

# Master the Art of Upselling

Proven techniques for adding value and growing sales.



Contrary to how many salespeople feel, upselling is not a bad word. It's our perspective on it that needs to be changed. Upselling can be organically integrated into the buy/sell process—once you know where and how it fits. In this e-book, you'll learn how to:

- Present upselling in a positive way
- Identify upsell opportunities with your current clients
- Naturally incorporate upselling into the sales process
- Use effective upselling techniques

Let's get started.

### **Common misperceptions about upselling.**

For some people, the term “upselling” has a negative connotation. No client or customer wants to be upsold. “I'm going to upsell you today,” is right up there with “I'm going to close you today!” Upselling itself is not a good word. It's talking about what we do, but to the client it's a push, an extra, an add-on.

As we start to identify upselling, we use different techniques. Go broad and deep into accounts, land and expand, nibble. It can be something simple like the classic, “Do you want to super-size that?” all the way to accounts involved in very complex, multi-year sales.

### **Case Study: Amusement Parks**

Recently, I took my entire family to Disneyland. The kids could not wait to ride Space Mountain, and it was great. At the end, you walk through a tunnel to an area where you can purchase photographs that were taken on the ride. Following that, you are funneled through a gift shop where shirts, trinkets, toys, hats and other mementos are sold. Each part of the exit is part of a classic upsell process.

Companies and corporations always look for upsell opportunities. If it's B2C or B2B, it really doesn't matter. Even in a B2B situation, if one division of a department of a company buys your product or service, then they're looking for additional sales opportunities. The idea is to land and expand, going broadly and deeply within a given set of customers.

## Am I doing it wrong?

While there are numerous angles to approach upselling, many salespeople simply do it wrong. Let's break it down.

Why would a client want to be upsold in the first place? Below are good candidates for upselling:

- They are currently using your product – and are happy
- There are other opportunities/challenges within that company that an upsell can answer
- The client won't have to look for other vendors
- The client won't have to worry about vendor integration – you're already in the fold

## Case Study: Software with an outfit for every occasion

Tableau Software, a software-as-a-service company (SAAS), uses the land and expand upsell technique. You can use Tableau in one division, and in another department use it as a business analytics tool. The product can easily be used in the finance division, manufacturing division, sales division, engineering division and so forth. You get the idea.



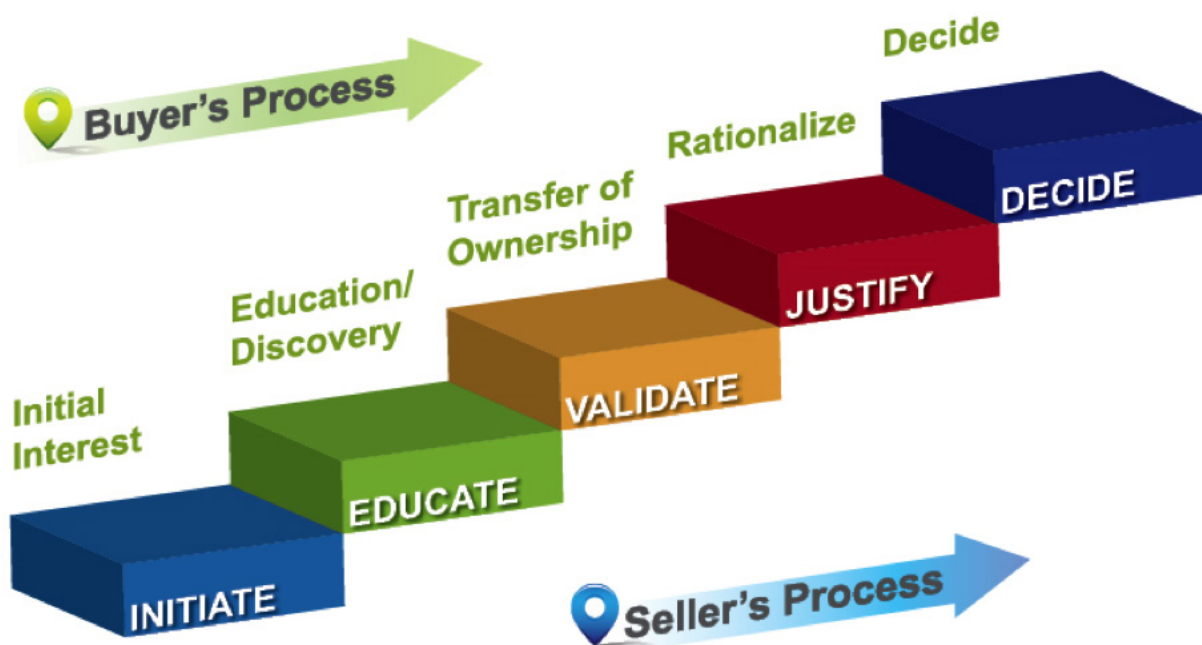
## How to shift the upselling paradigm.

Upselling is here to stay. As we have seen, upselling can be as simple as selling a product and adding services later. It can be having somebody buy what you sell, then 90 days down the road, offer them additional warranties or maintenance. Why do you think you're whisked away to the finance person's office at a car dealership as soon as you've made a deal for that new car? You're presented with a rainbow of options; extended warranty, protective seat covers, paint chip protectors, extra undercarriage protection. All of these upsells are quite profitable for the car dealership and, theoretically, the overall risk of getting a "no" response is much lower since you; a) are now in relation with them, 2) trust the car dealership and, 3) want to make sure your new investment is protected.

How do we integrate upselling into the team like a seasoned quarterback, versus a greenhorn with a lot of guts, but no glory? Here are some effective ways to do it.

### Treat it like a normal sale.

Buyers typically follow a standard thought process. They move from initial interest to education, validation, justification and, finally, to the buying decision.



The buy/sell process is important for a number of reasons, but it's especially important when it comes to upselling. Why?

As salespeople, we believe that if customers know us, love us and trust us, we can ask push-centric questions. “Do you know anyone else in the organization that could use this?” “Are there other departments or other opportunities?” “Now that you’ve got us and you love us, you definitely want to add this product/feature/service.” We are assuming that at stages 3 and 4, the buyer is going to enthusiastically say, “Well, that makes sense! Just add it onto the heap!” **WRONG ANSWER.** You’re in the wrong stage with the wrong focus.

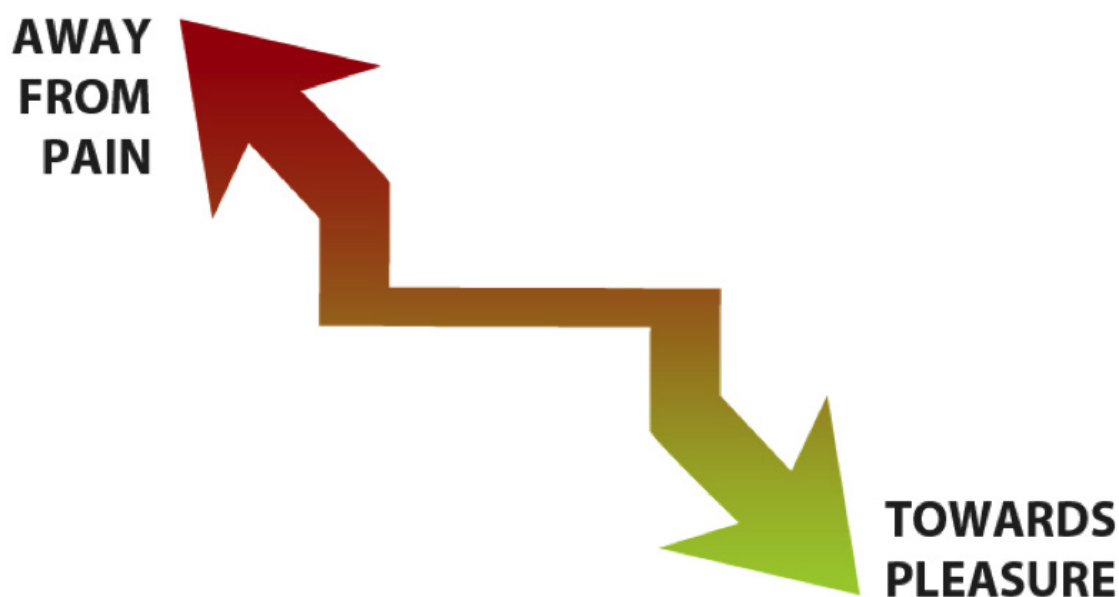
The proper home for the upsell is always going to be at Stages 1 and 2 of the buyer process.

### **Most of the action for an upsell happens in stage 2, Educate.**

Stage 2 is where you give the upsell value proposition. With this paradigm shift, the upsell proposition of having a buyer purchase from us a second, third or fourth time, or buy add-on goods and services, is just as effective as a regular sale. And that upsell process starts at the beginning, in stages 1 and 2, not at the end of the buyer process. So let’s start with stage 1 and stage 2.

### **Focus away from pain, toward pleasure.**

Have you ever heard of “away from pain, toward pleasure?” Buyers must have an energy, a desire, an issue, in order to be upsold. And to do that, they’ve got to have a challenge, concern, obstacle, or pothole—something holding them back. Simply saying “We’re the latest and greatest—you will definitely want this product because it will make your life easier/better/faster...” will not appeal to this buyer. So, what will?



## **Understand the buyer's motivation.**

Think away from the pain, rather than toward it. Energy for a deal is coming from the customer, not you, and the secret is found in their motivation. Listen to them when they use words like “I’ve got to avoid/minimize/stop/delete/fix.” Do you hear them? Those are “away from pain” statements. In 80% of these situations, you’ll hear “away” statements from your clients. So, when you upsell, keep your ears open and look for the challenges, issues, and concerns that are being caused either by implementing your goods and services, or additional challenges the customers may have where your service can actually help them.

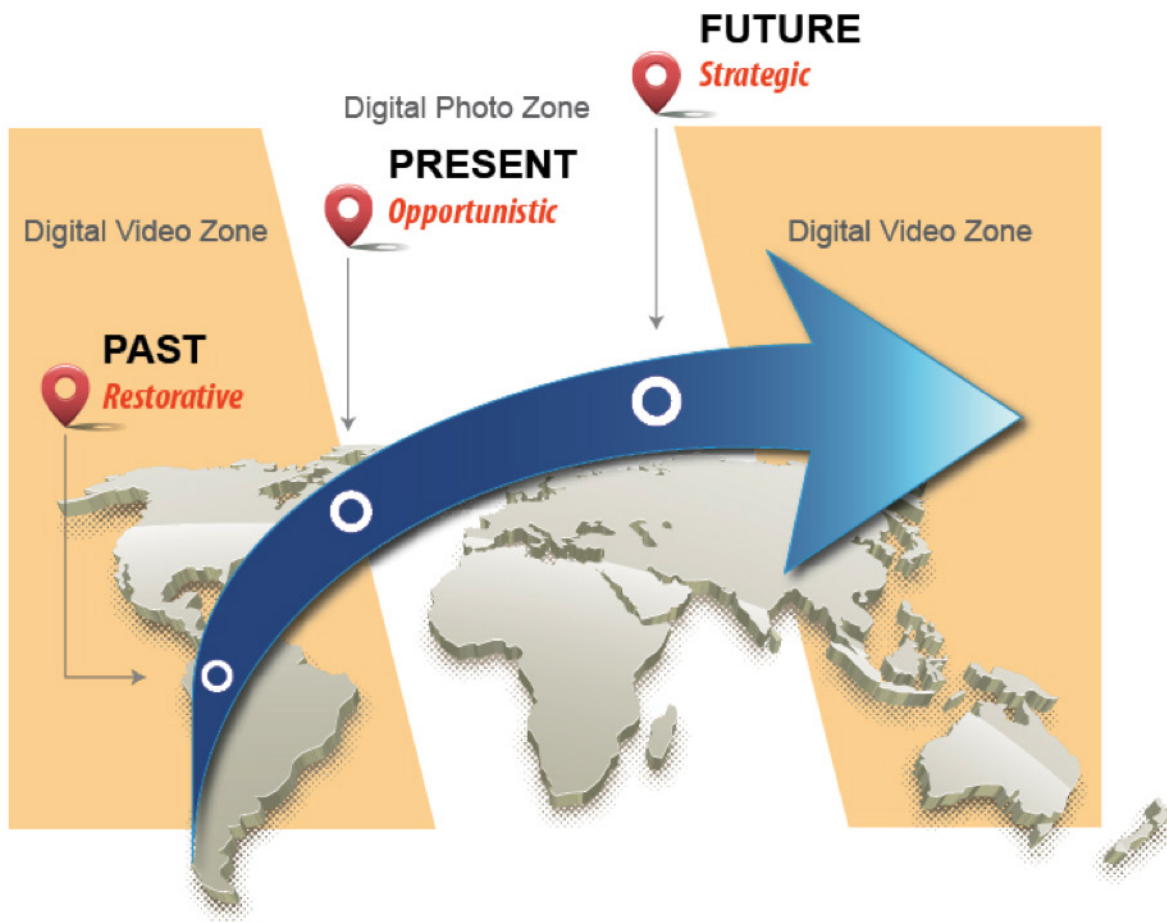
## **Case Study: Underutilization**

How many different software programs are installed on your computer? Of those, how many do you utilize to their full potential? Chances are, not many. Here lies a beautiful upsell opportunity. It’s not your fault that the client doesn’t utilize the software they purchased from you. They attended the initial training, but in reality, they need two or three more levels of training to actually succeed. Not all software users will take you up on the offer of advanced training, but many will do so because they want to maximize their software. Offering advanced classes solves a challenge the client is facing. It also provides the opportunity to expand into different divisions, such as business analytics for the finance department, or business analytics for the marketing department. This is prime stage 2 sales ammunition.

Leading the buyer through the process with an “away” strategy is much easier on both of you. Asking the question, “Why would you guys be doing this?” probes for those pains, issues, challenges and concerns where the client’s energy is hiding. Uncover that energy and there is a potential upsell opportunity.

## Take advantage of time travel.

One of the biggest mistakes salespeople make in the world of upselling is to neglect time travel. A good salesperson in charge of upselling a customer will always go backward and forward in time.



*“John, remember the problem you had 3 months ago that we helped you solve? Where else in your organization do you have that problem?”*

*“John, you know you guys have implemented our stuff really well. As you look to the next three months, what additional challenges do you see this tool solving?”*

Stated in the present moment: “John, are you happy with what you’ve got?” keeps the sale on a two-dimensional plane. It won’t help the upsell. But, going back in time: “Remember the problem we had three months ago? Who else do you think has those problems?” Alternatively, go forward in time:

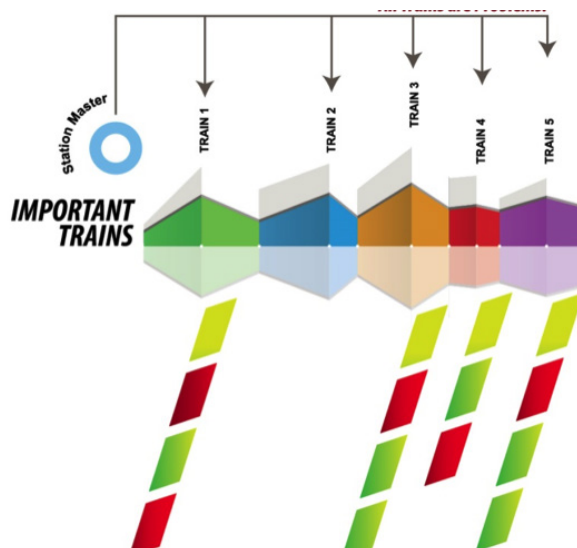
*“John, as you look out over the next three to six months, what kind of opportunities do you see coming down the track that this tool may solve?”*

It's not just about helping the client through the upsell process. Time travel is beneficial for sales people, as well. We discover, through time travel, whether or not our product/tool/service can really help the client.

## Quick Review

We've just given you three ways to shift the paradigm of upselling.

- 1. Treat the upsell like it's a normal sale.** It's not "just an add-on" that gets dumped onto the pile at stage 4. You need to create energy and value, which sits in stages 1 and 2.
- 2. Away from pain, toward pleasure.** Make sure to ask about problems, issues, concerns, challenges, and not "bigger, better, brighter, faster!" People will invest in "away" energy rather than "toward" it.
- 3. Travel through time. You need to live in a third dimensional space.** The two dimensional, "today only" view, will stall your upsell. Be sure to move backward and forward in time. The more time travelling you do, the more your product/service will relate to your customer, and your chances of successful upselling skyrocket.



## Guide trains in motion.

Now that the train is on the rails and we're moving, let's put it all into perspective.

Your opportunities are trains at a train station. Your top buyer, Jill the VP, is the station master. She's got three, four or five challenges/issues/concerns on her desk that she needs to resolve. Why? There are other trains coming into the station. We already talked to her about her #1 train and it's moving out of the station. By asking Jill,

*"Jill, as you look to the next three months, what additional challenges (trains) do you have?"*

That's a great way for Jill to tell you about 3-4 trains due into her station, revealing an upsell opportunity to you. Here's a critical point:

**! You MAY or MAY NOT be able to help her with those trains !**



The point is not to force-feed your upsell into her issues/problems/concerns. However, discovering the trains does give you the luxury of access to the next level. You now get to ask time travel questions about those trains, to see if your product/service/good can actually help. Let's look at Jill's Train 3:

*"Well, Jill, with Train 3, what other organizations are being affected by that project you're working on?" you ask. Or, "Who else on that organizational team is involved with this project?"*

## Who owns the train?

Prime upsell capabilities go beyond discussing the train itself, but also who owns the train. Here's an example.

A company is interested in implementing a new sales process, and the VP of Sales is now in charge of that initiative. The VP knows that the IT department will have to internally implement, the marketing department will be in charge of deploying new process education, and finance is affected for billing reasons. It's just like a domino chain. Even though the VP of Sales is in charge of picking a new CRM or sales process, that person's decision affects a host of others.



Let's use another example, my company, M3 Learning. We provide sales and sales management training.

XYZ Soap Co. brings us in for sales training, and we do a phenomenal job. Trust is established and a relationship is created. As it turns out, their sales managers could use some help and we have a sales management course that ties directly with our sales training course, which their salespeople have already taken.

## **We're helping two trains into the station.**

This is making VP of Sales feel pretty good about M3 Learning, because trust is reaffirmed and our relationship deepens.

At M3, we know that with anything sales related, marketing plays a big role. Marketing uses wordsmith prowess, which helps in creating collateral like printed materials, PowerPoint presentations and so on. Maybe it's a good idea to speak with the marketing department about what can be done to solve their challenges.

*"As the marketing department, what challenges are you having with the sales team? What obstacles do you see coming into play with the new sales process implementation? Would it be beneficial if we came in for a day and got everyone speaking the same language?"*

You can see in the above example that this is stage 2 we're talking about. You can't do that in stage 4 and beyond. It wouldn't be beneficial to the client, or to you. And while you're asking the marketing department about their challenges, don't forget to time travel.

*"What are the biggest time issues you see over the next six months? What are some of the biggest risks you face the rest of this year as you roll into next year?"*

## **One more train makes three.**

How about XYZ Soap Co.'s system engineers who have to conduct demonstrations? How about a company overview? By implementing one system, everyone in the entire company has started speaking the same language. Do you see how upselling has now gone from being the elephant in the room to leading the pack in strategizing? Upselling solves clients issues/challenges/obstacles beyond the two dimensional world of today. It can involve departments beyond your original expectation.

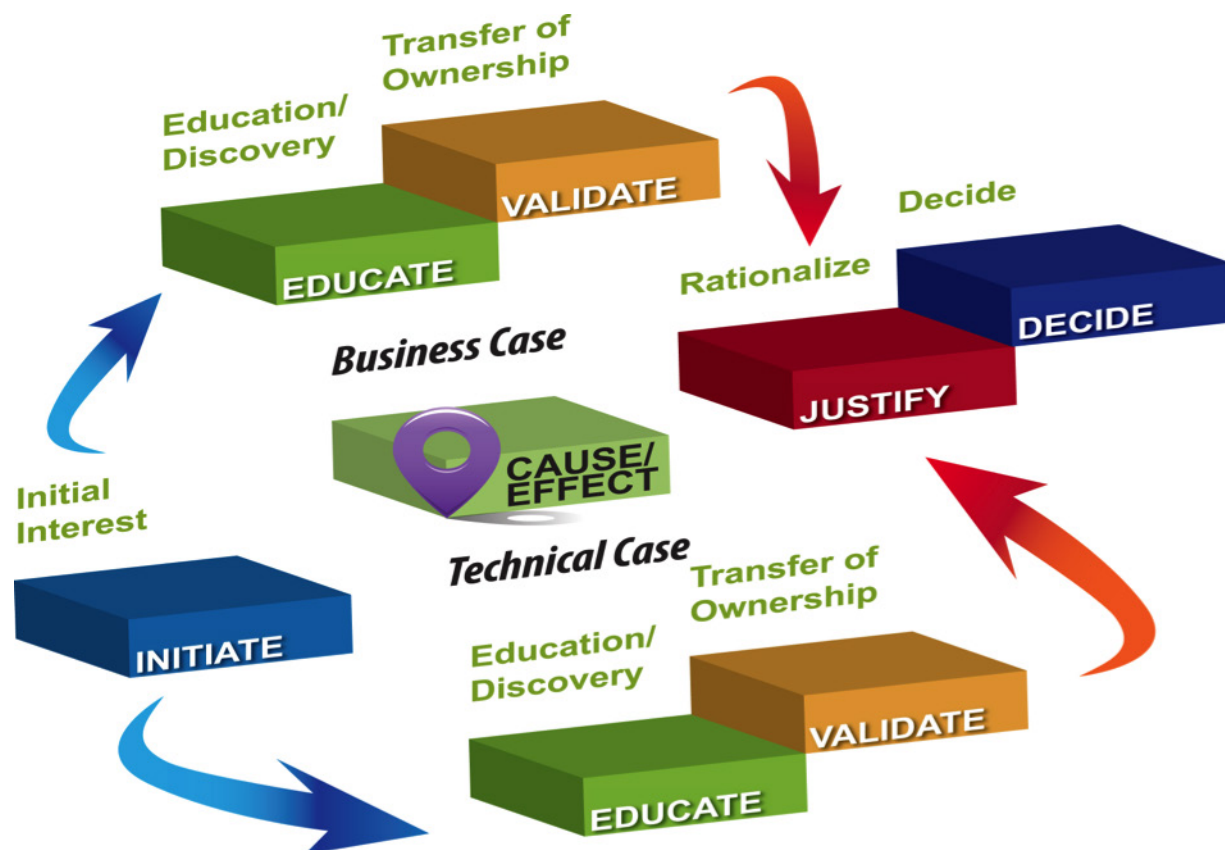
## **Exploring cause and effect.**

At stage 2, Education, buyers tend to split. Think visually. A line is drawn, with one word below the line (Effect), and another word above the line (Cause).

The split may happen in one of two ways. In a large organization, the split will be divided between people or departments where one level handles the effects while the other typically deals with causes. In a small organization, the split will be a mental thing, a switch from one thought process to another.

Below the line, your client will split to a list of needs, which we call effects. They're looking for a product or service to do this, this, and this. They are looking strictly feature/function acting in a user/buyer capacity. They're asking you to show them tangible examples for how your service does this, or how your product fulfills that.

Above the line, cause, is the business case for change. What's causing the change? What is motivating the client? What are their bigger reasons for making this investment or undergoing this change? And while you're above the line, try to quantify their change. Get the number or value that this change provides to their organization.



A word of caution: Do not ignore the split. Whether it happens mentally or physically, it happens. The split is much easier to see in a large organization, but just as important to understand in a small company, where the split may occur within an individual.

We've actually come up with those action-driver questions, all designed to solicit answers to better qualify and quantify their cause:

*"What would cause you to leave your current state and do something different?"*

*"What's going to cause you to change the way you are doing things now?"*

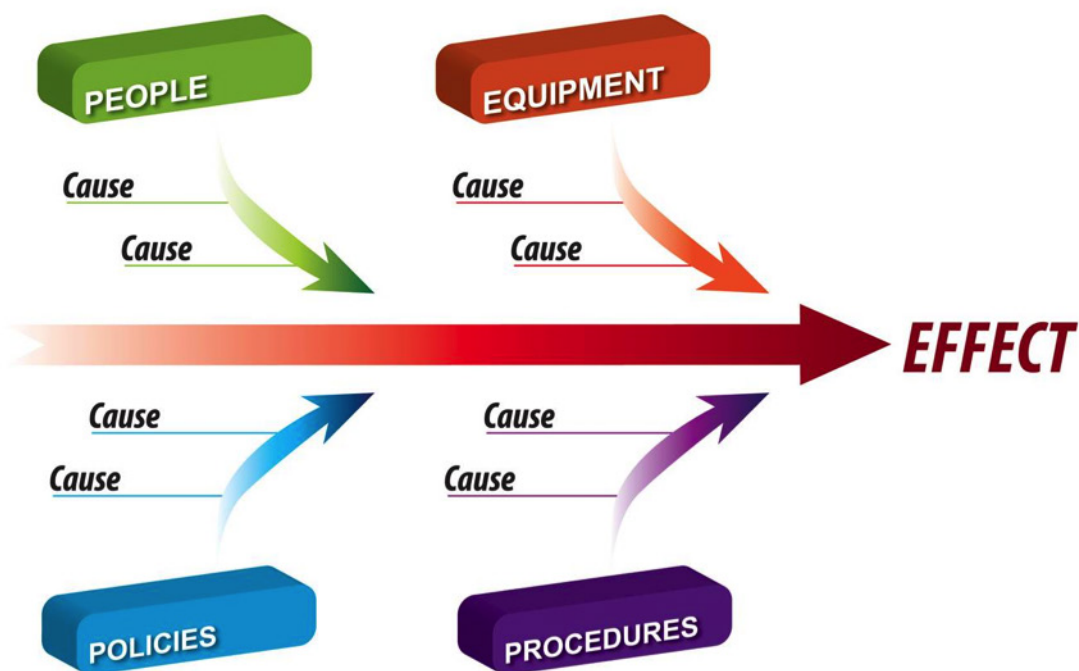
*"What is the urgency to achieve the results?"*

*"What is the impact, payback, or return you expect?"*

*"What are the consequences of staying in your current state?"*

*"What are the available resources to achieve the results?"*

*"What are the perceived risks of making the trip?"*



Upselling opportunities are always better placed above the line than below. Because if you only concentrate on the user/buyer and that list of needs, their needs will have been satisfied once you've implemented your solution. Going above the line and asking, "Based on the implementation of our products and services, what will cause change in your organization?" makes upsell opportunities much easier. So does a question like, "Who else and what other departments are going to be affected by this change?" These types of questions make a good first value push in the whole upsell process.

Unfortunately, we see many salespeople going below the line. "Who else would like a picture of us?" "Who else would like a deck from us?" "Who else could we talk to about our products and services?" They do this by thinking that, since they've done it here, they can do it again because people know them, they love them, and they trust them. Not exactly.

Upsell experts go above the line quickly, hunt for additional trains, and watch how those trains (issues, challenges, objectives of the owner or senior person) are being implemented or affecting other departments or organizations within the company. Going broad and deep is a great way to upsell, land and expand, rather than pitching and hoping. By saying, "You know who we are, let me tell you about what we do so you can see how it affects you," puts you where you don't want to be.

## The golden rules of upselling.

There are three golden rules to follow for successful upselling. Remember these, and you're on the right track.

### Golden rule: Focus on “away from pain” questions.

Buyers want to resolve their challenges, problems, issues, and concern. By focusing on “away” questions, rather than “towards” questions, you'll become more effective. Asking “away” questions gives you more energy for upsell opportunities.

Also important, remember to ask questions, not make statements. Statements assume you know the person well, know what they're all about, and know they're open to different solutions you sell. Instead, approach it this way: “John, based on what you've said, I think this has been a successful implementation, don't you agree?” “Who else in the organization is looking at the challenges and issues you had three months ago?” Try and avoid this approach: “John, this is great stuff. You know, I'm sure there are other departments in the organization that can use our stuff.” Or, “Where do you think we should go? Where can I actually start pitching my stuff?”

Energy is created early in the deal (stages 1 and 2). By asking your client about their challenges, issues and concerns (with questions, not statements), you create a transfer of ownership. By asking the right questions, you can help move a \$100,000, \$5 million, \$10 million, \$2 million, \$50,000 train—even though your purchase price is only a tenth or a hundredth of that overall value proposition.

Let's use a football analogy. You helped move the first-down chains further down the field, as opposed to throwing a Hail Mary pass in an effort to win the game. To the user or buyer, you're the solution they needed. You met their needs. Good upsell salespeople know it's easier to find additional opportunities to fit a piece of a customer's puzzle. They know, love and trust you, so the risk of implementation is greatly reduced. Look for additional challenges, issues and concerns. You may or may not fit, but you'll find upsell opportunities.



Remember, as a train station manager, you're looking for trains that are on the track, rather than additional trains that are scheduled a year from now. You don't want to pitch something and just hope a train comes by. That's not where you want to be. Assess timing and go for the upsell if it feels right.

### **Golden rule: Find the big gaps.**

Create a gap chart. This is an effective tool for upselling. Understand your client's goals and objectives, then have them articulate where they currently reside. They either have the opportunity to exceed their goal, they're doing very well (and there's an upside), or there's a deficit. Where are they in relation to their goal? Are they halfway there, a third of the way, or just getting started? Regardless of their status, there are things they can be doing to get up to speed. They have a problem, issue or challenge, and they need to figure out how overcome barriers and seize opportunities to achieve their goal.

Again, the classic example is someone who has already purchased a product or service and done some initial training, but could benefit from further training. Things are going really well, but if they actually used our stuff to run their finance department, or ran our stuff in their new product line, that would be a more complete solution. It would require additional seats and training sessions. This situation creates additional upsell opportunities, because we're branching out to different products and services—rather than just pitching our stuff, hoping the customer's project attaches to the product or service we're offering.

### **Golden rule: Land and expand.**

Remember, the idea of upselling is land and expand, going broadly and deeply into accounts. The concept of starting at the executive levels in stage 2 (Education), then getting people together at the company, pitching our stuff and hope something sticks, is not effective. "Thank you everybody. John over here in the Marketing department bought our stuff. We're going to tell you what we do for John and you're going to come up and tell us how to apply this for you." That approach doesn't work.

## Grow your business with upselling.

Using the upsell tools, strategies and techniques we've covered in this e-book can help you to grow sales with your clients naturally. Here's a quick review.

Avoid calling it “upselling,” because that's not what buyers want to hear. Buyers want to find solutions that meet their challenges, issues and problems. Once the upsell starts being integrated into the organization, there will be additional issues and challenges in other departments, and there may be additional opportunities for upselling.

In stages 1 (Initiate) and 2 (Educate), use “away from pain” questions. Be sure to split at stage 2, knowing that those are the needs for you to identify. You're looking for the cause, quantifying that cause with a solution, and identifying the challenge. Finally, use a gap chart to help the customer see the value of your product or service, and make upsell a reality.

Upselling is not something to just be tacked onto the end of an initial deal. It's a process that can be applied to a deal, followed up, or newly created for a longtime customer. By using these techniques for successful upselling, you can solve your customers' pain points over and over again, add value, and grow sales naturally.

# About the Author

**William “Skip” Miller**, founder of M3 Learning, changes the way sales professionals get work done with his landmark and runaway bestselling book, *ProActive Sales Management*. Ranked number one by Amazon for five consecutive years, it has been translated into multiple languages worldwide and has become the classic textbook for sales managers, both new and seasoned. He is also the author of four other bestselling books including *ProActive Selling*, *Knock Your Socks Off Prospecting*, *Ultimate Sales Tool Kit*, and *More ProActive Sales Management*.

*“It’s NOT about selling... It’s about how to lead and pull prospects through the buy/sale cycle.”*

— Skip Miller



**Skip Miller**

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