



Selling to Small Shops

Half-Day Selling Skills Seminar

Manufacturing is in the midst of a migration from large in-house factories to smaller independent shops. This outsourcing trend is expected to continue over the next decade. With this shift of customer revenue, machine tool sales organizations must rethink their strategies and selling techniques. This course will make the transition faster and easier.

Decision Technology, Inc., located near Grand Rapids, Michigan has extensive experience with the job shop community. Over the past few years they have been in contact with thousands of job shop owners and managers through surveys, focus groups and in-plant interviews.

Rod Jones is President of Decision Technology, a marketing strategy consulting firm. Rod began his manufacturing career as a machine apprentice in a Detroit machine shop. During and after college he worked as an Industrial Engineer at General Motors Chevrolet Gear & Axle and as a CNC Sales and Application Engineer with General Electric. Later, as Sales Manager of DeVlieg Machine Company, he managed the worldwide sales of precision machining centers and tooling systems to a wide array of customer markets. He holds a BS in Mechanical & Electrical Engineering and an MA in Applied Psychology.

Since the formation of Decision Technology in 1992, Rod has worked with over 60 of the world's premier manufacturing equipment suppliers and distributors. During this time, Rod has completed over 200 marketing research and consulting projects and taught over 150 industry-related sales and marketing seminars. This breadth of experience is unparalleled in the industry.

This course is designed for:

- ☐ Management Executives responsible for the sale of machine tools
- ☐ Account Field Sales Engineers who call on small shops
- ☐ Marketing Managers and Staff
- ☐ Key Customer Support Staff

Workshop Index

MANUFACTURING TRENDS

- Outsourcing - Pros and Cons
- The Need for Manufacturing Flexibility
- Vendor Partnerships Trends
- The Market Effect of Low Cost Machine Price Thresholds
- The Awareness of the True Cost of Manufacturing
- Job Shops, Contract Shops and Satellite Manufacturing

SMALL SHOP CHALLENGES

- How to Effectively Provide Broad Market Sales Coverage
- Sales Image: How Small Shops View Salesmen
- Understanding: the Salesman vs. The Entrepreneur/Owner
- The Lack of Customer and Supplier Resources

WHO IS TODAY'S SMALL MANUFACTURER?

- Variety: Who and What is a Small Shop?
- Understanding SIC Classifications
- Start-Up Scenarios: How Small Shops Get Started
- Profiles: Who is the New Entrepreneur?

LOCATING & IDENTIFYING THE SMALL MANUFACTURER

- The Difficulty in Locating Small Shops
- Creating an Effective Customer Database Systems
- Information Sources

THE ENTREPRENEUR - A STUDY IN IMAGES & PERCEPTIONS

- A Study in Personalities & Characteristics
- The Two Stages of Selling with Small Shops
- Geographic Considerations

RELATING TO THE ENTREPRENEUR

- Adopting An Entrepreneurial Selling Attitude
- Paying Your Dues in the Job Shop Community
- Business & Money Management Knowledge
- Building Personal Trust & Integrity
- Understanding the Job Shop Network Community
- Important People in the Shop Owner's Life

THE VALUE-ADDED MANUFACTURING CHAIN

- The Customer Chain: Raw Materials to Finished Product
- What Value Does the Job Shop add to the Customer Chain?
- Small Shop Values: Applications, Processing, Tooling & Flexibility

SMALL SHOP NEEDS ANALYSIS - EXPLORING SALES OPPORTUNITIES

The sales engineer must understand the needs of the small shop. The following list will be explored for sales and service opportunities.

- Qualified Employees
- Cash Flow & Billing Frequency
- Inventory Control
- Set-Up
- Down-Time
- Marketing Skills
- Business & Leadership Skills
- Customers
- Confidentiality
- Family-owned business
- Capital Investments - Machines, Inspection
- Training
- Facilities
- Environmental issues

EQUIPMENT REQUIREMENTS

Small shops have equipment needs that differ from the larger manufacturer. Understanding these needs will allow salesmen to recommend the right equipment. Here are a few of the areas, which will be explored.

- Ease of Use
- Flexibility
- Maintainability
- Up-Time
- Set-up Time

PURCHASE JUSTIFICATION FACTORS

- The Role of Price Versus Value
- How Does a Job Shop Justify a Purchase?
- Purchase Reasons and Motives
- Delivery Requirements
- New vs. Used Equipment
- The Only Two Methods of Increasing Small Shop Revenues
- Feature & Benefit Analysis
- Total Cost of Ownership
- Profits, Capital and Cash Flow

SELLING TO SMALL SHOPS

These proven selling techniques will help the sales engineer reach success with small shops. Here is a sample of the practical selling tips, which will be discussed:

- Knowing the Job Shop's Capabilities
- Knowing the Job Shop's Customers & Competitors
- Knowing the Job Shop's Marketing Capability:
- Providing Business Resources
- Providing Business Leads - The Pros & Cons
- Age Relationships
- Educational Selling
- Machine Design
- Risk Reduction
- Resale Value
- Case Histories
- Application Studies
- Meeting Control Strategies

Length: 4 to 5 hours

Syllabus: A printed format is available. Refer to proposal.

Size: The group size is flexible.

Room: U-shaped table arrangement is preferred for group under 25.
Theater seating for over 25.

Equipment: Overhead projector, flip chart and a large-screen computer projector or large screen TV. Over 25 participants will require sound amplification.

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