

Sizing up Selling

No matter what size of operation you are selling to, success may ride on the sales approach.

By Rosalie Tennison

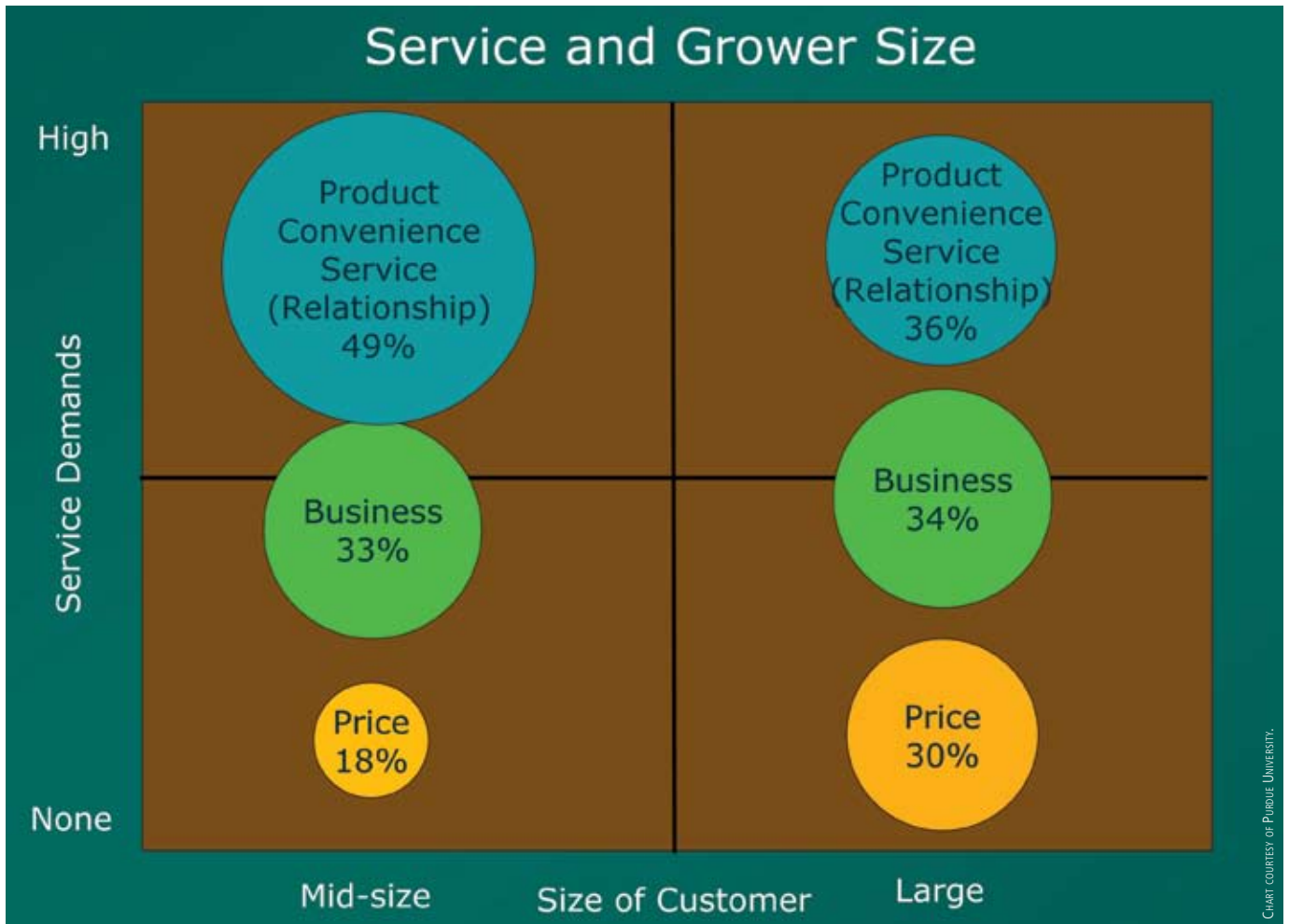
SELLING SEED REQUIRES FINESSE. Some companies divide accounts into large and small and assign sales staff to each, while others divvy up the large and small clients between all the associates. Whatever the mechanics, a successful salesperson builds a relationship with the customer.

It is necessary to gauge the needs of each customer individually and match the sales approach to those needs. Larger customers might demand more of a sales associate's time due to

the potential size of the order, but smaller operations need attention as well because unlike a larger operation, they won't have agronomists or farm managers to assist with decision making.

Staff Divisions

"Give sales staff the tools they need to sell your product and then support them within your operation," advises George Hansen of Snow Seed Company in Salinas, California. While he doesn't



An ongoing Purdue study found almost 1/3 of large growers were focused on price compared to 18% of mid-size growers. Half of mid-size growers were more focused on the relationship and service compared to 1/3 of large growers.

advocate giving large accounts to only one person and small accounts to another, he says knowing your staff's strengths will help you place them where they will have the most success. Rod Osthus of R.C. Thomas Company, a consultant who helps companies train sales staff, agrees. He doesn't recommend territorial divides, but rather placing sales people in areas where they are most comfortable and effective.

Dave Ward, President of Highland Marketing, a company that offers direct marketing services and training, recommends each salesperson receive a mix of accounts. The returns may happen faster with smaller accounts, while larger accounts may take more time to sell to. Having your sales force spread over all sizes of accounts evens out successes and failures.

"The approach to smaller customers is only different if you are in tune with their financial constraints. Often, they have more at risk whereas the larger accounts may sustain losses more easily," Ward explains.

Size Divisions

While you want to provide both your large and small customers with excellent service, it is worthwhile to use a distinct approach to the different sizes. "Divide growers into three groups – small, medium and large," says Osthus. "Each has different needs and should be targeted separately with your marketing strategy." Develop a marketing strategy, he advises, then help sales staff tailor their approach to the size of customer they will be working with.

"Large growers may be expanding to stay in business and are trying to keep costs down, so they want to know that yields are going to improve to offset the costs of the expansion," continues Osthus. "These people want to improve, so focus sales on leadership potential and value, not just price." The medium grower may be less interested in expansion and tend to buy on the basis of a good relationship with the salesperson, therefore sales associates need to invest time to get close to this person he says. Small growers, on the other hand, are typically looking for your advice on all of their seed-related issues on their farm and require a larger time commitment.

Segmentation by Buyer Types

An ongoing study being conducted at Purdue University in West Lafayette, Indiana divided large farms into three segments of buyer types: relationship, economic and business. The primary focus of the study is producers with over \$500,000 of gross farm income in corn, soybeans, cotton wheat, barley and canola. Roughly 2,500 producers responded to the study which is conducted every five years. Issues

such as price, product performance, convenience, personal relationship and service were examined.

"Because of a large grower's negotiating position and power, there is a tendency to assume that the only thing that matters to every large farmer is price, but that's not true," says Jay Akridge, Professor of Agricultural Economics and Director of the Center for Food and Agricultural Business. "They might push you on price, but many really want more than that – maybe service or information. Find something important enough or different enough that the grower can find true value in."

He believes anyone who is successful with large growers understands that there are unique situations from one farm to the next. "One farm might have their own agronomist on staff, the other might have a consulting relationship with an agronomist and then there are growers who are very focused on the

Treat every seed equally

The new Gustafson Batch Modular Coater (BMC) is a unique seed treater specifically designed to treat small seed lots or setup samples of vegetable, parent and specialty seed.

Gustafson BMC delivers:

- Unsurpassed seed application accuracy
- Fully automated or manual capabilities
- 24/7 technical service and support
- 90 years of engineering experience

Treat yourself to the new Gustafson BMC from Bayer CropScience. Visit www.gustafson.com/gustafson_equipment or call 800-634-6738.

Gustafson EQUIPMENT

Bayer CropScience

©2006 Bayer CropScience, 2 T.W. Alexander Drive, Research Triangle Park, NC 27709. Always read and follow label instructions. D6405SW BCSDEQST216



Breakdown of High Growth Producers: Top 20%

- More farmers 44 and under
- Concerned about expansion and management challenges
- Have a confident and optimistic business approach
- Rely heavily on local sources for information
- Seek direct relationships with expendable suppliers
- Rely on sales/tech representatives for information
- Most own computers and use them for communication and information
- Have written risk management plans, business plans and financial plans. They also attend management/business seminars and technical seminars
- Use more management consultants

Courtesy of Purdue University

marketing side of the business who want and need supplier agromarketing advice,” says Akridge. “What those three types of larger

growers might want and need from seed suppliers varies dramatically. You need to know enough about their business model to shape your offer in a way that the farmer will find value.”

INTRODUCING UNIVERSAL COATING SYSTEMS

With expertise and experience in the seed industry, UCS’s staff can help you with everything from a single unit to full plant installations. With equipment suited for both lab scale and commercial production UCS offers a complete line of:

- Centrifugal Coating Systems
- Automated Continuous and Static Drying Equipment
- Polymers for Filmcoating and Seed Pelleting

We have the hands-on technical expertise to train personnel in all aspects of seed treating and pelleting operations.

Dave Waldo (503) 507-3499 • John Mayhew (509) 727-2208
Universal Coating Systems • 3465 Independence Hwy
Independence, OR 97351

Cultivate Relationships

Sales associates may spend more time talking to and visiting large accounts because the sale might be larger and they believe it requires more work. However smaller customers who may have the capability to make purchasing decisions quicker require attention too. Over time, relationships built with several smaller accounts could be equivalent to one sale at a large account.

Hansen says the relationships will lead to success, so cultivate them. “If you know what you are talking about and show passion for what you are doing and that you can help people, you will succeed,” he adds. “You need to have soul in this business; you have to care about the success of your customers.”

Osthus suggests that a value be placed on the salesperson’s time, dividing the hours worked in a year into sales potential and then determining how much time should be spent on each account based on that potential.

In addition, Osthus believes professional appearance plays a big role in any successful sales call. “When I supervise sales people, I take a look at how the relationship with the customer is progressing,” he explains. “Sales people have to know what sets them and their products apart and often their professional approach and demeanor is the only difference between them and their competitor.”

The bottom line? Building relationships is the key ingredient in any successful sale no matter what size of customer. However, the type of relationship that is established may need to be adjusted according to the size of the potential sale. **SW**