

Vintage

Sales Strategy of the National Cash Register Company, 1884 to 1922

The Sales Process is divided into four steps – approach, proposition, demonstration and close. What’s the big deal?

Nothing at all. Except that it’s astonishingly old. In the year 1887, the National Cash Register Company, a US Corporation selling cash registers, ancestors to the kind we see with retailers today, released a slim volume called the NCR Primer. And this 4 step process is one of the many nuggets of sales wisdom from that Primer. The owner of the company was John H Patterson, who figures in most listings of all-time great sales gurus.



Prof Walter A. Friedman, Lecturer of Business Administration and Director, Business History Initiative captures NCR’s fascinating story in a HBS Working Knowledge feature on John H Patterson and the Sales Strategy of the National Cash Register Company, 1884 to 1922 published in November 1999. Consider the first step – approach. The Primer instructions were clear. The salesman should make no mention of the cash register. So, what’s he to do? “Instead, he explained that he wanted to help the businessman find ways to increase profit – that he wanted, in effect, to act as a consultant” the Primer advised.

Over a century later, a Forrester Research study of 2015 predicts that only the Consultant type salesperson who enlightens the buyers will survive the digital shift. Grimly titled, “Death of a B2B Salesman” the survey isn’t optimistic about the survival of the other three salesperson archetypes, the Order Takers (Directly serving buyers), Explainers (Showing the buyers how products/services work) and Navigators (Guiding and directing buyers)

And that’s not all. In the demonstration phase, the Primer counselled that you tell the prospect “This, Mr. Merchant, is a National Cash Register of the most approved pattern. To appreciate what a help it would be to you, we must see what things you do in your store of which you keep a record”. Sounds familiar? You can almost hear the voice of your first sales

trainer in your head – “Need, create the need first before you attempt to sell. Stronger the need, surer the close”. 130 years on, Mercuri International’s [Sales Excellence Survey 2017](#) also found that companies excelling in sales showed stronger competence in creating Customer need.

What is even more intriguing, as Prof Friedman notes, sales success practices such as scripts predated the NCR Primer. Almost 30 years earlier, in 1859, Equitable Life Assurance Society brought out Hints for Agents with sales arguments for reps to rehearse. These practices covered salespersons across a range of sales genres including book canvassers, atlas salesmen, lightning-rod peddlers and Bible Society canvassers.

Bottom line? While sales appears to be changing with the times, the principles that make selling beautiful remain unchanged. You can read the HBS Working Knowledge feature [here](#) .

Focus

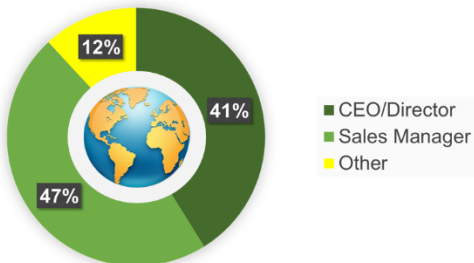


Sales Excellence Survey 2017

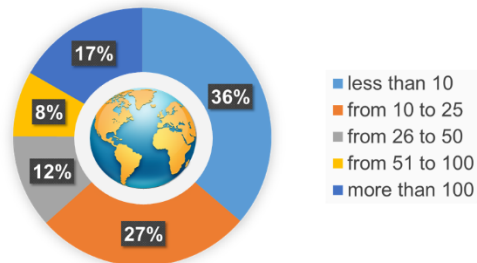


Participation: 20 Countries | 12 Industry Categories | 926 Respondents

Respondents by Position within Org



Respondents by size of Sales Org



Sales Excellence Survey 2017 - Framework

Sales Practices

How we see our internal environment

33 Statements

Sales Strategy (3)
Sales Process (4)
Sales Support (5)
Sales Team Behavior (5)
Sales Rep Competence (9)
Sales Culture (7)

Drivers

Sales Situations

How we see our Customers

4 Statements

Sales Situations (4)

Situations

Sales Management

What we do as part of our daily work

9 Statements

Customer Sat Survey (1)
Organization Structure (2)
Sales Force Development (4)
Sales Targets (1)
Sales Reviews (1)

Actions

Sales Results

The results we deliver

7 Statements

Market Share (1)
Revenues (1)
Profits & Margins (2)
New Products (1)
Key Accounts (1)
Achieving Targets (1)

Performance

Sales Excellence Survey 2017 – Results: Highlights

10 most important drivers of Sales Excellence

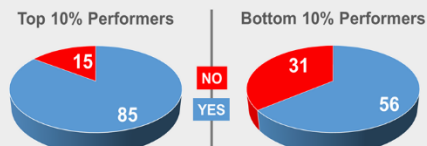
- 1 Each member of your sales team has a systematic account management planning process for each of their customers
 - 2 Your sales strategy is documented in writing
 - 3 For each step of the sales process/workflow you have defined training modules, checklists/instruments
 - 4 Your corporate strategy defines explicit sales topics
 - 5 A detailed description of the steps of the processes/workflows is documented in written form
 - 6 Your corporate structure fully supports cross functional approaches which are initiated by sales (e.g. matrix structures)
 - 7 Your CRM tool is integral to the company, populated with relevant information and regularly updated by the sales teams
 - 8 The image of sales inside your company is excellent
 - 9 You use a blended approach when developing the sales competence of your sales staff (ie e-learning or virtual learning combined with classroom training)
 - 10 Your sales strategy is clearly defined
- Common to 2012

Sales Teams in Top performing organizations have..

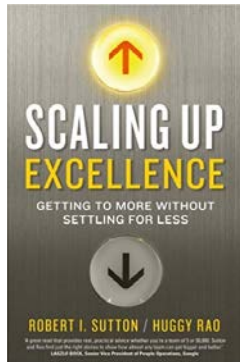


Sales Management: Organization Structure

Do you have a dedicated sales force for Key Customers?



Must Read



“What’s stopping you?”

Whether you are a space scientist launching a rocket, an ambitious student aspiring for top grades, a new entrepreneur struggling to grow your business or a large company expanding overseas, the question can, at once, be both infuriating and empowering

This ‘problem of more’ as authors and academics Robert Sutton and Huggy Rao choose to call it in their book *Scaling up Excellence* is endemic to both individuals and institutions and is a constant and maddening companion in your journey to the top. Say Sutton and Rao: “Executives could always point to pockets of excellence in their organisations where people were doing a great job of uncovering and meeting Customer needs. There was always some excellence – there just wasn’t enough of it. What drove them crazy, kept them up at night, and devoured their workdays was the

difficulty of spreading that excellence to more people and more places”

The question essentially is one of how you move the magic you see on the fringes of your bell curve to more areas in the middle.

Sutton and Rao spent seven years searching for answers to this mother of all questions. They identified reliable signs to check if the excellence-scaling exercise was on a roll or was choking and sputtering. Then they distilled these signals into seven mantras to, as they put it memorably, “memorize, teach others and invent ways to keep firmly in focus”. And the mantras are:

1. Spread a mindset, not just a footprint – Just putting your logo on many people and places isn’t just enough
2. Engage all the senses – Bolster the mindset that you want to spread by engaging all the senses
3. Link short term realities to long term dreams – Constantly seek out answers that can help connect today’s realities to tomorrow’s cherished aspirations
4. Accelerate accountability – Build the spirit of “I own the place, the place owns me”
5. Scaling requires both addition and subtraction - Less is part of the problem of more. What to leave out is as important as what to add
6. Fear the clusterfugs – Illusion, impatience and incompetence are pervasive risks. Authors recommend healthy doses of constructive worry and self-doubt as antidotes
7. Slow down to scale faster – and better – down the road – Shift from automatic, mindless and fast modes of thinking to slow, taxing, logical, deliberative and conscious modes

This book is a must read for all aspiring business leaders who are serious about scaling up excellence in their enterprises. Seasoned veterans know that excellence is not transplanted across the rank and file in a jiffy. It sprouts from tiny little spaces, and has to be incubated, nurtured to maturity, and then scaled up. The last two words are key.

Understanding the drivers of excellence is just the starting point – The What to do’s - in an organization’s pursuit of excellence. It could also be the easiest part in a relentless ongoing journey. The tough part is about raising the bar for the vast majority and multiplying the islands of excellence. The 7 Mantras revealed in this book could be the secrets drivers – The How to do’s - of agility and nimble footedness you envision for your people.

Elsewhere in this issue you will find the ‘What to do’s’ of Sales Excellence. Robert Sutton & Huggy Rao are serving up the ‘How to do’s’ from a wide spectrum of industries and challenges. Pick up their book from [here](#). Read it. It could light up a few sparks in making excellence work for your Sales Org.

Happy Scaling Up!

Ravi's Corner

My Guru



Made repetition an art
Made the syllabus go beyond
Made each class a memory to cherish
His meticulous readiness to exceed expectations
His eye and heart on each one of us
His urge to help discover
His passion for the new and better
His lack of advice
His lack of sermons
No airs or intellectual snobbery
Just plain common sense learning
A space for all
A word for all
Faith in all
He touches my life... makes me want to excel..
He is the MESSAGE and I am learning..

Quotes

Sales Excellence



"I've decided to come up with a radical new strategy."

1. Sales are contingent upon the attitude of the salesman – not the attitude of the prospect.
—W. Clement Stone
2. An employee's motivation is a direct result of the sum of interactions with his or her manager.
— Bob Nelson

3. **Make a customer, not a sale.**

—Katherine Barchetti

4. **Every sale has five basic obstacles: no need, no money, no hurry, no desire, no trust**

– Zig Ziglar

5. **“The key to mastering any kind of sales is switching statements about you – how great you are, and what you do – to statements about them.”**

– Jeffrey Gitomer

6. **“We all need salespeople who deliver value that wasn’t there before they arrived.”**

– Chris Murray

7. **Keep your sales pipeline full by prospecting continuously. Always have more people to see than you have time to see them**

- Brian Tracy



Snippet



Customer as an appreciating asset

When the Federal Express courier comes to my office reception area, she is greeted by Annah Salas. When she looks at Annah, she should see \$180,000 stamped on her forehead.

My little 20-person firm runs about a \$1,500-a-month Fed Ex bill. Over ten years, that will total \$180,000. I find this simple device, calculating the ten-year (or, alternatively, lifetime) value of a customer, to be very powerful. It has profoundly altered my own thinking.

Stew Leonard, the erstwhile Norwalk, Connecticut, grocer, got me started on this. He says, "When I see a frown on a customer's face, I see \$50,000 about to walk out the door." His good customers buy about \$100 worth of groceries a week. Over ten years, that adds up to roughly \$50,000. We all agree that repeat trade is the key to business success; this simple quantifying procedure provides a way to add potency to the idea.

From Tom Peters blog