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Entrepreneurship. By women, of women, for women.

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# The Five Sales Tactics Every Entrepreneur Must Master

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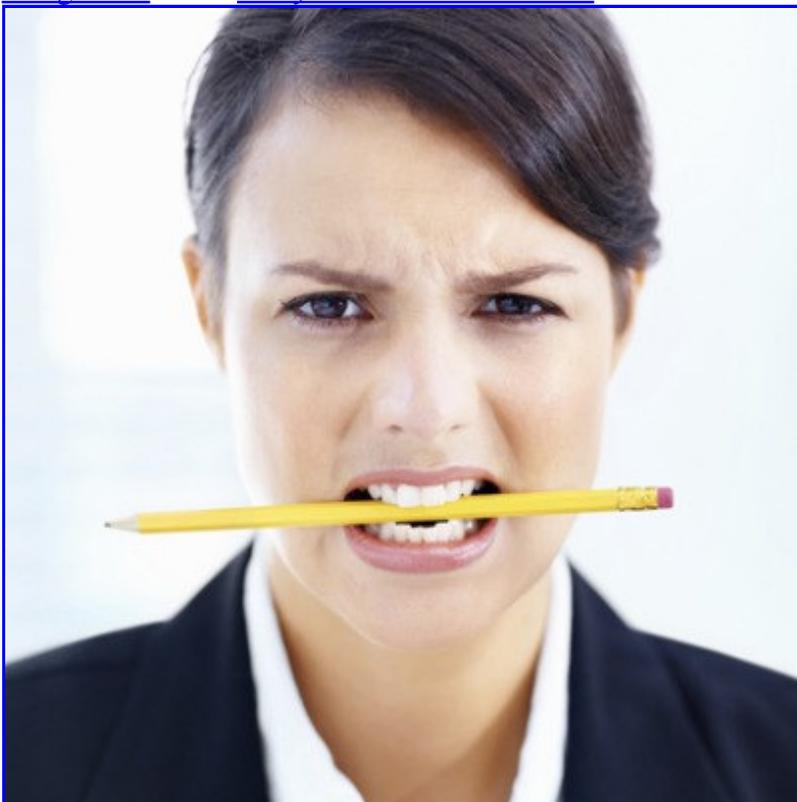
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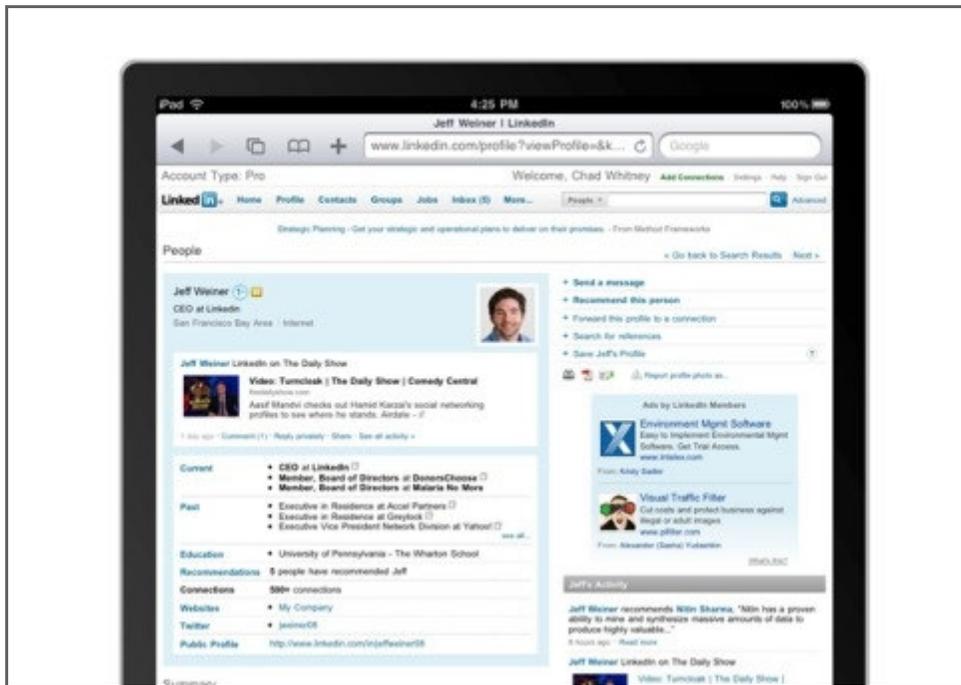


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Competitors (And Nine More Things Entrepreneurs Screw Up On LinkedIn)  
Casserly Forbes Staff

From sell-outs to used-car salesmen, it's no secret that selling gets a bad rap. It's so uncool, in fact, that it's one of the [positions startups have the hardest time filling](#) with young employees.

“The concept of selling isn't cool,” says Steven Osinski, a sales expert at [San Diego State University](#) and former entrepreneur who successfully off-loaded a marketing company to Monster.com in the nineties. “But the truth is so many businesses have gone under because they don't know how to sell. You can have the greatest product or service on the market, but without sales strategies, you'll never get it off the ground.” Particularly for entrepreneurs, getting a handle on basic sales strategies can be more critical to the success of a venture than the development of its products and services.



Not like this. Not like this.

“It you think about today’s startups and selling, there are really three fundamental sales that every founder has to make, whether he considers himself in a sales position or not,” says [UNC Kenan Flagler Business School](#) professor Dave Roberts, who runs the university’s sales program. In his view fundraising, recruiting talent are both sales campaigns that entrepreneurs should not ignore as they can help to prepare them for the more traditional sales in their company’s future. For one thing, they can help to steel the entrepreneur against the rejection they’ll undoubtedly face down the road.

“Selling the concept of the business to potential investors is the founder’s first sales campaign,” he says, “you’re using the sales skill-set differently at this point but there are similarities to the hard sales you’ll be doing in the future.” Take hiring, he says. The competitive landscape for tech talent is a critical moment for leaders to practice their sales pitch. “As a small startup you’re up against a lot to get people to come work for you,” he says, “Especially big companies. You’ve got to sell your company—and hard.”

After all that, of course, there’s the more traditional sales episode of convincing clients to buy your product. But let’s be real—hopefully by that point you’ve sold the company hard enough that you’ve on-boarded a stellar sales professional or two. Either way, the experts agree that these are the five most critical sales skills to pick up along the way.

### **Forget What You’re Selling**

What seems like the most counter-intuitive advice is what Roberts calls the hardest lesson for any sales professional to learn—but an especially fraught one for entrepreneurs. “I find that entrepreneurs struggle to overcome their own product,” he says. “The problem for founders, is that they’ve developed this product or service, they’ve lived and breathed it for months and couldn’t be prouder of it.” But all that pride—while well-deserved—does not serve entrepreneurs well in a sales pitch.

“The reality is that customers are more demanding and more aware of the competitive landscape than ever before,” he says. “Leading with the product is absolutely putting the wrong foot forward.” Instead, entrepreneurs should master the art of approaching every sales pitch with questions about the needs of the prospect and the industry. “What every client is really looking for is help,” he says. If you can identify that need and meet it, then you’re a

problem solver, not a salesman. And if it happens that your product meets their needs, so much the better. The relationship, Roberts stresses, is every bit as important as the sale.

## **Referrals**

You must religiously plan, whether or not it means scheduling in your weekly calendar or Outlook, to ask for referrals consistently, says James Berkeley, a management consultant, who estimates that more than 80% of his current clients were won through a referral. What may seem a tactic of an old-boy's club is actually commonplace—and putting a plan into action is key. “Start with your 12 highest potential relationships,” Berkeley says, as these will be the people you initially ask to make referrals, whether they're current or past clients, former colleagues or personal or professional friends. [Next](#) up: “Map out who their peers are within their organization, who are their firm's best customers, who do they take advice from, who in the referral's professional or personal community would reasonably have a need for your expertise and respond to a request to meet you.”

Once you've diagrammed the end-game (the referrals you'd like to receive), you can better prepare to make the ask of your network. Tactics can vary, Berkeley says, but the one constant should be face time. “Ask in person, at your next meeting or failing that call,” he says. No matter what: do not email.

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## **Cold Calling... Or At Least Lukewarm**

They call it “smile and dial”—the standby practice of making as many calls as possible in hopes of serendipitously striking sales gold. But what's tried isn't always true, and modern day salesmen agree that the days of cold-calling have all but ended. “Cold calling is old fashioned,” says Roberts, but reaching out to unsolicited sales leads is not. Instead, sales people rely on technology to research potential leads in advance, in hopes of making every call hot. Or, as Roberts puts it, at least lukewarm. “Aim for hot calling,” he says. “Learn

enough to position your approach towards the needs of the industry or the customer.”

A lot of entrepreneurs panic in the early stages of sales, he says, whether they're looking for investors, potential new hires or clients. As a result, they pursue “anything with a pulse,” leaving their efforts seeming desperate, erratic and lacking in focus. Taking the time to research each prospect before pitching them a business helps entrepreneurs in two ways: in familiarizing themselves with the prospect to better tailor each pitch but also to buy time to consider whether the prospect is a great fit and worth reaching out to in the first place.

### **Finding The Hot Button**

Osinski lays out an exercise he uses with his students to illustrate the sales concept called the hot button. Standing in front of the class, he holds up a water bottle he says is for sale. For each student who offers to purchase it, he asks them what their reason is for buying. “It’s recyclable,” one says. “I’m thirsty,” says another. “It’s an attractive bottle,” a third. The different reasons individuals have for buying the same product or service are their hot buttons, also known as their pain points—and it’s every salesman’s mission to uncover it.

Echoing Roberts’ advice to approach every prospect with questions, not a sales pitch, Osinski goes one step further to uncover the hot button. “It’s about the balance of open and closed questions,” he says. “Approach with closed-ended questions to put the prospect at ease and make them comfortable, then gradually introduce open-ended questions to help them reveal the holy grail.”

### **Putting Networks To Work**

Networks afford professionals the ability to develop credibility and legitimacy in relationships more quickly than they ever could on their own, and for entrepreneurs that street cred can often lead to revenue. But while entrepreneurs often excel at networking—just take a look at the iCal of any founder you know and it will be jammed with openings, launches and meetup events—Roberts says they often struggle to break outside of their comfort

zone. In other words, entrepreneurs networking with other entrepreneurs, while fun, is not where sales-focused founders should be focused.

“Most founders in the startup sector are looking to drum up business with very little brand equity,” he says. More often than not entrepreneurs can’t rely on the equity of their young company name or even their own name—unless it’s Zuckerberg, Gates or [Dell](#) of course—which makes the people and businesses they align themselves with absolutely critical. “You’ve got to expand the network,” Roberts says, “Expand beyond your peer groups into networks and industries where your product has a need.” For founders hoping their company leaves the ground, he says, those are the relationships worth establishing—and fast.

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