

Marketing Upsell: An Old Technique With A New Name

It's been around for as long as salespeople have but now it has a new name: upsell. It works on this principle. If someone has bought one thing from you it is fair to suppose they are open to buying something else from you right away. Think of buying a new car. No sooner have you committed to buy it then the salesperson is asking you about all the extras you are going to be wanting with it. Think of buying a Big Mac burger. No sooner do you order one then you are being asked if you want fries with that. If you accept these suggestions then according to the latest marketing jargon you have just been upsold.

From the salesperson's point of view what they are doing is selling you one item or service at one price and then upselling you to get you to buy the same thing but with lots of bells and whistles. Sometimes the add-ons will not be for the product or service itself but for a related product or service offered at a reduced price. Sometimes it will simply be the act of taking an order for one product and then persuading the buyer that it would really be much more economical and make more practical sense to buy a higher-priced item.

The benefits to the business owner of employing upsell techniques are obvious. There is more turnover with the same or similar effort on the part of the sales person. All it takes is suggestion based on information that the salesperson holds. It involves the salesperson have the courage and conviction to convince the buyer that it makes more sense to spend more. It is important that the buyer should think he is getting a better deal by purchasing a second item or an added-value version of the first product.

Among the marketing gurus upsell has come to have broader meanings too. It refers to repeat customers as well on the basis that if a customer has bought from you already and had a good experience and received good value for money she will be willing to buy from you again. The ultimate upsell is, of course, the lifetime customer. The term upsell has also come to mean the kind of softening-up of the customer buying the first product leading on to higher-priced items later based on their satisfactory prior experience.

There are a lot of clever ways to upsell even on your website. For instance, on your order page you could include an alternative or additional offer. Be careful not to confuse the customer though! Perhaps the customer has the choice of purchasing a single item or purchasing more than one at a reduced price. The common denominator in all of this is that the customer must feel he is getting a better deal by spending more.

Online upsell can also occur when the customer has bought an item and get directed to the thank you page. Here you offer a second item, a newsletter subscription or sign up with an ongoing email course. If your customer subscribes then the opportunity is created for upselling in the form of upgrades, new products, etc.

Amazon has become the online leader in upselling. When you purchase an item at Amazon, other similar items are suggested on the basis that previous buyers bought these items in addition to the item already purchased. They also notify you when similar products are added to the Amazon database.

Upselling may be described as the art of sticking to your existing customers like a limpet and milking them for all they are worth, if you will excuse the mixed metaphor. It is an astonishing fact that around 60 percent of all buyers are open to being upsold at the time of purchase. An upselling strategy is forming part of marketing strategies as companies realize the beauties of this form of selling.

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