

# Concept of Cross Selling and Up Selling

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**ABSTRACT:** Sales can be very difficult. In an attempt to improve sales, small-business owners often turn to seminars, books and web pages that claim to offer sage advice. Unfortunately, many of them throw around a lot of complicated strategies that require you to memorize a set of rules or techniques. A far simpler way to improve sales is to familiarize yourself with the simple concepts of up-selling and cross selling. Though fairly simple to understand, these concepts can boost your sales significantly when put into practice well.

**KEYWORDS:** Cross selling, Organizational performance, Revenue generation, Up selling.

## INTRODUCTION

People who manage sales have to achieve growth. There are different ways that this can be achieved: 1. Sell more to existing customers 2. Prevent existing customers from going to a competitor 3. Find new customers 4. Sell new products. The challenge for many people in sales is to increase their client base by finding new clients. However, the opportunity inside your current client base is not known by many salespeople. Cross distribution is where we offer to current consumers new goods [1]. In principle, they would be able to know about other providers or goods if we have a happy client who has been glad about our business. This style is pushy and awkward for many people in sales. Since you like you need to market a supplementary product and then shut it up. All the hypertension stuff! The response is that you should not have to jump into a sales pitch under heavy pressure. It is three times more compelling to pose questions than to give details. Say, for the risk of damage and maintenance you sell buildings insurance cover. You've done a decent job with many pleased clients. You also sell policies for contents, but it's more risky than big insurers. At this point, most people are giving up and are not trying to cross sale [2].

The key to cross selling is to ask questions. In this case 3 questions are enough: 1. who covers you for your house insurance? 2. Do you know the renewal date? 3. Would it be okay if we contacted you around then to discuss our house insurance policy and give you a quote? Since most salesmen are not trying, they struggle. You persuade yourself that the client is not involved and thinks over denial [3]. At the end of the briefing, the best salesmen take a couple of seconds to ask easy low pressure questions about whether there is a chance to cross-sell. Upon sale, we are trying to decide what the consumer has ordered from us actually wants. Salespeople also sell cheaper rates and it is easier to sell. It is a very popular feature. If the consumer considers it to be the incorrect answer, however, this will lead to further issues. The response, again, is to ask questions that are correct. First of all, discover the truth and then take the incorrect option. At the end of the day the consumer has to make the right decision. As salespeople, we need to provide the right approach to ensure that the consumer knows the implications of 'down buying.' Again, the fear is that we will be blamed and we will lose the consumer for good if we do not give the right solution and things go wrong [4].

## LITERATURE REVIEW

### 1. Upselling:

Upselling is a distribution technology in which customers are given a more economical substitute or an add-on to the product they purchase. For example, a bigger screen for a consumer looking at TVs or adding a promise to the product being sold might include an upselling example.

## 2. *Cross-selling:*

Cross-selling offers an extra good or service not provided by the initial product. For example, a client who opens a checking account is given a credit card. They are similar items that the consumer can find helpful, but not overlapping.

## 3. *Difference between upselling and cross-selling:*

Sales and cross-sales are frequently interchangeably used in sales discussions, but in fact two individual individuals. You must consider the distinction between the two and what they mean for the consumer to properly incorporate them in your company. The most well-known example to show the distinction between upselling and cross-selling is McDonald's. "Would you like to Supersize that?" is a classic upsell, while "Would you like fries with that?" is a cross-sell. One is adding to the product you have, while the other is offering a completely different, but complementary, product.

The airport is another example. A lift from economics to premium class is rising. The food and castors they give for sale on the aviation are a cross-selling. In order to sell, then, the buyer is convinced of the value added to a higher price good. Cross-selling involves seeking items that boost the experience of the client. Up-selling and cross-sales are closely connected and helpful to raise your benefit and to predict the needs of your client. To excel, however, you must understand fully what your clients are searching for and deliver those goods that reflect your understanding at the right time.

## 4. *Importance of upselling and cross-selling:*

There are 6 reasons that both you and your customers want upselling and cross-selling:

### 1. *Increases Profits:*

There is no wonder that a client who spends more would make more money for his institution. Your market success does not necessarily mean that you keep the clients you have: the wallet allowance for new customers must continue to be expanded. Your real customers may be the great untapped market for your business: among customers who trust their Bank deeply, for example, just 25 per cent of their full investment is committed to their principal bank. Once you have gained your customer's trust, there is still an incredible amount of investments they could be making with you if you use upselling and cross-selling to your advantage!

### 2. *Increases Customer Loyalty:*

When corporations are dreaming about upselling, grey car sale practitioners too often dream about providing a few dollars of services and goods to consumers. But this cannot be far from the facts of fact. The point of change is to make a knowledgeable decision for the consumer. It shows that you care for your clients and that you expect them. Currently, up sales and cross-sales are closely linked to the loyalty of consumers [5]. They develop loyalty for the banks that they feel look out for their financial well-being. In the sales industry, consumer loyalty can be a problem: consumers sometimes show dedication and leave early. Any steps organizations may take to improve their loyalty can reduce the risk of customers leaving, particularly new customers. In addition to reducing turnover rates, consumer loyalty provides the greatest opportunities for free promotion. There are few individuals in the information age who can trust an organization with their corporation without first evaluating it. Happy clients are the best source of advertising you can't buy [6].

### 3. Increase in ROI:

It may be an expensive endeavor to sign up clients. Relieving your clients and cross-selling them would allow you to easily see a return on your investment and get a better return. You have already done your business effectively to advertise, find and sell your clients; your business would be smart to get from the relationship as far as possible [7]. When you ignore selling and cross-selling, people leave money at the table. Provides consumers with goods that are important as far as possible to what they desire.

### 4. Increases Customer Lifetime Value:

It would not only boost the initial benefit once the customer has been signed, but also enhance the customer's total worth over their lives. For example, if you sell a credit card for a new house after a home loan to a buyer, you would bring a lot of benefit over the years than you will with a mortgage payment alone[8]. You not only raise the worth of your lifetime by increasing the price you purchase, but also increase your loyalty. A client who is committed to you will see a lot more. Increased brand satisfaction will once again pay off in the long term [9].

### 5. Balances Growth between New and Existing Customers:

Data has shown that the rising retention of consumers by just 5% raises earnings by anywhere from 25% up to 95%. It is also important to maintain a balance between the clients you signed in and the ones you lost for your institution's sustainability. Keep your new customer safe in order to help make a profit for your company [10]. Although new customers are a healthy target, note how the customers that you sign up should be kept in mind. This can be achieved by upselling and cross-selling. It would be most likely for consumers to remain who believe that an organization continues to fulfill its needs by providing appropriate and supportive goods and services.

### 6. Offers Convenience and Flexibility for Customers:

The benefits of upselling and cross-selling are not just for businesses. In fact, it works so well for Companies and it fits well even for clients. When they have a certain good or service, often clients do not want to shop for a different institution. They don't have to gamble for a different business to get what they need by giving them additional opportunities or specific add-ons. If you know what you have, most consumers will stick in their favorite products. You can start their company by informing them the appropriate goods and services because you have built customer trust. You should give them ease of being with you and the versatility for deciding what they need when selling or cross-selling to a client.

## CONCLUSION

The introduction of traditional ad campaigns with a variety of capital may be very costly. For this purpose it is important to select a prospective consumer category. As the company's money, consumer management demands research and evaluation that ultimately results in their worth being handled. Business users, in turn, need suitable amount of time to identify the most important aspects of expected information. Presented in the article, Cross- and Up-selling methods may be the source of time and money saving, both in case of planned promotional campaigns as well as in customer service. There are a number of circumstances objectively confirming above.

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