

# Hiring, Training, and Managing Craft Beer Salespeople



# HIRING

- Develop hiring profile and job description
- Create job advertisement
- Determine where you will place ad
- Develop compensation plan



# HIRING

- **List of interview questions**

- Past sales experience?
- What do you like about sales?
- Tell us what you know about hand crafted beer?
- What do you like/dislike about your current sales position and what you sell?
- Experience in opening new business vs. maintaining current accounts
- How do you find new prospects?
- How many 1<sup>st</sup> appointments do you currently set each week?
- Best sales achievement to date and how was this accomplished?
- Long term professional goals?
- What sales skills do you think are the most important?
- How do you overcome objections?
- How would your current customers describe you as a salesperson?
- If you win this sales position, what will your 1<sup>st</sup> month look like?
- Describe your work ethic and overall attitude?



# HIRING

- Phone screen qualified applicants
- Schedule face to face interviews with those who fit hiring profile and job description
- Applicants to interview with several key internal people
- Ride along



# HIRING

- Compare notes and choose candidate
- Background check, references, driving record, drug test
- Ensure you have an on-boarding process in place for new hires
- Prepare to manage and coach
- Make the hire



# TRAINING

- Sales Managers
  - Train Sales Reps to quickly get up to speed on your business, the craft/beer industry and basic selling skills
  - Manage to strengths/weaknesses
  - Non-managed Sales Reps:
    - flounder
    - go from confusion to discouragement
    - will leave or be terminated for non-performance



# TRAINING

- Quality of sales training is critical – it will determine how productive your new Sales Rep will be, and to some degree, how soon
- Imperative you commit time/resources so Sales Rep has tools to successfully complete sales training



# TRAINING

- Prepare training schedule and complete initial training in 1 - 3 weeks
- Work with Sales Rep in the field for 2/3's of those weeks
  - visit all accounts
  - meeting decision makers
  - talking about your business
  - trial selling
- Take Sales Rep on tour of territory pointing out locations of existing customers, prospects, new construction, unmarketed areas, competitors





# TRAINING

- **Key sales training topics:**
  - Company education
  - Beer tasting and education
  - Craft beer as a growing category
  - Craft beer returns stronger profits and repeat visits for accounts



# TRAINING

- Customer Segmentation
  - On Premise:
    - Key independents
    - Chain restaurants/bars
    - Hotels
    - Large catering companies
    - Special event locations
    - Military
    - Colleges
    - Golf courses, etc



# TRAINING

- Customer segmentation:
  - Off-Premise:
    - Chain Food
    - Chain Drug
    - Chain Convenience
    - Independents
    - Mass Merchandisers
    - Military



# TRAINING

- Discuss size of each account, volume, order frequency, occupancy, type of clientele, and beer brands/styles sold
- Describe ideal accounts Sales Rep should target that will increase sales
- Talk about the age, gender, lifestyle, income level of the typical craft beer consumer



# TRAINING

- Help Sales Rep focus on consistently seeking out desirable/profitable prospects that keep their sales funnel full
- Discuss Company's core ideology, vision and mission statement



# TRAINING

- Teach & test Sales Reps
  - History/culture of your Company
  - Styles of beer
  - Names of your brands
  - POS and how to use
  - Competition
  - Available local marketing support
  - Pricing



# TRAINING

- Explain how to get an account set up in your system
  - Account name
  - Contact with title
  - Phone, email, shipping address (include billing address if different)
  - ABC license # and expiration date
  - Resale license
  - Net 30 terms available upon completion/approval of credit application (VARIES BY STATE)



# TRAINING

- Discuss payment
  - Review how you are to be paid by customers, how deposits work
  - Discuss available options: cash, check, credit cards, credit limits
  - May vary by State





# TRAINING

- Provide Sales Rep with list of customers/prospects
  - 50 active customers
  - 50 inactive customers
  - 150-200 qualified prospects
- Make Rep aware of other training resources (books, sales courses, Brewers Association)
- Discuss importance of
  - positive attitude
  - setting goals



# TRAINING

- Discuss use of company vehicle
  - Safety
  - Gas card use
  - Cell phone use
  - Personal use
  - What to do in case of accident
- Discuss the importance of time management (more on this later)



# TRAINING

- Review Internal Procedures
  - Sample requests
  - Calling in orders
  - Delivery schedules/routes
  - Internal employee roles at Company
  - List of extensions/how to use voicemail
  - List of key employee contacts and common reasons for contacting them



# TRAINING

- Discuss house accounts
  - Review list so Sales Rep can learn about house accounts, special venues
- Review accounts to avoid
  - Accounts which you prefer to not do business (slow-pay, problem accounts)



# MANAGING

- Sales Management is the art of achieving sales objectives/goals through other people
- Sales Managers assist Sales Reps to develop selling skills and coach/counsel them regularly to ensure they meet objectives
- Must be 100% committed to sales process and Sales Rep you've hired



# MANAGING

- Sales Manager characteristics:
  - Motivators
  - Organizers
  - Diplomats
  - Leaders
  - People oriented
  - Goal oriented
  - Trainers
  - Developers



# MANAGING

- To be effective, you must know what you want the Sales Team to accomplish and be able to manage activities that will fulfill your goals.
- Clearly defined and stated goals will help the Sales Manager and Sales Rep to accurately assess sales efforts.



# MANAGING

- Activity goals
  - Measuring sales activity helps Sales Rep organize their time and focus on delivering positive sales results
  - 25+ sales calls per day on current accounts
  - 20 prospecting calls every Friday
  - 5 telephone contact calls per day (top 25 accounts, key prospects, thank you)





# MANAGING

- Meeting activity goals
  - Keeps sales funnel full of opportunities
  - Generates new business
  - Measurable



# MANAGING

- During Sales Reps 1st few months, the level of sales activity is more important than sales revenue generated
  - \$\$ follow activities
- If Sales Rep consistently falls below activity goals, it is unlikely they'll attain desired revenue goals



# MANAGING

- If Sales Rep does not know their goals, they have no target and will not be productive
- If Sales Rep does not reach their goals, you as a Sales Manager must decide to further train, coach and motivate....or replace them
- Therefore.....manage to your goals!



# MANAGING

- Sales Managers must inspect what they expect
- Sales Reps don't like to fill out reports and may feel that reports indicate a lack of trust
- Unless your Sales Rep reports their activities, you have no record of who has been contacted, how many times, in what ways, etc.
- Sales Manager doesn't know if progress is made or efforts are being wasted



# MANAGING

- No one can remember everything; good record-keeping is a must for any Sales Rep
- If your Sales Rep leaves, reports of prior contact with prospects and customers are vital to further develop these relationships
- Sales reporting is a condition of satisfactory performance of the job



# MANAGING

- A coach develops the game plan, teaches it to the team, drills the team to carry it out and grades the team's performance. To you as a Sales Manager, this means:
  - Making daily contact (meet in field, via phone or email to check in)
  - Holding weekly Sales Meetings (review the week's activities, goals, reports and the plan for the next week)



# MANAGING

- Make joint sales calls
  - observe Sales Rep approach, skill level and mannerisms...then offer suggestions for improvement
  - so prospects/customers know someone else at your Company besides the Sales Rep
  - Customers need to become your “Company’s customers”, not just the Sales Reps customers
- Review call reports to see that Sales Rep is calling on the right prospects



# MANAGING

- Sales Managers goal is to keep Sales Rep working at performance levels you desire and they are capable of fulfilling
- 4 keys to motivation
  - Compensation – salary plus commission plan
  - Communication – Daily and weekly meetings
  - Incentives – contests, bonuses, gift certificates
  - Recognition – Praise, compliments, certificates





# MANAGING

- Average Sales Reps can become high achievers over time, with the combination of experience and continuing skill development
- Additional resources
  - Online sales training programs
  - Local colleges
  - Sales training seminars
  - Numerous books, DVD's, YouTube
  - Brewers Association



# MANAGING

- Time is a Sales Reps most precious resource
  - Not knowing how to make the most profitable use of time leads to poor sales performance
  - Sales Reps are equals in the amount of hours available in any given day
  - Successful Sales Reps know that every minute/hour added to their “selling time” = increased sales and commissions



# MANAGING

- Finding extra time
  - Understanding how you spend your selling day will help you to better manage your time
  - Track your time for 1 week
    - Travel time
    - Waiting time
    - Face time
    - Lunches
    - Breaks
    - Desk time
    - emails, vmails



# MANAGING

- Average Sales Rep spends ½ their day selling
- The other ½ their day includes:
  - Travel/weaving between accounts
  - Friendly conversation/useless chit chat
  - Meals
  - Waiting to see customers
  - Paperwork, reporting
  - email, vmail
- Find and eliminate nonproductive activity



# MANAGING

- Common reasons for lost time
  - Do I start too late, too often?
  - Do I waste time hanging around at home, office?
  - Do I answer unnecessary emails, voicemails during my selling time?
  - Do I spend too much time driving between accounts?
  - Do I procrastinate to the point where I have too many issues that need urgent attention all at once?



# MANAGING

- Setting call frequencies
  - Group accounts according to potential sales volume
    - “AA” accounts sell 5+ kegs/wk
    - “A” accounts sell 3-5 kegs/wk
    - “B” accounts sell 1-2 keg/wk
    - “C” accounts sell <1 keg/wk
    - “D” accounts go to tel-sell
  - Consider inventory capacities, buying habits, competitive placements, strategic placements



# MANAGING

- Setting call frequencies
  - Assign call frequency based on service needs:
    - “AA” accounts 2 X/wk
    - “A” accounts 1 - 2 X/wk
    - “B” accounts 1X/wk or every other week
    - “C” accounts once a month
- 80/20 rule
  - 80% of sales come from top 20% of customers (take great care of these people and you’ll be rewarded)



# MANAGING

- Sales Route

- Pre plan route to save traveling time

- Crisscrossing territory = reduced income potential

- Plot existing accounts on map (incl. Brewery and your home) making sure to note if they are A,B,C, or D level accounts

- Divide territory into 4 equal zones based on how many accounts can covered in 1 day

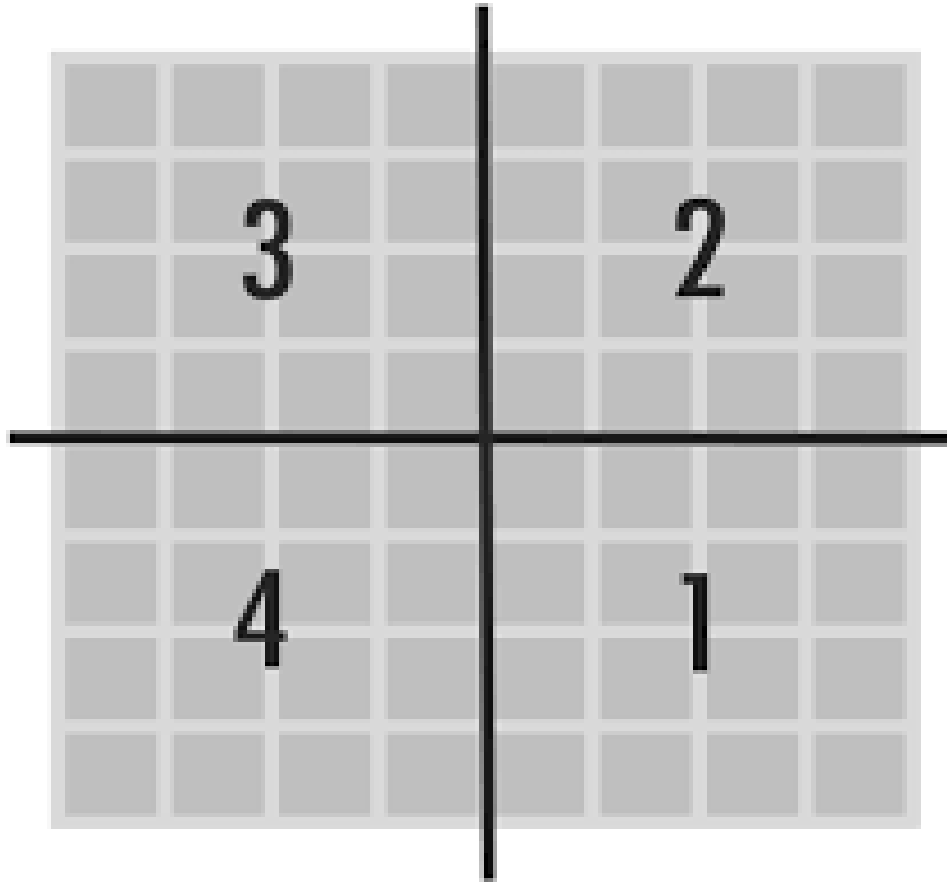
- Start sales calls at the furthest point in a zone and work your way back towards the center of your territory

- Allows Rep to more easily cover missed sales calls, in any given zone, on a follow up day with minimal drive time





# MANAGING



# MANAGING

- Sales Route
  - Consider:
    - Targeted call frequency of each account
    - When decision maker is available
    - Amount of time budgeted to be spent in each account
    - Travel time between accounts (incl. traffic flow)
    - Pre-set delivery schedules/routes



# MANAGING

- Sales Route
  - Consider:
    - Avoid re-routing over territory just covered
    - Eliminate long waiting periods (use this time to catch up on paperwork, vmails, emails).
    - Take direct routes
    - Use phone to keep in touch with accounts
    - Confirm appointments with distant accounts



# MANAGING

- Sales Route

- Pre-plan sales calls

- Never leave today without planning for tomorrow, and never leave this week without planning for next week

- Utilize “something” as a CRM tool

- Spend a few minutes after each sales call to record follow up notes

- Be specific about any promises/appointments you may make and use the “reminder” feature to help keep you on track, build rapport

- Define long term goals for each account (control 3 of 6 handles by August 1)

- Review notes prior to making next sales call on account so you are better prepared, more confident, work more efficiently, build rapport

- Effective pre-planning leads to increased sales opportunities



# MANAGING

- Managing a territory
  - Plan territory in terms of sales potential
  - Plan route for maximum effective coverage
  - Take lots of notes when with account and always follow up
  - Always keep close contact with top 25 accounts
    - Build relationships with more than one person
    - Call and thank them for their business every month
    - Ask if they received their order promptly
    - Find out their likes/dislikes
    - Ask for referrals!!!



# MANAGING

- Learn as much as you can about territory
  - Population? Geographical limits?
  - Estimated number of prospects vs. your current account base?
  - Average purchase per buyer?
  - Estimated maximum potential \$\$ volume?
  - What approx. % of the market do you have vs. your competition?
  - Recent market trends?
  - # of competitors and their Sales Reps, pricing structures?
  - Buying habits of your specific territory?



# MANAGING

- Performance evaluations are an essential management tool to help keep your Sales Reps functioning effectively
- Performance reviews should be thorough, specific, timely, and in writing
  - 90 day review for all new hires
  - 6 month review (all)
  - Annual review (all)



# MANAGING

- Reviews should outline tangible goals for the next 6 months
- People generally know how they are doing, especially Sales Reps
- If you have set goals, required reporting and have been coaching/motivating, there should be no surprises for the Sales Rep in performance evaluation





# MANAGING

- 4 factors in successful performance reviews
  - *Clarify the purpose:* to share evaluation information
  - *Keep it simple:* no complex forms or methods
  - *Focus on the purpose:* to analyze performance, discuss working relationships with others and review achievement of goals set in previous evaluation
  - *Be prepared:* review past, analyze present, plan for future



# MANAGING

- Questions employees want answered in evaluations:
  - How am I doing?
  - What can I do to improve?
  - Do I have a chance for advancement?
  - What will be expected of me before next review?
  - How will my work be evaluated?
  - What kind of training will be offered to help me achieve goals?
  - Potential changes to our business in the months ahead?
  - How might they affect me?



# MANAGING

- What to review in a performance evaluation
  - Ask Sales Rep how they think they are doing
  - Ask which areas they feel need improvement
  - Ask questions about specific account status
  - Offer constructive feedback on account development
  - Be specific in praise and setting objectives for improvement.
  - Save discussion of compensation until after the evaluation (when your position will be more justifiable)



# MANAGING

- Know when to terminate
  - If you've coached properly and still don't see results you desire, then it's time to consider termination
  - Discuss with HR and/or your manager
  - Better to do it sooner rather than later
  - No one likes to do it, but you must do what is best for your company, team, customers and yourself
  - Be open and honest
  - Make certain you have all your facts in order before talking with rep
  - Don't let it drag on
  - Communicate with your team know immediately afterwards



# Strategic Selling

- Three ways to build sales volume
  - New customers
  - Sell more to existing customers
  - Retain current customers
- When to stop calling on prospects
  - When they buy, die, or get a restraining order



# Strategic Selling

- Why do customers buy from a particular beer supplier?
  - Knowledge
  - Personal interest (family style relationships/building rapport)
  - Advice
  - Confidence
  - On-time delivery
  - Quality
  - Fixes mistakes
  - Full-service
  - Extras (promo nights, become a customer of your customers)



# Strategic Selling

- What was missing from that list?
  - PRICE
- Why people stop buying
  - 4% go out of business
  - 5% go to the competition for personal reasons
  - 9% go to the competition for a true competitive advantage
  - 14% are unhappy with your product or service
  - 68% leave because you haven't taken the time to make them feel important!



# Strategic Selling

- Keys to sales call success
  - **Tenacity.** It can take 7 – 8 contacts to make a sale. Be the Sales Rep who keeps going back and you will win eventually.
  - **Attitude.** Keep a positive attitude.
  - **Listening.** This is how to uncover prospect/customer needs and build trust.
  - **Questions.** Asking good questions is the key to selling success.
    - Ask open-ended questions to solicit feelings and conversation: Who, what, when, where, why and how
    - Ask closed-ended questions to get solid facts: yes/no answers





# Strategic Selling

- **Keys to sales call success**

- **Features.** These are characteristics of the product or service: history, brand types
- **Benefits.** Offers real value and answers to “so what” questions. Benefits tell what the product does for the customer. A benefit statement marries features with customer needs: “What XYZ means for you Mr. Customer is.....”
- **Teamwork.** Surround yourself with positive ideas and role models.
- **Failure and disappointment.** These are normal occurrences and happen to everyone. Expect them and deal with them when they come along.



# Strategic Selling

- How to get additional business from customers
  - **CALL** on me
  - **ASK** for my business
  - **PROVE** you can do things my current beer supplier does
  - **SHOW** me what you can do to make my job easier
  - **EDUCATE** myself and my staff about craft beer



# Strategic Selling

- Role Play
  - Use role-playing to familiarize the Sales Rep with qualifying prospects, setting sales appointments, making sales presentations and making follow-up/customer satisfaction calls.
- Discuss relationship selling/building customer loyalty
  - What differentiates you from others in the market is the “human factor.” It is *you* who can instill trust and confidence in prospects.
  - Making friends



# Strategic Selling

- Solution Selling
  - Uncovering customers challenges (by asking questions) and providing solutions based on the benefits of carrying/selling your brand
- Teach Draft Tech support/training
- Review use of sales packets and leave behind materials
  - Only leave behind a few supporting marketing pieces as this gives you a reason for having to return to deliver more



# Strategic Selling

- Using voice mail successfully
  - When leaving a message
    - Always speak clearly
    - Never be rude
    - Be prepared/don't ramble
    - Stand up/smile
    - Leave name, company name, telephone number (slowly), reason for call and what action you want the other person to take



# Strategic Selling Checklist

- ***Prospecting call*** - This is the first contact between the Sales Rep and prospect. The purpose is to learn information, get the name and contact number of whoever orders beer for the company, when they are available, competitive info, occupancy level, meet/greet staff, build rapport, leave behind POS, craft worthy
- ***Database development*** - Enter what you learned into a database (i.e. Excel)



# Strategic Selling Checklist

- ***Prospecting follow-up*** - Fulfill any follow up noted in your database (mail/email prospect a thank you note, drop off a brochure and business card, deliver samples)
- ***Pre-Sales call*** - Review your notes, Google the prospect (or neighborhood), prepare your presentation. Contact to ask for an appointment or visit when you know the decision maker will be there
- ***Present sales opportunity*** - ASK FOR THE ORDER!!



# Strategic Selling Checklist

- ***Follow-up*** - Follow up on any presentation within 24 hours and every few days thereafter until decision is reached
- ***Customer/prospect maintenance-*** Use Outlook to remind you of key dates (when to make next visit, wish Happy Bday, ask how their kids game went)
- ***Thanks*** - Call/Send a thank-you note for each new account, large orders.





# Strategic Selling Checklist

- ***WEWE*** - Remember to always ask yourself before leaving an account: *Who Else?* and *What Else?* Ask, “Who else buys beer/who else should I meet?” And ask, “What other craft beer styles can I sell them?”
- ***Referrals*** - Ask for them!
- ***Problem Accounts*** - Make a point of targeting any “problem accounts” on a Friday. Do your best to fix what’s wrong and win rapport.



# Strategic Selling Checklist

- ***Follow up*** - Schedule regular follow-up calls, visits and future sales opportunities via Outlook Tasks. You have created a customer who will order from you again and again, as long as you stay in touch.



# Thank you!!

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