HOSPITALITY SALES: SELLING SMARTER

by

Judy A. Siguaw
Cornell University
School of Hotel Administration

and

David C. Bojanic

University of Massachusetts at Amherst

Department of Hospitality and Tourism Management



CONTENTS

1	Overview of Hospitality Sales1Importance of Selling2Consultative vs. Traditional Selling2Characteristics of a Good Salesperson4Sales Roles in Hospitality5The Sales Process6
2	Prospecting and Preapproach Meetings Market Segments Prospecting 10
3	Approach by Adapting Social Style 29 Social Styles 30
4	Approach through Nonverbal Communication, Listening, and Trust55Clues to Body Language56Listening Skills57Developing and Maintaining Trust62Angry Customer Role-Play Exercise65
5	Openings69Opening Techniques70SPIN Opening79
6	Probing for Needs 85 Approaches to Selling 86
7	The Presentation Owner Benefit Plus Product Characteristic: Developing the Reason-to-Buy Statement Progression of Owner Benefits High-Order/Low-Order Owner Benefits Progression of Owner Benefits Work Sheet Effective Oral Communication Skills 93 94 95 96 97 97 98 99 99 99 99 99 90 90 90 90

vi Hospitality Sales: Selling Smarter

8	Handling Objections Why Prospects Object	
9	Gaining Commitment Common Mistakes in the Decision Stage Buying Signals Salesperson Closing Behavior Gaining Commitment What to Do if the Buyer Says "Yes" What to Do if the Buyer Says "No"	119 120 124 124 130
10	Post-Sale Follow-up Follow-up	139
11	Hotel Contracts Guest Rooms Meeting Space Food and Beverage Termination and Cancellation	145 146 150
12	Servicing the Meeting Making the Transition Reservation Systems Function Room Assignments Food and Beverage Audiovisual Equipment Exhibit Space	155 156 157 158 159
13	Personal Selling Tools Time Management Negotiating Skills Ethical Issues in Personal Selling	167 168 173
14	Revenue Management and Price Negotiation Revenue Management Selective Discounting Setting Prices Price Segmentation Price Negotiation	177 178 179 182
	Answers to Selected Exercises	193
	References	197
	Index	201

PREFACE

ales skills are the most critical abilities any professional can possess. To be successful, professional people must know how to sell their abilities to supervisors, to influence subordinates to follow their plans of action, and to convince investors and customers regarding their products and services. Indeed, as business people we constantly are placed in selling situations in both our professional and personal lives. Unfortunately, we are not always as effective as we would like to be. *Hospitality Sales: Selling Smarter* is designed to improve our sales effectiveness.

This book is a culmination of decades of working, teaching, and researching in the field of sales. The material presented herein has been tested over the years, refined, and proven to effectively train professionals and college students in sales. Furthermore, the book is intended to serve as a complementary resource for individuals seeking to earn accreditation in hospitality sales and marketing through the Hospital Sales and Marketing Association International (HSMAI). Consequently, we have taken these seminar and classroom materials and combined them into a manuscript that presents a systematic, practical approach to hospitality sales, with an emphasis on honing actual consultative sales skills. By using these skills, readers can move from pushing their products and services to addressing customer needs, adapting to customer communication styles, and personalizing the sales presentation based on the benefits of greatest interest to each customer.

This book offers a number of benefits. Written in a workbook style to reinforce ideas, the book effectively blends sales concepts and theories with practical exercises to assist the reader in applying the lessons learned and enhancing understanding. Ten chapters are devoted to the sales process to ensure that the reader improves selling skills, thus increases productivity, performance, and income. Further, because of the emphasis on learning critical sales skills, the reader can immediately utilize these skills in his or her current job, as well as future positions. Finally, the book is written in an

viii Preface

easy-to-read style for time-pressed sales professionals and is designed for those who work specifically within the hospitality industry, so readers can readily relate to the material.

This book is a practical, hands-on tool for sales professionals, sales novices, and students. It covers the entire sales process from prospecting to follow-up after the sale, and also includes chapters on time management, contracts, meeting services, negotiation, and revenue management. Thus, this book can be used to train new salespeople and to serve as a refresher course for more experienced hospitality sales professionals. This digest would work equally well for individuals who are seeking to improve their sales skills on their own, or for groups of salespeople who are working with a "trainer." Certainly, this book can be a valuable resource for any independent or smaller property where corporate sales training is absent or minimal. Similarly, it serves as a wonderful resource and provides additional reinforcement in those situations where formal sales training is available.

ACKNOWLEDGMENTS

Special thanks to Kevin, Stephanie, Trish and Christine who make me happy and remind me of what is important in life.

I would like to thank my son, Matthew, and the rest of my family for their dedication and support. Delmar Learning and the authors would also like to thank the following reviewers for their valuable input:

Michael G. Brizek, FMP, CHE University of Maryland Eastern Shore

Edward A. Merritt, Ph.D. California State University (Cal Poly Pomona)

Joseph M. La Lopa Purdue University

Dr. Evangelos Christou Technological Educational Institute of Thessaloniki , Greece

Roger Gerard Shasta College