

MARKETING

Pressuring Sales Staff To Stretch The Truth Doesn't Pay Off, Expert Says

Applying so much pressure to sales people that they stretch the truth or lie to prospects causes more harm than good.

If a developer or operator portrays a senior community in a way that it isn't, sooner or later, the clients or their families are going to find out. When they do, the price you pay for that in both direct costs and indirect costs is greater than if you had simply taken a deep breath and told the truth in the first place, Stackpole counsels.

"I see a tremendous amount of pressure being applied to sales teams in this competitive environment," says Irving Stackpole, president of Stackpole & Associates, a market research firm that works with nonprofits and senior-housing providers.

This pressure causes sales teams to "compromise from time to time," he says. "I see people do it and it just doesn't work.."

The service business isn't flawless. There will be errors and screw-ups, he says. But the likelihood of a client accepting errors is directly related to the trust built in the sales process.

Seniors are going to tolerate more faults if they believe they were treated fairly and honestly. But if seniors believe they were lied to, they will not tolerate faults, Stackpole says.

There are two negative consequences of not fully disclosing something or lying. The first is the consumer is more likely to have buyer's remorse and try to renege on the contract, he says. The worst-case scenario, of course, is a lawsuit.

The other effect is more difficult to measure. "The owners don't see the corrosive effect of stretching the truth on the sales team, but the sales team feels the effects," Stackpole says.

How does he know? Because his team looks at task clarity, which is how well everyone understands his or her role. The firm interviews management, the sales manager and the sales team with the same questions to see how well aligned they are.

"Virtually all the time they are not aligned," he says. "It's the lack of alignment that creates a host of problems and the extraordinary turnover in the sales staff."

Even so, Stackpole says, "There's no need to lie. Not only no need, but it's quite counterproductive."

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Six Rules To Sell By

There are legitimate tools sales people can and should use, says Irving Stackpole, president of Stackpole & Associates, a market research firm. The rules can be found in Robert Cialdini's *Influence: the Psychology of Persuasion*.

The six rules he cites are:

Reciprocity: People are obligated to give back in some measure for behavior that's shown them. For example, nursing-home sales people have been taking muffins for years to continuing-care coordinators at hospitals, so a manager asked Stackpole to determine if it was worth the \$400 per month in muffins.

Commitment and consistency: People behave in ways consistent with what they have said or done. "If I say I'm a director of a nursing home, then based on this rule I would speak highly of my nursing home or at least not be too critical," he says.

Scarcity: People are motivated more by the potential loss of something than by the gain of the same thing. Use this rule carefully. If prospects think they have to put a deposit down today or risk losing an apartment, they will be motivated to do so.

Consensus: Our opinion of something is influenced by what others' opinions are. The best example would be when a person driving by sees a crowded restaurant, the assumption is it's a good place to eat.

At one assisted-living facility, the manager asked the employees to park in the back where no one could see their cars and to turn the lights out at night. The place always looked empty, Stackpole says. The solution was to tell the workers to park up front, space their cars out and leave the lights on at night.

Here's a sales tip. Instead of scheduling prospects when there's an open slot, schedule them close together about 5-10 minutes apart. It gives the appearance of scarcity and consensus.

Authority: People are influenced by those who have authority or expertise. Stackpole tells sales people to put their diplomas, certificates and credentials up on the walls where prospects will see them. Put degrees and accreditations on business cards, too.

Friendship and liking: Be like the customer. People are more comfortable with like them. Sales people should be "discovering" their prospects. "The more we know about someone the more we can identify with them, and when we can identify with them the more likely they are to buy from us," he says.

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