you realize.

Remember, you're an expert in what you sell. Don't be afraid to share your knowledge by making meaningful suggestions.





Asking specific questions regarding customers' projects and goals can help frame the add-on sales that will be right for them. (Photos by Beth Sasso)

Don't Paint Yourself into a Corner

Let me give you a personal example of what it looks like when you don't practice Suggestive Selling.

A few years back my wife, Beth, and I decided on a whim one day that is was a good day to re-stain our old wooden glider. I ran out to a tiny neighborhood hardware store to pick up some supplies. On a clearance table outside were two cans of redwood stain, one twice the price of the other.

I brought both cans in to the small one-man counter. No one else was in the store, so I took a minute and told the owner that I had just decided to redo our wooden glider today. I asked which stain he thought was best for my job.

"Either one," he replied. Keep in mind the price difference.

"This one says stain and sealer. Is that better for what I'm doing?" I asked, hoping for some direction.

"Maybe. If you want to seal it. Will that be all?" he asked moving to his register.

I was too embarrassed to ask what sealing was. And whenever someone asks me if that's all, I usually instinctively say, "yes", without thinking.

But this time I had to stop myself to remember this was a very impromptu project. I didn't know if I had anything to paint with. So I asked for a couple of brushes.

The shop owner brought me a couple of cheap nylon brushes.

"Will this be cash or charge?" he asked, ushering along the transaction.

"Charge. Uh, wait. Does this clean up with water?"

"You'll need paint thinner. Do you want a can?" he asked.

I took my purchases and went home, wondering how much more I would have bought if the owner had asked me a few helpful questions: Did I need a scraper? Stripper? Drop cloth?



Cross-selling creates a more satisfied customer, which leads to referrals and repeat business. (Photos by Beth Sasso)

To be honest, he could have doubled or tripled the transaction with a few questions and some Suggestive Selling. I wouldn't have batted an eye and he would have improved the profitability of that

transaction with a few unexpected add-on sales.

The key to cross-selling is to make the process feel natural. Your goal is to be genuinely focused on your customer, not just trying to sell more stuff.

It's about helping the customer, not about putting more money in your pocket. That may be the result, but it's not the purpose. Customers can sense your intent.

By asking intelligent questions, you can cross-sell while demonstrating your expertise—all without intimidat-

ing your prospect. That can create a more satisfied customer, which can lead to more referrals and repeat business. And doesn't that sound like the best way to grow your business?

Now, if you'll excuse me, I think I'm heading out for steak.



