

Direct sales: The lost art

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Story Highlights

Personal interaction is critical to a salesperson's ability to book business.

A well-founded plan is the key to staying true to the property's position as it is the foundation from which all actions stem.

Accountability is an important element to keep the salesperson working efficiently and productively.



Is direct sales in the hospitality industry going down the path of lost arts such as letter-writing, sewing and even newspapers? The application of social media, mobile marketing and technology, in all of their forms, has created an over-emphasis on their importance, which many times replaces good ol' fashioned personal interaction. Certainly, anyone with a teenager knows this.

But as business owners, can we be complacent with the loss of a discipline that is the most controllable and quantifiable part of a marketing plan? When structured and implemented effectively, direct sales can achieve the best return on investment, even when the cost can account for 50% of the entire marketing budget. Social media metrics are based on soft indicators such as the number of impressions or the number of "likes," whereas direct sales metrics are based on revenues, rates and/or roomnights and are probably much more meaningful to a business.

Personal interaction is critical to a salesperson's ability to book business. When applied effectively, direct sales will uncover needs that will not always be listed on the online form and will give the guest or account a sense of being appreciated and listened to. That, again, cannot be achieved by the email response of "We value your opinion and appreciate your business." As customers ourselves, how many times have we had a question to ask or a problem to be resolved, only to find that the automated phone system does not allow us to get to the right person or our designated contact is not available? We then have to leave a phone message or email, and then we do not hear back. This is not only frustrating, but it is becoming more and more common in hotel sales. Have you called over a weekend or holiday to receive a phone message that says the salesperson is "away from his/her desk and will return the message promptly?" A little attention to detail in this business will go a long way to inspire customer confidence as well.

Therefore, as owners and managers who are dedicated to achieving a profitable business, it is important to fully exploit all resources available and use them wisely and effectively.

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Below are six tips to assist you and your direct sales team to achieve top performance regardless of market conditions and product offering.

1. Hire right

We know the world has changed with the implosion of technology and now social media, but customers still range from baby boomers to millennials. These two groups represent a wide range of communication styles, with millennials experiencing comfort and preference for the latest technology and social media forms, and baby boomers still preferring more traditional forms of communication.

But the best salesperson is one who has the ability to connect with all people, adapt to their styles and work in the best interest of both the client and the owner. Expert sales skills can produce business despite product deficiencies, rate structure or market conditions. Since most owners and operators do not have perfect properties, it is even more critical to ensure each salesperson is highly skilled to generate business and to deal with client objections and problems effectively.

Therefore, the interview process and the candidate's follow up will give you immediate information on how the potential employee will perform his/her job. Do they ask questions or just answer questions; are they familiar with your property; do they know your responsibilities; are they courteous and respectful; are they warm; do they follow up with a business "thank you" with perfect form, grammar and spelling? The adage "You play the way you practice" is true for job interviews. The candidate who is not prepared, respectful or warm will not change once he or she is hired for the sales job. Additionally, for an internal hire, evaluate what skills and personality types will best fit the sales position. Sometimes, an efficient front desk agent will not always make the best salesperson.

With social media, it's tempting to jump on every new platform without having a plan or any expectation of results. More often than not, a lot of time and energy is spent with little results. But a well-founded plan is the key to staying true to the property's position as it is the foundation from which all actions stem. The position determines what services and amenities are offered; to which type of business the property caters; and the rates given. With the positioning in place, it is important to determine the most realistic mix of business on any given day, for a year out, as the patterns and demand for business change daily based on season, day of the week, holidays and local factors. That level of detail will provide the basis of the sales plan, and it will provide the basis for which market segments and the volume the sales department solicits, at what rates, and will identify rate opportunities and need periods.

Taking the time to quantify the business on a daily basis allows for well-founded goals for the sales team and for the individual sales manager. Without that structure, any new social media "toy" can come along to take everyone off-course and will not give the pay-off that direct sales can provide.

3. Create accountability

Accountability is an important element to keep the salesperson working efficiently and productively. As creating and implementing a well-thought-out marketing plan is the basis for establishing sales goals, it is equally important to establish and maintain systems and procedures to monitor productivity of each salesperson on an ongoing and consistent basis.

Therefore, to maximize the salesperson's performance, it is important to establish specific and meaningful goals, broken down on a monthly and weekly basis, and to establish a culture where the actual performance versus goals is critical for job performance. It is also important to ensure that steps are continuously in place to generate business. Many times, goals are established on the criteria of booked or consumed business only. But equally important is setting goals that include activities to produce booked and consumed business. These goals could include: number of sales calls on a weekly basis, new accounts opened and client entertainment goals. That combination allows for ongoing growth and development of sales. And lastly, ongoing and consistent monitoring and evaluation by management will foster performance and will quickly help identify non-performers.

4. Generate and maintain a database of accounts

We know a function of marketing is to establish an identity or market presence in order to generate business. Typically those efforts impact business "indirectly" and are not easily traced to the source of the business. The sales team's function is to impact business "directly." To

accomplish this goal, it is important to create and maintain a database of existing and potential accounts. This is done once the strategic plan is established that incorporates the volume of business per segment to be consumed on an annual basis.

For example, if the annual plan calls for corporate group business at 25,000 nights at an average rate of US\$250, then the sales department is responsible for soliciting that volume on an annual basis. That is done through an ongoing process of each salesperson managing his/her accounts. The management of the accounts is based on a systematic account system with ongoing client contact that allows a salesperson to adjust the potential volume of an account. If an account drops its volume potential, then new accounts are identified and opened in order to maintain the desired level of business. This is the controllable part of the sales process. With social media, once a campaign is launched, there is almost a "sit back and wait" process. Direct sales, including the skillful management of a database, is actually proactive in its approach to the marketplace and is fully quantifiable.

5. Know your product as well as the competition

The first step in effective selling is to know your property, i.e. its strengths and its weakness and what it offers to its target audience. The next step is to evaluate the competition's strengths and weakness and compare it to your property. A personal inspection and honest assessment will place the salesperson in a position of strength in convincing a customer to book his/her property over the competition. Information gained by the personal visit cannot be duplicated by a visit to a website or an Internet search.

6. Maintain excellent work and customer interaction styles

One of the strongest attributes of a top salesperson is that of inspiring confidence. Who wouldn't want to conduct business with a salesperson who is eager to help, conscientious in attending to your needs, and does what he says he will do?

Personal interaction fosters trust. Reliability and good communication develops trust. It is trust that will inspire clients to book with a salesperson over and over, even if the air conditioning breaks down in the meeting room or if construction is going on across the street. Trust that the salesperson has done his or her best and will honestly address every situation, inspire loyalty and help overcome any potential hard feelings if problems arise over that which the salesperson has no control. The great salesperson will be reliable and will always find time for personal interaction. Those behaviors translate to revenues for the owners/managers in the good times as well as the bad.

Therefore, to ensure that an owner or manager is getting the best ROI from their sales staff, it is important to appreciate, support and manage a direct sales effort that is professional and effective. This applies to a property with one sales manager or to a large chain with a "cluster sales" approach. The fundamentals and key elements remain the same. That awareness and dedication will keep direct sales from becoming a lost art.

In her 30 years as marketing and sales pro in the hospitality industry, Brenda Fields has emerged as the "go to" consultant for independent and/or privately owned hotels and resorts seeking real-world solutions for today's market challenges. Brenda is a member of the invitation-only International Society of Hospitality Consultants, past president of the New York Chapter of Hospitality Sales & Marketing Association International, and has served on various advisory boards for hospitality. Contact Brenda at Brenda@fieldsandcompany.net; www.fieldsandcompany.net.

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2. Establish a strategic plan