

Participatory Business Training Manual

2019



UNIVERSITY *of*
DENVER

DRAFT

COPYRIGHT Renee Botta 2019

DO NOT USE WITHOUT PERMISSION

Table of Contents

INTRODUCTION	Error! Bookmark not defined.
ASSET-BASED ENTREPRENEURSHIP.....	4
Activity 1: Turning Assets into a Business.....	4
THE 5 STAGES OF SELLING	6
Activity 2: The 5 Stages of Selling	6
THE SALES PROCESS.....	8
Activity 3: Prospecting.....	8
Activity 4: Preparation	9
Activity 5: Approach	10
Activity 6: Presentation - Persuasion Techniques.....	11
Activity 7: Presentation - Identifying Barriers	13
Activity 8: Presentation - Reflexive Listening	14
Activity 9: Presentation - Overcoming Barriers	15
Activity 10: Closing	16
Activity 11: Follow Up	17
Activities 12 & 13: RECAP: Going Through the Sales Process	18
THE ESSENTIALS OF GOOD SALES PRACTICES	19
Activity 14: The When Why How Model of Selling	19
Activity 15: The Importance of Good Customer Service	20
Activity 16: Inventory Management & Sales Tracking	21
Activity 17: Pricing.....	22
PUTTING IT INTO PRACTICE	24
Activity 18: How to Present Yourself.....	24
Activity 19: Marketing Your Business.....	25
Activity 20: Putting sales and hygiene education together.....	26

THE 5 STAGES OF SELLING

Activity 2: The 5 Stages of Selling

Purpose:	To enable participants to recognize the 5 stages of selling and understand how someone to whom you wish to sell a product goes from being a prospect to a customer.
Overview:	<p>A prospect is someone who is a potential or likely customer. A customer is someone who has already purchased something from you.</p> <p>Prospects have to go through the following stages in order for you to sell them something. The sales process, which is discussed later, helps to guide prospects through these stages so that they become customers by buying your product. Knowing these 5 stages is helpful when thinking about where prospects are in the process and where you need to lead them in order to complete your sale.</p> <p><u>Stage 1: Attention</u> Goal: to get their attention This is the first stage of every sale. At this point your only goal is to get the prospect's attention so that you can determine what kind of product or service best fits their needs.</p> <p><u>Stage 2: Interest</u> Goal: to get them interested in the product or service This is the point when you have the prospect's attention, and they are interested in learning more about whether your product will help them meet their needs.</p> <p><u>Stage 3: Conviction</u> Goal: to get them to understand that their problem can be solved by your product There are two parts to this stage. First, the prospect must know they have a problem, and then they must believe your solution is the one that will best help them solve it. This may be the hardest stage of the sales process.</p> <p><u>Stage 4: Desire</u> Goal: to get them to want your product This is the stage in the sales process where the prospect has made a mental decision to buy your product or service. It is the "fun" stage because the buyer has worked through any objections and passed through the conviction stage.</p> <p><u>Stage 5: Action</u> Goal: to get them to purchase your product This is the last stage of the process. It is where a prospect becomes a customer and buys your product or service.</p> <p>Some products and services are simple enough that a buyer goes through each of the stages of the process in a very short period of time while others may require days, months, or even years to move through. It is not uncommon for a prospect to slide back one or two steps, especially if they are evaluating multiple solutions for solving their problems.</p>

Activity Description:	This activity is conversation based and allows participants to apply these 5 stages to personal experiences where they have been the customer.
Directions:	<p>(Lead facilitators will address whole group. Describe activity and give directions).</p> <ol style="list-style-type: none"> 1. Form small groups of 4-5 people. 2. Have the groups discuss the last time they purchased something. 3. Consider questions like "Why did you buy it?" "Can you remember going through any of these 5 stages?" "Was there anything that the seller did to help you progress to the next stage?" <ul style="list-style-type: none"> • Stage 1 – What cues have caught your attention? What cues can you use to get attention for your product? • Stage 2 – What cues have gained your interest? What cues can you use to gain interest (for example foeliness)? • Stage 3 – What problems can the product solve (e.g. diarrhea, not enough money)? • Stage 4 – What has made you want products? What can you do to get them to want the product? 4. After the groups have had time to discuss, bring the large group back together and ask if anyone has any good examples of going through these 5 stages of selling.

THE SALES PROCESS

A sales process is a set of repeatable steps that a sales person takes in order to take a prospect from the early stage of attention to the last stage of action. Simply put, it is a prospect's journey from realizing they have a need for a product to making an actual purchase. And since the sales process is a journey for a prospect, it is a roadmap for a sales person.

The sales process is adaptive, which means that each situation may be different and salespeople have to adapt and understand what is important to each prospect and where each is in the buying process. But in order for a salesperson to use adaptive selling, he or she must thoroughly understand the steps in the selling process and how each works so that they can use them effectively.

The sales process is generally broken up into multiple steps: prospecting, preparation, approach, presentation (which includes using persuasion techniques, identifying and overcoming barriers, and using reflexive listening), closing, and follow up.

Activity 3: Prospecting

Purpose:	To understand who you should be targeting (choosing as a prospect) when trying to sell a product.
Overview:	Before planning a sale, you need to figure out who might be interested in your product. This step is called prospecting, and it's the foundational step for the rest of the sales process. In this step, you should be identifying people who are in the process of or have already identified a need (ideally, a need that your product can meet).
Activity Description:	This activity asks the participants to consider who might make good prospects and why.
Directions:	(Lead facilitators will address whole group. Describe activity and give directions). 1. Have each of the participants turn to the person next to them. 2. Take five minutes and discuss some ideas of who some good prospects might be. Make sure to list them. Then have them discuss why the people on their lists are good prospects for your product? 3. Each group of two should join another group and discuss their answers and discuss any similarities or differences in their lists.

Activity 8: Presentation - Reflexive Listening

Purpose:	To help participants learn how to listen reflexively in order to help prospects overcome barriers to buying the soap.
Overview:	<p>Listening: when someone is talking, you keep quiet and hear what the person has to say. Usually involves nodding your head and saying “mmm” to prompt that you are following.</p> <p>Reflexive Listening: A particular way of responding to what the person is saying so the person knows you understand their point of view. To listen reflexively, you paraphrase or summarize what a person has said to make sure that you've understood. Reflexive listening is a way of checking in, rather than assuming that you already know what the person is saying. Reflexive listening responses are always said as a statement – NOT a question. Usually reflective listening starts with a phrase such as:</p> <ul style="list-style-type: none"> • If I've heard you correctly, you are saying ... • If I have understood you correctly, you are saying ... • What I hear you saying is • What I think you are saying is <p>These types of responses are NOT reflexive listening:</p> <ul style="list-style-type: none"> • Giving advice, making suggestions, or providing solutions • Warning, cautioning or threatening • Telling the person what they should do • Ordering, directing or lecturing • Shaming or judging <p>These types of responses are called ‘roadblocks’ because they get in the way of the person solving their own uncertainty with the issue.</p> <p>The goal of reflexive listening is not to solve the problem. It is only to validate each person's view and prompt him or her to continue speaking.</p>
Activity Description:	Reflective listening is a skill that will require a little practice. The facilitator will hand out several pieces of paper. Each paper will state a barrier or issue (created from the barriers list from Activity 6).
Directions:	<ol style="list-style-type: none"> 1. In large group, discuss difference between ‘listening’ and ‘reflexive listening.’ 2. In pairs, practice reflexive listening statements. One partner has the slip of paper with the problem. That person speaks as if the barrier is his or her own barrier. The other person practices reflexive listening. After practicing a few times, switch roles. 3. Next, each pair practices in front of the group and group provides feedback.

Activity 15: The Importance of Good Customer Service

Purpose:	To show the importance of good customer service and allow participants to think of ways to make their customers feel valued.
Overview:	<p>The When Why How Model of Selling helps you to better know your prospects and turn them into customers. Offering good customer service helps you keep them.</p> <p>Customer service consists of the way you interact with your customers. At its core, quality customer service is about making sure your customers feel they are valued, treated fairly, and appreciated by your business.</p> <p>Good customer service usually does four things:</p> <ul style="list-style-type: none"> • <u>Provides value</u> - Great customer service should focus on treating customers well, answering questions, and exceeding their expectations. • <u>Retains customers</u> - Keeping loyal customers is way less expensive than getting new ones. Satisfied customers become devoted buyers when a business is trustworthy. • <u>Creates endorsements</u> - Loyal customers provide positive endorsements and people often make purchasing decisions based on recommendations from family and friends • <u>Prevents business failure</u> - Businesses often fail when customers become frustrated over small problems that are not addressed, such as unclear communication, slow follow up on questions, or ignored requests. <p>It's important to know what kind of customer service you're delivering. One way to gauge service levels is to invite customers to give you an honest assessment of the type of service you provide. Carefully review compliments and complaints and look for common threads that can be addressed and improved upon.</p>
Activity Description:	Participants will discuss in small groups ways they can best deliver good customer service.
Directions:	<p>(Lead facilitators will address whole group. Describe activity and give directions).</p> <ol style="list-style-type: none"> 1. Form small groups of 3-4 people. 2. Have groups discuss different ways that they can deliver good customer service. What are some ways that they could make their customers feel valued and treated fairly? 3. After a few minutes, join another small group and share any good ideas or issues that came up in the first conversation. 4. Ask if any groups want to share any good ideas or thoughts about delivering good customer service.

Activity 17: Pricing

Purpose:	To help participants figure out how to price their product.
Overview:	<p>Pricing your product is very important. It affects every aspect of your business, including your profits and your expenses, and can even turn into a barrier for prospects.</p> <p>The best way to determine the best price is to launch your product and to test it with real customers. But you still need to start somewhere. Remember, just because it's the price you use to launch doesn't mean it's the price you'll have to use forever.</p> <p>To set your first price, add up all of the costs involved in bringing your product to market, set your profit margin on top of those expenses, and there you have it. The most important element of your price is that it needs to sustain your business. If you price your products at a loss, or at an unsustainable profit margin, you're going to find it challenging to grow your business.</p> <p>There are other important factors that your pricing needs to account for, like how you're priced in relation to your competitors, and what your pricing strategy means for your business and your customers' expectations. But before you can worry about anything like that, you need to make sure you've found a sustainable base price.</p> <p>How to price your product:</p> <ol style="list-style-type: none"> 1. Add up your variable costs (per product) <ol style="list-style-type: none"> a. goods/materials b. time c. packaging d. promotional materials 2. Add a profit margin <ol style="list-style-type: none"> a. Take your total variable costs, and divide them by 1 minus your desired profit margin, expressed as a decimal. For a 20% profit margin, that's 0.2, so you'd divide your variable costs by 0.8. b. Equation: Target Price = (Variable cost per product) / (1-your desired profit margin as a decimal) c. Remember to consider the overall market and make sure that your price with this margin of profit still falls within the "acceptable" price 3. Don't forget about fixed costs <ol style="list-style-type: none"> a. these are any costs that you have that don't change no matter how many products you sell (for example, renting a work space) b. it's important to remember these if you have them and take them into account when pricing your product and determining how many products you would need to sell in order to cover your fixed costs
Activity Description:	This activity walks participants through the process of pricing their product.