

How much does an empty table cost?

Thomas Edison once said: “Show me a thoroughly satisfied man and I will show you a failure.” As advertising sales professionals, we say “Show me a thoroughly satisfied business owner and I’ll show you a tough prospect to sell.”

The “I have all the business I need” objection is a real challenge. Often this objection is just a screen to get you out the door; the customer is actually dissatisfied with their sales volume, but doesn’t want to admit it or they don’t believe advertising will help. Of course the answer in this situation is to ask good questions and get to the real objection and then to address it. But what’s a salesperson to do when the customer is actually quite happy with the amount of business they are doing?

In some cases it isn’t that your prospect doesn’t want more business, it’s that they don’t want to work any harder. Most small business owners put in a lot more than 40 hours a week. They are not interested in working harder or putting in more time. Others feel that they have reached the physical limitations of their business and don’t want to invest in additional space or equipment. Is this when you beg forgiveness for wasting their time and skulk out the door? ***Absolutely not!*** This is when you need to put on your consultant hat and help the customer look at their business with fresh eyes. As always, in sales you want to start by asking the customer good questions about their business... “What’s your most profitable product/service?”... “What takes up most of your time?”... “Who are your most valuable customers?” You cannot find a 27-hour day for the customer and, unless you’re feeling exceedingly generous, you cannot buy them more equipment or a larger storefront...but you can help them get more out of their current resources.

I once worked with a contractor who told me “I’m working from sun-up to sun-down, unless you’re selling daylight – I’m not interested!” I first suggested that he hire more help, but he told me he had been unable to find qualified carpenters and that he really didn’t want the “hassle” and paperwork of more employees. I then asked him about his business. I found out that his “bread and butter” was roofing and window installations. He told me that roofing was much more profitable. After listening to the customer I asked him, “If you cut back on windows and could get more roofing jobs how would this change affect your bottom line?” When the customer realized that he could significantly increase his earnings by focusing on this more profitable aspect of his business, it was not difficult to sell him a program of roofing ads.

If you do your homework and learn about the prospects business situation, this same idea can be applied to a wide range of situations. The restaurant that has a full dining room - breakfast, lunch and dinner - may want to advertise “carry-out” or catering. The business that has to turn customers away on the weekend may benefit from mid-week specials. Very few businesses cannot benefit from an advertising program effectively targeting a specific market or part of their business.

In some cases a prospect may have simply grown accustomed to the volume of customers served by his/her business. Since they are meeting their obligations and making a living,

they grow complacent. Again, the professional salesperson starts with well thought out strategic questions. Ask questions like... “What’s an average customer pay for your services?”... “How many customers do you serve daily?” or “How many customers are you set up to handle?” These questions give you the information you need to do an analysis of how effectively they are using their resources.

Here’s how it works:

A restaurant has 20 tables of which 15 are usually occupied
The average lunch “ticket” per table is \$35
Peak lunch hours are from 11 am to 1 pm
Each table “turn’s” twice per hour
Potential for one day’s lunch:
15 tables X 2 seatings/hour X 2 hours = 60 sales
60 sales X \$35 average ticket = \$2,100

\$2,100 is an acceptable amount to earn at lunch and the customer may be satisfied... however... if the customer advertises and fills just 2 more tables look what happens:

Potential for one day’s lunch:
17 tables X 2 seatings/hour X 2 hours = 68 sales
68 sales X \$35 average ticket = \$2,380 (\$280 additional)
\$280/day X 5 lunches/week = \$1,400/week
\$1,400/week X 52 weeks/year = \$72,800/year

When you look at the numbers, that empty table in the corner of the restaurant costs the owner about \$36,400 per year. Capturing this revenue would not require any additional staff or a larger location. In most cases the food served would normally end up being written off as waste. The additional revenue generated by simply filling an additional table or two would fall directly to the bottom line.

I have done this type of calculation for businesses ranging from oil change shops to chiropractors (A very very large number). When customers look at the money they are “leaving on the table,” it is very hard to remain satisfied with the status quo. The additional revenue produced by attracting even one additional customer per day will buy a lot of advertising.

The secret to overcoming the “I have all the business I need” objection is disturbing the customer’s complacency. It is our job to help our customers get the most out of their business. To do this we must learn all we can about their situation and then show them how our products can improve it.

Will Rogers liked to say that “Even if you’re on the right track. . .you’ll get run over by a train if you don’t keep moving!” This is especially true in the business world. If your customer’s business isn’t moving forward, it is falling behind. It is our responsibility to help our customers see this. I have met a few people that felt they had enough business but I have never met anyone who felt they made enough money. We simply have to show our clients how they can use our products to keep their business and their incomes growing.