

Upselling: where the money really is

[Business](#), [Company](#)



Suggestive selling, or upselling, is highly criticized sales technique that is still used daily by companies. While some iterations are outright illegal, some walk a fine line. More and more we are faced with it in our daily lives, but as we get used to it, we don't know exactly what to make of it. For those that are still deemed legal in many countries, is it really ethical to use it on customers?

What exactly is upselling?

According to the [businessdictionary.com](https://www.businessdictionary.com/definition/upselling.html), upselling is "A sales strategy where the seller will provide opportunities to purchase related products or services, often for the sole purpose of making a larger sale." From asking if you would like fries with your order, to offering a different product with, apparently, far more functionalities, upselling has different facets. This method is used to increase profit from someone that already went through the first part of the sales funnel. By already showing interest in a product, the seller only needs to convince you that you can end up getting a better bargain with more expensive items.

There are many ways one can upsell to a customer, but it usually involves the seller steering the conversation towards the bigger purchase. The issue arises with the motivation behind the employee to do so. While most have a sense of integrity, commissions and compensation packages push the employee towards convincing potential customers at all cost. This can lead to misleading and lying to susceptible suspects. This is self-preservation and putting oneself before others, acting egoistically.

Bait and Switch

Bait and switch is the illegal, in most countries, iteration of suggestive selling. Is it when a seller act in such a way that the product served as bait (cheaper), becomes unavailable or is bashed by him in such a way that it becomes an uninteresting alternative. This technique is used to solve the “door” problem. To get your foot in the door, you make a very attractive offer that any consumer in their right mind couldn’t refuse. It is willfully misleading and unethical. In recent times, a small portion of businessman tried to argue that an ethical version, which would be in the customer’s best interest being put front and center, could be possible. But while manipulating to improve the welfare of the state would be positive, it could be argued that it is morally corrupt.

A common misconception is that upselling and Bait and switch are synonyms, as they quite similar, but BAS starts in another part of the sales funnel. For it to be BAS, the attraction part should be misleading or a device to use further down the road. This misconception is so common that the US version of Consumer Report had to issue a statement as many were reporting practices they thought unlawful, when they were operated in a rather dubious way.

The airline situation

Most airlines couldn’t survive without upselling. In a very competitive environment, and the rise of Low-Cost airlines, listing an attractive price, striped of all benefits, has become the modern business model for most companies. These low prices also mean that their profit margin is largely reduced. To combat this, airlines offer add-ons to “enhance” the customer

experience. These add-ons, from extra leg room to an improved meal, have higher margins and come at almost no cost for the company itself.

With the advent of online shopping, it has become more difficult to upsell to customers. This is where dark patterns and flexible pricing comes in. Dark patterns, are ways to induce a potential customer to sign up for more than what he initially wanted. By altering the user interface in such ways that more expensive offers seem more compelling. Playing on human instinct, it replicates general human upselling by pushing interest towards the better option for the company. While legal, it is widely criticized by users in general; as it makes simple purchase difficult and can sometimes lead to mistakes. Companies willingly let these mistakes go, as they aware of the human psyche. Most won't ask for a refund, as the bureaucracy can be daunting. Legal? Yes. Ethical? No.

On the other hand, if such techniques weren't allowed, it would prove difficult for some airlines to stay competitive. They might be acting in an egoistic manner for their sole survival, but the fact that they are competitive and only some suffer from higher costs, can be beneficial to society. An argument can be made that if some airline companies were to go down, price could go up and have a long-term negative effect on the sector for consumers. To maximize the total happiness and for most users to profit a lower price, some have to pay higher fees.

Down on earth

Car dealerships: The land of greed, manipulation and high compensation packages. Cars are well known to be one of the products that is the most

used to being upsold. Sales team are highly competitive and quarterly rankings are will push everyone to achieve their quota. An even bigger trick is that the buyer is convinced that he'll need all these options. Only further down the road that he'll understand his mistake. While lawful, practices in car dealerships are regarded as highly unethical. Their business model is based on convincing customers to take most of the options. This drive to up the cost can have dreadful results as it can brings financial troubles to susceptible potential buyers.

In its inception, the business of selling cars wasn't as gloom as now. But as other sectors found out, the upselling business was where the money is. It is solely driven by human greed and while, it may have had a positive outcome on the economy, it was only a collateral effect.

A new generation

With the rise of independent workers and online services, a new wave of online business gurus rose up to the occasion. Preaching arguably unethical behaviors and saying that the results justify using shady business tactics. With more competition than ever in every field, moral compasses around the globe are slowly fading. A product of society made them reevaluate where the line should be and emphasized the benefit for oneself. This is part of a change in morals and behaviors across generations, as it always reflects society and isn't anything constant. Deemed as the decline of human morals by the academia, it can also be seen as simple evolution and adaptation to the rising population. One's action can only be judged in the events that lead to it.

An ethical grey area

With varying degrees, how can someone know where the ethical line is? A radical viewpoint would see any suggestion motivated by anything other than the willingness to help, unethical. Following this logic, almost every business would be acting in an unethical manner as it is now part of the foundation and business model of most companies. Others argue that a seamless offering is far better than aggressive sales tactics. And a businessman will argue that it needs to in order to keep being in business.

Conclusion

Upselling in itself isn't unethical. It's the reasoning behind and the consequences that can define how the act should be seen. Unfortunately, reasoning isn't compelling enough to explain a jury, so the law has a difficult task in seeking through and finding what can be deemed illegal. As motivation and human nature keep changing through years, we might become even more accustomed to it. On opposite view, our growing self-awareness may reach a breaking a point where we won't accept these practices anymore.