

Accessories aren't just limited to headsets and cigarette lighter chargers anymore. There's a whole world of accessories out there that can equal big bucks for your dealership — if you stock them, you've got that whole world in your hands at each sale.

# That Will NOT Be All

## Make the Most of Accessories Sales to Maximize Total Profits

by Amy Weiss

**H**ow well I remember my first experience with add-ons, accessories, and the dreaded “Units Per Transaction.” I was working at a store that sold nothing but stuffed animals and — tell me please — what kind of accessory goes with a teddy bear? If I know now, I certainly didn't know then. So, while I'd love to tell you that I rocked the store record for most add-ons, the truth is I got fired because my sales were so low. Well, that's life. I moved onward and upward through a series of sales jobs until, eventually, I learned how to sell the add-on when necessary and, even more importantly, how to make it seem necessary to the customer.



More often these days, having moved long since from sales to journalism, I've been on the receiving end of the sales pitch. And let me tell you, I'm a sucker for the add-on. In just about any area of merchandising, but especially in this age of the mobile handset, I go for extra chargers, car chargers, headsets, Bluetooth headpieces -- you name it and I probably have it for each of the cell phones I own. Oh, and ... don't tell ... but my current contract is up for renewal soon and I'll probably be in the market for new stuff.

Take my word for it -- there is a wealth of accessories and add-ons available for the mobile handset world. And yet, sadly, one of the things I hear so very often is that cellular salespeople frequently fail to utilize all of the resources at their disposal. In fact, the percentage of profit coming from accessories sales is

Technocel's accessory lineup includes the "Technoskin" cases that comes in a universally popular tire-tread style. Photo: [www.technocel.com](http://www.technocel.com).



abysmal considering the plethora of ancillary products at the average salesperson's command.

Wireless retailing guru Edmond Legum hits on this point several times in his book *New Profits in Wireless Retailing*:

"Never say 'Will that be all?'" he writes, and then continues, "Sometimes I wish I owned a chain of convenience stores -- like Quickie Marts or 7-Elevens. Every day they get a gazillion customers in the door to pay for gas, buy soft drinks, chips, or the newspapers. But what do customers usually hear at the point of sale at the convenience stores? 'Will that be all?' ...

"Now think about what happens in your wireless retail stores. Try to visualize this interchange between a salesperson and a customer who buys a new phone:

Your salesperson says, 'Will that be all?'

"Your customer says, 'No, that will not be all, I'm interested in an extra battery, an auxiliary power outlet adapter, earbuds and a leather carrying case. ...

"Our advice is simple: Encourage your salespeople to say something like this: 'You've just bought an excellent phone and service plan. May I show you something that will help you get the most of your purchase?' This magic phrase works almost every time. Most people will allow your salespeople to make recommendations, and when they do they're halfway there.

"But to sell accessories requires discipline. Salespeople must recommend accessories every time -- repeat, every time. Make it mandatory. Nobody leaves the store without at least one accessory recommendation."

Great advice from Legum, and there's certainly no shortage of training or resources or accessories to recommend out there. Leading accessories provider TESSCO, for example, provides not only the accessories but the training to sell them.

"Our whole strategy has included a strength in product breath and depth," says Nick Salatino, vice president -- retail market for TESSCO. "Anything that any wireless carrier or dealer would

# "Fashion is dictating sales these days, even more so than technology. It identifies the person as unique."

want in the world of accessories or OEM (Original Equipment Manufacturer) or third-party or our own brand, Wireless Solutions, we have it."

Not only does TESSCO offer the accessories, they offer the means to sell them, both in merchandising and in training. "We introduced an entirely new way of doing business with our in-store merchandising systems which supported our OEM and aftermarket accessory products in store with the wireless carrier or dealer," says Salatino. The company also offers a "marketing consultative approach, which essentially says 'We're all about helping you sell more products through to your consumers, and therefore helping you build your business and your profitability.'"

Sam Shimanovsky, director of business development for Technocel, also feels the add-on potential of accessories isn't being maximized. "We found that only half the retailers surveyed were happy with their sales efforts," he said. But the potential is there, with Technocel's broad spectrum of products all manufactured by the company itself in factories around the world.

"Fashion is dictating sales these days, even more so than technology," he says, pointing out the company's unique line of "Technoskin" cases -- holders that look like tire treads. "It identifies the person as unique." Also, colors are hot -- moving away from basic black, the company sells distinctive cases in many colors, including pastels like pink, blue and green. "Black is basic," Shimanovsky says. "Everyone sells black. These unique carrying solutions are hot; they come in different colors and patterns." At \$15, it's not at all uncommon for consumers to buy multiple cases, to match the day's outfit. The fashion trend has expanded to headset purchases as well, he says, pointing out a sleek, stylish earpiece. "If they're going to wear something on their ear all day, they're going to pick something that looks good."

But of course there is a difference between merely stocking the accessories and actually selling them, and pretty much anyone you talk to agrees that salespeople must sell accessories, but most aren't doing so. "With the economy what it is today,

you absolutely have to have core accessories right in the store -- vehicle power adapters, travel chargers, headsets, case solutions -- that's where the bulk of the business comes from," says TESSCO's Salatino.

But trends also dictate purchases and, as Salatino continues, "When you look at hot trends, Bluetooth headsets, which are a high-ticket item, as well as memory, have been growing quite rapidly over the last 12 months."

Memory -- talk about something that would have had no relevance in the cell phone world 10 years ago. Memory cards for

Place your advertisement in front of their eyes.

Say you saw it in  
Handsets & Accessories Magazine



TESSCO not only offers a large lineup of wireless accessories, they offer the merchandising systems to help sell them. Photo: [www.TESSCO.com](http://www.TESSCO.com).

cell phones now come in sizes up to 4 GB – larger than the hard drive you probably had in your first computer. And rightfully so, as many wireless handsets have practically become miniature computers (although they do not yet seem to be poised to replace the personal computer, as has been predicted in the past). They are, especially with the advent of the iPhone, becoming much more of the multi-purpose devices they were intended to be with the integration of music players and mobile operating systems. This again offers an opportunity for the add-on sales at the point of purchase.

“Music add-ons are hot,” says Technocel’s Shimanovsky. “Kids don’t want to carry an MP3 player and a phone, so they buy accessories that allow them to put all their music on the phone and listen to it.”

Kids are only one piece of the customer profile puzzle, however, and of course tend to be early adapters. Are the adults getting it too? Perhaps all the buzz around the latest models, particularly the iPhone, is helping what is often a later-adapting group understand the potential of their electronics.

“As consumers, they’re buying handsets and they understand their handsets more,” says Salatino. “They understand their handset can be an MP3 player. Their phone is Bluetooth workable. As more people understand that – and right now there’s a huge opportunity to do that with training - then more of these ancillary products will be sold with them.”

Training, says Salatino, is key. Not just training for the consumer, but training for the sales staff as well, to enable them to educate the consumer. It’s a trickle-down effect that starts with

the store manager. “One of the biggest things we work on is training our dealers and their salespeople so they can train their consumers on the handset device and then the accessories as well,” says Salatino, emphasizing that training store management

day they would not sell a gazillion copies, but they might sell a zillion. And that’s called making the most of your traffic flow.”

Cell phone accessories may not be a TV Guide, but they may not be far from it. After all, with the number of cell phones in


“There’s still tremendous opportunity for (retailers) to increase their accessories sales more effectively ...increase impulse purchases, and act more like a typical generic retailer would act as opposed to just being a service provider.”

is crucial. “There’s 30 to 40 percent turnover in salespeople in some cases. That’s why we train the managers as well. There’s a lot less turnover, and they’re able to train their salespeople as they come through.”

Salatino does feel that accessories sales are being maximized much more now than they used to be. “If you’d asked 10 years ago (if salespeople were making the most of accessories sales) I’d have said absolutely not. Now as the market has matured more dealers have realized that to compensate for making less commission on handset sales and residuals they’ve had to find other ways to make that up, and they have turned, rightly so, to accessories. That said, there’s still tremendous opportunity for them to increase their accessories sales more effectively, increase their multiple purchases of these products, increase impulse purchases, and act more like a typical generic retailer would act as opposed to just being a service provider.”

The idea goes back to what Legum says about convenience stores. The items are there, the customer flow is there – it’s simply a matter of making the most of it. He writes, “I might recommend to these stores that they train their people to ask one question: ‘Do you have this week’s TV Guide?’ Because I know a secret – most of the people in the United States own a TV. And if they handed the new TV Guide to a gazillion customers every

the U.S. approaching 3 million, and with restrictions on driving with cell phones increasing, a Bluetooth headset or car kit is almost as necessary, if not more so, than a TV Guide. It’s simply a matter of letting your customer know that he can get what he needs from you. “The cold reality is these accessory products we’re talking about are available at Best Buy, Wal-Mart, grocery stores even,” says Salatino. “Execute those strategies at store level to maximize the opportunity.”

Well then ... while it’s vastly too late for me to improve my sales of teddy bear accessories, for you who deal in mobile handsets the market is there. It’s just a matter of pointing out to your customers that there are all kinds of goodies available to them in the way of add-ons, and that you have those goodies right there on your shelves. 

learn more

Technocel: [www.technocel.com](http://www.technocel.com)

TESSCO: [www.tessco.com](http://www.tessco.com)

Edmund Legum: [www.hownet.com](http://www.hownet.com)