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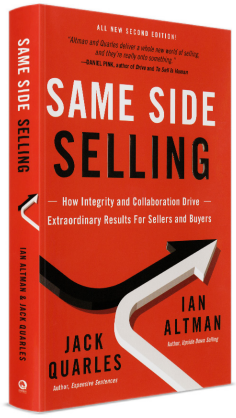
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Sales

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Same Side Selling

How Integrity and Collaboration Drive Extraordinary Results for Sellers and Buyers



by **Ian Altman and Jack Quarles**

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THE SUMMARY IN BRIEF

The most widely used metaphors in sales are those related to sports, battle, or games. But this mindset requires that one person wins and the other loses. Instead of falling victim to a win-lose approach, what if you shared a common goal with potential clients? How might things change if clients felt that you were more committed to their success than making the sale?

Same Side Selling gives practical steps to overcome sales barriers and turn confrontation into cooperation. Since the authors are a salesman (Ian Altman) and a procurement veteran who understands how companies buy (Jack Quarles), both the buyer's and seller's perspectives are baked into every sentence of the book. The aim is to replace the adversarial trap with a cooperative, collaborative mindset.

Same Side Selling presents sales as solving a puzzle instead of playing a game. Sellers who implement this approach will be seen as valuable resources, not predatory peddlers. Discover how to sell with integrity from the same side of the table for better results all around.

IN THIS SUMMARY, YOU WILL LEARN:

- Why better selling is more like a puzzle than a game.
- The importance of fit rather than closing the sale at all costs.
- To narrow your market and educate, rather than convince, your prospects.
- To stay involved after the sale to ensure great results.

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Stop Playing Games

The most common metaphor for selling and negotiating has been that of the game. How many of the top sales books of the last half-century feature the words "game" or "win" in the title? How many coaches and athletes have written books about business success?

In a game, one side wins and the other side loses. An adversarial mindset is implicit from the start. Making matters worse, many sellers, when faced with pressure to "hit their numbers," seem more interested in selling what they have in their bags than in finding the best solutions for their prospects.

Once buyers have been burned once or twice with solutions that did not fit their needs, they stop trusting the sales professionals. It should come as no surprise that some buyers have determined that the best way to protect themselves is to keep sellers at arms' length and in the dark.

The New Metaphor: Selling Is a Puzzle

Let's bury the metaphor of competing in a game and replace it with the metaphor of solving a puzzle. Selling is not a game. In a game, you are playing. In a game, there is a winner and a loser. Over time, you build a win-loss record. In a game, you sit across from your opponent, trying to win.

Selling is a puzzle. With a puzzle, you are solving. With a puzzle, you create something. Over time, you build a history of value. When working on a puzzle, people sit on the same side, determining if pieces are a good fit.

The puzzle metaphor is simple, but adopting it in practice is not easy. A puzzle-based, Same Side Selling approach has implications for every step of the sales process and the client relationship. The first step of Same Side Selling is to embrace the idea of solving a puzzle instead of playing a game. For the new puzzle metaphor, we also need a new acronym.

FIT: Finding Impact Together

Same Side Selling can be remembered with the acronym FIT, which stands for Finding Impact Together. Finding Impact Together is a mantra that can be useful at nearly every stage of the sales process and customer relationship.

Finding means discovering. It often involves teaching, sharing, investigating, or diagnosing. It also means that the outcome is unknown: What you are seeking might be there or it might not.

Impact is not about your product or service. What you are selling matters, but what's far more important is how your offering solves someone else's problem. It's not about you or what's in your bag. It's about the customer's problem and solving it. Finding impact means mutually agreeing on why the client needs help and what the likely results of your solution will be.

Same Side Selling is **collaborative and cooperative**. Those are positive, friendly words that align with an integrity-based approach to sales. As we will discover, putting the client's perspective first yields better results with less effort. While no one wants to be sold something, nearly everyone could use help with solving a problem.

Be Unique

Instead of trying to dominate in a crowded field and chasing every prospect, the most successful sellers know exactly what they bring to the marketplace, and they focus on the areas where they can have the greatest impact for clients. Their offerings are not shifting or vague; they are as clearly defined as the outline of a puzzle piece.

Because it's all about finding the right fit, Same Side Selling requires a clear definition of your unique value proposition. You must understand which problems you can solve and which you cannot, who your best prospects are, and who would be better served by someone else. The puzzle metaphor is a helpful reminder. Because of its distinctive shape, a puzzle piece is of great use where it fits—but only where it fits.

To determine the unique shapes and designs of your puzzle pieces, you'll need to answer a few basic questions: Whom do you help? What do you do to help them? Why do they need your help? For many organizations, it is a struggle to uniquely define your who, what, and why.

The traditional elevator pitch presents two basic pieces of information: who we are; what we do. This pitch starts and ends with the seller. The customer may be mentioned in the mix somewhere, but it's pretty much all about the seller. This seller-centric approach will rarely engage the other person, and it may lead straight to the adversarial trap.

Create a Same Side Pitch

The Same Side pitch starts with the customer's challenge and ends with the customer's success. Let's examine the building blocks.

Your best prospects are not looking for products and services; they are looking for solutions to problems. They are looking for results.

Pitch Element 1: "Companies come to us when …" The most successful pitch will resonate with the prospect's pain. So, what are your prospects sick and tired of? Where is the customer pain that you can relieve? What are the best words to describe it? These are essential questions in defining your role in the marketplace. The most effective statements of customer pain are often raw and real.

Pitch Element 2: "We help them by …" The second part of the Same Side elevator pitch explains what you do to help your clients. The good news is that this is the easiest part of the pitch to write. All of us can describe our products and services in colorful detail. The bad news is that this is the least important part of the elevator pitch. In fact, too much of the "what" element in a pitch is distracting and can be counterproductive.

Your best prospects are not looking for products and services; they are looking for solutions to problems. They are looking for results. When a salesperson elaborates on features and details without first connecting to a prospect's problem, those words are wasted.

Pitch Element 3: "… so they can …" The Same Side Pitch is no more (and no less) than a before-and-after comparison. The prospect needs a clear picture of a problem she relates to, followed by a compelling vision of what life will be like after this problem is eliminated. Your solution is what brings about the transformation, so the third element of the Same Side pitch is the "after" picture, which defines that impact. It describes the success that your clients will enjoy when the work is done.

Consider this example:

Old Elevator Pitch: "We are a technology company that provides IT outsourcing services."

Same Side Pitch: "Companies come to us when they are sick and tired of investing a ton of money in their IT team and wondering if they are keeping up with technology. We take that off their plate so they can focus on their core business."

Narrow Your Market

The next step is to find someone to build a puzzle with you. In other words, you want to qualify your prospects. Your goal in qualifying sales prospects is simple: Find people who not only face problems you can solve, but also recognize those problems and believe they are worth solving.

Determining which prospects are worth your time and which ones are not is essential to your success. The ones who are not a fit—you can call them non-prospects—pose a great danger to your business because they have the potential to suck in your energy and resources like a black hole. When too many prospects are pursued before they are adequately qualified, sales teams expend resources chasing bad deals and pay inadequate attention to the good ones.

Entice, Disarm, Discover

To get (or stay) on the same side, let's build on the understanding that you are not the best fit for every potential client, nor is every prospect a good fit for you. Focus on this with a specific question: Of all the prospects that you meet, what percentage of them are likely to become paying customers in the short term? Most sellers say the number is less than 5 percent, but nearly everyone agrees that the number is less than 50 percent.

Whatever your number is, it shouldn't depress you. In fact, let's use it as part of a highly effective tactic to quickly qualify a prospect. The formula is,

Entice. Entice the customer by identifying something you have that might be of interest.

Disarm. Make it clear that you are not there to sell but want merely to see if there is a fit.

Discover. Trigger a discovery phase in which you learn about them (instead of spending a meeting talking about your stuff).

For example, let's consider a benefits insurance broker called Potomac Companies, Inc. The Same Side pitch for Potomac Companies starts with their typical client's eleva-

tor rant: "We hate the trend of our healthcare costs growing from $1 million to $2 million over the next seven years. We'd rather have that money for other things."

Potomac Companies' formula to Entice, Disarm, and Discover sounds like this:

(**Entice**) We work with clients who are currently spending $1 million on insurance benefits and who realize that if costs are left unchecked, that number will grow to $2 million over the next seven years. At that point, clients will have spent an additional $3.5 million. They tell us they have other things they'd rather do with that money. For the right clients, we can help them reduce their future healthcare costs.

(**Disarm**) We find that we can have a dramatic impact on less than half of the organizations we meet with about this issue. But if addressing those cost increases is important to you, (**Discover**) we'd be happy to speak with you to learn more about your situation to see if we can help.

This situation seems like a flip of the usual selling dynamic, and it is. But Entice, Disarm, Discover is not a manipulative Jedi mind trick. It is based entirely on integrity and reality.

Potomac tracks the progress of each client and finds that they can have a dramatic impact for about half of the companies with whom they meet. They even provide a scorecard that illustrates where they believe they could have the greatest impact. This combination of awareness and openness demonstrates to the client that Potomac is focused on solving the client's issues and delivering results.

Acknowledging that they might not be able to help the prospect takes Potomac Companies out of the category of "someone trying to sell something" and puts them on the same side as the buyer.

Get to the Truth as Soon as Possible

Let's focus on the two factors that drive when a buyer will be ready to spend money for your solution: urgency and readiness. Urgency is the perceived severity of the problem you would solve. Readiness is the buyer's ability to realize a benefit from the solution you offer.

Failing to assess urgency and readiness increases risk: the risk of spending too much energy on the wrong prospect, the risk of losing the sale because of insufficient understanding, and the risk of selling into a situation where you are not positioned to have a positive impact.

Same Side Selling requires getting to the truth about the buyer's situation. Think of this step as turning all of the puzzle pieces right-side up. After all, who would try to solve a puzzle with the pieces upside down?

You can think of the process of turning pieces right-side up as a diagnosis. Taking the time to diagnose a prospect's situation can set your company apart from others.

Fortunately, all of us have seen diagnosis modeled well. The field of medicine illustrates the importance of uncovering the meaningful details of a patient's symptoms as well as sound tactics to get to the truth.

You visit a doctor and say that your elbow hurts. The physician looks at you and says, "Yep—It's tennis elbow. I'll schedule you for surgery tomorrow." Would you feel confident in that course of action? Or would you run from the office, never to come back? The medical metaphor not only helps with the process but also reveals the intent. Same Side Selling is about getting to the truth as quickly as possible.

Understanding the Buyer's Urgency

No matter what you are selling, your success will largely be driven by the buyer's sense of urgency. As a rule, the buyer should have at least as much urgency as the seller.

Traditional lead qualification centers on budget, authority, and need. A simpler and more predictive path to qualify urgency is to uncover the buyer's issue, impact, and importance:

- **Issue**: What problem is the client organization trying to overcome, or what is their goal?
- **Impact**: What happens if they don't solve the problem? What downstream problems is it causing?
- **Importance**: Compared to other things on the client's plate, how important is this?

This framework provides a strong indicator of urgency and is a shortcut to Finding Impact Together.

Their Readiness Is Your Concern

If your only goal is to sell, then the buyer's ability to benefit from your sale is simply his responsibility. But if you are solving, not selling, then the client's readiness is very much your concern. You should not move forward until you know that the client can implement your offering to achieve the desired results.

The sale itself is not the finish line. To ensure that your prospect's organization can enjoy the impact from your

solution, what tools or processes must they have in place? When you think back on some of your spectacular client success stories, you can probably identify factors that expedited success. With the failures, those key factors may have been missing. Depending on what you sell, the cause of a failure may be technical, organizational, or political.

Be An Educator

Now we're ready to sit down on the same side and start solving that puzzle to see if our solutions are a good fit for the client's challenges. But before you can assemble the pieces, you need to put them all on the table. In selling, this step translates to education. By educating your prospects, you help them understand that you are not only unique but also uniquely qualified to solve the problem they face. Education can also sometimes help prospects see the impact or importance of their issue.

The purpose of educating is not to convince but to include a prospect in your perspective or knowledge base so that you build a mutual understanding.

The ubiquity of information today might suggest that the role of the educator is less important. In fact, the opposite is true: Because there is so much information, there is a desperate need for teachers who can navigate the sea of data. Buyers need to find the right information in the right context.

Educating is not about the product or even about the seller; it's about the buyer. Education begins with the buyer and ends with the buyer. More specifically, it begins with the buyer's challenge and ends with the buyer's overcoming the challenge. Everything you need to teach connects to that beginning and that end.

Throughout the process, keep thinking FIT: the buyer and seller are Finding Impact Together. You are teaching with a goal of action. Your tactics need to reflect this goal.

Mastering the Third-Party Story

In the quest for action, the student (or buyer) needs to actively gain insights and come to realizations. A great tactic for helping a prospect move to action is the third-party story. It shares a challenge or success to which a listener can relate. It offers an opportunity for a buyer to buy in and say, "Yes, that's just like me!"

Here are a few examples of third-party stories used to illustrate the impact of a prospect's challenge: "Some of our customers find that after the training, their teams don't really have the tools to follow up. How might follow-up be a challenge for your organization?"

"Some companies find that while the local print shop has good prices, they end up spending too many hours on design and communication. How do you address that?"

The components are simple: a real example with a problem that the listener might relate to and then an invitation with an open-ended question.

Educating the prospect is another step in qualifying the opportunity, for both the buyer and the seller. To confirm that your puzzle pieces fit together in a way that can deliver high impact, the buyer's organization needs to

- Have the problem or challenge that you can help them address;
- Be in the right demographic categories;
- Be willing to spend money to solve the problem;
- Believe that YOU can help them. That belief will be based on your understanding of the buyer's situation much more than on your experience, product, and product features.

Focus on the Fit

"What is the procedure you use to do that? We need to understand your methods better."

"Your competitor is using technology X on their back end. Is that what you use?"

"Do you have certification in XYZ?"

It's natural for buyers to ask questions like the ones above and for sellers to want to share details of their solutions. Details become a problem when they take center stage and either the seller or the buyer loses sight of the overall impact of a problem or its solution.

Go Beyond Features and Benefits

Features lead to benefits. The conventional wisdom is that good marketing and advertising emphasize the benefits, and that is why people buy. People don't buy Volvos because they have more airbags than other cars; people buy Volvos because they are perceived as being safe.

A product's features are NEVER as important as the buy-

er's problem. In fact, they are relevant only if they address the problem. Discussing features apart from how they directly apply to the client's situation is a waste of energy. It is not about you. It is not even about your achievements or capability. It is about the client's problem. Clients don't want your brilliance and gadgets; they want results.

The term "results" is necessary because "feature" is about the product, and "benefit" is based on the feature. Neither term originates with the buyer or her problem. That's fine if you are just selling or playing a game of sales. To sell from the same side, though, you need to come from the buyer's point of view. The best way to accomplish this is for you and the buyer to focus on the results.

Sell Results Instead of Resources

A resource is essentially a tool. It is a means to an end. When a person buys a tool, it's up to the buyer to use it correctly and to get the right results.

In contrast, a results purchase solves a problem. Buying results is more comprehensive. It implies that the risk shifts to the seller, because the seller will manage the resources to make sure the job gets done. The buyer is paying money to remove a problem. The buyer is buying the expectation of an outcome, not the supply of a resource. What does this distinction look like?

- A resource-based lawn services company sells hours of labor for such tasks as mowing yards and weeding flower beds. A *results-based* lawn services company sells well-groomed yards that its clients can enjoy on the weekends.
- A resource-based accounting firm sells on-call accounting support, report preparation, and strategic input. A *results-based* accounting firm sells compliance, reliable reporting, and peace of mind.
- A resource-based customer relationship management (CRM) software company sells a software package that includes service modules and database management. A *results-based* CRM software company sells effective customer management and communication.

On the surface, the items in each pair look similar. They might be nearly identical in price and delivery. Yet, the distinction between selling resources and selling results is profound in the way the purchase is viewed by the seller and the buyer. It shapes the perception and reality of the sales process and the ongoing relationship.

Don't Force the Fit

Traditional sales training goes deep and wide on how to close the sale, overcome objections, persuade prospects, and upsell buyers. Behind these tactics are two working assumptions: that a sale is better than no sale and that a bigger sale is better than a smaller sale.

The practice of restraint is more important than upselling. Being willing to say "no"—even when the buyer is ready to say "yes"—is an essential element of Same Side Selling.

When you force the fit during a sale, you are almost always doing one of the following or a mix of both:

- Selling services outside of your expertise.
- Selling a solution to a problem that the client doesn't have or perceive.

The puzzle metaphor is useful here. You might pick up two pieces that looked like a fit and move them close to each other. But if they don't match, you're certainly not going to mash them together. Yet, in the context of sales, the adversarial trap tempts sellers to make a sale fit, even if it doesn't.

There is no fail-safe diagnostic to determine when a seller is forcing the fit. But these questions will point the way:

1. Are you being completely honest and open about the solution? Honesty is the first standard. If you have in any way misled the buyer, allowed her to have the wrong perception, or overstated your capability, then you are probably forcing the fit.
2. Would your solution be in the best interests of the owners of the buying company? This question is a bit different from "would the owners approve of the purchase?" because it requires you to apply your expertise about your own industry and solution. Think long-term and try to suspend your healthy bias about your own capability.
3. Would your board agree that this project is in line with your company's strengths and strategy?

If you put the opportunity through these questions, does it look more like a fit or less like a fit?

If the answer is still unclear, the Same Side approach is to err on the side of restraint. This contradicts the Always Be Closing mentality that many (if not nearly all) sales professionals have been taught.

Same Side Selling means ensuring that your clients or prospects see that you are looking out for their best interests.

Sell Value, Not Price

News flash: Buyers often focus on price. In many cases, your initial conversation with them might be primarily about price. Unless you can present price in the context of your overall value, you'll end up in an adversarial trap where the buyer sees your products and services as commodities.

When your clients or prospects do start to give you a hard time about price, that's often a sign that you did a less-than-stellar job of helping them see your value. You might see pricing pressure for the initial sale, or you might see it when clients are ready to reorder.

See the Big Picture––and Share It

The old-school salesperson had a goal of selling at all costs. Same Side Selling means ensuring that your clients or prospects see that you are looking out for their best interests. The initial purchase price might cover your transaction but not their eventual investment. The total cost of ownership is their real cost. It is your job to illustrate all of the costs of their project—even the ones you don't control.

The self-interested salesperson might be afraid to open the client's eyes to other costs, but transparency is central to value and long-term business relationships.

Getting the total cost on the table sounds easy, right? All you need to do is create a spreadsheet that shows every cost related to your work. You can then hand it to the client, and she will understand everything, right? WRONG.

Getting the total cost on the table is a collaborative process. It's important that the buyer understand and take ownership of the final figure, but the seller can add value by guiding the process of identifying the total cost. Here again, third-party stories can be useful.

One such story might sound like, "For a recent client, in addition to our software license of $200,000, they also needed a server for $20,000, and they needed some additional training and development totaling about $100,000. How similar might those costs be for you?"

Compare on Value, Not Price

Sometimes your solution costs the same as your competitors' offerings. In that situation, you can compete either on price or on value. The problem with competing on price is that the customer who switches from another vendor to you because of price will also switch from you in the future for the same reason.

Never get caught in a discussion of price when you have the opportunity to discuss value. Be clear about where you add value for your client, and engage in meaningful discussions to ensure that you share a common belief about the reality of that value. Remember, if the client doesn't seem to have the vision, this might be a good time to share a third-party story about how similar organizations have realized value.

Deliver Impact

If you navigated through your sales process with Same Side Selling and found a fit with the buyer, then congratulations are in order! The sale is made, the deal is done, and the ink is dry. The moment is worth savoring.

Remember, though, the sale is not the finish line. The sale itself is not the goal. The sale is a necessary step toward the goal. Early in the sales process, you worked collaboratively with the buyer to Find Impact Together (FIT), and you defined the value of your solution. Now it's time to ensure that your client realizes the outcome or results you discussed.

Stay Involved

After a sale, there is often some sort of handoff from the salesperson to an account manager or project manager who takes responsibility for the customer relationship. This transition is delicate. It can lead directly to the adversarial trap if the buyer thinks the person with whom he has built a relationship was there only to win the sale.

The person who led the sales process should always be engaged throughout the project. If this isn't your company's policy, do it anyway. Staying in touch with the buyer does not have to mean a huge investment of time. Even when

the salesperson has no formal role after the sale, it is simple to reach out to the buyer.

Here's an example of how the salesperson can start a check-in conversation with the client: "Bill, it's been two months since we implemented. I've heard good things, but I wanted to hear it from you. On a scale of 1 to 10, how would you rate how things have gone?"

Bringing Others to the Same Side

Implementation often means bringing new people onto the project, particularly if some stakeholders were not involved in the buying process. The result is that even after the sale, some of the key people on the buyer's team might not yet be working from the same side. They might have an adversarial mindset toward you and your team or have a habitual mistrust of vendors. They might even have preferred another vendor that was not selected. Whatever is going on, you need to get everyone up to speed and on the same side.

When you bring other people into a project, this is not the time for rosy optimism or the expectation that everything will go perfectly. A far better way to disarm the new people and build teamwork is to be realistic about the effort required and the risks you might encounter.

Suppose you sell technology solutions, and from experience you know that if the customer's staff does not attend training, the project is likely to fail. You might emphasize this to the buyer by saying, "We are going to design a great training program and have fantastic support. However, if people do not attend the training, it could make the rollout problematic. What can we do together to avoid that situation?" For whichever problems you anticipate, you want the client to be an integral part of finding the solution.

Practicing Same Side Selling will help you achieve more success with your clients than ever before. As you approach the conclusion of a project or client engagement and you see that you have delivered impact, this is a time for recognition, appreciation, and celebration. This is more than just feel-good-ism or a hollow trophy ceremony. It is strategic.

Celebration provides a time to tell a story with a beginning, middle, and end. The beginning was the problem that was causing the client pain, difficulty, or loss of some kind. That problem also led the client to you, and you mutually discovered a good fit. The middle was your working together. The ending is the outcome, where the problem is solved.

When you take the time to appreciate your unique value, focus on the right opportunities, uncover the truth, and then share your wisdom, you will find yourself on the same side of the table as the buyer.

Wishing you happy solving and Same Side success!

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Ian Altman is an author, strategic advisor, and internationally sought keynote speaker on integrity-based sales and business development. He draws on two decades of experience as a services and technology CEO as well as on research on how customers make decisions, to deliver an approach to selling everyone can embrace. Jack Quarles is an international speaker, trainer, consultant, and best-selling author on Amazon. Focusing on making improved investments of time, money, energy, and focus, he has founded multiple startups and saved companies millions of dollars.

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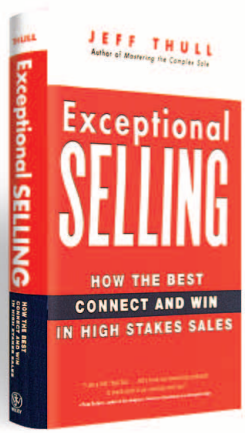
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FILE: SALES



By Jeff Thull

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How the Best Connect and Win in High Stakes Sales

EXCEPTIONAL SELLING

THE SUMMARY IN BRIEF

Exceptional Selling *is a practical guide to sales success that shows sales professionals how to avoid the many traps of self-sabotage brought about by pressure and traditional sales approaches. It shows sales professionals how to create a different kind of relationship with the customer and use powerful diagnostic principles to reframe the typical sales conversation into open, honest and straightforward communication.*

Even today, with so much sales experience in the world, the marketplace is cluttered with seminars, consultants, trainers and books that espouse antiquated approaches to selling. The goal of this summary is to show you that by replicating the practices of top-performing professionals, you'll learn new, exceptional ways to sell that can set you apart and pull you ahead of the pack. Those of you looking to notch up your skills in order to compete effectively in an ever-evolving market will see that fine-tuning some areas of your approach can have a major impact on your results.

Sales professionals and entrepreneurs will also be warned about the pitfalls that can get them into trouble, such as creating "dangling insults" that can shut down conversations with both customers and best-qualified prospects. Sales conversations are rife with such traps. Exceptional Selling *exposes those traps and offers logical and proven alternatives that enhance the clarity, relevancy, credibility and trust that sales professionals are trying to create in conversations with customers.*

What you will learn in this summary:

- ✓ ***Three root causes of failure that can prevent you from succeeding.***
- ✓ ***How ingrained reactions and traditional selling strategies and techniques combine to create an atmosphere of confrontation between salespeople and their customers.***
- ✓ ***How preprogrammed behaviors and reactions get both salespeople and their customers into trouble.***
- ✓ ***How salespeople consistently overestimate the customer's comprehension of the problem to be solved, the solutions proposed and the customer's readiness to make decisions.***

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EXCEPTIONAL SELLING

by Jeff Thull

— THE *COMPLETE* SUMMARY

PART I – 'WHAT WE GOT HERE IS A FAILURE TO COMMUNICATE'

No sales professional in his right mind would sabotage his own efforts; nevertheless, undermining credibility and alienating the very customers and prospects that are counted on for livelihoods happen all too often.

Salespeople can't look to customers to cue them in. Customers aren't going to rationally discuss how they were insulted or alienated. Instead, successful professionals win customer loyalty and trust through respectful, honest and diagnostic-based communications.

The More You Sweat, the Less You Sell

The most common forms of sales sabotage are stylistic. *How* salespeople talk with customers can easily undermine the ability to succeed and win business. If you don't know how to effectively structure and conduct customer conversations, what you talk about doesn't make much difference. How you speak with your customers has an equally powerful impact on your career. When customers are engaged, they learn. When what they learn is compelling enough to make them want to change and take action, they will buy. It might be difficult to accept that you may be sabotaging your own career, but here are three reasons that could be true:

- Most people, and that includes sales, service and support professionals, are not naturally effective communicators.
- The techniques promoted in the majority of sales-training programs exacerbate our innate communication shortcomings.
- When salespeople get emotionally involved in the outcome of a customer engagement and start to try to drag the customer into compliance using outdated techniques, they are confirming the customer's negative assumptions and stereotypes about the sales profession.

The Emotional Mind-Set — The Root of Miscommunication

Your emotional mind-set can either provide the foundation on which all successful communications are built or it can be the primary instrument sabotaging your credibility.

One effective way to recognize the sources and effects of mind-set in conversation and relationships is by looking at patterns of adopted beliefs and observed behaviors, like that of parent and child. A very common scenario occurs when salespeople unwittingly play the parent with customers and alienate them at the very beginning of the sale. Many customers hear a parent or superior insinuating that they don't know their own business.

Once the parent and the child manifest themselves in a business conversation, old patterns of reacting often kick in, and what's left of your connection and credibility with the customer quickly deteriorates.

The Amazing Old Brain

Another hidden element of an emotional mind-set that negatively impacts salespeople resides in what scientists define as the *Old Brain*. Think about how quickly a customer's gesture or tone of voice can trigger a negative perception, or worse, a negative reaction in you. There is a good chance you are seeing the Old Brain and the adaptive unconscious at work in these situations.

Stress can also close salespeople down. They start thinking about the consequences of not closing this sale,

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Published by Soundview Executive Book Summaries (ISSN 0747-2196), P.O. Box 1053, Concordville, PA 19331 USA, a division of Concentrated Knowledge Corp. Published monthly. Subscriptions: $209 per year in the United States, Canada and Mexico, and $295 to all other countries. Periodicals postage paid at Concordville, Pa., and additional offices.

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The More You Sweat, the Less You Sell

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worrying about how they are going to salvage it and what they are going to say next. They are so involved in their own problems that they aren't paying attention to the customer and they stop listening.

Presentations Commoditize Solutions

The solutions salespeople sell are often more confusing to customers than the problems that are solved. First, they transform salespeople into professors giving lectures, one of the least effective ways to transmit knowledge. The second flaw is the concept of the salesperson as persuader. The problem here is that we rarely stop to think about how customers perceive the tactics of persuasion that salespeople are taught and encouraged to use. Suddenly, the meeting between salesperson and customer has turned into a debate, or worse, an outright argument.

Customer Expectations – Snake Oil and the Hard Sell

Just as it takes two to tango, salespeople and customers enter conversations with preconceived perceptions and expectations and distinct mind-sets. Customers tend to paint all salespeople with the same brush. To them, salespeople — no matter whether they sell advanced avionics or used cars — all come out of the same mold. And customers' negative perception of salespeople is often based on direct experience.

Solving the Style Challenge

To break these patterns and establish credibility and trust with customers:

- Salespeople need to be professionally involved and emotionally detached in conversations with customers.
- Salespeople must retrain themselves and learn new conversational processes and skills.
- Salespeople have to confront their conditioning and establish themselves as valued business advisers. ■

Salespeople Play 'Child' Role, Too

In the dialogue that follows, you'll see that salespeople often respond as the child to their customer-parents:

Prospect: Our company is planning to purchase an integrated CRM software package for our marketing, sales and service staff. We would like you to demonstrate your solution to our management team by the end of the month.

Salesperson: First, I need to get a better understanding of your company's needs and budget. I'd like to meet with several of the executives at your company.

Prospect: We'd rather not take the time for that. We'd like to start with an overview first and if things look good, we can progress from there.

Salesperson: It's very difficult to present such a complex solution without understanding more about your situation and budget constraints.

Prospect: We don't have time to waste on meetings. Do you want to work with us or not?

Salesperson: Certainly, when would be the most convenient time for the demo?

What happened here was driven by emotion. The customer says he wants a product demonstration, a normal and often costly part of the complex sales process. The salesperson responds as an adult and seeks to ensure that a demonstration of his product can be tailored and is appropriate for the customer and his own company. The customer responds like a parent; it's going to be his way or the highway. The salesperson, overly anxious to please and scared to lose the sale, responds like a child by complying and, in doing so, commits to an expensive course of action that may very well have no chance of yielding a sale.

Nobody Buys a Value Proposition

The overwhelming abundance of information in today's world secures the issue of substance as the second major challenge in credible conversations. What is the one and only thing your customers really want to know? Value.

Commoditization of the Value Proposition

Companies create value propositions to articulate the value they plan to offer customers. These statements become the basis and guiding force of the collateral materials that marketers develop for the sales organization: sales messaging, brochures, PowerPoint decks and so on. The sales force dutifully takes all of this collateral and presents it to the prospect. However, the salesperson has no idea if the value has relevance with the customer. Often, the customer doesn't either.

This problem is magnified when value propositions are poorly conceived. When you communicate value with words like "rapid response" and "limited breakdowns," you are using the same words that all of your competitors are using. Customers don't buy them, rightly or wrongly; they dismiss value propositions as empty words.

At the same time, salespeople usually act mystified by customer pressure on price. They don't understand why their customer doesn't "get it."

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Nobody Buys a Value Proposition

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The Burden of Proof

You can't count on customers to recognize on their own the value you bring to the table, to calculate what it's worth or accurately determine if they should pay its price. You must help the customer connect the dots. The customer is the judge and jury in the sale, but you are the expert, the guide. The value proposition is nothing more than a capability, and your primary responsibility is to make it relevant. Once you know how to translate value, you are on your way to regular and predictable success in sales. When a value translation is done properly, the pieces of the customer's puzzle come together and you get the credit.

Sources and Uses of Value

Sources of value encompass the ability of the elements of your solution (their features and functions) to create value for customers or enable customers to create value for themselves.

Value can be delivered anywhere along a spectrum — at the product level, the process level and the performance level. Knowing where and how to position your offering on the value spectrum has a lot to do with the job responsibilities and concerns of each person you are talking with. When salespeople neglect the customer's perspective, they put both their credibility and relevancy at risk. ■

You've Got to Get Your Mind Right

In studies of exceptional sales professionals, the number-one characteristic they have in common is that they think differently than their less successful colleagues. Their thought processes have far more in common with successful professionals in other disciplines who depend on credible communication than they do with other salespeople. They run a close parallel with the qualities of top leaders: creativity, insight, change management, integrity and respect.

Awareness is the first step in the process of selling. For example, the compulsion to have an immediate answer for everything creates a significant barrier to listening and understanding customers' situations. The more effective we become as a decision-process guide, the more likely customers are to reveal the privileged information we need to execute successfully.

Diagnosis: The Mind-Set of Success

The Diagnostic mind-set is the antithesis of a presentation mind-set. Diagnosis is more effective than presentation because:

- It is always focused on the customer.
- It is about the observable symptoms of problems and the parameters of solution, not blame.
- It engages the customer as a collaborative partner.
- It promotes ownership.
- It differentiates you from your competition.
- Diagnosis is something you do *with* your customer; selling is something you do *to* your customer.

The mind-set that supports value diagnosis is characterized by five traits and capabilities:

- Value relevancy
- Change leadership
- Mutual self-esteem
- Mutual self-interest
- Emotional maturity

Creating value with customers is like helping them work a connect-the-dots puzzle. The more value elements you can help your customers understand and connect, the more linked you and your solutions become to the customers' organization. When you think about sales from this perspective, it immediately becomes clear that successful selling is also about managing the customer's emotional acceptance of change.

Mutual Self-Esteem

Successful sales professionals maintain and protect their self-esteem and their customer's self-esteem at all times. What does self-esteem have to do with sales? When salespeople inadvertently damage their customer's self-esteem, they risk losing the cooperation and participation that are so important to the sales process.

Some salespeople ask the customer questions like: "What's keeping you awake at night?" and "What types of pain are you feeling in your manufacturing process?" The danger is you are insinuating that the customer doesn't know what he is doing. If you "get to the pain" without being sensitive to self-esteem, you can easily alienate the customer and destroy the relationship.

Mutual Self-Interest

Mutual self-interest, the next quality of the Diagnostic mind-set, flows naturally from mutual self-esteem. It enables us to reconcile and serve the dual responsibilities that every sales professional eventually struggles with, that is, the simultaneous responsibility to serve your customer and your employer while looking out for yourself.

Cool, Calm, Collected

The final element of the Diagnostic mind-set is emotional maturity. A sales engagement is not the right place to get our emotional needs met or give our emotions free rein. Salespeople should be professionally involved, but emotionally detached. ■

PART II – TAKING IT TO THE STREET

The sequence and phrasing of credible conversations are determined by your system or process. We know three things about this system:

- It must be your system.
- It can't be the traditional prospect-qualify-present-close system.
- It must support the twin imperatives of conversational substance and style.

The salesperson's goals are: Discover, Diagnose, Design and Deliver. This is called The Prime Process. This process provides a much needed structure and synchronization for our sales conversations. Too often, salespeople approach conversations with customers in a scripted manner that is closer to presentation than conversation. The results are usually disastrous.

Earning the Keys to the Elevator

The initial contact with a prospective customer is the most critical and no doubt the least forgiving stage of the sale. You are considered guilty until proven innocent and you must strike the relevancy and credibility chords simultaneously and instantly (within 15 seconds) out of the box. In many cases, the real problem is the sales process, not the salesperson.

The Research Conversation

Effective preparation and credible initial conversations lead to successful sales and they start with symptoms, not solutions. The best way to sound like everyone else is to start your sales process by talking about your solutions. That's a prescription for a suboptimal sales engagement. The first conversations we should be having with customers are not sales conversations, they are *discovery* conversations.

These discovery conversations are not sales calls. You need to learn about this company's reality — its internal characteristics, what it is they are experiencing, the potential consequences and the customer's viewpoint on those consequences. Think like a lawyer during the discovery phase of a case. This same purpose should be reflected in the questions you ask and don't ask during these calls. You should be solely focused on the existence of the symptoms of the absence of your value. You shouldn't be asking about who buys your offerings or who might be interested in learning more about them.

Invoke the 20-Second Rule

It's common for customers to ask questions as they become involved in the engagement conversation or throughout the entire process. You must answer these questions, particularly early in the sales engagement. Honest, open, straightforward — that's the mind-set. If you refuse, customers will see you as a stereotypical salesperson. When you answer, invoke the 20-second rule — answer the question succinctly and follow it immediately with a continuation of the diagnostic conversation with your next diagnostic question. ■

Diagnosis Trumps Presentation Every Time

When you give your customer a presentation/proposal, being optimistic, you are expecting him to make a decision. A customer's awareness that he might have a problem is a state of mind that can earn a salesperson the keys to the elevator, but it is not compelling enough to create a decision to change/buy.

There is a major risk here. When the sales engagement is focused mainly on your solution — *solution bias* — most customers are not going to be able to find enough compelling reasons to undertake the degree of change that the sale represents. How do you move a customer to the crisis stage? You must focus on the customer's present situation, not your solutions or the future state the customer will be able to attain with the help of these solutions.

Diagnosis Requires an Expert

When salespeople ask customers to define their own problems, they fall prey to the implicit and erroneous assumption that customers understand the scope and severity of all their problems and all the opportunities they are not acting on. The irony is that customers very likely do recognize the merits of your solution, so there are no objections to handle. This is the danger of encouraging and accepting self-diagnosis.

The Diagnostic Conversation

There is one fundamental format for the diagnostic conversation. It's a dialogue with the customer that progresses from *job responsibility to indicator to cause to priority*. This dialogue is driven by questions. Questions are the levers for change. Every time the diagnostic conversation begins with a new cast member, relevancy must be established and credibility must be built once again.

There are five important parts to this process:

- Focus the field of inquiry on a job process the manager is responsible for.
- Have the customer begin a review of the process.
- Describe the optimal outcome of the process.

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Diagnosis Trumps Presentation Every Time

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- Protect the customer's self-esteem by acknowledging his achievements.
- Harvest the thought process you have just guided your customer through. It is the springboard into an in-depth Diagnosis.

Probing the Symptoms

When you and your customer have reached the level of process where the detailed symptoms of the absence of value exist, it's time to begin asking *indicator questions* to check the customer's experience and/or knowledge of problem symptoms. They enable you to drill down into an issue to confirm that symptoms exist and determine their causes, consequences and priorities.

Ask a series of indicator questions, such as:

- Could you tell me more about …?
- Could you tell me more about the behaviors you are looking for?
- Could you give me an example of …?
- When did you first notice …?
- What seems to be the key contributing factors to …?
- How has this affected …?
- Have you had a chance to look at what this might be costing the business in terms of …? ■

For additional information on how to avoid solution bias, go to: http://my.summary.com

Cutting Through the Smoke and Mirrors

Customers face a new and equally daunting challenge when they must decide on the solution that will best resolve their situation. As sales professionals, our job becomes one that is best characterized as orchestrating the design of that solution. It's ironic. Salespeople tend to depend too heavily on the customer's view when it comes to problem diagnosis and not enough when it comes to solution design. The best way to prepare customers to purchase your solution is to work with customers to define a solution that can best solve their problem.

There are important advantages to this strategy, including:

- Customers can provide important insights regarding the optimal solution.
- Design parameters supply customers with the questions that need to be asked in order to cut through competitive smoke and mirrors.
- Salespeople capture an unparalleled opportunity to set themselves apart from their competitors and gain an inside track to winning the sale by taking a leading role in the creation of rules on which the solution decision will be made.
- Focus on parameters, not features and benefits.

The Design Conversation

The design conversation enables customers to achieve a positive future by:

- Clarifying expected outcomes.
- Choosing the optimal solution alternative.
- Identifying the resources required to implement the solution and achieve its value.
- Establishing the time frame in which the outcomes will be achieved.

Great Expectations Aren't Always Realistic

One of the more common complaints from salespeople is that they have a difficult time managing their customers' expectations. The simple reason this problem occurs so often is that the conventional sales process mistakes needs for expectations. Needs do not equal expectations.

Introduce Critical Outcomes as Necessary

While we should always start by asking customers to define their expectations, we also have to recognize that they may not know enough to cover all outcomes themselves. Then we have to introduce additional outcomes.

We also need to recognize that outcome expectations vary with perspective. When we are working with multiple individuals within the customer organization, we will discover contradictory expectations.

Resources and Timing

Resources and timing are critical issues with regard to winning the sale, successful implementation and the establishment of a positive long-term relationship with the customer. Yet salespeople tend to avoid or underestimate these issues because they are afraid that by acknowledging the often difficult realities of these issues, they might lose the sale. ■

For additional information on learning how and why resources and timing are critical to winning sales, go to: http://my.summary.com

It Doesn't Pay to Surprise a Corporation

Closing has long been looked at as the be-all and end-all, the final element in the conventional sales process. It becomes a focus of training because conventional

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It Doesn't Pay to Surprise a Corporation

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selling quickly moves to the presentation/proposal stage and positions the proposal as a document for consideration. This misguided focus insists that salespeople first propose solutions for the customer's *consideration* and then deal with the ensuing questions and objections. There are only two reasons why customers don't buy:

1. They don't believe they have a problem, so they don't have incentive to change.
2. They don't believe the solution proposed will work.

We should be managing these issues. Our process should be front-loaded in terms of customer consideration. The last thing we would want to do now is surprise the customer with previously unconsidered issues. Business customers do not look kindly on surprises.

We also need to adopt a broader perspective and a sales process that can support multiple goals. These include short-term goals, such as winning the sale and ensuring the value that the customer is expecting is actually delivered, and long-term goals, such as creating new value delivery opportunities and positioning yourself to enlarge the customer relationship.

Proposals and Presentations

A sales proposal shouldn't be a document of consideration, but a document of confirmation, to document the series of decisions that have already been made. Here are some guidelines for creating and delivering your proposal:

1. No surprises.
2. Use the customer's fingerprints.
3. Solicit feedback.
4. Customers should continue to take an active role in the process.
5. Anchor the larger solution in the presentation.

When Things Go Wrong

Today's high-stakes sales environment requires that salespeople remain accountable to the customer after the sale is concluded and during the solution implementation. It's tempting to sidestep potential problems, but you will save yourself an awful lot of grief by being straightforward with the customer. One valuable dividend of the proactive discussion of potential problems is that it can often become an expectation that sets you apart from the competition.

Confirming and Communicating Value Delivery

Many traditional salespeople use feedback as a thinly veiled excuse for up-selling. So customers usually try to avoid feedback conversations. But there are several important reasons for having them:

- Ensuring customer awareness of the "value delivered."
- Protecting the customer relationship from competitive threats.
- Expanding the customer relationship.
- Gaining new customers.

At the end of the feedback conversation, now's the time to ask one or both of two questions: "Is there anyone else in the organization who is experiencing similar symptoms to what you had?" and "Is there anyone you know from other companies who may be experiencing these same symptoms?" ■

PART III – BREAKING AWAY WITH EXCEPTIONAL CREDIBILITY

Most salespeople are meeting the standard of *expected* credibility, but that's only the table stakes in the world of sales. If you want to earn exceptional credibility and exceptional results, you must master financial conversations and executive conversations.

Show Me the Money

In business, money talks. But just as customers typically do not have a quality decision process, they even more frequently cannot accurately determine the financial impact of a situation and its proposed resolution.

Barriers to Financial Conversations

The conventional sales paradigm is responsible for a lion's share of the blame for the inability of salespeople to guide customers through effective financial conversations. Other barriers include the mind-set of salespeople and customers who are reluctant to share financial data.

Financial Conversations

Never be afraid or unwilling to tell a customer your price the moment the question is asked. The right question is not whether the price is reasonable or not. The right question is, "Does the customer's situation warrant our level of solution in financial terms?"

The most important financial conversation, providing the basis for all that follows, is the cost of the problem. If you can't establish the cost, you don't have a problem. Ignoring the cost or asking the customer to establish the cost is risky business. If you don't establish a credible cost of the problem, customers are far less likely to buy.

Financial Return on Solution

The second integral financial conversation defines the financial impact that the customer expects from the solution. The best way to counter this situation is the return-on-solution conversation. Customers participate in the

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Show Me the Money

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calculation of return-on-solution and it is built on numbers that they can verify. The return-on-solution conversation tallies the gains (cost savings and/or new revenues) that will be generated by the solution *and* the total cost of the solution in order to estimate the net financial impact of the solution on the customer's business.

It's also important to define the level of investment that the customer can appropriately make to obtain the full value of the solution. The goal of the investment conversation is to establish the threshold at which it makes sense for the customer to buy a solution.

Monetized Results Lead to Executive Conversations

The final issue in financial conversations is reporting the results. We want to begin our engagement with higher-level executives who have financial and operational accountability for the aspects of the business that are most affected by the absence of our solutions. ■

Connecting at the Level of Power and Decision

The nature of high-stakes sales has always required sales professionals to connect with operating managers and functional executives within their customers' organizations. There are two primary trends driving sales professionals up the elevator. The first is the increasing complexity of products and services that are being sold. The second trend is the changing nature of customers' organizations. They are growing leaner as their leaders are driven to increase productivity, cut costs and outsource everything except for core competencies. Salespeople and their managers are quickly discovering that selling up the ladder is a major challenge. This realization hits with full force when sales executives tell their sales forces, "Start selling to the C-suite." Unfortunately, all too many salespeople use this trend to abdicate their responsibility and introduce high-level executives into poorly prepared engagements.

Barriers to Executive Conversations

The systemic barrier to executive conversations is that most salespeople have not been properly trained to deal with the higher levels of the customer's corporate hierarchy. Senior executives simply do not see or, for the most part, care about the lower level implications of solutions. Senior executives are responsible for the big picture, not the details. Typically, salespeople become less and less confident and more and more uncomfortable as they travel up the elevator.

The Executive Conversation – Rules for Engaging Rulers:

1. The issues we propose to address must be relevant in the larger context of the business. When we move up to the customer's executive suites, we can't describe problems in the same terms as we do at the operational level. The rule of relevancy requires that we identify the business issues on the executive's dashboard and translate our value capabilities into those terms.

2. The statement of value assumption must be valid. We must demonstrate to executives that the situation or problems that our solutions address exist.

3. The problem and solution must be attainable. We must address whether and how the customer's situation can be viably resolved.

4. The solution's value must be measurable. The ability to measure and quantify issues, allocate funds accordingly, and track the returns is a constant concern.

5. There must be consensus and alignment around the findings, conclusions and final decision. A working majority of the cast of characters agrees about the relevance, validity, action ability and measurability of the problem and solution before the salesperson arrives at the executive suite.

A Final Word on the Sequence of Executive Conversations

Most often, executives play two roles in high-stakes sales. First, they act as cast members, with their own job responsibilities and personal perspective. At the same time, they act as sponsors. In this role, they are only indirectly involved in the mechanics of the sale; their direct participation is required only at key milestones.

The best way to master these sponsoring-executive conversations is to approach them as if you had accepted a senior staff position for a specific project. If you picture yourself in this new role and mind-set, you can begin to evolve into a trusted adviser and valuable business partner. In response, your executive customers will begin to treat you as a prime resource and your sales success will multiply exponentially. ■

SOUNDVIEW RECOMMENDED READING LIST

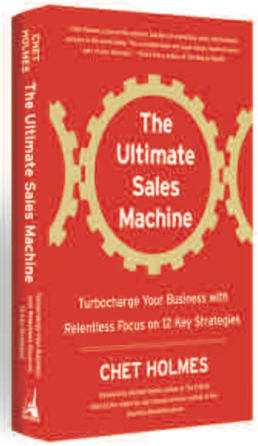
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3. ***The Little Red Book of Selling*** **by Jeffrey Gitomer.** An analysis and demystification of the reasons customers buy.
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by Chet Holmes

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Turbocharge Your Business with Relentless Focus on 12 Key Strategies

THE ULTIMATE SALES MACHINE

THE SUMMARY IN BRIEF

With Additional Entries by the Author

There are two keys that set the stage for getting powerful results. The first key is to have what I call "pigheaded discipline." This may sound like an insult, but it's one of the best compliments I can pay. This concept is so important, I originally titled the book *The Pigheaded Executive Wins Every Time*.

The second key is all about mastery. How does one become a master? Mastery is about doing 12 specific things 4,000 times, not 4,000 *different* things. By focusing specifically on the 12 key strategies — time management, training, meetings, strategy, hiring, getting the best buyers, marketing, using visuals, landing dream clients, selling, following up and setting goals — you can easily become a master of these skill areas.

This summary is for executives, CEOs, entrepreneurs and professionals. It is for middle managers, salespeople and customer service representatives. It is for everyone who plays a role in operating, marketing, selling and running a company or department. It offers the kind of information and strategies that are essential for everyone in the trenches doing battle to grow and strengthen their business.

This summary not only offers the tools and pigheaded mind-set for success, but it also provides you with complete how-to instructions to create the Ultimate Sales Machine, as well as how to put you and your company on the path to success and stay there.

IN THIS SUMMARY, YOU WILL LEARN:

- How to master proven strategies for management, marketing and sales.
- How to get more bang from your Web site, advertising, trade shows and public relations.
- How to secure the best buyers for your business.
- How to hire top producers every time.

Published by Soundview Executive Book Summaries, P.O. Box 1053, Concordville, PA 19331 USA
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Introduction

You can profoundly improve your company or department if you absolutely commit to one hour per week in which you do nothing else but work on making the business much more effective.

It's not going to be hard to apply the 12 strategies or to transform your business into the Ultimate Sales Machine. The key is learning and practicing the pig-headed discipline and determination you need to constantly address and re-address the 12 areas involved. ■

Time Management Secrets of Billionaires

Earlier in my career I ran nine divisions of a company owned by billionaire Charlie Munger. I was working seven days a week, 10-12 hours a day at the office dealing with interruptions, and then I'd bring home work that needed more concentration.

You've heard of "The One Minute Manager" — I was the "Got-a-Minute Manager." Anyone could come to me any time they wanted and interrupt and a "got-a-minute" meeting would break out.

In contrast, when I had a meeting with Mr. Munger I had to set an appointment, have a tight agenda, know what I was going to say, know the outcome I wanted from the meeting and be as spot-on as possible. However, every meeting was highly productive and to the point.

Then suddenly it clicked that I needed to take control of my time and my staff. I sent out a memo that said: "Don't come to my door anymore and ask me if I've got a minute. The answer will be no. There are nine primary impact areas reporting to me, so we are going to have nine meetings per week with each of these impact areas. Hold all ideas, unless urgent, until your weekly meeting."

That memo changed my life. The next day, no one came to my door and I was able to get a lot more done at the office. But let me warn you, within a week everyone started slipping back into old habits. It took pig-headed discipline and determination on my part to train the entire organization to respect not just my time, but theirs as well. ■

Instituting Higher Standards and Regular Training

According to an article in *Harvard Business Review*, only 10 percent of the population has what's called "the learning mind-set." These are people who seek out and enjoy learning. The other 90 percent of the population will not look to improve their skills unless they have to as part of their job requirement. Today, most professions have mandatory continuing education because they found that without it people wouldn't keep current with the information necessary to be accepted as professionals in their fields.

Deliberate and Constant Training

Banks like Wells Fargo, Banker's Trust and Citibank have classroom-style training programs with policies and procedures for all new hires. But it is in the improving and advancing of all skills and professionalism of every person in your company on an ongoing basis that is going to turn your company into the Ultimate Sales Machine. Training is proactive. It keeps your company healthy and prepared no matter what crisis arises. ■

The author: Chet Holmes is an acclaimed corporate trainer, strategic mastermind, business growth expert and lecturer. His nearly 1,000 clients have included more than 60 major companies such as Pacific Bell, NBC, Citibank, Warner Bros., GNC, Wells Fargo, Estée Lauder, Merrill Lynch and W.R. Grace, to small businesses of every kind.

The Ultimate Sales Machine by Chet Holmes.
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For additional information on the author, go to: http://my.summary.com

Published by Soundview Executive Book Summaries (ISSN 0747-2196), P.O. Box 1053, Concordville, PA 19331 USA, a division of Concentrated Knowledge Corp. Published monthly. Subscriptions: $209 per year in the United States, Canada and Mexico, and $295 to all other countries. Periodicals postage paid at Concordville, Pa., and additional offices.

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Executing Effective Meetings

The best way to build the Ultimate Sales Machine and to keep it running as smoothly as possible is to hold regular, highly productive, workshop-style meetings dedicated to improving every aspect of your company. In each of these meetings you will focus all the relevant people on fixing just one small part of the business. Together, you will brainstorm plans for how to improve this specific area, draft procedures to test and, ultimately, create carved-in-stone company policies that everyone will be trained to follow. This constant attention to the "three P's" — *planning, procedures* and *policies* — is essential.

Workshops are an excellent method of focusing your mind and everyone else's on solutions and improvements within your organization. Workshopping means that instead of you talking and your staff listening, all of you get to work together on a problem, developing the ideas and insights to propel the company forward. You never know from where the big ideas are going to come. Large companies should have workshop meetings every week for every department.

Chet Holmes' Step-by-Step Instructions for an Outstanding Workshop

The first thing you need to do is schedule your weekly meetings with your staff. Tell everyone to take two minutes and write down three things that they feel need to be improved in the company. You will get better answers if you give everyone time to think. For most companies this will be the first time you ever got the staff together with the proactive goal to improve every aspect of the company. Go around the room getting everyone's take on the company's problems, and summarize them on a whiteboard or easel pad.

A meeting like this can give you 20 to 30 things to work on with your staff. Your goal for each meeting is to get at least one incremental improvement. I tell my CEO clients that the only thing you need to bring to a meeting is your judgment. If you have good people, believe me, they are not only going to know the problems, but they will have plenty of ideas on how to solve them.

Every major area of impact in your company should get one of these weekly meetings. Systematically take each problem and correct it, asking for suggestions from staff. Just remember not to take on too much at a time. A little progress every week can transform your company in a year.

10 Steps to Implement Any New Policy

Here are the 10 steps to implement new concepts, change and growth into your organization:

1. Get everyone to feel the pain. To create real change in any organization, you have to help everyone, including yourself, to define, outline and intensify the pain of *not* fixing the problem.

2. Hold a workshop to generate solutions. Whatever the problem, your staff deals with it every day. They will have many ideas on how to solve it.

3. Develop a conceptual solution or procedure. Each solution or procedure is "conceptual" until it is "proven" by you and your staff. More complex solutions will need to be worked on in this phase of your implementation.

4. Have a leader or top talent personally perform the procedure or task. Hands-on involvement at every level enables the leader to create the three P's with certainty.

5. Set a deadline for testing the conceptual procedure. Set a deadline so you know that if you aren't seeing results in a certain amount of time, you need to go back to the workshop whiteboard and look at additional options.

6. Document step-by-step procedure or process. Spell it out.

7. Have show-and-tell and use role playing. Take your documented steps and work with your staff to test and implement them. Show-and-tell and role playing offer the best methods of gaining experience before you put the process into the field.

8. Have another workshop on how to improve. People will have a greater buy-in when you actually take advantage of the ideas they suggest. Make them work at it and perfect it in concept and in practice before you roll it out.

9. Monitor the procedure directly. Monitor the procedure closely, observing and correcting behavior.

10. Measure and reward the outcome. You must measure your results intently. People *re*spect what you *in*spect.

The three P's are magical in your operation because they create the conditions for every aspect of your company to operate with subconscious competence. ■

Becoming a Brilliant Strategist

As we've already established, it's harder than ever to get in front of a potential buyer, so when you finally get your company in front of that buyer, you need to maximize what you can accomplish in that moment. You need to think and plan strategically.

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Becoming a Brilliant Strategist

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To make sure you understand the difference between a tactic and a strategy, here are some simple, yet essential, definitions. A *tactic* is a method used to achieve a short-term gain, such as ads, direct mail, sales calls, trade shows, your Web site, brochures and so on.

A *strategy* is a carefully defined and detailed plan to achieve a long-term goal. In business, a strategy is the overall impact, the ultimate position you would like to achieve in the market. To think like a brilliant strategist, you will design and combine your tactics with the long-term strategy in mind. Constantly ask yourself and your team, "How many strategic objectives can we accomplish with *each* tactic?"

The Stadium Pitch

Here's an exercise to force you to think like a strategist, called the Stadium Pitch. What if you could be in front of all your prospects in a giant stadium and have the opportunity to present to them all at once? First question: Are you ready right now? Most are *not* ready.

Here's a practical example. I worked with a billion-dollar newspaper company that had experienced four straight years of declining sales. My job was to help the company increase advertising sales. The tactical sales rep would call a prospective advertiser, for example, and say: "Hi, I'm with the *XYZ Gazette* and we'd love to come and talk to you about advertising." Eight out of 10 said they were not interested.

However, with a strategic program, the conversation went more like this:

Rep: Hi, I'm with *XYZ Gazette*. We have a new program to teach business owners like you how to be more successful. Have you heard about this?

Prospect: No, I haven't.

Rep: As the newspaper in this community, we feel it is our moral obligation to help our local business owners be as successful as possible. So we've commissioned some research and found that there are five things that make all businesses fail. Additionally, we've found that there are seven things that make all businesses [name the type of business you are approaching here: restaurant, hair salon, etc.] succeed. So we're meeting with [name a competitor] and showing them this data. Would you like to see it as well?

It would be pretty hard to say no to that appointment, wouldn't it? In fact, the approach, when properly deployed, took the newspaper from getting two appointments out of 10 to getting eight out of 10. That's a 400 percent increase in performance.

Back to the stadium for a moment. If that rep had walked out into that stadium and said, "I'm here to tell you why our newspaper is a great place to advertise," probably eight out of 10 would've walked out. But if that rep walked out there to tell them the five reasons why businesses fail and the seven why they succeed, who's leaving? No one, if the information is good.

This approach requires you to go the extra mile, but the benefits are significant. A rep that shows a prospect all this terrific data is obviously going to be positioned very differently in the mind of the buyer than a rep who just tries to sell advertising. It shifts the power from the prospect to the sales rep. The one who is teaching has more control than the one who is learning.

This concept is called education-based marketing, and my statement to you is that if you build it, they will come. No matter what business you are in or what product you have, from shaving cream to high tech sales, you can increase your impact, advertising effectiveness and ability to take market share by getting deeper and deeper into the concept of education-based marketing.

I'll build on a concept by Jay Abraham. In the dictionary, a customer is someone who buys a product or service from someone else. A *client* is someone who is under the care, guidance and protection of an expert in a particular field. So if you have clients, not customers, how deep can you go to care about, guide and protect them? The deeper you go, the more control you gain over your market. ■

Hiring Superstars

If you want to build the Ultimate Sales Machine, one of the key pieces of the puzzle is to understand the personality profile of top producers. Breaking it down, you need to learn how to recruit them and keep them and then apply all that you've learned.

The average bad hire costs a company $60,000 — if you're lucky. Some CEOs estimate that a single bad hire costs them millions.

What Makes a Superstar?

Superstars are those you put in a bad situation with poor tools, no training and bad resources and still, within a few months, they begin to outperform your best people or build your company in ways you never dreamed possible. Hiring someone like this is about understanding the personality characteristics that fit the job for which you are hiring and having the tools to identify the candi-

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Hiring Superstars

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dates who possess those characteristics.

Three Steps to Interviewing Superstars

Because I've come to understand this at the deepest level, I've perfected an interview method that may seem barbaric to HR executives. I call it the Attack.

Before interviewing anyone, a five-minute screening call is conducted to see if you want to interview a candidate. So a screening call might go like this:

You: Hi Bill, we've had a lot of response to our ad, tell me why we would want to interview you.

Bill: Well, let's see. I really like people. I'm a natural bonder and if I believe in something, I think I can really sell it.

You: Ah. I'm not really hearing top producer.

Bill: You're not?

You: Nope.

Bill: Well, I guess you would know.

You: I do.

Bill: OK. Well. Thanks for your time. Bye.

This is a person who, if interviewed in a loving and supportive environment, like the environment in which 99 percent of interviews are conducted, might have genuinely impressed you. But when they get in the field and face rejection, they will crumble. Conversely, here's how the conversation might go with a top producer:

You: I'm not really hearing top producer.

Top Producer: Well, what do you think makes a top producer? (Note that the candidate begins to sell. The person can't help it. It's his or her nature.)

You: Well, it's a certain type of trait that I'm not hearing in you.

Top Producer: That's funny, because in my last job I was the new guy and had never sold grommets before, but within a few months I was catching up to salespeople who had been there for eight years.

A person like this will attach their own self-esteem to your product or service, so they become more effective when a client tries to reject them.

The final aspect of hiring top talent is to create a performance-based relationship. To get top producers, be clear on how you would reward them. You must reward top producers handsomely. The more you challenge superstars, the more you encourage them to overachieve. But don't forget to compliment them when they meet and exceed your challenge. ■

Chet Holmes on Securing the Best Buyers

If you sell to consumers, I recommend a concept I call the Best Neighborhood Strategy of Best Buyer Strategy. If you're a jewelry store, a restaurant, a chiropractor, a dentist, a boat dealer or high-end retailer, here's a tip: The wealthiest people in your area are your best buyers. For the best neighborhood strategy, I recommend two things:

1. Keep marketing to them no matter what. You want top-of-mind awareness among those people.
2. Make a special offer. They are better buyers, so they are worth making offers you simply would not make to other buyers.

The High Art of Getting the Best Buyers

Best buyers buy more, buy faster and buy more often than others. These are your ideal clients. No matter what else you are doing, you should make an additional effort to capture them. This strategy is called the Dream 100 effort. It is your program for targeting your 100 (or whatever number is appropriate) dream clients constantly and relentlessly until they buy your product or service.

The fastest way to grow any company is to focus a special and dedicated effort on your dream clients. If you're committed and stay in their faces, you'll be surprised how easy it is.

The Power of Referrals

Referrals are so important you should have a specific strategic objective to gain them. Offer incentives to your current buyers when they refer others to you.

The Dream 100 strategy has doubled the sales of many companies, and it can work for you. You just have to have the pigheaded discipline and determination to build a great Dream 100 program and stick to it. ■

For additional information on dream affiliates, go to: http://my.summary.com

The Seven 'Musts' of Marketing

Every company that wants to be No. 1 in its industry or profession has to master seven marketing weapons. Here are the ways to turbocharge every aspect of your

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The Seven 'Musts' of Marketing

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primary marketing efforts:

1. Advertising: There are four rules for creating high-response-generating advertising: It must be distinctive; it must capture attention with a screaming headline; after your headline hooks them, your body copy has to keep them reading; and it must include a call to action.

2. Direct mail: If you want massive results from direct mail, pound the best buyers more frequently by far and with more impressive efforts. This is a smaller list, less expensive to target and yet yields a far greater reward when they buy.

3. Corporate literature: This includes brochures and promotional pieces. Coordinate them so that the look, feel and content of each weapon is consistent with the others.

4. Public relations: You are doing PR work when you throw splashy events such as trade show parties and benefits for your clients. PR also includes generating press releases, building relationships with the press, getting articles written by or about you and affiliating with strong forces that can help you, such as trade associations and community groups.

5. Personal contact: None of your marketing efforts will have as much impact on your client as personal contact with your salespeople or customer service reps.

6. Market education: Trade shows and other market education efforts must be bold, not boring. The one who gives the most market education will rule the market. There are only three rules to having a great trade show: Get noticed, drive traffic and capture leads.

7. Internet: A Web site that offers information of value to your prospects can be a community: a place where your prospects go to look at new things, to get information, to interact with you and to get to know you better. ■

The Eyes Have It

When you learn how to use visual aids with tremendous effect, you will attract more buyers, influence them more effectively and close more sales once you are in front of those buyers.

Human beings remember 20 percent of what they hear, 30 percent of what they see, but 50 percent of what they both see and hear. Your communication impact nearly triples when using visual aids over not using them. Information that is visually illustrated and communicated has a dramatic and direct impact on the brain.

Since we can take in information three to four times faster than people talk, and since 85 percent of motivation comes from what we see, the great marketer knows to use visual aids everywhere possible. You want to illustrate everything you can visually.

Rules for Effective Presenting

Here are eight rules for effective presenting:

Rule 1. K.I.S.S. (Keep It Simple, Stupid) Your presentation needs to be easy to follow and understand. Don't clutter the page with text or too many graphics.

Rule 2. K.I.F.P. (Keep It Fast Paced) Prospects will get bored if you spend too much time on one page. You should be covering two to three panels a minute. Keep the presentation moving.

Rule 3. Use "Wow" Facts and Statistics. You literally want your client to say, "Wow! I didn't know that." Factual information at the beginning of any presentation creates a sense of credibility that carries over even for the "sales" part of your presentation.

Rule 4. Build in Opportunities for Stories. Well-told stories increase recall by another 26 percent over making a point without a story to illustrate it.

Rule 5. Your Presentation Should Be Curiosity-Driven. Unfold the information in a way that keeps your prospects curious. Give them a fact first, and follow it with an explanation.

Rule 6. Think of Each Headline as Valuable Real Estate. Every header should work as hard as possible. It should intrigue the prospects and sell the panels.

Rule 7. Be Confident but Not Obnoxious. Develop a rapport with your audience even if it's just one person facing you.

Rule 8. Focus on Them, Not on You. Everyone's favorite topic of conversation is him- or herself. The most mature person in a relationship is the one listening the most. He or she is thinking about the other person's needs and how to meet them. If you can be this person when you are presenting to your prospects and remain focused on their needs and how you can help them, you will become a top producer. ■

For additional information on eight common mistakes presenters make, go to: http://my.summary.com

The Nitty-Gritty of Getting the Best Buyers

The Dream 100 effort is your plan of attack to penetrate your best buyers. This is the fastest way to becoming the Ultimate Sales Machine because these dream

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The Nitty-Gritty of Getting the Best Buyers

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clients are the people or businesses that will buy your product or service faster, in greater quantities and more frequently than any other buyers. Landing just a handful of these dream clients can have a seismic impact on your bottom line.

Getting Down to the Nitty-Gritty

Here are six simple steps to help you get your dream clients:

1. Choose Your Dream 100. Take a look at your lists of dream clients, neighborhoods and affiliates. This is your starting point.

2. Choose the Gifts. One of the best ways to get noticed by your Dream 100 is to send them small gifts every two weeks. Keep the gifts inexpensive.

3. Create Your Dream 100 Letters. A letter should accompany every gift you send. The letter should be short so the prospects will read it. It should tie into the gift in some clever way. The letter must include a call to action.

4. Create Your Dream 100 Calendar. Market to your Dream 100 each and every month without fail. It's even better if you send them something every two weeks. Stay in their faces.

5. Conduct Dream 100 Follow-up Phone Calls. After every gift or mailing, you'll need to follow up with each Dream 100 prospect. The goal of a follow-up call is to schedule an appointment to get your core story in front of the prospect.

6. Present the Executive Briefing. Use market data, not product data. Set the buying criteria in your favor. Find the "smoking gun," the one thing that undeniably positions you over everyone else.

Remember that getting the best buyers is a process — not a single event. It's a campaign to stay in their faces forever. ■

Sales Skills

If you have not identified, studied and mastered every inch of the sales process, you're doing your company a great injustice. The secret to building an excellent sales force (or team of any kind) is in repeating core training on basic skills again and again.

The Seven Steps to Every Sale

Work on this extensively, doing workshops on each of these steps.

1. Rapport. Do extensive workshops with your sales team on establishing and building rapport. One of the best ways for establishing rapport is for your sales staff to be more knowledgeable than any other sales staff they could possibly run into. Ask great questions. Have a sense of humor. Be empathetic and care about them.

2. Find the need. Do workshops with your staff to work through every insight you need to serve that client. You need to learn everything you can about its existing buying criteria. Reset that buying criteria so your product or service becomes the most logical choice.

3. Build value. After you have assessed your customers' buying criteria, you must begin to build value around your product or service. Present your core story/executive briefing. Your stadium pitch can do this step really well.

4. Create desire. Lead clients through a series of questions in which you intensify their need from their perspective. To create desire, you must motivate your buyers using a combination of problems and solutions.

5. Overcome objections. You can't close if there are objections in your way. Remember that *an objection is an opportunity to close*. "Is money the only thing standing between you and the purchase of this product?" If the client says yes, you can now close by being more creative with financing or showing how not buying it will cost more in the long run.

6. Close the sale. You may need to help prospects make the decision. It's OK to make them feel a little pressure. If you believe that what you have is good for them, close already! Can you add on something that motivates them to buy right now?

7. Follow up. The process after the sale is crucial. ■

Follow-up and Client Bonding Skills

It costs six times more to get a new client than to sell something additional to a current client. If you want to build the Ultimate Sales Machine, you need to have highly procedurized follow-up and follow-through.

Enthusiasm is contagious. When you are with a prospect, your enthusiasm rubs off. The second you leave, the prospect begins to cool off. Your job is to keep the prospect hot on two things: you and the sale.

If you made a good impression, you have to "keep those cards and letters coming." If you didn't bond very well during the first six steps of the sales process, follow-up is even more important.

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Follow-up and Client Bonding Skills

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Remember, trust and respect are the largest parts of the sale. Every minute that a prospect doesn't hear from you after you leave his office, his respect falls off. Out of sight, out of mind. ■

All Systems Go

Goal setting and measuring effectiveness is the 12th core skill area of the Ultimate Sales Machine, and it's designed to soup up all 11 that come before it. Setting goals is not simply about writing them down periodically, although that is a part of it, but about mastering your focus so that achieving those goals happens quickly and automatically.

The **reticular activating system (RAS)** is the awesome computer in the brain that most of us never use on purpose. Every day we have thousands of thoughts that seem to leap in and out of our minds. Those thoughts affect every cell in our body. Our cells are completely reactive to the environment in which they dwell, and thought is one of the most powerful sources for creating that environment.

Your RAS screens out everything that won't interest you and then wakes you up to something that will interest you. One example is when you buy a new car. You never noticed that car before and suddenly you start to see it everywhere. Now that this specific car has become of interest to you, your RAS will pick it out of thousands of cars you see every day.

Harnessing the Power of RAS

When a company is in trouble, the most powerful thing it can do is get focused on solutions and set goals for improving the situation. The shift in focus shows up in the results the company is getting. With everyone devoting at least an hour a week to focusing their RAS on finding solutions and improving the business, solutions begin to appear and the business begins to improve. One way to harness the power of the RAS is to do proactive workshops to get everyone focused on solving the problems instead of focusing on the problems.

Setting goals in every aspect of your life and business puts your RAS to work (on purpose) at attracting great things. This is because the minute you write your goals, you have focused your subconscious on your success and it immediately begins creating that reality. This becomes even more effective when you post your goals and even say them every morning and every night. ■

Conclusion

Do you want to be the Ultimate Sales Machine and slaughter your competition? Can you see that if you build a machine like this, no company can stand against you? By relentlessly focusing on the 12 key skill areas and strategies we've explored, you can be the Ultimate Sales Machine.

1. Maximize the productivity of yourself and every person in your organization.
2. Train, train, train. The organizations that dominate the future have the best training today.
3. Use the workshop methodology every week in every area of your business to constantly hone and polish every piece of your organization.
4. Become a brilliant strategist. The strategist will slaughter the tactician every day.
5. Hire superstars throughout your organization.
6. Use the Best Buyer Strategy to target the best buyers and pursue them relentlessly with the best marketing and selling in your industry. It's the least expensive most results-oriented activity you can pursue.
7. Get all seven of your "musts" of marketing working better, smarter and harder.
8. Build that stadium pitch, use visuals everywhere you can and know how to present better than any of your competitors.
9. Plan every inch of your best buyer attack.
10. Break down those seven steps to every sale and create master-level salespeople.
11. Plan your follow-up steps to the letter.
12. Set goals and measure effectiveness with as much detail as possible.

If you master these 12 strategies, you will never need to know anything else to rule your market, and no competitor will be able to stand against you. But remember that the main ingredient to building this machine is pigheaded discipline and determination. ■

SOUNDVIEW RECOMMENDED READING LIST

If you liked *The Ultimate Sales Machine*, you'll also like:

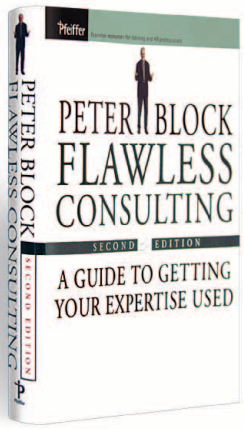
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3. ***The Giant of Sales*** **by Tom Sant.** Sant introduces readers to the techniques developed by four legendary sales giants — Dale Carnegie, John Patterson, Elmer Wheeler and Joe Girard — and offers concrete examples of how they still work in the 21st century.

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Galaxy

SOUNDVIEW Executive Book Summaries®



By Peter Block

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A Guide to Getting Your Expertise Used

FLAWLESS CONSULTING (SECOND EDITION)

THE SUMMARY IN BRIEF

For 15 years, internal and external consultants have relied on Peter Block's landmark best seller, Flawless Consulting, *to learn how to deal effectively with clients, peers and others. Using illustrative examples, case studies and exercises, Block — one of the most important experts in his field — offers his legendary warmth and insight.*

In this summary you will discover strategies for engagement, implementation and preparation for feedback. Block also explores whole-systems discovery, flawless consulting from diagnosis to discovery, and ethics and the shadow side of consulting.

This summary is for anyone who does consulting, even if you don't call yourself a consultant. It is about having leverage and impact when you don't have direct control. Leverage and impact mean that the consultant's expertise is used and his or her recommendations are accepted. This makes for job satisfaction for consultant and client alike. The path to having leverage and impact is called flawless execution. This summary is a guide to developing skills to navigate this path.

Consulting flawlessly requires intense concentration on two processes: being as authentic as you can be at all times with the client and attending directly, in words and actions, to the business of each stage of the consulting process. This summary describes what authentic consulting behavior looks like. It also describes the business side of each stage of the consulting process.

In addition, this summary will show you:

- ✓ ***How to prepare for a career in consulting.***
- ✓ ***Various ways of behaving with clients.***
- ✓ ***How to have an impact without control.***
- ✓ ***How to help your clients learn how to better function in their world.***
- ✓ ***How to manage yourself as you are consulting to maximize your potential usefulness and deal directly with the resistance you encounter.***

Published by Soundview Executive Book Summaries, P.O. Box 1053, Concordville, PA 19331 USA
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FLAWLESS CONSULTING (SECOND EDITION)

By Peter Block

— THE *COMPLETE* SUMMARY

A Consultant by Any Other Name …

A consultant is a person in a position that has some influence over an individual, a group or an organization, but who has no direct power to make changes or implement programs. A manager is someone who has direct responsibility over the action. The moment you take direct responsibility, you are acting as a manager.

Most people in staff roles in organizations are really consultants, even if they don't officially call themselves consultants. People doing staff work for an organization where they work full time are called internal consultants (as opposed to external consultants).

Staff people function in any organization by planning, recommending, assisting or advising in such matters as personnel, financial analysis, systems analysis, market research, product design, organizational effectiveness, safety, human resource development and many others.

Clients and Line Managers

Recipients of a consultant's advice are called clients. A client can be an individual, a work group, a department or a whole organization. The client is the person or people whom the consultant wants to influence without exercising direct control.

In organizations, clients for the services provided by staff people are called line managers. Line managers have to labor under the advice of staff groups, whether they like it or not. But any staff function, by definition, has no direct authority over anything but its own time, its own internal staff and the nature of the service it offers.

The key to understanding the consultant role is to see the difference between a consultant and a manager. A consultant needs to function differently than a line manager. Much of the disfavor associated with the term consultant comes from the actions of people who call themselves consultants but act as surrogate line managers. When you act on behalf of or in the place of the manager, you are acting as a surrogate manager.

Consultation describes any action you take with a system of which you are not a part. A consultant's objective is to engage in successful actions that result in people or organizations managing themselves differently. ■

Techniques Are Not Enough

In acting as a consultant, you always operate at two levels. One level is the substance — the cognitive part of a discussion between yourself and the client. The substance level is the problem-solving, rational or explicit part of the discussion, where you are working on the technical/business problem. At the same time and at another level, both you and the client are generating and sensing your feelings about each other. The relationship of the consultant to the client during each phase is a second level of data that needs attention.

Feelings are the *affective* side of the discussion and an important source of data for the consultant — data about the client's real problems and what the possibilities are for establishing a good relationship. Once you value the affective side of the relationship as an important area of attention, the next step is to increase your comfort level in putting into words how you are feeling about the relationship as it's going on. Then you need to focus on growing more skillful in putting your data about the relationship into words so you don't overly increase defensiveness on the part of the client.

There are four elements of the affective side of consultant-client interaction that are always operating: responsibility, feelings, trust and your own needs.

The Consultant's Goals

Here is a set of preferred goals for each consulting job that contributes to effective consultant and manager performance:

- **To Establish a Collaborative Relationship.** A col-

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The author: Peter Block founded two well-known training firms, Designed Learning and Block Petrella Weisbord. Since the first edition of *Flawless Consulting* (1981), he has written two additional best-selling books, *The Empowered Manager* and *Stewardship*.

Flawless Consulting, second edition by Peter Block. Copyright © 2000 by Peter Block. Summarized by permission of the publisher, Pfeiffer, an imprint of John Wiley & Sons, Inc. 371 pages. $50.00. ISBN 0-7879-4803-9.

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Published by Soundview Executive Book Summaries (ISSN 0747-2196), P.O. Box 1053, Concordville, PA 19331 USA, a division of Concentrated Knowledge Corp. Published monthly. Subscriptions: $209 per year in the United States, Canada and Mexico, and $295 to all other countries. Periodicals postage paid at Concordville, Pa., and additional offices.

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Techniques Are Not Enough

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laborative relationship promises maximum use of people's resources — both the consultant's and the client's.

- **To Solve Problems So They Stay Solved.** It is possible to act in a way that only the immediate problem gets solved. An increase in the present effectiveness of the organization does not mean that the managers have learned anything about how to solve similar problems and thus become more competent.

Teaching the managers skills in solving the problem themselves next time requires that they understand that disturbing employee behavior is a symptom of more basic problems.

- **To Ensure Attention Is Given to Both the Technical/Business Problem and the Relationships.** Each situation has two elements: the technical/business problem and the way people are interacting around that problem.

In most organizations, primary attention is given to the technical/business problem. Consultants can urge attention to the process issues, and line managers will listen to them in a way in which they would not listen to each other.

Developing Client Commitment

The consultant needs to be very conscious of building internal commitment all during the consulting process. Effective consulting skills are those steps and behaviors that act to create internal commitment in managers.

Client commitment is the key to consultant leverage and impact. A consultant's impact is determined by the client's commitment to the consultant's suggestions. Building this commitment is often a process of removing obstacles that block the client from acting on the consultant's advice. ■

Flawless Consulting

It is possible to consult without error and to do so quite simply. The way to keep it simple is to focus on only two dimensions of consulting. Ask yourself these two questions whenever you are with a client:

1. Am I being authentic with this person now?

2. Am I completing the business of the consulting phase I am in?

Authentic behavior with a client means you put into words what you are experiencing with the client as you work. *This is the most powerful thing you can do to have the leverage you are looking for and to build client commitment.*

The client's primary question is: "Is this consultant someone I can trust?" Lower trust leads to lower leverage and lower client commitment. Authentic behavior leads to higher trust, higher leverage and higher client commitment. Authentic behavior is to literally put into words what you are experiencing.

Staging the Client's Involvement

The stages leading up to implementation of a change — called the preliminary events — can be divided into the following 12 specific action steps:

1. Defining the initial problem
2. Deciding to proceed with the project
3. Selecting dimensions to be studied
4. Deciding who will be involved in the project
5. Selecting the method of data collection
6. Collecting data
7. Funneling the data
8. Summarizing the data
9. Analyzing the data
10. Providing feedback
11. Making workable recommendations
12. Deciding on actions

Completing the Requirements of Each Phase of the Project

In addition to being authentic, flawless consulting demands a knowledge of the task requirements of each phase of the project. These requirements are the "business" of each phase and must be completed before moving on. Here are the requirements of each phase:

- **Contracting** — Negotiating wants, coping with mixed motivation, surfacing concerns about exposure and loss of control, and triangular and rectangular contracting.
- **Discovery and Data Collection** — Layers of analysis, political climate, resistance to sharing information and the interview as a joint learning event.
- **Feedback and the Decision to Act** — When consultants funnel data, present personal and organizational data, manage the feedback meeting, focus on the here and now and don't take it personally.
- **Engagement and Implementation** — When consultants bet on engagement over mandate and persuasion, design more participation than presentation, encourage difficult public exchanges, put real choice on the table, change the conversation to change the culture and pay attention to place.

It is possible to move through these phases and skip some of these requirements. Identify consultant wants and client offers as clearly as you assess client wants. Wants skipped in the beginning are much harder to recover in later phases. Another key task of contracting is to discuss the client's motivation to proceed with the project. ■

Contracting Overview

A contract is simply an explicit agreement of what the consultant and client expect from each other and how they are going to work together. It is usually verbal, sometimes in writing. Contracts with external consultants are more often in writing because external consultants are trusted less than internal consultants, especially when it comes to money.

Some internal consultants always like to have a written document describing the project they are working on. This is probably a good idea, even if it is in the form of a letter. But, essentially, a contract between an internal or external consultant and a line manager is a social contract. It is designed not so much for enforcement, but for clear communication about what is going to happen on a project.

Legal contracts contain these two basic elements that apply to consulting relationships:

- **Mutual Consent** — Both sides enter the agreement freely and by their own choosing. The concept of mutual consent directly addresses the issue of how motivated the staff person and the line manager are to engage in a project together.
- **Valid Consideration** — Consideration is the exchange of something of value between the consultant and the client. Valid consideration must be given by *both* parties for a solid contract to exist. Here are some tangible items that consultants need that should be a part of the original contract: operational partnership in the venture, access to people and information in the line organization, time of people in the line organization and the opportunity to be innovative.

Elements of a Contract

The following elements should be covered in most of your contracts, especially when the contract signals the beginning of a significant project:

- **The Boundaries of Your Analysis.** Begin with a statement of what problem you are going to focus on.
- **Objectives of the Project.** This identifies the organizational improvements you expect if your consultation is successful.
- **The Kind of Information You Seek.** Some of the information types you may want to specify in the contract include technical data, figures and work flow, attitudes of people toward the problem, and roles and responsibilities.
- **Your Role in the Project.** This is the place to state how you want to work with the client.
- **The Product You Will Deliver.** Be very specific about what you are offering. Will your feedback be an oral or written report? How long will it be and how much detail will the client receive? Is the report likely to be five pages or 50?
- **What Support and Involvement You Need From the Client.** This is where you specify what you want from the client to make this project successful. This list is what the client is offering you.
- **Time Schedule.** Include starting time, any intermediate mileposts and completion date.
- **Confidentiality.** Who gets what report is a constant concern.
- **Feedback to You Later.** An optional element to the contract is to ask the client to let you know the results of your work six months after you leave. ■

The Contracting Meeting

The personal interaction between the consultant and the client during the initial contracting meeting is an accurate predictor of how the project itself will proceed. Pay close attention to the process of those early meetings. The critical skill in contracting is being able to identify and discuss process issues between the consultant and the client as they occur.

Here is a series of steps that lead to either an agreement to work together or an agreement not to work together:

Step 1. Personal Acknowledgment. Make personal statements of your feelings about being in this meeting with the client today.

Step 2. Communicate Understanding of the Problem. Acknowledge the unique aspects of the situation. Restate, in your own words, your perception of the problem. Reassure the manager that there are solutions to this unique and complicated problem and that you can be of help.

Step 3. Client Wants and Offers. After saying hello and hearing an initial statement of what the line manager is concerned about, look the manager in the eye and say, "So …, what do you want from me?" The answer is the heart of the contracting process, and the question must be asked directly. After hearing what the client wants from you, ask what support the client can offer you on the project. You want to know what the budget is for this project. The other two offers the client can make to you are the time of his or her people and access to information.

Step 4. Consultant Wants and Offers. One of the most critical skills in flawless consultation is to put directly into words what you, the consultant, want from the client to make a project successful.

Step 5. Reaching Agreement. After exchanging wants with the client, either you reach agreement or you get stuck.

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The Contracting Meeting

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Step 6. Asking for Feedback About Control and Commitment. Most weak contracts are faulty for one of two reasons: The client entered the agreement under some kind of coercion, however subtle and indirect; or the client agreed to the project, but increasingly felt that he or she did not have adequate control over what was happening. Be compulsive about testing for the existence of each of these flaws.

Step 7. Give Support. Make supportive statements to the client about his or her willingness to begin this project with you. The support needs to be genuine and specific.

Step 8. Restate Actions. Make sure you and the client know what each of you is going to do next.

Getting Stuck

In Step 5 of the contract meeting, it was discussed what to do once an agreement is reached. However, what happens if an agreement is difficult? The following detail various ways of getting stuck, as well as solutions to apply to the issue:

- **Getting Stuck on Wants and Offers.** You are stuck when you hear yourself re-explaining something for the third time or when the client dives into the third explanation of the same idea.
- **Think/Recess.** Mentally pull back from the conversation. Are there different wants you can ask for and still meet your objectives?
- **New Wants and Offers.** Present any new ideas on what you want from the client or what you have to offer.
- **Stuck Again**. A different kind of discussion is needed to move forward.
- **Process How We Are Handling This Discussion.** Shift the focus of discussion to the process of the meeting. Say, "I think we are stuck."
- **Rediscuss Wants and Offers.** Go back to the specifics of the project.
- **If Still Stuck — Terminate/Minimize Your Investment.** Using your own style and own words, end the contracting process and cut your losses. ■

The Internal Consultant

As an internal consultant, you are at every moment embedded in some part of the hierarchy and the current politics of the organization. This means that internal consultants are often operating more by mandate than by choice. This makes internal contracting a higher-risk proposition. In the end, all the internal consultant can do is make explicit the costs of mandated change. Just because you do not have the final say is not a reason to avoid the argument.

Clarity of Understanding

The difference in intensity and setting for these issues makes the internal consultant's position more delicate and more vulnerable. This creates constraints on how internal consultants contract with clients and how much risk they feel willing to take in giving honest feedback. If the constraints lead to very cautious behavior in the long run, the internal consultant can come to be used as only a pair of hands. If they ignore constraints altogether, internal consultants may be seen as immature and disloyal.

The clarity of understanding and agreement with your boss greatly affects your ability to respond appropriately and flawlessly with your clients. If you are unclear about the contract with your boss, you will tend to get involved in soft contracts with clients.

Try this exercise: First, list the key wants you have of your boss. Then ask your boss to make a list of the key wants he or she has of you. Exchange your lists and meet to see whether you can agree on a contract that represents a reasonable balance. ■

Understanding Resistance

The key to understanding the nature of resistance is to realize that resistance is a reaction to an emotional process taking place within the client. Resistance is a predictable, natural, emotional reaction against the process of being helped and against the process of having to face up to difficult organizational problems.

Resistance is a necessary part of the learning process. For a client to learn something important about how to handle a difficult problem, the feelings of resistance need to be expressed directly before the client is ready to genuinely accept and use what the consultant has to offer. ■

Dealing With Resistance

There are specific steps a consultant can take to help a client get past the resistance and get on with solving the problem. The basic strategy is to help the resistance

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Resistance

There are three specific steps for handling resistance:

Step 1. Identify in your own mind what form the resistance is taking. The skill is to pick up the cues from the manager and then, in your head, put some words to what you see happening.

Step 2. State, in a neutral, nonpunishing way, the form the resistance is taking. The skill is to find neutral language.

Step 3. Be quiet. Let the line manager respond to your statement about resistance.

Dealing With Resistance

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blow itself out, like a storm, and not to fight the resistance head-on.

Feelings pass and change when they are expressed directly. The skill for the consultant is to ask clients to put directly into words what the client is experiencing — to be authentic. The most effective way to encourage the client to be authentic is for the consultant to also behave authentically. ■

From Diagnosis to Discovery

Human systems are complex and require more than mechanical, cause-and-effect solutions. When we accept the term *diagnosis* as a description of this phase of consulting work, we reinforce the belief that a prescriptive, engineering strategy can improve a living system. This rational stance undervalues the emotional and effective requirements of real improvements.

The stance you want to take is that the consultant can be a guide through a process of discovery, engagement and dialogue, in which clients will find an answer to their questions and launch an implementation that will be enduring and productive. Discovery, engagement and dialogue give consultants their best shot at building client capacity and solving problems so they stay solved.

Build Internal Commitment

The concern of the consultant is how to help the client be open to the discovery process. This means giving more attention to dealing with resistance. It also demands work on building the client's internal commitment to the process at each step of the way. The skill for the consultant is to address the organizational element of each problem as rationally as he or she addresses the technical part of each problem.

The purpose of discovery is to mobilize action on a problem: action that will improve the organization's functioning. Concentrate on four things:

1. Keep simplifying, narrowing and reducing your study so it focuses more on the client's next steps.

2. Use everyday language.

3. Give a great deal of attention to your relationship with the client.

4. Treat data on how the client organization is functioning as valid and relevant information. ■

Getting the Data

When you finally have a contract and you have entered the discovery phase, you are ready to collect some information and develop your own assessment of what is happening to create problems for the client. The business of this phase is:

1. Collecting information at three different layers of analysis, to understand both the presenting problem and the underlying problems.

2. Assessing the organizational and managerial climate in which your recommendations will be received.

3. Dealing with resistance of the client in sharing information with you.

4. Viewing the interviews you do as an active force in beginning to solve the problem: The act of interviewing itself changes an organization.

5. Reducing the data to a manageable number of issues.

6. Collecting and analyzing data accurately and objectively. ■

Whole-System Discovery

"Whole system" means that at least a large sample of those who will be acting on the recommendations are going to play a major part in creating them. It makes the change effort more self-managing than a third-party approach.

A whole-system approach also looks at the entire system, not its parts. It can involve a cross section of people that approximates a whole system more directly and earlier than a third-party approach.

The most traditional third-party process involves the lone consultant, who studies the situation and makes recommendations. There are other times when the people affected by the changes can join you in the process of discovery, recommendations, decision and implementation. This is the whole-system approach, whereby parties to the change work through the process on their own behalf.

Get Everyone in the Room

The essence of whole-system discovery is to get everyone in the room at the same time. This deepens an organization's sense of community and allows people to operate with a common database. The main advantage is that there is no need to sell a set of actions to anyone, especially to people at lower levels of the system. The power of the whole-system approach lies in the high engagement and involvement of the entire organization. ■

Preparing for Feedback

Trusting yourself to focus on what you feel is important may be the most valuable thing you have to offer the client. Treat the choice of what to examine as a very important choice and yours to influence.

When struggling to decide what is important in a pile of

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Preparing for Feedback

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notes, read through all the notes once, then put them away. On a blank sheet of paper, list what you think is important in the data — usually about four or five items. Let that be your guide on what to report and how to organize the report. What stands out to you is what you want to stand out to the client. Let the other information become part of the appendix, but don't clutter the feedback meeting with a complete list of everything you found out.

Emphasize items that the client has control over changing, are clearly important to the organization, and there is some commitment somewhere in the client organization to work on.

In giving any kind of feedback, you're doing two things: You're giving support to the organization and you're confronting it. Supporting and confronting can almost come in the same sentence. The support statement often is a simple acknowledgment that you hear what the client is saying. The confront statement then identifies the difference between how you see a situation and how the client sees the situation. ■

Managing the Feedback Meeting

To flawlessly manage a feedback meeting:

1. Funnel the Data. Select what data to report.

2. Present Personal and Organizational Data. How is the problem being managed?

3. Manage the Feedback Meeting. Maintain control of it and structure it. Focus on what will be done about the problem.

4. Focus on the Here and Now of the Meeting. Deal directly with the resistance as it occurs.

5. Don't Take It Personally. After 6 p.m., you can take anything personally, but during the day, no matter how many guns are aimed at you, your task is to stay focused on the client's internal struggle to confront reality that is being resisted.

The other half of flawless feedback is to behave authentically — to state to the client what you are experiencing as the feedback meeting progresses. ■

Implementation

Implementation is, in theory, the point of the consultation. There are two aspects of implementation for the consultant. One is the technical work using the expertise you have spent years developing.

If you are a financial analyst, you begin introducing a system of controls. If you are an engineer, you redesign the input valves for the furnace. If you are a training manager, you start the training program.

The second aspect of implementation is how to build support for the business or technical change you are planning. Implementation does not usually begin until the people who do the work decide whether they are going to make real changes or simply go through the motions. Real changes require real commitment, and part of your role is to help fire that spark.

In facing the time pressure and intensity of implementing a program, it is always quicker for you to do something yourself. Resist this temptation and stay with the process of 50/50 responsibility. If you take over the implementation, you are no longer consulting — you are acting as a surrogate manager. ■

Strategies for Engagement

A core strategy for building emotional commitment to implementation is to design new ways for people to engage each other. This may be more critical than the clarity or rightness of a decision. Results are achieved when members of a system collectively choose to move in a certain direction. Leadership behavior is not as vital as membership behavior.

When you are dealing with groups at the moment of implementation and action, the implementation phase centers on high-intensity participation, placing choice on the table, changing the conversation, transparency and the public expression of doubt, and co-creating structures to fit purpose.

The greatest service of the consultant may be to raise the consciousness of the client about the value of engagement in the implementation process. Implementation of any change boils down to whether people at several levels are going to take responsibility for the success of the change and the institution.

Successful engagement takes place when there are meetings that have:

- **Balance between presentation and participation**
- **Full disclosure and the public expression of doubt**
- **Real choice on the table**
- **New conversations**
- **A physical structure of the room that supports community.** ■

Tools for Engagement

Here are practical ways to structure a meeting:

Structure 1. Open with transparent purpose and level playing field. Keep it short and informal. Describe the concerns that began the process, define where the

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Tools for Engagement

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change effort is now, describe what the organization needs right now and give some idea of the structure.

Structure 2. Renegotiate expectations about participation. The passive contract between leader and participant needs to be shifted early and dramatically.

Structure 3. Rearrange the room. Freedom will create at first its own chaos and confusion, even irritation, and then its own order.

Structure 4. Create a platform for doubt. If doubt and even cynicism cannot be publicly expressed, then internal commitment cannot be offered freely.

Structure 5. Ask, "What do we want to create together?" Simply ask the question.

Structure 6. Create a new conversation. A change in action is preceded by a change in the conversation.

Structure 7. Choose commitment and accountability. There are two conditions of accountability that support high-commitment implementation strategies: We need to be accountable to our peers first and our boss second, and we need to commit without negotiation or barter.

Structure 8. Provide positive feedback. Bring closure to each meeting by acknowledging the effort and care brought into the room. Focus on the strengths and value each participant brought to the proceedings. ■

Ethics and the Shadow Side of Consulting

Being clear about the dark side of consulting has a practical as well as a moral side. When consultants get caught in their own self-interest or their need to assume a central or inflated role, the client feels it and withdraws. There are some steps that will, at a minimum, raise your consciousness about your contribution to the cynicism and doubt that infect the consulting industry.

- **Say No as Often as You Say Yes.** Consultants should make their own decisions on which projects to accept.
- **Stay True to Your Worth.** Stop measuring the success of your internal staff consulting work by the size of your staff, the volume of work you can generate or the approval rating of top management. Start measuring your work by the optimism and self-sufficiency you leave behind.
- **Grow on Your Own Terms.** Professional practice is the point, not the size of the practice. If there is more demand for your services than you can handle, give the business away.
- **Show How Everybody Counts.** The whole system is your client. All parts of it need to be supported, to learn and to be fully informed.
- **Leave It All Behind.** Commit yourself to the concepts of "home schooling" and building capacity. Your job is fundamentally to be an educator, not a problem solver. You may have to problem solve in the short run, but over time you need to develop ways for people to learn about your expertise.
- **Finally, Forgive.** In thinking about these conflicts and paradoxes, forgiveness is required. ■

The Heart of the Matter

Consulting is primarily a relationship business. No matter how research-based or technical the project, it will always reach a point at which the success of the work will hinge on the quality of the relationship the consultant has with the client. This relationship is the conduit through which the consultant's expertise passes.

The way consultants contact and engage people around their expertise is an applied art and takes hundreds of forms. At times it is one-to-one coaching with an individual or team. Or it can be working with a group on strategy or technology or running a training session.

The Final Question Is One of Faith

We do not have to induce change or guide it. All we have to do is join it. The consultant is as much a learner as any client. We are often more changed by our consultation than the client, and this is as it should be.

In the end, it is consultants' authenticity, the way they manage themselves and their connection to their clients, that is their methodology, their marketing strategy and the fruit of their labor. The fact that they show up with a briefcase, a resume and a conceptual framework is more a function of habit than necessity. It will be enough if they simply show up. And that is the heart of the matter. ■

SOUNDVIEW RECOMMENDED READING LIST

If you liked *Flawless Consulting*, you'll also like:

1. ***First, Break All the Rules*** **by Marcus Buckingham and Curt Coffman.** Advice from some of the world's greatest managers, based on 80,000 interviews over 25 years.
2. ***High Impact Consulting*** **by Robert H. Schaffer.** Schaffer offers a field-tested approach to working with consultants that has proven to get results.
3. ***Getting Started in Consulting*** **by Alan Weiss.** Weiss offers guidance on starting a consulting business and shows how low overhead and a high degree of organization can add up to a six-figure income.
4. ***Value-Based Fees*** **by Alan Weiss.** Step-by-step guidance on how to establish value-based fees as a consultant.
5. ***Fearless Consulting*** **by Erik De Haan.** De Haan shows that consultants can approach their profession and clients fearlessly and also offers a range of philosophical inspirations for readers.

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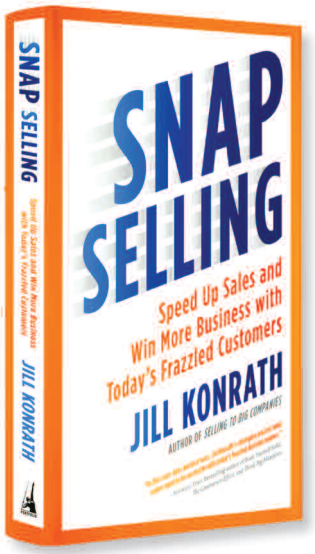
November 2010

SOUNDVIEW Executive Book Summaries®
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Sales: Techniques

SNAP Selling

Speed Up Sales and Win More Business with Today's Frazzled Customers



by Jill Konrath

THE SUMMARY IN BRIEF

Selling is tougher than ever before. Potential customers are under extreme pressure to do more with less money, less time and fewer resources, and they're wary of anyone who tries to get them to buy or change anything. Under such extreme conditions, yesterday's sales strategies no longer work. No matter how great your offering, you face the daunting task of making yourself appear credible, relevant and valuable.

SNAP Selling shows salespeople how to overcome obstacles to win more sales with these short-fused, frazzled customers. Drawing on years of selling experience and the stories of other successful sellers, internationally recognized sales strategist Jill Konrath offers four SNAP Rules: Keep It **S**imple, Be i**N**valuable, Always **A**lign and Raise **P**riorities.

Once you're aligned with what your potential customers are trying to achieve and have focused on their top priorities, you'll start seeing a difference in your sales right away. When you start focusing on simplicity and personally bringing value, your business will really take off.

This summary offers an easy-to-read, easy-to-use guide for any seller in today's increasingly frenzied environment.

IN THIS SUMMARY, YOU WILL LEARN:

- How to make things easy and clear for your customers.
- How to stand out by being the person your customers can't live without.
- How to make sure you're in sync with your customers' objectives, issues and needs.
- How to keep the most important decisions at the forefront of their mind.
- How to differentiate yourself from your competitors and speed up the decision-making process.

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Vol. 32, No. 11 (3 parts), Part 2, November 2010 • Order #32-27

THE COMPLETE SUMMARY: **SNAP SELLING**

by Jill Konrath

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From *Snap Selling: Speed Up Sales and Win More Business with Today's Frazzled Customers* by Jill Konrath. Copyright © 2010 by Jill Konrath. Summarized by arrangement with Portfolio, a member of Penguin Group (USA) Inc. 297 pages, $25.95, ISBN 978-1-59184-330-6. To purchase this book, go to www.amazon.com or www.bn.com.

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Introduction

We're on the cusp of a new age in selling. It's a time to create new basics and let go of the old ones. For example, it's no longer a numbers game. You'll be much more successful making fewer high-quality calls, meetings and presentations. And having a great relationship with your customers is nice, but no longer sufficient. Today you need to personally bring value to each interaction you have with these people. Also, even if you sell commodities, your new role in working with these well-educated customers is as a "business improvement specialist."

These are only a few of the changes we need to make. If you commit to learning these new basics, you will be unstoppable. And your competitors won't have a chance.

There are distinct decisions your prospects make before they sign a contract with you — or with your competitor. With the first decision, they evaluate your approach to determine if it's worth their time to meet with you. With the second decision, they determine if making the change will be worth all the disruption it will cause. And finally, with the third decision, their primary concern is selecting the best option for their company.

The SNAP Factors

There are four factors that need to be at the forefront of your mind when working with crazy-busy people. These are called the SNAP Factors:

• **S**imple: Your ability to eliminate complexity and effort from your prospects' decision-making process will improve your chances for sales success.

• i**N**valuable: In a world of copycat products and services, the value you, personally, bring to the relationship becomes essential.

• **A**ligned: You must stay relevant to your clients at all times; they don't have time for anything else.

• **P**riority: With an ever-changing business environment, you can't afford to have your prospects deem your services non-urgent.

Once you know your buyer inside and out, you can easily start applying what you've learned to create customer-enticing value propositions, messaging, presentations and proposals. Plus, this knowledge of your customer will be at the heart of all your best, most fruitful conversations.

SNAP Decisions

The people you're calling on suffer from a severe case of Frazzled Customer Syndrome, a debilitating condition brought on by excessive workloads, 24/7 availability, information overload, lack of sleep and job-related stress.

You likely encounter these individuals on a daily basis. They're good people who are doing their best to survive in a crazy-busy workplace. Their calendars are overflowing and they're constantly falling behind, but they feel powerless to stop the unrelenting, escalating demands on their time.

Busy decision makers don't have time for things that aren't urgent. Their current way of doing things may even be draining massive amounts of money from their pocketbooks or their company. Even though it makes sense to change, they don't do it. It's too much work.

SNAP Rules: Simple + iNvaluable + Aligned + Priority

When you figure out how to deal with frazzled cus-

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Published by Soundview Executive Book Summaries (ISSN 0747-2196), P.O. Box 1053, Concordville, PA 19331 USA, a division of Concentrated Knowledge Corp. Published monthly. Subscriptions starting at $99 per year.
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tomers, everything changes. They want to work with you. Sales cycles speed up. You have less competition. You'll be enjoying rich and rewarding collegial relationships, earning a good living and making a difference — all at the same time.

How do you turn this into a reality? Just follow the SNAP Rules:

Rule 1: Keep It Simple. Your goal is to ensure maximum simplicity in everything you do. That's going to require you to look at all aspects of your customer interactions at each stage of the decision-making process to see where complexity can be eliminated or minimized.

When you keep it simple, you make it easier for customers to buy from you.

Rule 2: Be iNvaluable. Today's crazy-busy customers want to work with sellers who "know their stuff" and bring them fresh ideas on a regular basis. Perhaps you've never even seen that as your role. But today it's essential to embrace the concept of being "iNvaluable" and turn yourself into the competitive differentiator.

When you become invaluable, customers choose you over competitors, are less price conscious and remain loyal.

Rule 3: Always Align. Frazzled customers demand alignment. At the onset of your relationship, they need to see an immediate connection between what you do and what they're trying to achieve. As they move through their decision-making process, they need to know that the alignment extends beyond the product, service or solution into core beliefs they value in their business relationships.

When you're aligned with critical business objectives, customers want to work with you.

Rule 4: Raise Priorities. It's an absolute imperative to work with frazzled customers on their priority projects. With their limited capacity, that's all they can currently focus on. Target prospects whose priorities you can address and focus on raising the priority level of initiatives that have dropped in importance to your prospects. Because customer priorities are constantly shifting, you need to be alert to what's going on with your customers.

When you raise priorities, your sales process goes much faster and you get the business with less competition.

Make the SNAP Rules your guiding mantra. Think of them every day and with every prospect. Integrate them into your planning and your customer interactions.

Doing a SNAP Check

To ensure that you're on track with the SNAP Rules, it's a good idea to get in the habit of doing regular SNAP Checks.

Even something as simple as a voice mail message is evaluated on all four factors concurrently. Your product may provide exceptional value, but if your message is filled with gobbledygook, you'll be deleted. Or, you may have an easy solution to implement, but if there's no urgency on the part of the customer to act on it, your project will be delayed. Conversely, your service may have a huge impact on someone's business, but if it involves battling political agendas, your crazy-busy customer may decide it's too much work. Dismissed!

The sooner you can uncover any potential problems with a simple SNAP Check, the more time you have to take corrective action. Most important, you need to evaluate everything through the eyes of your prospects. It's their perception that counts, not yours.

What's Going On Inside Your Customer's Head

Here are the steps you need to take to become effective at getting into your customers' heads:

Step 1: Identify the key decision makers. What are the primary roles of the people involved in your customers' decisions today?

Step 2: Complete a Buyer's Matrix. After you identify the primary roles involved in the decision-making process, the next step is to complete a Buyer's Matrix for each one. The word *matrix* means "the point from which something originates, takes form or develops" — which is exactly why it's necessary to do this exercise first. It will provide the core foundation for your sales strategies. Plus, it will enable you to get inside your customers' heads so you can better serve their needs. (*You can download a blank Buyer's Matrix at www.snapselling.com*)

Step 3: Create customer personas. When you're done with your Buyer's Matrix, create several prototypical customers who represent the decision makers with whom you interact on a regular basis. In short, create a persona for each, which will make it easier for you to think like these people.

Step 4: Use a mind meld. Once you've created the customer personas, step into each person's mind to test all your ideas before implementing them. Evaluate complexity, priorities, and personal and business value as if you were your prospects.

Your Customer's Decision-Making Process

Now that you know what's important to your prospects, you need to take a look at their decision-making process. With a deeper understanding of how they think about change initiatives, you'll be able to serve their business needs at the same time you increase your personal value to them.

Your prospects make three very different and distinct decisions in regards to working with you. In some cases, you are the instigator of these decisions. In other cases, you're called in for a conversation after your prospects have spent considerable time researching their options.

First Decision: Allow Access. At the onset of this decision, your prospects have minimal interest in connecting. As you communicate with them, they will be evaluating your message to determine if it's worth it to have a more in-depth conversation.

Getting your foot in the door is your objective in the first decision. Your primary job is to initiate a conversation with the appropriate people. In order to be granted some of their precious time, you need to **move them from oblivious to curious.**

Second Decision: Initiate Change. Helping your customers determine if making a change is "worth it" is the main focus of the second decision.

Your prospects must feel confident that working with you is the best use of their time and resources. And because they rarely make these decisions, they need help figuring out how to do it. Your job is to **move them from complacent to committed to a change.**

Third Decision: Select Resources. Your primary role in working with prospects at this stage of their decision-making cycle is to help them understand why working with you and your company is the best choice for them.

Your challenge is to **move them from being open to a wide variety of options to certain that you're the right resource.**

The First Decision

Frazzled customers don't want to hear about your products or services. They will grant you access only if you pique their curiosity or provoke their thinking with relevant information, such as:

- How other companies address the same issues
- Business outcomes they'd like to achieve
- Information on industry and competitive trends
- Intelligence about their customers' wants, needs and trends
- Updates on topics they're interested in knowing more about
- Insights into a vexing problem or new priority.

To get a frazzled customer to grant you access, it's imperative that you convey all this information in a series of 20- to 30-second "touches" (via phone, e-mail or direct mail).

SNAP Considerations

Here's how the four SNAP Factors impact your prospect's first decision:

Simple. Once you understand your customers' needs, this is a key factor. It's critical to pack just the right information into 30-second phone messages, 90-word e-mails or one-page letters.

iNvaluable. Your personal value will be assessed quickly by what you say in your message. If you demonstrate an understanding of your prospects' business, objectives and priorities, you'll differentiate yourself.

Aligned. If you are not aligned with your customers' needs, issues or objectives, you will not be granted access to the decision maker. Being ruthlessly relevant is the name of the game.

Priority. This is the trump card in the first decision. If you can tie the organization's or individual's priorities into your messaging, your odds of "getting in" will be increased exponentially.

Aligned: Craft Winning Value Propositions

Let's start with the third, but probably most important SNAP Factor: Alignment.

Alignment starts with having a strong value proposition that's highly attractive to your targeted customer — one that answers his or her question "Why should I consider changing from my status quo?"

A value proposition is a clear statement of the tangible results a customer gets from using your products or services. It's outcome-focused and stresses the business value of your offering.

Your strongest value propositions become the foundation of your foot-in-the-door campaign. They're also used in marketing and lead generation programs, Web site copy, collateral, proposals and presentations. Being able to clearly articulate your value from your customers' perspective is foundational to your sales success.

Here is a formula for crafting a powerful value proposition:

Value Proposition = Business Driver + Movement + Metrics

You'll need to include all these elements as you develop your value propositions:

Step 1. Determine the Business Drivers. Business drivers are what decision makers really care about.

Step 2: State the Movement. A strong value proposition always includes movement. Use words like these: *increase, cut, improve, save, grow, reduce, accelerate, shrink,* etc.

Step 3: Add the Metrics. Your prospects want to know how much you've improved something, the extent of the value realized and how long it took to get those results. That's why adding metrics — or numbers — makes your value proposition even more enticing, powerful and believable.

Priorities: Capitalize on Trigger Events

While value propositions are the foundation of your sales initiatives, "trigger events" are the grand catalysts. They provide the context for irresistible messages to your targeted customers. Sellers who leverage trigger events outperform their colleagues and clobber their competition.

A trigger event is an occurrence that shifts an organization's priorities. It could be internal or external to the organization; it doesn't matter. What does matter is that when it occurs, new objectives immediately gain importance, while others get tabled until things settle down.

Trigger events shake the status quo to the core. New problems emerge that require resolution. Fresh strategic initiatives dominate the discussion.

What a perfect time for a savvy seller to get involved and help a frazzled customer.

Doors open wide for sellers who stay up-to-date on trigger events that are relevant to their sales success.

When you find out about a trigger event, you need to act on it right away.

Simple: Messages that Matter

Here's a proven formula that works for both voice mail and e-mail messages — with only slight variations.

1. Establish credibility. You need to be taken seriously from the get-go.

2. Pique curiosity. After reviewing what you know about your targeted company and what's important to your prospective customer, determine what would pique their interest the most.

3. Close for next step. Voice mail messages should end with the quiet confidence of a peer, with your follow-up clearly stated: "Let's set up a time to talk about this. I'll give you a call tomorrow to see if we can get something on the calendar." E-mails need to close differently. They should invite the recipient to engage with you on a non-threatening next step. "Here's the link to an article on how we helped Generic Systems with that issue. You might want to check it out. I'll follow up in a couple days to answer your questions."

iNvaluable: Become Irresistible Right Away

When you initially go after an account, plan on approximately 10 touches (via phone, e-mail and direct mail) spread out over four to six weeks. This condensed time frame is a real switch from the past.

You don't have to worry anymore about being a pest! With crazy-busy customers, your message doesn't even make it into their short-term memory. That's also why you need to condense your account entry campaign. Good messaging combined with educational resources makes you memorable and sets the stage for a valuable discussion.

While it's tempting to follow up with a "just checking in" message, that's the worst thing you can do. Every single communication needs to provide value. Since many of your connections will be via e-mail, this gives you an opportunity to link to quality content or attach it to your message.

The Second Decision

Now that you've piqued your prospect's curiosity enough, he or she is willing to set up a meeting with you. But getting the prospect to accept the change you're offering is a whole different story, and depending on what you sell, it may take months.

Working with a prospect at this stage of his or her decision-making process *is all about change*. Your product or service is virtually irrelevant. The only thing that matters is whether your offering will help the prospect achieve his or her objectives.

Aligned: Assessing Business Value

The easiest way to win more sales is to have a strong business case. Being able to clearly articulate the business value of your offering is critical for getting your foot in the door.

Your role during the second decision is to move your crazy-busy prospects off their sense of complacency with their current situation. You need to explore the potential effect your product, service or solution can have on their organization. If it's aligned with their business objectives and priorities — and if they feel it's "do-able" — they'll likely commit to making a change.

A major key to your success lies in your ability to co-develop a strong business case with your prospects so

that they'll willingly go to bat for you with their management team.

That's why you must ask questions to assess the business value of your offering. When sellers learn to ask good questions, their prospects evaluate them as more caring and concerned, and more knowledgeable about the prospects' jobs, market and products.

Now that you've convinced your prospects that you are aligned with their goals, you must demonstrate that moving ahead is doable.

iNvaluable: Become the Expert They Can't Live Without

In today's market, it's virtually impossible to maintain a sustainable edge over competitors. Even if you have one today, it could be gone tomorrow. Your prospects can easily locate a whole slew of options from which to choose.

There's only one thing that truly can be special and that's YOU! Absolutely no one can replicate you — your knowledge, your expertise, your problem-solving capability or your ability to create options that didn't exist before.

Remember, your prospects can get your products, software or services anywhere, and probably for much cheaper. But they can't buy your brain, your knowledge or your expertise anyplace else. When you focus on turning yourself into a differentiator, suddenly everything shifts. People who wouldn't give you the time of day before suddenly can't get enough of you. They rely on your know-how, guidance and advice for achieving their goals.

Simple: Cut the Complexity

If you've piqued your prospects' curiosity enough, they'll make a change. Conceptual buy-in is the first step in moving them away from the status quo — and bravo to you when you've achieved it.

But now your prospects need to learn more. If it's their first time making a decision in this area, they'll need to understand the entire context of the change initiative. If it's been a few years since their previous decision, they'll also need to do a major immersion.

The sheer challenge of figuring it all out is daunting. And it gets even more overwhelming as your prospects see just how much they don't know. That's why it's imperative to always follow SNAP Rule 1: "Keep It Simple."

It's time to be the leader, the guide, the navigator. Once you've captured your prospects' attention, you need to move into this new role. In a figurative sense, you offer them your hand and say, "Follow me. I can help you figure this out and get it implemented in your organization. I've done it before. C'mon, let's go." When you do this, frazzled customers will follow you.

Priorities: Maintain the Momentum

After you've convinced your prospects of the need for change, you'll need to keep the momentum going to encourage the decision-making process. Even after you've brought them a solid idea — one that addresses a critical problem or achieves their objectives — things can get bogged down.

The best way to accelerate your prospects' decision-making process and keep it a priority is to remove those factors that bog it down. People don't want to make slow decisions. However, they don't want to make dumb, career-derailing decisions either.

Remember, the second decision is all about getting complacent prospects to act. In order to do this, you have to make sure they have the appropriate information to help them through the decision-making process: solid educational content that addresses whatever issues they're hung up on.

Identify all their potential sticking points. Do it from your prospects' point of view, not yours. Use their words, the way they'd say it. Then, once you've created that list of sticking points, figure out what type of educational content you can create or leverage to move them through these decision bottlenecks.

Success with the Second Decision

When you pursue business with a company or an individual who hasn't been thinking about making a change, you take on quite a challenge.

To have success with the first decision, you needed to pique the interest of your targeted prospects. Your mission was accomplished when they agreed to an initial meeting.

Your role at this time has to shift. You have to stop "selling" — meaning make no pitches at all. You are now working with your customer. So get started by figuring out what to do to make that transition from the status quo. Operate as if you have already started the project.

At the same time, don't lose sight of the fact that the decision could still be derailed, delayed or even tabled forever. Remember, you haven't signed the contract yet. ●

The Third Decision

By now your prospects have committed to making a change. The status quo is no longer acceptable. They've discovered new ways to eliminate costly problems or to

create new opportunities. Now they're looking at what it's going to take to get the approval for change.

Working with prospects at this stage of their decision making is all about choices and certainty.

Selling to Hot Prospects

To be successful at this stage, you should go through these exercises with your typical customer's decision-making process. You've already identified the primary decision maker and completed a Buyer's Matrix on each one. You've created a customer persona for each of these positions, too. Now it's time to:

Create a Decision Map. Walk through the decision from their perspective — not yours. Map it out, detailing every likely step in their journey to closure.

Landscape the Competition. Once you've created a map, you need to factor in the competition, since it's highly likely they'll be vying for this same opportunity. Identify the primary competitors you'll encounter and do your research on them.

Simple: Make the Decision as Easy as Possible

As architect and Zen gardener Dr. Koichi Kawana says, "Simplicity means the achievement of maximum effect with minimal means." When you examine everything you do through that lens, it shifts what you do and how you do it.

One of the best ways you can have "maximum effect with minimal means" is to take on the leadership role at this stage in the decision-making process. You've helped other companies make these decisions. You know what they struggled with. You are in the perfect position to become your prospects' guide — someone who helps them get to their desired destination. You must remain consultative and helpful — which will really differentiate you from your competitors and speed up the decision-making process.

Aligned: Balancing the Value-Risk Equation

People make decisions because what happens in their company matters to them. Believing that they're dealing with a credible firm that's proposed a sound concept is the starting point. But as Chip and Dan Heath point out in *Made to Stick*, "For people to take action, they have to care."

Company executives care when you show them ideas on how to:

- Achieve their desired future or growth initiatives
- Create first-mover or sustainable competitive advantage
- Turn around failing businesses or stop the bleeding
- Maintain their current business more elegantly or with fewer resources.

They need a vision from you regarding what's possible — really possible, given where they are today.

iNvaluable: Be the One They Want to Work With

Caroline Kirby, former top car seller and now technology rep, says, "I don't care what you're selling. People are in fear. Your job is to establish trust — which you do by being authentic, caring about your customers, engendering feelings of subject matter expertise and making the selection easy and pain-free."

Here are three strategies you can use to differentiate yourself from competitors and win the business with crazy-busy buyers:

Collaborate "as if" they're customers. To be most effective, drop the "sales" mentality and start working with your prospects as if they've already hired you.

Make differentiation easier. Because potential buyers don't know how to make an accurate comparison, educate them on what to look for.

Act as the trusted resource. Whenever your prospects consider the differences between you and your competitors to be minimal, it's up to you to change that perception by proactively being the go-to resource.

Priority: Getting the Business

The end is finally in sight. Even this far into your prospect's decision-making process, it's imperative for you to ensure they have the information they need to make their final selections.

They've heard you talk about how good your stuff is, but you're in sales, so you're expected to strut your stuff. Now they need outside validation. If you haven't done this already, this is a good time for you to:

- Arrange conversations with existing customers.
- Showcase video testimonials of satisfied, similar customers.
- Highlight complimentary analysts' reports or articles.
- Set up site visits to other users' facilities or your own corporate offices.

Make It Easy to Say Yes

There are many strategies you can use that can make it easier for your prospects to give you the go-ahead. You may want to consider some or all of these strategies to expedite getting the ink on paper:

- **Propose fewer options.**

- **Break your offering down into small pieces.**
- **Propose creative payment solutions.**
- **Make your contracts simpler.**
- **Offer payment over time.**

Success with the Third Decision

At long last, the decision is made! You've invested countless hours preparing and strategizing for each of the numerous meetings. You've given it your all, hoping you've done enough to come out on top.

Unfortunately, not everyone can be a winner. Should you lose, be gracious. Thank your prospects for the opportunity and wish them all the best.

If you win, it's time to celebrate. And it's also time to get to work. Your new customers need to know that you look forward to working with them. Your first official job is to tell them that you appreciate their business.

Then it's time to dig in. You are responsible for the success of this project, order, contract or deal. Pay attention to details, constantly monitor progress and check on satisfaction levels. Make sure your project comes in on time and within budget. Should any changes arise that could alter expectations, deal with them openly and honestly. Your customers don't want any surprises. Ultimately, your success is dependent on your customers' success. ●

Wrapping It Up

Your prospects desperately want to work with smart, savvy people who bring them fresh ideas, insights and information on how to achieve their business objectives. They crave working relationships with competent, caring, trustworthy individuals who can guide them through the decision-making process, minimizing any missteps. Keep in mind:

• When you align your offering with their critical business objectives, you capture and maintain your prospects' interest.

• When you bring personal value and expertise, you get chosen over competitors, fight fewer pricing battles and increase customer loyalty.

• When you keep things simple, you make it easier for prospects to buy from you.

• When you raise priorities, your sales process goes much faster and you get the business with less competition.

Even in tough times, you can be successful when you master the skills, strategies and mindset of a SNAP seller.

How to Win Their Business

To win their business, your customers must determine that:

- Your product, service or solution is the best option for their business needs.
- Money spent on your product, service or solution is the best use of corporate funds.
- Your company has the depth of expertise necessary to help them achieve their objectives without any glitches.
- Working with your company is the least risky decision of all their options.
- What they're paying for your offering can easily be justified and, even if it costs more, it's worth it.

These are the new challenges that you need to address in the third decision.

SNAP to It!

Use the SNAP Check to evaluate prospects' perceptions of your phone messages, meeting plans, presentations, proposals and more. Have you made things simple enough or are they still too complex? Are you demonstrating your personal value or do you sound like every other seller? Have you aligned with their business objectives or is what you're offering irrelevant? Do you raise the priority status or is your offering still a nicety?

Be tough on yourself. It's how you eliminate this response: "We decided to stay with the status quo" or "We've decided to go with your competitor."

Better yet, when you rigorously practice SNAP selling you'll hear: "Let's meet," "We've decided to change" and "You're the one we want to work with." ●

RECOMMENDED READING LIST

If you liked *Snap Selling*, you'll also like:

1. ***Exceptional Selling* by Jeff Thull.** Leading-edge strategist Jeff Thull shows how to create a different kind of relationship with the customer and use powerful diagnostic principles to reframe the typical sales conversation.
2. ***The Perfect Salesforce* by Derek Gatehouse.** Derek Gatehouse argues that sales is about people and different types of people excel naturally in different types of sales jobs.
3. ***The Ultimate Sales Machine* by Chet Holmes.** Chet Holmes provides 12 key strategies to turn any business into what he deems "the ultimate sales machine."

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33-24 Rainmaking Conversation

Mike Schultz and John E. Doerr

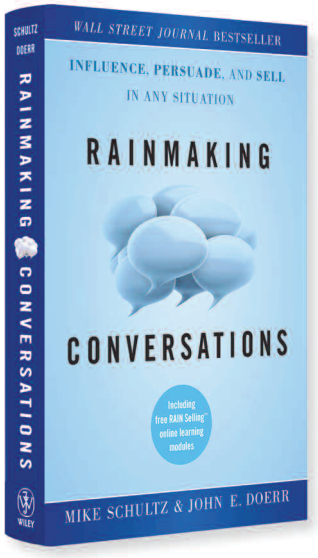
October 2011

SOUNDVIEW Executive Book Summaries®
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Sales

Rainmaking Conversations

Influence, Persuade, and Sell in Any Situation



by Mike Schultz and John E. Doerr

THE SUMMARY IN BRIEF

Conversations make or break everything in sales. Every conversation you have is an opportunity to find new prospects, win new customers and increase sales. *Rainmaking Conversations* by sales training experts Mike Schultz and John Doerr provides a proven system for leading masterful sales conversations that fill the pipeline, secure new deals and maximize the potential of your accounts.

Rainmaking Conversations offers a research-based, field-tested selling approach that will help you master the art of the sales conversation. This proven system revolves around the acronym RAIN, which stands for Rapport, Aspirations and Afflictions, Impact and New Reality. With RAIN, you'll learn how to ask your prospects and clients the right questions and help them set the agenda for success.

Armed with the knowledge of the markets you serve, the common needs of prospects, and how your products and services can help, you can become a trusted adviser to your clients during and after the sale.

IN THIS SUMMARY, YOU WILL LEARN:

- How to build rapport and trust with potential clients from the first contact.
- How to uncover the full set of prospect and customer needs.
- How to see the real need behind client challenges.
- How to understand and communicate your value proposition.
- How the Five Whys can help you find the underlying cause of a problem.
- How to overcome all types of objections and move toward the close.

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Concentrated Knowledge™ for the Busy Executive • www.summary.com
Vol. 33, No. 10 (3 parts), Part 1, October 2011 • Order #33-24

THE COMPLETE SUMMARY: **RAINMAKING CONVERSATIONS**

by Mike Schultz and John E. Doerr

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John E. Doerr is co-president of RAIN Group, and consults, speaks, writes and teaches on the subjects of selling and sales performance. His extensive career in business leadership has included senior executive management, business development and marketing, and product and service development. He is also the co-author of *Professional Services Marketing.*

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PART ONE: GETTING READY TO MAKE RAIN

RAIN is an acronym for Rapport, Aspirations and Afflictions, Impact and New Reality. These are the core concepts you need to remember to lead a rainmaking conversation. In addition, the "A" and the "I" perform double duty, standing for *Advocacy* and *Inquiry*, and the "IN" will help you to remember to maximize your Influence. The RAIN acronym is also a nod to the fact that this process is focused on *rainmakers* — a common name for people who bring the most new clients and revenue into an organization.

Ten Rainmaker Principles

The top rainmakers share 10 common principles:

1. *Play to win-win.* Rainmakers respect and always try to satisfy the best interests of prospects and clients as well as their own (the win-win part). They are also extremely dedicated to becoming top performers (the play-to-win part), exhibiting the hustle, passion and intensity it takes to achieve what only the elite achieve.
2. *Live by goals.* Goals are a part of Rainmakers' daily rituals.
3. *Take action.* Rainmakers realize that goals without actions don't get you very far. While other people intend to take action and do more, rainmakers do it.
4. *Think buying first, selling second.* Rainmakers map their selling processes to the processes and psychology of buying.
5. *Be a fluent expert.* Rainmakers might not be technical experts in every area, but they know what they need to know in order to sell.
6. *Create new conversations every day.* Rainmakers always feed the front of their pipelines and improve their pipeline quality.
7. *Lead masterful rainmaking conversations.* Rainmakers lead masterful sales conversations, from prospecting to needs discovery to closing to account management.
8. *Set the agenda; be a change agent.* Rainmakers recommend, advise and assist. They are change agents who are not afraid to push when it's in the best interest of the customer.
9. *Be brave.* It takes courage to rise to the occasion in sales. Rainmakers not only conquer their fears, they actively seek to win the most fruitful sales opportunities no matter how difficult the challenges may be.
10. *Assess yourself, get feedback and improve continuously.* Rainmakers are never afraid to learn the cold, hard truth about themselves. They use what they discover — the good and the bad — to learn, grow and change for the better. They never stop this cycle. ●

The Most Important Conversation You'll Ever Have

Before you start on your path to improvement, the first question you need to ask yourself is, "What should I improve?"

1-800-SUMMARY
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Published by Soundview Executive Book Summaries® (ISSN 0747-2196), 500 Old Forge Lane, Suite 501, Kennett Square, PA 19348 USA, a division of Concentrated Knowledge Corp. Published monthly. Subscriptions starting at $99 per year.
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Rebecca S. Clement, Publisher; **Sarah T. Dayton**, Editor in Chief; **Andrew Clancy**, Senior Editor; **Edward O'Neill**, Graphic Designer; **Chris Lauer**, Contributing Editor

This is the beginning of your most important rainmaking conversation: The one you have with yourself. This internal conversation has many parallels to those you'll have with prospects and clients. You'll discover your own needs by asking the right questions, asking them in a way that gets to the heart of the answers, taking stock of the impact of various courses of action, and then setting the agenda for building a new and better reality. Only this time, you'll be selling to yourself.

Six Questions to Ask Yourself

To start the conversation about your quest to become a rainmaker, ask yourself the following six questions:

1. *How strong is my desire to achieve in sales?*
2. *How committed am I to doing what I need to do to succeed?*
3. *How energetically will I pursue success?*
4. *How's my attitude?*
5. *Do I accept responsibility for my outcomes or do I make excuses?*
6. *Am I willing to face my sales demons?* ●

Goal and Action Planning: Making the Most Rain

Many salespeople (and sales managers and companies) get goal planning, action planning and commitment right — and many fall short.

Two things set apart those who live by their goals and those who don't:

1. They know where they're headed.
2. They commit to a goals routine.

Contrary to what you might read in others' writings about goals, you don't have to sort out your life's purpose in order to achieve success in sales. Start by setting a target. It can be as simple as having an annual sales quota and answering yes to this question: "Do I really want to achieve this badly?"

Once you know where you want to go, commit to a goals routine. Keeping your goals routine simple will help you stick to it.

Here's a simple road map that can help you build and stick to your own goals routine:

- Review your goals first thing every morning.
- On Friday or during the weekend, review the week and set goals and actions for the next week.
- Once per month, meet with a small group of people you trust to review what you're doing, where you're headed and what you'll do in the next month, and get ideas for how you can achieve more and shake off any nagging hassles.
- Once per quarter, review your progress toward your annual goal.
- Once per year, set your targets for the next year.
- As you're crafting your goals, you should also take your big-picture goal and align it to shorter-term goals and actions. ●

Understanding and Communicating Your Value Proposition

A *value proposition* is the collection of reasons why someone buys.

A *value proposition positioning statement* is a compelling, tangible statement of how a company or individual will benefit from buying from you.

Too many salespeople only craft and practice a statement. They don't investigate the various underlying components of why buyers buy from them. If you think of a value proposition as only a statement, you'll stop here, too. If you truly understand the collection of reasons why buyers value what you sell, you will have much richer and more persuasive conversations.

Three Legs of the Value Proposition Stool

The collection of reasons why people buy falls into three major buckets:

1. Prospects have to want and need what you're selling. You have to *resonate*.
2. Potential buyers have to see why you stand out from other available options. You have to *differentiate*.
3. Potential buyers have to believe that you can deliver on your promises. You have to *substantiate*.

Before you come up with your value proposition positioning statement, focus on understanding all of the components that make up the three legs of your value proposition stool. Only then can you communicate your value in your sales conversations. You can sum it all up in a short statement, too, but you'll be way ahead of your competitors who are satisfied with only a canned statement. ●

PART TWO: RAIN SELLING KEY CONCEPTS

Rapport

When you look to build rapport, keep in mind that what you want to do is make a sincere emotional connection. As you work to do this, consider the following:

Be genuine. Be yourself. Don't try to be anything you are not; don't create a new persona; and don't adopt a saleslike tone. Relax, smile and go in with a positive attitude. Good things will follow. As Oscar Wilde said, "Be yourself; everyone else is already taken."

Be warm and friendly. Smile, give a firm handshake, make eye contact and be engaged.

Show interest. Show interest in prospects as people as well as in their business challenges.

Don't seem so needy. There's something not "cool" when someone tries to force rapport. Show interest, but act subservient or be overly friendly and you will only turn the other person off.

Give genuine compliments. Sycophants get nowhere, but genuine compliments are endearing.

Calibrate the rapport to "just right." From the administrative staff right up to the CEO, buyers want to know that you're a real person before they buy from you.

Read the culture. We asked Tony Hsieh, CEO of Zappos, about the criteria Zappos uses in its vendor selection and purchasing process. Here's what he had to say: "Obviously they need to be capable of delivering the actual product itself. Once that criterion is met, we definitely look at how closely their values are aligned with our corporate core values. We really look for as close a culture or values match as possible." ●

Aspirations and Afflictions

Problems, frustration, pain, irritations, challenges … call them what you will, a salesperson must uncover a prospective client's afflictions.

But uncovering afflictions is only half the story because afflictions only focus on half — the negative half — of customer needs. If you focus only on the negative, you leave opportunities on the table to expand your existing relationships and generate new opportunities.

The best way to understand why this is true is to think about how buyers buy.

Two Core Buyer Mindsets

There are two core buyer mindsets you will encounter when selling: *problem solving* and *future seeking*.

Buyers are in problem-solving mode when something is bothering them or not performing up to expectations. When you encounter this buying mindset, your task is to uncover and help solve those afflictions with your products and services.

When buyers are future seeking, they're looking to grow, make their companies or personal lives better, or somehow improve their current circumstances, often looking for new and innovative ways to do so. In other words, maybe what's keeping them up at night is not a problem at all, but the passion and excitement that stem out of innovation, growth, success and an endless list of possibilities.

To help you uncover the largest value gap possible and succeed with discovering prospect needs, keep the following guidelines in mind:

- *Know the range of needs.*
- *Ask questions that uncover needs and wants.*
- *Not going how you want? Reverse direction.* ●

Impact

To take your rainmaking conversations to the next level, the idea is to figure out the answer to "So what?" regarding all of the aspirations and afflictions you've uncovered. If the prospect's afflictions don't get resolved, so what? Will things get worse? How will these afflictions affect the bottom line of the prospect's company, division or department?

If prospects' aspirations don't become reality, so what? If they do become reality, how much better will prospects' competitive positions become? How much more will they personally succeed?

The exact "so what?" questions will vary depending on the situation, but your ability to quantify and paint the "so what?" picture is the cornerstone for making it clear to the prospect just how important buying from you is. Creating urgency for buying hinges on how well you help your client see the "so what?" picture.

Answering "So what?" will uncover the impact you can have on a customer's life and business. When you calculate the impact of helping prospects realize their aspirations and solve their afflictions, you establish a new baseline for where prospects *could* be.

Impact comes in two flavors, *rational* and *emotional*, and they work closely together. The rational impact is the business case — where a prospect understands the return on investment of solving particular afflictions or achieving aspirations. The emotional impact is the prospect's desire for success, financial freedom, peer recognition, pride, happiness, stress reduction and so on.

Demonstrate the rational impact and you'll build the emotional impact. Until you clarify the impact, prospects won't likely know what the value of working with you will ultimately be. ●

New Reality

Until they experience it, clients often have a difficult time knowing exactly what they are buying and what value they will receive.

One of the most important skills in selling is helping potential clients understand the outcomes they get when they buy. Whatever your offering may be, it will somehow change your clients' world. In other words, you will create a *new reality* for them.

At the end of a well-managed sales process, your job is to create a new reality that is best for your customers, taking into account their specific aspirations and afflictions, and the impact of doing something about them.

The new reality process should start before you craft the solution. Ask potential customers what they want the world to look like after they work with you. A good way to get the creative juices flowing is to ask broad questions that encourage envisioning the future.

As the seller, you must translate the new reality into dollars and cents, help buyers understand how their lives will be better if they purchase, and then, as compellingly as you can, paint the picture in which they see the difference between their undesirable current state and much improved new reality.

Communicate the New Reality

Whatever the new reality is, you need to describe it to the customer.

Bullet points and prose can only take you so far. Pictures, graphs and charts can be quite powerful. The goal is to make the benefits of working with you crystal clear to the prospect. ●

Balancing Advocacy and Inquiry

Although some salespeople talk too much, some talk too little. The voluminous teachings of people who subscribe to the school of consultative selling tell us that good salespeople ask great questions and spend much more time listening than talking.

Unfortunately, too many sellers take the advice too strongly and ask question after question, offering no advice and setting no agenda. They can take it so far that they make the person on the other side feel like they're getting the third degree. Instead of talking too much, they're asking too many questions.

The key to talking the right amount is balancing advocacy (giving advice … setting the agenda … talking) and inquiry (asking questions … finding out more … letting the client have the air time). ●

Digging Deep into Needs: The Five Whys

Popularized by Taiichi Ohno, one of the fathers of lean manufacturing, the Five Whys is a root-cause analysis technique.

The Five Whys is to problem solving and critical thinking what removing weeds at the root is to gardening. Fix a symptom in business but not the underlying cause and, much like a pulled weed with the root still left in the ground, the symptom is bound to sprout up again. Fix the underlying cause of a problem at the root and you will see lasting improvement.

Example: The Production Line Stopped

- Why (1) did the production line stop? Answer: We blew a fuse.
- Why (2) did we blow a fuse? Answer: Because the bearings overheated.
- Why (3) did the bearings overheat? Answer: Because there is insufficient lubrication on them.
- Why (4) is there insufficient lubrication on the bearings? Answer: Because nobody oiled them.
- Why (5) did nobody oil them? Answer: Because we don't have a preventive maintenance schedule.
- Why (6) don't we have a preventive maintenance schedule? Answer: Silence.

Yes, this example has six Whys. You'll often find that it takes more than five Whys to discover the root of the problem. Five gives you the idea, but you should ask as many Whys as you need.

The idea is that once you get to silence, you are close to uncovering a root cause. ●

Tips for Leading Rainmaking Conversations

Rainmaking conversations follow well-worn patterns and satisfy the same conditions, regardless of the product or service you're selling.

Whatever's happening in the conversation, remember Rainmaking Principle 4 — think buying first, selling second. It will help you keep everything in the proper perspective.

1. Rapport building. Attend to the basics. Say hello, maintain eye contact and deliver a firm, but not death-grip, handshake.

2. Conversation kickoff. This step includes conversation purpose and outcome, value proposition for

meeting and company, introductions and inquiry into meeting hopes.

3a. Needs discovery — Interest and desire. This step includes company overview, background on the problem, typical solutions, new approach and typical impact.

3b. Needs discovery — Aspirations and afflictions. Summarize the key points of the discussion so you're all on the same page before moving forward.

4. Impact analysis. Ask questions based on explicit and latent aspirations and afflictions. Outline typical impact — employ impact modeling. Gain agreement on impact ranges.

5. New reality. Describe possible new realities. Set agenda for possible paths forward. Involve buyer in new reality design and process to achieve.

6. Determine buying process. Discover interest levels. Determine buying process and players. Involve appropriate decision makers.

7. Next steps. Confirm reasons to continue. Suggest and calibrate next steps. Gain agreement on the next step and when it will take place.

8. Post-meeting — After you leave. Write confirmation document. Prepare for next conversation. ●

PART THREE: MAXIMIZING YOUR RAIN SELLING SUCCESS

There's an age-old formula in direct marketing referred to as AIDA. AIDA stands for **A**ttention, **I**nterest, **D**esire and **A**ction.

The goal of prospecting is to capture attention and create interest, and then convert that interest into a conversation.

Note that we didn't say the goal of prospecting is to find someone currently looking to purchase a particular product or service. For most, this is *not* what you want to do because it doesn't work often enough.

When prospecting, you will find people who are already in the *Desire Phase* (someone interested in solving a particular problem or purchasing a known type of product or service) or the *Action Phase* (someone already in the process of searching for a solution to the problem), but if your approach is only to look for these people, you're in for a number of rude awakenings.

If you are the one who can capture *Attention* and stimulate *Interest* and *Desire*, you will be the front-runner, you will shape the prospect's understanding of the importance of solving a particular problem and you will be in pole position to persuade them into Action.

A Closer Look at Cold Calls

In a benchmark study titled "How Clients Buy," buyers were asked two questions about cold calls:

1. Do you ever accept cold calls?
2. What factors are important to you in accepting the call?

Four out of every 10 buyers (42 percent) indicated that they accept cold calls. The two *most* important factors for them in accepting a cold call are:

1. I see a need for the offering now or in the future.
2. The provider offers me something of value on the call — best practices, research findings, discussions with experts and practitioners, event invitations.

Both of these factors were considered at least "very important" by more than 80 percent of buyers who accept cold calls. The least important factor in accepting a cold call, though still considered "very important" by a majority, was dissatisfaction with the current provider. ●

Handling Objections

When the prospect indicates that he or she is not ready to buy, he or she voices an objection. To handle it right and advance the sale, you should:

Step 1: Listen. Listen fully to the objection. Don't interrupt. Don't anticipate. Fight the urge to respond immediately. By doing so, you give yourself the chance to hear what is on the prospect's mind.

Step 2: Understand. The starting objection often masks what's really going on. Your charge is to work with your prospect to get to the root cause of what is standing in the way of a favorable decision. Ask permission to learn more, restate the issue and then ask questions to understand the issue completely.

Step 3: Respond. Once you have listened and gotten to the bottom of the issue, it's time to respond. Answer honestly and to the point. Long-winded responses quickly sound insincere.

Include in your response your resolution to overcome the objection. Describe exactly how you are going to remove the barrier.

Step 4: Confirm. Ask whether your answer will satisfy the objection.

Step 5: Continue. When you are comfortable that you have provided an acceptable solution to your prospect's objection, pick up the conversation wherever you left off. Wherever objections surface, follow the five steps to address them, go back to where you were in the RAIN Selling framework and continue to advance the sale to commitment. ●

Closing Opportunities, Opening Relationships

The first closing action you must take is to set the table for success and make sure the deal is close ready. Assuming you've set the table, here are the actions you need to take to close the deal, thus opening a new chapter in your relationship:

- *Recommend, don't just present.* Regardless of the situation, challenges and solution, we're all selling one thing: Confidence. Make sure you let buyers know, "Given everything we've considered, in my estimation this is the best path to move forward."
- *Present, don't just send, the proposal.* In-person presentation is best, but live delivery over the phone or Web is also a popular option.
- *Preempt objections.* You'll need to be able to respond to objections. But first things first: If you can, neutralize objections before the client brings them up.
- *Indicate you'd like to work with them.* Most buyers prefer engaged and passionate sellers.
- *Communicate the next step clearly.* Communicate to the prospect that, "The next step is for you to say, 'let's move forward,' and sign the agreement," and then suggest a time to kick off the engagement or take possession of the product.
- *Push back on put-offs.* You have to make sure you're doing everything you can to maintain a peer dynamic and set actions that advance the sale versus letting it drift along.
- *Help your prospect agree to success versus perfection.* If you find that a buyer has the mindset of working on little detail after little detail, let him or her know you think the best next step is to move forward.
- *Be willing to walk away.* Sometimes customers don't see the value in the solution and that's why they push price. If this is the case, then the breakdown happened much earlier in the table-setting process. Other times customers simply feel the need to push until you say, "Here's where we are. Let's move forward or move on." Then they're ready. ●

What You Need to Know to Sell

Across companies and industries, rainmakers share two traits when it comes to sales knowledge:

1. They know the right things.
2. They know them fluently.

Rainmakers Know the Right Things

There are eight essential categories of knowledge you need in order to sell at your best:

1. *Expectations.* You need to know what you're expected to produce, the actions you're expected to take and the guidelines to help you get there.
2. *Market context and company value proposition.* You need to know the markets you serve backward and forward, including the macro trends in each market, what it's like in your customer's world, the general competitive dynamics of the market and how your company positions your value to the market.
3. *Categories of common customer needs.* To succeed in sales you have to have a solid understanding of all the possible customer needs you can improve.
4. *Company capabilities as solutions to needs.* Positioning company products, services and overall capabilities as solutions to needs makes it much easier for you to uncover aspirations and afflictions, and analyze where you can make the most impact.
5. *Competition.* You need to know the details of how and why your company is preferable in specific situations versus the competition.
6. *Sales strategy, process, tactics and resources.* When it comes to sales strategy and process, two things need to come together to help you succeed: You need to follow it and it needs to be a good process.
7. *Post-sale delivery and service.* You need to know what happens when the sale ends and the customer service begins.
8. *Account development.* Working closely with No. 6, you need to know the strategy for maintaining, deepening and broadening relationships with customers.

Rainmakers Are Fluent in Sales Knowledge

Accuracy isn't enough for sales. Product knowledge alone isn't enough for sales. You need fluency: Accuracy + Speed + Breadth and Depth of Knowledge. ●

Planning Each Rainmaking Conversation

Here are six sales call planning questions you can answer for yourself before every sales call:

Planning Question 1: What is the prospect's current situation? Often your goals for the customer, the value you can offer and your action planning for the rest of the sales call come out of your detailed knowledge of the prospect's situation.

Planning Question 2: What are my sales goals for this prospect? Whatever your sales goals for this prospect or client, make certain you are as clear as possible about what those goals are before the actual meeting.

Planning Question 3: What is my desired next outcome? If you know what you want to get out of your meeting, don't get out of the (proverbial) car. Just make sure you start your sales call planning process early enough so you have time to investigate anything you need to do in order to prepare.

Planning Question 4: What are my relative strengths? In every sales situation, various forces are working in your favor. Know what these forces are for each client or prospect situation so that you can leverage them.

Planning Question 5: What are my relative vulnerabilities? With good preparation and call planning, you can have your responses to objections and tough questions at the ready when you need them.

Planning Question 6: What actions do I need to take before the next call? By taking the time to answer questions 1 through 5, your sales call planning to-do list will be as good as it possibly can be because your actions will be:

- Informed by the knowledge of your client's situation
- Guided by your goals for the client from a business development perspective
- Built to help you achieve your desired outcomes
- Planned with the knowledge of your relative strengths and vulnerabilities in this particular business development situation. ●

How to Kill a Sales Conversation

When sales conversations die, they rarely go out with an explosion. More often they expire with a whimper. It doesn't matter if the conversation killer was the size of an elephant or a gnat, there was a sale that could have been made, an objection that could have been overcome or a price point that could have been achieved but wasn't, the failure is usually somewhere in the conversation.

The conversation killers can be broken into four categories:

1. **Killers that make you dead on arrival.** Lack of preparation. Professionalism issues. Setting up adversarial dynamic. Failure to prospect. Lack of follow-up. Playing to sort-of win.
2. **Killers hiding in the open**. Lack of rapport. Failure to demonstrate understanding. Talking too much. Not listening. Not advocating or setting an agenda. Not learning the buying process. Lack of communication of impact. Lack of clear new reality. Not establishing trust.
3. **Killers waiting to ambush you.** Not involving a key buyer in the process. Buyers don't feel like they're part of the process. Accepting put-offs and allowing attention shifts. Peer dynamic imbalance. Going to proposal too early. Not taking notes. Asking about budget inappropriately. Going off on irrelevant tangents. Giving up too early.
4. **Killers you never see that kill in the dark.** Sales expert Dave Kurlan has been writing about hidden weaknesses that hold salespeople back for years. He classifies the five major hidden weaknesses as:
   - *Tendency to get emotionally involved*
   - *Need for approval*
   - *Non-supportive buy cycle*
   - *Money discomfort*
   - *Self-limiting record collection*. (When records play in salespeople's heads, they can either help or hinder the sales cause. We refer to those songs that hinder as self-limiting records.)

Rainmaker Principle 10 tells us that we need to assess ourselves, get feedback and improve consistently. Take this principle seriously and remove the killers in your sales conversations, and the only elephant in the room will be the big signed contract for new business that you bring back to the office. ●

Putting RAIN in Your Forecast

Now it's up to you. You are the only person who can determine your success. Just as you need buyers to take ownership of their decisions and agendas, it is up to you to take ownership of your actions and do all you can to make all your sales conversations bear fruit. No excuses.

Envisioning your own success is a great first step. ●

RECOMMENDED READING LIST

If you liked *Rainmaking Conversations*, you'll also like:

1. ***SNAP Selling* by Jill Konrath.** Successful sales expert Konrath offers four SNAP rules to win more sales and she teaches why sales is an outcome not a goal.
2. ***A Seat at the Table* by Marc Miller.** Miller delivers a new, critical tool for connecting with decision makers to make more and bigger sales.
3. ***Exceptional Selling* by Jeff Thull.** Thull shows readers how to create a different kind of relationship with the customer and use powerful diagnostic principles to reframe the typical sales conversation.

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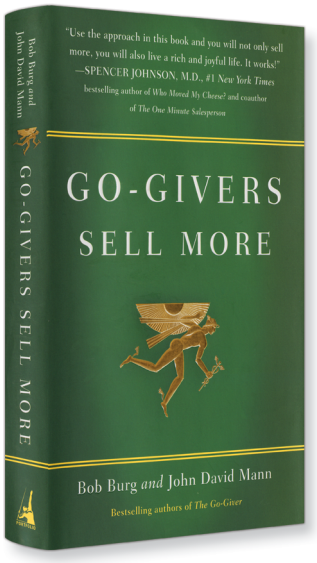
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December 2013

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Career & Self-Development

Go-Givers Sell More



by Bob Burg and John David Mann

THE SUMMARY IN BRIEF

With their national bestseller *The Go-Giver*, Bob Burg and John David Mann took the business world by storm, showing that giving is the most fulfilling and effective path to success. That simple, profound story has inspired hundreds of thousands of readers around the world — but some have wondered how its lessons stand up to the tough challenges of everyday real-world business.

Burg and Mann answer that question in *Go-Givers Sell More*, a practical guide that makes giving the cornerstone of a powerful and effective approach to selling.

As Burg and Mann demonstrate, it's far more productive (and satisfying) when salespeople think like Go-Givers. Cultivate a trusting relationship and focus exclusively on creating value for the other person, say the authors, and great results will follow automatically.

Drawing on a wide range of examples of real-life salespeople who have prospered by giving more, Burg and Mann offer tips and strategies that anyone in sales can start applying right away.

IN THIS SUMMARY, YOU WILL LEARN:

- How to focus exclusively on creating value for others.
- How to cultivate a trusting relationship with others.
- Tips that you can use in your sales strategy right away.
- Why sales is about giving, not just getting.
- Why Go-Givers really do sell more.

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Published by Soundview Executive Book Summaries®
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THE COMPLETE SUMMARY: **GO-GIVERS SELL MORE**

by Bob Burg and John David Mann

The authors: Bob Burg is a former top sales professional and also the author of *Endless Referrals* and *Adversaries Into Allies*. He is a highly sought-after speaker who teaches the principles at the core of *The Go-Giver* to audiences worldwide. John David Mann has been writing about business, leadership and the laws of success for more than 20 years; he is also the coauthor of the *New York Times* bestsellers *Flash Foresight* and *The Red Circle*.

Go-Givers Sell More by Bob Burg and John David Mann, © 2010 by Bob Burg and John David Mann. Summarized by permission of the publisher, Portfolio. 193 pages, $21.95, ISBN 978-1-59184-308-5. To purchase this book go to www.amazon.com or www.bn.com. Summary copyright ©2013 by Soundview Executive Book Summaries www.summary.com, 1-800-SUMMARY. For more information about the authors go to www.summary.com or www.GoGiversSellMore.com.

Introduction: The Truth About Selling

Everyone who is not in sales thinks, "I could *never* sell." Truth is, most people who are in sales secretly think the same thing.

There is a reason people feel this way: most of us look at sales *backward*. We may see it as convincing people to do something they don't want to do. But it isn't; it's about learning what people *do* want to do and helping them do that. Or we may think it's about taking advantage of others — while in fact, it's about giving other people *more* advantage.

Selling is giving: giving time, attention, counsel, education, empathy and value.

Most people who are involved in sales genuinely believe in what they're selling. But when it comes to the actual selling part, we get performance anxiety and don't feel comfortable with the idea of "pitching." We don't like having things pushed on us and don't really expect others to like it, either. We want to sell — we just don't want to be in *selling mode*.

The traditional sales process is viewed as a sequence of specific, controlled events: *prospect - qualify - present - overcome objections - close - follow up - provide customer service.*

Go-Givers Sell More takes a different approach. The sales process goes something like this: *create value - touch people's lives - build networks - be real - stay open.*

These five steps correspond to the Five Laws of Stratospheric Success.

THE FIVE LAWS OF STRATOSPHERIC SUCCESS

I. The Law of Value

Your true worth is determined by how much more you give in value than you take in payment.

Create Value

Your job is not to make a sale but to create something else: value. In fact, as a salesperson you can define your job description in three words: I create value. Value is the relative worth or desirability of a thing to the user or beholder.

If your goal as a salesperson or any kind of person is to create value for other people, how do you do that? There are a thousand ways. Here are just five: excellence, consistency, attention, empathy and appreciation.

MacGuffin

It doesn't matter whether you sell cars or homes, legal or financial services, computers or sandwiches: you're not really in the business of selling any of those things. What you sell is a MacGuffin. A MacGuffin, so dubbed by the late British film director Alfred Hitchcock, is the object around which the whole story focuses. It's not that your product isn't important; it is. It's just not what the sales process is all about.

Remember, this process is not about you, and it's not about your product. It's about the other person. It means that no matter what you're selling, you have the same opportunity to touch people's lives.

SOUNDVIEW **1-800-SUMMARY** **service@summary.com**

Published by Soundview Executive Book Summaries® (ISSN 0747-2196), 511 School House Road.,Suite 300, Kennett Square, PA 19348 USA, a division of Concentrated Knowledge Corp. Published monthly. Subscriptions starting at $99 per year. Copyright © 2014 by Soundview Executive Book Summaries ®. **Available formats:** Summaries are available in several digital formats. To subscribe, call us at 1-800-SUMMARY (240-912-7513 outside the United States), or order online at www.summary.com. Multiple-subscription discounts and corporate site licenses are also available.

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Giving

To be successful in sales, it's important to understand how giving actually works. The essence of the Go-Giver philosophy is this: the more you give, the more you have.

Classic business operates by billiard-ball logic: Every action has an equal and opposite reaction. You give me a hundred dollars, and I'll give you a hundred dollars' worth of lumber.

Managing relationships based on the billiard-ball logic of economics isn't very practical, though. It's good for keeping track of widgets, foot-pounds and minutes on the clock, but not of people and their interactions.

Managing a relationship with a scorecard doesn't work because nobody can ever measure up to the subjectivity of another's billiard-ball calculations. Millions of marriages have broken up over scorecards that didn't seem (to either party) to tally fairly.

In the economics of human interaction, spending doesn't deplete; it multiplies. The more knowledge you give, the more you have. The same with appreciation, acknowledgment, wisdom, attention and care. The only way you can get more of it is to continuously give it away.

Money

Right now, your total job is to focus on one thing and one thing only: providing value to other people. If you do that well, sales — and money — will find you.

Money is an echo of value. Create value, and money follows — it has to. But it's crucial to keep money in its right perspective.

In sales, an excellent way to keep money in perspective is to create the habit of looking at it from the other person's point of view. How can you provide value for *them*? How can you make sure you're watching out for their financial interests? How can you help them increase *their* earnings and build *their* net worth?

The Paradox

In sales we willingly suspend our self-interest. We don't erase or deny it; we simply set it aside for a moment so we gain emotional access to the full experience of the Law of Value.

You're not putting others' interests first as a stepping stone toward serving your own interests; you're doing it for the self-contained reward and satisfaction of knowing you were able to serve. You give because it's who you are and therefore what you do.

It's a paradox. If you go about creating value for others with the ulterior motive of receiving more value yourself, it tends to show through on some level and sabotage the result. Instead, give without emotional attachment to the return — knowing full well that there *will* be return.

Your Economy

Actually, it's especially when times are tough that Go-Giver principles shine. When the economy goes into a tailspin, it's easy to slip into panic mode. But just because economic conditions are always rising and falling, that doesn't mean your own personal economic condition has to rise and fall with them. During down times you can not only hold your own but even get farther ahead.

How? By sharpening your focus like a laser. Focus on what? On creating value. By creating value for others, you make yourself so valuable to the market around you that the demand for you and your business rises even when demand everywhere else is falling.

There is something quite utilitarian about the Law of Value. While you cannot control what others do; you can control what *you* do. If your goal is to *make the sale*, then you are dependent on the buying decisions of others. But if your goal is to *create value for others*, you are dependent on nobody but yourself.

II. The Law of Compensation

Your income is determined by how many people you serve and how well you serve them.

Touch Lives

Your compensation is not a reflection of your goodness, worthiness, merit or industriousness: it is an echo of impact.

The first law — creating more value than you take in payment — is the bedrock of sales success, but simply creating value for people won't necessarily increase your sales or your cash flow. The second law says that in addition to adding value to the process, you must also touch as many people's lives as possible with that added value.

The second law means that a big part of your job is to continually find more people to meet. In traditional sales training, this is called a funnel or pipeline. But what is that funnel made of? Its substance is personal impact.

It's not that other forms of advertising and marketing are not effective; they are — but only to the degree that they emulate or reinforce the effect of word of mouth: human beings communicating the impact that an experience has had on them.

Your task is not simply to sell your product but to create an experience of value that has a positive impact on others' lives. Money is not a measure of goodness or worthi-

ness. It is a measure of impact. You want more income? Have more impact.

People

Your income, says the second law, is directly proportional to how many people you serve and how well you serve them. Notice the wording: not how many *prospects*, not how many *customers* — how many *people*. As long as you're seeing someone as *the possibility of a future event*, you're not seeing the *person*.

Of course you are indeed looking for prospects — but we need to be clear on what we really mean by that. With each new person you meet, you are asking yourself, "What are the prospects of my touching this person's life?"

Being great at sales does not take exceptional verbal ability or an extroverted personality. What it does take is the desire to get to know people and the ability to become comfortable being with people. Some of these people will turn out to be interested in your product or service; others will become excellent sources of referrals. But let's let those results unfold in their own time. Let's make sure we put the cart where it belongs: after the horse.

Rapport

Why do salespeople traditionally talk so fast? To squeeze in more information. But information is not what makes great sales; what makes great sales is the impact that occurs when you touch people's lives.

What makes a great salesperson is his or her ability to create a bond with other people. A great conversation is one in which you find points of common interest, gracefully forge a bond through those interests, and allow the other person to shine. That strong sense of harmonious accord is rapport.

If your income is directly tied to how many people you serve and how well you serve them, then knowing how to establish rapport with others is the linchpin to your economic future.

The simplest way to establish rapport is to smile. Here are a few others: be polite, don't interrupt, listen, say please and thank you, and be genuinely interested in the other person.

Skills

There are many skills you can cultivate to the great benefit of both yourself and the people you meet. The problem occurs when using a technique or formula distracts your attention from where it needs to be: on the other person. To the degree that a skill or technique makes you think about what you're doing, it creates separation between you and the other person. This is why sales techniques can so readily create discomfort: they tend to be me-focused, not you-focused.

One way to keep such skills from becoming artificial is to make a habit of asking yourself, "What is the truth, right here and now?" For example, before you open your mouth to say, "Yeah, I know how your feel," ask yourself, do you really know how they feel?

Listening to the person and responding genuinely is far more effective than trying to guide the conversation through a preplanned pattern.

Your compensation is an echo of your impact — and you will invariably have more impact on other people when you are focused on them, not on yourself.

Curiosity

Every one of us is innately curious. It's hardwired; it comes with being human. But we don't all access that faculty with the same ease. It takes practice. At first, it may take consciously pushing yourself to be curious. It's well worth it. The single greatest skill in sales is a highly developed sense of interest in other people.

When you practice accessing your curiosity and genuine interest in others, everyone becomes fascinating. You start to find that with your interest kindled, you can spark a conversation with virtually anyone in virtually any situation.

If you focus on your curiosity and genuine interest in the other person, you won't have time to be nervous, self-conscious, manipulative, awkward, self-critical or anything else. You'll be too busy being interested in them.

Maturity

To be successful in sales, you have to learn to be in control of your emotions. We're not talking about denying your feelings but about keeping them in perspective and not letting them control you.

We define emotional maturity as the ability to keep your focus on others' feelings even as you acknowledge and honor your own.

No one can make another person feel angry, frustrated, resentful or any other emotion. Other people say what they say and do what they do. What we say and do is up to us.

This is the difference between responding and reacting. When you *react*, you are letting external circumstances call the shots. When you *respond*, you are choosing your actions and feelings. Being mindful of this distinction allows us to live in life's solutions as opposed to its problems. And interestingly, it helps the other person to do the same: when you act with emotional maturity, it also tends to raise the emotional maturity level of all the conversations and exchanges in which you participate.

III. The Law of Influence

Your influence is determined by how abundantly you place other people's interest first.

It's fairly straightforward to see the impact you're having on people you meet. The secret to developing a vast and thriving sales business is the impact you have on people you have *not* yet met — people whose lives you touch, at least in some measure, before you ever lay eyes on them or have a conversation with them.

The third law raises the effect of the second law to a higher order of magnitude, multiplying your personal *impact* through the spreading medium of your *influence*.

Genuine influence flows from *reputation*. When you set out to create a career in sales, your single most important task is the building of reputation.

The Law of Influence approaches each business relationship with the question, "What have I done for you lately?" Great salespeople grow great networks because they focus their actions on looking out for the other person's interests and serving their needs. They prefer to give the credit away than to seek it for themselves. They are constantly on the lookout for ways they can help to elevate other people's lives — and in the process they become enormously influential themselves.

Fuzzy Influence

Where will your best customers come from? The classic view is that there are two places to look: your *warm market* and *cold market*, that is, people you know and those you don't. But the chances are good that the majority of your best customers will come from neither of those places but from the fuzzy area in between the two — that neither hot nor cold domain that you might call your *fuzzy market*.

Your fuzzy market includes all those people you vaguely know: not exactly friends, but not exactly strangers, either. People whose faces you know, if not their names. And it also includes people who know the people you know: friends of friends of friends. You are far more likely to learn about something new from someone you know vaguely.

You never know where your greatest customers will come from — and it will probably be from where you do not expect.

How do you find your greatest customers? They find you. They are drawn by your influence.

The Perfect "Pitch"

The part of selling that most aspiring salespeople have the hardest time with is prospecting. People don't like being prospected, and we all know it. If you're going to be great at selling, you need to find a way to go about it that feels a lot more comfortable, both for you and for the other person. And that comes down to the question of *the pitch*.

The secret to the perfect sales pitch is to have no pitch. Some salespeople have been taught what is called the "three-foot rule," which says that everyone who comes within three feet is fair game to pitch to about your product. But what if this person doesn't want to hear about your product?

Your first priority in any encounter should be to add value to the other person's life, that is, to enrich or enhance their life in some way. Or at the very least, not to subtract value, which means not to irritate them, suck energy from them, intimidate them, bully them, pressure them or manipulate them.

Part of maturity in sales is coming to grips with the realization that not everyone is a prospective customer, no matter how close to you they may be in feet or in common interests.

The Go-Giver salesperson's three-foot rule goes something like this: Anyone within three feet is worth getting to know better.

That said, when you're at an event with a lot of people, don't feel you need to meet everyone. Your aim is to have fun and make friends. Go for quality, not quantity. And don't pitch. What you do is ask great questions.

Great Questions

To become great at sales, learning how to ask great questions is in many ways more important than learning how to make a great presentation. Let's look at a few great questions.

- *How did you get started in the [fill in the blank] business?* People love to answer this question. It invites others to tell the story of their life.
- *What do you enjoy most about what you do?*

This question evokes pleasure, appreciation and pride in the other person. Your conversation serves to remind them of the best things in their life.

That is exactly what makes these great questions: they lead the other person into a conversation that makes them feel good.

Follow-Through

Sales trainings usually use the term follow-up, which means continuing or repeating something that has already been done. We like the term follow-through even better, since it means completing a process or action and taking it to its fullest conclusion.

The essence of follow-through is this: in the hours, days and weeks after meeting and talking with your new acquaintance, continue looking for ways to add value to their life.

One of the greatest ways of creating value for people is by connecting them to other people and suggesting ways they can do business with each other or benefit in some other way from the relationship.

Your Serve

People are not looking for features or what something is; they are looking for benefits or what it can do for them. The most helpful answer to the question, "So, what do you do?" is one that explains what you have to offer in such a way that the other person immediately grasps the benefits of what your product or service will do for them (or for others they know).

A pitch is me-focused. A serve is them-focused. When your new friend asks you what you do, the best way to serve the ball in such a way that they can easily get engaged and hit it back to you is to give an answer that is *pure benefits*.

Listen to these answers and to how they land when you lob them over the net.

- *I'm in the insurance business. (Thud.)*
- *I sell leading-edge, top-of-the-line skin care products. (Thud.)*

They are statements that go nowhere, because they really don't invite any reply. Instead, you want to serve a ball that the other person can lob back: a statement that answers their question in an interesting way and tends to encourage an engaged response. For example,

- *I help people protect their families and plan for a healthy financial future.*
- *I build people's health and confidence through anti-aging technology.*

A serve of benefits tends to draw the other person forward with interest and usually some sort of question in response. You served; they hit it back; the ball is in play.

Will they always hit the ball back perfectly? No, and it doesn't matter. And that brings us to one last — and most crucial of all — aspect of your serve: You don't have to "get it right."

If you think you have to get this exactly right in order to make your business a success, then this is a perfect time to take the pressure off. Remember that you cannot make a sale. Only they can do that. What you can do is create value.

Posture

If people want to do business with those they know, like and trust, they generally do not want to do business with those who appear to need them too much. If being pushy and aggressive repels people (and it does), then so does being overly eager and needy.

The problem here is that you may in fact be needy. This can devolve into a vicious circle: the more strongly you need the income, the more needy you feel; the more you project that feeling, the more others pick up on it and feel like backing away; the harder it is to earn the income you need, the more urgently you need it and so on. This is where emotional clarity and discipline come into play.

Emotional clarity is your understanding that there is a difference between your economic need and your emotional need for this person to be the solution to that economic need. Emotional discipline is your ability to hold onto that clarity and consistently choose your responses to each situation, rather than reacting impulsively. There is a word for this combination of clarity and discipline: posture.

Part of posture is staying clear on what you cannot control. Whether this other person buys your product or is even interested in your product is entirely up to them. You cannot control the outcome.

What you can control are the actions you take, the words you speak, and especially the thoughts you hold. Why "especially" your thoughts? Because your thoughts often communicate just as loudly as your words and deeds — and sometimes even more so.

Your success does not depend on this person saying yes — but their getting the full benefits of what you have to offer does. So, breathe, relax and give this conversation your very best. Know who you are. Have posture.

The Competition

Whenever you're speaking to a prospect and they bring up your competitor, go out of your way to say something nice about him or her. Because when you compliment your competitor, you are also demonstrating respect — and respect earns respect. If in a conversation you tear down your competitor, it actually diminishes you in the other person's eyes. On the other hand, when you take care to say something positive about your competition, it actually builds you up in their eyes.

These are the messages that register for the other person, consciously or not: You are confident, you are successful, you are safe. If you speak that highly of your competition, then this person knows they'll never have to worry about what you say about them behind their back.

IV. The Law of Authenticity

The most valuable gift you have to offer is yourself.

Be Real

Genuinely great salespeople make sales look easy. How? By stepping into who they are. They don't put on some artificial persona.

Authentic is not something you become; it's something you already are. Authenticity is not something you seek or take on; it's something you simply embrace.

Closely related to authenticity is the term *integrity*. Integrity means being whole, that is, not being divided. Being whole means your words and actions are not separate things. When you do what you say and say what you do, you are a man or woman of your word.

Present

The secret to being effective when you present is to stay present. Today, information is freely available. Giving people information doesn't give people value; it simply steals their time. Because of this, presenting is no longer about giving information. It's about giving *meaning*.

Truly great presenters know how to take their focus completely off themselves. When great presenters face their audience, here are the kinds of questions they ask themselves: What do these people want most? Who are they? What are they searching for? Why are they here? And what is the single most valuable thing I could possibly convey to them?

Of course you want to have a firm grasp of your informational key points, product benefits, vignettes and anecdotes you might share — but relax. You will not be graded on how well you've mastered delivery of this information. What you will be graded on is the quality of the interaction. And remind yourself: it's not about you; it's about them.

Authenticity doesn't mean you can't use preplanned words. It just means that when you do, you have to make them your own, in both your head and your heart.

Undersell

Great salespeople never try to convince anyone of anything.

"Believe me ... Trust me ... Take it from me ... If you want my opinion ..." If you notice these phrases appearing in your language, we recommend you ferret them out and eliminate them. None of them is effective at conveying genuine value. First off, they are all me-focused. More important, they are the kind of forceful assertions that cast long shadows of doubt in the mind of the listener.

There is a wonderful expression in sales: *It's better to underpromise and overdeliver than the other way around*. This is an excellent way of stating the Law of Value, and it's the core philosophy of great salesmanship: Follow through on your promises — every one of them.

Hype is the ultimate oversell. The worst thing about hype is that by definition it is impossible to fulfill its promise. Hype and overselling almost invariably achieve the opposite of their intended goal. They make people want to back away, turn around and run.

Forced or rampant enthusiasm often ends up looking and sounding like hype or its cousin bravado. Beneath bravado there often lurks a hidden core of ambivalence, doubt and insecurity, and even though it's hidden, people sense it clearly.

There are two classes of positive declaration. There is the forceful assertion, and then there is the simple statement of fact that springs from the quiet stillness of authenticity. The first is born from bravado, the effort to appear confident; the second, from the realm of simple knowing.

Confidence and genuine enthusiasm are not missiles that work only when they are launched at others; they are lights that glow from within.

Listen

The real secret of great communicators is not their talk but their empathy: before they open their mouths, they have a clear grasp of their audience's experience. And there is only one sure way to arrive at that clear grasp: listening.

How you listen depends on what questions you are asking yourself. You can listen from a context that says, "What do I think about what this person is saying, and how am I going to respond when they're finished?" Or you can listen from a context that simply says, "What exactly is this person saying?"

The problem with the first is that your focus is not on what the person is saying but on what you are going to say back — which generally means that you're not really hearing what the person is saying. In the second case, you're focusing on the other person and trusting that when it's your turn to respond, you'll simply do that.

One of the powerful things about listening is that it is often the only way to really get to the heart of the matter. People often don't voice their real thoughts and concerns right away. In fact, people often don't know what their real thoughts and concerns are, at least not at first.

The ultimate benefit of genuine listening is you honor the other person. You let them know that they are important and that you value them. And that is the bedrock of a great relationship.

Objections

The natural impulse upon getting an objection is to counter it. In other words, when you sense that another person has an issue, concern, criticism or hesitation, you suit up and prepare to do battle. The truth about objections is that most of the time, they aren't really objections.

The point the other person actually puts into words is probably not the totality of what they're really thinking. In fact, chances are excellent that they aren't quite sure just what they think — and in the effort to clarify their own position, they seize on the first thought that comes to mind and toss it out to you as a way of saying, "Hang on, not so fast."

In a very real sense, what they end up deciding they really do think depends on you and how you treat them in the next 30 seconds. You can do one of two things. You can challenge them, which will probably harden their thoughts into a firm negative position. Or you can reframe their point as a request for clarification (which is what it really is) and join them as a partner in the process.

The Go-Giver's approach to another person's objection is empathy: instead of facing off and staking out a debate position, step over to where the person is standing, stand next to them, and look at their objection with them.

When you say, "That's a great question" or "That's a good point" and then join with them to examine the issue they raised, you let them know it's welcome and appreciated.

You don't necessarily agree with the objection, but it's a great point because it is their point. And not only is it a great point, it will very possibly be the moment when the sale really happens.

The "Close"

There will be those rare moments when the other person will come right out and say, "Okay, look, I'm sold, I want to get this right now..." But most of the time, you need to ask the question.

If we keep our focus on the other person, then our question comes from a place of authentic asking. Is this what the other person wants? Would this be of genuine value to them? The simplest way to ask is the simplest way to ask: *Jack, are you at a point where you'd like to go ahead and purchase?* or *Jack, would you like to buy one of these?*

Even in the best of situations, when you come to the point of purchase, chances are good the other person is feeling some degree of pressure, even if it's only self-imposed.

There are two things you can do to serve the other person here. First, apply no pressure. Zero. And second, as a way of honoring the possibility that they may be feeling the urge to seek an escape route, provide one. Instead of trying to close the prospect, open the dialogue to more possibilities.

As with objections, this may at times feel counterintuitive. It may feel like you're giving the other person an "out" and relinquishing control of the process. That's because you are. You're treating Jack as a partner in the process rather than as a passive subject. It puts you together on the same side of the question.

V. The Law of Receptivity

The key to effective giving is to stay open to receiving.

Stay Open

While the first four laws are all about giving, the fifth law is the part where you actually *receive*.

Whether or not we are aware of it, there is often a part of us that silently disapproves of and even actively resists our receiving. And nowhere does this insidious self-sabotage do more damage than in sales.

If you do not feel naturally graceful about receiving this sale from the other person, then you will bring that feeling of discomfort to the sales process itself. Often this surfaces as a sense of the transaction being forced or uneasy.

If you don't let yourself receive, you're refusing the gifts of others, and you shut down the flow. And that flow is exactly what your business is all about. That flow is the goal and purpose of sales and selling.

The genuinely successful see receiving as an integral part of generosity. They eagerly receive, delight in the receiving, and just as eagerly pass it on. They don't stop the flow; they join in with the flow.

When you live generously and focus on creating value for others, great value will come to you, suddenly and unexpectedly.

Create value; touch people's lives; build networks; be real; stay open.

RECOMMENDED READING LIST

If you liked *Go-Givers Sell More*, you'll also like:

1. ***Rainmaking Conversations* by John E. Doerr and Mike Schultz.** Doerr and Schultz offer a research-based, field-tested and practical selling approach that will help you master the art of the sales conversation.

2. ***Snap Selling* by Jill Konrath.** Konrath offers four SNAP rules to win more sales, and she teaches us that sales is an outcome not a goal.

3. ***The Perfect Salesforce* by Derek Gatehouse.** Gatehouse argues that sales is about people, not a process. And there are different types of people who excel naturally in different types of sales jobs.

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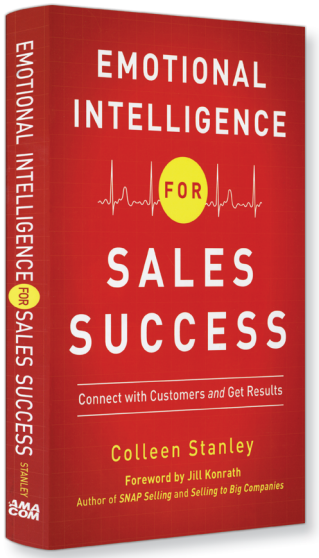
37CS10C Emotional Intelligence for Sales Success

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Emotional Intelligence for Sales Success

Connect with Customers and Get Results



by Colleen Stanley

THE SUMMARY IN BRIEF

If you find yourself getting flustered with clients, caving to discount pressure, jumping the gun with your sales presentation or wasting time with low-level prospects, adding another sales tactic to your tool kit won't fix the problem. Instead, there's a far more effective way to get your sales back on track: Ignite and develop your emotional intelligence (EI).

Empathizing with your prospects, expressing assertiveness, staying cool when hot buttons are triggered, even recognizing your buttons—this is the powerful inner territory explored in *Emotional Intelligence for Sales Success*, a breakthrough book that extends the range of EI to include common sales scenarios and challenges. Packed with case studies, action steps and research findings, *Emotional Intelligence for Sales Success* teaches you the skills you need to bridge the chasm between knowing what to do and actually doing it.

In an age where customers can bypass salespeople with online research and direct purchasing, emotional intelligence helps you stay in the game by forging personal connections and creating partnerships—soft skills that bring hard results.

IN THIS SUMMARY, YOU WILL LEARN:

- The connection between emotional intelligence and sales results.
- Why relationship building is the secret to increasing your customer base.
- How to meet and form better connections with decision makers.
- The key traits of emotionally intelligent sales cultures.

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THE COMPLETE SUMMARY: EMOTIONAL INTELLIGENCE FOR SALES SUCCESS

by Colleen Stanley

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PART I: THE WHAT, WHY AND HOW OF EMOTIONAL INTELLIGENCE AND SALES RESULTS

Closing the Knowing-and-Doing Gap: When You Know Better, Do Better

The profession of sales has changed dramatically in the last few years. Today's prospects research their potential purchase or vendor, gather the information they need and start self-diagnosing problems before showing up to a sales meeting with you. They ask salespeople more questions, better questions and harder questions.

Emotional Intelligence and Sales Results

Top sales professionals recognize today's changing business environment and are equipping themselves with emotional intelligence skills. In simple terms, emotional intelligence (EI) is the ability to correctly identify the emotion you're feeling, know why you're feeling it, and then adjusting your emotional response to the event in order to achieve the best outcomes.

Emotionally intelligent salespeople are strong in both self-management and people management. When a well-informed buyer starts showing off his know-how by firing questions, the emotionally intelligent salesperson is able to manage her emotions and apply interpersonal skills that move the interrogation to a sales dialogue rather than a monologue.

The root cause for poor sales performance is not just about hard skills; it's often linked to the inability to manage your emotions so that you think clearly and react effectively.

Action Steps for Improving Your Emotional Intelligence

Emotional intelligence and understanding the what, why and how of emotions is best discovered through self-awareness and self-discovery. There are three steps you can take that will increase self-awareness:

1. Schedule downtime. Make a daily commitment to be free of distractions and to-do lists. Ask yourself these thoughtful questions:
   - What was the reason for my reaction to the prospect or customer?
   - What would have been a better response during the sales meeting?
   - What can I do differently to prevent getting into a dead-end selling situation?
2. Create technology-free zones. Many salespeople don't allow themselves time to think because they're so busy checking their text messages, email and voice-mail. Devote time to thinking about the following:
   - How do I want to show up today with my boss, colleagues and customers?
   - What caused me to respond ineffectively? Effectively?
   - Where will I be tempted not to manage my emotions today?
3. Name the specific emotion. When analyzing your own knowing-and-doing gap, it's important to be specific about the emotion you're feeling. For example, there's a big difference in prescribing a solution for being nervous and for being intimidated.

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Published by Soundview Executive Book Summaries® (ISSN 0747-2196), 511 School House Road, Suite 300, Kennett Square, PA 19348 USA. Published monthly. Subscriptions starting at $99 per year. Copyright © 2015 by Soundview, Inc. **Available formats:** Summaries are available in several digital formats. To subscribe, call us at 1-800-SUMMARY (240-912-7513 outside the United States), or order online at www.summary.com. Multiple-subscription discounts and corporate site licenses are also available.

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The Art and Neuroscience of Sales: The New Way to Influence

Knowledge of neuroscience elevates both the art and science of sales because it ensures that salespeople behave consistently in executing the influence skills they have learned in order to produce sustainable sales results. Unless you actually change your mental pathways, new behaviors, responses and skills will not be executed. So, the better you understand how your brain works, the more likely you are to be successful.

Selling to the Old Brain

The amygdala is the oldest part of the brain and the emotional alarm system that screens all stimuli and decides what's safe or not. When the old brain senses danger, it automatically produces a fight, flight or freeze response.

When working with a hostile prospect, a salesperson may exhibit a fight response by becoming defensive, leaning forward toward the prospect or talking faster and louder.

The salesperson exhibits a flight response when they ignore the hostile prospect or agree to write a practice proposal even though he doesn't have a clue about the prospect's needs.

The Emotionally Intelligent Response

The successful salesperson is aware of negative triggers and chooses not to respond or react to them. Instead of ignoring the obvious, the emotionally intelligent salesperson calmly stops the meeting and states the truth without anger or nervousness. To do this, you must apply two emotional intelligence skills:

1. Self-awareness: The ability to know what you are feeling and why; it's the ability to choose how you want to appear to others.
2. Assertiveness: The ability to state nicely what you need.

Prevent Fight-or-Flight Responses from Your Prospects

It's important to remember that your prospects also have an amygdala, so we want to make them feel safe to avoid sounding the alarm in the amygdala. When prospects feel safe, they share more information.

Action Steps for Improving Your Ability to Influence

So how do we get out of the cycle of fight or flight? There are three steps you can take:

1. Make a decision to change, grow and improve. Many salespeople say they want to get better, but their calendar doesn't show any indication of that. In research, 10,000 hours is the number that comes up again and again to achieve the mastery.
2. Identify triggers and change the response. Top salespeople identify the triggers that threw them off their game and then change their response by changing their story. For example, instead of becoming irritated with the buyer who keeps them waiting, they change the story to, "Wow, this person must be really busy and probably needs someone to solve his problems."
3. Practice, practice, practice. Physical practice requires setting aside time on your calendar to meet with a colleague or coach. Mental practice involves visualizing an activity, which lights up the same parts of the brain as the person who is actually engaged in the activity.

PART II: EMOTIONAL INTELLIGENCE AND THE SALES PROCESS

Prospecting: The Real Reason for Empty Sales Pipelines

Why do so many salespeople struggle with ineffective prospecting efforts? Sales managers throw various training solutions at this prospecting problem, while soft skills such as delayed gratification, reality testing and stress tolerance are often overlooked.

Fish Where the Fish Are

If you want to catch more fish, then fish where the fish are. Salespeople who are addicted to instant gratification fish in the wrong ponds.

There are two areas to examine when identifying your best-fit clients: demographics and psychographics. Demographics includes criteria such as revenue and number of employees. What is often missed is an important criterion called psychographics, which classifies clients by their attitudes and values. Review your business and analyze your "fish."

The Importance of Building Relationships

Salespeople with high interpersonal skills are connected and are connectors. These good relationship builders ask themselves two questions every day:

1. Who is the best/right person for me to connect with today to help me grow my business?

2. What can I do today to help a colleague or client grow their business?

The first skill we teach in referral partner training is the "give goal," which entails setting a weekly sales activity metric for giving and helping clients, colleagues or referral partners. Salespeople who practice the give goal reap the reward of partners and clients wanting to reciprocate.

Hope Versus Reality

Salespeople scoring high in reality testing ask both tough and real-world questions. It's the salesperson's responsibility to manage emotions and test the reality to determine if this prospect is just whining or really ready to make a change.

"Don't Worry, Be Happy"

Salespeople scoring high in the emotional intelligence skill of stress tolerance bounce back quickly after disappointments. When faced with adversity, they ask, "What lesson can I learn from this?" Optimistic salespeople choose their friends wisely and also use humor to relieve stress.

The Neuroscience of Prospecting

Good value propositions need to create "word pictures" in order to influence and persuade the old brain. It needs tangible input. Here's an example:

- An intangible proposition: We have superior customer service.
- A tangible one: We work with clients who are tired of wasting time stuck in voicemail trees and never talk to a live human being.

Action Steps for Improving Your Prospecting Results

Here are a few tips for improving this important selling stage:

1. Make a decision. Determine whether or not you want to be in sales and are willing to do the work required of the entire job, not just the parts you like.
2. Ask yourself the tough questions. Are you taking time to develop relationships with potential partners? Are you doing what it takes to elevate your selling skills and results?
3. Plan for success. Use your delayed-gratification skills to put together a business development plan and establish key performance metrics for each activity.
4. Manage your emotions. Good salespeople manage their emotions by using positive self-talk, like, "The race is not to the swift but to those who keep on running."
5. Get an accountability partner or a coach. Find someone with whom you can engage in a no-excuses call on sales activity and results every week.

Likeability: All Things Being Equal, People Buy from People They Like

Research consistently shows that people scoring high in likeability are hired, promoted and win business more often than peers scoring low in this area.

Would You Buy From You?

The first step to becoming more likeable is to ask yourself a basic question: Do you like yourself? If you are not confident and comfortable with yourself—possessing the quality of self-regard—it will be hard to make others feel confident and comfortable with you.

Confidence, Authenticity and Likeability

If the prospect doesn't think you're authentic, she also won't believe your product or service offering is authentic. Top performers are prepared, and when you are prepared, it's easier to take your authentic self to the sales meeting.

It's All About Them: The Prospect and Customer

Top salespeople scoring high in likeability also score high in the emotional intelligence skill of empathy. The empathetic salesperson lets the prospect know that she can relate to her situation. She is slow to offer solutions and quick to listen and validate.

A Day in the Life of Your Clients and Prospects

Do you really know what your clients' and prospects' lives are like? If you don't, how can you connect on a deeper level? Take your best clients out to lunch, and conduct interviews.

Enthusiastic or Annoying?

Many salespeople have been taught to be enthusiastic, but not all of your prospects are enthusiastic, and people buy from people who are like them. The empathetic salesperson builds rapport by mirroring their prospect's communication style and energy level.

Are You Showing Up or Living It Up?

Salespeople who score high in self-actualization are happy people who enjoy their work and are on a journey of self-improvement. Self-actualized salespeople provide more value to their prospects because they bring new ideas to meetings and don't settle for "good enough."

Action Steps for Improving Your Likeability

There are two steps you can take that will improve your likeability and sales results.

1. Examine your self-regard to see if you are showing up confident, relaxed and authentic. Ask yourself these questions:
   - Am I taking myself to the meeting, or is my alter ego showing up?
   - Am I showing up at meetings prepared or nervous?
   - Where am I taking myself too seriously?
   - Am I self-focused or other-focused?

Salespeople who are comfortable with themselves know that success or failure does not define their self-worth.

2. Show up and live it up. As a sales professional, do you see value in your position? Find purpose in your work, and you will find happiness.

Expectations: You Get What You Expect

The ability to effectively manage expectations—both our own and our prospects' and clients'—is an integral part of any sales professional's success.

Partnership or Vendor-ship?

Effective salespeople are good at disqualifying prospects from the outset who treat them like vendors instead of valued partners. Salespeople good at managing expectations are assertive and possess good self-regard, comfortably stating what they need. They value their time and ensure that their prospects understand that they expect decision makers to attend meetings.

What's Your Mindset?

Too many salespeople go into a sales meeting with the wrong intention: to close business. We teach our clients to seek the truth and do the right thing. Lose the attachment to the outcome of the meeting, and get comfortable with hearing either a yes or a no. Seeking the truth by having the right mindset creates a peer-to-peer conversation because the prospect isn't being manipulated by obvious leading questions.

Set and Manage Expectations to Create Raving Fans

Discussing expectations regarding potential problems—before they occur—is crucial to success. Here are some questions you might ask to firm up the rules of the partnership:

- What happens if key stakeholders miss meetings?
- What should we do if critical information isn't getting transferred to us?
- Who is accountable for this project on the client's end?

Action Steps for Improving the Way You Manage Expectations

Here are some action steps that will help you get what you expect:

1. Review your last three months of sales appointments, and analyze how you showed up. Were you assertive, stating nicely what you needed, or did you slip into passive sales behavior?
2. Visualize and practice setting and managing expectations. In order to practice becoming more assertive, identify non-threatening environments where you can practice different responses to difficult situations.
3. Revisit the value you bring to your prospects and clients. If you find yourself being treated like a vendor, remind yourself of the value you bring to your customers. Make a list of all the ways your product or service helps your customers.

Questioning Skills: What's Your Prospect's Story?

Many salespeople launch into presenting solutions too soon before asking enough questions to diagnose the root cause of the prospect's problem.

Listen Before You Leap

Impulse control is the ability to resist or delay an impulse or temptation to act. A successful salesperson possesses good impulse control. He's not in a hurry to show the prospect how smart he is by offering up solutions too early in the sales process.

Many salespeople are coached to listen for buying signals. These signals are pains that a prospect shares with the salesperson during a meeting. The problem is that salespeople "buy the buying signal" without any evidence that the prospect's problem is real enough or big enough to fix.

Use the "3Ws" Formula

When a prospect shares a pain or problem, you can slow yourself down by asking the following questions:

- The First W: Why is this a problem? You can make assumptions, but that is not an effective approach to closing business.

- The Second W: What is the impact of the problem? Is the company losing customers? Is this problem affecting the company's reputation?
- The Third W: The third question is also a what? What is the future impact for this prospect if they don't solve this problem? Will it get bigger?

Get to the Real Pain

The problem presented by your prospect is often not the real problem. Good salespeople recognize this and apply their problem-solving skills to uncover the real issue.

In order to save valuable time, you also need to know how committed the client is to curing that pain. It means that salespeople must get better at gathering evidence to see how serious their prospects are about making a change.

Agree and Align

Another reason salespeople don't ask enough questions is because the prospect evokes a fight-or-flight response by stating an objection. The astute salesperson recognizes the potential trigger and manages her emotions by applying a skill we call "agree and align." When a prospect states an objection, avoid the natural response, which is to push back. Instead, agree with the prospect and validate his position.

Action Steps for Improving Your Questioning Skills

There are four steps you can take to elevate your questioning skills:

1. Evaluate how you set up your sales meetings. Set clear expectations that you will be asking numerous questions to better understand the prospect's situation.
2. Ask, don't tell. After each meeting, draw a circle and divide it into the time that you spent talking and the time the prospect talked. If you have a bigger piece of the pie, you probably did more telling than asking.
3. Test the commitment to change. Good salespeople are comfortable asking the prospect about their commitment level to solving an issue or challenge.
4. Learn your prospect's story. Set up your next sales meeting with the sole intent of learning your prospect's story. Gather facts, data and personal stories.

Reaching Decision Makers: How to Better Connect and Meet

The emotional intelligence skills covered in earlier chapters are all needed to uncover your prospect's decision-making criteria and connect with all the buying influences.

How People Make Decisions

Good salespeople can connect and build relationships with a variety of people, not just people like themselves. In order to better understand who is sitting in these decision-making chairs, we teach the DISC model, which describes four personality types:

The Driver. This type is aggressive, competitive and likes to win. He is direct and bottom-line oriented.

When meeting with this buyer, forego the small talk and get down to business. Manage your emotional response, and recognize that bottom-line conversation is just the way this person communicates. It's not personal.

The Influencer. This type is more commonly known as an extrovert. When meeting with this buyer, you need to manage your emotions, especially your optimism, and not get carried away by the prospect's enthusiasm.

The Steady Relator. This type is a pleasant person who is described as amiable and easygoing. Their pace of buying is slower and more methodical than the Driver and Influencer. With this buyer, slow down and build a relationship before talking about your product or service.

The Cautious Thinker. The Cautious Thinker likes data and more data. This buyer will ask a lot of questions to determine your credibility. He likes guarantees and warranties. Cautious Thinkers also like quality, so don't be quick to concede your price, even when they start negotiating.

Are You Meeting with Mr. No?

We have found that many salespeople are intimidated by the C-suite buyer. Ask yourself this important question: What are you doing everyday to make yourself more valuable to this buyer? The lifelong learning salesperson takes time to learn and understand things that make them of more value to every decision maker they work with.

Action Steps for Improving Your Ability to Reach Decision Makers

Here are three steps that will improve your ability to navigate through the decision step of the sales process:

1. Review the way you interact with different personality types. Listen and look for clues to determine what type of buyer you have in front of you so you can adjust and adapt.
2. Have another truth-telling conversation with yourself. If you're not sure of how to have a conversation with a high-level executive, maybe you aren't adding value to the conversation.
3. Ask yourself how good you are at making decisions. If you aren't very good at making decisions, how

effective are you going to be at asking your prospects and customers to make decisions?

Checkbook: Get Paid What You Are Worth

Sales and negotiation skills are absolutely helpful when trying to uncover the prospect's budget. However, these hard selling skills will only be executed if you are able to manage your emotions and apply soft skills, such as self-awareness, assertiveness and self-confidence.

Change Your Response and Change Your Results

Self-aware salespeople understand possible triggers from the past and choose a different response. When the prospect says they don't know the budget or are hesitant to share it, the salesperson uses their empathy, assertiveness and reality-testing skills to qualify the opportunity. They ask further questions to ensure they are not getting set up to write another practice proposal.

Are You Willing to Walk?

Effective salespeople understand the importance of not being attached to the outcome of a negotiation and being willing to walk away. In sales, the skill is often referred to as the "takeaway." Take the offer off the table, and people seem to want it more than ever.

Salespeople with empty sales pipelines have a hard time walking away from anything. When you have a full pipeline, you are willing to walk away from opportunities that are not profitable or are a waste of time.

Action Steps for Improving Your Ability to Get Paid What You Are Worth

Here are three steps to help you conquer this selling stage:

1. Identify your emotional triggers regarding money. What statements, questions or objections from your prospects trigger a response that results in you discounting your fees? Once you identify the triggers, change your response by visualizing and practicing better answers.
2. Educate yourself on negotiation tactics. Here are a few useful negotiating tips from Dr. Chester Karass. Note the emotional intelligence skills involved:
   - Take the win-win approach to negotiations to find a better deal for both parties. (Interpersonal relationships.)
   - Lose the need to be liked, and get used to conflict. (Emotion management.)
   - Practice good listening skills — always. (Problem solving and empathy.)
   - Always test the resolve of the other party. (Reality testing.)
3. Examine your convictions about the value of your company and your own abilities. Ask your best clients what has improved for them due to working with your company. Keep a "brag folder" in your office. Fill it with testimonials, case studies, thank-you notes and reminders of the value you bring.

People Over Process: The Key Traits of Emotionally Intelligent Sales Cultures

Emotional intelligence skills such as self-actualization, self-awareness, social responsibility, interpersonal communication and empathy help companies build effective teams and a winning sales culture.

There Is No "I" in Team

Sales cultures that encourage self-improvement understand that every member of the company contributes to the whole. Sales organizations that desire to thrive in this competitive business climate know they can't afford to have Lone Sales Rangers on their team. These organizations and their team players understand that it takes a "sales village" to compete and win in today's business environment.

One way to eliminate the "I" in your sales culture is by encouraging your strongest producers to help fellow members of the sales team. This type of salesperson understands that their contribution could help their peers elevate their selling skills, become more professional and more likeable. As a result, their organization's reputation will be enhanced.

Working with Your Village

To work effectively as a team, members must understand the challenges other team members face. Use your interpersonal skills to learn more about your peers in other departments. Work as hard on being likeable in the office as you do with your customers. Write thank-you notes to members of your internal team. When people feel valued and part of the big picture, they work harder to improve that big picture.

It's Better to Give

Emotionally intelligent sales cultures see the value of generosity — of contributing on a larger scale.

High-performing businesses have a strong sense of social responsibility. Research shows that people enjoy working for companies that pursue profits and purpose.

Action Steps for Building Emotionally Intelligent Sales Cultures

Here are four steps to help you become a valuable member of your team:

1. Create a learning environment. Start small and create a book- or audio-of-the-month club with your team. Think of training and development as an investment, not an expense.
2. Get rid of the "Is." Tap into your social responsibility, and help others. Take the new kid on the block out to lunch, or help out the colleague who has hit a slump.
3. Recognize the efforts of others. Even in very small businesses, non-salespeople contribute greatly to the company's success and reputation. Make it a goal to be the "Kudos King or Queen" in your organization.
4. Contribute to your community. Make it your cause to get your sales organization or company to be generous, and get involved in charitable and community work.

Take the Lead: Sales Leadership and Emotional Intelligence

Sales producers who aspire to be in management need soft skills such as impulse control, empathy, self-awareness, delayed gratification and interpersonal skills to improve their ability to lead and develop others.

How Do You Show Up?

Consistency is an important trait for a leader. At a basic level, consistency is connected to self-awareness and impulse control. Effective leaders must be aware of their emotions in order to manage them. Without such awareness, a leader can react to events that occur during the course of a day and behave in a manner that is not congruent with stated values, words or actions.

In addition to inconsistent behavior, one of the quickest ways to destroy credibility and integrity as a sales leader is to say one thing and do another. Emotionally intelligent sales managers value their people, and their actions support that value.

Teaching Rather Than Closing

The job of good sales managers is no longer about opening and closing business; it's about teaching others to do so. Teaching requires delayed-gratification skills. You must put in the time to teach and coach in order to get the reward of a self-sufficient team. Effective sales managers have the patience and discipline to listen to the problems their team members are having, and offer guidance.

Tough Love, Sales Leadership Style

A good sales manager sets clear expectations for success. When the sales team accuses this manager of micromanaging or having too high of expectations, she doesn't give in and lower her standards. Part of tough love also means holding up a mirror to team members to show them the blemishes in their attitudes or actions.

Offering Inspiration and Recognition

Effective sales managers give compliments, create recognition programs and set up events that inspire camaraderie and teamwork. Finally, don't forget the most overlooked motivator of all: the fun quota. It's easy for sales managers to get caught up in the pressure of hitting goals, but everyone needs a release valve.

Action Steps for Improving Your Emotional Intelligence in Sales Leadership

There are five steps that will get you on the right path for leading others:

1. Be consistent. Each morning, think about the possible areas where you will be challenged to handle your emotions. Anticipate and visualize your calm response to those situations.
2. Give up your need to be liked. Your sales team may like you as a person; however, they only value and apply input and feedback from people they respect.
3. Show empathy and courtesy. When you meet with a member of your sales team, pretend he is your most important customer, and give him your full attention.
4. Become a teacher. Teaching is a privilege and should not be taken lightly. Apply your delayed-gratification skills and put in the necessary time with each person on your team.
5. Put fun on the weekly to-do list. Take business seriously, but not yourself. Be on the lookout for small and big ways that you can add a smile, a laugh or fun to your sales team's day.

RECOMMENDED READING LIST

If you liked *Emotional Intelligence for Sales Success,* you'll also like:

1. ***Rainmaking Conversations*** by John E. Doerr and Mike Schultz. Conversations make or break everything in sales. Learn a proven system for leading masterful conversations that increase your results.

2. ***SNAP Selling*** by Jill Konrath. Konrath provides four SNAP rules you can use to win more sales and achieve an outcome rather than a goal.

3. ***The Innovative Sale*** by Mark Donnolo. Discover the six Innovative Sale principles that can be used to create better value propositions and assess your team's Creative Quotient.

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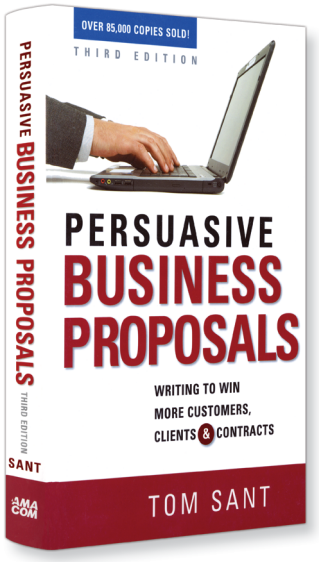
37CS12C Persuasive Business Proposals

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Persuasive Business Proposals

Writing to Win More Customers, Clients & Contracts



by Tom Sant

THE SUMMARY IN BRIEF

Persuasive Business Proposals provides you with powerful methods for crafting compelling messages and winning proposals that speak to your prospects' needs and establish your firm's strategic value. With clear instructions as well as before-and-after samples, this best-selling guide shows you how to organize your content in the most persuasive way possible; develop and deliver client-focused messages; structure formal proposals to present a value proposition that positions your firm as the ideal solution to clients' needs; follow up your proposal submission; analyze the client's decision; and incorporate lessons learned to take better advantage of future opportunities.

IN THIS SUMMARY, YOU WILL LEARN:

- The process for writing customized proposal packages that capture new business.
- New ways to "power up" cover letters and executive summaries.
- How to overcome "value paranoia."
- Effective strategies for dealing with automated procurement systems.

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THE COMPLETE SUMMARY: **PERSUASIVE BUSINESS PROPOSALS**

by Tom Sant

The author: Tom Sant is a well-known sales and proposal consultant, whose clients range from small entrepreneurial operations to Global 500 companies, including General Electric, Microsoft, Wells Fargo and Accenture. He is the creator of the world's most widely used proposal automation systems, ProposalMaster and RFPMaster.

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SECTION ONE: SEVEN DEADLY SINS

A Good Proposal Is Hard to Find ... But It's Worth Looking

Let's start with the facts: A proposal is neither a price quote (four out of five large-scale deals go to a vendor other than the one offering the lowest price) or a bill of materials, project plan or scope of work.

A proposal is a sales document. If it doesn't lead to an agreement to work together, the proposal has failed. A proposal offers a solution to a business problem. It helps you justify your price, even if it's slightly higher than your competitor, by showing that you will provide superior value.

A proposal also helps the decision maker compare vendors, offers or prices in order to make an informed decision; clarify complex information; make the buying process more "objective"; or get free consulting.

Look at your proposals broadly as part of your overall sales and marketing activities. The proposal can help you build your business in ways that extend far beyond winning the immediate opportunity to which you are responding.

The proposal is a sales tool, a high-quality, carefully constructed proposal that can help you sell on value instead of price. It demonstrates your competence and professionalism. It can offer a bundled solution and sell a complex, technical product to nontechnical buyers.

The proposal is a marketing tool that allows you to play up the positives on the list and counteract any negative impressions.

The proposal is a means of influencing clients: With it you can determine necessary steps to get the relationship with the client where you want it to be.

Recognizing Reality

The best way to recognize what works in a sales proposal and what doesn't is to put yourself in the position of a buyer. Your prospective clients are probably going to read an executive summary and put it in the "keeper" pile or the "discard" pile. They want a proposal with relevant recommendations that addresses their business issues or problems right away. Then they look for a clear, specific solution that delivers the results on time and on budget.

The Seven Deadly Sins of Proposal Writing

1. No focus on the client's business problems and payoffs.
2. No persuasive structure — the proposal is an "information dump."
3. No clear differentiation of this vendor compared to others.
4. No compelling value proposition.
5. No impact, no highlighting — key points are buried.
6. No orientation to the audience — overuse of jargon, too long or too short technical.
7. No credibility — misspellings, grammar and punctuation errors, use of the wrong client's name.

Many proposals are fatally damaged by one or more of the "seven deadly sins" of proposal writing. When you look at this list of "sins," you probably agree that nobody would choose to write proposals containing mistakes like these. And yet people do it time and time again.

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Rebecca S. Clement, Publisher; **Andrew Clancy**, Executive Editor; **Ashleigh Imus**, Senior Editor; **Masiel Tejada**, Graphic Designer; **Deborah Roselle**, Contributing Editor

SECTION TWO: A PRIMER ON PERSUASION

Winning by a NOSE: The Structure of Persuasion

In an organizational setting, people write for one of three reasons — to inform, to evaluate or to persuade, each of which requires a different approach.

Information. The focus is on transferring the information quickly and easily and is often about the Who, What, Where, When, Why and How.

Evaluation. The second reason people write is to evaluate something. Your readers want to know not only the facts but also what you think and what your judgment is. Using the evaluative structure enables you to set up the terms of comparison so that you offer a reasonably objective opinion based on rational assumptions.

Persuasion. The third reason people write is to motivate the audience to take action. The most effective pattern for persuasion consists of four steps:

- State the customer's Needs, issues or concerns.
- Identify the Outcomes the customer seeks.
- Recommend a Solution that solves the problem and delivers the right results.
- Present Evidence that you can deliver the solution on time and on budget.

That's it. The four elements of persuasive structure create the acronym NOSE. Let's take a closer look at each element.

First: the Customer's Needs. Summarize the customer's business situation, focusing on the gap to be closed, the competency to be acquired or the problem to be solved. As you focus on the customer's pains, they will be surprised that a vendor has actually listened to them closely. As a result, the solution you propose is likely to be sound and appropriate.

Second: the Desired Outcomes. If you don't create a sense of urgency in the decision maker to go forward with your recommendations, you have not been successful. Focus on the client's pain to get their attention; to get their commitment, focus on their gain.

Third: the Solution. If you have first whetted the client's appetite for your solution by focusing on Needs and potential Outcomes, your client will be eager to hear your Solution. Write from the top down. In your first sentence, focus on your recommendation as a means for solving the client's problem. Then explain it in functional terms (what it will do for the client and how it will work.) Convey which components of your solution are intended to address each need, what positive impact each aspect of the solution will deliver, and cite proof that substantiates your claim.

Fourth: the Evidence That You Can Do It. Provide proof that you can deliver the solution you have proposed on time and on budget.

The NOSE in Action

Proposals organized in a way that clearly, effectively, persuasively communicates to the audience will make a strong point, which appeals to our innate tendency to look for specific content in a specific order.

Seven Magic Questions: How To Develop a Client-Centered Message

People buy from people they trust, and they trust people who demonstrate specific qualities. For someone to trust us, we must demonstrate a high degree of expertise in our own field while also demonstrating good knowledge of the customer's business and industry.

To create a client-centered message, we need to demonstrate that we know the client. Answering the questions that follow will help you to achieve this goal:

1. What is the client's problem or need?
2. Why is this problem worth solving?
3. What results does the customer seek?
4. Which specific result is the most important?
5. What products or services can I offer that will solve the problem and deliver the right results?
6. Of the solutions that I can offer, which is the best for the client?
7. Why is my company the right choice?

You've identified the client's desired outcomes. Now you need to know which are most important to the decision maker so you can present your ideas in that order as you develop a proposition. Select differentiators that will help the client see that choosing you is the best option.

The Cicero Principle: How to Avoid Talking to Yourself in Print

The essence of client-based persuasion can be summarized in the words of the Roman orator and statesman Cicero: "If you wish to persuade me, you must think my

thoughts, feel my feelings and speak my words." One of the keys to thinking like the client is to see things from his or her point of view, getting outside your own head and inside the decision maker's head.

To write a winning proposal you need to consider three key factors about the audience:

1. Personality type ("think my thoughts").
2. Level of expertise ("speak my words").
3. Role in the decision process ("feel my feelings").

You must first adjust for the personality type of your decision maker: his/her preferences regarding information gathering, analysis and communication styles. You may choose the Myers-Briggs [Personality] Type indicator, a self-reporting test that indicates an individual's likely preferences on four pairs of opposing personality tendencies. The various combinations of these tendencies help us modify the way we deliver our message and discover our customers' preferences. The crucial personality characteristics suggest how your decision makers prefer to gather data and make decisions.

To accommodate the analytical, pragmatic, consensus seekers or visionaries, structure your proposal in two parts:

The first part (cover letter, cover page, table of contents, executive summary) should be written for a pragmatic decision maker, emphasizing payback or return on investment (ROI).

The second part, which consists of your substantiation, will contain technical details about your product/service, detailed timelines, plans and your "proof statements" written to appeal to the analytical decision maker.

Adjusting for Levels of Expertise

Another element of Cicero's formula has to do with the audience's level of expertise: "Speak my words" means to use content that the audience understands, including assumptions and the details.

Level One: The Uninformed Audience. These people are unfamiliar with your field. Provide only the information they truly need to know; keep the presentation basic; use clear, simple illustrations (visual and verbal); avoid using in-house jargon and use acronyms sparingly; keep sentences simple and short; describe procedures in a simple, step-by-step fashion.

Level Two: The Acquainted Audience. This audience may have considerable education or experience but still lacks in-depth knowledge of your specific area of expertise. All of the guidelines for level one are appropriate for level two. You might also present your proposal in a larger frame of reference; use more complex graphics, tables and figures, but still avoid specialized examples; and use the accepted jargon of the field, but avoid in-house jargon.

Level Three: The Informed Audience. This audience has extensive knowledge of your field but less knowledge of the product, project or service you are proposing. Establish immediate links with the familiar and the new; focus on the unique aspects of what you are offering, always staying client-centered. Be sure to show how your recommendations help solve the prospect's problems or meet the organization's needs.

Level Four: The Expert Audience. The expert audience knows as much about the products as you do and has detailed familiarity with the latest work and products in that field. You might summarize technical background and use appropriate jargon and technical explanations as needed.

Fluff, Guff, Geek and Weasel: The Art of Saying What You Mean

Let's suppose that you produced a short proposal written clearly and economically organized using the NOSE pattern (a clear focus on the client's Needs, Outcomes, Solution and Evidence that you can do the job on time and on budget). You have developed a payback calculation that's quantified and based on the client's own data, and you've linked that payback both to your differentiators and to credible evidence.

You have eliminated the Fluff, Guff, Geek and Weasel that lousy proposals use:

Fluff is the language of grandiose claims, vague assertions and hype;

Guff is the language of bureaucrats that's needlessly complex and pompous and creates an almost impenetrable barrier to understanding;

Geek is language that's too technical or too obscure for the intended reader;

Weasel is language that sounds wishy-washy, even sneaky. It avoids saying anything directly or definitively.

A few more simple techniques will help you maximize your clarity:

Avoid overly complicated sentences.

Put your key points up front, in the most prominent position. This applies to the document as a whole, to sections, the writer's block. It can be done individually or as a team exercise and can be used to create a writing plan for the entire proposal or just for a section.

Weaving Your Web: How to Pull It All Together Right From the Start

Proposal writers can get their ideas on the page quickly using cognitive webbing. It is a linear process of capturing the key points you want with the final output being a writing plan. Cognitive webbing can jump-start the process of process writing.

How to Create a Cognitive Web

1. Write down the end result the customer seeks.
2. Brainstorm everything you can think of that will help the customer achieve that desired result.
3. Organize and prioritize the points using NOSE and the customer's own priorities. Most of your clients are concerned first about their own problems, needs, issues or opportunities.

SECTION THREE: THE ART OF THE PART: WHERE TO PUT YOUR EFFORT

The Structure and Key Elements of Formal Proposals

You may need to write a formal proposal if the document proposes a costly or complicated solution or if a formal response has been mandated by the Request for Proposal (RFP) to which you are responding.

All formal proposals contain three categories of content:

- The business case (cover letter and executive summary) that appeals to the senior executive;
- The detailed solution and substantiation that speaks to the technical evaluator's concerns;
- The supplementary attachments and appendices that appeal to technical evaluators.

By structuring your proposal in this way, you provide the right kind of content at the right level for all the evaluators who will look at it:

Senior executives want to know "Are we getting what we need?"

Gatekeepers and technical evaluators want specific, detailed content that addresses their areas of responsibility and concerns.

Technical evaluators look for all the factors surrounding the proposed solution, including implementation, training and support.

Writing the Business Case

Writing a formal business proposal can be a daunting task. As the old proverb about eating an elephant says, you can only get the job done one bite at a time. The most important bites are the ones that appear up front — your cover letter, title page and executive summary.

The cover letter, as a statement of commitment, presents your company's offer to your client. Since the cover letter is part of the total proposal, think of it as a mini executive summary.

The title page should include a title for the proposal that states a benefit to the client or focuses on the primary outcome of the client desires; the name of the recipient, the name of the preparer and the date of the submission.

The executive summary is the single most important part of your proposal. It is the only part that's likely to be read by everybody involved in making a decision. Here are some guidelines:

- Use the NOSE structure to organize the content and to ensure that you address the customer's needs.
- Make it accessible to anyone, from the janitor to the chairman of the board.
- Present your value proposition and top three or four differentiators in the executive summary.
- Be sure the executive summary is about the customer, not you.
- Keep the executive summary short.

Keep your executive summary focused on the bottom-line issues the customer cares about the most.

Recommending and Substantiating Your Solution

Although the executive summary is the single most important part of your formal proposal, the body contains the evidence to substantiate your ability to deliver it.

The body of your proposal should include

- The technical section (the technical details, functional analysis, design specifications, implementation programs associated with your recommendation);
- The pricing section;
- Past performance summaries;
- References to satisfied clients and testimonials;
- The management plan, including project schedules, and the allocation of responsibilities among your firm;
- Brief resumes of key personnel who will work on the project.

Present these elements according to the priorities of the customer.

Section Introductions. One of the most important areas of your proposal is the introduction to each major section that will focus your reader's attention and let you state your key themes as well as the benefits of your recommendation up front.

Recommending Your Solution. Many proposals lapse into informative writing and simply describe a product or service. An effective solution constantly answers the question, "So what?" Each feature of a solution either solves part of the customer's problem or delivers value, or both.

Explain how the equipment or mechanisms you are recommending work. Start by focusing on what the equipment will do for the client — the problem it will solve or the benefit it will deliver. Then provide a part-by-part description of how it functions. As a closing, link the product or mechanism to your value proposition and to its importance to the customer's operating environment. Calculate the gain the customer will see from implementing the product or mechanism.

Persuasive Answers to RFP Questions

You'll need to address the business issues that underlie the RFP. Divide the questions into the categories of tactical or narrowly focused questions that address infrastructure and technical or contractual requirements, and strategic questions that get at the heart of the solution the customer seeks.

Several quick tips will help you get maximum points from evaluators when they read your answers to the questions in your RFP:

1. Respond to the questions exactly as they were written: Do not change the order of the questions or rewrite them.
2. Include a compliance matrix at the start of each major section.
3. Focus on what the client cares about first, not on your product or service.
4. Use the A/P/S format for important answers: *Acknowledge* that the question is significant, make a *Persuasive* statement about what you have done in this area and then *Substantiate* with details.
5. Keep the writing simple and clear; challenge the Geek and Guff, as explained earlier.
6. Provide time to edit answers written by subject-matter experts.

Presenting Evidence and Proving Your Points

To establish the superiority of our recommendations, we offer four kinds of proof:

1. The best way to put some teeth into our claims is to back up each assertion with proof such as, "We offer products from the seven largest manufacturers of molding equipment including ….."
2. We include quotes, references and testimonials that our clients say about us.
3. Third-party proof includes citing an outside source, such as a recognized expert who can have a strong impact on prospective customers.
4. We include documented evidence, case studies or past performance write-ups that often combine all three of the previous forms of proof statement.

SECTION FOUR: HOW TO MANAGE THE PROCESS WITHOUT LOSING YOUR SANITY

Deal or No Deal? Qualifying the Opportunity

Qualifying an opportunity at the outset helps you determine whether it's worth pursuing, and if it is, with how much effort. Therefore, you need answers to these questions:

1. Do we know enough to figure out if this is a good opportunity or not, and is it worth winning?
2. Is the client serious?
3. Do we have a competitive solution?
4. Can we win?

Some companies use scoring rubrics to qualify their opportunities. If a deal scores more than a minimum number of points, then you should write the proposal. These rubrics can include questions such as

What do we know about this customer's concerns and what he/they are trying to achieve?

Can we provide an accurate customer review including scope of solution?

Do we have other clients in this industry sector?

Will completing this deliverable require heavy investments of time and money on our part?

The second most important decision you have to make after you decide whether or not to bid is how hard to work on the opportunity. What is your appropriate level of effort? When you consider whether or not to "no bid" an

RFP, you must ask yourself what consequences that action may have downstream; will it limit future opportunities?

An Overview of the Proposal Development Process

Managing a complex proposal can become a real nightmare. It can threaten your sanity. But it doesn't have to be that way. Basically, the flow of activities involved in developing your proposal should look something like this:

Lay a Solid Foundation. Winning proposals have their roots in good sales and marketing. Numerous pre-proposal activities must be carried out long before you begin to work on the proposal. These include sales and marketing efforts to generate leads, promotional activities to position your firm properly and information gathering so that you can understand the customer and their issues, your probable competitors and the solution most likely to be successful.

Review the RFP Document or Opportunity. As soon as you receive the RFP, separate its requirements into categories, and develop a requirements checklist. Establish a schedule right away to ensure an on-time completion. Don't forget to build in time for technical review and a mock evaluation of the final draft. As you compile the template that gives insight into the customer's business, the competitive landscape and the most effective strategy for positioning your firm, remember not to make it too complicated.

Create the Draft Proposal. Now you need to keep track of assignment contributions and integrate them into one document. The best way to start a proposal project is by writing the executive summary, which provides an overview of the business case for top executives.

The Pursuit of Perfection: Editing Your Proposal

You may need to allocate as much time for editing as for creating the original draft. We can consider six levels of "correctness" in order of increasing difficulty of achievement:

1. There are no technical, spelling or punctuation errors and no typos.
2. There are no obvious errors of fact or logic.
3. The proposal follows an effective structural pattern divided into functional units.
4. The proposal writing is clear and concise, free of possible misunderstandings.
5. The proposal has been slanted correctly in terms of the primary audience's level of expertise and values.
6. The proposal is informed and intelligent, delivered in a format that makes it easy for multiple evaluators.

Remember to link your deliverables to the benefits your customer seeks and then to your differentiators and to avoid promising benefits without substantiating how you will deliver on those promises.

Presenting Your Proposal

Almost all of the skills you have already learned in this book for preparing persuasive written proposals also apply to oral proposals. However, oral proposals contain a few unique steps necessitated by the medium of delivery:

1. What exactly is your message?
2. Perform an audience analysis: What do you know about them?
3. Divide your presentation time as follows: Introduction up to 10 percent; body 70 percent; conclusion up to 10 percent. (Reserve the last 10 percent for questions.)
4. Write each of the key points on a sheet of paper: A key point might be one of the customer's important needs, for example. To each point, indicate how much time you will spend on it; break the points down into supporting evidence you will present.
5. Develop an attention-grabbing opening. Establish rapport first; then work on credibility.
6. Develop visual aids that support your presentation.
7. Rehearse and visualize a warm reception, faces smiling, heads nodding.

If you need to handle questions or expressions of skepticism, differentiate between strategic and tactical issues, keep your answers brief, don't bluff or lie and pre-empt criticism by stating the opposing point of view.

After you have presented and handled all the questions, offer a formal conclusion that mentions your key ideas and summarizes your value proposition. End by asking your audience to take specific action (give you their business or approve you as the vendor of choice).

Tracking Your Success

After you have submitted your proposal, you can take more ongoing steps that will help you learn what works

and what doesn't to improve your next proposal. As well, you can perform debriefings and do win/loss analyses by listening for opportunities that may lie ahead. Ongoing regular communication can help you establish strong recognition to prepare you for the next opportunity. Conduct an internal review with your colleagues to find out how the lessons you learned can improve or simplify the task in the future.

Lessons Lost

Because lessons learned are often lost, it is a good idea to acknowledge that doing things the same way over and over without being open to changes that may improve results is a recipe for eventual failure. Here are some suggestions for incorporating gleaned knowledge into your standard procedures:

- Conduct regular lessons-learned meetings.
- Stand back from your standard processes, and question why they have been done.
- Create a task group to analyze the root causes of repeated problems.
- Document change, and figure out how to make sure everybody embraces it (through training, checklists, tools).
- Establish a formal process for institutionalizing change.
- Get a Three-Dimensional View.

To trace the impact of any changes you make, measure results in terms of three goal areas:

Business performance is typically measured in financial terms or in terms of productivity.

Technical improvements usually produce process efficiencies that can be measured in terms of reduced time or effort.

Customer satisfaction as a metric requires that you gather quantifiable, objective measures of client satisfaction. Win/loss analyses, interviews, surveys and other research will help you gather the data you need.

Creating a Proposal Center of Excellence

We must first identify the characteristics of people we need in the operation, train them with the right skills, and define the best practices and tools that will enable them to create outstanding proposals as measured by revenue generation, win ratios, productivity and customer satisfaction.

A proposal team center offers many advantages:

1. It can implement best practices for proposal development, standardize the company's output and raise the overall level of quality.
2. It can maintain a pool of information and reusable content.
3. It can be a repository of expertise in procurement rules and contracting policies.
4. It can research trends both on a customer-specific basis and in terms of the market in general.
5. It can implement methods to assess the competition.
6. It can support the rest of the firm, particularly the sales organization, by responding to their information needs.
7. It can help the company win more business.

Be sure it fits into the organization by making it part of sales or marketing and seeing that it has the full commitment of top management and by publicizing the proposal unit's contributions and successes, particularly to senior management. Relentlessly advertise the return on investment — the amount of business won compared to the cost of operating the proposal unit.

Special Challenges

Every business relationship will hit a rough spot from time to time. The customer may be disappointed; negative press coverage may raise concerns. But we can regain trust through honesty, accuracy and effective communication.

In your proposal and presentation, stick to your core message based on the assumption that the client has a need that you can meet and that you can deliver superior value in the process.

Above all, don't bluff and don't lie. Just like your mama told you, honesty is the best policy. Even if you lose this particular battle and don't win the business, your candor and directness may go a long way toward healing the wounds and helping the client start to trust your firm in the future. Then the business cycle can begin again.

RECOMMENDED READING LIST

If you liked *Persuasive Business Proposals*, you'll also like:

1. ***360 Degrees of Influence*** **by Harrison Monarth**. Monarth provides advice on how to gain the trust and respect of those around you and how to expand your influence well beyond your immediate environment.

2. ***Generating Buy-In*** **by Mark S. Walton**. Walton draws on his rich communications background to help leaders master the language of leadership.

3. ***Pitch Perfect*** **by Bill McGown and Alisa Bowman**. Discover the seven principles of persuasion to help you establish the right tone for the right message to the right person at the right time.

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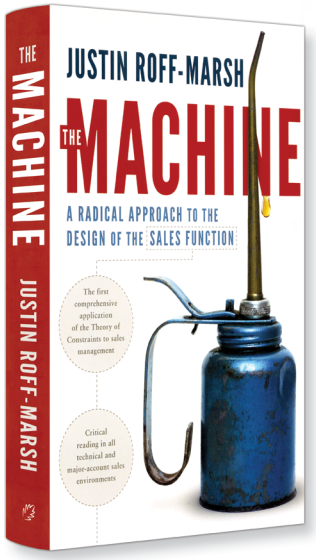
38-02 The Machine

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The Machine

A Radical Approach to the Design of the Sales Function



by Justin Roff-Marsh

THE SUMMARY IN BRIEF

In *The Machine*, Justin Roff-Marsh shows readers how to follow the intrepid executives who have implemented his ideas over the last 15 years, building ridiculously efficient sales functions — and market-dominating enterprises — as a consequence.Roff-Marsh calls these executives his silent revolutionaries.

For the last 20 years, organizations' ability to produce has overtaken their ability to sell, and, for at least as long, customers have unfailingly embraced every opportunity to avoid interacting with traditional field salespeople.

Applying the division of labor to sales might not seem controversial, but this innocent-sounding idea decimates the sales management orthodoxy and replaces it with a strange new world where sales is primarily an inside activity, where salespeople earn fixed salaries and focus their attention exclusively on selling conversations, where regional sales offices become redundant, and where marketing and engineering become seamlessly integrated with sales.

The Machine is a field guide for the executive who's prepared to wrestle sales away from autonomous field-based artisans in favor of a tightly synchronized team of specialists. Readers will embrace *The Machine* either to exploit the new sales order or to avoid falling victim to it.

IN THIS SUMMARY, YOU WILL LEARN:

- Why a centrally coordinated team should be responsible for sales.
- The four key principles for applying the division of labor to sales.
- A model for creating the new sales environment in your organization.
- To generate sales opportunities and manage the sales function.

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Vol. 38, No. 1 (3 parts), Part 2, January 2016 • Order #38-02

THE COMPLETE SUMMARY: **THE MACHINE**

by Justin Roff-Marsh

The author: Justin Roff-Marsh is a sales-management radical. After a successful career in financial-services, he founded Ballistix as a direct-marketing agency some 20 years ago and subsequently added consulting services. Today, Ballistix has clients in Australia, the United Kingdom and the United States of America.

The Machine: A Radical Approach to the Design of the Sales Function by Justin Roff-Marsh. Copyright © 2015 by Justin Roff-Marsh. Summarized by permission of the author, Justin Roff-Marsh; published by Greenleaf Book Group Press. 244 pages, $22.95, ISBN 978-1-6263-4224-8.

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Introduction

All is not well in sales. The sales environment in a typical organization — in most every organization, in fact — is seriously dysfunctional. But rather than focusing on the obvious dysfunction, management is busy with incremental improvement initiatives: sales training, sales-force automation (technology of various types) or bolt-on lead-generation activities (e.g., outsourced telemarketing, social media activities). Because none of these initiatives address the root cause of the dysfunction, they amount to nothing more than arranging chairs on the deck of the sinking *Titanic*.

It's not that sales is getting worse: The issue is that the rest of the organization is getting so much better while sales clings to the same structure, the same management approach and the same practices that have been in place for the last 50 years. Why is sales underperforming? One reason is that salespeople aren't selling. Less than 10 percent of a typical salesperson's capacity is allocated to selling. The majority of a salesperson's day is dedicated to customer service and administrative activities, to solution design and proposal generation, and to prospecting and fulfillment-related tasks.

A New Assumption

Sales is typically the sole responsibility of autonomous agents. When we employ salespeople, we advise them that they will be held accountable for outcomes, not activities. We pay them commissions (in part or in full) rather than fixed salaries. And we encourage them, in most cases, to manage their territories, their accounts and their sales opportunities as if they were, well, their own.

The connection between dysfunction and salespeople's autonomy is easy to spot. Salespeople spend so little time selling because they have so many responsibilities competing for their limited time, because each salesperson is a self-contained sales function. Salespeople conflict with management because there is simply no place for management in a typical sales function.

If the assumption that *sales is the sole responsibility of autonomous agents* is the root cause of this dysfunction, it's clearly time for a new assumption. But what should that be?

Sales is the responsibility of a centrally coordinated team. This innocent-looking assumption leads logically to a radical new approach to the design and management of the sales function.

Under this new approach, sales becomes the consequence of a number of interrelated processes — rather than the output of a person. Salespeople become a component in a much larger machine (albeit an important component!). And management assumes total responsibility for the design and day-to-day performance of the sales function (managers own sales targets, and they cannot delegate them away).

PART I: THE CASE FOR CHANGE AND A NEW MODEL

Four Key Principles

Let's consider how we might go about causing a dramatic increase in the productivity of the sales function. What might be the *direction* of the solution?

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Rebecca S. Clement, Publisher; **Sarah T. Dayton**, Editor in Chief; **Ashleigh Imus**, Senior Editor; **Masiel Tejada**, Graphic Designer; **A. Imus**, Contributing Editor

For inspiration, we look to manufacturing because we know that this is one part of the organization that *has* seen a dramatic increase in productivity in recent times.

In 1776, in his magnum opus, *An Inquiry into the Nature and Causes of the Wealth of Nations*, Adam Smith predicted that the division of labor would drive a massive increase in productivity. He told the story of a pin-manufacturing operation in which 10 workers had divided the production procedure into 18 distinct steps and then distributed these steps among themselves. Individually, each worker could produce 20 pins a day. Collectively, they were producing 48,000!

If we take a stroll around a typical organization, we discover the division of labor in all types of production environments, in engineering and even in finance. In fact, the only part of the organization that has not embraced the division of labor is sales! Let's assume that this is the direction of our solution.

Putting the Division of Labor to Work

The lessons from manufacturing can be generalized into four fundamental principles.

Principle 1: Scheduling Should Be Centralized. The division of labor will result in synchronization problems. The solution is to centralize scheduling.

Any work you perform can be broken into two components. The first of these are the critical activities that cause matter (or information) to change form. The second component is what is referred to as *scheduling* — the sequencing and timing of those activities. As you add more workers to the work environment, scheduling rapidly becomes more complex.

The key to avoiding synchronization problems when we apply the division of labor is to first split the responsibility for these two components of work. If we fail to do this, the local efficiency improvements that result from workers focusing on a single task will quickly be eaten up by the general chaos that spreads through the environment.

There are many environments in which the centralization of scheduling is a well-established practice, including the project environment (in which the project manager owns the schedule) and the airport (where an air-traffic controller determines who takes off and lands). In each of these cases, scheduling is a specialty. If we are entertaining the idea of applying division of labor to sales, we must first acknowledge that the very first activity for which the salesperson relinquishes responsibility will be scheduling.

Principle 2: Workflows Should Be Standardized. The division of labor changes things: Standardization suddenly becomes critical. When the person who plans the work (the scheduler) is remote from the people who do the work, the standardization of procedures (and workflows) prevents the complexity of environments from multiplying to unmanageable levels.

In manufacturing environments, the workflow is referred to as the *routing*. The routing is the path that work will follow through the plant, taking into account both the activities that will be performed and the resources that will perform them. The general rule in manufacturing is that for production of the same product, the same routing should be followed. For the sales environment to be manageable and scalable, all opportunities of the same type (i.e., the same objective) must be prosecuted using the same routing — from the origination of those opportunities through their management.

Principle 3: Resources Should Be Specialized. Specialization causes a significant increase in workers' productivity for two reasons: First, when a worker performs activities of just one type, they become very good at performing those activities. Second, switching between materially different activities imposes a significant overhead on a worker. The elimination of this switching (multitasking) increases that worker's effective capacity. When it comes to dividing activities, it tends to make sense to make divisions along three axes:

1. Location. You should split field and inside activities.
2. Work type. You should split activities that are different enough to impose a switching cost.
3. Cadence. You should split long and short lead-time activities.

Principle 4: Management Should Be Formalized. Specialization is a two-edged sword. It causes a dramatic increase in the productivity of each individual, but it also causes each worker to operate in a vacuum — intently focused on their own work in progress (their task list). To a great extent, the scheduler compensates for this narrow focus, but the manager is still required to ensure compliance with the schedule, to resolve problems as they occur and to make decisions relating to the design and resourcing of the overall environment.

Reimagining the Sales Function

Our first principle dictates that, as we push toward the division of labor, our very first specialist must be a scheduler, a *business-development coordinator* (BDC). Our salesperson will be called a *business-development manager* (BDM), to highlight their new focus. It's important to note that

the BDC is not a sales assistant. The word assistant would imply that it's the BDM who allocates work. The opposite is the case. The BDC pushes work to the BDM.

This means that the BDM must transfer any and all scheduling responsibilities to the BDC. This may be a more significant undertaking than it sounds when you consider that, in most cases, the BDM's scheduling responsibilities are not limited to the management of their own calendar. In most cases, salespeople are interfacing with production and customer service, coordinating the delivery of clients' jobs.

We can draw four very general conclusions:

- Our BDC must perform all scheduling.
- Our BDM will spend more time selling.
- Our BDM should work in the field (not in an office).
- Our BDC should work from the head office (ideally not a regional office).

Our second principle dictates that we use a standard sequence of activities to originate opportunities (i.e., to identify or generate sales opportunities) and to prosecute opportunities (i.e., to pursue them to their ultimate conclusion — either a win or a loss).

The real value of standardization is that it enables handoffs between stakeholders in both the sales environment and the associated functions. If an opportunity is being prosecuted according to a pre-existing workflow, after each field activity the BDM needs only to update their BDC with one of four possible next steps. They will recommend abandoning the opportunity, repeating the activity just performed, scheduling the next activity in sequence or scheduling an activity further downstream in the workflow. This structure enables a lot of information to be transferred in just a few words.

In designing a workflow, we're not trying to map the existing complexity; rather, we're *engineering it out* of the sales environment (at least to the degree that it's realistic to do so).

If we adopt project management terminology, we now have a project plan (our standard workflow for originating and prosecuting sales opportunities), a project manager (our BDC) and a resource pool containing a single resource (our BDM). To exploit the benefits of the division of labor, it's now necessary to add some more people to our resource pool.

Promotion. In practice, the requirement for tight integration between promotion and sales is so strong that the responsibility for the former cannot possibly be delegated (at least in full) to another department. The practical solution is to add a *campaign coordinator* to sales.

The campaign coordinator's reason for existence is very simple: to maintain a queue with an optimal number of sales opportunities upstream from the BDC. This ensures that the BDC always has someone to call when an empty slot appears in the BDM's calendar.

Technical tasks. Every engineer-to-order environment has the same problem. Salespeople become entangled in the delivery of the solutions they sell — and this entanglement cannibalizes their selling capacity (and generates a host of other problems). An alternative approach is to add a third party to the mix, a person we'll call a *project leader*. The project leader and the BDM work side by side for most of the opportunity-prosecution workflow. At the point at which the client wishes to discuss (in concrete terms) their requirements, the BDM introduces the project leader. After the sale, the project leader champions the project as it moves through production. This means that the project leader replaces the BDM as the primary point of contact for both production and the client.

Semitechnical tasks. Semitechnical activities include the generation of standard proposals, the processing of repeat transactions and the provision of after-sales support (e.g., issue resolution). All these activities — as well as any others that are semitechnical in nature — should be allocated to the customer-service team.

The customer-service team must develop both the capability and the capacity to take full ownership of the entire customer-service caseload, and salespeople must extricate themselves from customer service.

In order to prosecute each sales opportunity, the BDC will break the opportunity into a series of activities and allocate each activity to one or more of these resources, in accordance with the routing specified in the opportunity-prosecution workflow.

The downside of the division of labor is that it causes environments to become fragile. Although it's the responsibility of the BDC to synchronize the various team members, management oversight is critical.

The Death of Field Sales

The fact is, sales today is an inside endeavor, supported, in some cases, with discrete field activities. There are still some markets in which sales is essentially an outside activity — think Snap-on tools, whose operators pilot their trucks directly to workshops and building sites and sell on the spot. But these markets are the exception, not the rule.

The Inside-Out Approach

Where planning is concerned, what's required is an inside-out approach. Start with an inside sales function and then add field resources as they are required — and only to the extent that they are required.

The inside-out approach starts with attention to the type of transactions that make up the lion's share of a typical organization's revenue. These are simple — and typically repetitive — transactions. Customer service should handle these simple transactions, and should generate quotations and handle customer issues.

Our inside sales team actually consists of two roles. We have the inside salespeople, who perform nothing other than what we call meaningful selling interactions. These interactions include phone conversations, email communication and even instant messaging.

We also have a campaign coordinator, who is responsible for generating all of the outbound sales opportunities that keep the inside sales team members so busy.

A field specialist is a person who supports inside sales by performing discrete field activities. Their typical activities would include on-site requirement discovery and product demonstrations.

Your inside sales team members are not telemarketers (in the traditional sense of the word). They are true salespeople — equivalent in every sense to the type of person you would otherwise have in the field. They are knowledgeable, ambitious and engaging. And they are paid roughly what they would expect to earn if they were field salespeople. And, importantly, your inside sales team members are not second-class salespeople relative to your field specialists.

Your inside sales team, if your organization is typical, is your primary sales team, and it's vital that this is reflected in your cultural norms.

The Machine Within the Machine

In most discussions of sales, the greater organization doesn't rate a mention. The fact that we traditionally consider the sales function in isolation is likely to be an admission of a fundamental flaw in the design of sales — as well as the cause of many of the problems we experience.

Let's discuss a model for the organization as a whole and expose the critical connections between sales and the other key organizational functions.

The Theory of Constraints: A Crash Course

The theory of constraints (TOC) recognizes that the output of any system is determined by the system's lowest-capacity resource and that this resource (the constraint) can be used to gather intelligence about — and exercise control over — the system as a whole.

Let's consider a very simple business, consisting of just sales and production functions. In order to make money, the business must generate a gross profit (or, technically, a contribution margin) at a faster rate than it incurs operating expenses. Units of gross profit must be processed by both sales and production before they can be banked. Specifically, sales must win an order, and then production must fulfill it.

We will use the term *throughput* to refer to units of gross profit. Technically, throughput is equal to the revenue generated by a transaction minus the totally variable costs associated with that transaction (e.g., raw material costs, sales commissions, shipping).

Because the amount of money that a business makes is a function of the rate at which it processes throughput, it is important that we understand the capacity of the business. In other words, we need to know how much throughput the business can process in a given period.

The capacity of the business as a whole is determined by the capacity of its lowest-capacity function — what we'll call the constraint. So, if the capacity of sales is $T10,000/day and production is $T18,000/day, this business can generate only $T10,000 a day ($T is throughput dollars). Production has the capacity to produce more, but without orders to fulfill, there's no point in attempting to do so.

Because (in this scenario) sales determines the profitability of the organization as a whole, we can draw some conclusions about how sales and production should work together. Sales should sell as much as possible. Production should produce whatever has been sold by the sales team and nothing more.

We can now generalize from these conclusions and arrive at two simple rules applicable to every business:

- The constraint should operate at full capacity at all times;
- Nonconstraints should subordinate to the constraint.

If we reverse the capacities of the functions in our simple business, production becomes the constraint, and sales should subordinate to it. This (typically more desirable) scenario leads to the conclusion that sales should sell only what production has the capacity to produce, and production should operate at full capacity at all times.

We must acknowledge that, in reality, the output of any resource is inherently variable. The solution to this problem requires that sales maintain a buffer of orders

upstream from production, large enough to absorb the sales function's inherent variability — but no larger.

The existence of the buffer enables the organization to fully exploit its production capacity as well as to maintain good on-time delivery performance. Sales should maintain the constraint buffer at its optimal size, and production should operate at full capacity at all times.

PART II: PUTTING IT ALL TOGETHER

Formulating a Plan

You need a model for your new environment, and you need a rough understanding of the resourcing and cost implications of your model. The best way to arrive at a model is to start inside and work outward. (For this discussion, we'll assume you're adopting the inside-out model.)

Customer service. Start with a blank sheet of paper and add a number of circles to represent your customer-service team. You need to forget about your existing team members for the moment. You should add enough customer-service representatives to cope with your existing volume of orders, quote requests and issues — even if your salespeople are currently responsible for some (or all) of these activities. You should also ensure that your customer-service team is large enough to provide you with sufficient protective capacity.

Inside sales and campaign coordination. It's time to add some more circles now to represent your inside sales team, and if you have an inside sales team (or a sales team of any type, for that matter) you'll need sales opportunities. Opportunities come from campaigns of various kinds, so that means you need a campaign coordinator too.

To determine how many inside salespeople you need, calculate how many meaningful selling interactions your entire existing sales team has in an average day. Multiply that by four, because quadrupling your daily selling interactions will be easily achievable with specialization. Then divide the result by 30, which is the number of meaningful selling interactions that a dedicated inside salesperson should average. This is the number of inside salespeople you should start with, unless it is less than two — in which case you should have two inside salespeople.

Field specialists. If you do need people in the field, you now need to carefully consider the nature and volume of activities these people will be performing. For the nature of these activities, you can divide field visits into three categories: purely technical visits or technical sales visits, transactional sales and enterprise sales. To calculate how many circles you need to represent your field specialists, determine the average number of daily field meetings your team performs that are genuinely required and that fit into those first two categories; then divide that number by four, the daily capacity of a field specialist. The crucial point here is not the number of field representatives you employ; it's how much time they spend face to face with customers.

Business development. Most organizations have a requirement for some field-based, business-development activities: running solution-design workshops, presenting to groups of decision makers. You first need to determine how many enterprise field activities you perform today across your team as a whole. Then you can double that number and divide the result by 20. That will tell you the number of business-development managers (BDMs) you need and the number of business-development coordinators (BDCs) you need to pair them with. Here, we're planning to double your existing volume of business-development activity. It's reasonable to expect that this additional volume will be a natural consequence of your additional inside sales activity.

Project leaders. Project leaders prevent BDMs from becoming entangled in projects in some technical and most engineer-to-order environments. You need more project leaders than BDMs. If you genuinely need project leaders, you'll certainly need between two and four for each of your BDMs.

The economics. To confirm that your proposed model makes economic sense, you should confirm that your proposed model meets these two conditions:

- The model, when it is implemented, must result in a significant increase in sales activity (meaningful selling interactions).
- The model, when it is implemented, cannot cause an immediate increase in your organization's operating expenses.

The Transition: The Sequence Is Everything

Where planning your transition is concerned, the sequence is everything. The key is to start at the factory door and work outward toward the field — not to start with field representatives or promotional initiatives. If you don't have a factory, the principle is the same: Start as close to production as possible.

This means that you start your transition by fortifying customer service — and engineering if you're an engineer-to-order environment. There are two reasons: You need a lot of additional capacity in customer service to cope with an increase in sales activity and to enable

salespeople to offload the customer-service tasks they are currently performing.

Where you finish your transition is also important. Specifically, you should postpone making changes to your field salespeople until you absolutely have to, and when you do make changes, you should ensure that these changes are driven by the results you are generating with your internal activities. The point is that you should ask salespeople to maintain their existing modus operandi until your success with the internal components of the model forces field changes on you.

How to Convert Opportunities Into Sales

A sales opportunity is a potential deal that a salesperson is working on or a potential deal that has been queued for a salesperson to work on within the current period. We've done away with the requirement for *qualification*. In the inside-out model, a potential deal is either in the salesperson's opportunity queue, or it isn't. If a salesperson has an unutilized unit of capacity and there's a potential deal in the queue, that salesperson should be selling, not qualifying.

Now that we agree on what sales opportunities are, we can discuss how to prosecute them — how to convert a percentage of them into sales.

A workflow is the sequence of steps that need to be performed in order to convert a potential customer into an actual one. The most important steps tend to involve asking the prospect for an intermediate commitment of some kind (e.g., a Web conference to present a proposal). This exposes a central truth: We convince the prospect to make big commitments (purchases) by encouraging them to make a sequence of smaller commitments.

One Workflow

You should have only one workflow for each product or service. In fact, similar products share the same workflow.

Standardization means that the path each opportunity follows through your organization is essentially the same as the path followed by the opportunity before it. There is certainly no reason for variation between salespeople, and even where customers are concerned, it is usually preferable to adopt a standard workflow, for two reasons: First, in a mature market, competitive pressures will cause your customers to structure their businesses similarly and to adopt similar procurement procedures; and second, in an immature market, customers will not have developed fixed procurement procedures — meaning that your salespeople have the opportunity to convince them to purchase via whatever sequence of steps you believe is optimal for both parties.

The Solution-Design Workshop

A solution-design workshop is an invaluable addition to your opportunity-management workflow whenever you are selling a custom-engineered product or service. Such a workshop — often called a *feasibility study* or an *envisioning workshop* — provides the following benefits: It enables you to take control of your client's decision-making processes, which, absent your involvement, is often entirely unstructured and ineffective. It turns solution design into a collaborative process, which results in potential clients assuming ownership of the solution long before they are asked to purchase, and slashes the duration of the solution-design process. And it enables you to socialize the new direction with a larger number of stakeholders (on the client side) than would otherwise be possible.

You should design your workshop so that the greater proportion of the content that will ultimately populate your outcomes document (and the accompanying proposal) is actually generated during the workshop. After the workshop, the project leader should convert the outcomes into a formal presentation-of-findings document and review this document with the salesperson prior to the scheduled presentation-of-findings meeting.

How to Generate Sales Opportunities

The general assumption is that promotion (or prospecting, as salespeople like to call it) is just part of selling. In the inside-out model, this responsibility is taken away from salespeople and transferred inside, leaving management no choice but to confront the promotional challenge head on. If your organization is typical, it will be possible for you to make the transition to the inside-out model and to generate a meaningful increase in sales performance with only minimal promotional effort.

Promotion is the process of identifying prospects and allocating them to salespeople. A prospect is either an individual or an organization that has a nonzero likelihood of purchasing within a reasonable time horizon. A prospect can be either an existing customer or a potential customer.

Unlike salespeople, marketing communicates with prospects in batches, or cohorts. We use the word campaign to refer to both the communication and the cohort of prospects who are being communicated with. The

campaign coordinator is responsible for running the sets of (often) daily campaigns required to maintain salespeople's opportunity queues at their optimal sizes.

All promotional campaigns have three fundamental ingredients:

- An offer, the basic proposition the campaign presents.
- An audience, the set of individuals to which the campaign is targeted.
- Communication, how the offer is communicated — the creative execution.

If we imagine that we are attempting to generate opportunities for the sale of enterprise software, a single campaign might consist of the following steps: (a) a pay-per-click advertisement, encouraging viewers to view a video detailing enterprise software horror stories, which directs the viewers to (b) a landing (or squeeze) page, containing the video and a pitch for the visitors to request a software buyers' guide, the dispatch of which will be followed by (c) an email campaign directed to readers of the buyers' guide, inviting them to attend a webinar, and then, finally, the webinar itself, designed to upsell to a business-process-modeling workshop.

Managing the Sales Function

The inside-out model is structurally different from the traditional one — and this tends to have quite an impact on management requirements. The transition to the inside-out model will tend to result in a requirement for line management that didn't previously exist; a requirement for fewer functional managers (with all sales activities centrally scheduled, silos cease to exist); and a significant increase in the scope of functional management or the emergence of a requirement for executive management (the head of sales is now managing a more complex machine).

How to Manage Sales

In the inside-out model, because sales is now a team sport, it is no longer possible for salespeople to single-handedly generate sales — any more than it is possible for a single football player to win a game. This means that management, rather than salespeople, must own the responsibility for sales outcomes, and management must be responsible for both the overall design and the day-to-day supervision of each of the components of the sales machine.

We looked at how most modern organizations benefit from the system constraint being maintained (by sales) upstream from either production (make to order) or engineering (engineer to order). In these circumstances, the goal of sales should not be to sell as much as possible! The goal should be to maintain the size of the order book within an acceptable range. Sales management must know exactly the number of days' worth of work (and the mix of work) that should be maintained in this buffer, and, of course, the sales machine must be engineered with these requirements in mind.

In addition to the goal, sales management must have an explicit understanding of the necessary conditions that must be maintained in order for the achievement of the goal to be valid. For example, sales management needs to know the allowable acquisition cost — the maximum that can be spent on promotion in order to win a new account.

Line Management: Managing Salespeople

Let's talk about how to actually manage salespeople. Here is a three-step formula: conviction, activity and deals.

Your sales manager must start with the conviction that your offering is salable and that it can reasonably be sold by your sales team — the kind of quiet conviction that comes from certainty.

Activity — meaningful selling conversations — is the primary driver of sales. Activity alone doesn't guarantee you sales, but an absence of activity is a guarantee of an absence of sales. For this reason, the sales manager should treat activity as a necessary condition. Each salesperson must perform a fixed volume of sales activity, day in and day out.

If your salespeople have conviction — and if activity levels are consistently high — deals will flow.

Commit Absolutely

If you are going to make the kind of fundamental changes that are required to implement sales process engineering (SPE), you should only proceed if you are prepared to commit (absolutely) to the future state. If you are not fully committed, wait until you are.

RECOMMENDED READING LIST

If you liked *The Machine*, you'll also like:

1. ***The Innovative Sale*** **by Mark Donnolo**. Donnolo's guide will help you incorporate creativity into your sales practices and better understand your customers.

2. ***The Challenger Sale*** **by Brent Adamson, Matthew Dixon**. Every sales rep in the world falls into one of five distinct profiles, but only one — the Challenger — delivers consistently high performance.

3. ***B2B Street Fighting*** **by Brian Dietmeyer**. Change the negotiation conversation from the price of your products and services to the value of your solutions.

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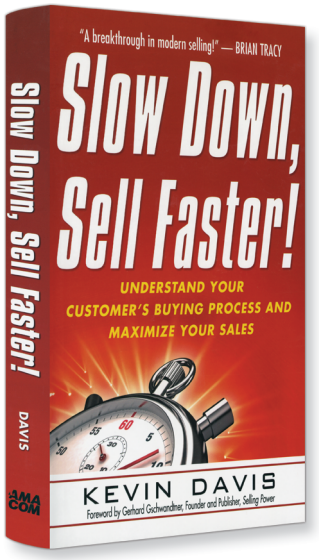
38CS03A Slow Down, Sell Faster!

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Slow Down, Sell Faster!

Understand Your Customer's Buying Process and Maximize Your Sales



by Kevin Davis

THE SUMMARY IN BRIEF

An understanding of buying is where selling should start.

Slow Down, Sell Faster! focuses on sales situations where customers go through a deliberate decision-making process before making a purchase, and often there is more than one person involved in the decision. These are the situations where the need is greatest for a salesperson to develop a deep understanding of the customer's thoughts and emotions about the purchase, and to get their sales process in line with the customer's buying process.

As a salesperson, if you want to see win-win solutions, you must have a win-win sales process. This is not optional. Customers don't care about the steps of your sale. They care about getting their needs met. They are unlikely to change their buying process to match your selling process, so your only option is to be the one who changes.

Slow Down, Sell Faster! will be most useful to business-to-business salespeople (both inside and outside) whose products or services are considered "major" purchases, and business-to-consumer salespeople who offer high-dollar products or services, especially if there is more than one decision maker involved.

IN THIS SUMMARY, YOU WILL LEARN:

- A selling model that is built around the customer's buying process.
- The four questions you need to ask to win a complex sale.
- The eight sales roles that correspond to the steps in the customer's buying process.
- Tips for sales managers to effectively coach the eight sales roles.

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THE COMPLETE SUMMARY: **SLOW DOWN, SELL FASTER!**

by Kevin Davis

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Slow Down, Sell Faster: Understand Your Customer's Buying Process and Maximize Your Sales by Kevin Davis. Copyright © 2011 by Kevin Davis. Summarized by permission of the publisher, AMACOM, a division of American Management Association, Intl. 262 pages. $18.95, ISBN: 978-0-8144-1685-3. To purchase this book, go to www.amazon.com.

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PART I: UNDERSTANDING BUYING IS WHERE SELLING SHOULD START

Every salesperson wants to sell more. We all want to make more money and gain recognition for peak performance. And the way to do this is to slow down. We need to take the time to get into our customer's head, because that's how we can learn more about their needs.

With a better understanding of these needs, we provide more value throughout the customer's buying process. We can help them become clearer about the opportunities and risks and help them define criteria for an ideal solution. With these issues clearly spelled out, customers become more comfortable with their decision. They can reach their purchasing decision more quickly. And that's how you sell faster.

The Eight Steps in the Customer's Buying Process

People and organizations buy in two ways. Buy-knowing is when buyers already know as much as they need to buy. In this case, they can quickly make a decision. In buy-learning, buyers do not have all the information they need to make an informed purchasing decision. In this case, buyers need to do some research and learn more first.

There are four phases of the buying process, and eight steps nested within them. Each step can be matched to a "sales role" using the names of common professions to capture the essential theme of the behaviors needed to help the customer.

Stage 1: Need
- Step 1: Change
- Step 2: Discontent

Stage 2: Learn
- Step 3: Research
- Step 4: Comparison

Stage 3: Buy
- Step 5: Fear
- Step 6: Commitment

Stage 4: Value
- Step 7: Expectations
- Step 8: Satisfaction

Each of the steps have a pair of sales roles that match: Need: Student and Doctor. Learn: Architect and Coach. Buy: Therapist and Negotiator. Value: Teacher and Farmer.

Six Mysteries of Selling Solved

When you become familiar with what's going on at each step of the customer's buying process, you will be able to explain some of the most common mysteries of selling, including

- Why so many of your prospecting calls fall on deaf ears.
- Why customers ask you early on to give them a "ballpark" price.
- Why customers don't recognize the full value of your solution.
- Why nothing happens after a great initial meeting.
- Why customers go silent at the eleventh hour.
- How competitors sneak in the back door.

Salespeople who move ahead in their sales process and ignore where the customer is in the buying process are going to be perceived as selfish, more concerned about themselves than the customer. A deeper understanding of the buying process can begin to change that.

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Mastering the Politics of Selling to Multiple Decision Makers

In many businesses, the simple sale involving only one decision maker is getting rarer and rarer. There will likely be multiple decision makers, each with different interests, needs and degrees of influence — and each likely at a different step of the buying process at a given time. Mastering the politics of the complex sale and developing strategies for dealing with multiple players at different buying steps is critical to being a successful salesperson.

Whenever you know, or even just suspect, that more than one person is involved in a sale you're pursuing, you want to identify as many players on the buying team as you can. The composition of a Complex Buying Team can itself be complex. Each player will have a unique combination of four characteristics, which you can use to analyze and understand the composition of the team. These characteristics or "lenses" are

- Who makes the final call or decision about the sale?
- Who is interested in what?
- Who has information and access control?
- Do they support you or are they against you?

The players can include the ROI Authority (interested primarily in the bottom line), Users or Super Users (people who will use the product or service), Integrators (anyone with expert knowledge who will evaluate both technical and compatibility issues), the Power Broker (the individual on the team with the greatest influence and political clout for swaying other buyers) and the Gatekeeper (the person who controls the flow of information between you and the rest of the team).

A crucial player is a Sponsor. This is someone who wants you to succeed, who wants your solution to win. Your Sponsor will be most helpful if he or she has credibility with other members of the buying team. Without this, the sales effectiveness of your Sponsor is greatly diminished, and any access to inside information is limited.

Because you need at least one Sponsor to win a major sale, it makes sense to develop one as early as possible in the buying process. The best Sponsor is the person with the strongest personal benefit associated with your unique solution.

There are many ways to lose a complex sale simply due to the difficulties of juggling many players in different stages of the buying process. Four common mistakes are

1. "Dancing only with the one who brung ya!"
2. Assuming the Complex Buying Team has clearly defined its needs.
3. Going go the C-level with nothing to say.
4. Antagonizing gatekeepers.

Winning the Complex Sale

To win a complex sale, you will need the ability not just to identify who the players are but also to develop a strategy that takes into account where each is in the buying process.

Here, "slowing down" means learning to pay attention to all members of a Complex Buying Team, so you can develop more relationships and gain access to information that your competitors won't have.

The Questions You Can't Afford Not to Ask

Start by asking questions such as

1. Who will be involved in this decision? Where are they in their buying process?
2. Who are the most influential decision makers? At what stages of the buying process will they be involved?
3. What does each decision maker want? What are his or her problems and needs?
4. What is the attitude of the most influential decision maker about your company and its solution?

Fundamental Skills to Master

Most of a complex sale takes place when you're not there, when individuals on the buying team communicate with each other. You want these people to be selling your solution to each other. Recognizing that different people are in different steps will help you better match your selling behavior to their buying needs. For example, a buyer in Step 2 (Discontent) needs help recognizing a problem and its seriousness. You can match this step to the Doctor role. A buyer in Step 3 (Research) needs help designing a solution (the Architect role).

A secret to finding out what step a decision maker is in is simply to ask, "Where are you in your decision-making process?" It's unlikely they'll answer using the terminology in this book, but they'll give you valuable clues.

Sharpening Your Political Skills

To win a complex sale, you must be a savvy strategist. Two of the most important strategies to master are defusing a threat from an Anti-Sponsor and creating credibility at the C-level.

Complex sales are difficult, but the sales consulting roles that follow provide a game plan for persuading each decision maker to give you and your solution a thumbs-up.

PART II: THE EIGHT ROLES OF BUYING-FOCUSED SELLING

The eight sales roles discussed in Part 2 capture what you can do as a salesperson to help the customer through each buying step. Understanding this match will help you deliver a winning plan. Interspersed with the eight sales roles you'll find four "milestones" or checkpoints in your sales process.

The Student: Use Knowledge to Gain an Edge

Customer Step 1: Change

Change is the only constant in your customers' lives. But within change lies the opportunity to help your customer grow. To identify those opportunities, become a Student of your prospective customers.

Customers in the Change step experience discomfort within their current situation. As a Student, your role is to understand the changes and pressures your prospect and their business are facing, and to understand the customer's decision-making hierarchy.

Before you meet with your prospect, you want to know at least three things about that person and/or their business that most salespeople wouldn't know. When you have this knowledge, you build instant credibility. It says, loud and clear, "I care about your business."

A useful piece of information is knowing the decision-making hierarchy in a prospective business. Since you will have greater potential the higher you go in the management levels, one key to selling faster is to target senior decision makers. But salespeople better have something insightful to say when they show up. Identifying specific issues and then approaching the C-suite increases the odds of getting access through a referral and making a good impression once you get there.

Milestone #1: Getting More First Appointments

The Student's goal is to get a 20-minute appointment with a potential customer. You need to create enough interest that they will be willing to talk to you for at least a minute or two, time you can use to win their agreement to a 20-minute meeting.

The Doctor: Diagnose Small Problems, Define Big Needs

Customer Step 2: Discontent

One of the most important skills you can develop is learning how to help your prospects tell you the value of your products and services. The questions you ask in your role as Doctor will help your prospects sell themselves. It isn't your product or service that creates buyer interest. It is their recognition of the value of making a change.

By assuming the role of a doctor and properly diagnosing seemingly little problems, you can uncover big needs that increase the value of your product or service in your customers' eyes. Slowing down in this step, taking the time for proper diagnosis, is one of the biggest levers you will have for speeding up your customer's buying process.

At the Discontent stage, prospects recognize a problem or opportunity for improvement. Statements that indicate a prospect is in this stage include

- "I wish we could…"
- "We can't…
- "It would be nice if…"

During this step, a customer goes through the following phases:

1. Recognizing a problem or opportunity.
2. Asking, "How serious is the problem?"
3. Asking, "How much will the solution cost?"
4. Determining "I need to buy!"

The Five Steps of Diagnosis

When making that first sales call — whether in person or over the phone — you need to have a plan for leading your "patient" through self-discovery so they will convince themselves that it is a priority to solve their problems now (ideally, in the way you prescribe). Here are five steps for doing this:

1. Break the ice quickly.
2. Establish the big picture.
3. Ask diagnostic questions.
4. Determine the Complex Buying Team.
5. Offer the minimum prescription.

Identify, then Intensify Discontent

Selling is the process of uncovering urgency and defining it in the mind of your customer. The more momentum you generate early in the process, the greater the probability that you'll make a sale.

Milestone #2: Accelerating Momentum with a Memo of Understanding (MOU)

After a successful initial meeting with a new prospect, it pays to put down what you've just talked about in writing in an MOU (Memo of Understanding). An MOU is a short email you send after the initial appointment that confirms key points discussed during your meeting: the customer's current situation, critical issues and complication. At the end of the MOU you want to reconfirm the specific action the prospect told you he or she would take, along with a deadline for completing it.

The Architect: Design Customer-Focused Solutions

Customer Step 3: Research

You are now at the point of the sales process where prospects are transitioning out of the Need Phase and into the Learn phase. They think, "I know I need to buy something, but I'm not sure what to buy." They begin a learning process by doing Research to ensure they select the solution that best meets their needs. They will talk about what their solution must or should do, and ask questions about your solution's capabilities.

You have to remember that the customer is only at the beginning of their learning process. They are looking for information that is going to help them make a better buying decision. You can help them through this process by first having in your own mind a clear understanding of how your company and solution are different from your competitors. Your differentiators enable your solution to solve customer problems in a different and hopefully better way. Knowing them will help you raise these issues/problems with customers so they recognize the importance of selecting a solution that solves those problems.

Don't talk about your product. Instead, keep the conversation focused on customer problems.

The Architect's Toolkit: How to Understand and Influence Buying Criteria

You want to help shape your customer's buying criteria to include the unique strengths of your product or service. There are four tools that comprise an "Architect's Toolkit" that you can use to help sharpen the customer's mental image:

1. Diagnostic probing (if needed).
2. Establishing the solution criteria.
3. Planting a seed.
4. Turning intangibles into tangibles; turning vague criteria into specifics.

In many cases you'll run into situations where at first blush, the strengths of your offering are not considered significant by the customer and/or the customer has criteria that you know you can't meet. In this case, an expert architect can help customers evaluate their buying criteria or find alternative ways to satisfy a requirement.

You will have added significant value to your customer's buying process if they come away with a better understanding of their buying criteria and with a greater awareness of important issues they had not considered.

When the solution you design for your prospect includes certain buying criteria that you are uniquely qualified to address, you have set the ground rules in your favor.

The Coach: Make a Plan to Defeat the Competition

Customer Step 4: Comparison

Even if you've done business with a prospect before, do not assume that will guarantee you a sale the next time. Always assume that the prospect will shop around.

Many, if not most, Complex Buying Teams operate under a requirement that they generate two or more options before making a final decision. The buying-focused selling role that matches this step, Comparison, is the Coach.

If you've been schooled in a traditional sales approach, you'll have to fight the temptation to sell too fast. You now see the customer's need and sorely want to talk about your product or service. But if you jump the gun, there will be no compelling reason for them to continue discussions with you. By carefully pacing the information you deliver and continuing to ask questions from the Architect's Toolkit as you develop your winning strategy, you'll stay in touch with your customers at this critical stage of their learning.

The best Coaches first evaluate the players involved. Then a Coach selects a game plan to defeat the competition.

Five Winning Strategies

After scouting the competition, choosing the right strategy for the dynamics of the specific situation gives you the best chance of winning. There are five basic strategies for winning a new account. In summary form, these are

1. **Drive straight up the middle.** Overpower the competition by emphasizing your strengths and minimizing your weaknesses.

2. **Run a reverse.** Run around the competition by redesigning the customer's mental picture of what they're trying to accomplish.
3. **Throw your challenge flag.** Delay the decision to potentially open up new avenues.
4. **Take what the defense gives you.** If you can't win the opportunity that is currently defined, go after a small piece of it, and, over time, potentially build relationships to be considered for larger projects.
5. **Take advantage of sticker shock.** Slip in the door while the customer is re-evaluating sticker shock from the competition's proposal.

Become a Stronger Competitor

When two teams are evenly matched, the winner is the one that executes its plays best — that makes the fewest mistakes. At the same time, everyone who competes suffers defeat. So when you lose a sale, look for the lessons, adjust your activities accordingly and move onward toward your goals.

In short, you've got to spend less time trying to close the sale and more time positioning your solution as the customer's best choice.

Milestone #3: Winning Proposals and Presentations

Usually sales proposals and presentations enter the picture when the prospect is completing the Comparison step. What's the secret to writing proposals and presentations that stand out from your competitors? Provide clear descriptions of the prospect's problems, challenges or opportunities you've seen (using the customer's language), and link your differentiating capabilities to those specific needs.

The Therapist: Understand and Resolve a Buyer's Fears

Customer Step 5: Fear

Few customers go directly from identifying an ideal solution to making a commitment to buy. It's natural for them to have doubts and concerns that manifest as fear.

When in the fear step, customers may not return your calls, may ask questions that indicate second thoughts about purchasing, postpone commitments, etc. When the customer slows down this way, you must do the same. You have to become a Therapist to help explore and resolve the doubt that is causing the fear.

The first key to being a good Therapist during the Fear step is to be sensitive and observant. Your second step is to be empathetic. Helping people realize what their feelings are and why they have them is often all that's required.

Fear May Not Be the Only Hurdle

Fear is only one reason a sale can grind to a halt at this stage of a purchasing decision. Other common reasons include a flawed selling process on your part, a flawed buying process by your prospect or, simply, factors outside your control.

Customers aren't the only people who start having doubts late in the buying process. If you start fretting over the customer's silence, re-examine everything you did during the sale process to, hopefully, remind yourself that you did a good job and the decision is largely out of your hands now. If you conducted good discovery sessions, mapped your solution to their needs, differentiated yourself from the competition and have honest feedback from the customer, then you add little value by pestering them with unnecessary calls or emails. If you cut corners in the sales process or blindly replied to an RFP, then it's probably too late to save the sale anyway.

The Negotiator: Reaching a Mutual Commitment

Customer Step 6: Commitment

The customer's sixth step in the buying process is Commitment. Their focus has now changed from determining the value of your solution to managing its cost. You can expect them to review the specifics of your contract offering and complain that the price is too high!

Every sale you make is going to involve some form of negotiation. The optimal outcome of a negotiation isn't a "close"— it's the opening of what will hopefully be a long and mutually beneficial relationship.

Preparing to Negotiate

Most salespeople think of price as the primary focus of negotiations — and it is. However, there are, in fact, five common factors that enter into most negotiations: price, quantity, time, features and service.

The first step in preparing to negotiate is establishing target goals and your range of flexibility for each of the factors above.

The second step is identifying your competitive strengths. Use the work you did in the Architect and

Coach roles to develop justifications for the reasonableness of your offer.

The third prep step is identifying your bargaining chips. The best bargaining chips are of high value to your customer but low cost to you. Typical "chips" include additional services, additional options, training or payment-schedule adjustments.

Handling the Most Common Customer Negotiating Tactics

Not all customers practice win-win negotiating. Some use a number of tactics to achieve greater concessions. Sometimes these tactics are used as ploys to make you feel powerless; other times they reflect the customer's reality. You'll need to learn to determine which is which and how to handle the heat.

The negotiation begins in earnest when your buyer presents a demand, and it's almost always related to pricing. Salespeople need to change their attitude about this initial demand. Don't confront it; welcome it. Use indirect action, the opposite of what your buyer thinks you'll do. A good rule of thumb is that any time you feel pressure in a negotiation, start asking questions.

Three Ways to Ask for Commitment

When you're sure all the issues have been resolved, ask for the buyer's business. Here are some non-manipulative ways to do this:

- Ask "What should be our next step?"
- Give a detailed explanation of what will happen between now and installation; then ask, "Does that sound acceptable to you?"
- Ask, "Is there any reason we can't go ahead with this proposal?"

Milestone #4: Transitioning from Pre- to Post-Sale

Immediately after a customer signs on the dotted line, they have two types of expectations. First, they expect to see you putting together, with your team and theirs, a detailed implementation plan. Second, the customers have expectations of value that will be achieved by your solution. In this transition phase, however, you need to create a draft implementation plan.

Your draft plan should reflect your best effort at identifying actions, timelines and responsibilities given your understanding of the customer's business. But in the next step, you will collaborate with the customer on refining the plan.

The Teacher: Teach Customers to Achieve Maximum Value

Customer Step 7: Expectations of Value

Here in the last phase of buying, customers are paying attention to the Value they're getting from their recent purchase. Unhappy customers have excellent memories. They won't buy from you again, and they tell others of their unhappiness. To maximize your sales potential, you must work hard at creating satisfied customers by defining and shaping your customers' expectations.

A learning curve happens with your customers when you install a new product and/or launch a new service. The purpose of the Teacher role is to help your customer through their learning curve, to eliminate surprises and disappointments.

In this role, your activities consist of four steps:

1. Setting realistic customer expectations. Help your customer define exactly what target they're trying to achieve — making sure it's attainable.
2. Refining the implementation plan you presented to the customer.
3. Showing customers how to use your product or service.
4. Testing to measure progress. Find out from your customers how they value your solution. All successful salespeople are concerned with results achieved by the customer.

Teaching Benefits You, the Teacher

If you can't sell your value, you have no choice but to sell by offering the lowest price. To sell your value, you have to understand how much your solution benefits the customer. Following the four teaching steps will help you quantify the value you offer. In addition, learning how to help customers achieve and measure value will help you find new sales opportunities and discover best practices of using your product or service.

The Farmer: Cultivate Customer Satisfaction and Loyalty

Customer Step 8: Satisfaction

Satisfaction with your solution doesn't automatically translate into loyalty. You must sow customer satisfaction, much like a Farmer, to reap the harvest.

In the Satisfaction step, the customer's level of satisfaction is based on how they feel about the following questions:

1. Am I achieving the results I expected?
2. Is the product or service performing as expected?
3. Did I pay a fair price?
4. Does the way I'm treated by your support people make me feel important?

Achieving customer satisfaction with your solution's price, performance and service responsiveness is a prerequisite for developing any long-term relationship with a customer. Here are four simple actions you can take to cultivate greater customer satisfaction and repeat business.

- Cultivate your relationships.
- Conduct regular account reviews.
- Get specific answers to questions about satisfaction.
- Make a second sale; create greater customer attachment.

The Three Levels of Customer Relationships

Depending on the nature of your business, you may have opportunities to develop deeper relationships that will yield even more results. There are three levels of customer relationships:

- Approved Vendor: a viable option when customers recognize future needs.
- Valued Consultant: the "go-to" person for expertise regarding a variety of potential solutions.
- Strategic Partner: the customer senses that by partnering with you they will achieve continuous improvement of your solution.

PART III: COACHING THE EIGHT SALES ROLES

Coaching for Success: Advice for Sales Managers (and the People Who Work for Them)

There are two types of sales coaching: performance management and developmental coaching. Performance management is the monthly or quarterly one-on-one meeting where you review a rep's sales results and judge their performance. Developmental coaching, on the other hand, is about developing the salesperson's competence and willingness to sell.

In short, performance management looks primarily to the past; developmental coaching looks to the future. Effective coaching consists of both performance management and developmental coaching.

Telling is not coaching. Confucius had it right when he said, "What I hear I forget, what I see I may remember, but what I do I understand." As you start to build stronger skills around sales coaching, here are some pointers:

1. Get involved early in the sales process.
2. Focus on vital issues.
3. Coach slower so salespeople will learn faster.

Getting the Most Value out of Each Milestone

Coaching at the milestones of the sales process provides the most leverage. Your role is to review the salesperson's work and ask questions that he or she should know by that Milestone. If the salesperson can't answer your questions or if the answers are non-specific, this would suggest the salesperson didn't ask the customer the right questions. If that's the case, ask how he or she can get the answers and how they can do better at the pre-milestone steps next time.

Coaching the Sales Roles

In addition to coaching around the Milestones, your sales representatives will also need help shifting their old sales behaviors to the new customer-focused strategies described above. Use the buy-learning process during one-on-ones to improve mutual understanding. Look at steps of the buying process and ask the sales rep, "Who are the players and what step of the buying process are they in?"

Your role as a sales manager is not to do all the selling. Your role is to develop an elite, high-performance sales team. Coach your salespeople to continually get better at helping their customers buy. To do that, focus more on developmental coaching through the complete sales process, not just at the end.

Now, lead the way!

RECOMMENDED READING LIST

If you liked *Slow Down, Sell Faster!*, you'll also like:

1. ***The Machine*** **by Justin Roff-Marsh**. Sales management radical Justin Roff-Marsh presents a nontraditional sales approach that incorporates the division of labor to build more efficient sales functions.

2. ***The Innovative Sale*** **by Mark Donnolo**. Donnolo details six Innovative Sale principles that can be used to create better value propositions.

3. ***Sell Yourself First*** **by Thomas A. Freese**. Learn how to leverage your personal assets to win the confidence of customers by displaying a host of intangible attributes, such as credibility, competence and thought leadership.

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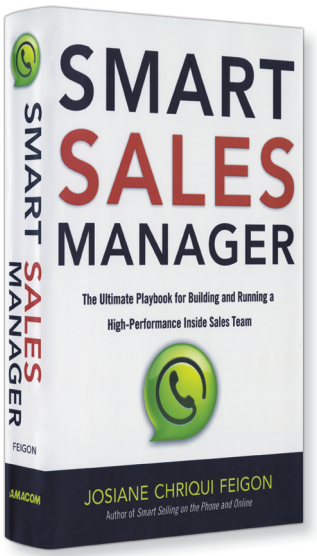
38CS03B Smart Sales Manager

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Smart Sales Manager

The Ultimate Playbook for Building and Running a High-Performance Inside Sales Team



by Josiane Chriqui Feigon

THE SUMMARY IN BRIEF

Managing an inside sales team in the dynamic new Sales 2.0 ecosystem can be more than a little overwhelming. You've got new tools, metrics and prospecting rules that seem to proliferate faster than you can keep track of them; social selling, digital communications and innovative visual content taking the place of simple cold calling; and young, tech-savvy talent who hate the phone, expect work to be FUN and for you to have all the answers immediately, SIRI-style.

Smart Sales Manager shows you how to lead your inside sales squads to success — from hiring and motivating to training, coaching and more. Complete with real-life examples and smart sales strategies, this indispensable guide brings you up to speed on how to manage in the new world of disruptive content creation, social selling and digital communications.

Smart Sales Manager provides you with up-to-the-minute advice on running a high-performance inside sales team and confidently carrying your organization on to the next level of excellence.

IN THIS SUMMARY, YOU WILL LEARN:

- The characteristics of the new independent buyer: Customer 2.0.
- How to shape Millennial employees into disruptive inside sales superheroes.
- The secret for hiring inside sales talent that forms the building blocks of your organization.
- The Metrics 2.0 method for improved measurement of sales activities.

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THE COMPLETE SUMMARY: **SMART SALES MANAGER**

by Josiane Chriqui Feigon

The author: Josiane Chriqui Feigon is a pioneer, maverick and visionary in the inside sales community. Josiane is recognized among the Top 25 Most Influential Inside Sales Professionals and as one of the world's leading experts on inside sales team and management talent.

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PART I: THE NEW NORMAL: MANAGING THE SALES 2.0 ECOSYSTEM

Customer 2.0 Is Mad as Hell! Understanding the New Independent Buyer

Today's customers are super busy, super mobile, super connected and independent. They don't return calls, they see the phone as an interruption, they are too smart for promotional incentives and they cancel appointments. Digitally astute, these DIYers are quickly weaning themselves off salespeople altogether in favor of doing their own research and making purchases unassisted. They often claim that they don't need salespeople anymore, and they don't — at least, not the traditional ones.

The biggest message salespeople get from customers today is stay away. We're just trying to get a pulse, but the closer we get the more annoying we seem to become. Senior team members are baffled. Why don't their tried-and-true sales approaches work anymore? Junior new hires are offended. Why is this customer so rude? Managers order their teams to charge forward despite the uncertainty, hoping for a sudden turnaround. But the old sales approach not only doesn't work on them; it makes them mad as hell.

Today's busy prospects are independent, self-sufficient and self-educated. These hardworking multitaskers don't want to be crowded and held in a sales headlock. They don't want to be "sold" to. They have radically different buying habits and expectations. They actually control the buying process, creating their own unique — and hidden — sales cycle: They buy when they're ready to buy.

Decoding Customer 2.0

Today's top sales effectiveness initiative is capturing new customers. That means keeping up with Customer 2.0's rapidly changing expectations, and this puts a huge amount of pressure on sales organizations.

The better you get at decoding Customer 2.0's messages, the faster you can understand their new habits and requirements and recognize what annoys them.

It's a safe bet that you and your team have heard Customer 2.0 say the following statements over and over again. We'll decode each one to find out what they're really saying, and then learn coaching essentials you can use with your team so you never have to hear these mad-as-hell messages again.

Customer 2.0 says: "Stop harassing me with meeting requests."

Decoding the message: Customer 2.0 often seems to cancel appointments for no apparent reason. But there's always a reason: Reps schedule appointments too far in advance, ask for too much time, invite too many people to attend, forget to "sell" the value of the appointment or fail to confirm the appointment through social media as the date gets closer.

Coaching your team: Appointment setting is more than just sending an invite; it includes nurturing with contagious content, socially securing the appointment and doing some preliminary outreach before the appointment.

Customer 2.0 says: "You really expect me to read a white paper?"

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Rebecca S. Clement, Publisher; **Andrew Clancy**, Executive Editor; **Ashleigh Imus**, Senior Editor; **Masiel Tejada**, Graphic Designer; **Susan Ware**, Contributing Editor

Decoding the message: This customer would rather watch a two-minute video on their iPhone or iPad than read a 20-page white paper.

Coaching your team: Provide the tools for your team to include more videos that they can share with their customers. Make sure the videos are fun; these customers like to be entertained.

Customer 2.0 says: "I'm not taking any risks."

Decoding the message: Customer 2.0 doesn't take risks, and for good reason: They have survived tough economic times; if they make a bad purchase, they can lose their jobs and maybe even their homes in today's economy.

Coaching your team: Have team members show these customers some ROI, let them read some case studies, hear customer testimonials and download a free evaluation first.

Talent 2.0: Why Millennials Make a Winning Team of Disruptive Inside Sales Superheroes

Make way for Talent 2.0. The Millennial Generation — Generation Y, the Wired Generation — is flooding inside sales organizations. They bring a renewed sense of economic optimism, a tone of extreme self-confidence and an acute desire to challenge the traditional ways of business.

They can embody the very best sense of "disruptive selling": unexpected, bold, innovative and tenacious salespeople who are not afraid to try new approaches that take customers by surprise and wake them up to your solution's possibilities. But these savvy, successful sellers can also be disruptive in the traditional meaning of the term: distracting, unruly, unsettling and counterproductive. Older managers in particular can be confused and annoyed when their fresh new team members bring in sales like pros one minute and act entitled, snarky, blasé and self-involved the next.

Decoding Talent 2.0

As an inside sales manager, your success depends on your ability to retain and promote excellent talent. So harnessing this talent and driving revenue with your team is essential. With a basic understanding of how Talent 2.0 thinks and what they need to succeed, you can learn how to effectively manage, coach and motivate them to align with Customer 2.0.

Talent 2.0 says: "I've been here three months, and I think I deserve a promotion."

Decoding the message: It's easy to mistake statements like these for pure entitlement. The truth is, Millennials are self-confident and ambitious. When asked, "What are the top two things your company can do to make you more successful?," Millennials chose the answer "better defined career path."

Coaching your team: Help Millennials understand the skill requirements for advancement and the value of longevity. Then develop a structure that defines a career path. Create roles within the sales organization, such as Team Lead, Mentor, Coach, Senior Coach. Design detailed job descriptions for each role, so that teams understand the expectations for each role.

Talent 2.0 says: "I saw our CEO's wife on Facebook. She's hot!"

Decoding the message: Even the most socially awkward Millennials are extremely social in the virtual world. Unfortunately, they are very open about their private lives and sometimes fail to see the distinction between business and personal.

Coaching your team: Capitalize on their affinity for networking, but guide them on the best ways to use professional sites, such as LinkedIn, and the mistakes they need NOT make on their personal sites.

Tool Power 2.0: Sales 2.0 at Work

In the last five years, literally hundreds of new sales tools have entered the market — sales productivity tools, sales intelligence tools and social tools. Knowing how to use them throughout the sales cycles is vital to your team's success. It's more important for inside sales talent to have a high Tool IQ than a nice phone tone.

- Once the "data hounds" of information, now inside sales reps are the new content curators.
- Customer 2.0 wants us to know everything about them before we call. The right tools help your team know what they want and meet them when they are ready to engage, collaborate and buy.
- Today's Talent 2.0 Superheroes already love to use tools and expect to access them whenever and wherever they want.
- Tools power up our engagements and buy us more time to connect virtually. The few seconds we have on a live call are simply not enough.
- Sharing tools is the best way for sales and marketing to create consistent branding. Marketing 2.0 no longer provides white papers and glossy data sheets. Today it is chartered to deliver success pieces, such as product success roadmaps and business analysis tools; captivating

infographics, slide shares, social communities; and expert webinars, podcasts and how-to guides.

Below are the right tools for each step of the sales cycle.

1. Time Management. Use calendaring tools, power dialing and sales intelligence sources. According to Insidesales.com, the no-show rate for appointments decreases by 20 percent when they use Google or Outlook invitations. Sales Intelligence tools continually aggregate and analyze relevant executive and corporate data for content sources.

2. Introductions. Use sales communication tools, social media and video. By 2020, 85 percent of buyer-seller interactions will happen online through social media and video.

3. Navigating. Use marketing automation tools and sales intelligence sources (such as Hoovers, DiscoverOrg and Customer Relationship Management). CRM systems must be used by everyone who touches the prospect-to-customer process.

4. Questioning. Use collaboration tools as an online repository for all procedures, processes, documents, templates, etc., can be kept up to date by content owners and made easily accessible to everyone who needs the information.

5. Listening. Use trigger and alert tools like Twitter and Google Alerts.

6. Linking. Use the same Sales Intelligence Sources used for Navigating, such as Hoovers and CRM.

7. Presenting. Use Presentation tools like Webex and GoToMeeting. Web conferencing lets salespeople instantly conduct demos and launch one-click product demos.

8. Handling Objections. Use the same trigger and alert tools used in the listening step of the sales cycle, especially GoogleAlerts, RSS and Focus.

9. Closing. Use eSignature tools to gain commitment fast.

10. Partnering. Use the social media used for the introductions step plus the tools used for the collaboration step.

Prospecting 2.0: Inside Sales Superheroes in Action

The new Sales Superhero starts the day by turning on all their tools. After studying their territory and planning a penetration strategy, they prepare tactics, sales analytics and intelligence. With hardware in place and information about the prospect before them, they never waste a call. They hold their weight on the call with intelligent things to say and questions to ask. All the while, they're starting the qualification process. Their raw curiosity and super listening skills earn them more time. Then they finesse an appointment on the spot. They turn to the content-nurturing process to prepare the prospect for the upcoming appointment.

To manage reps through prospecting, align with marketing to endorse a consistent message. Be sure your team understands the message and can explain it. Provide customized multiple-attempt email templates for them to use. Make sure your team follows up if they can't get through. They should immediately send email, leave a voice mail message and follow up with a LinkedIn invitation.

Reps should respond promptly to inquiries with the hope of qualifying prospects, rather than quickly disqualifying them. According to Insidesales.com, 78 percent of sales go to the companies that respond first. Contact rates decrease 100 times if you wait 30 minutes as opposed to 5 minutes to call back.

PART II: THE COMPASSIONATE MANAGER 2.0: YOUR PLAYBOOK FOR BUILDING AN EFFECTIVE HIRING, TRAINING AND COACHING ECOSYSTEM

Hiring Superheroes: The Talent Building Blocks of an Inside Sales Organization

A sales manager asks in frustration, "In today's market, why can't I find any good people who are willing to sell data for a $75K package?" Meet today's inside sales Superheroes: part social, part virtual and part authentic human being. To get them, you must develop an "always-be-recruiting" ecosystem with nine essentials:

1. Learn to recognize inside sales Superheroes when you meet them. The Inside Sales Superhero is intellectually curious, hungry, clear, focused, tenacious, coachable and competitive. Good writers who rebound well from objections, they are professional team players with a strong digital footprint, quality contacts and influential followers. They use analytics to measure response and financial ROI, because they understand Customer 2.0.

2. Structure inside sales talent by determining the right roles. Determine the roles you need to fill, what each position entails and the specific competencies that are required for that role. Different skills are needed for the lead or demand generation team, the sales development team, the inside sales team, the hybrid inside sales team, renewal teams, government teams, the social selling team, the team lead and a coach/mentor.

3. Establish a "multicareer" ecosystem that entices talent. For the "What's Next?" generation, establish a clear career progression. Set defined roles and responsibilities and timelines for advancement. Talent 2.0 is eager to grow in their jobs.

4. Work an ACTIVITY, not a place. Today's sales is not about where you work but how you work. Attracting talent has become increasingly more difficult, and trends point to the future of a remote, decentralized workforce.

5. Learn where to source good talent, and establish a referral network. The people you want to hire hear about jobs from friends. You need to entice the right candidates by actively recruiting, continually feeding and following professional and social networks such as The American Association of Inside Sales Professionals (AA-ISP), LinkedIn specialized groups, Twitter and Facebook.

6. Create strong messaging that supports the roles you want to hire. In essence, you are selling the job to potential candidates. Your messaging embodies everything about your company's culture, what the job is and the person you want to attract. Today's Talent 2.0 wants to be part of something big, fun, energetic and with a future.

7. Establish a fun culture that sells. Talent 2.0 wants to belong to the FUN Club. They want a sense of community, camaraderie and competitive activities, especially when they can win. Starting with the CEO, companies are setting a high-energy tone. Discover the events, music, food, games and ideas that pump up the fun volume. Or nominate a few "fun ambassadors" from your sales organization.

8. Design a screening process that sticks. You're looking for the perfect storm of three characteristics: the need for achievement, competitive drive and optimistic outlook. Find it with four phases of interviewing and vetting talent.

- Phone Screening. You might ask, "How do you approach managing multiple projects and clients?" "How do you use your tools every day?" "How do you organize and prioritize tasks?"
- Face-to-Face or On-Site Interview. Ask real behavioral questions, e.g., "How do you know a customer is convinced by your line of thought?" "How do you handle gatekeepers to gain access to busy decision-makers?" "What is your tool adoption curve?"
- Role Play. Set up a mini-sales call where they contact you as though you were the prospect. Throw objections at them, and hear how they hold their ground. Will they ask for the close at the end of the call?
- Go-Do Assignment. You ask the candidate to go and do something concrete, like putting together a sales presentation or a one-page territory plan assignment.

9. Don't be the roadblock to hiring talent. Be sure you are well positioned or connected on social media; they will check. Avoid giving long, evasive answers to their questions. Have state-of-the-art tools. In a role-play, don't use outdated, irrelevant and uninteresting scenarios. Show that you value diversity and don't want a team that looks like you.

Training the Talent: Making Training Stick and Giving It Legs

The quality of your training will determine the fate of your teams and the entire organization. Incorporate into the inside sales organization a sustainable training structure. Before rolling out training, carefully survey four areas:

1. Sales Process and Structure. Everyone must understand their sales character, how it is structured, their revenue goals, the competitive landscape and the customer's engagement strategy. Ask, what is the inside sales team's charter? At what point does the handoff process happen? Is it well defined? How many sales stages are there? What are they? What is the typical customer? Title?

2. Sales and Marketing Alignment. Think about how you distribute leads, what types of marketing campaigns you roll out, how much email marketing is happening, your lead conversion process and the type of messaging program you have in place.

3. Sales Productivity Tools. To determine the teams Tool IQ, ask yourself what type of CRM, SFA you have installed and what activity metrics are in place. Know what tools are in place for calendaring, collaboration, sales intelligence and social media. Think about your call recording system, your dialer tools, the type of email templates you have in your library and how often those templates are refreshed.

4. Team Talent and Skills. Ask questions to identify the individual talents, skills and needs of each team member: What are the skill sets on the team? Are they hitting quota? Do they have dedicated Systems Engineers to help them with product knowledge?

If you use an outside vendor for training, select one who is tuned in to the unique nuances and complexities of your kind of organization. To help your team reach today's customers, make sure that they encourage intelligent, succinct messaging, strengthen authenticity and

relationship skills, build rebuttal skills and stress persistently calling deeper and wider. For your reps, they should deliver training modules in bite-sized pieces with video examples. The curriculum design must be fun and include competitive games with break-out team sessions.

Ready, Set, Coach! Building an Integrated Coaching Program

Design an integrated coaching plan that includes every individual in your organization, and make that time nonnegotiable. Coaching helps reps get to their next level of excellence by identifying the fears, obstacles and skill gaps and helping them overcome them. Designing an integrated coaching program involves five basic steps:

1. Create a trust-based coaching culture. The CEO should endorse coaching. The manager must want to establish a consistent coaching culture and dedicate time to reviewing, organizing and categorizing call recordings. He should schedule individual and group coaching, whether it's in-cube coaching, group coaching or remote coaching. The rep must be open to constructive feedback, agreeing to try new approaches and take initiative to develop. Both must agree to maintain confidentiality, trust and cooperation.

2. Gather call recordings. Start gathering samples of recorded calls. Conduct call-review sessions two times a month for new hires, once a week for remote workers and once per month for the rest of the team. Start building an audio call library.

3. Calibrate calls. At least once a month, managers come together in a conference room, listen to call recordings and make notes on desired skills and behaviors. A call monitoring form provides a solid framework for observation. Once managers have monitored the calls, you can calibrate your impressions about each rep.

4. Decide which type of coaching suits each team member. Choose from the following three coaching structures: in-cube, remote or group coaching.

5. Stack-rank your team into A, B or C performers. A players regularly exceed expectations; B players usually come in at 80 percent of quota, show promise and have a good attitude; C players are poor performers who rarely meet expectations. Coaching improves performance of B players by 15 percent! You should give them 60 percent of your time, giving A and C players 20 percent of your time each.

Remember to coach in bite-sized pieces — one skill at a time. Also, establish a coaching time budget for yourself.

Metrics 2.0: Call Activity Gets a Makeover

It's time for a metrics makeover. Measuring activities is not going to give you the results you want. Standard sales metrics seek 125 days of three to six conversations and 1.4 to 2.5 appointments per day. But reps are dealing with prospects who were fully on board yesterday and then mysteriously vanish; clients who return after nine months of radio silence demanding to buy *now*; and field partners who do not follow up on a referred lead.

Gen Y reps need to understand the *why* behind the metrics you ask for. How many meetings does it take to close a sale? How many dials a day are required to reach their sales goals? They also need *fun*, and they need to be motivated all the time.

Know Customer 2.0 Personally

Customer 2.0 wants you to know them personally, connect with them socially and engage in an intelligent conversation. And they are elusive: Team members need to call around to make sure they are speaking with the person who actually has the power. Metrics for them should count the number of multiple contacts within the same organization, live meaningful conversations with prospects and partners, collaborative conversations, triple-threat introductions (phone + email + social media), new LinkedIn contacts per week, inbound calls per day, appointments that didn't get canceled, web-conferencing presentations and mobile messaging campaigns.

Metrics that are not aligned with a carefully constructed strategy or that are aligned with sales strategies that are no longer relevant are demotivating. Worse, they drive the wrong behavior and sometimes cause team members to "game" the system just to make their metrics.

Metrics that matter for Tools 2.0 focus on the quality of the tool and how well it is utilized, not on how many tools are available.

The metrics that will work for your team must work for their specific roles and job functions. Clearly identify the sales activities and behaviors you want to observe, measure and compensate, and make sure the metrics you use are job specific.

PART III: MOTIVATE FAST! SMART SALES MANAGER 2.0

Flex Your Influence! Smart Strategies for Team Meetings

Before you walk into that conference room, take a Manager Diagnostic, with questions such as, "Do I start and end my team meetings in an organized and prepared manner?" "Have I taught my team the basics — how to dress, how to talk to customers and how to act in public?" "Does my team know what is expected of them?" "Do I always check for understanding and reinforce skills?"

Modeling positive, professional, productive behavior is what leadership presence is all about. Send an email to set the tone about starting on time, participating actively, listening attentively, behaving professionally and setting boundaries. For the duration of your meeting, remember: You own that conference room! Erase the whiteboard, straighten the chairs and throw out empty cups, etc.

Body language can speak louder than words. Stand tall! Dress appropriately and professionally. Make eye contact, speak clearly, get to the point and be confident about what you ask team members to do. Your tone of voice should create urgency and excitement. Stick to a pre-distributed, organized agenda. Include VISUAL tools to communicate your message. For instance, use the whiteboard for committed numbers, and play a motivational video. Request commitment at the end of the meeting.

Invite compelling speakers who understand your group's charter and know their world. Give them a seven-minute time limit. Ask the speaker to provide relevant information organized into a meaningful format, encourage team participation and include a "What's in it for me?"

Close with energy. No matter how good your meeting is, if you don't close with positive energy you will inevitably lose some of the enthusiasm you worked hard to generate. Define follow-through steps, and assign volunteers. Make sure your voice reflects energy and enthusiasm.

Contests, Spiffs and Texts: Smart Strategies for Motivational Makeovers

Take a Manager Diagnostic by asking yourself such questions as, "Do I give rewards that the recipients value?" "Am I doing everything I can to recognize and reward individual contributors?" "Are my metrics motivating the right behavior?" "Do I know what drives each of my reps to success?"

Although team members are not always motivated by the same things, most people one of the following:

1. Achievement Driven. Needing to set and accomplish challenging goals, these people take calculated risks and like to receive regular feedback and praise. They enjoy solving problems, and they often prefer to work alone.

2. Affiliation Driven. Because these people want to belong to a group, be liked and feel useful, they will often go along with whatever the rest of the group wants to do. They like to collaborate, and they don't like high risk or uncertainty.

3. Power Driven. Wanting to control and influence others, these people enjoy competing and like to win at all costs. They enjoy status and recognition. They want to be in charge.

Motivate your A players by

1. Keeping them accountable for their Management By Objectives and revenue goals;
2. Giving them a mentoring role with new hires;
3. Providing ongoing feedback, praise and recognition.

Most B players are driven by affiliation, but your Superheroes hiding in this group will also need motivation through achievement and power.

1. Conduct a review process of their typical day to assess their time management skills, activity level and desire to succeed.
2. Commit to more coaching time with them — it will pay off.
3. Expect 10 to 30 percent more out of them, and let them know.

To motivate C performers and new hires, get to know them as individuals to learn what drives them: achievement, affiliation or power.

1. Make sure new hires have a clear understanding of responsibilities and expectations.
2. Ask them to provide their manager and sales director a daily update of activity stats, training snapshots, best customer conversations, obstacles overcome and open questions or problems.
3. Assign them a friendly A player mentor.

Creating regular team contests or spiffs is a great way to improve morale, stir up friendly competition, break up the daily routine and infuse some positive fun. A contest is more strategically organized and lasts over a longer period

of time; a spiff is generally used when you want to create a spike in sales activity.

Designing Contests and Spiffs

Contests should be fun and winnable. Salespeople should feel confident that the goal is attainable, what's being asked is reasonable and performance is measurable. When you consider the prizes for your team, remember that, for Talent 2.0, it's all about access, not about possession. Consider a half-day reward (reps can go home early on Friday, come in late to work and take a longer lunch), a dedicated parking space for a month or season passes to sporting events. Offer a prize they can share with their significant other, like tickets to a concert or a show.

Communicate the strategy and rules of the contest — objectives, measurements of success and the earning criteria, including timing and prizes. Publish results and announce the winners. Make it an event. Reserve a conference room, invite senior management, have food and prizes.

Keep the contest simple by selecting one or two actions. Here are some ideas:

- Have all team members submit their "best" email based on response rate, formatting, word choice, etc.
- Have a contest for the best online demo or presentation.
- Hold a contest of quick comebacks and rebuttals for the top 10 objections.

Sending motivational texts to team members when they need a push or thanking them for work done well sends the message that you care about them and know they are doing their best for the team. A morning text might read, "Today is the start of three huge deals. Knock 'em dead!" An end-of-day text might read, "Amazing work today. The hardest is over. Final stretch!" To congratulate a rep, a text might say, "Yahoo! We have a winner!"

Team outings are another great way to get your culture vultures together. Any program you design must be supported with visual displays of fun and motivation. Here are some ideas: sales boards, TV sales monitors, a boast-and-brag wall, a team landing page or video on the company website.

Tough Talks: Smart Strategies and Interventions for Low Performers and Problem Personalities

When you must deal seriously with your low performers and problem personalities, take a Manager Diagnostic by asking yourself questions such as, "Can I hold off on any judgment and emotional history that may cloud my thinking?" "Have I been fair and consistent with this sales rep?" "Am I certain that poor performance is the result of the sales rep's deficiencies and not my own management missteps?"

Have clear standards of performance in place so that team members always know where they stand. Act promptly but calmly. You should be the calm rock because they are likely to be shell shocked, angry and defensive. Frame your conversation to suit the qualities of most Millennials.

Approach the rep privately when they are most likely to be receptive. Be respectful of the salesperson, regardless of his or her behavior. When you state your issues, focus on behavior. Frame your concern in a positive way, and keep your feedback short. If possible, just focus on two problem areas, and be very specific.

At the end of the discussion, review action steps and goals. Have a clear game plan, write it down and make sure you both have copies. Get their commitment to change, but put time parameters in place. Document your discussions. Be sure the person understands that the ultimate consequence for poor behavior is dismissal.

Problem personalities are something else altogether — they are people in need of special handling. They might cheat, create drama or complain all the time. They might be passive-aggressive.

Put the rep on a Performance Improvement Plan. These questions can help you decide whether team members on a performance plan should stay a little while longer or need to go.

The general rule of thumb is "Salvage first, replace second." This is always a difficult decision, and it's a tough conversation. Do everything you can to make it work, but in the end, you have to do what is right for both the person and the company.

RECOMMENDED READING LIST

If you liked *Smart Sales Manager*, you'll also like:

1. ***The Ultimate Sales Machine* by Chet Holmes**. Holmes provides 12 key strategies to turn any business into what he deems "the ultimate sales machine."

2. ***The Machine* by Justin Roff-Marsh**. Roff-Marsh presents a nontraditional sales approach that incorporates a division of labor in which sales responsibility shifts from autonomous agents to a central team.

3. ***Sales Management* by Robert J. Calvin**. Calvin provides a solid primer on creating and managing today's sales force.

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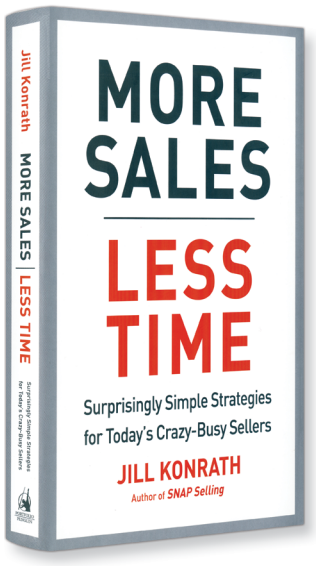
39-08 More Sales, Less Time

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More Sales, Less Time

Surprisingly Simple Strategies for Today's Crazy-Busy Sellers



by Jill Konrath

THE SUMMARY IN BRIEF

Your clients expect more, with faster turnarounds. Your quota keeps going up. You need to leverage social media, keep up to date on your industry, figure out how to sell new products and services, and learn all the latest technologies. The demands are never-ending. You could work nonstop around the clock and still not get it all done. It's a huge problem faced by experienced sales pros, busy entrepreneurs and sales rookies.

Jill Konrath, a globally recognized sales consultant and speaker, experimented relentlessly to discover the best time-savers and sales hacks in order to deliver the first productivity guide specifically for sales success. In *More Sales, Less Time,* Konrath blends cutting-edge behavioral research with her own deep knowledge of sales to teach you how to succeed in this age of distraction.

Konrath helps you develop strategies specifically tailored to your life in sales, using your strengths to cut through the feeling of being overwhelmed. All salespeople have the same number of hours in a day; it's up to you to rescue your time to sell smarter. *More Sales, Less Time* will show you how.

IN THIS SUMMARY, YOU WILL LEARN:

- The unique challenges of today's "Age of Distraction."
- To eliminate distractions and change the way you tackle email and social media.
- To focus better and plan your work systems.
- To transform your mindset to effortlessly incorporate new, more productive habits; leverage your best brainpower; and stay at the top of your sales game.

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Vol. 39, No. 3 (3 parts), Part 3, March 2017 • Order #39-08

THE COMPLETE SUMMARY: **MORE SALES, LESS TIME**

by Jill Konrath

The author: Jill Konrath is a speaker, author and thought-leader whose career is defined by her relentless search for fresh strategies that actually work in today's sales world. Her clients include IBM, GE, Microsoft, Wells Fargo, Staples and numerous mid-market firms. She has previously written three best-selling, award-winning books.

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Introduction

To be successful in sales today, you can't just be productive. You need to be smart too: a good thinker, savvy and insightful. Someone who brings value to prospects and clients with every single interaction. To do so, you need to be strategic, creative and agile. You need to be up-to-date on what's happening in your field and with your prospects and clients.

The quality of our thinking is a huge differentiator in our work, yet few sellers realize just how important it truly is.

Our always-on, distraction-filled work life hurts the quality of our thinking. We have a harder time learning new things, prioritizing, analyzing situations, seeing new possibilities and solving complex problems. Being productive isn't just about getting more done in less time — it's also about getting the *right things* done and doing them better. The reality is we're not going to get that extra time we need unless we design a different way to work — every day, every week, every month.

Accept the Challenge

Goal: Understand the root causes of our crazy-busy existence.

Crazy busy is a way of life for most sellers today. We have people to see, emails to write, calls to make, prospects to research and proposals to prepare. With all this work to do, we definitely feel important, needed and invaluable. But we also feel tired and overwhelmed. Many of us wonder if it's even possible to get everything done. Truthfully, it probably isn't. We're tied to our devices, going nonstop from the moment we get up until we power down in the evening. We can't escape.

Age of Distraction

A recent Center for Creative Leadership study found that smartphone-carrying professionals (like salespeople) report they're interacting with work a whopping 13.5 hours every workday. When you add in weekends, they're working a total of 72 hours a week.

We work more hours than ever, striving to reach our ever-increasing sales goals. Ironically, the very fact that we put in so many hours is actually one of our biggest problems. John Pencavel, Stanford economist, found that people's productivity dropped sharply after 50 hours per week and fell off the cliff after 55 hours. All those extra hours we put in don't lead to better results. We're not actually getting more done. In fact, there's a good reason we can't do it all, despite our desires to the contrary.

Sales today is a thinking profession. To be effective at it we need to research customers, search for trends, analyze data, extrapolate needs, solve complex problems, build consensus, develop strategies and create new approaches. When we're doing this work, our brain's prefrontal cortex is running the show. This highly evolved, reflective part of our brain is the center of our deeper thinking. It's what makes us really good at sales and keeps us focused on doing what's most important.

When we're online, our amygdala — a very primitive part of our brain — can easily take over if we're not careful. Its role is to constantly scan the environment for stalking predators or any changes that might signify danger. From the amygdala's perspective, anything new that pops into its view is worthy of our undivided attention — at least momentarily.

Each time we spot something new, our brain rewards us with a shot of dopamine, a feel-good hormone. This dopamine surge is highly addictive, which is why we keep

1-800-SUMMARY
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going back for more of any activity that gives us that high. In essence, we're wired for this instant gratification. We want to read that new email or text message — now. We have to click on the "Genius Wine-Opening Hacks You Haven't Seen Before" link — now, even though it never entered our mind until two seconds ago. Hooked again.

Once we're hooked, we can't think straight — and we don't even realize it. Instead, we spend much of our day on superfluous, though intense, decision making. Every link and email message requires us to stop, scan and evaluate whether it's worthy of our attention. When we're hooked, it's increasingly difficult to determine what's relevant or not. We have a harder time learning new information or skills. We're less inventive in our sales approach, repeating the same old strategies that give us the same old results.

Traditional time-management strategies don't stand a chance in this built-for-distraction digital world. Most of them tell you to spend less time online. For a salesperson, that's not going to happen. Email dominates our working hours as we read, write and send messages to existing or potential clients.

To regain control of our time and mind, we need to prevent our distraction-prone amygdala from running the show. Only then can we set up a way of working that will truly allow us to sell more in less time.

Time for a Change

The first step to stopping this crazy-busy madness is to recognize that the way you're working isn't serving your own best interest. Changing isn't easy though.

Behavioral experts will tell you that when you want to change, you need to start with a goal — one that's specific enough to be measured. Also, Heidi Grant Halvorson, author of *Succeed: How We Can Reach Our Goals,* says that it's essential to ask ourselves, "Why is this important to me?" before tackling any initiative. Knowing "why" keeps us going when times get tough, which they invariably will.

B. J. Fogg, a behavioral researcher from Stanford University, says that many people don't even attempt to do things differently because the magnitude of the change seems just too overwhelming. That's why Fogg suggests implementing "tiny habits," which are simply the littlest possible step you can take to get moving in the right direction. Pretty soon, these changes worm their way into your life and you've changed with virtually no pain. With each small success, you build your habit-changing muscles, enabling you to tackle bigger changes as you move forward. Don't try to transform yourself overnight. Instead, think in terms of steps you can take. Accomplish one, then move on to the next. Change is a process, and there are no miracle cures — there's only continuous improvement.

Recover Lost Time

Goal: Rescue one to two hours each day. Stop feeling frazzled.

To sell more in less time, it's imperative for us to regain control of the following:

Time: We're bleeding time.

Mind: We're not plugging into our best thinking.

Discover Your Baseline

Every change initiative should begin with a thorough understanding of the starting point. We need to know exactly where we stand today — the good, the bad and the downright ugly.

A productivity app called RescueTime tracks your digital life so you don't have to record your moment-by-moment behavior. At the end of the day, the program tells you how much time you spent on various applications as well as different websites. Download RescueTime or a similar time-tracking app for your computer. For your phone or tablet, use Moment or BreakFree. Then, just do work the way you normally do, with no changes at all for a single day. The next morning, take a look at your stats. Ask yourself, "What can I learn from this snapshot in time? What changes might help me be more productive?"

Once you see how your time is really spent, you can't unsee it. Data changes everything. As Peter Drucker, legendary management consultant, once said, "What gets measured gets improved."

Email: Our Biggest Nemesis

Email consumes a giant share of our working hours. We check it incessantly, hoping to hear back from that hot prospect whom we forecast to close this month. We sweat over the messages we're sending. While many of the emails that arrive in our inbox are essential to our work, a significant number are filled with time-killing distractions.

Anytime we can check something off our to-do list, we get rewarded with more dopamine. Anticipation also fuels dopamine. That's why we keep pressing our own lever to check email. But dopamine is also nondiscriminatory. It can't separate work-related emails from dangerously distracting ones. That's why we suddenly find ourselves on Facebook, BuzzFeed or Reddit. Now we're bleeding even more of our precious time.

Every single email requires you to make a series of decisions: Should you save it or delete it? How should you respond? Do you need to reply immediately — or can it wait? Who else needs to be involved? The key is to reduce the number of decisions you have to make each day — even if it's just a miniscule decision like deleting a message.

Overcome Time-Sucking Temptations

Research by interruption scientist Gloria Mark shows that the average time people spend on a single task event — before being interrupted or switching work — is only three minutes and five seconds. When we work on devices (PCs, phones, tablets), we only pay attention for two minutes and 11 seconds. What makes it even worse is that quite often we're creating our own interruptions, especially when we have tough things we're working on.

We need to create barriers to the habit-forming hooks that websites and games use to lead us into temptation. Here's what works:

The first and most important step is to eliminate any external cues that invite you to leave what you're currently working on, even for just a few seconds. For example, try turning off every single notification on your phone, computer or tablet. No more sounds, pop-ups, vibrations, or anything. Another way to reduce temptation is to close down apps like Word, Excel or PowerPoint and your Internet browser or email programs when you're done with them. Out of sight definitely helps these potential interrupters stay out of mind.

Download a trial of the Freedom app (or a similar blocking program) on just one device. Set up a work session where you're prevented from going online for 15 minutes. Then extend it to 30 or 60 minutes so you can get more uninterrupted work done. Add extra devices once you familiarize yourself with this new way of working.

Get Back on Track

Researchers at Columbia University found that if you postponed making a decision for just a fraction of a second, you made a better one. According to Kelly McGonigal, author of *The Willpower Instinct,* slowing your breathing down to four to six breaths per minute has the same effect. In those few extra seconds created by the "pause," you can ask yourself if what you're about to do is the best use of your time right now. Often, that's all you need to get back on track.

Another effective strategy is the WOOP method, developed by Gabriele Oettingen, author of *Rethinking Positive Thinking.* In her research, Oettingen found that committing to a goal and creating an action plan to achieve it were important but insufficient. To get the best results, it was crucial to pre-identify likely obstacles you'd encounter and decide how you'd handle them before they occurred. Essentially, setting up rules so that "if X happens, I'll do Y." The steps for the WOOP method are

1. **Wish:** The first thing to do is identify what you really want to happen.
2. **Outcome:** Next you need to articulate your "why."
3. **Obstacles:** Then you need to identify what can get in the way of achieving that.
4. **Plan:** Finally, you need to decide how you're going to overcome or circumvent the obstacle.

Get More Done

Goal: Get the right work done — more efficiently.

Unless we live by design, we live by default. Whatever pops into our inbox gets our attention instead of what's really important to us. Our challenge is to learn to separate the important work from the urgent work. We need to stop confusing being busy with being productive.

In *The ONE Thing,* Gary Keller says that it's critical to continually ask this specific Focusing Question: "What's the ONE Thing I can do (right now/this month) such that by doing it, everything else will be easier or unnecessary?" That question is designed to make you think hard about how you're using your time.

Do salespeople have any common ONE Things? Ryan Fuller, CEO of VoloMetrix, says the answer is a definite yes — the more time we engage in selling-related activities, the better. Per his firm's research, top sellers spent 33 percent more time with customers per week, which typically equates to just two to four hours. But it's not just time that matters; it's the quality and depth of the interaction. Additionally, top sellers invested more time building relationships within their own company, making it easier for them to do their job.

Design a Better Way

There's no way we're going to meet our goals unless we spend time organizing time.

Highly productive sellers start their week on Sunday night. They take 20 to 30 minutes to review what's on their calendar for the week ahead. That's where we need to begin. Think about your ONE Thing, making sure you have time on your calendar for your priorities. Double-check that you have enough prospects in your pipeline. Figure out what you need to do to advance your existing opportunities. If you need planning time, put that on your calendar.

Then, use these strategies to power-pack your schedule.

Work in time blocks. One of the most productive things you can do is to view your day as four to five work

segments broken up by short breaks. Ask yourself, "What can I *realistically* get done in 60 to 90 minutes?" In *The Way We're Working Isn't Working,* author Tony Schwartz suggests we need to work in sprints because this aligns with our naturally occurring body rhythms. Every hour and a half, our body enters a period of drowsiness where it's tougher to think and work. Trying to push through it makes no sense.

Group similar activities. Most sellers don't realize that prospecting is a series of very different activities: researching, planning, calling, emailing and recording. You'll be much more productive if you separate this work into different time slots. For example, you might start with online research, jotting down relevant ideas, insight and information. After that, set aside dedicated planning time where you craft your messaging. In the next block of time, make your calls. Finally, after they're all done, enter the info from your outreach into your CRM.

Build in buffers. Scheduling important meetings back to back is a recipe for disaster. If you've ever had to cut short a great meeting with a highly engaged prospect, you know that you spend the last few minutes of your conversation trying to figure out how to bring it to a close at the same time you're sending an email to your next prospect, telling them you're running a few minutes late. Then, when you do get on the next call, you're flustered and don't perform at your best. To prevent that from happening, build in 15-minute buffers between meetings.

Set a quitting time. One of the smartest things you can do is say, "I'm out of here at [your time]" — and mean it. Literally at the magic hour, you shut things down and walk out. Having a quitting time forces you to plan better. You'll be far less tolerant of any interruptions and distractions, even self-generated ones.

Optimize Your Plan

Russ Hearl, VP of sales at Datahug, says "Don't assume that the way you're doing things is the best. It is simply what's evolved." If you want to level up, try out these strategies to see if they make a difference for you:

Color-code your calendar. Juliana Crispo, founder of Startup Sales Bootcamp, has a "traffic light" calendaring system. Green activities generate revenue. She codes any meetings (calls, demos, presentations) that involve customer interaction with this color. Yellow activities support revenue generation. They're what you need to do to have a fresh pipeline and keep deals moving forward. Red activities are functional, operational or administrative — and not to be done during prime working hours. With just a quick glance, Juliana can tell if her calendar is supporting her goals and, if not, make immediate adjustments.

Theme your days. The beauty of day theming is that you know precisely what awaits you when you get to the office. You'll be mentally ready to work, filled with fresh ideas, ready to handle any challenges. If you get interrupted, which will inevitably happen, you know exactly what you need to get back to. Monday could be "prospecting prep" day, when you identify targeted companies, find out whom to contact and do your research. Tuesday could be focused on outreach, initiating contact with the prospects you've identified. Wednesday and Friday could be days when you schedule as many of your "sales meetings" as possible. On Thursday, your main theme could be "follow up," when you write proposals, prepare presentations or do demonstrations.

Decide your don'ts. Knowing your "don'ts" eliminates the agony of making one-off decisions every time you encounter a particular situation. An example of a don't might be, "I don't answer phone calls from unfamiliar callers," or "I don't do coaching or consulting." There's power and finality in telling people, "I don't." They won't come back to try to get you to change your mind. It also solidifies your conviction to focus on what really matters.

Give Me a Break

The Draugiem Group wanted to find out what their super-productive workers were doing differently from everyone else. Using DeskTime, a time-tracking productivity app, they discovered that the top 10 percent of their employees took more effective breaks. Generally that time was spent walking, exercising or socializing with co-workers.

Like a muscle, our brain gets tired when it's overused, and we need to give it a rest. During its time off, our brain goes into task-negative (mind-wandering) mode. That's where it pulls together disparate ideas and thoughts, helping us come up with fresh approaches and break through mental blocks. Quite simply, we become more creative and smarter when we give our brains a break.

Don't live by default. Optimize, optimize, optimize.

Make It Easier

Goal: Master the mindset that enables you to make better decisions about time, for good.

The best solutions are often the simplest. But finding them takes time. You have to immerse yourself in the details, integrate them into how you work — and then,

only then, are you able to discover a much more elegant way to accomplish your task. Konrath's discovery of a higher-level mindset that she calls the Time Master leverages the ways to remove distractions and get more done, and brings it all together in a cohesive mastery approach. Her own experience proves that it is amazingly valid.

It began after reviewing numerous productivity apps, and finding nothing sales specific. Konrath decided to create her own game. The game's goal: she wanted more sales in less time.

She pondered who she wanted to become when she played the time game. Slowly a new image emerged: an avatar possessing deep knowledge and magical capabilities — like a wizard. Enter Jill the Time Master. Though the "the game" got far too complex, one surprising thing had an impact. When she was Jill the Time Master, she got more done — and it wasn't that hard.

As she explains it, instead of jumping right into her email, she'd take a few minutes to review her calendar and really think about the day ahead. Looking at her master task list, she'd focus in on what she wanted to accomplish for the day. She'd pick out her ONE Thing and a few extra if she got time. Then she'd block the time out on her calendar so it was set in stone. As the day went on, she'd stick to her plan. She took regular breaks. Occasionally she'd be tempted to peek at her email, check out LinkedIn, or disappear into her news feed. But the Time Master always nudged her back to her real work.

As the Time Master, she valued her time more than ever. It was her biggest asset, her primary resource. She also had this deep intuitive knowledge about how to plan her day, work through challenges that arose, and keep herself energized. She was more focused, more strategic, and more creative than she'd been in years.

After a couple of weeks, she started detaching from seeing herself as the queen of distraction. She enjoyed her uninterrupted work time and got so much done. She slowly began to reconnect with the person inside of her who used to be able to handle it all. And realized she still could, without a constant battle. As the Time Master. That was the missing link.

Knowing about productive strategies and techniques is important but not enough. Seeing yourself differently is crucial — and you don't even have to believe it's real at first. You just need to act "as if" it's true — pretend for a short time before it actually starts becoming true.

Konrath never once said, "I'm going to behave as the Time Master for the rest of my life." It was "just for today," because she needed to get specific work done. Without the burden of forever, she was freed to just work on today. When tomorrow came, she did it again simply because it was fun and helped her be more productive. Even today, she says she's not always in Time Master mode. But she can turn it on in a nanosecond.

Add the Secret Sauce

Goal: Increase the quality of your work — and how you feel about it.

Work Worth Doing

Adam Grant, Wharton School professor and author of *Give and Take,* researched call-center workers whose job was to phone school alumni in the evenings and request donations for future scholarship recipients. In his experiment, he broke the callers into two groups. For the control group, nothing changed. But the other group had a chance to meet a person who'd actually benefitted from these fund-raising efforts.

A month later, the impact on those call-center employees who'd actually met the scholarship recipient was striking. They worked harder, making twice as many calls per hour. Plus, they quintupled the amount they raised. Prior to the meeting it was $400 a week; afterward it was $2,000 a week.

If you don't know the difference your company makes, take some time to learn about it. The payback will be huge. The best thing to do is to interview your clients, especially the ones who have chosen to do business with you in the past six to 12 months. Find out how you've helped them. Ask them about the results they've achieved. Explore how what you do has increased revenue, reduced costs, improved efficiency or minimized risk. Then start using this info in your emails, phone messages, conversations, presentations and proposals. Most of all, use the findings as a personal motivator. You are helping people. You are making a difference. You are doing work that matters.

A Real Wake-Up Call

Our brain is busy working most of the night. In fact, 80 percent of the time we're sleeping, our brain is more active than during the day. It's filing away new information. It's replaying over and over what we've been learning to ensure it sticks. It's looking for fresh ways to solve our toughest business and personal challenges.

Here's what is really disturbing. If we don't get "enough" sleep, it's harder for us to concentrate on our work. We prefer to do more mindless tasks, and we get easily distracted. When we're learning something new, it actually takes much longer, too. Lack of sleep even slows down our

digestion, which means our brain doesn't get the glucose it needs to operate at an optimal level.

Numerous sleep researchers recommend that we set a specific bedtime and stick to it. Avoid blue light-emitting devices (phone, computer, tablet) for two hours before bedtime. If you don't, falling asleep is harder, REM sleep is shorter and in the morning you'll be less alert. Don't work right up until bedtime, and keep a pen and pad by your bed. If ideas and thoughts pop up as you're settling into sleep, write them down.

Get Your Oomph Back

When you feel swamped, the natural inclination is to dig in and work harder. This works for a short while, but over time it's unsustainable.

The only way to handle a complex lifestyle is to do things that give you your oomph back. We need to have something to look forward to. It restores us. So does tackling new challenges. We lift our spirits when we volunteer our time, work on a hobby, get outside, play games or just plain do something we love.

The research of Shawn Achor, Harvard psychologist and author of *The Happiness Advantage,* shows that a person who's feeling positive performs better at virtually every single business outcome. In his TEDx Talk, he says, "Your intelligence rises, your creativity rises, your energy levels rise. In fact ... your brain at positive is 31 percent more productive than your brain at negative, neutral or stressed. You're 37 percent better at sales."

Life can't be all work. Our sales numbers aren't the only things that matter. We need to play too. For us goal-oriented, driven sales types, this can be a real challenge.

According to Dr. Stuart Brown, founder of the National Institute for Play, the key is to focus on the experience rather than on accomplishing a goal. Being playful triggers creativity, helps you see problems in new ways, builds stronger relationships and gives you more energy.

This is contrarian advice for those of us who are overwhelmed, but it's much needed if we want to sell more in less time. Schedule time for things that energize you.

Accelerate Sales

Goal: Speed up your sales process, winning more deals along the way.

To sell more in less time, it's imperative to look beyond minimizing distractions and optimizing time to new sales strategies that can help you capture prospects' attention, keep deals moving and land bigger contracts. It's essential to realize that *you are the differentiator.* Not your product, service or solution. You. That's why it's imperative to ensure you are leveraging strategies that will keep you at the top of your game.

Tap into Triggers

You may not be aware of it, but there are organizations out there right now who have a tremendous need for your product or service. Actually, these potential clients aren't even thinking about buying anything yet. But something has happened that's altered their priorities. Perhaps there's a newly emerging issue or competitor. Maybe they're going through a reorganization. Or they might be expanding rapidly.

This "trigger event" acts as a catalyst, forcing these organizations to reevaluate how they're doing things.

For savvy sellers, this is the perfect time to get in touch with potential buyers. You can bring these companies ideas, insights and information to help them deal with their emerging situation. According to Forrester Research, if you can create a viable vision for the future, you have a 74 percent chance of closing the sale. These deals also move much faster than regular sales, and you'll find yourself working against less competition.

Common triggers are new leadership, financial announcements, mergers/acquisitions, new strategic initiatives and legal/compliance. Others include new product/service announcements, relocations, market expansions, new business deals or new funding. When you become aware of a trigger, it's time to initiate contact via both email and phone. Every single message you send should refer to the trigger event but in a slightly different way. When you tie the trigger event into the business outcomes that you deliver, suddenly you'll find yourself with interested prospects.

Develop Time-Saving Systems

It is imperative to view prospecting as a system, not a singular activity. You get much better results in less time when you approach it from this perspective. To think systematically about prospecting, consider these questions:

Methods: How will you connect?

Message: What will you say in every contact?

Personalization: How can you easily customize your message?

Sequence: What's the best order in which to roll out your campaign?

Because you're thinking strategically versus just reacting, you'll get better results with a systematized campaign.

Unclog Your Pipeline

The last thing you want to do is waste your precious time on prospects who aren't going to close. It's imperative to either purge these time sinkholes or get them moving again. Here are the most common reasons why deals get stuck and ideas on how to address them.

Don't see enough value. Buyers disappear if they don't feel that the business case justifies the effort to change from the status quo. It's simply easier to stay with what they're doing today. To prevent this, invest more time up front on the buyer's issues, challenges and objectives. Discuss the full value of your offering as it relates to their organization. Make it personal.

More important priorities. Sometimes when prospects tell you that other priorities take precedence, it's 100 percent true. You just have to wait for better timing. To keep in the game though, find out what their top priorities are right now. Then, step back and try to "connect the dots" between your prospects' business priorities and what you sell.

Misjudged interest. It's so easy to misinterpret polite interest as serious consideration. Learn to ask tougher questions like, "If you stay with your status quo, will you be able to meet your objectives?" "How big of an issue is the one you described? What else does it impact?" and "From your perspective, what's the value of changing?" Honest conversations help you and your prospect determine if it's worth it to keep talking.

Unclogging your pipeline requires creativity and additional research. It's hard for prospects to ignore it when you contact them with messages like, "I've been thinking about our last conversation and have an idea to help you achieve your objectives faster. Do you have 15 minutes for a quick conversation next week?"

Be strategic about keeping slow-moving prospects moving forward — or move them out.

Create an Upward Spiral

While we can't change our prospects, we can change ourselves. We have 100 percent control over what we say and do. Once we grasp this, we have an immense opportunity to create an upward spiral, enabling us to close more sales in less time.

To do so, we need to become our own best coaches — a strategy that top sellers use all the time. Their focus is on effectiveness and "getting better," which is the flip side of efficiency. Use this process to accelerate your upward spiral — one that ensures that you continually upgrade and build on your knowledge, skills and experience.

1. **Get curious.** When things don't work out, open yourself to the possibility that perhaps if you'd done something different, you might have gotten a different outcome. If prospects don't respond to your messages, what changes could you make to your messaging? If they don't want to engage after an initial conversation, what would it take to get them more interested?
2. **Get smarter.** Once you've identified an area you want to improve in, immerse yourself in studying how to be more effective. Find out what your colleagues are doing that's working. Study what sales experts are saying.
3. **Experiment.** Your goal is to increase your effectiveness. Before you go "live" with real clients, step back and analyze what you're doing from your prospect's perspective.
4. **Get feedback.** Share your approaches with your colleagues or boss and invite feedback: What did they like? What didn't work well? What suggestions do they have for improvement?
5. **Challenge yourself.** Using a CRM system, you can easily track metrics such as how many email/ phone "touches" it took before you connected with a prospect, how many initial conversations led to follow-up meetings, and how many prospects stayed with their status quo instead of changing. This is invaluable data. Give yourself specific goals. See if you can connect with prospects in fewer touches or if you can reduce your losses to no-decision. Make it a game, tracking your progress.

When you figure out how to optimize your work and minimize distractions, you become significantly more productive, your sales skills improve and your knowledge grows, constantly. In short, you turn yourself into an invaluable asset — so much so that you become the differentiator instead of your products or services.

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Summary: *SNAP Selling* by Jill Konrath. Jill Konrath alerts us to the fact that we are on the edge of a new age in selling. Today, you actually will be more successful if you make fewer calls, meetings and presentations. Konrath offers four SNAP rules to win more sales.

Webinar: *Learn the Agile Selling Mindset* by Jill Konrath. Jill Konrath introduces the concept of agile selling — the ability to quickly learn new info and then leverage it for maximum impact. You need a rapid-learning plan that helps you establish situational credibility with your targeted or existing customers. If you want a no-nonsense guide to unleashing your untapped sales potential, this is it.

· Book 14 of 58 ·

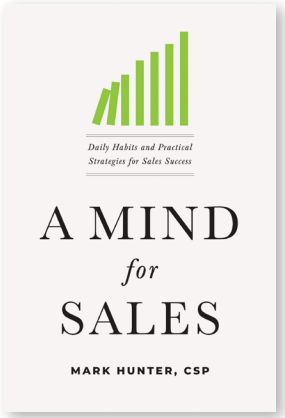
A Mind for Sales

Mark Hunter

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Executive Book Summaries®

A Mind for Sales

Daily Habits and Practical Strategies for Sales Success



by **Mark Hunter**

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THE SUMMARY IN BRIEF

Everybody knows the world of sales can be tough, and it's easy to get discouraged when the rejections start piling up and your customers stop picking up the phone. The wrong thought patterns can start to set in, and pretty soon you aren't making your quota and are looking through job listings on your lunch break.

Mark Hunter's own start in sales was inauspicious, to say the least. He was fired from his first two stints before he began to learn the lessons that he covers in ***A Mind for Sales***. He discovered that sales can be incredibly rewarding, such as when your customers call you for advice, thanking you for improving their business and letting you know they just referred you to colleagues. The difference is simply developing mindset and momentum habits.

The good news is that you can learn how to grow a mind for sales like Hunter's. Let ***A Mind for Sales*** inspire and prepare you to form the new thoughts and habits you need to succeed and to realize the incredible rewards that a successful life in sales makes possible.

IN THIS SUMMARY, YOU WILL LEARN:

- Why sales is a lifestyle, not a job.
- Practical strategies for how to change your mindset and succeed in sales.
- The daily habits needed to maximize productivity and make hitting the ground running strategy number one.

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Section I: Your Mind Drives Your Success

Mondays Are For Selling

There is no doubt that training a mind for sales starts with how you approach the week.

Mondays are, without a doubt, the most powerful day of the week. In the Western world, Monday is the first working day of the week. You have a choice to make every Monday. How you choose to spend it will become a key indicator for how you will spend the rest of your week. For some people, it is the day to kick things into high gear immediately, while for others it is a day to settle into a slow pace of gearing up.

How do you use Monday? Is it a day to get organized for the week or a day to get a jump on everything? Here comes the first of many blunt statements: Your desire to use Monday to get organized is an excuse for your lack of desire to engage with customers.

Do not use this lame excuse! Maybe you are even thinking customers do not want to talk to you anyway. If that is the case, then go ahead and take Monday off and let your competition have all your business. The fact is, there are plenty of customers who will talk with you on Monday and, yes, even Monday morning. By reaching out Monday morning, it puts you in the class of people who say, "I care and want to help you sooner rather than later."

Your Monday Mission

We need to call out the elephant in the room—stress. For many people, the weekend, especially Sunday night, is stressful, knowing another week is about to begin. Regardless of the root cause of our stress, we cannot forget most stress is self-induced, a result of how we choose to respond to what is going on around us.

Our energy needs to be focused on what we can control. Plan your work and work your plan. Have confidence in what you do, and keep your eyes on the impact you make on others.

Your objective is to make Monday awesome, and it starts with the planning you do on Sunday. To help you do that, here are guidelines for tackling your week. On Sunday,

- Know exactly what you expect to accomplish, how you will accomplish it, and how what you do fits into your long-term goals.
- Build your day around your calendar with specific time blocks to complete specific activities.
- Schedule three to five calls before 10 a.m., to be proactive in doing what you do best—selling.
- Do not use any time on Monday to get organized. This is an activity you do at the end of the week or on the weekend.

It Is All About You

How many times have you made a sales call without having your head in the game? If you say "never," you are probably not telling the truth. Or, you have never made a sales call.

It can be easy to say, "Shut out the noise! Do not let one bad situation impede another call!" It becomes far more difficult to actually do that, because our minds can be the greatest obstacle to overcome.

Your own mind is the single greatest obstacle you will need to overcome to be successful.

The challenge remains: How do you overcome the seeds of doubt that grow into mighty oak trees in your mind? Think about the disclaimer written on many financial product advertisements: "Past results are not an indication of future performance." You have seen this line and probably have heard it hundreds of times. Take a moment to let it sink into your mind. You cannot allow whatever happened in the past to impede whatever you are about to do in the present and future.

Each day you have to make a decision, or the decision will be made for you. The decision is whether you will choose to have a great day full of opportunities or one of responding to what is thrown at you.

You need to master your mind, your time, and your heart to reach the level of success you are capable of achieving long term. If you want to be a leader tomorrow, you need to be a leader today.

Sales Is Not Your Job; Sales Is Your Lifestyle

Does making sales calls excite or drain you? Be honest with yourself. Which one do you most identify with?

When you view sales as taking from others, it's a job. View sales as helping others, and you'll be on the path of making sales a lifestyle.

Accept the fact that your prospecting calls will disrupt peo-ple. Real transformation typically begins with some sort of disruption. Get past the fact that you are a burden. You are helping others see possibilities! You are simply (and boldly) promoting

> Passion is a fuel that drives our energy meter. The more passion we have, the more energetic we are.

possibilities to those who want more for themselves and their companies. No one will know how much you can help them until you make the call and, frankly, disrupt them.

The calls you make, even to those who are just casual leads at best, are still opportunities for you to help. After you reach them the first time or even the tenth time, they still may not know or see your value, but it does not mean you cannot help them. They just have not realized it yet. Sales is about helping others. Sales is about delivering incremental outcomes to people who do not expect it.

Annual Goals Are Just the Starting Point

The bottom line is, sales is about helping people. To help you do that effectively, you will need a scoreboard. Anything you measure should have value.

To increase sales performance, here are some things to measure:

- The percentage of time spent customer-facing: the time spent either physically in front of a customer, talking on the phone with them, or actively corresponding with them via email.
- The percentage of leads that turn into customers: This helps tell us the quality of leads and what the overall effectiveness of the sales process is.
- How many days it takes to turn the average lead into a customer: The shorter the length of cycle, the more efficient you will be.
- The percentage of sales from new customers each year: This is a quick snapshot into the effectiveness of prospecting.
- The number of calls made to find a qualified prospect.
- The ratio between offers made and deals closed.
- The percentage of time spent on administration.

Being Passionate About Sales Is What Your Customers Expect

Being passionate about something is not creepy. Being passionate about something is a badge of honor to be worn proudly. Being passionate means you care and are committed. Being passionate about something means you value it.

Passion is a fuel that drives our energy meter. The more passion we have, the more energetic we are. The more energetic we are with our customers, the more they see our passion. Energy is a by-product of passion.

Your customers expect you to be passionate. In years past, it may not have been a requirement. As expectations around customer service have increased, so have expectations around passion. Customers have options; they know it; you know it. Unless you break through in a manner others don't, there is no way you will be successful.

When a customer sees you are passionate about helping them, it is amazing to what lengths they will go to share their needs. The more you care, the more they share.

Section II: Your Greatest Assets

Your Three Greatest Assets: Your Time, Your Mind, Your Network

Your three greatest assets are your time, your mind, and your network. The more effectively we manage these three, the more success we will achieve and the more excited we will be for Monday and every day of the week.

Warren Buffett is proud of the time he keeps open on his calendar free of meetings. This does not mean he is kicking back and doing nothing but counting his money. He states he will spend as much as 80 percent of his day reading. He advocates the value of reading 500 pages per day. For Warren, this is a key part of his ability to accumulate knowledge.

He views knowledge as an asset that compounds. He believes knowledge is no different than money; both are assets you want to have working for you as they compound their value each year.

Another reason Warren keeps major blocks of time open

on his calendar is to be ready for opportunities whenever they arise. Ask yourself these three questions at the end of each day:

- What did I learn?
- Whom did I help?
- How will what I did today help me make tomorrow even better?

Protecting Your Time: Discipline Is a Virtue

Regardless of who we are, where we live, or the resources we have, none of us can change a simple fact—there are only 24 hours in a day.

Mastering time is about getting the most out of time. We do not have a time management problem; we have a priority management problem. It comes down to one thing, being prepared to leverage your time and make all the time you have into quality time. Unless you have a plan, getting up early is a waste of valuable sleep.

Here are six guiding questions you need to ask yourself when planning for your day.

- What will I do today that will truly make an impact?
- Is what I intend to do going to move me closer to achieving my goals?
- How will what I do today help my customers?
- What will I do today that will warrant me being paid?
- How much of my time today will be spent with customers?
- What can I do differently or stop doing that will free up more time?

Your Network Is Your Best Investment

Who are the five people in your life who have the most impact on you and from whom you learn the most? The bigger question to ask is, who are the five people you have the privilege to impact and help teach the most?

We do better when we are aligned with others, and it is why your network is such a valuable asset. Your network is what drives who you are. There are three levels of networks you need to have. First is your core group—the ones you mastermind with and to whom you are accountable. Your objective is to find three to four other people you trust, people with whom you can share ideas. Whether you meet formally or merely interact via text and phone, you need these people.

Second is a larger group you draw on regularly for expertise, as they draw on you. These are subject-matter experts. Have people in your network who are authentic, integrity-centered, goal-driven, and seen as a leader in whatever it is they do.

Third are those you influence and who in turn influence you. This is your network triangle. This is the foundation of your network. People in this group may, over time, move up to become subject-matter experts. Those who are subject-matter experts can, in time, become part of your mastermind.

The value of your network will determine the value of your net worth.

Sales Is Not a Solo Activity; It's a Team Sport

We all like to think we are smarter than we really are. The smart people are those who know they are not the smartest. The smartest people are those who know the best way to succeed is by surrounding themselves with people smarter than themselves.

Sales is a team sport. Who is on your team? Unfortunately, too many salespeople approach sales as if it were bowling. It is them standing on one end with the product in their hand and customers at the other end. The objective for them is to jam the product down the customer's throat with such force it knocks them over.

Sales is not bowling. Your customers are not pins to be knocked over.

Your sales team is comprised of both your customers and people in your company and industry. The customer is on your team, and you need to know the players. Your objective is to develop relationships before you need them. When something goes wrong, that is not the time to be contacting a person you have never met.

You can build your team even more by having others in your company developing relationships too. Bringing others into the account broadens the conversations and allows for more learning. The strength of an account manager's relationship with an account is seen when they find out about opportunities. The account manager who finds out about new opportunities at the same time as their competitor does not have a strong relationship with the account.

Who can you add to your team? What relationships do you need to work on?

Section III: Minefields and Mind Traps

Apps and Hacks Don't Control You. You Control Them

Snake oil has merged with the shiny object, and it is suck-ing people into the world of apps and hacks in the form of sales enablement programs. The snake oil comes in shiny colors via emails and social media posts. Reading what these "solutions" provide can leave you drooling. Soon you will question what took you so long to find the holy grail of sales success.

The amount of money being spent on SaaS systems that never realize even 50 percent of their potential is a travesty. What it comes down to is this: People are easily convinced the problems they have can be solved by a piece of software.

First, too many times, these sales productivity tools have been created to solve a problem that does not even exist. Second, there is no such thing as a universal solution. Many times, the solution you are looking for is not to be found in a tool. The solution lies in a modification of your own behavior.

It does not matter what the tool is or what it claims to do. It is still your tool, and it is up to you to do something with it. Apps and hacks do not make you accountable. Only you can do that. Great salespeople drive the app and hack to do what they want it to do.

Social Selling Is Neither Social Nor Selling

It is time to take the phrase "social selling" and park it on a MySpace account or in an AOL chat room and let it rot. The concept of social media sites being the harmonious intersection of buyer and seller is a joke. Social media is a shiny object just like the sun. Stare at the sun too long and you go blind.

The pitch screamed at everyone is how the world has changed and you cannot rely on the telephone or any of the other sales methods that used to work. The pitch continues by saying how everybody is on social media and by embracing social selling you will have all the customers you can handle. Do not go making "blanket statements" unless you are selling blankets.

Social media gurus will have you believe everyone is on LinkedIn. The total number of people with online profiles on just LinkedIn is well over 500 million. But unless you are selling water or toilet paper, most of those people are not your audience.

Stop and think about who the active users are on a site like LinkedIn. Just because you are on it daily does not mean everyone else is doing the same thing. The big groups on LinkedIn are HR and recruiters, people looking for a job, and salespeople.

The power of social media is when it is used in conjunction with the telephone. Your objective is to take online connections and turn them into offline conversations.

> The amount of money being spent on SaaS systems that never realize even 50 percent of their potential is a travesty.

Sales Is Not a Numbers Game; Sales Is a Quality Game

Is sales a numbers game, or is it about quality? This age-old question will always trigger arguments among salespeople.

Salespeople are into keeping score. The challenge is, what are you keeping score on? Just because you can count it doesn't mean it is worth counting.

The only number that matters is the number of satisfied customers you create and their lifetime value. Sales is not a numbers game; it is a quality game.

Customer-Facing Time (CFT) is a number you want to measure. This is a quality number because of what you are doing. You are interacting with a customer of some type. CFT includes such things as face-to-face meetings, telephone calls, or email when used to actively work with the customer.

CFT is not thinking about a customer, and it is not doing research on leads. It is not even entering data on a customer into your CRM system. CFT is about being belly-to-belly, voice-to-voice, brain-to-brain with them. Increase your CFT, and you will increase your sales.

Your Pipeline Needs to Be a Water Faucet, Not a Sewer Pipe

Too many sales pipelines are plugged up with stuff that is not going anywhere. Putting it bluntly, they are nothing more than a sewer pipe, and for that matter, a clogged sew-

er pipe. If you put more into a clogged pipe, the only thing you do is create a bigger mess.

It is time we break out the plunger and unplug that sewer pipe. Quit kidding yourself. You cannot manage the 200 business cards you got last week at a trade show, on top of the 100 you already have. You can also forget the idea that the 346 email addresses you got two years ago but have never touched are somehow still great prospects.

When it comes to prospecting, do not start what you cannot finish. There are some key questions to ask yourself regarding any opportunity in your pipeline and whether it belongs there:

- What firm evidence do I have that this opportunity is moving forward in a timely manner?
- Is the opportunity sizeable enough to warrant my time?
- Do I know the barriers I need to remove in order to close this opportunity?
- Is this an opportunity that will generate sales for me at a later date?
- Do I have a plan to maximize this opportunity without negatively impacting other opportunities that offer greater potential?

Yes, they are tough questions to answer. You cannot afford to have suspect leads in your pipeline that are not going anywhere. Your goal is simple—to be able to spend more time with fewer prospects.

Section IV: Don't Let Your Customers Control Your Mind

Speed Sells. Simplify the Process

The faster you can close a sale, the more time you will have. It is a pretty simple concept, but there is more. The faster you sell, the more value you create for the customer by not taking up their time.

This is not a license to leave out taking the time to understand the customer's needs. It is also not a license to stop asking questions. The objective is for you to use as much of your time listening to the customer as possible. Regardless of the length of time it takes to respond to any inquiry, you cannot be satisfied with it.

Another piece of the puzzle is to know how many interactions it takes to turn a lead into a customer. Interactions might be telephone, email, face-to-face—it does not matter. Count them all, because each one takes time.

How fast can you respond, and how informed are you when you respond? Your goal is to be as focused as possible on specific industries, channels, geographic areas, or whatever you decide. The more focused you are, the more you will be able to understand your customers.

Speed selling is also about making it as easy as possible for the customer to share their needs and being flexible in meeting them. Speed sells when we put the customer and their needs first.

Asking the Tough Questions

When you are confident, you ask better questions. When the customer is confident, they ask better questions. An amazing thing happens when both parties are confident: There is a robust conversation. Your goal is to ask questions neither of you can answer—now this is a great conversation.

Better yet, it can frequently lead to follow-up sales calls and more opportunities. It is also a great way to invite other people into the process.

The key to using this process is to be confident enough to allow the conversation to go wherever it needs to go. This means you also have to know when to bring a wandering conversation back on track. The best approach is to let the conversation run wide open early on. Letting it run wide is a way to allow you to uncover incremental opportunities. As you move further through the sales process, you pull in the questions, keeping them more focused.

The best sales presentation ever made is the sales presentation never given.

The Value of Hearing "No"

Speak with anyone who quit a sales job where the focus was prospecting, and you will get an earful. One of the top reasons you will hear they quit is because they got tired of having doors slammed in their face. Whether it be in person, on the phone, or even through an email, being rejected is not something anyone wakes up desiring to have happen to them.

"No" is merely a word. "No" is never permanent. It is only a moment in time. Many salespeople hear "no," and they fold up their tent and move on down the road. To these people, once they hear "no," it is game over. But hearing "no" is a starting point. It is at this point that the

One of the best ways to decrease hearing "no" is by engaging early in the conversation in questions about the customer.

best conversation is about to occur.

The easiest way to deal with this is by being prepared ahead of time with two lists. One is a list of engaging ques-tions you want to ask. The second list is more direct. It is a list of responses you are prepared to give if you hear "no."

One of the best ways to decrease hearing "no" is by engaging early in the conversation in questions about the customer. Go on the offense to uncover their needs right from the start. Do not shy away from asking tough questions. You want a conversation, which means engaging them quickly. You will not have a way to respond to a "no" until you know what their needs are. The objective is to be prepared with a response if you do hear a "no" at any step along the way.

Not All Prospects and Customers Are the Same

Time to blast another sales myth. We have all been told you never walk away from a customer. But you can walk away from a prospect or a customer, and it can be the best thing you do.

Do not kid yourself. You and everyone else have had prospects who, even after contacting them 1,000 times, would never buy from you. Despite what people will say about never giving up on a prospect regardless of who they are, you do need to be smart. It comes down to five things you need to evaluate:

- Size of the opportunity;
- Probability of closing;
- Number of other potential prospects;
- Value of your time;
- Are there critical reasons to your company you need to consider?

Do not under any circumstances make your decision an emotional one. This gets people into trouble and will have you either cutting off a great opportunity too soon or wasting valuable time beating a dead horse. Keep your pipeline full, but make sure each opportunity has earned the right to be in your pipeline.

Section V: The Future of Sales

You Do Not Close a Sale; You Begin a Relationship

Why do we call it "closing a sale"? If we think we are helping the customer by selling to them, isn't the word "closing" dumb? It risks putting us in the wrong frame of mind. When we close a sale, we are opening a relationship. It does not matter what it is the customer is buying from you. The last thing you want it to be is an end.

The only good sale is one that leads to the next sale. The easiest business you will ever get is going to come from existing customers. They are either buying more or referring you to someone who will buy from you. From the moment you are about to get the first sale with a customer, you already have to be planning for the next sale.

When your mindset shifts to "opening" rather than "closing," it is amazing how you will look at things differently. You will be far likelier to contact the customer. You will contact them again because your mindset has shifted.

Viewing what you do as opening a relationship will change how you look at customer records. One of the easiest ways to build your pipeline is by contacting every customer you have in your CRM system. It does not matter if it has been five years. Reach out and make the call. These are people who were buying from you or your company at one point in time. There is no reason they will not buy again.

There are two numbers to start tracking: the amount of business you receive from a customer after the initial purchase and the amount of business created through referrals and other sources as a result of the original customer. Tracking these two numbers will reveal some very interesting facts about how you sell. The number is also a keen indicator of the reputation you have created in the marketplace. In this world of instant communication, the value of your reputation has never been more important.

Fundamentally, you will be able to see the true value of how and what you are selling. If you are meeting and exceeding

customer expectations, these numbers should always be increasing over the long term.

Next-Gen Sales

The future of sales is bright. Our role in sales is much more than selling something to someone. Our role in sales is to be the research and development department to everyone we meet. This includes our customers and everyone else. Do not view sales as something that is in limited supply. Sales is full of unlimited opportunities, and the more we share, the better we all become.

There is something magical about teaching; when you teach, it is amazing how much you learn. If we want to become better salespeople, one way to improve is by teaching others how to sell. We all need to make ourselves available to help others. Who can you be reaching out to today?

Do You Have a Mind for Sales?

Sales is much more than a job. To us, it is a lifestyle. Here is a list of what it takes to be a great salesperson:

- Top salespeople set goals.
- Top salespeople protect their time and the time of everyone they are with each day.
- Top salespeople do not settle for average.
- Top salespeople use each day to influence and impact others with a goal of helping everyone they meet to succeed.
- Top salespeople see themselves as confident servant leaders.
- Top salespeople know the importance of prospecting and make it part of their daily routine.
- Top salespeople never end the day without knowing what they are going to accomplish the next day.
- Top salespeople are optimists not just while they are on the job but also in everything they do.
- Top salespeople never stop learning and continually look for ways to share their learning with others.
- Top salespeople know they must continually evolve their sales process.
- Top salespeople own the process.
- Top salespeople do not stop at the end of the day. A great salesperson views sales as a 24/7 lifestyle.
- Top salespeople have a high degree of integrity others can see every day and in everything.
- Top salespeople are proud of what they do.
- Top salespeople know it is the depth of their questions that will uncover the big opportunities.
- Top salespeople know success is not what they did yesterday but what they will do today.
- Top salespeople have a peer network that holds them accountable and helps drive them forward.
- Top salespeople live each day to make the most of it and see every challenge as an opportunity.



Mark Hunter successfully worked for two global companies in sales and marketing. In 1998, he left the corporate world to become a consultant, speaker, and author—all under the name "The Sales Hunter." He works with companies including BP, Sony, Kawasaki, and Lenovo, along with hundreds of others. His clients have taken him to more than 25 countries on five continents. His goal is to influence others while helping salespeople and companies find and retain better prospects that they can sell to without discounts.

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B2B Street Fighting

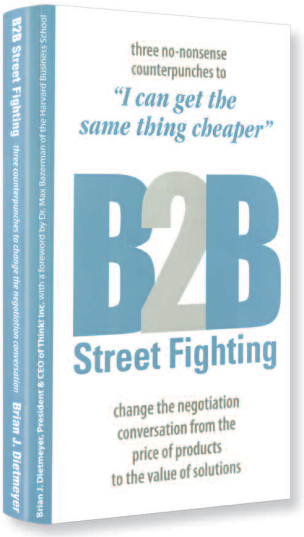
October 2011

SOUNDVIEW Executive Book Summaries®
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Sales

B2B Street Fighting

Three Counterpunches to Change the Negotiation Conversation



by Brian J. Dietmeyer

THE SUMMARY IN BRIEF

Based on six years of research and 14 years of practical application and consulting on more than 20,000 business to business negotiations in nearly 50 countries, *B2B Street Fighting* will redefine how you think about negotiation.

Negotiation has long been thought of as merely a soft skill or a series of random verbal tactics. No more! Gone are yesterday's long lists of tactics and countermeasures. *B2B Street Fighting* finally reveals that, despite all its apparent moving parts and players, negotiation is a highly repeatable, predictable process. By embracing the inherent complexity of B2B deals, this book's three counterpunches train you to find and analyze the data you need to anticipate, prepare for and neutralize 97 percent of buyer negotiation tactics.

Once and for all, *B2B Street Fighting* shows you how to change the negotiation conversation from the price of your products and services to the value of your solutions, and build value for you and your customers in every deal.

Author and negotiation expert Brian Dietmeyer's new work offers unique insights that are relevant to all businesses as we enter the second decade of the new millennium.

IN THIS SUMMARY, YOU WILL LEARN:

- How to concentrate on the fact-based data that give you more control.
- How to prepare, predict and deflect the negotiating punches that have kept you from winning at the negotiating table.
- How to combat 97 percent of what today's market is currently dishing out.
- How to use three no-nonsense negotiation counterpunches to achieve unfair advantage over the competition.

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THE COMPLETE SUMMARY: **B2B STREET FIGHTING**

by Brian J. Dietmeyer

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B2B Street Fighting: Three Counterpunches to Change the Negotiation Conversation by Brian J. Dietmeyer. Copyright © 2011 Brian J. Dietmeyer. Summarized by permission of the publisher, Think! Inc. 181 pages, $15.95, ISBN 978-0-615-36830-6.

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Introduction: Fight Back Against the Economic Meltdown

To get what he or she wants, our B2B street fighter must do three things:

- Fight for his or her company as its representative at the bargaining table and change the conversation from the price of the products and services to the value of the solutions.
- Fight against his or her competitors and their reactive instincts to behave irrationally and give away portions of their value proposition.
- Negotiate with his or her customers to find the optimal solutions to their business problems.

Just like the triumphant ultimate fighter who starts training long before a victorious beatdown, the B2B street fighter starts preparing for a negotiation well before he or she suits up and strides into the room with all those charts and graphs. This means being a lean, mean, data-collecting machine: starting to gather data weeks, even months, in advance of the actual sit-down and using that data for a specific purpose. Our street fighter is more geek than Goliath; his or her strength comes from the accumulation of well-documented data that can be used to form rational, non-emotional responses when the time comes. ●

Negotiation Tactics Are 97 Percent Predictable

Despite the prevailing belief that negotiating is "random and can't be predicted or planned for," research clearly reveals that verbal negotiating tactics from all over the world follow very predictable patterns. When you look at the tactics buyers use to keep the seller reacting at the negotiating table, 97 percent of them fall into just two categories:

- They reference an alternative to accepting what you offer: I will build it myself, I will buy from a competitor, etc.
- They leverage this alternative to bargain (that is, to ask for a concession) for something in return, such as a lower price, better terms, faster delivery, an extended warranty, additional products or services, etc.

By understanding what these 97 percent of buyers are doing during negotiation, we can begin to change the dynamics of negotiation. So what are they doing?

Commoditization Pressure and Price Pressure

First, buyers approach the negotiation by treating your product or service as a commodity. Although not necessarily stated as such, most verbal tactics clearly communicate that buyers are approaching the negotiation as if all products are the same. Whether they really believe this is true or not, it effectively signals sellers to begin the battle for lowest price or most robust offer. We call this applying **commoditization pressure.**

Next, whether they're bargaining for price or other concessions, buyers are constantly applying pressure to lower the price or deliver more value for the price paid. Whether you're making an offer or you've already signed a contract, buyers are constantly applying price **pressure** to ensure they get both the best deal and the best price possible.

Now that we're wise to their tactics, it's time for a sound and simple negotiation strategy that changes the

1-800-SUMMARY
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Published by Soundview Executive Book Summaries® (ISSN 0747-2196), 500 Old Forge Lane, Suite 501, Kennett Square, PA 19348 USA, a division of Concentrated Knowledge Corp. Published monthly. Subscriptions starting at $99 per year.
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Rebecca S. Clement, Publisher; **Sarah T. Dayton**, Editor in Chief; **Andrew Clancy**, Senior Editor; **Edward O'Neill**, Graphic Designer; **Chris Lauer,** Contributing Editor

nature of the fight: one elegant, highly effective "counterpunch" for each punch the buyer dishes out.

1. To neutralize commoditization pressure, we'll reframe the negotiation into one in which it's clear that all products being sold *are not* the same. To do this, our first counterpunch, **consequences of no agreement (CNA) analysis** helps you change the conversation about "alternatives" to an apples-to-apples comparison of what's really being sold.

2. To handle the never-ending price pressure, a second counterpunch, **trade analysis**, moves and keeps the focus away from price so you can have a more productive discussion about the value of what is being sold.

3. And finally, to keep you from reverting to a price-based negotiation after successfully selling value upstream, the third counterpunch, **multiple equal offers (MEOs)**, shows you how to tailor a deal that optimizes customer value — for the buyer and all of his or her internal customers — and gives you price premiums for the value you offer. ●

So What Are We Doing Wrong?

A Strategic Account Management Association (SAMA) study benchmarked the current state of negotiation against other professional skills and practices in the selling and account management fields. Many of the respondents provided valuable quotes that were both disturbing and enlightening.

When asked to describe the current state of negotiation at his or her company, one respondent explained, "We are giving a whole lot of value [away] for free because of the threat to lose what we've got right now."

Another said: "We allow situations to become explosive before we react. By the time we begin to address the issue, it is seldom viable to resolve."

And finally, "Because we continue to see prices erode, which tells me that part of our problem is in negotiating, we tend to either concede way too much and end up with a one-sided contract, or we fail to concede enough and lose the opportunity."

The range and familiarity of the quotes proved that not only are many companies working without a consistent and driving philosophy of negotiation, but they are also offering scattershot solutions to what is basically a constant. In short, lacking the right data and reacting with **panic**, loss of **power** or **paralysis** is irrational and it obliterates any opportunity companies might have to effect a successful negotiation.

You can learn to anticipate about 97 percent of what's coming your way, to expect the unexpected and to control the uncontrollable. But you must be open to a new solution that isn't 135 tips, tricks, etc., to cover every potential situation. ●

Start Collecting Data Earlier in the Sales Process

I can't emphasize enough the importance of starting data collection well before you get to the negotiating table. The earlier in the sales process you start, the easier it will be to catch people off guard because they're much freer with data. As you get closer and closer to negotiating a deal, they become more cautious and put on their poker faces. So if you start collecting data early, when the other guys are vulnerable, the information flows naturally and freely.

A successful negotiation strategy is about preparing farther upstream by grabbing more data and building the courage you need to handle issues well before they appear. This is all part of being meaner: collecting and thinking about data and how to use it long before anyone else does.

Problem #1: Commoditization Pressure

As a refresher, *commoditization* means that everything being sold is essentially the same (at least from the buyer's perspective). You and your competitors are offering the same thing: the same type of technology, the same types of e-learning products, the same types of running shoes, etc. This doesn't mean you don't make the best darn running shoe in the universe, but, from the buyer's perspective, it's just another running shoe, so why should yours cost more?

The short answer, from your perspective, is that your running shoe is just like a Ferrari. Technically speaking, a Ferrari is just a car. But would a sane person walk into a Ferrari dealership and balk at the sticker price? Hardly. He knows he'll get more than just a car; he'll get state-of-the-art engine technology, cutting-edge comfort, blistering style, out-of-this-world performance and an incredible rush just hearing the engine roar to life. He wouldn't dream of comparing the price of that Ferrari to the price of a Ford Escort, would you? Of course not, because even though the Ferrari is a car, you know it's not a commodity. Yet, in the situation we sellers often

face, our buyers approach the negotiation table as if our product is a commodity.

Value: The Great Commodity Buster

Viewing supplier companies side-by-side to see which provides better wrap-around services and support, etc., often reveals a differential that clearly separates the product offerings. Value, then, must be mapped against the customer's needs and viewed from the perspective of the total ecosystem.

Now if you look at the total relationship between your firm and your customer and it is, in fact, exactly the same as your competitor's relationship, then you don't have a negotiation problem, you have a non-existent value proposition. For now, we will assume there is some value in what you offer, whether that value is inherent in the product features or design, the ecosystem your company can offer (services, support, delivery times, etc.) or the relationship you bring to the table.

The bottom line? Expect buyers to attempt to commoditize; it's what they're paid to do. And it's the job of the B2B street fighter to combat commoditization at all costs. ●

Counterpunch #1: Consequence of No Agreement (CNA) Analysis

Counterpunch #1, CNA analysis, neutralizes virtually all of a buyer's attempts to commoditize and paves the way for productive and more collaborative discussion about what is really being bought and sold. It guides you through developing your total value proposition and mapping that value to the customer one deal at a time.

A CNA statement simply describes one alternative a buyer has if the deal with you falls through. It's any reason (or tactic) he or she presents for not accepting your offer, whether it's true or simply an opening to bargain. Our research on verbal negotiating tactics tells us that in addition to the most common CNA, "I will buy it cheaper from someone else," there are many other common examples of CNA-related tactics you've likely heard over the years, for example:

- "I found someone who can do it faster."
- "You know, your competitor's available if necessary."
- "Oh, we do all of that in-house."

The buyer is essentially saying that if our deal doesn't close, he or she can get what he or she wants elsewhere. The consequences of not reaching agreement with you (hence the name "consequences of no agreement") are, in fact, better than your offer.

CNA Analysis

In reality, if the two parties don't reach agreement, there will be consequences for both buyer and seller. Notably, you will lose the sale and the buyer loses the opportunity to receive the full value of what your product or business relationship had to offer.

As a modern-day B2B street fighter, your job is to keep this from happening. This is where CNA analysis will come in handy. You can use this extraordinarily powerful tool to research and analyze the CNAs for both sides of a specific deal so you can bring a full understanding of your company's unique deal-specific value to the negotiation table. It gives you the ability to provide answers *before* questions are asked.

A world-class negotiator researches, analyzes and understands — in advance — the consequences for both sides of not reaching an agreement, including the soft costs, hard costs and even the possible benefits, both short- and long-term. By determining what will happen should the two sides walk away, the negotiator ultimately gains more power. The side with the better CNA — that is, the one that has less to lose if the deal falls through — naturally has more power.

A thorough CNA analysis neutralizes virtually all of a buyer's attempts to commoditize and paves the way for a productive and more collaborative discussion about what is really being bought and sold. ●

Problem #2: Price Pressure

Price pressure is the second most common negotiation problem facing modern businesses today. In fact, it is so pervasive that it has become a kind of self-fulfilling prophecy. The more you hear the word *price* from people who want you to focus on it (to the exclusion of just about everything else going on at the bargaining table), the more you consciously and unconsciously start to think about one thing and one thing only: price.

So why are we knocked back on our heels every time this happens? I believe one reason is that we have blindly accepted the notion that we can never know what's going to happen in negotiation, so we don't even think about how to prevent these scenarios from happening in the first place.

By far, the most common form of concession pressure, price pressure, occurs anytime you're asked to give *something* away for free. Typically it begins when a buyer focuses on one aspect of a deal, then ends up parsing that one thing into smaller components and asking for concessions on each component. It might be a price

reduction or a request to give away something for free — a service, a specific contract term, legal terms or a condition in which the buyer is asking you to take on all the risk in a deal. For the seller, this is a zero-sum game. The buyer has not only lost track of the big picture of the deal but, in doing so, stopped considering the potential value of other components of the deal.

Evaluate Business Deals on All the Data from Both Sides

If one thing can be pounded into your street-fighter head, let it be this: Business deals should be evaluated by both sides based on all the data for both sides. We can't take one piece out of context; it just doesn't make sense.

Counterpunch #2, trading, is asking for something in return when a buyer makes a demand of you. It is the key, now more than ever, to bringing the price of what you are offering back into context.

If we, as negotiators, made this simple but highly effective change to our negotiation strategy, profit margins in our companies would skyrocket while actually providing some benefit to our customers. Just as we have to change the way we're negotiating, buyers also have to recognize that, for most of us, margins are down. Demanding that we give away more margin simply does not fly anymore. ●

Counterpunch #2: Trading

Counterpunch #2, trading, helps you keep all the pieces of a deal in context so you can keep the conversation away from price alone. Put simply, trading is the art of asking the buyer for something in return when he or she makes demands of you — whether for a lower price or other concessions.

Trading is the heart and soul of negotiating. Done well, it combats pressure from the buyer to reduce the price of a deal or give away all manner of "stuff" for free, and sometimes less. If you think of CNA analysis as defining *It*, then trading analysis is getting clarity on what total economic costs, risks and benefits the buyer will pay and the seller will accept for *It*.

Most buyers are also looking for solutions to problems or enhancements to their value chain. Trading enables you to assist these buyers in solving problems or improving processes, creating value for both sides.

It's important that you not let this next stage, a discussion of terms, become an oversimplified discussion of price. Even when price is a buyer's singular focus, there is just too much value at stake for both sides to ignore the other interdependent, moving parts of this deal.

Trading analysis is basically just what it says: an analysis of what each side wants from a deal, what each side wants to keep out of the deal, what each side is willing to trade to close the deal and the priority of all the items in question.

One of the important tasks accomplished through trading is managing the economic and risk elements associated with *It*. This could include pricing on all relevant products, services, volume, length of contract, type of service and support, warranty, terms and conditions, and more.

Creating Value for Both Sides

Trading helps you fight back against the business problem of price focus when the other side of the table throws the c-word (cheaper) around.

Your closest competitor may, in fact, seem cheaper at first, so you have to dig deep to see what you're willing to trade in order to level the playing field, then tip the scale in your favor.

Thorough trade data collection and analysis leaves you with very few weak spots because you're always creating leverage in the deal by finding ways to trade things *other* than price. In fact, *many* items can be traded to optimize the deal for price and provide value across the board; the key is to think them through in advance. ●

The How and Why of Professional Buying (And Why It's So Dangerous)

Selling to a buyer's internal customers is your most effective negotiating tool. The more you know about their needs, the more you can help the buyer meet those needs, beyond just low price.

Data Keep Sellers in Control

Both CNA and trade analyses cover most tactics that professional buyers use in negotiations. But not all buyers do these kinds of analyses, so the salesperson who does has a decided advantage. In fact, buyers who haven't done this analysis haven't properly prepared for the negotiation and, as a result, they may not completely understand their own side's position or realize what could happen if the deal falls through.

For example, a buyer believes (and behaves as if) the goods or services on the table are better, available faster or cheaper elsewhere. And remember, just because the buyer believes this doesn't make it true. If the seller hasn't done the analysis, he or she is likely to call HQ

and say, "We've got to lower our price." This is not the road to sales greatness.

A world-class negotiator knows a buyer's CNA better than the buyer does, and he or she rarely, if ever, is surprised by any value claim the other side brings up in the course of the negotiation. So when a buyer throws a new item on the table late in the negotiations, the seller can determine from the proper trade analysis how important the item really is and whether it's being demanded as a ruse. The seller knows how to put the new item into the proper context of the deal, diplomatically educate the buyer and refocus the conversation to the total value being negotiated.

The point is that professional buying tactics can be quite effective, but they are rendered much less so when you are armed with the facts. Sifting tactics through CNA and/or trade analysis enables you to analyze them and respond appropriately — both early and late in the negotiation. When tactics can be placed in the context of the overall deal, they can, in effect, be neutralized. This sounds simple, and it is, but only if you've done the proper homework.

It's not up to the professional buyer to recognize and understand all the moving parts in the deal; it's up to you. ●

Problem #3: Selling Value Then Negotiating Products and Services

So far, so good. CNA and trade analyses have helped us move buyers away from a price-only comparison and toward the opportunity for joint value creation, ideally in exchange for price premiums or more equal risk sharing. But even if we've done a great job of creating real business value at multiple levels upstream, when it's all said and done, when all the business lunches are over and we've been awarded the contract, the customer may still say, "Ahem, you need to lower your price."

So what was all the groundwork for? Why spend so much time building a foundation for value creation if it's just going to crumble once the paint dries and the dreaded price issue rears its ugly head?

In the traditional sales process and opportunity management scenario, professional salespeople are taught to call on multiple buyers in the client organization. They are generally very effective at uncovering client needs, then using their company's total value proposition to provide those products and services, or help clients solve problems and achieve business objectives.

The problem arises when all this value is positioned up front — or when the marketing department tries to communicate a company's value proposition — without finding the *It* that truly addresses the client's needs in a deal. At the back end of this negotiation, this non-specific value is all but forgotten and the actual negotiation easily slips back to being all about price.

We need a way to close this huge gap between what goes on early in the sales process and what happens near the end — after all the niceties are over and the gloves have come off — when price becomes an issue once again. ●

Counterpunch #3: Multiple Equal Offers (MEOs)

We use the next counterpunch, MEOs, to shift perspective from one fixed-price offer for your products and services to a choice of different business relationships, each of which focuses on value and problem solving in a slightly different way. So instead of showing up with a hard, firm line in the sand with a fixed price wrought from thoughtful trading, you show up with three MEOs that are equal in value to you, but vary in value to the customer or, more accurately, to different influencers in the customer's organization.

MEOs make negotiation significantly more collaborative by moving everyone involved to the same side of the table. They work because they offer true variety — burger or soy, fries or fresh fruit, soda or juice — not just the illusion of variety.

MEOs help you combat the disconnect between selling value and then negotiating prices of products and services by enabling you to come to the table prepared with something for everybody. Your thorough analysis of the real facts of the deal combined with knowing what all the influencers need from this deal makes you the only seller capable of offering the customer exactly what he or she needs. Your offers and the value they represent can no longer be compared to those from "someone else."

Designing MEOs

It's imperative to use thoughtful, well researched CNA and trade analyses when preparing and presenting MEOs. A complete CNA analysis takes the pressure off commoditization and helps both sides agree on what's really being sold (i.e., the one, two or perhaps three things that differentiate you from the competition, given the client's needs in this deal).

Trade analysis gets all the moving parts on the table so you can determine what the ideal terms look like for both buyer and seller. Now we can use that information to build strong MEOs tailored for this deal; CNA analysis helps you title them and trade analysis helps you populate them.

It's also crucial to take into consideration the needs of multiple buying influencers at the buyer's company. This means working upstream and preparing carefully to create three offers that, if designed specifically for the client in question, can change the conversation for good from the price of your products to the value of your solutions. ●

Negotiating Like a B2B Street Fighter: Quick Review

With CNA and trade data ready, and MEOs prepared, you can take control of the conversation, change the relationship and build value for everyone. Now, let's review those moves one more time before we take this fight to the streets.

Step #1: Your first counterpunch for combating commoditization pressure is CNA analysis. It helps you get the facts about the client's real alternative to you, as well as the facts about all aspects of your value proposition on the table.

Why is this necessary? People tend to take a deal when it is better than the alternative. People also view offers as a plus or minus according to how they perceive the alternative. Ultimately, showing the customer how your deal meets his or her needs better (not cheaper) than his or her CNA is how everyone gets to win-win. Overall, the result is better decisions by all parties, so both sides end up with something better than the alternative. This is the first step in creating value.

Step #2: Counterpunch #2 (trading or trading analysis) helps you combat price pressure by collecting *all* the facts about all the terms that need to be agreed upon, in addition to price, then trading those things to provide more value than they cost.

Remember that trades are a method of designing a deal in which everybody gets something equally valuable. In publishing, the book is never really finished until all the rewrites have been done, and both the publisher and the author agree that the book is in the best possible form. Trades are the rewriting you do at the bargaining table.

Step #3: Finally, counterpunch #3 helps you avoid the problem of selling value then reverting back to negotiating price by "packaging" the value created during trade analysis into three unique MEOs. These MEOs describe three different business relationships — often targeting the priorities of different buying influencers — that exceed both sides' CNA and trade analyses on as many items as possible.

MEOs keep the value expansion going and help you keep the focus off of price. This explanation ties the concept of *how* to the goal of *what*.

If you pursue this goal, there will be a radical shift in how you act as a negotiator. Buyers on the other side will also need to be re-educated because of their self-limiting beliefs about what negotiation really is. ●

You Can Be Trained to Expect the Unexpected

In the end, the problem is not that the buyer is saying tough things, such as "I can get the same thing cheaper from someone else," nor is the solution learning how to say even tougher things back. In fact, the problem was never with the buyer at all.

You are not and should not be fighting your customers. We make money by negotiating *with* them, and they use our valuable assets to solve problems in their companies. The challenge is with not knowing enough — about your company and what it offers, about the competition and what they offer, or about the total economic scope of the deal — so you can proceed with confidence and skill.

The real "street fight" is with the buyer's alternatives to us (CNA). We are just geeky, rational, fact-based street fighters working on behalf of our company *and* our customers. The most common problem, simply stated, usually comes from a lack of data:

1. **Not knowing enough about the *Its* that you and the competitor are offering**
2. **Not recognizing all the trades that exist within the deal, outside of price**
3. **Not preparing three offers**

The solution is collecting or using better data in three key areas: collecting and analyzing CNA data; collecting and analyzing trade data; and MEOs, an amazingly lethal (competitively speaking) way to present the data and analysis results.

Bigger Pies Mean Bigger Pie Pieces

If you want to build value-based, collaborative relationships with buyers, every negotiation is a good opportunity to practice. And if you want to work with

this company in the future, don't set out to take advantage of them or take cheap shots in fighting language.

Most people (especially tough, old-school buyers) think of negotiation as a pie-eating contest; that is, they want to get as much as they can to win the prize and screw the other guy. This is an extremely near-sighted strategy that may work in the short term, but these buyers will always be looking for new customers because they've burned so many bridges.

Conversely, *real* negotiation is about making the pie, and thus the pie pieces, bigger. You need to go in thinking about both the competitive and cooperative aspects of working together to create more value for both sides. And the three-step blueprinting process you just learned lets you achieve this with clients while being ruthless with your competitors. ●

Using the Blueprinting Process in a Large and Complex Negotiation

Now it's time for the rubber to meet the road. Let's try out our process on a live deal.

It's April 1st and you've just been told by a potential new global customer that after all the months of trying to sell some of your machines to them, it's finally down to a choice between you and your closest competitor. The customer wants to see your best-foot-forward proposal by May 15th (six weeks). He has hinted that your competitor is aggressively pursuing the business, is being quite creative on price and has a pretty good product fit.

At this point in this negotiation, you have already completed your pick box to determine your company's value proposition. So first, we do a CNA analysis to determine the *It* relative to this deal.

Complete Your CNA. Start by asking yourself: What are the consequences to my company of not closing this deal?

Complete Your Customer's CNA. Start by asking yourself: What are the consequences to the customer of not closing this deal with me? It's sometimes helpful to reframe this question; how will the customer meet his needs in this deal if he does not close this deal with me?

Blueprint the Trades for Both Sides. Prepare wish list — your side. Prepare wish list — the other side. Prepare CNA and wish list questions for customer. Meet with customer to validate and refine assumptions.

Design and Deliver Three MEOs. Start by asking yourself: What three problems am I solving, what risk-sharing alternatives am I offering or what creative partnerships are possible with this customer?

Your CNA analysis revealed two or three ways you solved this customer's needs better than their alternatives, so you create and name your MEOs in ways that describe each of these solutions.

It's May 7th, a full week before the customer's due date, and you're ready to make a presentation. You invite the customer's head buyer, the vice president of manufacturing and the vice president of finance, and bring along product and technical support people from your side.

- **Open the presentation.**
- **State client's CNA.**
- **Review the three MEO titles and briefly summarize the solution each MEO provides.**
- **Review the trades in each MEO.**
- **Rank the MEOs:** You ask everyone present to rank the three offers in terms of their preferences.
- **Continue trading:** The client quickly agrees that the short-term option is the least preferable, but there's a lot of internal negotiation among them over which of the remaining options is better. It's obvious that neither is quite right. At this point, you begin trading to come up with one solution that fits their needs. They keep telling you that you're more expensive; you keep going back to total costs. They try to push you for concessions; you continue to trade using both wish lists.

In the end, you settle on this deal:

Final Agreement

Length: Three years

Price: $255K per machine

Volume: Three machines

Service: Five days x 24 hours

Upgrades: 25 percent discount

Installation Support: 300 hours ●

RECOMMENDED READING LIST

If you liked *B2B Streetfighting*, you'll also like:

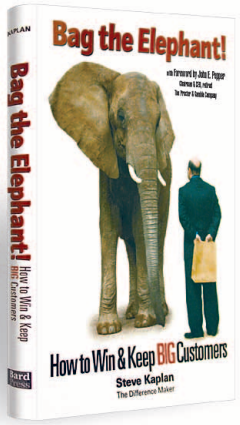
1. ***A Seat at the Table* by Marc Miller.** Best-selling author Marc Miller offers a new sales approach designed to help salespeople earn a seat at the table — the place reserved for those select people who set the direction and the budget of an enterprise.
2. ***The Ultimate Sales Machine* by Chet Holmes.** Holmes provides 12 key strategies to turn any business into what he deems "the ultimate sales machine."
3. ***Snap Selling* by Jill Konrath.** Konrath offers four SNAP rules to win more sales, and she teaches us that sales is an outcome, not a goal.

· Book 16 of 58 ·

Bag The Elephant!

Steve Kaplan

SOUNDVIEW Executive Book Summaries®



By Steve Kaplan

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How to Win and Keep Big Customers

BAG THE ELEPHANT!

THE SUMMARY IN BRIEF

Have you ever dreamed of landing that huge account — the monster contract that dwarfs any deals you've made previously, dramatically increasing the size of your profits? "Bagging the Elephant" brings you new, deeper streams of revenue, and keeping that Elephant happy ensures profits for years to come.

If you are the owner of a small or medium-sized business, this summary will show you how to find the right Elephant for your business and business needs, navigate your way through huge companies, identify and secure internal champions, build strong alliances, and position your selling approach for maximum effectiveness. Are you afraid that your company's culture won't be a good match for an Elephant's culture? This summary explains how to align them to get the most out of your relationship. Are you having trouble finding the right decision maker in a prospect's company? This summary also shows you how to use the Elephant's inherent bureaucracy to your advantage.

In addition, you will learn:

✓ ***The Elephant needs you.*** *You might ask yourself, "What could I possibly have to sell that a big company would want?" The answer is, plenty, if you match your products and services to the company's needs.*

✓ ***Six keys to thinking like an Elephant.*** *In order to best develop and leverage your relationships with large firms, you need to know how they go about their business and to anticipate needs before the Elephants even recognize them.*

✓ ***How to embrace the bureaucracy.*** *In large companies, bureaucracy is a given, and you can make it work for you by aligning your outputs and processes to make life easier for your client and, by extension, yourself.*

✓ ***How to draw up your hit list.*** *Don't be afraid to think outside the usual box to come up with the Elephants you will hunt. Ultimately, however, the business you pursue must make sense for your organization and your prospects.*

✓ ***How to recruit great champions****. Your attempts to bag Elephants will only prove successful if you have the right people on your side — people on the inside of the prospective organization who will speak up for you and influence decision makers on your behalf. These are the champions of your organization in more ways than one.*

Published by Soundview Executive Book Summaries, P.O. Box 1053, Concordville, PA 19331 USA
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BAG THE ELEPHANT!

by Steve Kaplan

— THE *COMPLETE* SUMMARY

PART ONE: YOUR ELEPHANT IS WAITING

The Elephants Need You

Why are giant companies referred to as "Elephants"? Because they are huge, slow-moving, ponderous, strong, slow to react, often lovable, sometimes stubborn — and because they require enormous amounts of input, which, if you can make it your job to supply, can bring you great financial rewards. Elephants are also smart, sometimes dangerous, uniquely individual, and equipped with long memories — all reasons for you to be supercautious and respectful when dealing with them.

Small Firm Thinks Big

Paula Westman owned a small CPA firm that specialized in tax returns. Over the course of 15 years, she had built a successful practice, preparing about 250 tax returns per year for individuals and smaller businesses, billing just over $300,000 annually. But the pressures of being a one-woman operation were burning her out. She lived with the concern that her business would collapse should she happen to become ill during peak tax season. She desperately wanted to expand her business so that she could hire other CPAs to help carry the load.

Clearly, Paula needed to bag an Elephant, but being in the service industry posed some unique challenges. Not the least of these was the fact that she couldn't imagine large companies needing her services. After some research, however, she found that there were large companies that provided tax planning and financial services to middle and senior management as perks, managed by the organizations' employee benefits department.

Paula put in a solid year of hard work to get her first big-company client. She worked out a deal with her Elephant that guaranteed her 225 returns per year for the next five years. This allowed her to hire three full-time junior CPAs to shoulder some of the load.

Paula's firm now handles only corporate clients, preparing 1,000 returns annually.

Answer Your Doubts

You might have doubts about pursuing business with big companies — "bagging the Elephant." You might be saying one or all of the following things to yourself:

- **"My business doesn't lend itself to big customers."** One of the first things to learn is that almost any business in any industry can get big customers — it's just a matter of knowing where to look.
- **"I wouldn't even know where to begin."** Beginning is the toughest part. Once you've made the commitment, it gets easier.
- **"I've tried to get big customers, but it just didn't work out."** Chances are at the time you didn't know what you needed to succeed. You may have gone after the wrong customer or mischaracterized your pitch. Try again. These are things that can be corrected.

The Elephant Really Does Need You

Perhaps the first barrier to overcome in achieving success with big companies is the belief that those companies have no use for your goods or services. You must get over the assumption that no large company could possibly be interested in what you have to offer. The truth is, the Elephant needs you almost as much as you need the Elephant. As you'll see, after you've been together awhile — after the Elephant has come to rely on your products and services, and you've become a larger, more powerful enterprise with other big clients — the Elephant may end up needing you more than you need the Elephant. ■

For additional information on Steve Kaplan's first Elephant, go to: http://my.summary.com

The author: Steve Kaplan is founder of The Difference Maker Inc., which provides a wide range of business tools to help companies of all sizes succeed. Kaplan has served as CEO of Bounty SCA, a company with 24 worldwide offices. He was also group president of Snyder Communications.

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207 pages. $19.95. ISBN 1-885167-62-8.
Summary Copyright © 2006 by Soundview Executive Book Summaries. www.summary.com, 1-800-SUMMARY, 1-610-558-9495.

For additional information on the author, go to: http://my.summary.com

Published by Soundview Executive Book Summaries (ISSN 0747-2196), P.O. Box 1053, Concordville, PA 19331 USA, a division of Concentrated Knowledge Corp. Published monthly. Subscriptions: $209 per year in the United States, Canada and Mexico, and $295 to all other countries. Periodicals postage paid at Concordville, Pa., and additional offices.

Postmaster: Send address changes to Soundview, P.O. Box 1053, Concordville, PA 19331. Copyright © 2006 by Soundview Executive Book Summaries.

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PART TWO: THE SECRET LIFE OF THE ELEPHANT

Six Keys to Thinking Like an Elephant

There are many things you have to do in order to pursue, capture and hold onto your Elephant. First among these is to change your outlook. You must stop thinking like a business your size and begin to think like an Elephant. You must do this in order to get inside your Elephant's head. It is important that you see things from the Elephant's point of view.

Everyone who will be engaged in hunting your Elephant must be engaged in this manner — every executive, manager, accountant, service representative, delivery person, mechanic, marketing person and board member with whom your Elephant might come into contact. Everyone in your business has a part and a stake in bagging your Elephant and keeping it happy.

To ensure your best chance for success, you must get everyone working together toward a common goal. All decisions about the customer; the way your employees or associates approach prospective customer requests; and the speed, priority and accuracy with which work gets done — all affect your chances for success.

The Right Mind-Set

To help you focus on getting inside the mind of an Elephant, consider these six keys to achieving the right mind-set — the attitudes and habits you should cultivate (or, in some cases, avoid) in yourself and your business if you're serious about bagging and keeping that big, rich customer:

1. One and Done. This principle is simple — you're going to be working very hard with the hope of getting one shot at a potential client, and if you blow it, it's over. You're done. This means everything from the initial contact forward, including quotes, presentations, sales pitches, client requests, and — even after you've signed a deal — delivery and further sales. Though your business may be the best thing around, the big company may never find out if it doesn't hire you. Don't give your prospect any reason to doubt you or look elsewhere, not even for a moment.

2. Priority One. Everyone wants to feel special. Big customers are no different. Lavish plenty of attention on your Elephant. Make that big company feel looked after and cherished. Return calls speedily. Answer questions quickly. Address problems immediately. Be kind to your Elephant, and it will be kind to you.

3. Whatever It Takes. If you've looked after your client, your reputation for high-quality work will have spread throughout the company, where new opportunities await. Some of these opportunities may seem removed from your core business. Be flexible in this case. Even if your current product line keeps you hopping, be grateful for the chance to grow. If you can, adjust your business plans on the fly to adapt.

Flexibility comes in many forms. It might be as simple as invoicing early or late to work within a client's budget restrictions and time frame. It might mean setting meeting times to suit the prospect's schedule, pushing a delivery date up or back, or inventorying specified items. It might also mean the opportunity to expand your services. Never put limits on what can or cannot be done for your Elephant.

Relationships of Mutual Trust

4. Long-Term Vision. You must view your big customer as a partner in a long-term relationship. Once you've established this relationship out of mutual trust, there will be plenty of revenue available to you. However, there are many shortsighted business owners and salespeople who try to break the bank on their first big score and end up paying the price. An Elephant that feels it is being gouged can depart in a hurry, and do much damage on the way out.

Think of your big customers as steppingstones for success. If you want to get to the top, you might need several stones, and each one should be as high as possible, but not out of reach of the one before. Go slow and enjoy the ride. If you get greedy, you can easily price yourself right out of the opportunity.

5. Breath of Fresh Air. Work should be fun. This is important for two reasons:

- *Having fun is good for business.* People work better when they're having fun. Look at Southwest Airlines, Seattle's Pike Place Fish Market, Business Network International (BNI), and other thriving businesses that

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Touching Memories Adjusts and Reaps Reward

When the custom stationary supplier Touching Memories was asked by a corporate client to include calendars in its offerings, the company's owners were hesitant. They were, after all, up to their ears in notepad and letterhead jobs. After much consideration, however, they acquiesced. The corporate client agreed to fund startup costs by placing a large order upfront, enabling Touching Memories to develop the new product at a profit. Calendars are now the company's biggest sellers, thanks in no small part to the owners' flexibility.

Six Keys to Thinking Like an Elephant

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emphasize fun.

● *Potential clients should feel that working with your business will be a pleasant experience.* It strengthens the relationship.

Having fun — and showing it — is a great way to distinguish yourself from your competitors, most of whom will be so focused on getting the dollars that they'll forget about the relationship. If prospects or customers call your business and speak to anyone — receptionist, salesperson, customer service rep, etc. — they should have a favorable experience. The best compliment you can ever receive from a big customer is to be described as professional, knowledgeable and great to work with.

6. Partners. A partnership is a two-way street — and that is how you should approach your relationship with your big customer. Yes, your Elephant can do enormous favors for you. Your relationship can bear much fruit in revenues and profits for many years, if you nurture it. But on the other side, you're in a position to do great favors for your Elephant, too. You can even make yourself an indispensable partner. Seek ways to help your Elephant. Look for processes and methods for streamlining its operations. Look for ways to save it money. Approach the relationship with the goal of finding the best deal that can both fill your client's needs and keep your business healthy and growing. Never underestimate what you can bring to the table. ■

For additional information on big-company focus tactics, go to: http://my.summary.com

What to Know About Elephants

Large companies are mysterious entities. Decisions to buy a product or service typically come about through a series of meetings during which a company representative collects information from you. Then, depending on the circumstances, this information is meshed with company policies and other criteria to determine whether you are the ideal supplier for the company's needs. Here are four things you must take into account in order to navigate this process effectively:

1. Know Who Does What. Seek to identify all your constituents at the company and what each needs and expects from you. These constituents include:

● *Who influences?* The people you're most likely to meet in the company are probably information gatherers and influencers, not decision makers.

● *Who buys?* These are the people who make the final decisions. Learn what they value and how you can make them more inclined to give you their business.

● *Who kills?* Always remember that whatever the merits of your business, someone at the client company can kill the deal without your ever knowing why or who. Listen for comments your contact may make about the people with whom he or she is dealing internally.

2. Know How to Get on the List. More and more companies try to contract only with vendors on a preferred vendor list. They do this to optimize their cost savings, avoid unreliable vendors, make their purchasing process more efficient, and/or weed out fraudulent or unstable vendors.

As a rule, if your potential client has an approved vendor program or something comparable, embrace it as a way to separate yourself from your competitors.

3. Know the Company's Lingo and Quirks. Every company speaks its own language — unique acronyms; report names; buzzwords; clichés; and nicknames for people, positions and facilities. Your job is to learn this language, because it distinguishes insiders from outsiders.

Keep Your Ears Open

The only way to learn this internal language is to keep your ears open. For example, if you're sitting in a meeting and hear someone use an unfamiliar term, take note and make sure to follow up with your client contact to find out what the term means.

Likewise, every company has its own policies, processes, practices and idiosyncrasies. Studying them can only work to your advantage.

4. Know the Budget Season. Every large company — your client base — develops an annual budget. This process can take up to three months and sap the energy of the company's departments. Most of the time, a budget earmarks monies for certain functions but doesn't get into specifics. To learn those specifics, you need to know when to step on the merry-go-round — that is, to know the start and stop dates of each phase and the other details of the company's budget cycle. ■

For additional information on knowing the budget season, go to: http://my.summary.com

Embracing the Bureaucracy

Fighting your way through the red tape of a typical corporation's floor-to-ceiling organization chart maze can be one of the most frustrating aspects of running a business. You can, however, turn a big prospect's bureaucracy to your advantage. The key is to figure out how it works.

A bureaucracy, in all its complexity, is the software that keeps a giant company running, a control system with built-in fail-safe routines designed to avoid catastrophe. It funnels every decision through a gauntlet of decision

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Embracing the Bureaucracy

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makers to ensure that prescribed standards of quality and cost are maintained. By its very nature and purpose, it slows things down and lowers operating efficiency — but it's a necessary evil. When you approach a big company with an eye for doing business with it, get an early start toward understanding its bureaucracy. Study it, map it, and look for its hidden connections and patterns.

Perfect Your Processes

Quite often, you will see that your Elephant's bureaucratic processes are not suitable for your business — they add cost, unnecessarily complicate your business activities, or even threaten the quality of your product or service. In these cases, you must fight process with process. When selling to decision makers in a bureaucracy, don't make vague promises about how you will meet their needs. Explain your processes in detail. This will reassure them that the activity will occur.

Your potential client probably doesn't like dealing with the internal bureaucracy any more than you do. Help your client. When your client takes your information to fill out his or her own company's forms, ask your client how his or her company plans to use your data so you can give it to him or her in a useful format. ■

PART THREE: ROMANCING YOUR ELEPHANT

Drawing Up Your Hit List

Once your entire business has a big-customer focus, you're ready to go out and bag an Elephant. Now is the time to decide *which* Elephant to bag. Although your business could potentially sell to many big customers, not all big customers are right for you. You must focus your efforts on the Elephants you are most likely to bag — and to develop a mutually beneficial, long-term relationship with them. There are three steps to this endeavor:

1. Position your product or service for the big customer.

2. Develop a hit list of big companies you believe would make great customers and partners.

3. Whittle down that list to the best of the best.

Positioning Your Business

When you think of big customers, look beyond the obvious contenders. If you usually target the general public, consider adapting your product offering for businesses, thinking broadly about your potential clients. This broad thinking will not only expand your hit list but will give you ideas for increasing revenues as well.

Compiling Your Hit List

Make a long list of all potential big customers you can think of. Be as outrageous as you can, but match the companies with the need they might have for what you offer. In other words, list exactly how you might be able to help them. Never overlook the obvious prospects — sometimes the best ones are right under your nose. Also, don't ignore smaller companies that are growing fast and showing signs of becoming true Elephants. A friend made on the way up the ladder together can be a friend for life.

Selecting the Best Target

Once you've scoured the business landscape for the obvious prospects, the less obvious ones, and the downright imaginative possibilities, carve out a realistic list of the most promising. To help you decide, answer the following questions:

- **Which prospects have the most to spend on your product or services?** In other words, who has the big bucks?
- **Does the prospect's business philosophy dovetail with your strengths?** Relationships will fail if there is a poor match.
- **How does the prospect reward the employees who would be buying your product or services?** Consider how buyers at your prospective client receive bonuses and promotions. Are they evaluated according to their ability to bring innovative ideas to the table, to buy at the lowest possible price, or to enhance the company image? The answer can help you determine whether your company fits the client's incentive structure.
- **How much does the company really need you?** Can you help the company achieve competitive advantage?
- **How far afield will the association lead you?** Consider whether the prospect's logistical factors are a good fit for your business. ■

Knocking on Doors

After you've identified target companies and understand generally how large companies operate and the best ways to approach them, it's time to get to work. The goal isn't just to set meetings — it's to land that big client. Here are the eight steps you should follow:

1. Build your prospect database. Generate a list of specific people to contact at your prospective companies. You can develop that list even when you're starting with a blank slate. Be prepared to make many calls. Be imaginative, resourceful and tenacious — you have nothing to lose. As you get new prospects, divide them into three categories: hot leads (the company buys what you sell and your contact is a good one), great fits (the

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Knocking on Doors

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company isn't buying what you're selling, but should be), and secondary leads (the prospect isn't in the market for your product right now, but you want to introduce your business to him or her, regardless).

2. Create an introductory mailing to quickly introduce yourself and your business. Write a cover letter that explains what you do, in order to build credibility and awareness, and to set the stage for a phone call and later mailings.

3. Make the first phone call, to gather information necessary for future contacts and to set up a meeting. Do this two or three days after your prospects have received your mailing. Prepare well for the call and try to determine what the prospect might expect to see in your product or service, whether your contact is the decision maker or someone with influence, whether the company already buys from your competitors (and, if so, whether they're happy), and what unique opportunities there might be with this prospect.

Showcase Your Business

4. Send a detailed mailing, to give the prospect information about your product and to set up a presentation. Do this immediately after contacting the prospect. Really showcase your business and appeal to the prospect with testimonials, brochures, samples and the like.

5. Make the second phone call two days after the prospect has received your detailed mailing. Do this to set up a presentation and further develop your relationship. Feel out the contact, but never ask whether he or she wants to meet — communicate the assumption that he or she does, and that it's just a matter of setting up a convenient time.

6. Send a creative mailing two weeks after the second call to prospects who have not yet agreed to meet with you. This enables you to re-engage the prospect in a creative way and advertise your business, rather than hard-sell your product.

7. Make the third phone call to prospects with whom you have not set up a meeting, one week after they receive the creative mailing, to attempt once again to set up a presentation.

8. Stay at the top of the prospect's mind, even if, after the first seven steps, you still have not met face to face with the prospect. Send out an inexpensive mailing to update prospects on your achievements, new clients, press notices, etc. Re-evaluate your prospect list regularly, but be patient. Some client relationships take time to gestate. ■

For additional information on how hard work and many phone calls yield contacts, go to: http://my.summary.com

Matching the Prospector To the Prospect

Putting the wrong personality type in the wrong selling situation is an easy mistake to make. Fortunately, matching a salesperson with a company is not hard to master, and can easily mean the difference between success and failure in a sale. In fact, it's merely a two-step process. Here are the two steps to follow:

Step 1: Profile Your Sales Personnel. Salespeople fall into the following three basic types, based on their personalities, styles and approaches:

- *The Sage.* The Sage cites his or her own experience to make the buyer comfortable with him or her and the product. The Sage succeeds by capitalizing on his or her experience and knowledge, not from being warm and fuzzy. The Sage thrives when he or she is selling to a conscientious or skeptical customer who is concerned about some aspect of the purchasing decision. To succeed, the Sage needs useful information; proof of your product's best features; and timely, accurate responses to the customer's questions.
- *The Pal.* The Pal is a great relationship builder — very outgoing and friendly. Customers will buy from the Pal simply because they like him or her. The main attribute of the Pal is his or her uncanny ability to build relationships. In fact, the Pal thrives whenever his or her customer wants more from a salesperson than business, and when he or she can use entertainment as a sales tool. To succeed, give the Pal clear, simple and detailed materials that explain your product or service. Pair the Pal up with a Sage — they can have a positive effect on one another and the customer. And give the Pal your consent to spend money on entertainment for the customer.
- *The Pit Bull.* The Pit Bull is all business, churning through prospects until he or she maximizes the sale. It's all a numbers game to the Pit Bull, and he or she is typically poor at customer service, often losing repeat business as a result. His or her tenacity breeds success, but it also makes enemies. Pit Bulls prosper when they're let off the leash. They appreciate having the latitude they need to clinch deals on the spot. To succeed, Pit Bulls need independence, latitude in pricing (enabling them to close deals quickly), customer service support, and a simplified closing process.

Read Between the Lines

Step 2: Make the Match. For each selling situation match the client or customer with the right salesperson. Read between the lines. You'll have to draw your own inferences about some of your customers' needs. Assess your sales force. Once you've identified the type of salesperson you need for each target customer, review

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Matching the Prospector to the Prospect

(continued from page 6)

your current sales team to see how it stacks up.

Matching the right salesperson with the right situation benefits not only you, but the salesperson as well. People thrive in a job setting that suits their needs and personality. ■

Face to Face With Your Prospect

In face-to-face interactions with prospects, first impressions are crucial. You want to come across as perceptive, experienced and confident — a professional who works with big companies every day. In order to do that, you need to make sure you get your act together. Don't prepare a one-size-fits-all sales presentation that can be rattled off in any meeting. Go into the meeting with a discussion plan tailored to that particular Elephant. Set priorities by making a list of specifics you hope to accomplish. That will help you stay focused.

You should also be able to anticipate your prospect's concerns — what he or she is likely to ask — and answer them. Better yet, prepare documents that can help answer those questions, as well as others that can clarify your answers. In short, go in prepared — never let a prospect think you're not taking the meeting seriously. When in the meeting, focus on the prospect. Establish rapport by using a pleasant conversational tone. Get the prospect to tell you something about his or her own business and its needs.

After the meeting, prepare to engage in some follow-up activities. Take a minute to write up a quick recap and to-do list, then get whatever information your prospect needs right away. Of course, all your speed and anticipation mean nothing if you can't close the deal. Establish time lines for closing and apply whatever legitimate pressure you can muster to gain commitment from the prospect. ■

Standing Up to Your Elephant In Negotiations

Sometimes large companies use their enormous financial power as a bargaining tool, demanding a rock-bottom price in return for volume sales. You can neutralize much of that leverage by following a few key guidelines when negotiating with an Elephant. These guidelines include:

- **Negotiate with a person, not a company.** You're not talking to a faceless entity who has no choice but to play hardball, as he or she would like you to believe. You're talking to a person — a person who has the power to make choices and decisions. Negotiate accordingly.
- **Prioritize what you're willing to give up.** Decide beforehand what really matters and what doesn't — and which points you can concede in order to appear magnanimous. If you reach the end of your price-cutting tether, look for throw-ins you can add to the deal to make the client feel the company is getting more value for its money.
- **Don't surrender too quickly.** Rather than agreeing to all points upfront, tell your prospect that you must check with your management. This will give the impression that he or she is doing a good job and that you're working to get your management to give in.
- **Don't sell yourself short.** If you didn't offer some promise of benefit to the prospect's company, he or she wouldn't waste his or her time talking with you.
- **Mitigate all pricing concessions.** Once you lower your prices, it's virtually impossible to raise them again. If you must do so anyway, have the company commit in writing to a volume buy or reduced service levels so you can still make a profit. In general, look for a long-term deal in exchange for a lower price.
- **Create a pricing strategy and stick to it.** Decide on a price that is fair and reasonable for everyone, then stick to that price when negotiating. Either you'll get the business or you won't. If you commoditize your offerings, it will be tough to get your full price again. ■

Recruiting Great Champions

A champion is someone inside the prospective company who goes to bat for you by trying to get his or her company to use your services. He or she speaks on your behalf during closed-door meetings and passes your name around to co-workers. As you spend more time communicating with your prospects, keep your eyes open for a champion, bearing in mind that your best champion is:

- **Motivated by what's best for the business.** He or she makes decisions based on what's good for his or her employer, not on politics.
- **Respected by superiors.** Management looks to him or her for solid business recommendations.
- **Socially networked.** People like a champion, so his or her endorsement carries extra weight and cachet.
- **Able to navigate the company to get things done.** He or she knows how to sell ideas internally.
- **Cut from the same cloth as you.** You have chemistry because you share the same business philosophy, work ethic or background.
- **Willing to give credit rather than protect turf.** He or she must feel that your success and the success of the deal reflect well upon him or her.

(continued on page 8)

Recruiting Great Champions

(continued from page 7)

Building Strong Alliances

Once you're booking sales, know your way around the client, and have at least one in-house champion backing you, it's time to seek and form alliances. Alliances will result in your getting business from a company in exchange for things your ally needs — power, information or better work experience. In order to develop alliances, you must first identify which of those needs applies, then develop a plan to fulfill it.

Most large companies have many departments, which typically can be sorted into three categories. **Profit Holder** departments are the keepers of the budget, monitoring income and outflow. They are the most powerful of the departments and are thus ultimately responsible for whether products make a buck. Because these departments hold the purse strings, they can be the most powerful and rewarding allies. Keep in mind the fact that they are judged solely on bottom line — people working for them are on the upper-management track and need to perform. For that reason, you should emphasize your own efficiency and effectiveness at providing the best return for the money.

Necessity departments are crucial to the client's core business — they are the shippers, purchasers, manufacturers and the like. Their daily tasks typically fall on the cost side of the budget, within the limits set by the Profit Holder departments. Employees in Necessity departments tend to value comfort and working conditions over stellar performance; you need to make life easier for them — it's as simple as that.

Keep Your Champions Cheering

Once you have relationships with solid champions working your cause from the inside, you'll need to foster the relationships to keep getting the most out of them, over time. Some ways to do this include:

✓ **Share the limelight.** If you share credit with champions, you'll acquire a reputation as someone who is easy to work with, and useful.

✓ **Share the knowledge.** Keep champions informed of your latest plans and work with them, not around them.

✓ **Know when to back off.** Don't exploit their generosity.

✓ **Make a happy family.** Look for new champions as you move up the company ladder. You can never have too many, and you need them at all levels.

✓ **Express gratitude.** A simple "thank you" goes a long way.

Resource departments support the Profit Holder and Necessity departments, often operating without a budget, as they are seen as nonessential areas — customer service, market research, new business development, etc. Whenever appropriate, consider inviting Resource employees to client meetings, if your client contact approves. This shows them you're in the know and looking out for them. ■

Putting Your Elephant to Work

Aside from making you wealthy, a strong client can do a great deal for you, your business and your employees. If you're smart, your relationship with your Elephant should be all you need to catapult your business to success.

One area of business in which an Elephant can provide significant funding is in new business development. If you're selling one item, look for the need to buy others, then use your relationship to sell more. Once big clients begin to rely on you and you deliver for them, they'll want to use you in other parts of the business and will help you develop the capacity to do so. Your ability to use your relationship with these clients to identify such opportunities can provide a huge boost to your business.

Training and Expertise

Another significant area of growth is in training and expertise. Look for ways to grow and learn from your client's knowledge base. If the client company needs an additional service from you or has a department that performs a service you can integrate with your other services, see if you can get the client to train your employees. Tell the client that training your staff will help you support it. Many large companies also bring in national speakers to give presentations to their employees — some of the best speakers you will ever hear can be heard courtesy of a client. Make certain, however, that the client doesn't perceive you as taking advantage or moving into unauthorized areas. ■

SOUNDVIEW RECOMMENDED READING LIST

If you liked *Bag the Elephant!*, you'll also like:

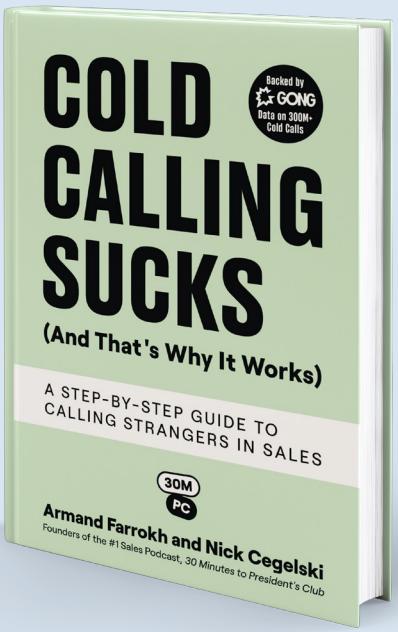
1. ***The Prime Solution*** **by Jeff Thull.** Thull offers a detailed explanation of how businesses can close the value gap that separates the value that is promised to customers from the actual value achieved.
2. ***The Dollarization Discipline*** **by Jeffrey J. Fox and Richard C. Gregory.** The authors describe how organizations can measure and explain the financial impact of noncost benefits, including increased market share, increased sales volume, and increased pricing power.
3. ***CustomerCentric Selling*** **by Michael T. Bosworth and John R. Holland.** The authors lay out a new approach to sales, one in which salespeople start listening to buyers' goals, problems and needs.
4. ***Secrets of Question Based Selling™*** **by Thomas A. Freese.** Freese offers a questions-based method that will help salespeople generate leads and close sales.
5. ***Sales Management*** **by Robert J. Calvin.** Calvin offers a primer on creating and managing today's sales force.

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Cold Calling Sucks

Armand Farrokh, Nick Cegelski

Book Snaps™
In-depth reviews of best-selling business books.



Cold Calling Sucks (And That's Why It Works)

A Step-by-Step Guide to Calling Strangers in Sales

By Armand Farrokh and Nick Cegelski

Armand Farrokh is the Cofounder of 30 Minutes to President's Club, the top sales media company known for running the #1 podcast in sales. By background, Armand was a VP of Sales who led Pave from 0 to 13M+ ARR in two years.

Nick Cegelski is the Cofounder of 30 Minutes to President's Club, the top sales media company known for running the #1 podcast in sales. By background, Nick was a multiple-time #1 enterprise seller selling six and seven-figure deals.

A Book Review by Soundview

Propel Your Sales Career

Farrokh and Cegelski open their book with a story about a VP Farrokh worked under named Stef. Stef was the VP of Sales and was having difficulty figuring out why some of his sales representatives were successful and others were less so. For a while there was high demand and few sales representatives, making quotas easy to hit for everybody. The company, however, decided to keep quotes the same while hiring on more sales staff, making the sales process more difficult for all involved. Farrokh was performing far above the other salespeople. The difference between the top two performers and the rest of the sales staff was attributed to the number of people the top two approached. Farrokh utilized cold calls while his second performing colleague relied on cold emails. Both were effective at bringing them to the top of the leaderboard, but the cold calls outperformed cold emails by a noticeable percentage.

Farrokh explains that his cold calling process can be boiled down to a simple formula, "Opener. Pitch. Objections. Meeting." It is this process that he explains in his book. Farrokh's success led him to eventually being responsible for overseeing those responsible for creating bookings.

Despite their success with cold calling, Farrokh and Cegelski are not blind to its pitfalls. In their words, "cold calling sucks." He attempts to help his reader make these calls less awful, but he claims that they will remain "painful and uncomfortable for every single salesperson on planet Earth." Despite this, cold calling is still an important element of sales success. To beat the average, a salesperson must do more than his or her colleagues do. The authors are convinced that this extra something is a skilled cold call. They note the large gap between people less skilled at cold calling and those who are experts, and thus believe that practicing cold calling is worth the time and effort it takes to become an expert.

Farrokh and Cegelski offer four promises to their readers.

1. They will explain, step by step, every part of the cold call.
2. They will share voiceovers with their readers through QR codes. Because of these voiceovers, their readers can master delivery and avoid sounding too scripted.

3. The techniques provided will work for sales people regardless of field or industry.

4. Their points will be backed up with data.

Knowing how many people will avoid cold calling if they can find a reason to, the authors recommend starting cold calls immediately, before finishing the book. In order to make this easier and more effective for readers, Farrokh and Cegelski have provided readers with a simple framework to begin the phone calls and they also provide a podcast episode that gives listeners a step by step process for cold calling. Both are available to readers via QR codes embedded in the book. In addition, the two recommend that readers find an accountability partner who will help keep them motivated to make 200 cold calls a week. The accountability partners can also help each other role play openings and suggestions.

The First Sixty Seconds

Farrokh and Cegelski maintain that "most cold calls are won or lost within the first 60 seconds." They believe that the purpose of this first minute of the conversation is to get an actual conversation going in subsequent minutes. Farrokh discusses an internship he had where he made 800 phone calls and booked zero meetings. Not a single conversation lasted more than sixty seconds. The responses of those he was calling made him feel like he was no more than a telemarketer. Then a man from his company named Brandon who was hugely successful selling the company's insurance came up to him and recommended that he tell people that he works with other people they may know and ask the prospect if he has heard of him. While it is unlikely that the person on the receiving end had heard of Farrokh, the opening showed the receiver "that you work with other people of their stature." Farrokh and Cegelski explain this as being the difference between advising and telemarketing. Brandon told Farrokh that he would go with him to any meetings he got to help him "close the deals."

Farrokh tried this approach and secured three meetings in 40 phone calls. He credits his success to the social proof that he offered at the beginning of the calls by referring to other people of the potential client's stature. A cold caller should sound like they are leaning back with their feet on their desk with a demeanor that expresses that they assume the prospect will have heard of them.

The social proof opener is the first the authors recommend. The second opener the authors recommend is "the tailored permission opener." With this opener, the sales person acknowledges, from the start, that they are a cold caller and instantly explains what problem it is that the salesperson can help solve. The tone the sales representative ought to take in such a situation is that he or she understands how annoying cold calls are but that ultimately they are different because they have really researched the prospect before engaging in the call. When using this approach, the cold caller should end with asking permission to pitch for a specific time period, maybe thirty seconds, because this makes the prospect believe that they are in control. If they deny permission, the salesperson should then give an incentive for the prospect to explain why they do not want to hear the pitch. This is done to keep the conversation going. For example, a prospect could ask why the prospect does not want to hear the pitch so that the salesperson can make sure that no one from the company bothers the prospect again. The incentive is the promise of no future cold calls from the salesperson's company.

While building social proof can help keep people on the line, chipper tones, trembling voices, canned openers, and robotic pitches can turn people away instantly. A successful cold call must feel different than all of the other cold calls the recipient traditionally receives. In addition, over enunciating words and using an upward inflection will turn prospects off.

Once getting past the first thirty seconds, Farrokh and Cegelski recommend substituting a problem proposition in place of a value proposition. When a sales person focuses on a problem that the prospect has and explains that they understand this problem deeply, the salesperson does not even need to talk about their product much but can rather explain how they can solve the problem in one sentence. This problem focused approach is valuable because "your product has no 'value' unless it's solving a problem."

When focusing on value, a sales person ought to focus on a triggering problem that "should transport [the prospect] back to the crappiest part of their day." The problem should be explained in detail, almost as if the salesperson is painting a movie scene in the prospect's head and should include persona, annoyances, scenery, and emotion. This should be specific to each prospect. When explaining why the product in question can solve the prospect's problem, a salesperson should "strike the balance between sharing too little and sharing too much." Finally, it is important to then ask the prospect if they would like to learn more about the solution. This validation of their interest in a product makes it more likely that the prospect will agree to hear more.

Finally, when "asking for the meeting, suggest time ranges, not specific times." While it is preferable to avoid moving the conversation to email, if the prospect does request such, it is beneficial to "throw a dart at the calendar" because accepting an invite is psychologically simpler than creating a new one.

The Miyagi Method

When it comes to how to handle all that comes after the first sixty seconds, Farrokh and Cegelski focus on two key issues: first, what they call the Miyagi Method, and second dealing with gatekeepers who can be quite adept at their undertaking.

Farrokh and Cegelski maintain that most initial objections to a cold call are not objections to the caller in particular or to the product. Rather the rejection is just an automatic, emotional reaction, not one based in logic. Because of this, Farrokh and Cegelski say that responses that appeal to logic are not effective at this point. Rather, the salesperson should respond by agreeing with the prospect's objection which usually pertains to interest, budget or competitors. This is the first step of Farrokh and Cegelski's Miyagi Method.

There are two key mistakes callers use when dealing with gatekeepers. The first "is trying to befriend the gatekeeper," and the second is "treating the gatekeeper like a prospect."

The next step in the Miyagi Method is incentive. This is where the salesperson asks a question and incentivizes an answer and further conversation by stating that the answer will help make sure no one from the sales company ever cold calls the prospect again. This is beneficial for numerous reasons, not least of which is because it continues the conversation.

Finally, the salesperson should focus on getting the prospect to check out what is offered just in case it should ever become helpful. The salesperson does this instead of trying to sell the product directly. The first two steps in the process helped lower the pressure. If a hard sell follows, the pressure is ramped back up and the prospect will be turned off. The salesperson should offer a test drive of sorts. This test drive offer should refer back to the original objection. It can include mini push-aways that assure the prospect you will not be hard selling them such as, "I don't think you'll make the switch now."

During this process, it is beneficial to speak slower than necessary because by controlling the pace of the conversation, the sales person will avoid appearing to be of an inferior rank to the prospect. Laughing when faced with objections can also disarm a prospect and make them feel like perhaps their reaction is the problem. This also makes the sales person appear more like a peer.

Common Objections

Farrokh and Cegelski move on to discuss the 18 most common objections prospects present callers with. These objections are broken down into three different categories: dismissive objections, situational objections, and existing solution objectives. Most objections fall into the first two categories, and "the top 5 most common objections actually account for 74% of all objections." To deal with these objections, Farrokh and Cegelski suggest learning the best way to handle each category while starting "with the top objections you receive" and then moving to the "5 most common objectives."

Dismissive objections such as hanging up or pushing the phone call back six months can be difficult to deal with because they do not give the caller any information about the prospect. To deal with this, the caller should provide an incentive for the prospect to share the true reason they do not want to pursue the call. Sometimes this will result in rude retorts, and the caller can use "'Disarmingly Blunt' transparency and humor" to keep the conversation going.

When discussing situational objections, Farrokh describes how whenever he would visit his mother, she would ask him to clean out his childhood closet. It was not worth it for him to do so, and it was not worth it to his mom to pressure the issue, so the closet never got cleaned out. In short, for neither of them did the costs outweigh the benefits. Many prospects feel the same way. To overcome this, Farrokh and Cegelski recommend taking away the pressure of purchase until the prospect learns what the benefits of purchase actually are.

The final type of objection is the "existing solutions objective." Farrokh was never a person to eat vegetables. He was in shape, and he did not see a reason to overhaul his diet. One day, a gym buddy mentioned how Farrokh must not get sick often because he is seemingly so healthy. When Farrokh said that he did, in fact, get sick often, his friend told him that he, too, used to get sick frequently until he learned that he had vitamin deficiencies because of his diet. The gym buddy then asked Farrokh if he wanted to try his greens powder. This served as a test drive. Farrokh started regularly drinking the green juice despite his previous dismissals of people who used to try to get him to eat more vegetables. Farrokh and Cegelski explain that this approach worked because the friend did not criticize Farrokh's current situation. This would have immediately turned Farrokh off.

The same approach can be used with cold calls by first agreeing with the solution the prospect currently uses. The salesperson then uses a trap question based upon what the salesperson assumes will be a problem. This problem can be determined based on the prospect's existing solution. The salesperson can then use social proof to get a test drive by explaining how another person or people benefited from their particular solution.

Getting Past Gatekeepers

To get to the decision makers in a company, often a cold caller will have to make it past gatekeepers whose job is not to let them through. There are two key mistakes callers use when dealing with gatekeepers. The first "is trying to befriend the gatekeeper," and the second is "treating the gatekeeper like a prospect." Gatekeepers have heard every sob story, and so befriending them will not help, and their job is to reject pitches, so providing a pitch will not be of any benefit to anybody. To deal with gatekeepers, Farrokh and Cegelski recommend first being asked to connect to the prospect without giving any information. If that does not work, a caller should establish context that pertains to something specific to the prospect's company. If the gatekeeper presses on further, the caller should give social proof.

Gatekeepers are formidable obstacles as gatekeepers reduce "the success rate of a cold call by 39%." Ways to bypass gatekeepers altogether are by calling the prospect's mobile number, calling when a gatekeeper likely is not at work, or pursuing other avenues such as LinkedIn. While some do not recommend leaving voicemails, Farrokh and Cegelski do recommend using them to

prompt a prospect to respond to an email previously sent. A first voicemail should be only 15 seconds long and should provide only context while a second voicemail should be thirty seconds long and should provide both context and social proof.

Making Connections

Cold calling cannot be effective if a salesperson is not dialing the correct numbers at the correct times. The authors discuss a man named Kenny who made only ten conversions out of 400 cold calls. Upon further inspection it was revealed that Kenny was repeatedly calling bad numbers, and on the few calls that did go through, he was calling companies and individuals that he had no chance of converting. This helps explain how usually the person who makes the most phone calls is not actually the most effective cold caller. This is because while effective callers make many calls, they take the time to figure out which calls will be productive and which will not before they begin dialing.

Farrokh and Cegelski give four tips for maximizing the number of connections. First, a salesperson can use mobile phone numbers as often as possible to increase the chance of getting through to an actual person. Second, a salesperson should take good notes so they do not spend time repeating calls to bad numbers or calling people who cannot make decisions. Third, they should do what they can to avoid their number being marked as spam by performing tasks such as registering the phone number and testing the phone number regularly to make sure it is not marked as spam. Finally, an effective cold caller will recognize when a prospect is simply too hard to get a hold of and they will then move on to other more promising prospects. There is no point to calling somebody for years in the hopes of one day making a sale.

Getting Started

The authors maintain that a salesperson does not have to feel good to begin the cold calling process, but once they do begin the process, they will begin to feel good. They understand that almost nobody really enjoys the cold calling process, and as such, they give recommendations for getting started and meeting cold calling goals despite the unpleasantness of the task. For example, Cegelski recognizes the desire to put off cold calls, so he makes sure to drink a large coffee on the way to work, and then he refuses to allow himself to use the bathroom until he has completed his calls. Not all methods are quite so painful, however. Farrokh and Cegelski recommend making calls first thing in the morning, and they also recommend putting these calls on the calendar. One of the primary benefits of getting cold calls done in the morning is that it makes the rest of the day more enjoyable when the hardest part is already done. The authors warn their readers that nobody actually wants to make cold calls in the morning, so salespeople should not use this as an excuse to put off the calls. Farrokh and Cegelski maintain that it can also be helpful to only check emails at certain times so that email time does not run into cold calling time.

As the title of their book suggests, Farrokh and Cegelski know that nobody enjoys making cold calls. They are not exceptions to this rule. They have found in their own careers, however, that these calls are incredibly effective when done correctly and with skill. While their book is loaded with suggestions and solutions, one of the primary benefits of their book are the recordings available through the embedded QR codes. Becoming an effective cold caller takes practice, and the scripts given and the audios presented can help even the most reluctant cold caller improve their success rate and become one of the best around.

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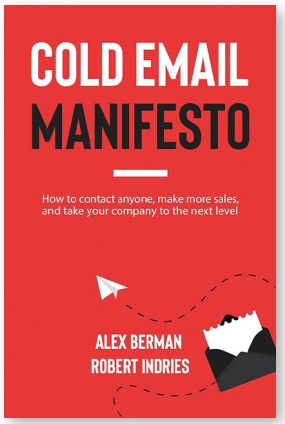
Cold Email Manifesto

Alex Berman, Robert Indries

Executive Book Summaries®

Cold Email Manifesto

How to Contact Anyone, Make More Sales, and Take Your Company to the Next Level



by **Alex Berman and Robert Indries**

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THE SUMMARY IN BRIEF

Most businesses struggle to scale. One of the most common reasons behind this problem? Either their conversion rates are too low, or they never have enough leads.

The book ***Cold Email Manifesto: How to Contact Anyone, Make More Sales, and Take Your Company to the Next Level*** tells entrepreneurs and business leaders exactly why cold email is their million-dollar secret weapon. It rips open the secrets of crafting "perfect" cold emails, talks comprehensively about the elements that make up these emails, and shares invaluable advice on how to build a genius sales team.

Authors Alex Berman and Robert Indries unfold their professional expertise into a clear, ultra-actionable game plan that helps us hunt quality leads, use the magic of cold emailing to sell to those leads and build a massively profitable business.

IN THIS SUMMARY, YOU WILL LEARN:

- Why cold emails are supremely powerful.
- How to create the perfect cold emails.
- How to get potential clients to respond.
- How to build an a-team and lead it to victory.

Introduction: Starting from Scratch

One of the biggest mistakes companies make repeatedly is that their distribution model stays completely messed up before they launch. Relying on referrals as an agency owner, for instance, is akin to moving to Hollywood to become an actor. The odds are super, super slim. The solution? You need to be growing via outbound marketing. And that's why cold email is an excellent way to grow your business.

Most people believe cold email is spam. How do you deal with this perception? Understand why the recipient believes you're spamming. Ask key questions and use the feedback to get better. Eventually, you'll start to be praised for the quality of your emails. Agencies operating in a field as saturated as SaaS must focus on targeted cold emails, booking sales meetings, and winning based on personalization. While the big guys spam, you win by hitting potential customers with targeted, customized cold emails.

Now, many of you reading this book may be starting with nothing. But you can use it as an advantage. I closed our first $600.000 in sales for x27 while living in my mom's basement. You don't need to spend money on advertising. You can do this for free. All you have to do is get the process right.

Chapter 1: My Dad Was the Cold Call King

My dad was an innovator. He saw an opportunity and created a multi-million-dollar business out of it. A part of that business was cold calls. So, naturally, selling was in my DNA!

If we fast forward to the present day, cold calling still works. But it's not as useful as it used to be (it needs a massive Jurassic-World-style reboot)! There are a ton of reasons for this, but the primary one is simply that cold emailing is more efficient and effective. Instead of cold calling Coca-Cola, which might have been one out of 100 calls that even connected that day, I can instead email 100 similar companies, and book 4 to 8 meetings in a few hours.

But how did I get this figure of $600,000 in recurring revenue for our agency in such a short period? This was a straightforward process. All I did was start sending out emails. From the first batch of 20 emails that I wrote, I was able to arrange 8 meetings. And then the next day, another 20 emails went out, and I managed to book 6 more meetings. So that was nearly 20 meetings booked from just three days of work and only 60 initial emails.

Back to the subject of cold calls, a regular process involves a dialer contacting countless people until a few people (who you know absolutely nothing about) respond. On the other hand, the new system of cold calling – I call it Cold Calling Reboot – is about choosing your clients carefully. You reach out to just 50 people you believe will be interested in your product instead of calling thousands of uninterested parties. You run customized research on these 50 to progress the dialogue further, book meetings, or send emails.

Now that you know why Cold Calling Reboot – replacing your current marketing strategy with a targeted multi-touch omnichannel cold email campaign – is superior, let's get into the actual process of doing it.

Chapter 2: Making Cold Email Work

Cold calling is dead. We've established that. Instead, we are warm calling. When we get customers on the phone, they've already opted in. And the best way to achieve this is via cold email. So here, we're going through the entire Cold Email process. This involves:

Specific Offers. The most important aspect of a cold email campaign is to have a very specific offer. You must have something nailed down (i.e. a compelling proposition) that you know that you can deliver. This could be something that would separate you from the competitor or a unique offer they can't refuse.

Subject Line. We have a complete list of subject lines proven to perform later on in this book, but for now, just use the subject line "Quick Question." This line has consistently outperformed others in our testing.

Framing the Compliment. The best cold email is a fully custom-written one, and the worst-performing email is a generic template. But fully customized cold emails take hours, so I realized utilizing a customized first-line would help transfer the power of a fully personalized cold email while saving time.

Creating your Sales Team. Break all the tasks up into component parts, and then get people to specialize. For instance, your closer must only focus on closing and your lead generator must only focus on bringing your clients, and so on. Also, tap into the power of CRM (customer resource management) software to ensure your entire sales team is connected. Your lead generator, first-line writer, appointment setter, and closer all need to be tracked by the system

Paying attention to your benchmark stats is critical to doing cold emails effectively. Your lead generator should be able to locate 200 quality leads every day.

and all the data must be managed by the sales director.

Benchmark Stats. Paying attention to your benchmark stats is critical to doing cold emails effectively. Your lead generator should be able to locate 200 quality leads every day. Your custom complement writer must have a book rate between 4-8%. Finally, your closer should be getting between a 10-25% close rate from cold leads and 80% for warm, qualified leads.

Your overall Cold Email process must include:

- Targeting the Customer. Here, you drill down into the specifics of the industry that you're dealing with. A strong customer profile will include the title of the person, the company size, and its revenue.
- Building your Targets. This step is all about clearly identifying your targets. For instance, if you're selling Twitter management, you'll want to target those who aren't achieving their potential on Twitter.
- Running Outbound Email Campaigns. Many people don't respond to the first email due to many reasons. This is where the need for follow-up emails comes in. Use the same email thread for follow-ups and avoid sending more than 3-4 emails, with the last one being a "breakup email."
- Once you've been through the email process, and you've hopefully attracted a client, it's time to arrange a meeting, create a rock-solid appointment setting script, and craft the sales call to finally close the deal.

Chapter 3: The Pre-Work

Most companies miss three key components of a winning cold email offer. These include: case studies, the offer itself, and the target market.

First, you need to get your case studies super aligned. You want to put an offer in place that is a no-brainer for potential clients. And the important component is that you want the target market to be someone that can afford your offer. You can derive your target market from existing case studies.

A good offer is specific and is tied to a monetary goal. This means that somebody hearing your offer for the first time will immediately know that it's going to make them more money or help them look good in their job. Try to reframe everything you offer in terms of how much money it's going to make our potential clients. For instance, if you're designing logos, you're going to help increase brand credibility which will, in turn, lead to more sales.

Next, you'll want to sell from a domain that is not your main domain name to avoid your main .com going to spam for the rest of your agency's life. So, buy three similar domains and redirect back to your main site. Don't neglect your email signature. A good email signature will include your name, contact details, and one strong link. Finally, warm up your email. Email warm-up tools trick the spam filters into seeing your new inbox as a real person. You can find them on ColdEmailManifesto.com/tools.

Chapter 4: Lead Generation

At this point, you've done a lot of prep. You've gone through the pre-work, you have your case studies in place, you know where you're positioning yourself in the market, you know who you're targeting. Before you go any further, we need to talk about lead generation. Who you send an email campaign to is more important than the content of the email.

Cold email is not spam, so don't make it into that. Make sure your lead generation criteria are watertight, your whole operation remains above board, and you're helpful rather than a nuisance. To put lead criteria in place, keep these points in mind: first and last name, email, website, company name, and custom first line.

To write your custom first line, you'll need to define your target market, which requires you to know three things: A specific industry, job title, and company size. Target Golden Geese companies that are worth between $5 million and $150 million in annual revenue. These are the companies that will pay more than a small business and respond faster than big-name corporations.

The three most valuable ways to generate leads include:

- Lead scraping. This is a manual lead generation process. Here, you find a list of companies online and generate your email list from this research.
- Lead databases. Utilize the array of lead generation databases that already exist.
- Online freelancers. With countless job boards online, hiring top freelancers to generate your leads can work wonders.

Chapter 5: The Perfect Cold Email

To reiterate, a great cold email consists of five parts: Subject Line, Compliment, Case Study, Call to Action, and Email Signature.

Subject Line. Your subject line is your first point of contact with a potential prospect. The top subject lines that have proven to be successful include:

- Quick Question
- [Name], Quick Question
- Quick Question, [Company Name]
- <Relevant Emoji>
- Question?
- Something for you, [Name]
- Interview Invite
- I've got a Story for You
- [Name] Recommended I Get in Touch

Personalized First Lines. This should compel the recipient to respond. And as we discussed earlier, nothing works better than a custom complement.

Case Study. A great hypothetical example of this would be, "Recently, we helped Marvel Studios get 250,000 Twitter followers in two weeks using targeted Twitter ads." Remember though, a case study isn't just about flaunting numbers. Every word here must demonstrate experience, instantly build authority, and curate the appropriate reaction from the recipient.

Call to Action. The first example of a CTA that works is the 'simple ask.' Example: "Interested? Let me know and I can send over a few times to chat." And the other we refer to as the 'specific benefit.' This one is a little more advanced. "Can you take on more clients? Let me know. and I can send over a few times to chat." The reason that the second one is more advanced is because of the first few words, which are customized to your exact offer, rather than copy-pasting the same sentence as everyone else.

Chapter 6: Hit Send

By now you've unlocked the secret of cold email. But before you hit send, there are quite a few questions that need to be answered.

How many emails are you going to send? It's natural to want to jump in at the deep end. But if your campaign isn't appropriately optimized, you'll run the risk of having burned leads and getting marked as spam. Instead, if your campaigns are well thought out and you're more patient, you can eventually be in the position to send 1,000 emails a day or more. Start with sending 10 cold emails per day and increase that by 10 more every day for the first month, until you're averaging 100 customized emails per day. And before you scale your numbers to over 1,000, make sure your campaigns are functioning correctly. Don't scale your campaign unless you're hitting your targets.

What's the best time to send emails? People tend to check their work emails at certain times of the day and week. So, first thing in the morning and the end of the working day are the best times to send emails.

When to send your first campaign? You're not going to nail everything on the first or even the fifth attempt. But keep testing what types of emails work and how you can improve to boost your response rate. Use the tools on coldemailmanifest.com to queue your first campaign.

One of the most important ways to improve cold email results is via lead quality. Ensure that you only send emails to people who are likely to purchase from you. Your email response rate is the key benchmark. Remember that you should be aiming for 6+ meetings per 100 emails sent. Create a testing plan to ensure your cold email strategy brings results. Some suggestions include:

- For every 100 emails you send, try 50% with one subject line and 50% with another.
- Try different case studies and experiment with the wording.
- Change the sending times for different days and hours.
- Swap follow-up emails, and try different wording and approaches.

The best salespeople believe in the service that they're delivering, they believe in the product.

Chapter 7: Building A Team of Rockstars

Now that you know about all the prep work you need to do, and all the specifics involved in getting started and bringing success, it's time to focus on building a team of rockstars. This involves talking about mindset, happiness, and how you should set the business up so your employees relish the process, and you grow and succeed as a result.

Start with working on creating job satisfaction. Everyone on your team has their own interests, their own internal artist. Identify what that is and build a business case that enables them to work on it. It might not be 100% of their projects. It might not even be 10% of their projects. But if you can throw in some fun projects regularly, maybe once a month, you'll boost the happiness of your employees.

Recruitment is key in any business. And in the type of business we're discussing here, there is no one more important than the salespeople. The best salespeople are either freelancing and making millions or hired by top corporations with the best possible compensation. So that leaves you with the C-tier salespeople and the way to address this problem is to train your people from the bottom up.

The best salespeople believe in the service that they're delivering, they believe in the product. To deliver at the highest levels, you'll have to achieve buy-in across your organization. For this, it's important to fix your production and delivery and communicate this effectively to your salespeople. Finally, opting for a commission-only model ensures you pay just based on what your salespeople close and that helps your organization grow organically.

Chapter 8: Leading Your Team to Victory

If you manage any sort of organization, you're always learning on the job and uncovering new things, but there are still broad principles you can put in place that will always apply and always deliver results. These four vital obligations are your obligation to the employee, to the customer, to yourself, and to the business.

Remember, people will do whatever they're going to do, regardless of whether you're there or not. Therefore, your job as a manager is to identify the people who will flourish within your organization and create an enabling culture that allows them to succeed. If you identify the right people and get them excited about working with you, the sky is the limit!

Chapter 9: Other Uses for Cold Email

If you've listened to the book to this point, you know how to use cold email to transform your sales and your business. Cold email is not just a tool for sales. It can be a powerful way to generate backlinks, get your dream job, and literally achieve anything you want.

Cold email means crafting your pitch in a way to get what you want from whoever you want. So, just craft your pitch, send it to their direct email, and see what happens.

Conclusion: Where to Go From Here

You understand that cold email is a life-changing and business-changing skill. You now have everything you could ever conceivably need. At this point, all you have to do is execute. You have no excuses. You can begin to implement cold email today and unlock success and riches. Go, do it now!




Known as the "Cold Email King," **Alex Berman** has helped over 100,000 professionals with his cold email marketing course. More so, the free marketing resources he shares on YouTube and Twitter has reached over 10 million people thus far. R**obert Indries** current-owns 8 businesses generating 7-figures yearly, which have grown steadily month after month even during a global pandemic. With operations on four continents and thousands of clients all over the world, Robert is providing jobs to hundreds of people in 6 different industries.

Cold Email Manifesto: How to Contact Anyone, Make More Sales, and Take Your Company to the Next Level by Alex Berman and Robert Indries ©2023 by Alex Berman and Robert Indries Summarized by permission of the publisher, Morgan James Publishing. ISBN 978-1636981376. Published by Soundview Executive Book Summaries®. Copyright © 2024 Soundview, Inc. All rights reserved. Reproduction in whole or in part is prohibited. For permissions and reprints, please contact service@summary.com. 46SS04D

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Crushing Quota

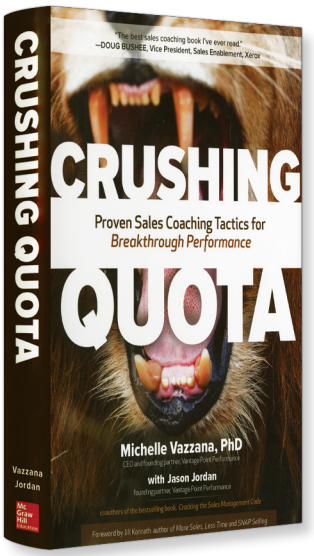
Michelle Vazzana, Ph.D.

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Sales

Crushing Quota

Proven Sales Coaching Tactics for Breakthrough Performance



by Michelle Vazzana, Ph.D. with Jason Jordan

THE SUMMARY IN BRIEF

Sales coaching works. Those who do it right prove this, time and time again. If you're one of the many managers yet to reap the benefits of sales coaching, the solution is in your hands.

Based on the most extensive research ever conducted into sales coaching practices, *Crushing Quota* breaks the process down into manageable components, so you can make sales coaching a realistic, meaningful part of your staff's job. It all comes down to three critical points that the vast majority of sales managers today are missing: provide clear direction for sellers on how to get to quota; ensure effective execution by coaching the right things, in the right measure, executed the right way; and assess seller performance and make timely course corrections.

It's all about helping your people make the best use of their time and effort. That's what coaches do. When a salesperson is skilled at deciding which priorities to pursue and which ones to ignore, results follow. It's that simple.

Based on powerful research-based best practices, *Crushing Quota* is the definitive guide to making sales coaching work for any sales team in any industry.

IN THIS SUMMARY, YOU WILL LEARN:

- Why coaching must focus on activities rather than outcomes.
- The four groups of activities in which salespeople engage and how to coach for each group.
- Why good sales-coaching conversations are similar to good sales conversations.
- To incorporate coaching into your day-to-day job — without working harder.

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Published by Soundview Executive Book Summaries®, 2 Christy Drive, Suite 302, Chadds Ford, PA 19317 USA
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Vol. 41, No. 2 (3 parts), Part 1, February 2019 • Order #41-04

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PART I: COACHING — WHAT IT IS, WHAT IT ISN'T AND WHAT IT COULD BE

Welcome to the Jungle: The Scary Reality of Sales Management

Sales management is a tough gig. Fewer and fewer sales managers are making a successful transition from high-performing salesperson to high-performing sales manager. One of the primary reasons managers fail to get more salespeople to quota is that their work environment is inhospitable to the behaviors needed to drive better sales performance.

Coaching is critical. Coaching matters. And yet, so little good coaching is happening. A Vantage Point Sales Management Practice study, based on revenue performance, showed that high-achieving individuals who were successful salespeople are largely unable to replicate their high performance when managing a sales team: 75 percent of the sales managers missed their revenue targets and were getting fewer than half their sellers to quota.

Managers want to succeed. They want to coach, yet they can't figure out how. Why not?

The Chaos of Sales Management

Even very sophisticated organizations unwittingly create the very problems that prohibit effective coaching. Sales managers operate in a pressure cooker. Pressure is exerted from every direction, and it doesn't let up.

The primary and most unrelenting pressure comes from sales leaders. Their insatiable appetite for data is strong, almost primal. The forecast is to a sales leader as lobster is to a foodie. It is a tasty treat. And limitless consumption is not merely acceptable but desirable.

Human resources departments are commonly responsible for ensuring that the right salespeople get hired and trained. Often this is done by developing very sophisticated competency models for each role within the sales force. Much of the burden of assessing and developing salespeople rests on the shoulders of the sales manager.

Marketing is another function that places demands on the sales manager. New products are being launched. New campaigns run. To make sure the desired growth targets are met, marketers need information. They don't trust the information in the customer relationship management (CRM) system so they want it scrubbed. And they want it scrubbed by the sales managers.

Sales operations has another set of demands. Sales managers are constantly judged on CRM and tool usage, and they are regularly reminded where they stand.

Customers have billing issues, service issues and other problems that need resolution. Salespeople want help dealing with customer issues. The list goes on and on.

A time study conducted by Dr. Adam Rapp, the executive director and professor of sales at Ohio State University, revealed that at best, managers spend about 32 percent of their time managing their sales team. The other 68 percent of the managers' time is consumed by managing information, administration and direct customer interaction.

How can sales managers go from almost no coaching to coaching consistently and doing so very effectively? If managers can get the right guidance, the transition from salesperson to sales manager can be smoother, take less time and be less traumatic.

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Published by Soundview Executive Book Summaries® (ISSN 0747-2196), 2 Christy Drive, Suite 302, Chadds Ford, PA 19317 USA. Published monthly. Subscriptions starting at $99 per year. Copyright © 2019 by Soundview, Inc. **Available formats:** Summaries are available in several digital formats. To subscribe, call us at 1-800-SUMMARY, or order online at www.summary.com. Multiple-subscription discounts and corporate site licenses are also available.

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Sales Coaching: How It's Wrong and Why It Fails

Here's what coaching looks like for most sales managers. You attend a sales call with one of your sellers, you take detailed notes on what occurs, and you conduct a debrief in the car on the way back to the office. Coaching done. This has been and continues to be the conventional wisdom on how best to coach a salesperson.

Unfortunately, this outdated view of coaching is no longer viable for two compelling reasons. First, there is a practical reality that prevents most sales managers from spending more and more time in the field. The ratio of salespeople to sales managers is growing. Another is that teams tend to be more geographically dispersed.

The biggest and most surprising reason that yesteryear's get-in-the-field-as-much-as-possible coaching strategy is a bust is that new research proves that it simply doesn't work! Low performers report that they coach 27 percent more hours per month than the high-performing managers. This finding goes directly against conventional wisdom that more coaching is better.

How Sales Managers Coach (or Don't Coach)

What managers often think of as coaching is not really coaching at all, especially from the salesperson's perspective.

Sales coaching is equipping salespeople to execute activities consistently well. The best sales coaching involves collaborative dialogue between manager and seller about the activities necessary to get that salesperson to quota. Valuable sales coaching is relevant, timely and helpful to the seller.

Inspection, on the other hand, is about gathering information. Part of the reason managers inspect is to ensure that salespeople do things, but inspection alone doesn't allow managers to determine whether the things salespeople do are done well. Inspection is a necessary activity for sales managers and often forms the basis for coaching; however, it is not the same thing as coaching.

The curse of knowledge also happens, because once we know something (like how to sell against a thorny competitor), we don't remember what it was like not to know it. We assume that others (namely, our salespeople) have a similar frame of reference. This curse of knowledge causes us to be unintentionally unclear and ambiguous when providing direction to our salespeople. We often leave out crucial details that could have been helpful. We tell only part of the story, when we should have told the whole story.

There is also the culture of dependence — your worst enemy. Dependence is not inherently bad. It is the level of dependence that often goes awry. Unhealthy dependence on the sales manager often occurs because of a lack of clarity between the role of the manager and the role of the seller. Many sales managers are not clear in their own mind about what constitutes their job versus the job of their salespeople.

The Best Path Forward

The first order of business is to establish a common language. We need to be very clear what we mean by sales coaching as compared to other types of coaching we do as sales managers. A common language helps managers and salespeople get on the same page. It reduces the prevalent disconnects between manager and seller perception. It forms the foundation for effective coaching.

It is time to remove the guesswork and apply some science to sales coaching.

PART II: THE GROUNDWORK FOR GREATNESS

Deciding What to Coach

We coach to help our sellers reach their quotas, but we can't coach those outcomes *directly*. We can coach only to things that *lead* to quota and revenue attainment. The Vantage Point Sales Management Study showed that coaching to *activities* was the only type of coaching significantly related to quota attainment. A full 20 percent of the variance in quota attainment was attributed to activity coaching.

There are four distinct groups of activities in which salespeople engage. These groups of activities work together to drive specific types of sales outcomes.

Territory management. There are many customers and prospects, and they are not equally attractive. Prioritization is required to maximize sales efforts.

Account management. Select customers are vital to organization performance. Special, in-depth attention must be given to acquire, retain or grow these important accounts.

Opportunity management. Individual deals are large and complex, and they involve multiple decision-makers. Competition is typically strong. Winning requires thoughtful strategy.

Call management. The outcome of a given sales interaction is important. Each interaction is unique and therefore requires advanced preparation.

To determine which type of coaching you should provide, it is useful to revisit the nature of the roles of the salespeople you manage and determine which sales processes are aligned with those roles. It is likely that more than one sales process is relevant to the salespeople on your team and that they would benefit from some combination of coaching.

To choose individual activities, three levels of metrics are necessary to create the best path to results for each of your salespeople and increase the likelihood of making quota. The key is to begin with the outcome and work your way backward.

Start with the *business results* you want sellers to achieve. Link the results to specific *sales objectives* that provide direction and guidance for salesperson effort. Then, identify and coach the *sales activities* most closely aligned with achievement of sales objectives.

Structuring Coaching Conversations

It is time to learn *how* to coach effectively. The most successful sales managers don't coach more. They coach differently. Good coaching requires managers to make better choices during those precious hours they spend coaching their salespeople. It requires managers to fight the tendency of what feels natural or easy and to choose what may feel too structured or restrictive at first.

There are very specific steps sales managers can take that dramatically improve the quality of their coaching. One of the most important, and often overlooked, elements of effective coaching is the use of an agenda. Agendas lead to better coaching conversations. Less is better. It is useful to have fewer agenda items and cover those items in more depth.

Conducting Effective Coaching Conversations

Good coaching happens in *conversations* between the sales manager and the salesperson. Good coaching conversations are remarkably similar to good sales calls.

For example, good sales calls are highly collaborative. They have a good balance of back-and-forth between the customer and the salesperson. They typically include both seeking and giving on the part of the salesperson. Questions are asked to better understand the customer's environment, and information is typically provided by the seller to address some aspect of customer needs. Good sales calls occur when the seller is prepared, has an agenda and accomplishes some actionable next step as a result of the sales call.

Good coaching conversations follow a similar pattern. For this reason, the following is a conversation model as opposed to a coaching model.

Opening. The opening allows the coach to set the stage for an effective coaching conversation. It includes an agenda, agreement on time frame and desired outcome. The opening lays the groundwork for a productive, collaborative dialogue.

Seeking information. Seeking information is the primary behavior that creates collaboration. Effective coaching questions require thought and planning. Which questions the coach asks the seller are dependent on the topic being discussed. Although seeking information and giving information occur in a collaborative, iterative way, seeking must come first.

Giving information. Good coaching questions help the sales manager determine which information needs to be shared. Good coaches, like good salespeople, ensure that the information they provide is relevant and valuable to the conversation.

Closing. Finally, effective coaching discussions end with actionable next steps. Decisions are made throughout the course of the coaching conversation, and commitments are made. A review of these decisions and agreed-upon actions is the best way to close the conversation. It is much more effective if the salesperson is the one summarizing the discussion and reviewing the agreed-upon next steps.

Formalizing Sales Coaching into Your Day-to-Day Job

For a coaching plan to be viable, it must be realistic and fit into the job you have. Sales managers need a strategy for getting better without having to work harder. They can't expend enough effort to overcome the devastating impacts of poor decisions about what, how and when to coach.

It is useful to think of sales coaching on a continuum of formality. On the low end of the continuum, we have ad hoc and unplanned interactions. On the high end of formality, we have scheduled and repeated interactions. All coaching interactions fall somewhere on the continuum.

Ad hoc interactions are unplanned, spontaneous conversations. Ad hoc interactions are very prevalent between sales managers and salespeople because they don't require much planning or forethought.

When we are interrupted, our primary goal is to quickly get back to what we were doing before the interruption. We don't collaborate in these situations. We don't probe deeply in these situations. In other words, we don't coach in these situations. Ad hoc conversations feel efficient, but they are just not effective.

As-needed coaching interactions are typically scheduled, one-time events related to a near-term sales activity. A deal may have changed course and need near-term attention. A salesperson may have secured a meeting with an important contact in an existing opportunity and could benefit from a planning discussion. These scenarios are time bound, somewhat urgent and need coaching attention. While it is tempting to conduct coaching discussions as events arise, it is almost always better to plan a time for the discussion — even if the scheduled time is within the same day.

Some coaching topics lend themselves to regularly **scheduled interactions**. Discussions of the pipeline, strategizing complex deals and strategizing an approach to key accounts are all topics that benefit from regularly scheduled, recurring coaching interactions.

Formality is important, but it can be tricky. Too much formality and you paralyze your ability to coach and your salespeople's ability to sell. Too little and you leave salespeople unattended and confused, and you leave too many things to chance.

Moderation matters. Selecting the most important types of coaching conversations and formalizing *those* conversations is the key to operationalizing coaching into a manager's day-to-day job.

Research shows that regardless of the type of coaching, high-performing managers coached less frequently but for longer durations than their lower-performing peers. They were more focused and deliberate in their coaching interactions.

PART III: COACHING TO ACTIVITIES — THE ITTY BITTY NITTY GRITTY

Territory and Account Coaching

Let's dive into the specifics of the two sets of sales activities that are necessary for finding, expanding and retaining business: territory management and account management. Territory management is designed to help salespeople properly apply effort across many accounts, whereas account management is about applying effort most effectively within an account.

Territory Coaching

The goal of territory coaching is to ensure that your salespeople target the right customers and prospects and attend to them with an appropriate level of effort.

The **strategic elements** of territory coaching are the three decision-making elements that set your salespeople up for success. The first of these elements, establishment of a **prioritization scheme**, is the primary decision that drives the rest of the territory management process.

Prioritization schemes do not have to be complicated, but they must be specific. They can be as simple as an A/B/C/D designation, where A accounts have the highest potential and D accounts the lowest. Some organizations use a high-mid-low prioritization.

The second element, **prioritizing customers**, is a relatively straightforward task if the scheme is specific, well understood and quantifiable. **Call patterns**, the third element, are identified to ensure that actual sales effort is aligned to desired sales effort. This last part of territory planning is critical because sales managers must have some target to measure against.

High-performing managers ensure that their salespeople keep abreast of changes in their territories and adjust the prioritization of accounts accordingly.

The more **tactical aspect** of territory management and coaching is ensuring that calls are executed according to plan. The two elements of this include **executing calls** according to the pattern and **measuring and course correcting**. By formally measuring the calls salespeople make, managers can help sellers make needed adjustments and course correct.

In most cases, territory coaching involves helping salespeople improve prospecting efforts on new accounts as well as expand opportunities within existing accounts. The following territory coaching questions can form a base to pull from when planning your own coaching questions.

Prospective accounts questions include

- In which segment of accounts have you had the most success generating interest?
- What messages are resonating? Which ones are not?
- For which accounts have you been unable to establish contact? What have you tried?
- Which competitors have a stronghold in your territory?
- Which competitors are you best able to unseat? Why?
- What have you done to differentiate our solutions in the minds of your prospective buyers?

Existing account questions include

- Where have you had the most success upselling and/or cross-selling?
- When you've had success improving product mix and/or improving share of wallet, which strategies have you used?
- What have you done to reduce your service burden and create more selling time for your existing accounts?
- When you've lost share, which competitors have taken it? Why?
- Which accounts are at risk? Why?
- What plans do you have in place to mitigate these risks? How can I help?

Account Coaching

Account coaching is the key to ensuring that your salespeople fully leverage their selling effort within a single large account.

The **strategic elements** of account management and associated coaching typically include some sort of **account assessment** or analysis (first element). Accounts have goals and objectives that change from year to year. Any business needs that your salespeople's solutions address must somehow **align** to the achievement of account goals and objectives as well as associated initiatives (second element).

Most companies that have large, important accounts also have some sort of documented **account planning process** (third element). Within that process, salespeople are expected to complete the plans with the help of their sales manager. This type of strategic account coaching ensures that the approach to a given account includes alignment between your goals and the goals of the account.

The tactical aspect of account coaching involves **execution of an action plan**. The action plan reflects a pursuit strategy for sales effort. Action plans include specific types of activities that must be accomplished, time frames for the execution of those activities and resources needed to support those activities. The action plan forms the basis for ongoing tactical account coaching. As plans are executed and opportunities pursued, progress must be **measured and course corrections** must be made.

To ensure that account coaching is highly collaborative, it is necessary to plan and use good account coaching questions.

Some strategic account coaching questions include

- Which business units are the best targets for growth within the account?
- What are the account or business unit objectives? How have they changed year over year?
- Are there key initiatives in place that we can link into with our solutions?
- Who are the strongest competitors within the account and/or business unit?
- What is our value proposition and our most significant competitive differentiators?

Some tactical account questions include

- What is the contact strategy and time frame?
- Which of our resources can we bring to bear to add value for this contact?
- What proof sources can we bring to bear to generate interest with this contact or function? Do we have case studies that we can leverage?

Opportunity Coaching

The goal of opportunity coaching is to help salespeople qualify, pursue and win deals. The larger and more complex the products or service being sold, the more critical it is for managers to get this right. The Vantage Point Sales Management Practice study showed that the more complex the buying decision, the less likely salespeople were to make quota. Salespeople who sell solutions that are harder for buyers to buy are 17 percent less likely to make quota.

Because the complexity of the buying decision has such a significant impact on quota attainment, the following guidance is oriented to the stages of the buying process.

Identify needs. In the identify needs stage of the buying process, buyers are figuring out whether they need to make a change. Selling in the identify needs stage is oriented toward effective opportunity qualification. Salespeople must gain the right type of information to establish the viability of the opportunity.

Coaching in the identify needs stage ensures that salespeople conduct effective client research, objectively assess opportunity viability and gain required information during individual interactions.

Establish criteria. In the establish criteria stage, buyers are evaluating what is important to them in making a change. Selling in the establish criteria stage is oriented toward understanding and shaping the criteria buyers will use to make their purchase decision.

Coaching at the establish criteria stage is oriented toward ensuring that salespeople truly understand and are prepared to shape the criteria the buyers will use to make their purchase decision. Gaining an understanding of the buying criteria must be accomplished through proper questioning, which you can help sellers develop through your coaching efforts. As a coach, you must require evidence that your salespeople uncover this information.

Assess solutions. This is the stage at which buyers are digging into the details of various solutions and comparing them to the criteria they've established. As buyers evaluate various solutions, their buying criteria often change. As buyers learn new information during this stage, that information often reshapes what they deem as important. Selling in the assess solutions stage involves the position of solutions in the most attractive light, linked to established buying criteria.

Coaching in the assess solutions stage is oriented toward helping salespeople position their solution in the most attractive light based on established buying criteria. Because a critical success factor at this stage involves the vetting of the buyers' perceptions, it is useful to play the devil's advocate during your coaching discussions. As a coach, you can help your salespeople look at the various solutions being considered from the buyers' perspective and the competitors' perspective.

Mitigate risks. In this late stage of the buying process, buyers have typically narrowed the playing field down to a single provider. Buyer thinking shifts dramatically. Buyers start analyzing what they stand to lose by making a change. Selling in the mitigate risks stage involves the surfacing of buyer concerns, negotiation of terms and development of implementation plans.

Coaching during the mitigate risks stage is oriented toward helping salespeople build buyer confidence. Buyers often become insecure during this stage, and salespeople must tread carefully. Effective coaching in this stage helps salespeople provide adequate proof sources, negotiate terms and reinforce solution fit.

Use the following questions as a guide to help ensure that the coaching conversations are highly collaborative and relevant.

Early-stage opportunity coaching questions include

- What is your understanding of the company, opportunity and our solution fit?
- Is the opportunity qualified? Why?
- What are the prospects or customers trying to do? What are their needs and business issues?
- Who are the key decision-makers? How will they buy from you? Where are they in the buying process?
- Why will they buy from us? What is our value proposition, and what is their perception of us (including history)?
- Who is competing for the business? How will we win and why?
- What do you know and not know, and how can you close gaps in your knowledge?
- What are your next steps?

Call Coaching

Sales calls are the lifeblood, the beating heart, of sales execution. Call coaching is the mechanism that keeps the heartbeat of sales strong and steady. Just like the heart, sales calls need monitoring and attention. Ignore them at your own peril.

The most successful sales managers in the Vantage Point Sales Management Practice study, the ones that have 75 percent or more of their salespeople at quota, are more likely than their lower-performing peers to formally request time to help their salespeople plan upcoming calls.

When high-performing managers coach their salespeople to better execute individual sales calls, they adjust their call coaching efforts in much the same way that they adjust their opportunity coaching efforts: They align their efforts according to the stage of the customers' buying process.

Buyers' interests change as an opportunity progresses, and so must the salesperson's approach to individual interactions within that opportunity.

Identify needs. Coaching for sales calls that are in the identify needs stage of the buying process is oriented toward helping salespeople understand and shape buyer needs, tease out the details of the decision-making process and qualify the opportunity. Call coaching must help salespeople uncover details about buyer problems and desires and help salespeople ask good, probing questions to get buyers to articulate what is happening in their current environment. It is also vital to ensure that your salespeople understand the needs and issues of *each* buyer.

Good call coaching helps equip salespeople to question their buyers about the cost of inaction — what happens if the buyer does nothing. It is also important to ensure that your salespeople truly understand the process the buyer will use to make the decision. Good call coaching can ensure that your salespeople understand the different

players involved, their relative influence on the buying decision, the timeline required and how these types of decisions have been made in the past.

Establish criteria. Coaching for sales calls in the establish criteria stage of the buying process prepares sellers to understand and shape buying criteria, determine the competitive landscape and set themselves up for effective competitive differentiation.

The first order of business is coaching your salespeople to quantify needs into tangible buying criteria. Salespeople need a strategy to accomplish this task. This is a rich coaching opportunity because buying criteria become the measuring stick for how buyers will evaluate solutions.

Which needs should the salesperson focus on for this purpose? Well, the ones that are relevant to the buyers and provide the best opportunity for competitive differentiation. This means that your salespeople have to know which needs are important to the buyers and which alternatives the buyers are considering.

Assess solutions. Once buyers have a clear idea of what they want, and hopefully a set of defined buying criteria, they go about the task of evaluating potential providers. In this assess solutions stage, the solutions are scoped, proposals are provided, demonstrations are conducted and every salesperson tries to position their solution as the best one. Coaching to this stage is vital to increase the chances of becoming a finalist and ultimately winning a deal.

An important goal of call coaching in this stage is to ensure that salespeople understand the competitive landscape. Sellers who are most effective find out with whom they are competing, the solutions their competitors are providing and the buyers' perception of each solution. Call coaching at this stage is designed to help salespeople present their offering in a way that is highly relevant, compelling and differentiated from other solutions being considered.

In addition to helping salespeople develop their presentations, it is quite valuable to have them do a trial run. It is remarkable what we can learn, as coaches, when we see how the plan unfolds in a live conversation.

Mitigate risks. Call coaching in this late stage of the buying process is designed to help salespeople build buyer confidence. Salespeople are often having conversations about specific concerns regarding pricing, terms and implementation. Negotiating with the buyers is a particularly challenging type of sales call at this stage.

Coaching matters. It is vital that managers and sellers agree on a negotiation strategy and play out how that strategy is likely to unfold. Coaching at this stage can prepare salespeople to empathize with their buyers and acknowledge that other clients had similar concerns. Managers can help their salespeople identify and communicate references, case studies and other proof sources to mitigate buyer concerns.

As usual, the most effective call coaching conversations involve a balance of give-and-take between the sales manager and the salesperson. Below is a typical list of early-stage call coaching questions:

- Where are the buyers in the buying process?
- What is their primary objective at this stage?
- What is the call objective?
- What are the prospects' needs? Buying criteria?
- How do our offerings address their needs?
- What questions will you ask?
- What are potential reactions or objections?
- What materials or resources will you need?
- What is your agenda for the call?
- What will we ask for as next steps?

Sales coaching doesn't have to be a mystery. If you implement the practices outlined above, you will get more of your salespeople to quota — you can truly crush your quota.

MORE SV CONTENT ON SALES

Summary: *More Sales, Less Time* by Jill Konrath. Jill Konrath, a globally recognized sales consultant and speaker, delivers a unique productivity guide specifically for sales success. Konrath helps you to develop strategies specifically tailored to your life in sales, using your strengths to cut through the feeling of being overwhelmed.

Webinar: *How to Build Trust in Sales* by Paul Smith. Paul Smith identifies the ingredients of the most effective sales stories and offers model stories, skill-building exercises and enlightening examples from Microsoft, Costco, Xerox, Abercrombie & Fitch and Hewlett Packard.

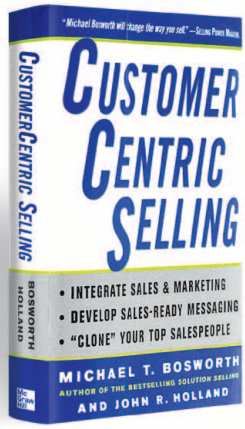
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Customer-Centric Selling

Michael T. Bosworth and John R. Holland

SOUNDVIEW Executive Book Summaries®

FILE: SALES



By Michael T. Bosworth and John R. Holland

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CUSTOMER-CENTRIC SELLING

THE SUMMARY IN BRIEF

Even if you are the best salesperson in your company, you could be even better. Forget everything you think you know about selling products to buyers — the rules are changing, and it's about time.

In CustomerCentric Selling, *sales experts Michael T. Bosworth and John R. Holland lay out a new approach to sales, one in which salespeople stop forcing products on buyers and start listening to their goals, problems and needs. Stop giving your "expert" opinion on why a buyer should snap up your products, and start engaging decision makers in business conversations that yield results.* CustomerCentric Selling *will help you stop working inefficiently, and start moving toward better, longer, more mutually beneficial relationships with your customers.*

What You'll Learn In This Summary

✓ **Sales are conversations.** Selling at its best consists of a series of conversations with buyers, during which the seller uncovers and understands the buyer's needs, problems, desires and goals.

✓ **Selling is most effective when the seller uses consistent messages.** The most successful customer-centric organizations use Sales-Ready Messaging — a way of approaching a sales conversation that greatly increases the chances of success.

✓ **Pipelines need to be flushed now and then.** Organizations must qualify buyers, disqualify others, and develop a smoother, more efficient pipeline.

✓ **You should negotiate from a position of strength.** Negotiation is the logical conclusion to a well-planned, well-executed sales cycle, one for which salespeople and their managers must prepare well.

✓ **Forecasting should be a science.** Sales managers must remove subjectivity from forecasting to more accurately reflect business opportunities.

Published by Soundview Executive Book Summaries, P.O. Box 1053, Concordville, Pennsylvania 19331 USA
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What Is Customer-Centric Selling?

Customer-centric behavior has the following seven basic tenets that set it apart from more traditional selling behavior:

1. Having situational conversations versus making presentations. Traditional salespeople rely on making presentations because they believe this approach gives them the opportunity to add excitement to an offering with snazzy visuals and the supposed innovative use of such presentation tools as PowerPoint. Such dramatics, however, are unnecessary. In order to be effective, a salesperson must be able to relate his or her offering to the buyer in a way that will enable the buyer to visualize using the offering to satisfy his or her needs. The most effective way to determine those needs is through honest conversations with the buyer.

2. Asking relevant questions versus offering opinions. People love to buy, but hate feeling sold to. Most salespeople come to a vision of the buyer's problem before the buyer does, usually to the buyer's chagrin. Customer-centric salespeople use their expertise to frame interesting and helpful questions, rather than to deliver opinions, drawing out of the buyer a realization of his or her needs, and building toward a more useful solution.

Earn the Buyer's Respect

3. Solution-focused versus relationship-focused. Salespeople who are not trained to converse with decision makers about product usage gravitate toward focusing on their relationship with their buyers, which can be fleeting, depending on the product and market. In situations where the buyer is attempting to satisfy a need, the successful seller must first earn the buyer's respect by knowing how his or her wares can provide a solution to that need.

4. Targeting businesspeople versus gravitating toward users. Traditional salespeople gravitate toward the users of their products, while customer-centric salespeople target business decision makers. Most traditional salespeople can talk a great deal about a product's features, but very little about how it is used in day-to-day applications. Customer-centric sellers, conversely, focus on how to use a product and what results can be expected, and how much it costs versus the benefits it presents.

5. Relating product usage versus relying on product. Traditional salespeople educate buyers about a product, and assume buyers will know how to apply the product's features to meet their needs. Customer-centric sellers are able to relate conversationally with buyers about product usage.

Monitor Progress When Necessary

6. Managing their managers versus needing to be managed. Traditional sales managers monitor activity, rather than progress; they are promoted to management positions, in part, because they were good salespeople — management skills are rarely used as criteria for promotion. Managers of customer-centric salespeople, on the other hand, must only monitor their charges' progress and, when necessary, provide company resources to help them make a sale.

7. Empowering buyers versus attempting to sell them. Selling is not about persuasion, pressure or coercion; it is about empowerment. A seller's objective, going into a new customer relationship, should be to help the buyer solve a problem, satisfy a need, or achieve a goal. The difference between the two sales approaches is fundamental. ■

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Published by Soundview Executive Book Summaries (ISSN 0747-2196), P.O. Box 1053, Concordville, PA 19331 USA, a division of Concentrated Knowledge Corporation. Published monthly. Subscriptions: $195 per year in U.S., Canada & Mexico, and $275 to all other countries. Periodicals postage paid at Concordville, PA and additional offices.

Postmaster: Send address changes to Soundview, P.O. Box 1053, Concordville, PA 19331. Copyright © 2004 by Soundview Executive Book Summaries.

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Opinions — The Fuel That Drives Corporations

Opinions play an important role in our personal and professional lives. When organizations need to make important decisions, most hire experts who become familiar with their situation and make suggestions on how to remedy their problems. Not everyone's opinion is of equal value; as you look further down the corporate food chain or line of command, the power of individual opinions to shape policy drops off sharply.

The exception to this rule is often the sales function. Without necessarily understanding that they're doing so, companies tend to rely on the opinions of traditional salespeople to build pipelines, create forecasts, and deliver revenue. This can spell disaster for firms whose sales departments cannot deliver according to plan.

Sales Versus 'Tactical Marketing'

In many cases, the job of positioning offerings is, by default, the job of the individual salesperson, a situation that often results in inconsistency of message from one salesperson to another, regardless of how much a company has invested in "tactical marketing" (literature, brochures, advertising, Web sites, and so forth). Indeed, companies that cannot bridge the gap between tactical marketing and sales are often at the mercy of the opinions of their salespeople. Very few of these salespeople are capable of overcoming the lack of marketing support and taking a genuinely customer-centric approach to each sale — positioning offerings according to buyers' needs.

Consider, then, how much the opinions of underprepared, underwhelming salespeople are responsible for how businesses predict their future incomes. After a brief, often misdirected training effort, new salespeople are asked to immediately begin volunteering opinions. They must first condense their understanding of the company's offerings into a coherent message for buyers. They must provide their opinions of what accounts and titles to call once in a given territory; which accounts should be in their pipelines; what accounts will close, when and why; what prospects will be lost and why; and what enhancements to offerings are needed to improve win rates.

That's a lot to require of anyone's opinions, particularly those of traditional salespeople. Reports are only as good as the quality of the input that goes into them. When the sales process is flawed, sales forecasting is virtually meaningless. Allowing salespeople to forecast sales abdicates control to people whose mission is to justify their jobs, not to predict which opportunities will actually close. Without a good process, opinions rule.

Some companies succeed anyway, without a workable structure, but often not for long. Traditional salespeople tend to "wing it" in one-to-one meetings with prospective customers, launching into a "here's what you need" product pitch, regardless of what the prospect tells them. This creates problems on several levels:

- Most people do not like to be told what to do or think.
- When assaulted by a so-called "spray and pray" sales pitch, buyers will realize there are features of the product they do not need.
- The salesperson in question displays a lack of understanding of the buyer's current environment and future needs.

'Winging It' in Management

As if this were not bad enough, those who manage sales forces are often ill-suited for the job. Companies tend to promote their top-performing sellers into these positions, regardless of whether these people possess the appropriate skills required to teach customer centricity to others. These managers have often "winged it" much of their careers and don't know what has made them successful: It was intuitive. They've never broken down their success into teachable components. ■

For Additional Information on "winging it," go to:
http://my.summary.com

Sales-Ready Messaging

Selling at its best and most customer-centric consists of a series of conversations with buyers, during which the seller uncovers and understands the buyer's needs, problems, desires and goals. As the salesperson learns about the buyer's circumstances, he or she also begins to position the company's offerings.

Selling organizations want to influence and steer these conversations. To converse effectively with a buyer, these three conditions must be known by the seller:

- Knowledge of the buyer's title and vertical industry.
- The willingness of a buyer to articulate a business goal or admit a problem that can be addressed.
- The capability of the seller's offerings to help the targeted buyer achieve a goal, solve a problem, or satisfy a need.

Given these three conditions, organizations can create Sales-Ready Messaging — a way of approaching a sales conversation that greatly increases the chances of success. The most effective way of creating Sales-Ready Messaging can be broken down into four major steps:

1. Document titles and goals. Make a list of your vertical industries, and for each industry, jot down the titles or functions a salesperson is likely to call on to get your offering sold, funded and implemented. For each

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Sales-Ready Messaging

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of the job titles listed, write down what goals or business objectives those in that function should have, and note which goals are addressable through the use of your product or service. Each goal listed should be a business variable that your company's offering can help a particular title achieve. Creating this list sets the stage for Targeted Conversations the seller will have with potential buyers as the relationship moves forward.

2. Create Solution Development Prompters. The next step is to develop questioning templates, called Solution Development Prompters (SDPs). These templates are the core content of a company's Sales-Ready Messaging, constituting a kind of road map for a salesperson — a tool he or she can use to lead a specific job title to a specific vision of using the company's offering to achieve a specific goal. If, in a Targeted Conversation, a seller can approach a call with a clear idea of who he or she is talking to, and where he or she hopes the conversation will wind up, the chances of success increase considerably.

The role of the salesperson is to become a buying facilitator by leading the buyer with questions that are biased toward a particular offering. SDPs help develop "buyer visions" that are biased in favor of your offering.

3. Create your Sales-Ready Messaging. Once you create your Targeted Conversations list for a given offering, you are ready to create Sales-Ready Messaging in the form of SDPs, by assembling four components:

- **Offering.** A specific product or service.
- **Industry.** The industry category (for example, Fortune 500 company) to which the buyer belongs.
- **Title.** The title of the contact with whom you will engage in a Targeted Conversation.
- **Goal.** The overall outcome you want to communicate to the buyer.

4. Position your offerings. With the goal you have identified in mind, you can present all the features of your product or service that can be used to achieve this goal. As you do, keep in mind the perspective of the contact — a CEO, for example, will have different interests than a lower-level executive. The detail with which you discuss specific features of your offering must be adjusted according to audience. You can use SDPs to create "real world" examples that illustrate how your offering will help the buyer achieve a goal.

If properly prepared, SDPs provide a more consistent positioning of offerings by all salespeople, and should help your sales effort overall. ■

For Additional Information on Solution Development Prompters, go to: http://my.summary.com

Additional Considerations For SDPs

There are a few additional things to consider when creating Solution Development Prompters (SDPs):

✓ They get easier to prepare after you have created your first few, because some usage scenarios can be recycled for multiple Targeted Conversations.

✓ The true test of an SDP is whether it can be used in making a call. If it can't, it must be modified.

✓ At executive levels, anticipate that a salesperson has 15 to 20 minutes, or less, to have a discussion, which limits the number of usage scenarios one can use in the conversation.

✓ SDPs are dynamic, not static, and must be updated over time. Sales-Ready Messaging is a journey, not a destination.

Core Concepts of CustomerCentric Selling

CustomerCentric Selling reframes the concept of selling, empowering sellers to execute Sales-Ready Messaging to help buyers visualize using their offerings to achieve a goal, solve a problem, or satisfy a need. This reframing is accomplished via a set of core concepts of the CustomerCentric Selling approach.

The first concept is that *you get delegated to the people you sound like.* If a traditional salesperson proves capable enough to get an audience with a decision maker, and he or she merely presents product features and functions to someone with no interest in those things, the salesperson will get delegated to someone else in the company who has a similar interest in features and functions, but who has no authority to make a purchase.

Diagnose Before You Prescribe

Take the time to diagnose before offering a prescription. Physicians will ask patients a series of questions and put them through a diagnostic process before offering medication. Why should selling be any different? The ability to ask intelligent diagnostic questions of a buyer is a key differentiator between great salespeople and traditional ones.

In today's competitive environment, a salesperson must be sincere and competent just to get the opportunity to compete. Customer-centric salespeople ensure buyers retain ownership of their goals, problems and needs — this helps the seller maintain credibility that would be lost if he or she were to give a "here's what you need" speech without asking the buyer any questions.

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Core Concepts of CustomerCentric Selling

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Don't give without getting. Negotiation is not an event — it's a process, and nearly every sale involves some sort of negotiation. Each side should take a "quid pro quo" approach — getting something in return for giving something. When this is established early in the selling relationship, sellers can become more effective negotiators and deliver more profitable business.

Bad News Can Be Good News

You can't sell to someone who can't buy. Sellers must get to the person who can spend budgeted funds. Ideally, your prospect is both a user of your product and the head of a department that has money budgeted to make a purchase.

Bad news early is good news. Some salespeople engage in extraordinarily long sales cycles, in part because the buyer is merely going through the motions, practicing due diligence on multiple vendors even though he or she already has a vendor in mind. If you are not the predetermined vendor, however, bad news early is good news — finding out quickly that you have no real shot at the business gives you the chance to pull up stakes and pursue other winnable opportunities.

No goal means no prospect. When first meeting a buyer, the salesperson's focus should be to build rapport and trust — without these things, a buyer is less likely to share goals or admit problems. A sales cycle cannot begin until the buyer shares a goal with the seller, at which time the seller can ask questions and empower the buyer with scenarios to understand what can be achieved with the product. Without a goal, there can be no solution development, and, therefore, no prospect.

People are best convinced by reasons they discover themselves. When the selling process is strong, sellers can let buyers reach their own conclusions. In the process of answering the seller's questions, buyers are able to discover their own reasons that prevent them from achieving a specific business result.

When selling, your expertise can become your enemy. Once you know something, it is difficult to have patience with or empathy for people who don't know what you know. If a salesperson is tempted to use his or her expertise without consulting the buyer about his or her goals or problems, the seller would be better suited not having that expertise. Without it, he or she would ask more questions, and spend less time pontificating or trying to convince the buyer to make a purchase.

It's Not a Solution Until the Buyer Says It Is

The only person who can call it a solution is the buyer. The seller cannot and should not define a solution — that is up to the buyer only. The seller can help the buyer get there, but he or she can't get there first.

Make yourself equal, then make yourself different — or you'll just be different. When asked to differentiate a product from a competitor's offering, sellers need to respond with the question, "What do you hope to accomplish?" If the buyer responds with a goal, the sale can proceed from there. Before differentiating an offering, sellers must get on equal footing with a prospect from a personal, competence and capability standpoint.

Emotional decisions are justified by value and logic. Buying is an emotional act, but one that must be entered into with logic and thought. Salespeople need to be prepared to deal with both logic and emotion. A buyer might make an emotional decision to purchase a product, but should be armed with the logical reasons behind that purchase so he or she can defend it to a superior.

Don't close before the buyer is ready. Once a seller closes a deal with a buyer, their relationship will never be the same. Sellers should make sure they understand the buyer's goals, and how they can be achieved through the use of the product. The seller must understand the buyer's current situation, and how he or she can help the buyer justify the cost of the purchasing decision. ■

Justifying Emotional Decisions

A man bought a very expensive, beautiful, fun-to-drive German car. When asked why he purchased it, he used several different points as his rationale: It will be a classic, it will go up in value, and it has an aluminum body that will never rust. These were all logical reasons, but the truth is, he bought the car because he loved it at first sight, wanted to drive it, and felt he looked more handsome driving it. If a close friend asked him why he bought the car, the emotional reason would flow along with the question, "Don't I look good in it?" If a stranger asked, most likely the logical reasons would be offered.

If a buyer answers to no one and doesn't care what others think, he or she can buy strictly on emotion. Most people, however, need some kind of logic to explain to peers, superiors, subordinates and friends why they made a given purchase. Salespeople need to be ready to sell to both logic and emotion.

Qualifying Buyers

Many organizations are slowed down or otherwise hampered by inefficiencies in their sales pipelines. Basically, they have no standard way of accurately assessing which prospects are likely to buy. Sales managers need to work with their salespeople to qualify

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Qualifying Buyers

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buyers, disqualify others, and develop a smoother, more efficient pipeline. Sellers need to identify and qualify the Key Players whom a seller must access in order to sell, fund and implement a product or service offering.

Foremost among Key Players are Champions who provide access to other Key Players, as requested by the salesperson, and who can be found at any level within the prospect organization. Ideally, the Champion is also a decision maker who is willing to provide access to those below him or her in the organizational hierarchy. Such top-down access is always preferred.

Qualifying a Champion

One key element of CustomerCentric Selling is the identification and qualification of a Champion, often by a letter, fax or e-mail, composed by both the salesperson and his or her manager. This Champion letter should:

- Provide a sanity check for salespeople to verify they understand the buyer's goals, situation and vision.
- Serve as a reminder to the buyer of a previous conversation with the salesperson.
- Facilitate internal selling by providing the Champion with prospect-ready messaging.

Following Up

Once a Champion letter has been sent, the salesperson must follow up on that communication in order to get the buyer's agreement to the following points:

- The letter accurately summarizes their conversation(s).
- The buyer is willing and able to provide access to the appropriate Key Players.
- After interviewing all Key Players, there will be a chance to gain consensus that further evaluation is warranted.

Phone conversations or face-to-face sales calls can commence once the Champion has agreed to provide access to Key Players. When meeting with Key Players, the salesperson should make sure everyone understands the potential benefits to the organization, should they agree to buy. Spreading the word to several Key Players provides the seller with multiple points of contact in the organization, which can be helpful if one of those players leaves the prospective company. If there is a strong Adversary, he or she will be identified early enough for the seller to determine how to best circumnavigate him or her. If the Adversary is strong enough to withstand these efforts, the seller may make the decision to withdraw from the sale, rather than go the distance and lose.

For Additional Information on Champion letters, go to: http://my.summary.com

Defining the Key Players

Aside from Champions, salespeople and their managers must also be aware of these other Key Players with important roles in a client relationship:

✓ **Coaches** want the seller to win the business, and are willing to assist with information and inside selling, but they have limited authority within the organization.

✓ **Decision makers** can make the vendor selection and free up unbudgeted funds. They can commit internal resources to evaluate a seller's offerings.

✓ **Financial approvers** are those who must sign off on expenditures — either by rubber-stamping a purchase or by being actively involved in the purchasing process.

✓ **Users and managers of users** can provide a groundswell of support with the rank-and-file members of a given organization.

✓ **Implementers** are responsible for migrating from the current method or environment to the new offering. They often prefer to work with vendors who offer professional services and ongoing support.

✓ **Adversaries** are individuals who either do not want to change, want to control change internally, or want to do business with a competitor.

Walking Away

Sellers must always be willing to walk away from a sales opportunity if it becomes clear that that opportunity is not winnable. This fact is anathema to most traditional salespeople, whose focus is to keep a full pipeline. If that pipeline is clogged with business that will never reach fruition, however, it is of little use to an efficient sales organization.

Some salespeople are afraid to withdraw a proposal and walk away from an opportunity. However, the two most likely results are:

1. The buyer does not call back. Ultimately, it is better to get rid of blockages in your pipeline, have a realistic view of what winnable opportunities exist, and arrive at the appropriate business plan to develop those winnable opportunities.

2. The buyer calls back and asks why the proposal has been withdrawn. This is an opportunity to determine whether the buyer wants to buy, or would be interested in making changes to the proposal and trying to see if a favorable decision can be reached. If given a second chance, the seller can now focus on helping the buyer understand how to use the offering to achieve goals or solve problems. ■

Negotiation: The Final Hurdle

Most sellers will tell you they are outstanding negotiators — even if their approach to "negotiating" is to keep discounting until the buyer says, "Yes." If a sales cycle has been executed properly, though, the close should be a logical conclusion, rather than an arm-wrestling contest or a fire sale. When it comes to negotiating, there are no magic bullets; salespeople must be prepared and must stick to their game plans. That preparation includes these key components:

- **You must verify that you are the vendor of choice, and that price is the only obstacle to doing business.** Sellers, on their own, often have trouble verifying they are the top choice. This is just how the buyer wants it — to put the seller in a perceived competition with other sellers.
- **You must make certain you are negotiating with a decision maker.** If you are not, you can consider any concessions you make to be mere starting points for when the real decision maker comes into the picture.

Getting to 'Yes' Through 'No'

- **You must posture by using polite "no" questions to respond to requests for better pricing.** Some examples of these questions might be, "Is there anything you would like to take out of the agreement?" or, perhaps, "We've spent a lot of time discussing how to [remedy a problem or help achieve a goal]. Has anything changed?" Some buyers will agree to go forward after one, two or three of these polite "no" questions. This posturing provides artificial patience during a stressful point, maximizing the possibility of a profitable transaction.

Giving and Getting

- **You should ask the buyer whether the "get" you want is possible.** Establish an atmosphere of quid pro quo. Prior to giving, the seller should first ask for something from the buyer. If the seller offers a concession, the buyer will take it and still want a lower price. Also, the psychology is to convince the buyer that he or she is getting the best possible deal. If the buyer makes the first concession, the seller's concessions appear even more valuable.
- **You should offer your conditional "give" and be prepared to walk if the offer does not close at that point.** You should, of course, also leave the door open for further rounds, but only after taking your concession off the table. There are many things a seller can ask for — money up front, a larger transaction or a longer commitment, and even an introduction to another department, enabling the seller to pursue more business. ■

Referrals — Qualification Via Customers

Satisfied customers represent an enormous untapped asset for customer-centric sales organizations. People who have made a buying decision have the tendency to conclude they've made a wise choice and are willing to tell others about it — thus providing sellers with a potential source of new prospective buyers. Why do vendors not take advantage of customer referrals often enough?

✓ They neglect to ask for referrals.

✓ They fail to ask for a "warm" referral — one in which the customer acts as a conduit between the seller and a new prospect.

✓ They make no attempt to find out from customers what specific business goals or problems the prospect might be facing.

✓ They fail to share with the prospect the success story involving their customer — the one that helped bring them together in the first place.

Getting Forecasting Right

Salespeople tend to dislike forecasting, because, in most cases, they are being asked to lie in writing. They know all too well that their forecasts will bear little or no resemblance to the numbers they really generate. In fact, the major value of forecasting is that it gives under-performing salespeople a wake-up call every month that there are inadequate opportunities in their pipelines, encouraging them to increase their business-development activities.

Where sales managers often err is by not removing salespeople from the forecasting process — it simply must be done. To make forecasting more accurately reflective of business opportunities, a number of complementary components are necessary:

1. Sales-Ready Messaging, designed to position offerings specific to title, vertical industry, and goal, which provides less subjective input into the pipeline.
2. Auditable correspondence between seller and buyer.
3. Sequences of events containing estimated close dates, as negotiated with the buyer.
4. Company-wide milestones, with defined ways to achieve and document them.
5. Sales managers who are willing and able to audit milestones, grade pipelines, disqualify low-probability opportunities, and predict what will close.
6. Senior executive commitment to ride through potential "push back" from salespeople and sales managers who prefer less visibility and accountability.

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Getting Forecasting Right

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Grading Opportunities

To provide the kind of analyses required to maintain healthy pipelines, sales managers must have a system in place to grade opportunities. Consider these categories:

- **Inactive.** The account fits a target market and is assigned to a salesperson, but there's no current activity.
- **Active.** Contact has been made and some interest from the customer or prospect has been expressed.
- **Goal Shared.** This is the initiation of the sales cycle when a targeted Key Player has shared a desire to achieve at least one goal that the seller can help address.
- **Champion.** This status can be granted only by the sales manager, and only after the prospect has been thoroughly qualified.
- **Evaluating.** This status is determined by the sales manager, but only after the salesperson has gained consensus from Key Players that further investigation of the salesperson's offering is called for. Opportunities remain in this status until the buyer withdraws, the seller withdraws, or the seller asks for the business after all events in the sales sequence have been completed.

Wins, Losses, Verbals and Proposals

Once the seller has asked for the business, the opportunity registers one of four grades:

- **Win.** An order with all necessary documents signed.
- **Loss.** The buyer informs you that he or she will not be moving forward with you.
- **Verbal.** The buyer has given you a verbal commitment to go forward.
- **Proposal.** A proposal is provided to the prospect with a decision due.

By implementing this system, managers can detect early-warning signs that a given opportunity is stalled or in trouble. They can forecast by reading each salesperson's report on the sequence of events for each opportunity. With this system in place, forecasting becomes a monthly review of the pipeline, with sales managers selecting opportunities that are likely to close, and affording themselves the opportunity to be proactive with procrastinating sales reps. ■

Why Do Salespeople Fail to Close?

So many salespeople view the sales cycle as a mystery, just as they view selling opportunities as mysteries when they don't lead to a closed sale. There are any number of reasons individual sellers have trouble closing. Among them are the following:

✓ Most closing is driven by the agenda of the sales organization, with little or no regard for the buyer. Under pressure to meet targets, many organizations resort to business "blitzes" to close sales, based on those internal pressures.

✓ The vast majority of closing occurs before the salesperson has earned the right to ask for the buyer's business. When sellers make this error, they run the risk of being perceived as a pushy traditional salesperson or scaring the buyer off entirely.

✓ If a salesperson closes before a buyer is ready, he or she has likely discounted the products in an effort to earn an early signing. In some instances, the discount offered to non-decision makers becomes the starting point for the real negotiations.

Upgrading Sales Activity

As sales managers are increasingly proactive in analyzing pipelines, they can also influence and upgrade the quality of activity. To do so, they must break down selling into seven essential skills: (1) new business development, (2) solution development, (3) opportunity qualification and control, (4) proof management, (5) access to Key Players, (6) negotiation and closing, and (7) monitoring success metrics. These are skills that come into play at different times in the buying cycle.

For example, if a salesperson has an insufficient number of new business opportunities flowing into his or her pipeline, his or her manager will recognize the problem as one of business development. In response, a proactive customer-centric manager could do the following:

- Ask to see letters, faxes and e-mails that the salesperson uses to generate interest. The manager can help design more effective documents and/or strategy.
- Ask the seller to spend some time with a more successful peer. It may be appropriate for the struggling rep to listen to successful phone calls, witness successful lead development practices, and see successful approaches to the sales cycle.
- Role-play being a buyer taking a prospective call from the sales rep.

Blockages in getting prospects from Active status to Champion status might point to a lack of skill in getting buyers to share goals. The manager, subsequently, can spend time reviewing the following things:

- The goals for each Key Player the seller is using.
- The success stories used to take a buyer from latent need to sharing a goal.
- The approaches used to get the buyer to share goals or admit problems.

By using such techniques, sales managers can contribute to the improvement of their sales staff, all the while keeping their pipelines visible and predictable. ■

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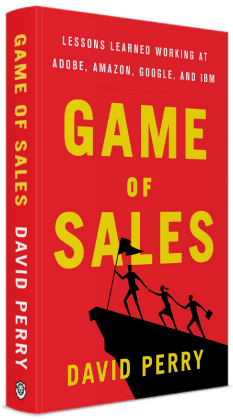
Game of Sales

David Perry

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Game of Sales

Lessons Learned Working at Adobe, Amazon, Google, and IBM



by **David Perry**

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THE SUMMARY IN BRIEF

A career in enterprise sales is one of the most exciting, interesting, and potentially lucrative ways to make a living. While the road to success isn't always lined with champagne and rose petals, the rewards of mastering the craft can be glorious. That's what this book is all about.

Author David Perry draws on years of sales experience to introduce the game-changers he discovered to survive and thrive in a competitive market. He focuses on a mindset based on caring and a genuine desire to have the best interest of all stakeholders. He knows a client-centered deal is far more efficient than any hardball negotiating tactics. In ***Game of Sales***, you'll learn about the art of finding hidden value, which can level up your deal-making. You'll also learn about proven systems that can help you maintain a consistent pipeline of deals. Perry dedicates time to hard lessons learned through temporary setbacks like horrible meetings and tough conversations; both are experiences every enterprise salesperson must confront at some point in their careers.

IN THIS SUMMARY, YOU WILL LEARN:

- Enterprise sales is awesome for career potential.
- Frameworks are necessary organizing your sales pipeline.
- Resilience is foundational for thriving in sales.
- Managing risk ensures peak performance.

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Inspiration and Perspective

Our society offers a nearly infinite number of choices to earn a respectable living. You could be an accountant, web designer, greeting card writer, or stunt double. None of those professions, however, offer the same potential for reward, freedom, and excitement as a career in sales. Okay, maybe being a stunt double is more exciting than sales, but there's significantly more risk involved with that as a career choice.

Why Enterprise Sales is Awesome

Sales allows people to move from one opportunity to the next without any crippling fear of extended joblessness. In a worst-case scenario, you could find yourself in a company that isn't a good fit—for whatever reason—and you need to leave. As long as you're committed to success, you'll soon land another role. If you've demonstrated an aptitude for selling, you'll have multiple offers from other companies lined up, perhaps before you depart. If you are committed to your craft and have the desire to create revenue for a company, sales will allow you to write your own ticket.

Enterprise sales is an elite profession with significant lateral and upward mobility. Outside of executive leadership, the highest earners at most companies, large and small, are the top salespeople.

Ramp-Up on Industry Leaders and Technology

Getting a handle on the industry landscape is one of the most important things you can do to take your sales career to the next level. By ramping up your knowledge in whatever industry you work in (oil and gas, retail, healthcare, technology, or anything else), as well as the leaders who control those organizations, you'll build instant credibility to secure meetings, win over senior executives, and seamlessly convert conversations into opportunities without pitching.

Technology is another key aspect of your knowledge arsenal. It's eating the world, as we know it. Everything from watches and refrigerators to light bulbs and televisions is smart and on-demand. Therefore, it doesn't matter if you work for Google or Walmart, you must know as much as possible about trending technology. Match industry knowledge with the specific value proposition of your company to win credibility and open opportunities with senior executives.

Dare to Care

Deeply understanding your customers is an important aspect of today's game of sales. This understanding comes from a genuine sense of caring to do what's right for all the stakeholders of a deal. By simply trying to do the right thing, everyone reaps the rewards. Demonstrate your dedication and caring for your client's success early in the process by spending time to get ingrained within their business and focusing on how to drive results. Consider caring to be the foundation of your sales success. It is the starting point that makes everything more achievable.

Automatic Pipeline

Eric Schmidt of Google, said, "Persistence is the single biggest predictor of employee success." When you create something simple, reliable, and effective, use it for as long as you can, because that is one of the rarest and most valuable commodities in any profession. The key to the Game of Sales is developing the foundational knowledge about systems and frameworks to build a reliable and sustainable routine to make pipeline development automatic.

The Pipeline Activator

It's a waste of valuable time to incessantly look up who to contact or decide what call to make next. Instead, create a reliable system that drives continuous action, test it, retest, and iterate over time. Draft a simple spreadsheet and use it as a reference guide to kickstart or invigorate your efforts.

Opportunity Basket

Break down your opportunities into smaller and larger deals and balance your time in both categories. Ideally, you want to be progressing on one or two large opportunities at all times. your level of focus on each client must remain consistent, whether they're considered smaller deals or larger ones. Otherwise, you'll risk throwing off the balance in your opportunity basket, which can make it difficult to maintain an effective pipeline in the long run. Your opportunity basket should begin with a fifty-fifty allocation of your time spent between small and large deals. It's a waste of valuable time to incessantly look up who to contact or decide what call to make next. Instead, create a reliable system that drives continuous action, test it, retest, and iterate over time.

The Prioritization List

A timesaving spreadsheet can help you locate the best deals among your list of clients. By spending a day or two on this task before engaging your territory, you'll optimize your time and energy. After you bring this list to review with others, you can collaborate on whether or not each

opportunity seems to be worth pursuing. You can either proceed with the confidence of knowing you're spending your time wisely or focus the bulk of your energy elsewhere if anything major was missing when you set your criteria. No matter what the result is, at least you'll have saved time and achieved peace of mind; two highly valuable assets in today's game of sales. To ensure you don't get overly focused on small or large transactions, create periodic checkpoints (perhaps every month or so) to ensure you're balancing your time properly.

Visualize the End

Align your sales strategies with the contractual realities within your company, so you don't chase leads that aren't practical, overpromise things you can't deliver, or leave money on the table due to ineffective deal structure. Track down the contract from a top deal, pour through every single detail and visualize how you would go about arriving at the same with your prospects. Go through all the processes listed in this chapter and stick to your system religiously. Be sure to balance your time appropriately and you'll find the next level of success becomes a natural progression.

Unshakable Resilience

Resilience is an essential part of every salesperson's makeup. Michael Jordan once said, "I've missed more than 9,000 shots in my career. I've lost almost 300 games. Twenty-six times I've been trusted to take the game-winning shot and missed."

The Certainty of Horrible Meetings

When horrible meetings surface, call upon your ability to shake off the experience and maintain a positive outlook about your next opportunity. Horrible meetings provide a good checkpoint for you to regroup and rework your plans. Don't let the ominous nature of the potential for horrible meetings loom over you to create any negative energy, however. Allow optimism to prevail in your approach because just as a great meeting can turn into a horrible one, a bad meeting can occasionally pave the way for surprisingly great interaction.

Facing the Dark Side (of Sales)

The dark side of sales can present a difficult challenge that you're guaranteed to confront at some point if you haven't already. It was easy to see who represented the dark side in Star Wars. Start with the guy who's deep breathing and wearing all black. The dark side of sales is a little harder to recognize and may not be exactly what you'd expect.

Challenge yourself to embrace change, condition yourself to expect it, and consider it an opportunity. It's not easy, but you'll be much better off if you learn how to deal with change effectively. Others may get so frustrated when organizational plans are altered that they leave the company. That could create an opening for you to add prime territories and have an amazing year. When others surrender, it may be a good idea to keep fighting. Their loss could be your gain. Expect and embrace change by stepping outside of your situation to see the big picture for your company, team, and yourself. Bide your time, keep an open mind, adjust your approach, and course-correct when necessary.

Initiating Tough Conversations

Tough conversations can be related to urgent issues like changing expectations, deal opposition, technical issues, and unreasonable demands, or to equally important issues that are non-urgent like complacency. Many salespeople fear tough conversations because they worry about drawing an adverse response from a client, colleague, or manager. So, they say nothing, and as a result, they get nowhere. Business decisions rooted in fear alone will often lead to poor results and occasionally to disastrous consequences.

No matter how well you run your sales process, you can't avoid tough conversations. Get comfortable and learn to anticipate them to lessen their potential for negative impact. Interactions that make you feel the most uncomfortable can have the biggest impact. Run towards them. You'll know you've mastered initiating tough conversations when you routinely convert them into moments of deal progression, expansion, and creation.

Peak Performance

Average salespeople sell products. Great salespeople reframe and educate to challenge their client's perspective, and they do it with credibility that leads to positive change. Closing a deal is one of the most exciting experiences in business. Each time you make it happen, you'll learn how to do it bigger, better, and faster.

Don't Just Manage Risk, Attack It!

Attack risk early and throughout the sales cycle. Become familiar with all the ways your deal can get derailed, so you can anticipate and adjust accordingly. Put yourself in your

client's shoes, and make sure to understand and eliminate all the reasons why they might not be able to sign.

A condition called Happy Ears happens to all of us. That's when you hear everything you want to hear, encounter zero resistance, and your expectations fly through the roof. Happy Ears allows risk to creep into a deal and can cause salespeople to think their deals are larger and more of a sure thing than they actually are. You need to understand precisely why the client won't buy. What you don't know about the deal can kill it. Don't let Happy Ears stop you from identifying risks early and attacking them before they derail the whole process.

Assembling the Dream Team

Deals are rarely closed by one person. A carefully orchestrated team effort, made up of individuals with various special skills and expertise, is required to close a deal. Assemble your deal team expansively across departments, levels of management, and external parties.

Each team member will have certain areas of high skill, as well as areas of vulnerability. Find a way to enable everybody to succeed by assigning them tasks and ownership of areas that leverage their unique strengths. Meanwhile, address whatever areas of weakness they have by providing proper assistance or eliminating those aspects from a person's responsibilities when possible.

You'll also need to have an accurate view of your weaknesses because you'll need to find people on your team who have the skills you lack to fill those gaps as well. If you've never come to terms with your weaknesses before, it's not hard. All you need to do is listen.

Capturing Hidden Value

Instead of treating a sales deal like some sort of mixed martial arts event, where each side uses various kicks, punches, and strangleholds to force the other into submission, try the easier, friendlier, and far more productive method of capturing hidden value. Sources of value are unmet client wants or needs that may exist. Some of these value sources may be fairly obvious, but others may be hidden. By focusing on abundance and expanding the pie vs. scarcity and zero-sum game, you dramatically increase your chances of capturing hidden value. Some sources of value may be common across clients, yet there are always new interpretations, prioritization, and sources for you to discover. Each deal has its own unique value fingerprint.

Throughout your career, you'll encounter multitudes of decision points regarding the management of your pipeline and the use of different frameworks. You'll need to have tough conversations and you'll have an occasional horrible meeting. Furthermore, you'll need to find value where it's not readily apparent. It can be daunting to keep searching for that value, but you need to believe in your abilities and persevere.



David Perry advises world-class brands on how to transform their marketing organizations through the acquisition and effective use of enterprise technology solutions. Since 1999, David has worked with more than 100 companies across a wide range of industries including financial services, consumer products, technology, and healthcare. In the process, he's driven over $125 million in new business and managed revenues. In addition to his work, David serves as a startup advisor and investor, and organizes technology entrepreneurship events in New York City.

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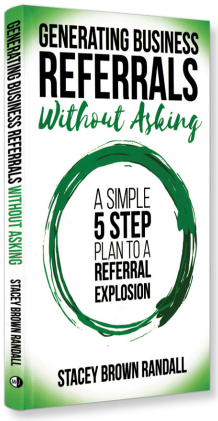
Generating Business Referrals Without Asking

Stacey Brown Randall

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Generating Business Referrals Without Asking

A Simple 5 Step Plan to a Referral Explosion



by **Stacey Brown Randall**

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THE SUMMARY IN BRIEF

Whether you have been in business ten years or are still in your first year, you have undoubtedly experienced the power of a business referral. This is when a potential new client "drops" into your lap, referred to you by someone else. Anyone who has experienced the power of a referral wants to know how to generate more. To do this you must ask for referrals to receive them. But what if you don't want to ask?

In ***Generating Business Referrals Without Asking***, Stacey Brown Randall provides five steps to building a business sustained by referrals without asking or manipulating, but by staying authentic. You can stop wasting time and money on marketing to cold leads and stalking would-be clients on social media. Her structued approach reduces the hustle and increases productivity and profit. Now it's time for you to learn what Stacey's clients already know.

IN THIS SUMMARY, YOU WILL LEARN:

- Why it's wrong to ask for referrals and how to use a more authentic method to drive results.
- How to go against conventional wisdom and unleash your referral explosion.
- How to elevate touch points from just keeping in touch to staying top of mind.
- Who makes the ideal referral source for you.

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Introduction: What a Referral Is

A referral is a connection made by a trusted friend, peer, or colleague, to connect one person who has a problem or a need to the person who can solve that problem or meet the need. To increase your referral success, you need to be prepared to shift your thinking. And shifting your thinking can be hard. Once your mind is firmly rooted in a belief, it can be hard to change your opinion on a topic. Couple that with a topic that has been taught one way for decades—like "asking is the only way to generate referrals"—and many people will dig their heels in and stick with the old way of thinking.

The only truth that matters when you want to generate referrals without asking is: Referrals come from relationships. And relationships come from connections. And connections are built through ongoing touch points. This means you need to build relationships and to do that you need to be investing in and connecting with the people you want to receive referrals from.

The two principle sources of referrals are your clients and your centers of influence (COI). Your COI is a targeted group within your overall professional (and sometimes personal) network.

The best way to connect and strengthen relationships is through ongoing touch points. Touch points are just the outreach you do to connect. It's important for you to understand that ongoing touch points go deeper than just "keeping in touch." Keeping-in-touch outreach is like a quick "check-in" email or a quick "How are you?" phone call. There are touch points you can learn that will elevate you past keeping in touch and move you to staying top of mind.

The Power of Referrals

Referrals are the most powerful source of generating clients for a few key reasons. You don't have to go looking for that client; they drop in your lap (or your email inbox); they are less price sensitive and value your product or service before you tell them about it; and they are quicker to close because they have "bought you" before meeting you.

How is this possible? Because of the transfer of trust—the real currency in business—between the person referring you, who is the referral source, and the prospective new client, the person who needs your product or service.

When the prospective new client identifies a need, or the referral source points out their need to them, they enter a mindset of wanting to meet that need. At that moment, the prospective new client starts thinking about who could solve the problem and wants a recommendation from someone they trust. This mentality is the basis of why, according to Nielsen research, 83 percent of people prefer to make buying decisions based on a recommendation from a friend, family member, or someone they trust.

There are five basic steps you need to take to create a business that is sustained by referrals. Let's turn to those now.

Step 1: Identify Your Referral Sources

The easiest way to get a handle on who your referral sources are is to look back at your previous clients and determine how they came to you. How did they first learn about you? Gather the sources of your clients for at least the last two years, more if you can. Don't include clients who became your clients because of an acquisition of another business. Do include prospects you received through any source but who didn't become clients. Why? Because a referral source is still a referral source even if the prospect they referred to you didn't become a client.

There is a fluid quality to the referral source list and the reality is that someone who was on the list two years ago might not be on it two years from now. Some will never fall off the list and some will. That is normal. People move, retire, change jobs or sell their businesses; therefore, their ability to refer you new clients diminishes or in some cases just ends.

The best advice is: Know who makes the ideal referral source for you. They will have one or more of the following traits in common.

- They need you as a resource for their clients.
- They are well connected.
- They are clients who are raving fans. These clients are willing to talk about you and aren't shy about making a connection when they know someone who needs your service.

Step 2: Master Your Immediate Follow-Up Process

The thank-you process consists of two steps: tracking the referrals received and sending thank-you cards.

When it comes to tracking your referrals received, you just need a few data points to collect. You need to have one document where you capture some basic information: the date the referral was received, the name of the referral source, and the name of the prospective new client they referred to you. Once you have the referral tracker, you need a "keeper" of the tracker. If you are a solopreneur, then you are the keeper. But if you have an assistant—virtual or local; part-time or full-time—you can delegate the job of "keeper" to them. It doesn't matter who the keeper is; it's just important to have someone responsible for the list.

There are reasons to keep your referral tracker current:

- You know how many referrals you received in a month, quarter, or year.
- You know who to thank because you keep track of your referral sources.
- You know how to categorize your referral sources to leverage more referrals (based on how many referrals received from any one referral source).
- You know who you should be following up with to become new clients.

Track every time, all the time. By tracking, you are guaranteed to never lose a referral.

Write thank-you notes for past referrals, acknowledging what your referral sources mean to your business. If you want to go a little further, create cards that are memorable. When you catch someone's attention, they are more likely to remember it. Make sure to include the three basic parts.

1. Thank them for each referral received by name;
2. Let them know you appreciate the referrals; and
3. Offer to help them.

Aim to send out thank-you cards as soon as possible after a referral has been received. To nail step two, you need to track your referrals and then send the appropriate thank-you notes–the sooner the better.

Step 3: Build for the Long Term, Execute in the Short Term

What makes a referral generating plan so simple, yet so crucial for your business, is that it is *a plan*. One that you follow for it to work, of course, but you plan it out in advance.

When building this plan, you must follow the 3 Platinum Principles of generating referrals. The three principles allow you to be authentic but keep the focus on the hero, the referral source. The Platinum Principles guide the decisions you make when creating the experiences, the moments, the touch points for your referral sources. Let's look at each one in more detail.

Platinum Principle #1: Must Be All About Them

When you think about your referral sources first consider what you can do that makes it all about them. What do they need? And, specifically, what do they need from you? Remember the number one reason someone refers to you isn't about you; it's about helping someone they know who has an issue that you just happen to be able to solve.

Focus on what you can do that shows your gratitude. You can share knowledge about your industry that will help one of your referral sources run their business smarter. You can invite them to a business event where they can learn and network. You can give them a gift that shows you know and understand their world. But a word of caution, when giving gifts don't include your logo on them. An item with your logo on it is actually all about you.

Platinum Principle #2: Must Be Authentic to You

When considering and applying Platinum Principle #1, you must balance what they need against what feels authentic to you. Meaning don't include touch points that don't work for you or fit you as a part of your referral experience.

Whether you prioritize spending time with your family, or entertaining guests, make sure you create a plan that matches who you are as a person, so you'll enjoy it and it will feel authentic to you.

Platinum Principle #3: Must Keep You Top of Mind

The final piece of the Platinum Principles is to create touch points, experiences, moments that keep you top of mind. What that means is you cannot do just one and consider your work done.

A one-hit wonder touch point won't work, not in the long term; it won't produce the consistent referral results you are after. Touch points may be face-to-face like grabbing coffee, something you mail like a card, a gift you send, a business introduction or connection you make for a referral source, or an event you host.

You just need to take some time to consider what your referral sources need and what you are willing to do. If you focus on your touch points being memorable and meaningful—called minding your M&Ms—you will have greater impact.

When you are top of mind, you build the habit in your referral sources of sending more prospective new clients your way.

Step 4: Plant the Right Referral Seeds

A referral seed is language you use to "plant" the idea of referrals in the mind of your referral source or those you want to become a referral source.

While using the right kind of referral seed allows you to never ask for a referral, you do need to know the key moments when to plant them. These are all moments to show your gratitude and authenticity. Here are three immediate application times, some fairly common situations, in which you can plant a referral seed.

1. In conversation with a client, a COI, or someone in your network.
2. When someone is considering working with you.
3. When you start working with a new client.

Remember, you are building relationships, so your outreach, your touch points, must be different from your marketing or prospecting tactics. Even though you are not asking for referrals, you are being strategic. You are doing something to generate referrals; it just happens to not include a direct ask for referrals–ever.

Step 5: Automate the Plan and Measure Results

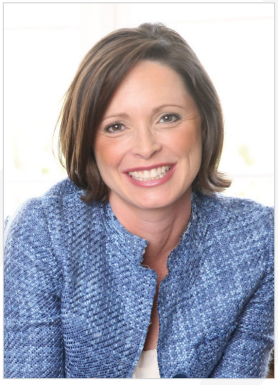
Step Five is how you make it happen. Step Five is the execution of the plan and, of course, tracking and measuring what is working and what is not working. The automation portion of this plan is really based on scheduling your touch points. You must show up authentically for this to work.

You definitely don't need a project management system. You just need a way to calendar out what you are going to do so you actually do it when the time comes.

Once you have the plan built and set to be executed, you need to track and measure your results. If you don't track a few key metrics, then you won't know what is working and what is not working. Here are the key metrics to track:

- Number of referrals received by year
- Number of referrals received from each referral source
- Increase in number of referrals received from individual referral sources year after year
- Breakdown of referrals received by type of referral source (client or COIs)
- Your close rate for each individual referral source (the average number or percent you close from individual sources)

While it may sound like a lot of work, this referral generating plan is the easiest process to follow in your business. It is simple and authentic and produces the greatest results. And it is because of its simplicity and authenticity that you'll be willing to follow it, year after year after year.



Stacey Brown Randall has helped hundreds of businesses build their own referral generating plans. With the launch of her second business, she cracked the code on generating referrals without asking with 112 referrals in her first year. Stacey has been featured on numerous radio and podcast shows including Real Estate Rockstar Radio, Nice Guys on Business, Voice America Business, and WHNZ Tampa Bay. She currently lives in Charlotte, NC, with her husband and three kids.

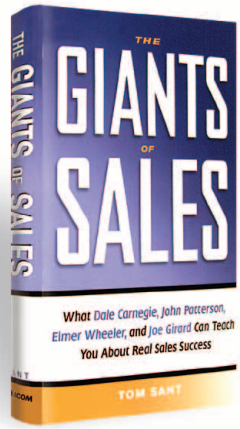
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· Book 23 of 58 ·

Giants of Sales

Tom Sant

SOUNDVIEW Executive Book Summaries®



By Tom Sant

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What Dale Carnegie, John Patterson, Elmer Wheeler and Joe Girard Can Teach You About Real Sales Success

THE GIANTS OF SALES

THE SUMMARY IN BRIEF

John Henry Patterson *faced financial ruin from his investment in the first cash register, but he turned National Cash Register into one of the most important companies of its day. He also introduced a highly organized sales process that focuses on understanding customers' needs and selling a solution that meets those needs.*

Dale Carnegie *began his life as the son of a pig farmer in Missouri, but his book* How to Win Friends and Influence People *has been a bestseller for nearly 70 years. In that book, Carnegie made famous many lasting principles, such as tapping into the power of enthusiasm, that would lead to the relationship-oriented approach to selling.*

Elmer Wheeler *tested thousands of sentences on millions of consumers in his Wheeler World Laboratories, searching for combinations of words that produced the best results. In the process, he developed an influential selling program and wrote more than 20 hit books. His classic selling points include, "Don't sell the steak, sell the sizzle!"*

Joe Girard *was born into deep poverty in Detroit. He took his first job at the age of 8, shining shoes in a hardscrabble saloon. After drifting from one bad job to another, he turned to car sales. Soon, he was single-handedly selling more cars than 95 percent of all the dealerships in North America. His system for generating leads and gaining referrals still forms the basis of today's permission marketing and closed-loop marketing.*

The stories of these four sales gurus and their key sales innovations offer readers a broad and deep understanding of the entire selling field.

In addition, this summary will show you:

- ✓ ***How to tap into the power of the selling methods spurred by these sales pioneers.***
- ✓ ***The difference between linguistic approaches and tactical methods.***
- ✓ ***How process-oriented sales methods can improve sales.***
- ✓ ***How to make some of the most powerful ideas in the history of selling work for you.***

Published by Soundview Executive Book Summaries, P.O. Box 1053, Concordville, PA 19331 USA
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Selling in the 21st Century

Professional selling is the most important American invention of the 20th century. Without professional sales methods, the development of our society and our economy would have been delayed. Professional selling is the engine that has powered our economy for the past 100 years.

Our predecessors figured out how to sell effectively by figuring out what works.

John Henry Patterson, for example, developed a process for selling that kept his company growing even in the midst of recessions, and that became the foundation for the methods used today by the most successful sales organizations in the world.

Dale Carnegie discovered truths about human relationships that have been used by such powerhouse business leaders as Lee Iacocca, Mary Kay Ash and Tom Monahan to build businesses.

Elmer Wheeler developed and tested ways of delivering sales messages, boiled down to brief statements, to figure out which ways worked the best.

'The World's Greatest Salesman'

And Joe Girard, born into abject poverty in the slums of Detroit, discovered a technique for generating qualified leads that put him in the *Guinness Book of World Records* as "the world's greatest salesman."

Different methods of selling may work wonderfully in one environment and rather poorly in another. Matching the method to the situation is one of the challenges the salesperson, the sales manager and the company all face. By going back and looking at what the early masters of modern selling taught us, we can avoid wasting our time on fads and foolishness. More important, we can avoid damaging our customer relationships by adopting lousy advice. Most important of all, we can sell more effectively.

Four Ways to Sell

Generally speaking, sales methods fall into four broad categories. Each of the four basic ways to approach selling has some real strengths and can improve results. But each also has some significant limitations. The goal is to understand the basic approaches and to recognize when and why each of them works. Then we can match the method to the particular selling environment in which we are working.

Here are the four categories of sales methods:

1. Process-Oriented Sales Methods. This type of approach treats sales as a process, a series of identifiable steps. The assumption is that when salespeople follow the steps correctly, they will be successful — provided they have a reasonably competitive product or service to offer. These process-oriented approaches have dominated the sales-training market for the past generation. Their success stems from a number of factors:

- They are relatively easy to teach.
- They address the needs of sales management.
- They tend to be effective in complex sales.
- They have been adopted by highly influential corporations.

2. Relationship-Driven Sales Methods. In the view of the trainers and authors who recommend this kind of selling strategy, what matters the most in winning a sale is how strong a bond you forge with the decision maker. That bond, that individual relationship, which is based on trust and mutual respect, is the basis on which one vendor will be chosen over another. For a long time, these methods dominated sales training, but about 20 years ago they began to fall out of favor. However, they have a number of unique strengths that make them effective in the right situation:

- People prefer to buy from people they trust.
- Relationship-driven approaches tend to result in more repeat business.
- The salesperson's value is maximized.
- These methods work well in selling intangibles,

(continued on page 3)

The author: Persuasive communications expert Tom Sant is the founder and former CEO of the Sant Corp. He is the author of *Persuasive Business Proposals* and the creator of a widely used sales software tool.

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ISBN 0-8144-7291-5.
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For additional information on the author, go to: http://my.summary.com

Published by Soundview Executive Book Summaries (ISSN 0747-2196), P.O. Box 1053, Concordville, PA 19331 USA, a division of Concentrated Knowledge Corp. Published monthly. Subscriptions: $209 per year in the United States, Canada and Mexico, and $295 to all other countries. Periodicals postage paid at Concordville, Pa., and additional offices.

Postmaster: Send address changes to Soundview, P.O. Box 1053, Concordville, PA 19331. Copyright © 2006 by Soundview Executive Book Summaries.

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Selling in the 21st Century

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such as intellectual capital or services, and in selling commodities, where there is little differentiation between products.

3. Linguistic Approaches. For some reason, people believe that certain words or phrases can exert tremendous power over a customer's mind. As a result, salespeople eagerly seek insights into both verbal and body language. Although fewer in number, the sales experts who advocate these methods have tremendously loyal followings. Why? There are two reasons:

- Scientific research backs them up. Linguistic approaches are often tied to empirical research in cognition.
- They are testable. A salesperson can quickly determine whether or not the method is working simply by trying it in the course of a sales call.

4. Tactical Methods. This type of sales training focuses on tricks and techniques. Often this kind of training tends toward the manipulative, but there are sound techniques in selling that can make a person's job easier. The reasons why salespeople support these methods include:

- They believe that their success is limited only by a particular skill deficiency. Specific, tactical training can be exactly what the salesperson needs.
- Techniques are often trainable in short, focused sessions. ■

For additional information on process-oriented sales methods, go to: http://my.summary.com

John Henry Patterson: The Process of Selling

In 1884, when John Henry Patterson was 40 years old, he and his brother sold their coal business and made a fateful decision: They decided to invest in high technology.

The cash register had been invented and patented in 1879 by James Ritty, a saloon keeper in Dayton, Ohio. Ritty founded the National Manufacturing Co. in Dayton to manufacture and sell cash registers. The company was barely staying afloat when Patterson bought it. He knew about Ritty's machine because he was one of the few people who had bought one. Once the register had proved its value in one of his retail outlets, he ordered two more. Patterson concluded that every retailer should have a cash register and that every intelligent retailer would quickly buy one. And so, for $6,500, he bought the rights to Ritty's patent and operation.

Patterson took over the business, which he renamed The National Cash Register Co. Patterson faced the classic dilemma faced by many contemporary entrepreneurs: He was producing a product so innovative that there was no market for it, a product in which the world had no interest, a product so complex that its largest group of potential users couldn't understand it. He had to find a way to sell his complicated, innovative product to skeptical consumers.

The answers he found have had repercussions throughout American business for more than 100 years. Some of the most powerful and influential leaders in American industry worked for Patterson and took his methods to their next assignments as leaders at IBM, General Motors Corp., Packard Motor Car Co., Burroughs Adding Machine Co. and other top companies.

The First Sales Convention

In 1886, Patterson organized the first sales convention. He had all five of his sales agents come to Dayton where they received training on some new features of the cash registers and how these features increased value for the customer. He also had his top-producing sales reps share their selling tips with the others. In this sales conference, Patterson had come up with two of many innovations in modern selling: holding a regular sales meeting, and having sales reps trained not just in product features but in sales techniques as well.

Patterson's brother-in-law, Joseph Crane, also attended the sales conference as an observer and offered his advice. Once Crane had joined NCR as a sales agent, he developed a process in which he would uncover the customer's biggest worry, problem or fear; show which feature addressed that issue; and then demonstrate the value of buying the machine to the merchant in a systematic way so that the prospective purchaser fully understood it. By quickly focusing on the particular set of problems that the given customer worried about, Crane was able to position the cash register as a solution, not merely a piece of equipment. He was selling value, not technology. And he was saying the same basic words in the same order, time after time.

Systematizing the Sales Force

Patterson realized what he had in Crane's method: a way of systematizing the sales force to maximize its results. He had Crane give his presentation while a secretary transcribed it. Patterson sent the script out to the other salesmen with a note: "Crane sells more machines than any of you fellows, and he sells them this way. I suggest you all learn this."

Patterson soon revised the text, making it a bit more flexible, and issued it again, this time as the *NCR*

(continued on page 4)

For additional information on the NCR employees who rose to the tops of other companies, go to: http://my.summary.com

John Henry Patterson: The Process of Selling

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Primer. He presented it at the sales conference in 1887 and told the men they had to learn it.

A Primer on Process

After Patterson insisted that every sales agent in the field use the sales method that Crane had developed, the company's sales began to soar. Crane's approach was so powerful because it focused entirely on the customer's needs rather than on the company's product. Although Patterson didn't use the term, what he was developing was the first sales force to use a *consultative* approach.

The four steps of Crane's process are:

- ***First, the approach — identify the customer's problems.*** Where are customers losing money? What goals are they failing to achieve? What gaps in their current capabilities are keeping them from being successful?
- ***Second, the proposition — develop a specific value proposition.*** Identify the specific areas where losses are occurring, and quantify them. Summarize the losses and show the potential for increased profitability in concrete dollars and cents.
- ***Third, the demonstration — show how the solution fits.*** Summarize the customer's problems and the potential for increasing profits. Then show how the solution works, not in terms of its technical functions, but in terms of its business impact.
- ***Fourth, the close — ask for the order.*** Assume that an intelligent businessperson will want to buy. If a customer has objections, answer them and close again.

For the first time in history, a selling argument was consistently developed from the customer's point of view rather than from the company's desire to make a sale. It was also the first time that selling was seen as a process, something that could be repeated over and over, rather than as a transactional event. This was Patterson's most important contribution to modern selling. Defining sales as a process — a sequence of specific steps that can be identified, tracked and measured — means that sales can be taught, measured and improved.

Making It Work for You

Take an objective look at your sales process. If it's not explicitly defined, go ahead and identify the typical steps that must occur for you to close business. Once you have a firm grasp of the steps in the process, whether there are three or seven or nine or some other number, identify what you must accomplish in each step in order to move to the next one. How do you know when this step has been completed? Identify training or resources that can help you improve your execution in those steps.

For some people, thinking about sales as a project to be managed or a process to be executed is not a natural way to view the job. That was true for many of Patterson's sales reps, and it's no different today. But if you have that feeling of resistance, it's worth overcoming. Knowing your process and following it will make your job as a sales professional easier and will enable you to work more efficiently and effectively. You'll close more deals faster if you know what it takes to get to a close.

Learn your process, use it and respect it. In return, the process will make you more successful than you could ever be without it. ■

The First Sales Training School

National Cash Register sponsored a display at the Chicago World's Fair in 1893. A group of young men was hired specifically to staff the display, but Patterson found to his horror that they knew almost nothing about cash registers. He pulled them all into a hotel room, where he created a short, focused presentation based on the *Primer*. He also listed the most common questions that the crowd was likely to ask, along with the best answers. Patterson then drilled the young men in small groups until they were all perfect.

Patterson decided that he could do the same thing with his sales reps. The first sales training school was held on April 4, 1894. It was attended by 37 men. The company paid all expenses. Crane was in charge of the instruction, and the men were drilled on the *Primer* and the newly developed *Book of Arguments*, a handy guide to overcoming objections.

As usual, Patterson kept records of everything. By tracking performance, he was soon able to see that sales veterans who went through the training doubled their sales afterward.

Dale Carnegie: The Apostle of Influence

Dale Carnegie was born in 1888 in a small farmhouse in Missouri and was raised on hog farms in rural parts of the state. After a streak of bad luck, his family moved to a farm near Warrensburg, Mo., so that he could attend the state teachers college nearby. Dressed in shabby, ill-fitting clothes, beset by insecurities and worries, he sought recognition by becoming a champion debater. Carnegie saw that the winners "were regarded as the intellectual leaders in college," he said. The public speaking contests and debate competitions drew crowds from the town as well as the college community. This, Carnegie thought, was his opportunity.

His first year at Missouri State Teachers College, Carnegie entered a dozen competitions. He lost every time.

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Dale Carnegie: The Apostle of Influence

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Yet he was stubborn enough to try again. So he practiced every night, reciting passages from Abraham Lincoln and Richard Harding Davis, a popular journalist who became the managing editor of *Harper's Weekly*. A year later, he won the schoolwide public speaking contest by delivering Davis' "The Boy Orator of Zapata" and Lincoln's "Gettysburg Address." He also won the debating contest.

Other students sought him out to coach them in public speaking. During his last year in school he won the debating contest again, a boy he had tutored won the public speaking contest and a girl he had trained won the declamatory contest.

With his recognized skill for talking, he decided to become a salesman. After a short stint selling courses for the International Correspondence Schools, he was hired as a sales rep by Armour and Co. in Omaha, Neb. Carnegie thrived in his new job and eventually became the top salesman in his territory. When his managers approached him about a promotion, he declined.

From Selling to Acting to Selling

Taking the money he had made selling for Armour, he quit his job, headed to New York and enrolled in the American Academy of Dramatic Arts to become an actor. After graduation, he was hired for the road company of a goofy musical about life in a circus. After the tour ended, Carnegie couldn't find work as an actor anywhere, so he went back to selling. He wanted to stay in New York, so he took a job as a car salesman for the Packard automobile company. He found that he hated it.

The 125th Street YMCA in Harlem offered a few courses in an evening school that it ran to help working-class men and women get ahead. Carnegie wanted to become a night school instructor there so he could free up his days to write the Great American Novel. Since the YMCA director wasn't sure that anybody would sign up for Carnegie's class in public speaking, he refused to pay him the standard salary of $2 a class.

"So I said," Carnegie later remembered, "'I will work on a profit-sharing basis.'"

The director agreed. Some 3 years later, Carnegie was making $30 a night in commissions. His class had become a huge success.

The 25-Year Overnight Success

Carnegie never planned to write his most famous book, *How to Win Friends and Influence People*. He was sailing along running his popular public speaking workshops, which were making him a lot of money even in the middle of the Great Depression. For nearly 25 years, he had delivered the same basic course. After a representative of the publisher Simon & Schuster attended one of Carnegie's public speaking courses, he approached Carnegie about writing a book about getting along with people. Although Carnegie initially refused, he eventually agreed. Two years later, in 1936, the first edition of *How to Win Friends and Influence People* appeared in bookstores. Within weeks, more than 5,000 copies had been sold. Sales continued to build quickly until the book was selling almost 5,000 copies a week. The book went through 17 printings in 5 months. In the first year, Carnegie made $150,000 in royalties, based on 25 cents a copy.

Overnight, Dale Carnegie was famous, wealthy and eagerly sought after by business leaders, politicians and celebrities.

Why Does It Work?

At the heart of Carnegie's philosophy is a simple idea: Influence is linked to trust. Gaining influence means building trust, and trust is fundamentally a relationship. Carnegie correctly surmised that unless you get the other person to like you, you're not going to get very far in your efforts to persuade him or her. It's the emotional connection between people that will get you started on the road to trust. The second most important element is displaying interest in the other person — in other words, minimizing the appearance of self-interest. Research studies into buyer/seller relationships have indicated that these are exactly the variables that are most likely to produce a successful relationship.

How to Establish Rapport

Here are some tips for establishing rapport and building conscious relationships with your prospects:

1. Be your professional self. Don't try to act like somebody other than who you are. If you do, it'll come across as insincere or fake.

2. Dress simply and professionally. Minimize jewelry, wear a good watch and polished shoes. Keep the focus on the customer and away from your wardrobe.

3. Be forthright. Extend your hand, look the other person in the eye and tell him or her how good it is to meet with him or her.

4. Take a second to scan his or her office. Do you see signs of a similar interest? Are there pictures of the family or a hobby? Are there awards? Make a connection. If you truly don't have the same personal interests, look for a professional connection.

5. Always set a time frame at the beginning of the meeting, whether it is on the telephone or in person.

6. At the start of a meeting, resist the temptation to show off all you have learned about the customer's

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For additional information on being your professional self, go to: http://my.summary.com

Dale Carnegie: The Apostle of Influence

(continued from page 4)

business and industry from reading the company's 10-K and annual report. You'll make a bigger impression if you wait to display your knowledge by asking incisive questions later, after you've established rapport.

7. When the customer talks, listen. Look directly at him or her. Nod. Don't interrupt. If you like to take extensive notes, ask permission to do so. When the other person has made his or her point, wait for three counts before you say anything back to him or her. Linger on what was said. Give the person a chance to take a breath. Show that you are listening by stopping to absorb what was just said.

8. After listening, always feed back what you heard. This is the highest compliment you can pay someone. It is the most important sign of a truly conscious relationship. You listened, and you want to get it right.

9. Stay on the topic, but don't try to control the conversation too tightly. As need statements emerge, be sure to write them down so that you can later match a solution or benefit to each need.

10. Treat your customers or prospects as your equals, as partners in having a successful meeting. Let them explain their problems and how their business and their decision process work, and then carefully explain to them how your sales cycle usually progresses.

11. Never argue with the customer. Instead, if you disagree, take a few minutes to make sure you understand his or her position. Make sure you truly see the customer's point of view. One of the best ways to resolve conflict is to ask, "Why?"

12. When leaving, extend your hand and offer a firm handshake and a smile, look the customer in the eyes, and thank him or her for his or her hospitality. Remind the customer of your next agreed-upon step.

The Carnegie Approach

The Dale Carnegie approach is fundamentally about improving our relationships with other people, not about selling them more stuff. It's about getting what you want by helping someone else get what he or she wants. It's about establishing a trusting relationship built on sincere acceptance of the other person's point of view, on honest communication and on sharing an open agenda.

You want to do your homework before you meet with a client, so that you can come to the meeting prepared with insights and information relevant to the client's business. But the most important thing you can do is to listen closely and attentively. Nothing builds trust and rapport faster than listening. ■

For additional information on a way to stay focused and interested, go to: http://my.summary.com

Elmer Wheeler: The Magic of Words

Elmer Wheeler did some of the 20th century's most innovative thinking about how to sell and came up with phrases that have shaped American culture. For example, he coined the phrase, "Don't sell the steak, sell the sizzle," as a way of making the point that bland, factual details don't work. You have to show the customer what the benefits are.

Wheeler came by his interest in language naturally — early in his career he sold display advertising for newspapers. Wheeler was pretty successful working for the *Los Angeles Herald*, the *Rochester Journal*, the *Albany Times-Union* and the *Baltimore News-Post*, but be became frustrated because he wasn't able to establish a causal link between the ads a merchant placed in a paper and an increase in that merchant's business.

'Wheelerpoints'

In 1937, after some research and experimentation, Wheeler published *Tested Sentences That Sell*, his first major book. In it, he presented five "Wheelerpoints," gave his readers examples of how they work and even speculated about why they work. Here they are:

- **Wheelerpoint 1: Don't sell the steak, sell the sizzle!** People want to know, *what's in it for me?*
- **Wheelerpoint 2: Don't write — telegraph.** He said you need to get the customer's "**IMMEDIATE** and **FAVORABLE** attention in the fewest possible words."
- **Wheelerpoint 3: Say it with flowers.** You must prove your claims. He said, "Give a quick customer benefit — but then prove it the next second."
- **Wheelerpoint 4: Don't ask if — ask which!** He explained, "We mean you should always frame your words (especially at the close) so that you give the prospect a choice between something and **SOMETHING**, never between something and **NOTHING**."
- **Wheelerpoint 5: Watch your bark!** It's not just using the right words, it's saying them in the right way that delivers results.

Over the next 20 years, *Tested Sentences That Sell* outsold all other books on selling ever written. Wheeler became one of the best-known speakers in the country, delivering thousands of speeches to businesses, associations and conferences. He established training programs that were taught at 125 business schools and colleges around the world. He also wrote more than 20 books on retail sales, direct sales, overcoming shyness, losing weight, setting goals and quitting cigarettes!

The psychological insights that were the foundation of Wheeler's points were based on his own common sense and his observations — his "testing" of the various approaches embodied in specific words, phrases and

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Elmer Wheeler: The Magic of Words

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sentences. Today we would use different words to make the points and different examples to illustrate them, but that doesn't mean they don't still work.

Wheeler's genius was in recognizing that the way you say something can make a huge difference in whether or not you convince the customer. He tried wording sales messages in different ways and testing them to find the wording that produced the best results. In both respects — focusing on the power of language to influence a customer and using empirical methods to find out what really works — he was way ahead of his time.

Language, used effectively, is an enabling mechanism that allows people to connect. There are no magic words. There is only word magic: the skillful and insightful use of words to communicate a message clearly and persuasively.

Elmer's Wheelerpoints work in sales calls and writing. Here are some additional tips for communicating effectively with your prospects:

Oral Communications

1. Questions are more effective than statements in engaging a customer, particularly during the early stages of a sales process. Think about the questions you need to ask in order to guide the customer's thinking and to obtain the right information.

2. Create a printed agenda and share it with the customer. Even informal, one-on-one meetings will benefit from having an agenda.

3. Stay flexible and responsive to your audience's interests. If your meeting goes off on a tangent, but you build rapport or gain insight into your client's concerns and values, it's still a successful meeting.

4. If you have a written proposal, a price quote or other printed material, don't hand it out until the end of your presentation. Otherwise, your audience will be distracted, reading the text while listening to your presentation and getting little from either source.

5. Welcome interruptions, objections and questions from your audience. They indicate interest and involvement.

6. Share responsibility for the outcome of your presentation with the audience. That means giving up some of the control, being flexible and articulating common objectives.

7. Use visual aids in formal presentations and don't skimp on them. It's better to have many charts and move through them quickly than to have only a few and spend a lot of time on each.

8. Practice important presentations using videotape to identify distracting mannerisms or habits.

9. Learn to control your nervousness. Develop a routine for calming yourself. Visualize success and breathe!

10. Use the following pattern during initial meetings with the client to begin the probing and fact-finding process: Establish your purpose, probe for needs and goals, gain concurrence and close the call.

Written Communications

1. Check whether your sales proposals are client-centered or self-centered.

2. Put the important stuff first.

3. Send out the best work you're capable of producing. Have someone you trust proofread and edit documents that you are sending to a client before you send them.

4. Always use your spelling and grammar checker.

5. Kill the marketing fluff. Be ruthless about removing it from anything you send to a client.

6. Eliminate weasel words and booster words while you're at it. Booster words are words thrown into a sentence when we suspect we're not making a point very well, such as *very*, *really*, *certainly*, *obviously*, *somewhat* and *significant*. Weasel words try to imply that we're saying one thing when we're actually saying the exact opposite. For example, the words "can be" in "can be of value ..." don't necessarily mean it *will* be.

7. Keep your documents as short as possible. Short documents are easier to understand and make a stronger impression.

8. Highlight your documents. Use headlines, subheadings, boldface type, lists and other devices to make sure that the reader who skims sees key points.

9. Use familiar, everyday language. When in doubt, leave it out. Instead of *implement*, *optimum* and *utilize*, write *do*, *best* and *use*. ■

Joe Girard: Priming the Pump

Joe Girard was born at the start of the Great Depression. His father was a physically abusive Sicilian immigrant with no trade and no skills, and he seldom worked more than a few days at a time. Mainly his family survived on relief checks and handouts. The six of them lived in a tiny apartment in one of the worst neighborhoods in Detroit, Mich.

Girard started working in saloons when he was 8 years old, shining shoes late into the night for a few nickels. Later he took another job delivering the *Detroit Free Press* before heading off to school. When the paper had a contest for signing up new subscribers, he sold enough new subscriptions to win the prize — a case of Pepsi, which he turned around and sold one bottle at a time for still more nickels.

After getting expelled from high school for fighting, he drifted from one lousy job to another. After getting turned down for a car salesman position, one sales manager hired

(continued on page 8)

Joe Girard: Priming the Pump

(continued from page 7)

him on straight commission. Not long afterwards, he went to a funeral home to pay his respects to the deceased mother of one of his friends. At the Catholic funeral, he wondered how the funeral director knew how many Mass cards to print. After some research, he discovered that the average number of people who come to a funeral was about 250.

When Girard and his wife were attending a wedding, he asked the caterer what the average number of guests was at a wedding. "About 250 from the bride's side, and another 250 from the groom's," he was told. Girard discovered that there was a principle at work here, one that he could use to build business.

Joe Girard's Law of 250

The principle is this: Most people have about 250 other people in their lives who are important enough to invite to a wedding or to a funeral. In other words, each person with whom I do business represents 250 other people. If I do a great job, 250 more people are likely to get a recommendation to buy from me. If I do a lousy job, I have just made 250 enemies. Consistently doing a good job — building strong relationships, treating people fairly, and giving them what they want — will make selling much easier in the long run. What Girard had realized was that it made more sense to "prime the pump" by generating awareness and interest among prospects well before they ever needed a car.

Using the Law of 250, Girard became the greatest car salesman in the world, and the only one ever honored with admission to the Automobile Hall of Fame. From 1963 to 1977, Girard sold more than 13,000 cars, all at retail, one customer at a time. He sold more retail automobiles from his small office at Merollis Chevrolet in Eastpointe, Mich., than anyone else anywhere in the world.

Girard learned that one satisfied customer can lead to referrals that can dramatically shorten the sales cycle and help fill the pipeline. Each customer has a circle of influence that potentially includes many people who might also become customers.

The system of generating leads and maintaining awareness among prospects that Girard developed has been revived in recent years under several new names: permission marketing, nurture marketing, relationship marketing and closed-loop marketing. Even today, the idea of priming the pump with creative presale activities that generate leads and keep prospects aware of you has tremendous potential for improving sales force efficiency.

The first step is to create a profile of your best customers. Next, you have to figure out how to approach the prospect. You have to earn the right to communicate with these people who have never heard of you. Write a series of brief and focused messages that will be of interest to your target customers. Then, start sending them. This is the kind of activity you need to do every day.

It's all about marketing yourself. And it's about recognizing that for every impression you make on somebody, you potentially are making an impression on 250 other people as well. ■

How to Nurture Relationships

To turn happy customers into willing recommenders, Girard realized that he had to take action. He had to nurture the relationship and keep it alive. One way he did this was by sending out a greeting card every month to every one of the 9,000 people in his prospect file. By the time he had been selling for a decade, nearly two-thirds of his sales were to repeat customers.

Looking Back to Look Ahead

Which sales methodology is the best? The answer depends on you, on your typical customers, on what you are selling and on the competitive environment in which you are working. There are six characteristics for which you should look in your current methods. If you find that your sales methodology is lacking in one, take steps to correct the deficiency:

1. The sales method matches the customer's preferred mode of buying.

2. The sales method is flexible enough to be self-correcting, incorporating lessons learned.

3. The sales process itself creates value, usually in the form of intellectual capital, for both the customer and the vendor.

4. The methodology we follow increases the efficiency of the sales process, making the sales cycle shorter or enabling the salesperson to handle a larger volume of accounts successfully.

5. The methodology should be transferable across all skill levels.

6. The methodology is based on objectively measured events or tasks. ■

SOUNDVIEW RECOMMENDED READING LIST

If you liked *The Giants of Sales*, you'll also like:

1. ***Sales Management*** **by Robert J. Calvin.** Calvin covers everything from hiring to training to structuring your sales force according to your company's channel needs.
2. ***Secrets of Power Negotiating for Salespeople*** **by Roger Dawson.** Dawson offers a tool kit of opening, middle and closing sales gambits to help salespeople walk away from the negotiating table with all parties satisfied.
3. ***Rethinking the Sales Force*** **by Neil Rackham and John De Vincentis.** The authors write that the purpose of a sales force should be to find ways to create value, not just communicate it.
4. ***The Anatomy of Persuasion*** **by Norbert Aubuchon.** The author describes ways to persuade others to act on your ideas, accept your proposals, buy your products or services, hire you and promote you.
5. ***How to Be a Great Communicator*** **by Nido R. Qubein.** Qubein helps readers get their message across when speaking.

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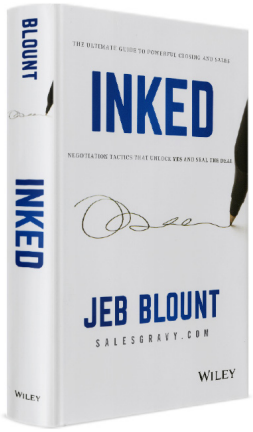
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Inked

The Ultimate Guide to Powerful Closing and Sales Negotiation Tactics that Unlock **YES** and Seal the Deal

by **Jeb Blount**



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THE SUMMARY IN BRIEF

Each year, sales professionals leave billions of dollars on the table because they are outgunned, outmaneuvered, and outplayed by savvy buyers. Because today's buyers have more power than ever before—more information, more at stake, and more control over the buying process—they almost always enter sales negotiations in a much stronger position than the salespeople on the other side of the table.

In ***Inked***, Jeb Blount levels the playing field by giving you the strategies, tactics, techniques, skills, and human-influence frameworks required to become a powerful and effective sales negotiator. He teaches you exactly what you need to know, do, and say to gain more control and more power over the outcomes of your deals, and win.

Unlike other negotiating books that ignore the reality sellers face in the rapid-fire, real world of the sales profession, ***Inked*** is a sales-specific negotiation primer. It's the most comprehensive negotiation resource ever developed for the sales profession. Let ***Inked*** help you win today.

IN THIS SUMMARY, YOU WILL LEARN:

- The seven immutable rules of sales negotiation.
- To use motivation, leverage, and power position in your negotiation strategy.
- Powerful negotiation psychology and influence frameworks that keep you in control of the conversation.
- The importance of sales negotiation planning and communication.

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Part I: Introduction to Sales Negotiation

Sales Negotiation as a Discipline

There is a massive amount of printed work available on personal, business, diplomatic, legal, and law enforcement negotiation. The lessons in these books (and accompanying training programs) are useful. But there are few true sales-specific resources on negotiation. A large part of the reason is the false (and perhaps arrogant) belief that sales negotiation is equivalent to all other types of negotiation. But they're not the same.

Adding to all of this is the truth that sales negotiation is boring. There is way more drama when the legal teams from Apple and Qualcomm sit down to work out patent and royalty disputes, or when Chinese and American diplomats negotiate a trade deal.

But when Maria, an account executive with a SaaS company in San Francisco, is negotiating the per-seat cost of her software with a mid-market company from Waco, Texas; or when Kendra is negotiating a long-term facility services agreement with a hospital in Singapore, nobody cares.

Except, of course, for the sales professionals whose compensation depends on the outcome of the negotiations and the companies that depend on those same salespeople to protect their profits.

The cumulative effect of these mundane sales negotiations directly impacts the profitability, market valuation, customer retention, and long-term viability of the enterprises on whose behalf sales professionals are negotiating.

Salespeople Suck at Negotiating

Every author of every book on negotiating is quick to point out that in business and life, everything is being negotiated and that as humans, we are negotiating naturally at almost every point in our daily lives. But despite this blinding flash of the obvious, despite the fact that salespeople are required to negotiate as part of the job, the brutal and undeniable truth is that most salespeople suck at negotiating.

There are several reasons why salespeople get ripped up like cheap t-shirts by buyers in sales negotiations.

Poor emotional discipline. When salespeople get beat at the negotiating table, 90 percent of the time it's due to their inability to rise above disruptive emotions in the moment. Fear, insecurity, anger, attachment, eagerness, desperation, and more all conspire to undermine the salesperson's ability to think clearly and maintain their cool.

Lack of training. Executives and leaders put tremendous pressure on their sales organizations to hit sales numbers, then complain bitterly after the fact that their salespeople are not negotiating hard enough. Yet, they invest very little money in training for sales negotiation skills. Nor do they train their sales leaders to model, coach, or reinforce negotiation skills. It's as if salespeople are somehow supposed to be born with the ability to negotiate effectively.

Buyers are better. Buyers are usually professionally trained in how to negotiate with salespeople and win. Buyers also tend to have more alternatives than salespeople.

Empty pipeline. The number one reason salespeople are in a weak position and lack emotional discipline at the sales negotiation table is an empty pipeline. When you have an empty pipeline you get desperate.

Sales Negotiation Skills Are Not One-Size-Fits-All

There are few one-size-fits-all solutions in sales, and negotiation is no exception. There are, however, seven rules of sales negotiation common to all sales situations that will guide you on your journey to mastering sales negotiation skills. These rules are the foundation for the lessons here.

- Win first, then negotiate.
- Play to win.
- Protect relationships.
- Emotional discipline wins.
- To master sales negotiation, you must master the sales process.
- Never give leverage away for free.
- Eliminate and neutralize alternatives.

Part II: On Winning

Sales Negotiation Is About Winning for Your Team

People, especially salespeople and those who manage them, often use the phrase "win-win" and "negotiation" in the same breath. The concept of negotiating win-win outcomes certainly makes sense in diplomacy, arbitration, and conflict resolution. It's nice when everyone wins.

Here's a brutal truth that you need to internalize: "Win-win" is the warm blanket of delusion where your commis-

The first and most important rule of sales negotiation is win first and then negotiate.

sion check and your company's profits curl up to die. If you are focused on "win-win," there is a real good chance that you are losing. Sales negotiation is about getting the best possible outcome for your team. Period.

Yet, sales negotiation is woven into the fabric of the long-term relationships you have either built or hope to build with your customer's stakeholder group. Even when your negotiating position is strong and you have the leverage to extract maximum flesh, winning at the expense of your buyer or causing them to lose face can create resentment that will cost you dearly down the road.

Therefore, sales negotiation is often a paradox—a dual process of empathy *and* outcome; you must win for your team *and* protect your relationships.

Sales Negotiation Rule One: Win First, Then Negotiate

The first and most important rule of sales negotiation is win first and then negotiate. In other words, avoid negotiating price, terms, and conditions until the buyer or stakeholder group has selected you as their vendor of choice (VOC).

Once the stakeholders have chosen you, it dramatically changes their motivation curve. It brings down emotional walls and turns the opaque transparent. It makes it easier to gain consensus on a deal.

Most importantly, stakeholders are much more likely to see the deal through to an outcome—reducing the probability that it stalls in your pipeline. Winning first makes it easier for you to maintain emotional control, exude relaxed yet assertive confidence, get what you want, and close the sale.

To this, sales professionals often say, "This doesn't make sense. How can I possibly know that I've won? I mean, if I've won, isn't the negotiation already over?"

The term "proposal" is important. A proposal is essentially a written offer to buy—that offer may be a presentation, quote, formal proposal, RFP response, or a contract that you present. There cannot be a negotiation on the price, terms, or conditions until an offer is made. Before that point, you may acquiesce and make concessions, but when you do so you are negotiating with yourself, which strengthens the other side's position and weakens yours.

In some cases, your stakeholder will tell you outright that they want to do business with you. In other situations, there is an implicit choice. This requires you to pay attention to your intuition and apply deep listening.

Timing Matters: Avoid Negotiating Red Herrings and Objections

A big problem for salespeople is that they tend to chase negotiation red herrings early in the sales process, causing them to give their leverage away for free and handcuff themselves with one-sided, early concessions. A red herring is something that distracts you from your focus, misleads you, or diverts your attention from the objective of your sales conversation.

For example, during your initial meeting, before any discovery has been done, the stakeholder tells you that they've been doing research online and seen that your competitor's prices are much lower. They want to know if you'll match them.

When you are faced with a red herring in a negotiation, the key is emotional control. You need a simple framework that keeps you in control of emotional impulses—PAIS:

Pause: When your stakeholder attempts to draw you into a negotiation early, before they've selected you as their vendor of choice, pause and collect your emotions before speaking.

Acknowledge: Then let the stakeholder know that you heard them. You might say, "Before we jump right into pricing concerns, let's make sure our solution is even a good fit for you. May I ask a few questions so that I can better understand you and your organization?"

Ignore or Save: When you pause and acknowledge, it creates enough space between the red herring and your response to make an intentional decision about your next move—whether you should ignore the red herring altogether, save it and address it at a later point in the conversation, or in *rare* cases with transactional sales, when there are clear buying signals, proceed directly to closing the deal on the spot.

Part III: Sales Negotiation Strategy: Motivation, Leverage, and Power

Motivation, leverage, and power position (MLP) are the chess board of sales negotiation. From the moment you engage a prospect until the proverbial ink is dry on the contract, your imperative is to analyze, influence, and shape the stakeholder group's MLP. In turn, you must be aware of and honest about your MLP and the gaps that put you at a disadvantage at the sales negotiation table. This is where sales negotiation strategy begins.

Motivation

Motivation is a compelling reason, enthusiasm, drive, or desire for doing something. What you must always remember is that motivation is personal. Particularly in business-to-business sales situations, you will be dealing with stakeholders who are using someone else's money to solve their problems.

Each stakeholder will have their own unique and personal criteria for success—often diverging from that of the group or their organization. These stakeholders' personal criteria for success, along with their relationship with you (and other members of your team), shape their motivation to get a deal done.

Motivation typically has an inverse correlation to power. Power in sales negotiations is directly correlated to the number of alternatives a party has. The higher a stakeholder group's motivation to buy from you, the less attractive the perceived alternatives. This causes the stakeholder group's power position to weaken. The important thing to understand is that power (alternatives) is concentrated at the organizational level, while motivation is with the individual stakeholder.

In almost every deal, the company you are selling to is in a stronger power position than you because they have more alternatives. Therefore, to weaken the organization's power position at the negotiating table while strengthening yours, you must work to increase each individual stakeholder's motivation to get a deal done with *you*.

Increasing stakeholder motivation while reducing the perception of viable alternatives occurs on three levels: relationship, individual success criteria, social proof.

Leverage

When you have something that someone else wants, you have leverage. Leverage gives either party in the deal, regardless of power position, the ability to compel the other party to change a behavior. For the party in the weaker power position—with fewer alternatives—leverage preservation takes on strategic importance.

Leverage is currency, and it must be treated as such. It has value and must be exchanged for value. Effective sales negotiators never give away leverage without getting something of equal or greater value in return. Types of leverage come in many forms, including information, terms and conditions, pricing, sunk-cost fallacy, and so forth.

You will use leverage in two distinct ways when working with stakeholders: as negotiation leverage to gain alignment on an agreement at the sales negotiation table; and bending the buying process to your sales process in order to gain control so that you may eliminate or neutralize alternatives.

One of the most effective tactics for aligning the sales and buying processes is gaining consensus and agreement during the initial meeting on steps that both parties must advance through for a tailored proposal to be delivered. Proposals are *never* emailed. If stakeholders want your information, they must schedule a formal proposal meeting to get it. In this way, protect your leverage and use it to gain control and bend their buying process to your sales process.

Power Position

At the sales negotiation table, the more alternatives a party has, the stronger its power position. The more power a party has, the more concessions it can demand. Buyers are almost always in a stronger power position than sellers. Yet, sellers imagine that the buyers have more options than they actually do.

So many salespeople are looking for Obi-Wan Kenobi tactics that allow them to outmaneuver the other party. But the real secret to inking deals and gaining power at the sales negotiating table is mastering, controlling, and executing the sales process. This is the most important lesson, because here's the brutal truth: Boring works.

If you are looking for a Jedi mind trick that will give you the upper hand in negotiations with buyers, look no further than being excellent at prospecting; qualifying; initial meetings; aligning the sales and buying processes; mapping stakeholders; gaining consistent micro-commitments; discovery, discovery, discovery; solution mapping and stakeholder consensus; value bridging, presentations, and proposals; getting past objections; negotiating; locking it in with ink.

Part IV: Emotional Discipline

The Seven Disruptive Emotions

For the sales professional, negotiation can push you to the edge of emotional extremes. Your disruptive emotions are your Achilles' heel in sales negotiations. Unmanaged, they betray you, make you weak, cause you to lose self-control, and put you at a disadvantage with buyers who have been professionally trained to master their emotions when negotiating with salespeople.

To become a master negotiator, you must first learn to master and rise above the disruptive emotions that are holding you back. These seven disruptive emotions impede your ability to negotiate: fear, desperation, insecurity, need for significance, attachment, eagerness, worry.

Mastering your emotions is the real secret to mastering sales negotiation. Emotional control in negotiations is a learned behavior.

> At the sales negotiation table, you control only three things: your actions, your reactions, your mindset.

Developing Emotional Self-Control

At the sales negotiation table, you control only three things: your actions, your reactions, your mindset. That's it. Nothing more. You can choose to be disciplined in the sales process. You can choose to be strategic in your efforts to improve your power position. You can choose to plan sales negotiations in advance. You can choose your attitude and self-talk. You can choose awareness over delusion. In emotionally tense situations, you have absolute control over your response.

Mastering your emotions begins with your awareness that the emotion is happening. This allows your rational mind to take the helm, make sense of the emotion, rise above it, and choose your behavior and response. Intentional awareness is the key. Emotions happen without your consent. Therefore, you cannot choose your emotions, only your response.

Self-awareness and self-control are like muscles. The more you exercise them, the stronger they get. The best way to exercise them is to face adversity, challenges, and emotional obstacles. In other words, practice.

Here are four steps to developing negotiation obstacle immunity:

- Be ready and open to gaining resilience through the crucible of adversity and pain.
- Intentionally choose to put yourself in uncomfortable situations.
- Actively seek out the conflict of negotiation by asking for what you want.
- Push through the desire to go back to your old state of comfort and delusion.

On the other side, you'll gain a sense of mastery and confidence. This leads to higher self-esteem and improved effectiveness at the sales negotiation table.

The Ledge Technique

At the sales negotiation table, you will be pushed to emotional extremes by stakeholders who challenge your positions, diminish the value of your proposal, hit you with hard questions, and make you feel insignificant. They will take illogical positions, make power plays, and say things designed to shake you emotionally. They've been trained to do this because when they do, you are more likely to give concessions.

The secret to gaining control of disruptive emotions in the moment is simply giving your rational brain a chance to catch up and take control so you can rise above these disruptive emotions, regain composure, and choose your response.

In her book, ***Emotional Alchemy***, Tara Bennett-Goleman calls this the "magic quarter-second" that allows you to keep the disruptive emotions you feel from becoming emotional reactions you express. In fast-moving, emotionally charged situations, the most effective technique for creating this magic quarter-second is the ledge technique.

A ledge may be a statement, acknowledgment, agreement, or question. It can also be a noncomplementary response (relaxed, assertive confidence) that disrupts the stakeholders' patterns and their expectation for how you will respond to their approach. Examples include statements like, "That's interesting—can you tell me why this is important to you?" "Just to be sure I understand your question, could you elaborate a little more?" "That's exactly what I thought you might say."

The ledge works because it's a memorized, automatic response that does not require you to think. This gives you the milliseconds you need to rise above your emotions and the accompanying neurophysiological response, regain your poise, choose your response, and gain control of the conversation.

The Pipe Is Life: The Real Secret to Emotional Discipline

The easiest path to emotional discipline is a pipeline full of qualified opportunities. When you don't need to win any particular deal, it is easier to detach emotionally and negotiate as if you don't need that account—because, as they say, there are many other fish in the sea. In a position of abundance, you make better decisions and exude relaxed, assertive confidence.

A full pipeline equals emotional control and power. When your pipeline is full, the probability is much higher that you'll negotiate for and get the prices, terms, and conditions you deserve. Never, ever forget: The pipe is life!

Part V: Sales Negotiation Planning

Be Prepared to Negotiate

Most sales negotiations happen at the speed of light. You are negotiating in the moment, in real time, with little breathing room—face to face, via phone, over video, or by text. You present your proposal, the stakeholders bite, and it's game on.

Sales negotiation planning helps you rise above disruptive emotions, blind spots, and biases to decide objectively how you will approach the negotiation. It gives you a bird's-eye view of the negotiation game board and the available moves.

There are 10 basic elements involved in sales negotiation planning: authority and nonnegotiables; stakeholder negotiation profiles; stakeholder negotiation list and best alternative to negotiated agreement (BATNA) analysis; deal qualifiers and fit analysis; motivation and power position assessment; negotiation parameters; business outcome map and the metrics that matter; target zone and limit zone development; negotiation leverage inventory; give-take playlist. For example, let's look at authority and nonnegotiables.

Authority and Nonnegotiables

Before you negotiate, it's vital that you clearly understand what you have the authority to negotiate. Most organizations define where the lines are drawn and where your authority to negotiate begins and ends. Others, though, are less clear. In these cases, you'll need to ask questions so you don't overstep.

List what and where you have the authority to negotiate, what other people have the authority to negotiate, and when you must remain firm on terms and conditions.

Salespeople often complain about not having the authority to negotiate certain items. They believe that it makes them weak in front of buyers. But it is just the opposite. Not having authority gives you strength. It allows you to get on the buyer's side of the table and become their advocate—essentially working together as a team and collaborating to get a deal done. It also gives you cover when you need to slow things down and gain space to consider your options.

Generally, nonnegotiables are in the terms and conditions—contractual obligations, payment terms, compliance issues. There are usually bottom-line price points you may not go below. Three rules for nonnegotiables will help you navigate around them in sales negotiations:

Don't bring them up. Leave them off the table unless the buyer brings them up.

Never flinch. Present nonnegotiables with relaxed, assertive confidence, acting as if they are routine and all buyers accept them without question.

Message matters. Explain nonnegotiables in logical, easy-to-understand terms.

Developing Your Give-Take Playlist

You'll use leverage in the back and forth of negotiating to get alignment with the buyer. When the other side asks for a concession—your leverage—you will ask for something back. Your overriding goal is to give away things that have a low value to you but a high value to the other side, while taking concessions that are of high value to the other side. You should never go into a sales negotiation without a plan for how to run these give-take plays.

This first step in building your give-take playlist (GTP) is to assess how each party views the five core parameters of a sales negotiation: risk, value, pricing, terms and conditions, and relationship. This analysis is very helpful for scenario planning and preparing for sales negotiation conversations. It gives you insight into the other party's motivation level and power position—especially how they view the alternative of doing nothing.

Whenever you get pushed to the brink by a buyer and feel the flight-or-fight response kicking in, pause for a break to collect your thoughts.

Part VI: Sales Negotiation Communication

Seven Rules of Effective Sales Negotiation Communication

At the table, effective communication keeps you in control of the conversation so you can move toward alignment on an agreement. There are seven rules for effective sales negotiation communication.

1. To control the conversation, you must first control your emotions. Emotional discipline is at the heart of effective sales negotiation.

2. People respond in kind. Emotions are contagious. Because of this, people tend to respond in kind to other people's behaviors.

3. Questions control the conversation flow. Most salespeople believe that to control the conversation, they must do all the talking. It is just the opposite. When you are asking questions, you control the shape of the conversation and can move it in any direction you please.

4. To know what other people are thinking, they must tell you. Humans have a bad habit of assuming that they know what other people are thinking. Do not confuse communication with agreement. The only way to know exactly what someone is thinking is for them to tell you. The words must cross their lips.

5. Communication fails if the other party isn't thinking the same thing you are thinking. Don't assume. Stop, check, clarify, and confirm agreements.

6. Communication fails if the other party is thinking about your behavior rather than the deal. Whenever you get pushed to the brink by a buyer and feel the flight-or-fight response kicking on, pause for a break to collect your thoughts.

7. Do not allow silence to intimidate you. Never answer your own questions. Do not fill in the space. Control your emotions and bite your tongue. Wait for the other person to respond.

Activating the Self-Disclosure Loop

You tell stories, and your stakeholders tell stories. It's human. It's how we communicate. In conversations, people don't spit out facts in bullet-point lists. Instead, they use stories.

We tell stories to be understood. And when we are telling our story, we feel important. When you listen attentively, you encourage stakeholders to expand on their stories and tell even more.

Activating the self-disclosure loop is a powerful tactic in sales negotiation conversations. When you master it, you'll easily gain insight into the cards in your stakeholder's hand. This insight gives you a distinct advantage at the negotiation table.

To activate the self-disclosure loop, begin with easy, open-ended questions that get the other person talking. Use active listening techniques to reward them for talking. Avoid interrupting, rushing, or talking over your stakeholder.

Pause three to five seconds before speaking. Allow the stakeholder to fill in the silence. This is important, because if you start talking, you'll break the loop and turn your stakeholder off.

Once the loop is running and the stakeholder begins to self-disclose, listen deeply and center your follow-up questions on those self-disclosures.

Part VII: The Sales-Deal Conversation Framework

A Seat at the Table

In sales negotiations, you need a plan, because winging it is stupid. But, of course, sales negotiation plans, like most battle plans, rarely survive first contact. This is why you must also deploy a tactical framework that guides the actual negotiation conversation so you remain agile, flexible, in control, and on track to achieve your goal.

There are four parts of the DEAL Sales Negotiation Conversation Framework:

Discover. Get the buyer's issues, desires, concerns, and perceived alternatives on the table. Then, clarify and isolate the issues on their list that must be negotiated, while seeking common ground.

Explain. Make the case for the value of your proposal by building a value bridge from it to the stakeholder group's desired business outcomes and the metrics that matter.

Align. Run your give-take playlist to give appropriate concessions and make takeaways until you reach alignment on a mutual agreement.

Lock. Ask for an explicit commitment on any agreements reached in the alignment step. Get ink.

Leveraging this framework keeps you on track, no matter what the buyer hits you with. The DEAL framework enables you to be agile in the moment and to flex easily to the context of the situation without locking you into a one-size-fits-all box. It guides the sales negotiation conversation and keeps you moving toward alignment on a negotiated outcome.

The Next Chapter and the Race to Relevance

At this very moment, two races are occurring in the sales profession—a race to the bottom and a race to relevance. The race to the bottom is a competition for the lowest price. In this race, even when you win, you lose. When the only thing that matters is price, what you are selling will move to the internet, and you cannot compete with the internet.

In this new paradigm, though, elite groups of sales professionals are crushing it. In this age of transparency, where information is ubiquitous and buyer attention spans are fleeting, these ultra-high performers are keeping prospects engaged, creating true competitive differentiation with a focus on business outcomes, and shaping and influencing buying decisions by being relevant and valuable to their stakeholders.

To win for your team, you must look beyond price and features and demonstrate, deliver, and sustain measurable and emotional business outcomes for your customers.

The brutal truth is that products and services of all kinds can quickly become commoditized. Prices can easily be matched. You, however, cannot. Therefore, you must bring proven processes, business acumen, thoughtfulness, and expertise to the table. You must become a sustainable, ongoing, and adaptable professional resource for stakeholders by delivering true value and return on investment.

IF YOU LIKED THIS SUMMARY, YOU MIGHT ALSO LIKE:

- ***Same-Side Selling: How Integrity and Collaboration Drive Extraordinary Results for Sellers and Buyers*** by Ian Altman, Jack Quarles
- ***Crushing Quota: Proven Sales Coaching Tactics for Breakthrough Performance*** by Michelle Vazzana, Jason Jordan



Jeb Blount is the author of 11 books and among the world's most respected thought leaders on sales, leadership, and customer experience. Through his global training organization, Sales Gravy, Jeb and his team help a who's-who of the world's most prestigious organizations reach peak performance fast by optimizing talent, leveraging training to cultivate a high-performance culture, developing leadership and coaching skills, and applying more effective organizational design. As a business leader, he has more than 25 years of experience with Fortune 500 companies, small and midsize businesses, and startups.

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Inspire

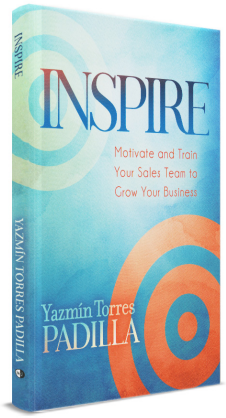
Yazmín Torres Padilla

Sales

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Inspire

Motivate and Train Your Sales Team to Grow Your Business



by **Yazmín Torres Padilla**

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THE SUMMARY IN BRIEF

In Yazmín Torres Padilla's book, ***Inspire***, she teaches the profound ways that she has inspired sales teams and helped other business leaders inspire their teams around the world. This method will help companies transform their workforce and sales teams to grow on the path to greater success.

Inspire contains timely and timeless guidance about how to lead a company with purpose, identify issues and correct them along the sales funnel, and manage your workforce more effectively. It will also help determine when incorrect solutions are being applied to problems that require a different approach.

In the end, businesses and business leaders who follow the INSPIRE business model will find that they're more effective leaders, the sales teams are more empowered to grow and excel, and their companies are able to meet the evolving needs of their markets and the individual clients or customers they serve.

IN THIS SUMMARY, YOU WILL LEARN:

- Why traditional methods for solving sales staff problems don't work, and which methods will actually lead to solutions.
- How to inspire passion and growth in your sales teams and employees.
- How to make empathy and love a powerful driving force within your organization.
- How to take the methods and solutions in the INSPIRE model and make them standard practice within your organization.

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Introduction

Many people around the world in a range of companies, industries, and roles have a problem—a sales department problem. Many of these problems can be boiled down to a few key points:

- It's difficult to find good sellers to hire
- They spend time thinking about how everything is going to be different someday
- The owner is the person who makes the most significant income for the company
- The rotation is affecting client satisfaction
- Sellers are not self-motivated

These are all very real problems for small to medium business owners. The solutions they try range from team building and hiring consultants to sales training and recruiters. While these can be effective tools for other concerns, they won't solve the core problems mentioned above. The reason is that new sellers that are brought in, no matter how talented they may be, will be contaminated by a poor environment and will adopt the practices and habits of the people and organization around them.

So how can companies avoid wasted time, wasted money, and failure to secure long-lasting results over time? Many individuals and businesses experience exactly these issues when they try to solve sales problems with inadequate solutions. The key comes from looking beyond these solutions to discover something entirely new.

The Yazmín Torres Padilla Story

When Yazmín was young, people would ask her the same question that every child is asked time and time again—"What do you want to be when you grow up?" For her, the answer was always the same: an entrepreneur. The word was a synonym of hard work, pride, and financial success. She wanted to run her own business, much like her father had.

As Yazmín graduated high school, she started working for a multinational company. It was an overall positive experience, but she found that she was unable to reach the next level she desired. So she left to put herself in a position to pursue what mattered to her.

While waiting for a job interview, another person in the room offered her a sales job on the spot based on her demeanor and obvious work ethic. Before long, Yazmín was managing many of the ongoing essential needs of the company—much like a CEO. It wasn't long before her employer pulled her aside and told her that she was destined to be an entrepreneur. It was a message she had heard before. She left the company and started a consulting firm, but only after a few years of earning a degree and searching for the right opportunity.

Eventually, Yazmín began to synthesize everything she had learned into the INSPIRE Business Model Program. This program explores how business leaders can communicate a pure and well-intentioned work philosophy that influences others with a sense of urgency or ability to do. By moving through the following steps, business leaders can jump from small organizations to well-recognized companies.

Identify Your Path

There are two kinds of entrepreneurs—ones who start a business to make money, and ones who have a dream of fulfilling a need of others. Neither is right or wrong, and neither is free from the dream of increased income. But there are a lot of different implications that come with each.

A money-making business is one that only thinks about one person—the owner. This won't lead to long-lasting companies because every strategy will be centered around how much money X person can make. If that person goes, then the company's core goal goes with them.

Companies born from good intentions of helping or making a difference in others' lives are much more enduring. Even large companies can experience continued profitability and success while focusing on people's needs over earnings.

Sometimes, identifying ways to help others through our entrepreneurship involves a level of risk. While the idea of building a business around helping others may seem like a 'utopian' way of thinking, the truth is that it often leads to successful, long-lasting, and truly impactful businesses. And when you are purpose-driven as a business leader, the people within your organization will be as well.

Propose Value

Now, wanting to create value for the people your company serves is wonderful. But you have to go deeper than this. You have to find ways to analyze your dream and determine how to make it profitable.

You have to see how many clients and how many competi-

tors are going to be there in the very near future, because it will impact how much power you're going to have with your client. Many companies just want to sell more, and they don't even notice that they're selling bottles of water when there's a free fountain nearby. Don't worry—if you know what the conditions are that your company is involved with, then you can generate ideas to counteract the problems that might come up in the future. This is a process you must do with someone who has mastered the tools and the related subjects well in order to make a good analysis and define the best strategy.

What clients truly appreciate when it comes to a business value proposition:

- The possibility to learn how they can get the results they're looking for and turning into the professional that can achieve goals on their own
- How to get long-term incredible results, helping them transform their struggling business into a growing company
- How to make this possible in a short period of time

To succeed, your business should be ruled by specific principles. Whatever values you choose, allow them to lead your company and the people that work within it.

Interest Them

Many entrepreneurs believe it's easier and less expensive to hire someone to sell their products and services than through marketing and advertising, but that's actually not the truth. Here's why:

A person has limited range—one person could reach X number of visits or calls in a period of time, so in order to make more sales you must hire more people. There are possible customers everywhere who need what you offer, and your people may not be reaching them.

When hiring on the open market, a person must be totally convinced of the quality of your product or service. This requires you to invest time and energy into making your sellers feel what you feel about your product. This is why a common complaint is that the owners are still making the most sales even though their sellers are spending much more time looking for opportunities—they just don't have the same passion.

In order to overcome these challenges, your marketing plan must accomplish these two tasks:

- Communicate to prospects and clients the value proposition of your company.
- Communicate to your sales team the value proposition of your company to clients.

You'll also need a roadmap for your sales department, which should include: knowing your break-even, defining the average sales a seller can achieve in a day and projecting future sales with this figure, determining how many sellers you need to achieve your break-even, defining the life-cycle average of the product or service your company sells, specifying your company's overarching goals.

Serve With Love

If you don't care about the people you work with, the people you employ, and the clients or customers you serve, it will show up in absolutely everything you do and create. Developing a true level of love for the people impacted by your business is absolutely essential for creating something lasting and meaningful (and profitable).

Developing an in-depth knowledge of and level of care for your employees will help you identify strengths, weaknesses, and opportunities for growth. When it comes to serving your customers with love, you can implement a few key requirements:

- Fast reaction times when it comes to customer contact
- Clear and ongoing communication so clients always know where they stand
- A clear and straightforward process for clients to make complaints or claims about products or services
- Understanding of what the client's responsibilities are in the relationship

Like many things in business, these concepts build on each other. If you serve your employees with love, they'll then in turn serve your clients and customers with love in every interaction.

Engage Their Passion

In order to manage your human resources effectively, you need to attract the best candidates, choose the best candidates, and then retain the best workers. In order to do this, you need to engage with their passions. Allowing your workforce to develop, explore, and implement their passions in the work they do every day is absolutely essential.

This often begins at the top. If you can create a leadership team that's truly inspiring, uplifting, and a pleasure to work

with and for, then it will become part of the appeal that your company has for great workers. Remember—this starts with you. You will set the tone for everyone else, and if you're passionate and engaged with your teams, they will be passionate and engaged when it comes to the work they do and their interactions with clients and potential clients.

Overall, you want to create the conditions that will allow your teams and clients to be happy. After all, happiness is a powerful business principle and will help you attract and retain top talent—which in turn will help you make more significant sales at a greater volume than ever before.

Refine Their Skills

You may not realize it, but you have a massive responsibility to your employees that you didn't realize. As their employer, it's not just your job to get the best out of them. It's your job to help them expand what their best can be by helping them improve and refine their skills.

A career is not just about performance, it's about learning and growth. Happy workers always list ability to learn and develop as one of their greatest points of job satisfaction, and it's not hard to see why. People are hardwired to want to grow, and if your employees feel they're not growing or improving, they'll be dissatisfied with their work.

You also have another motivation for encouraging growth—your workforce is constantly improving. Rather than having to hire more qualified, more effective, and more engaged salespeople—you actually create them from the workforce you already have. Always be on the lookout for opportunities to encourage growth and development of skills.

Normalize

So how do you take all of these organizational changes and implement them within your organization in a trackable way? You have to create processes that can be followed. Here are some of Yazmín's suggestions:

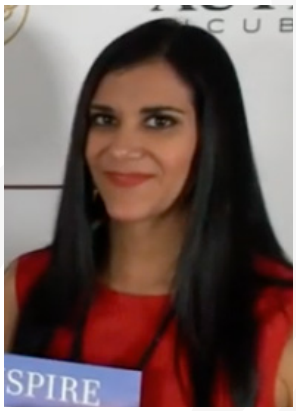
- Have sellers ask for references from clients
- Have teams create documents with all complaints they receive from clients
- Have teams discuss and document why a prospect did not buy an item or service

Documenting and analyzing this information will then, in turn, allow you to accomplish specific tasks, including identifying issues in your company and opportunities to offer new products that will meet potential client or customer needs and allow you to make more sales.

The Big Obstacle

So, what stands in the way of you adopting the INSPIRE method? Is it fear of change? Or perhaps concerns about disrupting your existing process? Maybe you think that your leadership skills aren't up to the challenge.

But the question isn't whether you or your business can afford to adopt the INSPIRE method, but whether you can afford *not* to.



Yazmín Torres Padilla is the creator of the INSPIRE Program which is a program for generating a long-term culture of development workers' and leaders' skills with measured impact. Her ten years of professional experience in the areas of psychology, business administration, and leadership have earned her international recognition in the fields of diversity and strategy.

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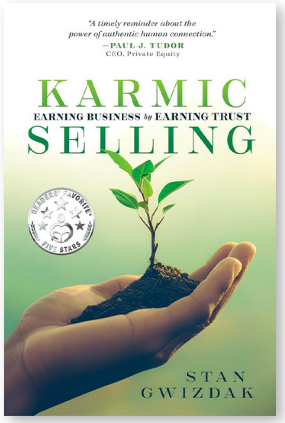
Karmic Selling

Stan Gwizdak

Executive Book Summaries®

Karmic Selling

Earning Business by Earning Trust



by **Stan Gwizdak**

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THE SUMMARY IN BRIEF

In reality, sales are far from a dirty game that's all about closing the deal. Ask a successful sales professional or business about their strategy for growth and they always stand by one word: honesty.

The book ***Karmic Selling: Earning Business by Earning Trust*** shows us how authenticity, clarity, and honesty are key to building successful business relationships. Here, we learn to cultivate a however-I-can-help mindset, ace our meetings with solid prep work, and build meaningful connections and conversations.

Author Stan Gwizdak helps us find a better and more sustainable way to do business by serving others with a clean heart. His tried and tested methods help us become our authentic selves and build lifelong business relationships.

IN THIS SUMMARY, YOU WILL LEARN:

- How to cultivate a however-I-can-help mindset.
- How to master the art of meaningful connections and conversations.
- How to prepare for meaningful sales meetings.
- How to follow up and grow your circle.

Introduction

If you look up sales books on Amazon, you'll find thousands of how-to guides: step-by-step plans for "generating leads," special formulas "to increase sales by 25 percent," and tips for "closing the deal." I don't want to talk about any of that stuff. For me, it's not about a formula. It's about being true to your own purpose and authentic self. This book talks about how I got there and gives some pointers for how you can get there, but the aim isn't to make you a copy of me.

Instead, I hope this book helps you believe two things:

- I can succeed by being authentic and kind.
- Success begins with asking the question, "How can I help you?"

Those are the core principles of Karmic Selling. If you stick to those principles, you're bound to do what's right, and good karma will come back to you as a result. You'll find that when you put good out into the world, you'll get it back tenfold.

Chapter 1: The Shift

Most days in life go by in a blur. We don't remember each one. For me, there are a few I'll never forget: the day I met my wife; the day we got married; the day my kids were born; and the day I almost died in a car crash. That was when I left the corporate world, determined to do things differently.

But your path to change doesn't need to be that dramatic. You don't need a car wreck, health scare, or trauma of any kind to shift your thinking. You can shift it on your own- and it all starts with dropping what I like to call the "f—you" chip on your shoulder. The "f—you" chip can serve as an aggressive shield or cloak required for survival in toxic environments. That's the first step in switching from a success-at-all-costs mindset to a however-I-can-help mindset, an attitude that prioritizes connection over selling, and serving over self.

And that sets into motion the laws of karma – the laws that dictate that, by genuinely seeking to connect with and help other people, you will put out good karma and, before long, that positive karma will come back to you. And it will come back to you tenfold.

So, what do you do when you drop the FU chip? In my case, it means approaching people with good intentions. I go into every interaction with genuine interest, attention, and care. I take the time to get to know people before I meet them, I listen to them, and – if they care to share them – I hear their problems. Then, I strive to give them solutions to those problems. Those solutions aren't necessarily coming from me or my business, and the other person can take those solutions or leave them. The point isn't whether we close the deal. The point is that I go into the interaction with a genuine desire to help. Here are some ideas to drop the "f—you" chip and approach business with kindness and authenticity:

- Be authentic and seek to connect. Don't try something you're not and don't pretend to know something you don't know.
- Prepare before you meet. Research the person professionally and personally.
- Listen during the first meeting. Don't cram sales arguments down their throats. Instead, ask questions. Pinpoint the problem. Do you have a solution? This is your chance to figure out how to help.
- Follow through on the first and second meetings.
- Keep the conversation flowing. Stay true to who you are. Don't embellish or misrepresent yourself.
- Take notes. This will help you remember what the person tells you, even the small details.
- Follow up and say thank you.
- Be prepared to adapt and grow because people, businesses, and situations change.

Chapter 2: However I Can Help

Throughout my career, I've often met people with crossed arms. They're thinking "Hey, you wanna sell me something? Good luck." In those situations, my solution was always to adopt a however-I-can-help mindset. People don't want to be sold to. But if you can help them – I mean really help them, with a tangible problem they're having – you can win their hearts and minds.

However-I-can-help attitude means helping without an agenda. Sure, approaching the world with a clean heart and a however-I-can-help mindset doesn't mean you're going to close every deal and win every dollar. But guess what: even if you're always trying to sell ideas or products to people to win them over and get their business – you're still not going to close every deal and win every dollar. Here's how to build a however-I-can-help attitude and mean it:

If you're going to connect with someone, you've got to meet them on their terms.

- Research how you can help them.
- Listen to what they're telling you. A lot of people aren't going to say "I need help with X or Y." But if you listen to them, you can recognize points where they might be able to use your help.
- Ask questions (we'll cover this part in more detail later).

Chapter 3: The Connection

People want connection. They don't want to be sold to. They want to feel like you're genuinely seeing them and hearing them, you're truly interested in them and want to help them. If you're going to connect with someone, you've got to meet them on their terms.

An exchange of humanity requires awareness. That includes cultural awareness. People from different places like to connect differently. A hard changer from NYC would want to get to the point immediately whereas a Southerner would appreciate some small talk. People are all different, so start by listening. Know all about a person's or a company's unique situation. Ask yourself, how does this situation impact their needs? How does it influence your approach toward them? How does it change where they need to be met? Aside from building situational awareness, you've got to be aware of who you are as a person and how your actions influence other people. Self-awareness means being true to yourself. It nurtures authenticity and that's something people appreciate. Here's how to establish meaningful connections that matter:

- Do your research. Try to glean insights into a person before you meet them. If you're meeting someone from another country, for example, you might look up that country's business norms and general customs. Take into account a person's complete personal and professional profile.
- Read the room. All the research in the world can't fully prepare you for the actual interaction. Observe a person's verbal and nonverbal language at all times. Keep an eye out for signs of those crossed arms, mental or physical, and adapt your approach as needed. If you see someone loosen up at the mention of their cat, talk about the freaking cat!
- Be ready at all times. A "first meeting" can happen at any time. That woman sitting next to you on the plane? Maybe that's a future boss. The guy in the Uber with you? He could be a potential supplier. Always be ready to approach people authentically and strive to connect.

Chapter 4: The Prep

For a one-hour meeting, I put in three hours of prep work. Why? The prep work is the most important part of building connections. To make a good impression in that first meeting, you must be comfortable and confident. You have to know how you can help them and be able to articulate this in that first conversation. Try these steps the next time you're preparing for a meeting and see how long it takes you:

- Look at their LinkedIn: Check the person out on LinkedIn. Have they made any posts? Have they commented on any posts? Peek at their photo.
- Check their social media.
- Read their company reports: Read their annual reports and recent quarterly reports to get an idea of any current initiatives or ongoing issues they have.
- Google them: You never know what you might find about them or their company. You might discover that they have a podcast they host in their free time or that they've recently won an award.
- Search for people you know in common.
- Look for other commonalities: It doesn't always have to be professional. Look for common points in your personal lives.
- Research their industry: Read industry magazines to understand current activities and trends in their field.

Use all that research to draft questions for the person. You're going to want to ask them about what's going well, where they're having problems, and what their needs may

be. Think about how you can help that person. The way you prepare for this first meeting will plant the seeds for long-term relationships.

Chapter 5: How to Kick Off the First Meeting (M1)

Preparation can help make your first meeting a success. But an M1 can happen anytime, anywhere, with anyone. Be prepared for that possibility. Either way, you have three primary aims: identify the other person's needs, set the stage for M2, and build credibility. Remember, it's not a sales pitch. It's just two people getting to know each other and seeking to connect. When you approach the M1 with that however-I-can-help spirit, you'll find it pays off. Here are some tried-and-true tips for a successful M1:

- Prep, prep, prep. Have knowledge of the industry, company, and individual.
- Establish a connection. Use your prep work and background to develop a genuine connection.
- Build a rapport. This will help sow the seeds for a lasting relationship.
- Demonstrate credibility. Weave your prep work, background, and experience into the conversation to build confidence in your and your company's capabilities. If you can, provide case studies referencing similar companies or areas of improvement.
- Set a non-sales agenda. Set the agenda and clarify the structure of what's going to happen in the meeting, so they know what to expect.
- Identify areas of need. Ask questions and probe for both current and future areas of need.
- Develop an interest in their product or service: Don't just get to know the company. Take a deep dive into their offering. Know their products and services as well as your own.
- Know that money matters: Demonstrate awareness of the business financials, so you can anticipate the savings or growth they may expect from hiring you and your company.
- Confirm what you heard: As they talk, make sure to listen, take notes, and circle back.
- Summarize the meeting and follow up with a thank-you note.
- Set the M2. Make sure to get it on the calendar before you leave. If you can't set a meeting, set a follow-up date.

Chapter 6: Tried and True Approach for Your Second and Third Meetings

If you've made it past the M1, you've already achieved something big: your potential client has given you permission to sell to them. I like to say you've made a "business friend." Now, it's up to you to nurture that friendship through M2, M3, and beyond.

But here's a hard fact: the closer your prospect gets to signing on the dotted line, the more hesitant they'll get. They will actively look for reasons not to hire you. Be ready for it. Don't let it rattle you. Understand it. They're going into very basic human protectionism mode. They might poke at you and ask some more tough questions, even though they've already asked 101 tough questions. Don't get offended. Don't lose patience. They're basically testing that little bit of trust you've built. The key is to remain in that however-I-can-help mindset. This M2 checklist can help you stay on track:

- Have you introduced the meeting agenda? Explain the objectives of the day's meeting and get their permission to move forward.
- Have you reviewed the outcome of the M1? This can include circling back to business and personal points.
- Have you quantified the area(s) of improvement? Has that goal been quantified, or do they need help measuring it? Will the project pay for itself and more?
- Do you have references ready? Have them ready to go but don't provide them until needed. You don't want to burn references on tire kickers at this point.
- Have you provided background information on your company? This could be case studies, for example. They will help to answer the question of why they should buy from your company.
- Have you provided value? Stay in helper mode-for example, with the approach of "you could do this yourself – here's the formula." Give the client answers with value.
- Have you explained your process? Just as important, is the client clear on your approach – do they buy into it?
- What is their decision-making process? Who has the power to sign? Is it the person sitting across the table from you or is there an internal team you need to win over?

Don't push them to hire you.
Give examples of problems like theirs
and how those were solved.

- Is there a date for the M3? Has the meeting been converted? What commitments have you made?
- Have you summarized the meeting? Close the meeting by summarizing it, confirming the next steps, and securing the M3 in the calendar before you leave.

This M3 checklist can help you stay on track:

- Come prepared. Have a draft confirmation letter written. I like to use the term "confirmation letter" instead of proposal. A confirmation letter simply confirms what's been discussed and agreed upon.
- Expect pushback. You'll hear objections like the organization isn't ready or the money isn't there. Don't oversell at this point or you'll lose them.
- Offer alternatives. Don't push them to hire you. Give examples of problems like theirs and how those were solved. Give them the "out" or they may feel oversold or trapped.
- Listen. Understand their concerns and ask probing questions to dig deeper. Look for ways to find a solution without selling your services directly.
- Stay in helper mode. The M3 probably won't go as planned. Stay in helper mode and show them the way. Tell them, "You can do this without my company." Again, avoid overselling or cornering your business friend.

Chapter 7: The Conversation

Keeping your business friend relies on constant conversation. That doesn't mean that conversation is always easy. You'll face tough, often skeptical, questions – especially the further along you get and the closer the client is to signing a deal. I see questions as a good thing. Questions are a buying signal from the client. They are an indication of interest. If they are asking questions, then give a crap!

Always prepare for questions. Use questions to direct the conversation. When surprise questions arise, be prepared to embrace them. Anticipate uncomfortable conversations.

Here's how to have business conversations that matter:

- Make it a two-way street. You aren't just answering questions. You're also asking them. You have the right to probe deeper.
- Prepare for the skeptics. When facing a potential client's question, you have to really know the product or service you're selling.
- Anticipate surprises and don't fake it. When a surprise question comes up, don't bluff. Instead, just say, "I can't give you an answer to that right now will follow up with an answer after this meeting."
- Treat their concerns with respect. Some of the questions a potential client asks may sound trivial to you, but they matter to your new business friend.
- Prioritize building trust. Treat every conversation as an opportunity to build trust.
- Here are some questions to anticipate in M2, M3, and beyond:
- What's your company's specialty?
- Why should we hire your company to help us?
- Where have you done this type of work?
- How would you tackle fixing X problem?
- What are your typical fees?
- Do you have references?

Here are some questions you might ask in M2, M3, and beyond:

- What's your current market share?
- What's your organizational structure?
- What are your current costs?
- What current initiatives are you driving from your seat in the company?
- May I ask what's driving that?
- What have you done to fix it?
- How big of a problem is it?

- Are you happy with the progress and timing of the effort?

Chapter 8: Noted

This book is really all about creating connections. Notes play a role in that because they help you remember the important stuff about a person. Have a system for taking and organizing your notes. This includes the specific medium you use to take notes and a template that covers all three Ps: preparation, professional, and personal. Here's how to make note-taking work for you:

- Have your prep work at hand.
- Address professional points such as facility details, revenue, inventory, etc.
- Take notes on the non-business details too.
- Find a system that works for you.
- Use a CRM.
- Use abbreviations, bullets, and stars.
- Pay attention to the person.

Always review your notes as soon as possible afterward so you can flesh out any details while the meeting is still fresh in your memory.

Chapter 9: The Follow-Up

So, the meetings are all over. You've done your research addressed and asked relevant questions, kept the conversation going, and taken in your notes. Now it's time for the follow up. This piece is just as important as anything else. Give it the attention it deserves – which means doing more than sending a cursory e-mail after that last meeting. Remember, following up doesn't mean selling – or begging. Always do what you say you're going to do. If you make a promise, keep it.

Differentiate between the hard and soft follow-ups. The hard follow up is about something concrete you've agreed to say like working together on a project or selling a product. The soft follow up doesn't have a concrete objective. I might use it if the client was supposed to get back to me by a certain date, and that date has come and gone. This type of follow-up asks nothing about the deal at hand. It's more about letting them know we're still there. I might write something like this, "Hi Jane, I thought of you today when my team and I were talking about (a project that's relevant to that person). We realize that the biggest gap we've seen in this kind of project is X." Then I provide some useful information on that point.

Give your client the permission to say no if they're unwilling to go forward with the deal. This way, nobody's time gets wasted. That said, here's how to craft the perfect low-pressure follow-up:

- Set the terms of the follow up beforehand by asking your business friend when you should follow up with them.
- Follow through on the follow-up. Once the follow-up is set, stick to it.
- Understand the type of follow up. Is it a hard or soft follow-up?
- Review your notes and be specific.
- Remain helpful. Share an idea on how to help your business friend.
- Try different contact channels.
- Giving them permission to say no.

Chapter 10: Growing Your Circle

At its core, Karmic Selling is just about connecting with people. Now, that circle of people doesn't get built overnight. You've got to put in the time. You've got to deliver results. If you promise an outcome, you've got to deliver on it. Even after you land a sale, remember that it's just the beginning of the relationship. You need to continue to do what you said you're going to do.

As for how to build your own circle – the answers are all in this book. Go back to Chapter 1 and check out that clean-heart checklist. Consider how you might use it in your business and your personal life. Positive karma does come back. Sometimes it takes a while. You may have moments of doubt like I did. But often, when you're at your lowest, karma will come around the corner with its calvary to save you!

Conclusion

When I started this book, it was meant to be about my sales approach. In the process of writing it, it turned into something more than that – because I came to realize that Karmic Selling isn't even about selling. It's simply about doing good.

I hope this book can help you see the value in living authentically and with a clean heart. If you want to see what value Karmic Selling can bring to your life, reach out to me – I

will gladly help you. I'm constantly evolving my philosophy and widening my circle. You can check out the latest on my website, KarmicSelling.com, where I'm always adding ideas and material, from worksheets to checklists. You can also find my information there.

Let's connect. I want to know: How can I help you?



Bestselling author **Stan Gwizdak** is CEO of The Kormac Group, a results-driven management consulting firm that embodies his clean heart and commitment to serving others. A Six Sigma Master Black Belt, Stan has spent 28 years leading operational transformations at General Electric, Honeywell, Textron, Sonoco Products, Aurora Capital, and more. Stan lives a life rooted in authenticity and seeking to help – not sell – every person he meets. He believes in karma: doing good for others comes back to us. In his first book, Karmic Selling, Stan explains how to apply his clean-heart approach to the business world, giving readers practical tools to achieve lasting personal and professional success.

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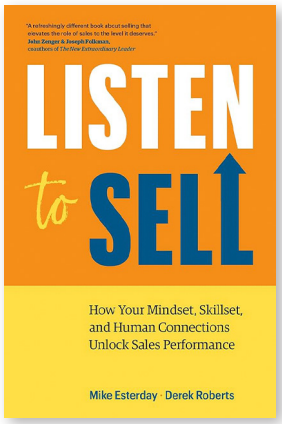
Listen to Sell

Mike Esterday, Derek Roberts

Executive Book Summaries®

Listen to Sell

How Your Mindset, Skillset, and Human Connections Unlock Sales Performance



by **Mike Esterday and Derek Roberts**

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THE SUMMARY IN BRIEF

Traditional selling methods don't work anymore. Over the decades, sales professionals have been indoctrinated with manipulative, aggressive techniques. Now, they are struggling to reach the ever-increasing sales quotas imposed by their employers. The book ***Listen to Sell: How Your Mindset, Skillset, and Human Connections Unlock Sales Performance*** by Mike Esterday and Derek Roberts comes at the right time to solve this crisis situations. The authors, versed in sales and coaching salespeople, have understood what it takes to close a sale: putting the client's best interests at the heart of the entire process.

Through authentic listening, building trust and demonstrating integrity in their work, sales professionals can not only do their job well, but also find meaning in it. These are the core findings of Mike Esterday – who ranked number one out of 6,000 sales professionals in his first sales role – and Derek Roberts, who has 30 years of experience in building, training and coaching sales teams. Together, they are partners in Integrity Solutions, a company that offers award-winning sales trainings to key players in healthcare, financial services, industrial manufacturing, transportation, energy and utilities.

IN THIS EXECUTIVE BOOK SUMMARY:

- Advocate for customer-focused, integrity-driven selling,
- Understand addressing customer needs through authentic listening, trust-building, and purposeful conversations,
- Learn the importance of mindset, skillset, and emotional intelligence in sales success,
- Comprehend the role of meaningful customer engagement in sales success.

Introduction

Although salespeople fear that you can't sell anything to anyone at this point, the truth is the opposite. It's actually a great time to be working in sales, with so much technology creating disruption in the traditional sale process. Automation and marketing technology allow professionals to delegate many tasks, while focusing on the core of their work. However, many salespeople forgot about this core – they forgot to be "for real." They are no longer engaging with customers, which makes them wonder if salespeople actually care about them or they just want to sell them something. Knowledge of marketing techniques is not working on its own. Salespeople need to start speaking human again. But before even speaking, they need to learn how to listen.

Part One: Mindset - Conversations With Yourself

Chapter 1: Establishing Purpose

The Importance of Purpose - Sales professionals often lose sight of their "why," focusing on quotas or transactional goals. This is why they need a deeper purpose, which fuels motivation and achievement. Rona, a pharmaceutical sales rep, struggled until she realized the life-changing impact of her product on families. This shift from "selling products" to "helping families" transformed her performance and job satisfaction.

The Power of Purpose - Purpose aligns personal values with professional actions, turning a job into a fulfilling mission. It gives the sense of "nobility" to everything we do. Without it, sales become mechanical and uninspiring. Salespeople feel stuck in a job they barely tolerate or even dislike. Purpose-driven salespeople connect better with customers, sustain motivation, and achieve greater success. They also reach the point when they truly enjoy what they are doing.

Achievement Drive - Purpose activates achievement drive—the grit and persistence needed to navigate challenges and pursue goals. A clear purpose enhances resilience and creativity, enabling salespeople to overcome obstacles. In essence, achievement drive is defined as setting goals plus working with purpose. And when you multiply the achievement by the sum of your skills, abilities and training, you finally achieve success. To better understand purpose, pause and reflect on these questions:

- Why are you in sales?
- How does your purpose shape your daily actions?
- What motivates you beyond financial rewards?

Chapter 2: Internal Beliefs

Beliefs play a critical role in shaping behaviors and outcomes. There are five core self-beliefs that influence sales success:

1. View of Selling:

Negative stereotypes about sales (e.g., pushy, manipulative) often create internal resistance. Salespeople may unconsciously avoid engaging with customers or feel conflicted about their role. A positive view of selling redefines it as a noble profession focused on creating value and solving problems for customers.

2. View of Abilities

Self-doubt, often stemming from "imposter syndrome," can hinder performance. Salespeople may avoid challenging opportunities if they lack confidence in their skills or experience. Building confidence requires recognizing strengths, identifying areas for growth, and aligning beliefs with actions.

3. Values

Salespeople thrive when their work aligns with their personal values. Misalignment (e.g., feeling pressured to sell products that don't fit customer needs) creates internal conflict and reduces effectiveness. Ethical selling, grounded in honesty and customer focus, resolves this tension and fosters long-term success.

4. Commitment to Activities

Many salespeople avoid challenging or uncomfortable activities (e.g., prospecting, follow-ups) due to fear of rejection or lack of confidence. Addressing avoidance requires identifying and overcoming the underlying beliefs causing resistance.

5. Belief in Product

Passion and confidence in a product's value are essential. Salespeople who doubt the quality or relevance of their product struggle to communicate its benefits effectively. Understanding how the product aligns with customer needs and emphasizing personal contributions to the sales process builds belief and energy. Make sure you clarify in your mind how you view sales, starting with your earliest perceptions and until your current role. You have to be honest with yourself in defining:

Misalignment among the five core beliefs creates emotional and mental blocks that hinder success.

- What activities keep you busy and are impactful in terms of getting business, which activities you dislike or dread, and why you developed the feeling of dislike.

Chapter 3: Getting in Sync

The Sales Congruence Model™ is an essential tool for aligning internal beliefs to maximize sales performance. Misalignment among the five core beliefs creates emotional and mental blocks that hinder success.

The Sales Congruence Model™ is presented as a series of overlapping lenses. They are defined as:

- View of selling – you love product demos
- View of abilities – you have a positive view of selling and excellent product knowledge
- Values – you are challenged by selling products that offered poor experience to customers
- Commitment to activities – you are passionate and have lots of knowledge about core products
- Belief in product – you have a positive view of selling, but have difficulties understanding the additional value you offer

Congruence - To reach congruence, all these lenses must align. When sellers have misaligned beliefs (e.g., valuing honesty but doubting a product's worth), they create internal stress and inhibit sales activities. Alignment generates clarity, confidence, and motivation, enabling salespeople to perform at their best.

Common Misalignment Examples:

1. Values vs. Product

A salesperson values honesty but doubts the product's effectiveness. This creates hesitancy during customer interactions.

Solution: Emphasize the company's strengths, customer service, or added value beyond the product itself.

2. View of Abilities vs. Selling Goals

A salesperson avoids high-stakes meetings due to self-doubt, even when opportunities arise.

Solution: Focus on skill-building and mindset shifts to develop confidence in addressing senior-level decision-makers.

3. Commitment to Activities

A salesperson is busy with non-impactful tasks to avoid uncomfortable activities like prospecting.

Solution: Identify the root cause (e.g., fear of rejection) and create a plan to address it.

Thankfully, there are practical steps salespeople can take to overcome these misalignments. They are:

- Self-Awareness - Identify gaps between beliefs and actions. What's holding you back? What internal conversations shape your behaviors?
- Mindset Shifts - Replace limiting beliefs with empowering ones. For example:
- From: "Selling is pushy."
- To: "Selling helps customers solve problems."
- Coaching and Support - Use feedback, role-playing, and skill-building to address gaps and strengthen alignment.

"You are the biggest factor in bringing about your success – not some external forces like the economy, which sales enablement platform your company uses, or where you went to school." Leaders should do some introspection and give honest answers to these key questions:

- What labels have created self-beliefs that limit your impact?
- What steps might you take to break through a limiting belief boundary affecting your sales success?

Part Two: Skillset - Conversations With Customers

Chapter 4: Communicating Human to Human

Great sales skills are rooted in understanding human behavior, active listening, and a structured process. This is exem-

plified by Ned Ryerson, the annoying insurance salesperson in the movie Groundhog Day. This character personifies all that is wrong in the sales approach: "charging like a bull" for the hard sell. The Importance of Human Connection: In an era dominated by automation and AI, human interaction is a key differentiator. Customers crave authentic, personalized experiences. Salespeople must focus on listening and building trust rather than relying on generic scripts or pitches.

What buyers really want is help, in two directions: to satisfy a need they know they have, by choosing the best product and to understand that their problem has a solution, because they are unaware of this.

The Behavioral Styles Model starts with the premise that selling is an interactive experience and that the parties involved express a combination of two of the following characteristics in the communication process:

- The talker – affable, friendly and social, they make decisions based on emotions and facts and do not care a lot about details
- The doer – direct, results-oriented, has clear objectives to achieve and wants concise information
- The supporter – they need time to process the information, like to establish trust and are reluctant to change their current buying habits
- The controller – they pay great attention to detail, rely on facts and weigh all options before making a choice

By clearly identifying the behavioral style model, a company can create accurate customer personas and change its selling culture. The essence of this concept is that customers have the right to buy the way they want to buy. By offering them this experience, sales persons can become more successful.

The questions to think about are:

- How do you recognize a customer's style?
- Which style is most comfortable and which is the most challenging?
- How would you adapt for each of these four behavioral styles?

Chapter 5: The AID,Inc. Sales Process

The AID,Inc.® framework is a structured process for guiding sales conversations. This method focuses on uncovering customer needs and aligning solutions with their goals.

The AID,Inc.® Steps:

1. Approach

The initial contact sets the tone for the relationship. Focus on establishing rapport and trust.

Techniques: Personalize the interaction by referencing shared connections or previous interactions. Use open-ended questions to initiate dialogue.

2. Interview

This step involves deep listening to identify the customer's needs, challenges, and goals.

Techniques: Use probing questions to uncover pain points. For example, "What challenges are you facing with your current solution?"

3. Demonstrate

Present your solution in a way that addresses the customer's specific needs. Avoid overloading them with unnecessary information.

Techniques: Focus on outcomes and benefits rather than features. Use visuals or storytelling to make the presentation engaging.

4. Validate

Build credibility by providing proof of your claims. Customers are more likely to trust you if they see evidence.

Techniques: Share testimonials, case studies, or data that support your solution.

5. Negotiate

Address objections and concerns by understanding the customer's perspective. Reframe the conversation to find common ground.

Techniques: Use phrases like, "Help me understand what's holding you back," to uncover underlying issues.

6. Close

Closing is about asking for the appropriate action, whether it's signing a contract, scheduling a follow-up, or making a purchase.

Techniques: Use trial closes (e.g., "How does this sound to you so far?") to gauge readiness. Be direct but not pushy when asking for a commitment.

First impressions matter. Customers decide whether to engage further based on their initial interaction.

The important thing to remember is that AID, Inc. is more than just a sales process. It is a framework, which can be adapted by expanding or compressing it according to the clients' behavioral style.

Chapter 6: Approaching to Establish Rapport

Building Trust from the Start - First impressions matter. Customers decide whether to engage further based on their initial interaction. Salespeople must focus on being approachable, credible, and empathetic.

Practical Techniques for Rapport Building - Salespersons should follow steps to build rapport with any person:

- Mirror the Customer's Style: Adapt your tone, pace, and body language to match the customer's communication style.
- Use Warm Openers: Start with a comment or question that shows genuine interest in the customer's situation.
- Show Vulnerability: Sharing a relatable story or admitting a mistake (where appropriate) can make you more human and approachable.
- Be Relevant: You have about seven seconds to make the right impression on a new customer or prospect. Avoid being overly chatty, and get to the business point without too much delay. Otherwise, the customers will feel that the conversation with you is no longer relevant for them.

Chapter 7: Interviewing to Identify Needs

The purposes of asking questions in the interview phase focus on putting the customer at ease, helping them identify and explain their needs and proving that you are listening by helping them prioritize their needs.

The Art of Questioning - Asking the right questions helps uncover the customer's needs, goals, and pain points. Open-ended questions encourage dialogue, while closed-ended questions clarify specifics. Here are just a few examples of such questions:

"What challenges are you currently facing in your business?"

"What would an ideal solution look like for you?"

The GAP Model - The GAP Model helps sales persons navigate from the Current Situation to the Desired Situation. In the Current Situation, the client has concerns and perceives risks about choosing a product. In the Desired Situation, the client perceives the benefits and rewards of the salesperson's offer. To navigate from one situation to the other, the sales persons must answer both Logical Questions (what, how) and emotional questions (why, what if). The GAP model can be applied in several ways, by adapting it to the customer's behavioral style.

Chapter 8: Demonstrating Your Solutions

Tailoring Your Presentation - A one-size-fits-all pitch does not work. Customize your presentation to align with the customer's specific needs and priorities. For illustration, let's consider the hypothetical case of a salesperson for an electrical distributor trying to sell to a church installing a new sound and lighting system. By focusing on the technical demonstration part, the salesperson failed to persuade the client. He realized that he needs to focus more on conversation and learn more about this specific client's needs.

The demonstrate step in the sales process should:

- Focus on Benefits, Not Features: Shift from describing what your product does to explaining how it helps the customer achieve their goals.
- Use Storytelling: Stories are memorable and emotionally impactful. Use real-life examples or analogies to illustrate how your solution has helped others.

However, the sales person must keep the conversation on the right track and not allow the customer to derail them down the show-and-tell lane. But, in the end, the client must be allowed to make the decision – the sales rep should give them time to process the information and encourage the decision-making by feedback questions: How does this sound to you? Do you have any concerns that we haven't covered? How do you see this working for you?

Chapter 9: Validating So People Believe Your Claims

Customers are more likely to trust a salesperson who provides tangible evidence of their claims. Validation reduces skepticism and builds confidence. Some helpful techniques: to achieve this include sharing testimonials, case studies, third-party endorsements, or independent research. Sales persons should also address doubts proactively by asking questions like, "What concerns do you have about moving forward?" This approach makes customers feel heard and respected.

Chapter 10: Negotiating to Work Through Concerns and Objections

The role of negotiation in sales is not about winning at the customer's expense; it's about finding a mutually beneficial solution. A key aspect of negotiations for a salesperson is to change their mindset and reframe objections. They should treat objections as opportunities to clarify misunderstandings or explore unmet needs.

This is done by applying the ACR model:

- Acknowledge – listen with empathy and without being on the defense
- Clarify – understand the client's objection and identify additional concerns
- Respond – using relevant data or additional information.

Chapter 11: Closing to Ask for the Appropriate Action

Closing should feel like a logical conclusion to the sales conversation, not a forced action. As exemplified by a hypothetical case study, a sales representative pushed too quickly for a close, without realizing that the sale had a two-step approval process. The right moment for closing a sale is when the customer realizes that they want the product because they believe it fulfills their needs. During the Close step the sales person has to:

- Ask trial-closing questions
- Listen to the customer and reinforce each answer
- Pay attention to the buying signals
- Ask for an appropriate closing commitment.

Chapter 12: Preparing for Sales Success

Success in sales does not just come. The best salespeople invest time in preparation. This includes researching the customer, anticipating objections, and practicing presentations. Preparation means paying attention to every detail, from the pre-call notes on the client and their problem to setting the call purpose, preparing the statement of intent and finally making the post-call analysis.

Chapter 13: Ten Techniques for Outstanding Preparation

The key to successful preparation is found in 10 steps:

1. Looking for the six degrees of separation
2. Making yourself relevant
3. Selling past the sale
4. Stepping into the industry
5. Preparing your team
6. Knowing the competition
7. Being ready for indifference
8. Wowing the customer by being a different kind of salesperson
9. Being creative when the chips are down
10. Being mentally prepared

Part Three: Coaching Conversations For Skill And Will

Chapter 14: Sales Coaching

Sales coaching goes beyond teaching techniques; it helps individuals align their mindset, values, and behaviors to achieve their goals. Coaching is the key to unlocking untapped potential. While managing focuses on tasks and results, coaching focuses on the individual's development. The purpose of coaching is to solve both skill and will issues. The most common issues that managers need to address through coaching involve getting stuck on the price question, asking predictable or low-impact questions, getting stumped on a behavior style, not asking for the sale, fear of feedback, and selling at a discount. To address these issues, managers must make time for coaching. Also, they must make sure that their salespeople validate them and what they teach. One of the most common reasons for lack of validation is that managers do not believe in their salespeople. Once managers start valuing their sales team, they should keep the conversation going and instill coaching into them on an ongoing basis.

Chapter 15: The Emotionally Intelligent Salesperson

Emotional awareness is essential in coaching. It represents the ability to tune in to those around you – the so-called ability to read the room and the ability to recognize and understand your own feelings and emotions and how they impact your behavior. The Four Components of Emotional Intelligence (EQ) in Sales:

1. Self-Awareness: Recognizing your own emotions and their impact on your behavior.
2. Self-Management: Controlling emotional reactions to stay calm and focused.
3. Social awareness: Accurately noticing the emotions and interpreting situations appropriately.
4. Relationship management: Being able to get along well with others.

EQ can be increased by self-reflection, analyzing your interactions with clients and accepting coaching from managers

Chapter 16: Self and Team Assessments

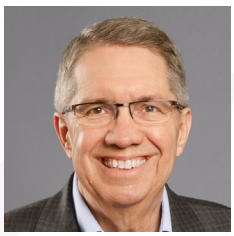
The growth mindset must always leave room for improvement. To illustrate this, a hypothetical case study shows a stellar face-to-face salesperson who refused to learn the art of virtual selling. While other colleagues, who used to be far behind him, adapted to the new technology, the former-star seller lagged behind. A key element in achieving a growth mindset is by conducting both self-assessments and performance assessments. These assessments should encourage salespersons to rate them in key aspects of their work: view of selling, view of abilities, values, commitment to activities, and belief in product.

The AID, Inc. system offers both a general assessment and a step-by-step assessment which help both managers and the salespersons they are coaching embrace a growth mindset.

Conclusion

Sales professionals seeking to elevate their approach through authentic relationships and self-awareness need to adopt a new paradigm of selling, one rooted in trust, values, and human connection. By applying the AID, Inc. systems, sales persons can identify their strengths and weaknesses and work to improve the latter.

In the end, the art of selling is more about being helpful to clients than pushing a sale. By following this system and embracing its mindset, sales people will find not just success, but also value and meaning in their work.





Mike Esterday is a sought-after coach, speaker, and leader in sales management and training. Esterday established multiple successful companies and is a founding partner and CEO of Integrity Solutions.

Derek Roberts is an executive coach, consultant, and professional speaker, but is quick to identify himself first and foremost as a sales professional. A partner with Integrity Solutions since 1999, Roberts also owns the consulting and training firm Roberts Business Group.

Listen to Sell: How Your Mindset, Skillset, and Human Connections Unlock Sales Performance by Mike Esterday and Derek Roberts
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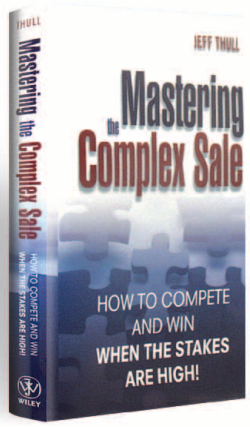
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Mastering the Complex Sale

Jeff Thull

SOUNDVIEW Executive Book Summaries®

FILE: SALES



By Jeff Thull

How to Compete and Win When the Stakes are High!

MASTERING THE COMPLEX SALE

THE SUMMARY IN BRIEF

To compete successfully and win more business in today's turbulent world of business-to-business sales, sales professionals need a new business paradigm that is specifically designed for the complex sales arena, one that offers a system and the skills and the mental discipline needed to execute it. They need, says business strategist, consultant and speaker Jeff Thull, a smarter way to sell.

A smarter way to sell transforms the conventional sales pitch that customers must endure into a high quality decision-making process that customers value. It transforms salespeople from predators into valued business partners in the customer's mind. It transforms the sales process from premature presentations to a process of mutual confirmation. And it transforms the conventional solutions-based, seller-first approach to sales into a diagnostic-based, customer-centric approach. In fact, a smarter way to sell, Thull persuasively argues in Mastering the Complex Sale*, is to stop selling in the conventional sense and adopt a practical proven approach called Diagnostic Business Development (or the Prime Process).*

What You'll Learn In This Summary

In this summary, you'll learn how to:

✓ Gain access to and manage multiple decision makers at the highest levels of power and influence in the customer's organization.

✓ Differentiate yourself from the competition early and often.

✓ Dramatically reduce the sales cycle time.

✓ Avoid the trap of "unpaid consulting."

✓ Identify untapped sources of opportunity and develop new business instead of chasing the usual suspects along with the rest of the crowd.

✓ Develop a common process and language with which the entire sales, marketing, and support team can present a unified voice to the customer.

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MASTERING THE COMPLEX SALE

by Jeff Thull

— THE *COMPLETE* SUMMARY

The High Stakes World of Complex Sales

Complex sales are primarily business-to-business and business-to-government transactions. They involve multiple people with multiple perspectives, sometimes from multiple companies and across multiple cultural and country borders. Complex sales cycles can run from days to years. Undertaking this level of sale requires significant investment in time and resources.

There is no single buying decision in the complex sale. The buying process is actually a long chain of interrelated decisions, impacting multiple departments and disciplines in the customer's organization. There is no single decision maker. The complex sale has multiple decision makers, each seeing the issues of the transaction from his or her own perspective and operating in the context of his or her job responsibilities and self-interest. These are not run-of-the-mill transactions; the customer requires help to complete the sale.

The Forces Squeezing Sales Professionals

Experiences with more than 10,000 salespeople each year confirm that, in the complex environment, the outcome of the conventional sales process is increasingly random and unpredictable. Two opposing forces are squeezing these sales professionals: rapid commoditization and increasing complexity.

Commoditization, the pressure from customers to devalue the differences between goods and services and reduce the buying decision to the lowest common denominator — selling price — is a phenomenon that salespeople face every day.

Complexity is the second force squeezing sales professionals. The very structure of organizations is becoming more complex. Customers are demanding more complex relationships. They are drastically reducing their supply bases and asking the remaining vendors to take a more active role in their business process. Increasing levels of complexity can also be found in the situations and problems our customers face — their business environments are more competitive than ever, technological advances are radically altering their industries and markets, and their margins for error are always shrinking.

Is Your Hand Raised?

Conventional selling, on which many of today's most popular sales methodologies are based, depends on the ability of salespeople to understand and fit into the customer's decision process. When Thull asks the participants in his seminars if this is what they have been taught and are encouraged to do, the room is full of hands held high. Then, he asks the participants to keep their hands up if they think that their customers have a high-quality decision process for evaluating the specific complex offering they sell. Seldom is a single hand left in the air. The disconcerting realization flashes from face to face: *If our customers don't have a high-quality decision process, why are we trying to understand it and fit into it?*

Trapped by Conventional Thinking

The common response to the squeeze produced by the converging forces of commoditization and complexity is to sell harder. The sad reality is that "selling harder" fits the popular definition of insanity: You are doing the same thing again and again and expecting a different result. This happens because the conventional selling process — prospect, qualify, present and close — that most sales people use has not kept pace and adapted to the new realities of the complex sale.

When salespeople follow conventional thinking, they

(continued on page 3)

The author: Jeff Thull is the President, CEO and founder of Prime Resource Group, a leading consultancy that delivers optimal market strategies for business success whose clients include 3M, Microsoft, Siemens, Citicorp and IBM.

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Published by Soundview Executive Book Summaries (ISSN 0747-2196), P.O. Box 1053, Concordville, PA 19331 USA, a division of Concentrated Knowledge Corporation. Published monthly. Subscriptions: $195 per year in U.S., Canada & Mexico, and $275 to all other countries. Periodicals postage paid at Concordville, PA and additional offices.

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The High Stakes World of Complex Sales

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run head first into a series of traps that grow progressively more difficult to avoid and that make a positive outcome for the sale less and less likely.

- **The assumption trap.** The first trap of conventional selling causes salespeople to depend on their customers' decision-making processes, which frequently are missing key elements. The belief that customers have a high-quality decision process leads to a second erroneous assumption: Customers' ability to understand their own problems and evaluate all the solutions available allows them to discern the true value of the salesperson's unique solutions.
- **The presentation trap.** The above assumptions cause salespeople to fall into the second trap of conventional sales. Because they assume higher levels of comprehension and decision-making ability on the part of their customers than actually exist, salespeople focus the majority of their efforts on presentation. In doing so, they largely ignore the customers' world, the most significant source of credibility, differentiation and decision criteria in any sale — thus creating a major disconnect between customers and solutions.
- **The adversarial trap.** Finally, the emphasis on sales presentations exacerbates the communication gap between buyer and seller, leading to frustration, misunderstandings, conflict and adversarial relationships — all of which impede the salesperson's ability to create cooperative and trust-based relationships with customers. This schism is the major cause underlying the protective behaviors customers so often adopt when dealing with salespeople.

A New Approach to Complex Sales

Top-performing salespeople can't rely on traditional selling techniques, but they still need a dependable, professional body of knowledge. A professional body of knowledge has three primary elements: a *system*, which defines "what to do;" *skills*, which show "how to do it;" and *discipline*, which supports the "will to do it."

The discipline, or mind-set, with which salespeople approach their work is perhaps the most critical component of their success. First, the most successful people in complex sales recognize that the process of buying goods and services is all about a customer making a decision to change. Second, they focus on business development, that is, they think more like business owners than like traditional salespeople. Finally, they build

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The Mother of All Procurements

The stakes in complex sales can be high indeed, and the $200 billion defense contract that Lockheed Martin won in 2001 may be the largest complex sale in history. This contract grew out of the U.S. Defense Department's Joint Strike Fighter (JSF) program, which was conceived in the early 1990s, when the Pentagon decided to replace the aging fighter fleets in all branches of the nation's military with a next-generation jet built on a single standardized product platform.

The contract to design and manufacture jets for the JSF program was so large that it caused a fundamental reconfiguration in the aerospace industry. In fact, the winner of the contract would become the nation's only fighter jet manufacturer. In 1996, when the Pentagon announced that Lockheed Martin and Boeing had each won a $660 million prototype development contract and would be the only companies allowed to compete for the program's final contract, one competitor, McDonnell Douglas Corp., sold itself to Boeing. Northrop Grumman, another spurned competitor, tried to merge with Lockheed Martin; after the government blocked that deal, Northrop Grumman declared it would no longer compete as a prime contractor in the military aerospace market and joined the Lockheed team as partner.

In October 2001, the final contract, the largest single defense deal ever, was awarded to Lockheed. It called for the eventual delivery of more than 3,000 aircraft to the U.S. military alone, and the Congressional Budget Office valued it at $219 billion over 25 years.

The Right Questions

The most successful salespeople know that they gain more credibility through the questions they ask their customers than anything they can ever tell them. The best questions to build credibility and truly understand the customer's situation are diagnostic questions:

- **A to Z questions,** which frame a customer process and then ask customers to pinpoint specific areas of concern within it.
- **Indicator questions,** which uncover observable symptoms of problems.
- **Assumptive questions,** which expand the customer's comprehension of the problem in nonthreatening ways.
- **Rule of Two questions,** which help identify preferred alternatives or respond to negative issues by giving the customer permission to be honest, without the fear of retribution from the salesperson.

The High Stakes World of Complex Sales

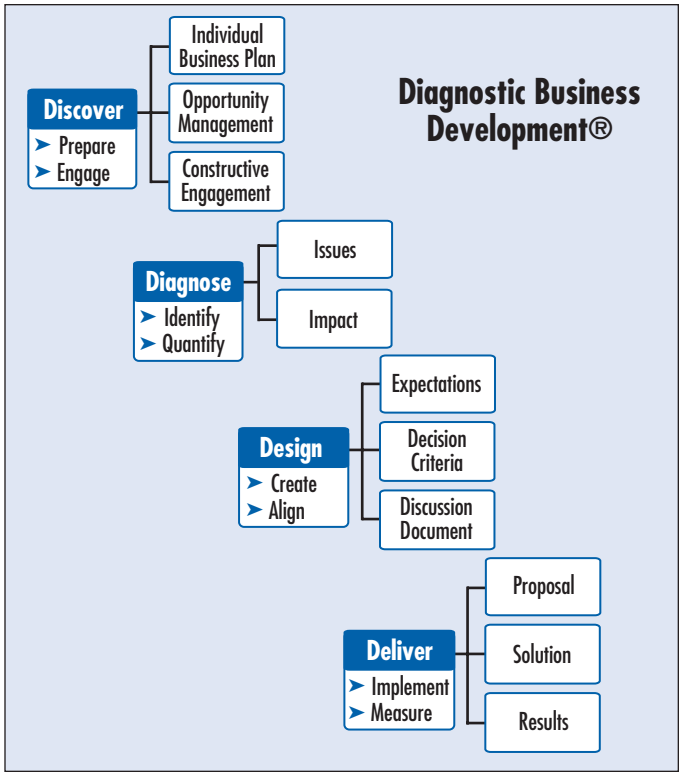
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customer relationships based on professionalism, trust and cooperation.

The skills of the complex sale are encompassed in the tools that professionals use to execute their system. These tools enable salespeople to assemble the right people and ask those people the right questions in the right sequence to help customers reach a high-quality decision.

The system for complex sales is the organized process and set of procedures that leads to a successful sale. Thull's system is called the *Diagnostic Business Development*® process or the Prime Process. The foundation intent of the Prime Process is to provide the customer with a high-quality decision process and the leadership of the sales professional to guide the customer through the decision process. ■

For Additional Information on whether you are trapped in the conventional sales process, go to: http://my.summary.com



Four Phases of the Prime Process

The four phases of the Diagnostic Business Development process, also called the Prime Process, represent a re-engineering of the conventional sales process. The decision process approach eliminates the inherent flaws in conventional sales processes and directly addresses the challenges that salespeople face while trying to master complex sales in today's marketplaces.

Discover the Prime Customer

The Discover phase of the Prime Process is about research and preparation. It encompasses how salespeople get ready to engage and serve customers. Everyone who sells starts at the same point — the identification of a customer. In conventional sales, this is called prospecting and qualification, which, unfortunately, is often characterized by minimal preparation. In Discover, however, this preparation is expanded into a process that is aimed at the identification of a specific customer who has the highest probability of change.

Discover means pushing beyond the traditional boundaries of prospecting to create a solid foundation on which to build a long-term, profitable relationship. It recognizes the fact that *every "qualified" prospect will not become a customer*. And it embraces that realization by actively looking for reasons to disqualify a prospect and by refusing to unnecessarily waste the time and resources of the prospect or the sales professional.

The tasks in the Discover phase include pre-contact research of potential customers and their industry. Discover also includes the preparation of an *engagement strategy*, which includes an introduction, some basic assumptions about the value that could be created, and a conversational bridge designed for that specific customer. In addition, it includes the initial contact with the prospective customer, during which this information is communicated. Then, customer and salesperson mutually decide whether the sales process should continue.

In the Discover phase, as in each succeeding phase of the Diagnostic Business Development process, salespeople are actively building a perception of themselves in the customer's mind. In this case, that perception is one of professionalism. You want customers to understand that mutual respect and trust govern your relationship. You want them to see you as competent, well versed in their business, and a source of competitive advantage.

Diagnose the Complex Problem

The Diagnose phase encompasses how salespeople help their prospects and customers fully comprehend the inefficiencies and performance gaps they are experiencing. It is a process of hyperqualification during which you pursue an in-depth determination of the extent and financial impact of the customer's problems.

Most selling methodologies recognize the importance of understanding customers' problems and, accordingly, often tack some form of needs analysis onto their process. However, the true intention of needs analysis is

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Four Phases of the Prime Process

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usually subverted. First, it is used to get the customer's conclusion as to the nature of the problem and the required solution. In essence, customers are asked to self-diagnose their own problems. As problems become more complex, the customer's ability to self-diagnose accurately decreases significantly along with the validity of the needs analysis. Second, the questions salespeople ask their customers are more often about the customers' buying process than their actual needs. Finally, and in the worst cases, needs analysis is used as a highly biased review to justify the salesperson's solutions.

With the Prime Process, diagnosis is not subordinate to solutions or the sale. It is meant to maximize customers' objective awareness of their dissatisfaction, whether that dissatisfaction supports the salesperson's offerings or not.

The Prime Process most radically diverges from conventional selling in the Diagnose phase. It is during a well-executed diagnostic process that most customers actually make the decision to change and to buy as well as decide from whom to buy. In the more traditional approach, salespeople are looking for this decision after the presentation and during the close. Therefore, Prime sales professionals get a jump on the competition.

The salesperson's tasks during the Diagnose phase begin when he or she shifts the emphasis of the fact-finding to the customer's internal issues. At this point, the salesperson needs to deepen his or her understanding of the customers' business, job responsibilities, perspectives and concerns. Diagnosis also includes measuring the assumptions about the customer's problem that were presented in the Discover phase against the reality of the situation and quantifying the actual cost of the problem. It includes a collaborative effort to evolve a comprehensive view of the problem to customers, thus allowing them to make an informed decision as to whether they need to change.

In the Diagnose phase, you want your customers to perceive you as credible. You establish your credibility by your ability to identify, evaluate and communicate the sources and intensity of customers' problems, as well as helping them recognize opportunities they are not aware of. You reinforce that credibility by refusing to alter the customer's reality to fit your own needs.

Design the Complex Solution

In the Design phase, salespeople help their customers create and understand the solution. It is a collaborative and highly interactive effort to help customers sort through their expectations and alternatives to arrive at an optimal solution.

In a more conventional sales approach, design equals presentation, and, in presentation, the customer is not involved in the design of the solution. As a result, the customer does not develop a significant degree of ownership of that solution. The conventional salesperson may say, "This is the product we offer that is best suited to your situation." Then, the salesperson proceeds to reel off a litany of features and technical information specific to that solution.

In the Prime Process, however, the Design phase is not focused on a specific solution. Its goal is to get salespeople and customers working together to identify the optimal solution to the problems that were uncovered and quantified in the Diagnose phase.

There is an important distinction here. An optimal solution does not mean that the product or service that

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Is There Someplace Better You Could Be?

Keep the idea of the Prime customer in the front of your mind by continually asking yourself a simple, but fundamentally radical, question: *Is there someplace better I could be?* Successful salespeople understand that the best place to be is the place where they can leverage their efforts and maximize their overall performance as well as their customer's. They are continually moving toward that optimal engagement. As elements of success decrease with a current customer, at a certain point, the odds of success become greater with a new customer. There is someplace better you can be, and you need to take yourself and your resources elsewhere.

Pain Is the Vehicle …

…that drives the decision to buy — the cost of the pain is the accelerator! When you define the cost of the problem, you put a price tag on the dissatisfaction the customer is experiencing. That tag enables customers to prioritize the problem and then make a rational, informed choice between continuing to incur its cost and investing in a solution. In fact, establishing an accurate cost of the problem is the *only* path to defining the true value of a solution. Cost is also the surest way to shorten the customer's decision cycle. Think of the customer's pain as the decision driver and the cost of the pain as its accelerator. The higher the cost of the problem, the faster the decision to solve it.

Four Phases of the Prime Process

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you are charged with selling right now is best suited to the customer's problem. *Rather, the optimal solution is a series of product or service parameters that minimize the customer's risk of change and optimize return on investment.* If you stay true to the objective of a quality business decision for the customer, where that solution will be found is a secondary consideration at this stage in the process.

The tasks included in the Design phase are aimed at establishing and understanding the decision criteria the customer will use to find a solution to the problem. This aim requires sales professionals to establish the solution results the customer will expect, the quantifiable business values for those outcomes (and thus, the available funding), and the timing in which the solution must be delivered. You manage customer expectations during the Design process by introducing and exploring alternatives, including solutions offered by competitors. You also teach customers the questions they should be asking of all potential suppliers to assure their quality decision.

In the Design phase, you want your customers to perceive a high degree of integrity in all your behaviors. You establish your integrity by creating a solution framework that best solves their problems. It frames a set of decision criteria that you would unhesitatingly use to determine what to select for yourself or would recommend without hesitating if your best friend were experiencing this particular problem.

The Design phase concludes with a *discussion document*. This document provides a summary of the diagnosis with a "pencil sketch" of the solution. It is used to do a final sanity check before completing a formal proposal and presentation. It's the dress rehearsal to the successful conclusion of the sale that ensures there will be no surprises during the final presentation.

Deliver on the Prime Promise

In the Deliver phase, the work of the previous phases comes to fruition. It encompasses how the salesperson ensures the customer's success in executing the solution.

While the conventional sales process forces salespeople to overcome objections and try to close the sale, the Prime Process allows customers to evolve their own decisions. Customers who have traveled through the Prime Process have a clear understanding of their problems, and they know what the best solution will look like. In fact, they are co-authors of that solution. *Salespeople who use the Prime Process and have not disqualified the customer by this point in the process experience exceptional conversion ratios.* The ultimate goal in the Deliver phase is to maximize the customer's awareness of the value derived from the solution that is being implemented.

The tasks in the Deliver phase begin with the preparation and presentation of a formal proposal and the customer's official acceptance of the solution.

The next steps include the delivery and support of the solution and the measurement and evaluation of the results that have been delivered. The final task of the Deliver phase is the maintenance and growth of the relationship with the customer.

In the Deliver phase, you want your customer to perceive you as dependable. You literally do what you said you were going to do. As you complete the sale, your customer should be thinking: You are there for me; you will take care of me; I can depend on you. ■

No Surprises!

Lawyers are taught to never ask a witness a question unless they already know how the witness is going to answer. The same advice holds true for proposals in the complex sale: Never put anything in the proposal that the customer has not already agreed to and confirmed. When you surprise your customers with new information in proposals, they will surely surprise you with unexpected, and usually negative, responses.

For Additional Information on learning three common pitfalls in designing solution expectations, go to: http://my.summary.com

Leading the Complex Sales Organization

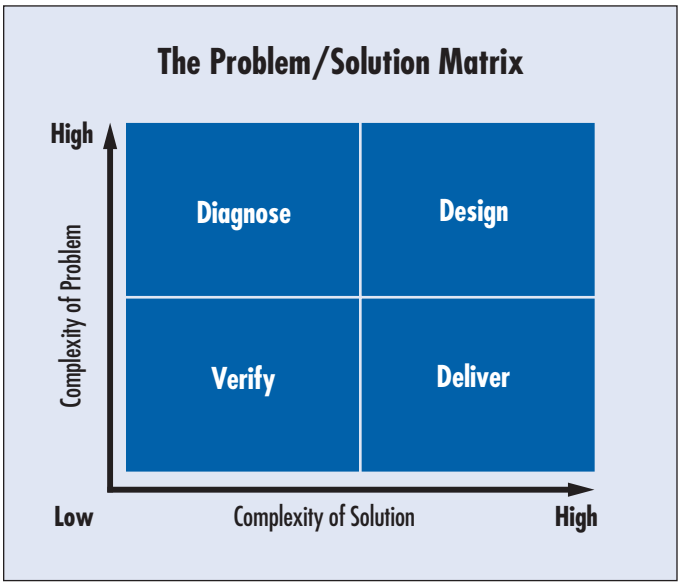
In the previous pages, a decision-focused, diagnosis-based selling system called the Prime Process has been identified and explained. The question now is how to create a decision process based on your products and services, and hire and develop a sales force capable of executing that process.

Customizing the Prime Process

The Prime Process is a meta-model for the successful execution of complex sales, but to turn it into a more detailed blueprint, it must be customized according to the unique value proposition and offerings your company brings to market. All four phases of the Prime Process must be aligned to your unique situation, but most organizations also find that there are specific phases of the Diagnostic Business Development process that are particularly important in their selling system.

Thus, when the complexity of your customers' problems is high, but the complexity of your solution remains

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Leading the Complex Sales Organization

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low, the diagnosis phase becomes the most critical aspect of the Prime Process. When both the problems and solutions are complex, you would place special emphasis on the Design phase of the Prime Process. (When problems and solutions are complex, customers find it difficult to connect the two. Thus, the solution designer's ability to align the problem to the best solution becomes a paramount concern.) Finally, if your solution is complex, but the problem is not, you should put special emphasis on the Delivery phase of the Prime Process. The quadrant that represents your business is the best place to begin analyzing and customizing the decision process that you will bring to your customers.

Hiring the Prime Sales Professional

Why do sales managers keep hiring salespeople based on personality? Because without a systematic method for determining the true ingredients of sales success, they have little choice but to attribute it to some random genetic permutation.

Assessment instruments remain the best way to quickly and accurately predict the performance of sales candidates. With that said, you must be sure to carefully explore what characteristics the assessments you use actually measure. A combination of three assessments can be used to reveal the candidate's behavioral style, personal interests and values, and attitudes and motivations.

Once you've hired a candidate, training and development are imperative. The problem in the complex sales world is that sales training is generally relegated to product knowledge. Customer and market knowledge, and the integration of the systems, skills and discipline of the profession are largely ignored.

Typically, 90 percent of sales training is devoted to the products and services being sold, and almost all of the remaining 10 percent is spent on conventional selling techniques, such as prospecting, cold-calling, presentation and closing skills. The amount of training that is devoted to understanding the customer, market knowledge, and the integration of skills that complex salespeople need to diagnose customer problems, design solutions, and deliver results is negligible at best.

What is needed is an educational mix that more closely mirrors the medical profession. Seventy percent of the training that doctors receive is focused on diagnosis, and the remaining 30 percent is evenly split between learning about the human body (product knowledge) and learning about treatment alternatives (solutions). Companies in complex sales would do well to emulate that learning mix. ■

For Additional Information on calculating your sales training mix, go to: http://my.summary.com

Turning Organizational Strategy Into Sales Results

The translation of a company's value proposition into bottom-line profitability is accomplished through its go-to-market strategy. A go-to-market strategy is an umbrella that encompasses a company's market, competitive and product strategies, that together feed into the sales strategy.

Keys to Successful Go-to-Market Strategies

Many go-to-market strategies fail to generate profitable results precisely because one or more of four prerequisites listed below are ignored. For your go-to-market strategy to succeed there must be:

1. A high level of understanding of, and agreement on, the business strategies in place to acquire, expand and retain profitable customer relationships. Is everyone in the company united by a shared vision and a common effort?

2. A successful transfer of business strategies to departmental and individual responsibilities that encompasses both quantitative and qualitative objectives. Does everyone in the company know what he or she, individually and as part of a group, must accomplish to successfully achieve the defined objectives?

3. A monitoring and measurement capability that enables leadership to assess the performance of the departments and individuals as they progress toward their objectives. Can everyone monitor his or her progress toward the achievement of those objectives?

4. A capacity to anticipate and correct the most frequently occurring issues and obstacles blocking the

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Turning Organizational Strategy Into Sales Results

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successful execution of the strategy. Can everyone learn from his or her mistakes and respond and adapt to changing conditions?

Two mechanisms must also be present during the creation and execution of a go-to-market strategy.

First, there must be a mechanism that can create a cohesive team, communicate and reinforce messages, get everyone working toward the same goal, and measure the progress toward that goal. Everyone in the organization should be concerned with how to create and capture value for customers. Everyone should feel a responsibility for the welfare of the customer.

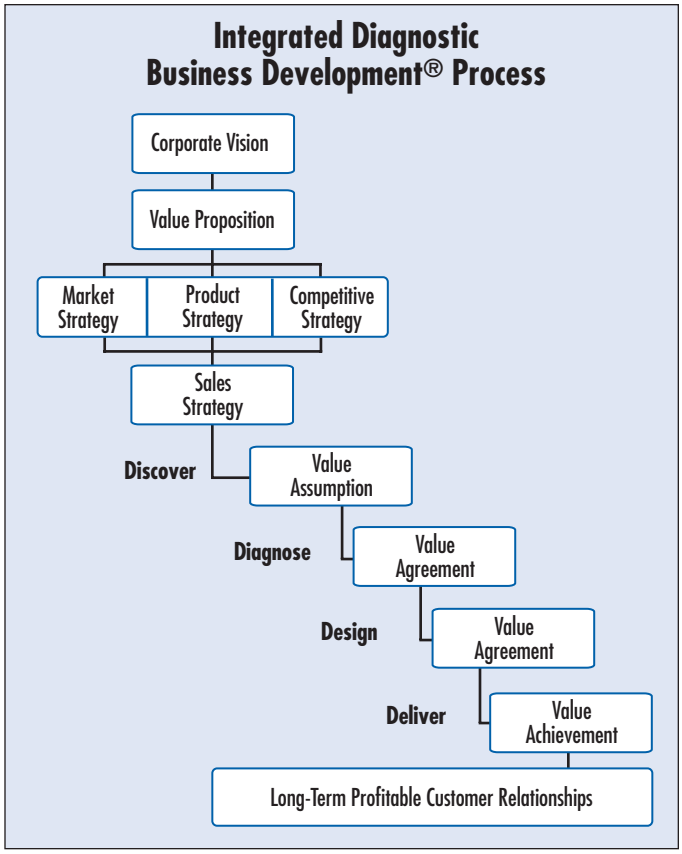
One way to generate alignment around corporate goals is to require that each function involved in the formulation and execution of the go-to-market strategy cycle must go through the four phases of the Prime Process. The four stages of the Diagnostic Business Development process — Discover, Diagnose, Design and Deliver — offer a single, customer-centered process through which each organizational function can explore the marketplace and ensure that its efforts are aligned with the functions.

Second, there must be a mechanism for communicating and applying the learning that is generated as the strategic plan bumps up against the realities of the marketplace. Whether an organization must respond to new opportunities, changes in the market environment, or correct miscalculations in its own go-to-market strategy, it must have a mechanism capable of capturing and responding to feedback. It needs to be able to identify, communicate and respond to customer needs throughout the value creation process. Again, when the Prime Process is distributed across the organization, it can serve as that mechanism.

The Prime Process requires that the various functions within the organization charged with delivering value to customers take to the field in one voice and one process. To effectively discover, diagnose, design and deliver, they must frame their assumptions in terms of the customer, and they must test those assumptions against the reality of the customer's world. This ongoing diagnostic feedback loop creates a learning flow that, in turn, can be used to generate continuous improvement and breakthrough innovation.

Making the 'Black Box' Transparent

Once the go-to-market strategy is clear, sales strategy can be formulated and aligned. That is how to avoid the "black box" view of sales. The black box view of sales is an attitude that is frequently found among senior executives who do not have sales experience. To them, the workings of the sales department are largely a mystery. They can set goals and send them into the black box of the sales force, and they can tell whether those goals have been reached — after the fact. But they can't effectively manage what happens between the two points. Sales are a black box that senior management hopes will deliver the required results.



What executives need is a process that can make the black box transparent, that is capable of connecting the sales function to the rest of the organization in strategic terms and creating a common language and process through which the go-to-market strategy is formulated, executed and monitored.

This process should also allow management to pinpoint the source of performance shortfalls. As one senior vice president in a Fortune 100 company has said, Thull, "The most frustrating things about poor sales results are not knowing where the problem originates within the organization and the finger pointing that results when you try to trace it." The Prime Process enables executives to pinpoint inefficiencies in their strategies and tactics, and avoid the black box of sales.

When the Prime Process is successfully traversed and the go-to-market strategy is realized, value is delivered to customers and value is returned to the business in the form of increased margins. The byproduct of this end result is the lifeblood of corporate success — long-term, profitable customer relationships. The corporate vision has been transformed into bottom-line results. ■

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Negotiation Made Simple

John Lowry

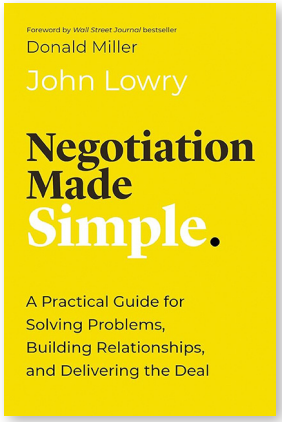
Sales

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Negotiation Made Simple

A Practical Guide for Solving Problems, Building Relationships, and Delivering the Deal

by **John Lowry**



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THE SUMMARY IN BRIEF

Great negotiators are willing to be bold. They see opportunities others don't see. They are irrationally confident that a deal can happen or a problem can get solved. They are ambitious. But they are also empathetic. They see the deeper desire behind the initial ask. And they find ways to bring parties together.

In your negotiations, you will have setbacks, surprises, disappointments from the deals that don't get done, but each setback is also a learning opportunity. In ***Negotiation Made Simple: A Practical Guide for Solving Problems, Building Relationships, and Delivering the Deal***, author John Lowry provides five fundamental strategic skills that will enable you to see the bigger picture when you approach any negotiation so that you win the next deal, solve the next problem, maximize the next success, and overcome the people and circumstances that stand in the way of your dreams.

IN THIS SUMMARY, YOU WILL LEARN:

- How to manage yourself as a negotiator.
- The characteristics of competitive negotiation.
- How to use creativity in cooperative negotiation.
- Best practices to deliver the deal.

Part 1: Manage Yourself

You Are a Negotiator

When you hear the word *negotiation*, what comes to mind? Phrases like *bargain*, *give and take*, *win-win*, or *getting what you want* might come to mind. All of these associations make sense, but consider this working definition: negotiation is a strategic communication process to make a deal or solve a problem.

One of the biggest mistakes we can make is thinking that negotiation is an incidental aspect of our job description–something we do occasionally or something that other people use, not us. We think of ourselves as professionals, as experts in our field, as leaders, managers, and partners. *But not negotiators.*

When we start treating negotiation like an occasional responsibility instead of a daily tool, we neglect it. We don't try to get better at it, and when it comes time to negotiate, we just wing it. We give in when we should offer an alternative. We fight when we should cooperate. We miss out on a better outcome because we completely skip the step of strategic communication.

But if you start treating negotiation seriously, like a skill to practice and improve on, you will reap the benefits. Negotiation can make you a better leader, parent, spouse, and any other role you hold in life.

Strategy Wins

Feeling natural or comfortable drives much of our behavior, guiding our decisions and actions. This pursuit of comfort also informs how we negotiate. We don't like to do things that don't make sense or are uncomfortable. *Negotiation is a process we cannot master unless we are willing to do hard things that are uncomfortable.* Mastering the negotiation process will require us to ask for the things the other side doesn't want to give. It will compel us to say no to demands. It will create conflict as we pursue our interests and desires. All of these things are uncomfortable, but at times they are necessary to be successful.

As a negotiator, you must go beyond what is comfortable and begin doing what is strategic. This means using your targeted outcome and ultimate objective as the driving force behind every decision and move you make in a negotiation. Acting strategically will not always be comfortable and will likely require us to do hard things.

The first hard thing you will need to do is develop your knowledge of the negotiation process. Growing your skills will make you more confident in managing the difficult moments of negotiation. As you become more confident, you will be better able to act in a strategic manner that leads to great success.

Once you have developed the courage to go beyond what is comfortable, you must learn to deal with the uncertainty that clouds this entire process. In negotiation, it's rarely the case that "all the cards" are on the table. Negotiation requires you to make decisions in the face of great uncertainty.

When there's a lot of uncertainty at play, the only thing you can do is control your actions. You can't control what other people are keeping from you, what they want out of the situation, or how they react to you. You can manage only yourself. You should have a sense of your instinct and assumptions in the face of uncertainty. Some people are naturally more trusting and willing to be cooperative. Others look out for themselves and tend to be more guarded and competitive in the face of uncertainty. Both approaches can be good, but both can also get you into trouble.

When you're negotiating a solution to a problem, ask yourself the following four questions, which are helpful to ask at any stage of a negotiation but especially in the beginning stages as parties are taking their positions. There will always be unknown factors, but self-awareness empowers us to make strategic choices.

1. What assumptions am I making to fill in the information I do not have?
2. What is the basis for these assumptions, and is the basis legitimate?
3. Are my assumptions based on what you hope to be the case or what is actually the case?
4. What information am I using to build a strategy, and can I rely on that information to be accurate?

The Lover Versus the Fighter: Two Strategies for Negotiation

Generally, there are two main approaches to negotiation: a cooperative one and a competitive one. These can be compared to the general archetypes of "lover" and "fighter."

The "lover" represents the cooperative approach. You see the solution as something that would be both beneficial and satisfying for both parties. You try to help the other side get what they want while at the same time pursuing what you want. You look to work together and create value for everyone involved. This approach is marked by accommodation

You have a natural tendency for one or the other but it's important to not just lean on an approach that is natural or comfortable.

and collaboration, trying to create value by working toward a solution that satisfies everyone.

A competitive approach sees the negotiation as a fight for value: there's a winner and a loser. With this approach, you are more ambitious and want to claim value. You tend to protect yourself and are not as trusting of others. You're looking to set yourself up to win as much as possible even if it means the other side will lose. This approach is marked by big asks and hard bargains.

You have a natural tendency for one or the other but it's important to not just lean on an approach that is natural or comfortable. There are times when it's devastating to *both* parties for one to lean on the cooperative approach. Other times being too competitive can kill any chance of a deal before a negotiation even starts. *A great negotiator knows how to use both of these approaches and employ them at different moments in a negotiation to get the best result.*

Part II: Ambitious Competition

The Characteristics of Competitive Negotiation

Competitive negotiation is a strategy used around the world to transact business and serves as the basis for market-driven economies. For example, fair market value is commonly defined as "what a willing buyer will pay a willing seller." This is often determined using competitive negotiation.

It's dramatic. Television shows and movies are based on it. We see competitive negotiations covered in the news from contract negotiations involving professional athletes to major company acquisitions to new laws passed by a legislative body. It's consequential.

This process can influence important life moments such as the purchase of your first house, the sale of your business, or securing a raise at work. The outcomes produced by competitive negotiation matter.

Finally, it's predictable. Once you understand the patterns of competitive negotiation, it becomes easier to manage toward a favorable resolution.

You need to know how to compete, even if you don't like it. Some people are offended by the win-lose paradigm of competitive negotiation. They see striving toward mutual gain through a win-win approach as a more wholesome process that serves humankind in a better way. But there are moments that *require* a competitive approach to negotiation and you will find yourself in competitive negotiations throughout your professional and personal life. Knowing that, let's get you ready to win!

Some people have the impression that a competitive approach requires lots of complicated moves or highly combative behavior designed to intimidate the other side. But fortunately, the approach is actually fairly straightforward and doesn't require you to bully anyone. The patterns are predictable. In just a few key moves, you can use their predictability to your own advantage.

There are four practical questions that will help you utilize the predictability of competitive negotiation.

1. How will you set up the process to close a gap between you and the other party in your favor? If you are responding to an opening offer, what is the gap you will create with your opening offer? if you're putting the first number on the table, what is the gap you anticipate will be created once the other side counters?
2. Is the midpoint of the anticipated gap a good place for you to do a deal?
3. As you are making concessions, does each concession hold the midpoint established by the first two reasonable offers? You may try to move the midpoint in your direction with a smaller concession, but at no point do you want to move it in the other side's direction with a larger move.
4. How will you manage the tone and communication of the negotiation knowing competitive negotiation tends to create tension between the parties?

These four questions will create a system for managing

every competitive negotiation. They will keep you from making mistakes and reveal opportunities to capture more value in a deal. The key to getting this system working for you is the opening offer. It's the most important move in all of competitive negotiation.

Master Your Most Important Move

The opening offer is critical in a competitive negotiation. The entire negotiation will proceed based on how you set up the process with your opening offer. Accordingly, this moment requires a carefully constructed strategy that sets the process up to end in your favor.

While most of the conversation around mistakes made in opening offers involves being too generous, one can also be too aggressive. If you are negotiating with a disciplined negotiator, this may result in the other party walking away from the negotiation or abandoning the pursuit of the deal altogether. It really is all about threading the needle between being generous and aggressive to get the best final outcome.

Nail the opening offer by answering three strategic questions:

1. Who is going to make the first offer? When you let the other person make the first move, you get *information* on where they stand and what they're hoping to get. But by making the first offer yourself, you have more *influence* over the result. Capture as much influence as possible by stating your position first.
2. Where are you going to start? You can either take an extreme position or a reasonable one. An extreme position gives you the flexibility to concede and manages the expectations of the other side. A reasonable opening may be the right option in a case when you don't have a lot of time to go back and forth.
3. How are you going to make the opening offer? You can be firm on your opening stance or soft about it. A soft offer pairs well with an extreme one. If you are too firm on an extreme price, people will despair and walk away. If your opening price is reasonable, then you'll have to be firm about it if you're going to end up with a fair deal.

The most important move in competitive negotiation is your first move. If you don't do it right, it will cost you. If you do it right, you can achieve more than you ever thought possible.

Concede with Purpose

Concessions are important in the negotiation process and they play three important roles. First, the importance of how value is exchanged and the moves that are needed for the parties to reach an agreement cannot be understated. Second, they are communication devices that carry important signals to each party useful for managing expectations and determining how a deal might happen. Third, they are an important part of the psychological game that underlies the negotiation.

Knowing these roles will help you develop a strategy for managing concessions so you come out the winner. Carefully constructed concessions get a great deal for ourselves *and* make the other side feel good about it.

Part III: Creative Cooperation

Transition from Positions

A competitive approach is useful if we have power in the negotiation. But there are moments when we don't have a lot of power, and the other person has the upper hand. In these cases, we're not going to be successful by being competitive. The best approach is a creative, cooperative one.

Cooperative negotiation aims to understand and creatively meet the needs of everybody involved. It's a process of creating value. The need for a deal begins with a problem, complex or simple, that the parties are looking to solve. Positions are perspectives on how the issue should be resolved. If those positions align, then the negotiation is easy. But that is rarely the case.

When each party has different ideas about how the issue should be resolved they often spend a lot of time and energy trying to convince the other side their position is correct. This leads to an escalation, potentially no deal at all, damaged relationships, and wasted time, money, and resources. It's not very effective.

Understanding the collaborative approach will help you create new value where there wasn't value before. This tactic will transform who you are as a negotiator and exponentially increase your ability to close deals. It's three simple words: transition from positions. These are perhaps the most important words in all of negotiation!

When you transition from positions to interests you will find things like: egos, fears, motives, values, goals, relationships, and circumstances. These are what a person is truly interested in gaining, protecting, or developing.

People are not used to this type of negotiation and, as a result, will seek to avoid it.

Take time to build rapport with the other side before diving into the negotiation. Ask open-ended questions to get beyond the stated positions *and* to find the interests that you believe will affect the other side's decision making.

Then, brainstorm and develop creative solutions that satisfy your interests and the interests of the other side. This is the power of transitioning from positions. By responding to the other party's interests, you move closer to reaching a deal.

The Roadmap to Resolution

The transition from positions is difficult because people sense a loss of control. The negotiation often becomes messy as emotions and personal interests arise in the conversation. The use of positions requires compromise, but the use of interests requires creativity in the integration of new resources. People are not used to this type of negotiation and, as a result, will seek to avoid it. Therefore you need a road map you can give them to educate them on the process and give them back a sense of control.

1. Steer the conversation in a new direction.

In negotiation situations, it is not often that people willingly share their cards. They do not bring up their real interests. Instead they talk about positions. So your first move is to intentionally lead the conversation in the direction of interests.

2. Ask questions.

Cooperative negotiation is about working with the other side to explore ideas in search of a solution. This begins with asking powerful and inspirational questions. You're not looking for one word answers. What you really want is the answer to the question "why?"

3. Listen.

When people open up, listen. Listening is one of the most difficult parts of this whole process because our minds tend to wander. The solution is focus. Focus on people as they talk and pay careful attention to what they say.

4. Create options.

Now it's time to get creative. Build a list of everything you could do to make the deal come together based on the interests of both sides. Invite the other side into this process to show them how committed you are to protecting everyone's interests.

5. Develop options.

With lots of ideas on the table, you can now begin to think critically. Ask yourself, *Which of these ideas are doable?* It will become clear fairly quickly which ones are logistically unreasonable or out of reach. Your goal is to narrow the list to only the ideas that are actually feasible.

6. Evaluate options.

Last, ask yourself, *What doable options best meet my interests and the interests of the other side?* When you find the best option that meets both needs, not only will you have a deal, but you will have a durable agreement that truly solves the problem.

The Power of Empathy

One of the most powerful cooperative tools used by leaders today is empathy. Simply defined, empathy is the process of identifying, sharing, and experiencing the feelings of another person. In other words, putting yourself in another person's shoes for a moment.

Empathy is powerful because it often illuminates the path to a deal. As you better understand the needs of the people you are negotiating with, you will know what you need to accomplish in the negotiation to strike a deal.

Once that understanding has been established, you can creatively and collaboratively go to work on crafting a deal that is responsive to all the needs on the table. By using empathy strategically, you can drive negotiations to a mutually satisfactory outcome centered on meeting people's needs.

Part IV: Deliver the Deal

Prepare for the Process

As negotiators we all have visions of the great deal. We get

excited thinking about what it would mean for our career, the size of our bank account, or our quality of life. Having a vision of a great deal is absolutely necessary because it gives us the motivation to go after it. It is the vision that compels us to move beyond what is comfortable and ask for more.

But envisioning the great deal is the easy part. It is delivering it that is hard. Knowing how to build a plan and mastering the preparation process is absolutely essential to sustained success as a negotiator.

Preparing for a negotiation is about understanding and anticipation. It's like a business plan. You want to think through all the strategic issues. The value of working through the following checklist is not getting it all right but carefully thinking through the issues that will determine your success or failure in the negotiation.

1. Who are the parties to the negotiation?
2. What are the issues or questions that must be answered to strike the deal or solve the problem?
3. How important are the issues to you? How important is the relationship with the other party to you?
4. Is the other party likely to negotiate competitively or cooperatively?
5. How competitive or cooperative do you intend to be during the negotiation?
6. How well do you understand the substance of the negotiation? Is there anything you must learn about the subject matter being negotiated before starting the process?
7. What assumptions are you making going into the negotiation?
8. What alternatives are available to you and the other party if the negotiation is not successful?
9. What are the most realistic and likely alternatives for each party?
10. What can you do to improve your most likely alternative before the negotiation?
11. What is the most strategic sequencing of the issues in the negotiation?
12. What is your ideal outcome of this negotiation?
13. What is your bottom line?
14. Will you put the first offer on the table or let the other side make the first move?
15. What will be your opening offer?
16. What do your anticipated concessions look like?
17. What are the intangible, underlying interests of each party that may affect the negotiation? What is driving each party's decision making?
18. What creative options might be integrated into the negotiation?
19. What tactics do you anticipate from the other side and how will you deal with them?
20. What is the best setting and time for the negotiation?

Overcome the Obstacles

Tactics are strategies used in the midst of negotiations to try to get ahead. It would be a simpler world if no one used tactics, but you should expect them. Tactics are a usual part of negotiation, but they can become a major barrier to progress if you don't know how to manage them carefully. Some common ones include:

- Bait and switch
- Take it or leave it
- Making it personal
- Patronizing
- Creating time pressure
- Bogus demands

There are two intuitive ways to respond to a tactic, neither of which are very effective. The first is to simply ignore it and the second is to respond with a tactic of your own. In the end, neither of these approaches really help the end goal of getting a deal because you end up playing the game the other party has chosen.

This alternative approach keeps you from playing their game in three steps:

1. Identify the tactic. Notice that the other party is using them, stop and pay attention
2. Call out the tactic. Let the other side know that you are aware of the tactic being deployed. This diminishes the impact of it.

3. Negotiate the process. Simply stop the process and pursue a deal that eliminates the tactic before responding to any further offers.

The best of the best negotiators outperform their peers by doing two things. First, they have more ego drive, which causes them to be more ambitious. Second, they are more empathetic. These two qualities: ambition and empathy are equally important. They are the keys to using negotiation to provide a more satisfying, impactful, and successful life.

The whole basis of the ***Negotiation Made Simple*** approach is ambition and empathy. These are the two characteristics that, when developed, utilized, and balanced appropriately, will make a difference in your negotiations. Add to them the tactical advice presented here and you will become a great negotiator.



Dr. John Lowry is a recognized authority on negotiation through his experience as a lawyer, business consultant, entrepreneur, negotiation coach, and university administrator. His results-focused, systematic approach to negotiation has been successfully implemented by thousands of professionals across the United States. Dr. Lowry teaches negotiation at the top-ranked Straus Institute for Dispute Resolution at Pepperdine University School of Law and in Vanderbilt University's Master's in Management in Health Care program.

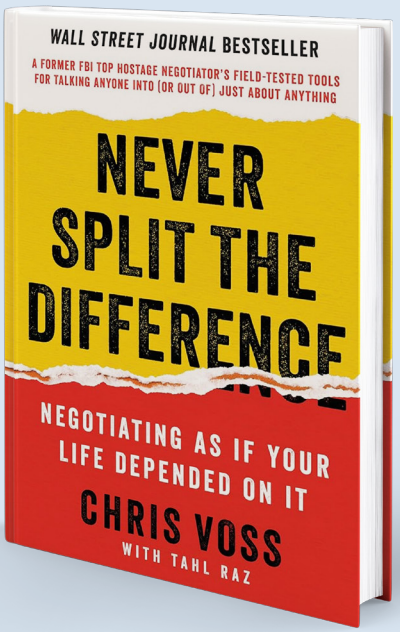
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Never Split the Difference

Chris Voss

Book Snaps™
In-depth reviews of best-selling business books.



Never Split the Difference

Negotiating As If Your Life Depended On It

By Chris Voss

Chris Voss is one of the preeminent practitioners and professors of negotiation skills in the world. He is the founder and principal of The Black Swan Group, a consulting firm that provides training and advises Fortune 500 companies through complex negotiations. He currently teaches at the University of Southern California's Marshall School of Business and Georgetown University's McDonough School of Business, and has lectured at other leading universities, including Harvard Law School, the MIT Sloan School of Management, and Northwestern University's Kellogg School of Management.

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A Book Review by Soundview

Negotiating As If Your Life Depended On It

As a former international FBI hostage negotiator, Chris Voss has created a system of negotiating techniques that work for all situations. Whether in a high-stakes negotiation (such as a hostage or kidnapping) or negotiating with your child at bedtime, his system prepares the reader for assessing their counterpart, asking the right questions, and using intuition to guide the situation to the most ideal solution. Two decades of FBI experience and fifteen years of negotiating hostage situations has led Voss to educating others on how to fine tune their negotiating skills as if their life depended on it. His tools and the ones the FBI used had to work. The failure to work meant someone died. The question as to why they worked is what drew his conclusion that the same tools can be used in all negotiating situations.

Chris Voss's curiosity to prove his theory brought him to a negotiating class in Harvard. As the class paired into groups, he "swindled" his intelligent partner of all his allotted money for the project. During the discussion, his partner has no idea how this happened. As one of the smartest students in class, he couldn't see that Voss was simply asking questions to get what he wanted.

Voss states, "In my short stay [at Harvard], I realized that without a deep understanding of human psychology, without the acceptance that we are all crazy, irrational, impulsive, emotionally driven animals, all the raw intelligence and mathematical logic in the world is lit tle help in the fraught, shifting interplay of two people negotiating."

In other words, you can be the most intelligent person in the room, but you need a solid understanding of human psychology to win the negotiations you're faced with, while keeping in mind the only adversary is the situation itself. The person in front of you is merely your partner in helping to solve the problem the situation is presenting.

Become a Mirror

Mirroring is an effective tool to making the other person feel as they are being heard and encourages them to elaborate on what they're saying, feeling, and thinking.

Voss gives us an example:

In 1993, he was faced with a hostage situation with two bank robbers. Based on what one of the robbers had said, his team felt as if the surrender would be quick and fairly easy. Unfortunately this assumption was wrong. However, to lead to the surrender, Voss knew the men on the other end of the phone had to be heard.

He says, "Most people approach a negotiation so preoccupied by the arguments that support their position that they are unable to listen attentively." It's difficult to be a good listener. Especially faced with high-stakes in front of you. Voss's suggestion is to, instead, approach a negotiation with your entire focus on the other person and what they have to say. Being a good listener makes them feel safe, calms them down, and opens them up to discussing what it is they truly want from the situation.

How to become a good listener comes to a few things. One, using your voice as a tool. Most of the time, a positive and playful voice is encouraging. It helps to put the other person at ease, believing you are a good natured person. However, in this high stakes negotiation, Voss used what he calls his "late-night FM DJ Voice" which intentionally reached into the robber's brain to flip an emotional switch and calm him down. Once calm, Voss could then use the mirror technique to get to the surrender.

The exchange went like this:

Voss: "We've got a van out here, a blue and gray van. We've been able to get a handle on the owners of all the vehicles except this one in particular. Do you know anything about it?"

Chris Watts (the bank robber): "The other vehicle's not out there because you guys chased my driver away."

Voss: "We chased your driver away?"

By mirroring what Watts said in the late-night FM DJ voice, Voss was able to coax out information they didn't know before while instilling a calmness in Watts. This built a rapport and connection enough to eventually lead to the surrender.

Just like Voss used this in the hostage situation, anyone can use this technique for day to day situations. For example, a difficult boss who is making a time consuming ridiculous task can reroute his ask with a little mirroring.

"Let's make two copies of all the paperwork"

"I'm sorry, two copies?"

This kind of exchange gets the employer to describe his reasoning, realize it may be overkill, and come up with a solution in a less brash way. Mirroring is a human behavior where we copy to comfort. Through speech patterns, body language, vocabulary, tempo, and tone of voice, it's usually unconscious. Conscious or not, it's a sign of bonding that leads to trust.

Label their Emotion

Just like mirroring, emotion is a key tool in negotiating. Most people approach a negotiation with high emotions and ignore them. This only builds those emotions up, making each party more defensive. Instead of denying those emotions, it's best to label them upfront.

Another example Voss gives his readers is a case from 1998. At least three armed fugitives were holed up on the twenty-seventh floor of a high-rise in Harlem. In his late-night FM DJ voice, Voss put himself in their shoes. He told them, "It looks like you don't want to come out. It seems like you worry that if you open the door, we'll come in with guns blazing."

Instead of making demands or asking questions, Voss labeled their emotion (worry) with the information that seemed like it would be most fitting (they'll be attacked.) After more talking, all three fugitives came out of the building. The reason they surrendered? They all gave the same answer, "We didn't want to get caught or get shot, but you calmed us down. We finally believed you wouldn't go away so we just came out."

By using persistent tactile empathy, Voss was able to keep these three armed fugitives from hurting themselves or others. Labeling neutralizes the negative and reinforces the positive. A more common situation people might experience is a family gathering. Voss explains, you can use the same labeling technique to neutralize any conflict because of a family member's emotions presenting by getting to the root of their underlying feelings.

For example, we'll pretend there's a large family dinner where your cranky grandfather is present. Maybe he is crossing his arms, slamming down silverware and bucking back on everyone who talks to him. Instead of addressing this behavior as rude or inappropriate, you could instead label it:

"We don't see each other all that often. It seems like you feel like we don't pay any attention to you." This labels his emotions (loneliness) in a non confrontational way, allowing him to realize that you're listening, attempting to understand him. To offer a solution, you can then say, "This is a real treat for us. We want to value this time without and hear what you have to talk about."

From there, he may drop his cranky guard and be willing to have a civil conversation around the table, valuing the time together instead of arguing about it. Voss states, "Research shows that the best way to deal with negativity is to observe it, without reaction and without judgment. Then consciously label each negative feeling and replace it with positive, compassionate, and solution-based thoughts.

Calibrated Questions

One of the strongest tools, and the one Voss constantly refers back to, is the calibrated question. These are open-ended questions that are carefully thought out to remove aggression from the conversation and drive the other person to come to the solution you wanted all along. It gives the illusion of control to the other side and creates a reasonable solution to the problem at hand.

Another hostage situation Voss was in was between two Pitts-

> Every moment in your life is a negotiation in some sense."

burgh drug dealers. One drug dealer had kidnapped the other drug dealer's girlfriend. Typically, when the FBI gets involved with these situations, they ask single answer questions to gain proof that the person kidnapped is safe. Questions like: "What is Martin's father's name?" or in this case, "What was the name of the girlfriend's teddy bear when she was little?"

However, the drug dealer who needed help getting his girlfriend to safety asked, "How do I know she's all right?" Not expecting this, the kidnapper went quiet, then volunteered to put her on the phone. It forced him to pause and consider how to come up with a solution.

Calibrated questions are open-ended. There is no direct "yes" or "no" answer to them, and usually they're usually along the same as what is commonly known as reporter questions. They're "who, what, where, when, why, and how?" Though, Voss cautions to stick mostly with the how. Instead of saying, "You're screwing me out of money. You need to stop", try, "How am I supposed to work for the amount you're offering?" Instead of saying, "No, I can't pay the $36,000 ticket price to the car", try "I'm sorry, I only have $30,000 to spend. How am I supposed to pay what you're asking?"

This line of questioning gives the chance to show the other person what the problem is, consider it, and offer a solution in a non confrontational way. And if you are able to come up with the right calibrated questions in advance, you'll guide your counterpart to coming up with the solution you have in mind before the conversation even starts. You're giving the other person the illusion of control, when in fact it is you, the listener, who is complete control over the negotiation.

The Black Swan

You don't know what you don't know. This is what Voss calls the "unknown unknowns." The Black Swan is a metaphor for all things you don't know. Before the seventeenth century, people didn't know that black swans could exist. When Dutch explorer Willem de Vlamingh visited Australia, all of a sudden the unthinkable and unthoughtful became real. He saw a swan with black feathers. The point is that in every conversation, people are holding black swans even if they don't know it.

In any negotiation, it's the negotiator's job to search for these black swans using Voss's presented tools. This is important to note because many people enter the state of negotiation with the knowledge of their experiences and use that knowledge to predict how it's going to go.

Predictions may be handy, but each case is different, and each person is carrying a set of unknown-unknowns that could completely derail the prediction that's being held. By using the right questions, with the right language, while empathizing the counterpart's emotions, effective negotiators look for black swan information so they can find the leverage they need to create the solution they desire. While doing so, everything is a clue. From their facial expressions to their "crazy" actions. It may be a clue as to how they're feeling about information being presented or the system of beliefs that's guiding their actions.

Here are some of the techniques to flush out black swan information:

- Let the information you know (from past experience and knowledge) guide you. However, don't let it blind you. Every case is different. There could be something new and unpredictable in each scenario.
- Black Swans pull out leverage: "Positive (the ability to give someone what they want); negative (the ability to hurt someone); and normative (using your counterpart's norms to bring them around)"
- Actively try to understand the other side's worldly beliefs.
- Review all the things you hear from your counterpart.
- Get face time to read their expression, body language, etc.

The concept of the Black Swan is what prompted the name of Voss's organization: The Black Swan group, where he teaches people his negotiation techniques and they can practice in drawing out their own information for the likely scenarios they will be in.

Voss leaves us with one final thought, "Whether it's in the office or around the family dinner table, don't avoid honest, clear conflict. It will get you the best car price, the higher salary, and the largest donation. It will also save your marriage, your friendship, and your family."

Every conversation with another person. Every scenario you find yourself in. Every moment in your life is a negotiation in some sense. The tools Voss presents will steer those negotiations away from the conflict people tend to run away from and diffuse the conversation into an act of creative problem solving. Use the tools. Practice the system. Find the Black Swans. And embrace the negotiation process instead of fearing it.

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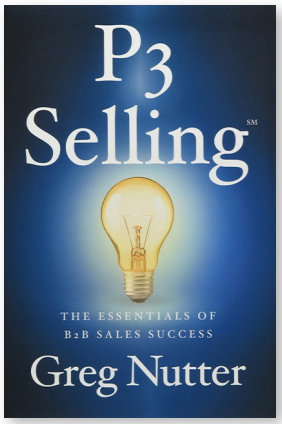
P3 Selling

Greg Nutter

soundview Executive Book Summaries®

P3 Selling

The Essentials of B2B Sales Success



by **Greg Nutter**

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THE SUMMARY IN BRIEF

P3 Selling is an easy-to-follow framework that explains what you need to do and why you need to do it to achieve consistent B2B sales success. Over 30 years of experience as a salesperson, sales trainer, sales leader, consultant, and coach has given Greg Nutter the knowledge and wisdom needed to find the consistent, predictable, and comprehensive formula for success that he shares in his book, ***P3 Selling: The Essentials of B2B Sales Success***. Navigate today's complex B2B environment confidently as you win more deals, receive more referrals, make more money, and advance your way up the corporate ladder.

Stop hoping for lucky breaks, and take control of your sales results.

IN THIS SUMMARY, YOU WILL LEARN:

- How to navigate a complex B2B environment with confidence.
- How to win more deals, receive more referrals, make more money, and advance up the corporate ladder.
- Specific activities to help you tailor strategies and techniques to your unique situation.
- The three most critical predictors of B2B sales success (without jargon or complexity).
- A more profound sense of personal satisfaction resulting from having more control over achieving your goals versus hoping for a lucky break.

Introduction

For those new to sales, P3 Selling offers a practical and easy-to-follow selling approach you can use immediately to achieve results. For tenured sales professionals, it provides a refresher on the most critical selling success factors that made you successful earlier in your careers. And for sales leaders, P3 Selling offers a comprehensive sales methodology you can use to manage your sales teams more effectively through a consistent set of strategies and processes.

In reading this book, you'll develop a deep understanding of the three most critical B2B selling elements. Elements that you must consistently focus on to be successful. Each chapter will end with some activities you can use to apply these concepts to your unique selling situation.

Define "Selling"

To excel in any field, the starting point is to clarify the specific strategies and behaviors that lead to success. Selling is no different. However, B2B sales strategies are not always intuitive, leading sellers to do what comes naturally versus what will lead to the most successful outcomes. Here, I shared a few critical perspectives and a Sales Play as starting points for that clarity.

There are two different kinds of sales you are likely to encounter: the Simple Sale and the Complex Sale. If you are selling to businesses, you will almost always be involved in a Complex Sale. That means either the connection between your offering's features and the buyer's benefits is not very obvious OR multiple people and steps are involved in the buying decision. If you are ever in doubt, ALWAYS assume you are dealing with a Complex Sale.

Complex Sales require selling, not Clerking, where you just give people information and hope they buy. Selling involves creating or enhancing a prospect's awareness; the most powerful way to do this is by asking questions. And not just any questions but specifically those that create awareness in areas where you are trying to drive change.

Sellers who consistently follow a sound process win more often than those that don't. The P3 Selling method is just such a process that focuses sellers on the three essential elements of B2B selling success: Problems, People, and Processes.

The ASR Sales Play (Ask□Suggest:Recap) is a practical, non-manipulative technique to create and enhance awareness in each buying-cycle stage. It also increases your credibility by asking prospects what they think instead of telling them what you think.

P1: Problems

Businesspeople don't buy products or services. They buy solutions that resolve problems or provide ways to capture new opportunities. So, until you have identified one or more Problems that a potential customer wants to address, you cannot sell. You can only Clerk!

Just because you've uncovered one or more Problems, there's no guarantee your prospect will do anything about them. Your job is to understand and influence how the prospect perceives each Problem and the Importance of resolving them. And you don't do this by telling them what they should see as important. You do it by asking questions that create and increase awareness around the Problem's Impact and Urgency. Remember that Fact questions enable you to quote, Problem questions enable you to sell, and questions about Importance enable you to motivate. Resist the temptation to put together a proposal as soon as you have enough Facts. Sometimes it works, but it's not selling—it's Clerking.

Besides influencing the need to take action, asking good Problem and Importance questions helps prepare prospects to defend their actions to others. It also guides you on which aspects of your product or company to emphasize in your proposal.

This chapter includes a few Sales Plays to help you get the information you need to sell and motivate, such as a credible WIIFT, Sharing First, and Bracketing to get a ballpark answer. If none of these work, it's time to look for other Problems that might be less sensitive. If you can't find any Problems, put on your Clerking hat for a final try before moving on.

P2: People

More and more people are involved in corporate buying decisions, and each likely has a different perspective on what's important and what's not. But most salespeople focus their selling efforts on only one or two decision-makers, which is a high-risk practice. Studies show that connecting with more decision-makers increases the odds of winning a deal, while the sales-cycle duration shortens. To leverage the odds in your favor, try to get in front of as many decision-makers as possible.

You may need to make trade-offs on whom to meet, particularly in larger accounts involving many people. If so, you should prioritize them based on two factors: whether they are part of the buying-decision process and their degree of Decision Influence. You'll often include those with high Decision Influence even if they aren't part of the buying decision. These people tend to insert themselves into the process when you least expect it.

This chapter also discusses three strategies to get meetings with those on your target list. Generally, the best option is an introduction from someone who has a good relationship with the person you're trying to meet. For them to do so requires solid WIIFTs—one for the person doing the introduction and another for the target person you want to meet. You'll also need a high level of trust with the person introducing you—trust that the introduction won't reflect poorly on them. Other strategies include mapping others to key account contacts and leveraging social media. I also talked about some considerations if you simply can't get in front of certain people.

Always think through your objectives before any meeting to create an effective call plan. When conducting the call, your primary objectives will always be understanding and influencing problem or decision-criteria perceptions. Understanding each individual's perceptions allows you to address them in your proposal or develop a strategy to mitigate those that put you at a disadvantage. Other objectives, such as uncovering additional Problems, assessing other people's Decision Influence, or getting introductions to others, also require planning, particularly in using the ASR and objection-handling Sales Plays.

P3: Processes

The most important concept is that the buying-decision Process is the decision-maker—it acts as the framework that links Problems and People with Action. There are two different decision Processes: one that individuals go through and a second that the company has defined. Successful sellers must navigate and sell to both.

The individual Process starts when a prospect first recognizes a problem or opportunity and continues until they decide whether to resolve it. Time spent in earlier stages is essential, particularly when Problems are perceived to be complex or risky. Spending extra time here increases an individual's confidence as they approach a final buying decision. All Problem People must go through each stage, so it's wise to avoid proposing a solution or asking for a purchase decision too soon. Sellers should structure all proposals or sales presentations to align with this Decision Process.

The Corporate Buying-Decision Process is similar to the individual Process but has two interconnected and parallel streams—the Consensus Stream and the Compliance Stream. The Consensus Stream is driven by Problem People and dominated by those with a high degree of Decision Influence. The Compliance Stream consists of subject-matter experts who review buying decisions against policies and criteria designed to reduce risk. People in both streams will scrutinize decisions more closely as their perceptions of complexity and risk increase. Unfortunately, easy access to an almost endless supply of product and supplier information has made buying decisions much more confusing than ever before. Sellers should avoid contributing to this situation by providing information laser-focused on solving the prospect's Problems and conforming to the compliance criteria.

Lastly, to maximize the odds of winning, a seller's primary role must change from a supplier of product information to an advisor in navigating the decision Process. By offering guidance, anticipating each person's needs, and working collaboratively to remove obstacles, sellers can elevate their relationship and help prospects move through the decision Process faster, easier, and with less buyer's remorse.

P3 Selling Playbook

Today's sellers rely on more than just their skills and activity levels to be consistently successful. They leverage repeatable, sound sales processes to keep them on track. While many sales processes help manage different aspects of the sales job, we focused on the four most critical ones:

1. Prospecting, done well and consistently, is key to most sellers' success. It's a process to create initial interest around problems or opportunities AND qualify a prospect's interest and ability to address them. There are four success factors to maximize the chances of establishing a viable sales opportunity, either for now or in the future: pre-call research and warm-up, a compelling and concise message, an engaging delivery, and a disciplined cadence.
2. Call Management is the process of planning and conducting a sales call to maximize the chances of moving a buying decision forward. Sellers first develop a high-level call plan followed by a more

detailed one that describes the call flow. The high-level plan defines the call's objectives, outcomes, areas to explore, and proposals to present. The detailed plan covers five steps that flow in the same order, no matter what kind of call you're having. Following up each call with an email summary of the discussion and agreed actions is a best practice to keep moving the buying decision forward.

3. Opportunity Management is a structured approach to maximize the chances of winning your most important sales opportunities. It involves assessing where you are in the buying-decision Process so you can develop the best action plans to move the deal forward. At the heart of opportunity management is the five-step P3 Selling Deal Review process, in which you ask yourself key questions to develop the best action plan. You should conduct a Deal Review, either individually or as a group, whenever you have a "must-win" opportunity that requires you to be more strategic instead of reactive.
4. Pipeline Management is a process that helps sellers prioritize their activities to ensure a steady flow of sales revenue. It tells you which activities to focus on, in what order, and what sales performance you should expect. Effective pipeline management requires a regular Pipeline Review to define, prioritize, and calendarize a seller's most important tasks.

The Journey Beyond

Your journey to sales excellence will not happen overnight. But by changing your perspective from selling products to solving problems, you should expect an almost immediate difference in how prospects perceive and value you. And by taking the time to plan and reflect on your progress, the P3 Selling concepts and techniques will eventually become second nature, enabling you to join the ranks of the elite professional sellers.

As your sales career progresses, there will be more advanced strategies and skills that you'll want to learn, such as key account management, contract negotiations, sales management, and even channel partner management. But proficiency in each of these will depend heavily on how well you have mastered the foundational P3 Selling concepts detailed in this book.

Conclusion

You can tell people how good you are, or you can show them how good you are. The hope is that by applying the strategies, processes, and techniques outlined in this book, you'll deliver on the latter. Make it so!



Greg Nutter is the founder of Soloquent, Inc., helping business owners and senior sales executives solve revenue growth problems through direct, indirect, and multi-channel sales models.With over thirty-five years of experience, Greg has worked with a wide range of companies to develop strategies, programs, processes, and tools to grow revenues, enter new markets, increase sales consistency, maximize selling investments, and develop skilled sales, channel, and management personnel.
Learn more at www.P3Selling.com.

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Powerful Proposals

David G. Puh and Terry R. Bacon

Sales

soundview
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Powerful Proposals

How to Give Your Business the Winning Edge



by **David G. Pugh and Terry R. Bacon**

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THE SUMMARY IN BRIEF

You may know that your company offers top-quality products and services, great value and a superior client experience. But if your business proposals don't reflect those strengths, you're losing out on a lot of potential customers—and profits. Your proposals must be much more than a description of "what we do." You've got to give them a reason to choose you.

Powerful Proposals gives you a seven-step process for determining and organizing content, developing themes and visuals, and more—and shows how to position your company to win. The book presents effective protocols for monitoring successes and failures and applying lessons learned for continuous improvement, plus proven strategies for breeding teamwork and positive attitudes and getting the proposal through a rigorous quality-control and review process. Finally, it also presents complete models of executive summaries that work.

Your company's proficiency is a given—but so is that of your rivals; you've got to create competitive advantage at the front end. You'll find your edge dramatically increased when you leverage powerful proposals.

IN THIS SUMMARY, YOU WILL LEARN:

- How to assess a proposal's "winner or loser" status and take proactive steps to become a winner.
- Techniques to address the "Big Four" questions that a proposal must answer to be successful.
- How to neutralize the issue of price when the firm is not the low-price provider.

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The Power of the A+ Proposal

Proposals are among the most critical documents companies produce, yet they are often ill conceived, ill prepared and, consequently, ill fated.

The Proposal: The Make or Break Move

Proposals are the critical endgame in a long process of business development. When they are executed with skill, they can bias customers toward you and act as the "icing on the cake" if you have positioned yourself well with the customer, built trust-based relationships and presold your company and your solution. When proposals are not executed well, they can sour the customer's view of you and cost you the opportunity if one of your rivals submitted a superior proposal.

How to Put the "Power" into Your Proposals

An artful proposal says, in effect, "I understand what you need. Moreover, I understand what you want to do, and of all the possible solutions that might work for you, I have the one that is most capable in its solution, most elegant in its simplicity and most appropriate for your needs." A powerful proposal

1. **Tells a story.** Moreover, it tells it in a compelling way—one that helps readers see the solution in a more insightful and interesting way than they had previously imagined. A powerful proposal builds trust and confidence.
2. **Gives evaluators what they need to sell you.** Your proposal must give them what they need to sell you and your solution to the people responsible for making the buying decision.
3. **Requires no translation, no reformatting or repackaging.** It stands alone as the instrument for your customers to sell their decision internally.

The most fundamental requirement of successful proposals is compliance. This means that the proposal complies with the customer's request for information, meets the requirements, answers the questions and addresses the specifications to the letter. Nothing more, nothing less.

But to be truly successful, proposals must also be responsive to the customer's needs. Responsive proposals demonstrate how the provider will help customers achieve their business goals, not just their project or procurement goals. The proposal that maps a clear path to that business goal is a proposal that truly understands what's driving the investment.

Six Key Elements of High-Quality Proposals

While customer's impressions are shaped by compliance and responsiveness, there are other important elements of proposal quality:

1. **Boilerplate**. This is the amount of recycled material included in a proposal. As a rule, the higher the quality of the proposal, the less boilerplate is used, and vice versa.
2. **Customer focus.** The best proposals link everything to the customer's goals, needs and requirements.
3. **Creative page design.** It's inexcusable today not to bring design knowledge to bear in creating elegant proposals, with page designs that draw the reader's eye to the right places and make comprehension of the offer and solution considerably easier.
4. **Compelling story.** A well-made proposal tells a compelling story of the offer and the offerer in the context of what the customer needs to succeed. It engages readers in the tale first by focusing on their problems and needs and then weaves in the seller's solution.
5. **Executive summary.** Today, an outstanding proposal includes a separate, full-color, brochure-style executive summary that is well designed, highly customer focused and succinct in telling the story of the offer.
6. **Ease of evaluation.** A powerful proposal is easy to evaluate and is reader friendly.

A Simple Notion: A Proposal Must Sell, Not Just Tell

The "DNA" of a proposal is that it's a sales document. You have to sell your technical approach, your project management expertise, your scientific wizardry, your state-of-the-art solution. If all you do is clinically describe these things, you are failing to give the customer compelling and substantive reasons to choose your offer rather than someone else's.

The DNA of Proposals: How Organizations Buy Products and Services

Proposals are sales tools and technical documents, yet they differ from most other technical documents in at least four fundamental ways:

1. **Purpose**. The purpose of a proposal is to persuade readers to accept your offer to sell them a product or service and to convince readers that your offer is superior to your competitors' offers.
2. **Audience**. Most other technical documents have a

narrower and more technical audience, but a proposal must be written for a wide array of readers.

3. **Organization**. Proposals are usually organized according to the customer's need for information. Most often the RFP dictates what topics will be covered and in what order.

4. **Reader intent.** To write an effective proposal, you must know and address the customer's selection criteria—including the hidden, subjective factors not revealed in the solicitation.

Four Compelling Questions Every Proposal Must Answer

If you provide powerful answers to these four questions throughout your proposals, you will also provide your customers with compelling and substantive reasons to choose you, which is what selling is all about.

1. **Why us?** Your best answers to "Why us?" are found in your positive differentiators.

   Excellent proposals formally confirm what the customer has already informally determined during middle game, namely, that they should choose your company and its offer over all the others. Yet one of the most common problems when people work on proposals is that they wait too long to provide differentiating answers to "Why us?" during the middle game and, likewise, to attack negative answers to the same question.

2. **Why not them?** The best way to answer "Why not them?" involves a technique called ghosting. Essentially, you know enough about the competition's offers/approaches/products/track record to discuss the disadvantages to the customer of using the competition (them) versus the advantages of using what you provide.

   The critical factor here is the need to create your ghosts without ever mentioning a competitor by name. One of the best ways to do this is to aim the ghost at your industry whenever your offer includes a differentiator that is unique, a best practice or superior in some significant way to whatever the competition can provide.

3. **So what?** Customers don't buy what it is; they buy what it does for them. They buy benefits, not features. The best benefits you can offer are bottom-line benefits that help the customer achieve their bottom-line goals.

4. **How so?** One part of creating an excellent proposal is ensuring it includes proofs and substantiations for all of its major claims.

The Competitive Advantage: Reader-Friendly Proposals That Sell

When capability becomes commodity, competition becomes communication. For this reason, designing the most persuasive, reader-friendly proposal becomes a critical step in moving technology from those who created it to those who need it.

The buying process can involve multiple people, including decision makers and those who directly or indirectly influence them. This widely dissimilar group of people is collectively referred to as "the customer." The challenge is to provide this diverse audience with compelling answers to the four critical questions mentioned previously.

You can understand this mixed audience if you see it not simply as a series of different people but as a series of human communication "filters." Your best answers to the four questions must successfully pass through the following filters to win the communication competition:

1. **Experts and nonexperts.** In complex selling, which large technology contracts almost always involve, the seller has to answer these questions for both experts and nonexperts.

2. **Inductive and deductive processors.** Most scientific people automatically deploy inductive logic (details/data leading to an idea), whereas most nontechnical people prefer deductive logic (an idea supported by details/data). You can achieve maximum reader friendliness if you convey your message both inductively and deductively.

3. **Scanners and skimmer.** The scanner scrutinizes the page, examining each detail, challenging every claim, seeking the hidden flaw. The skimmers want to hit the high notes: main ideas, important proofs and big-picture concepts.

4. **Visual and verbal conceptualizers.** Most technical people are visual thinkers and nontechnical people tend to be verbal thinkers.

Designing the Proposal

Consider these specific techniques for getting your technology messages through these filters:

- For experts, provide as much substantiating data/detail/features as necessary to convince them that your technology is not just the best but the best buy, too.

- For nonexperts, state the main ideas, and support them selectively with the best data/detail but no more than necessary to validate the main ideas. Correlate those features to compelling, customer-focused benefits.
- For technical professionals who typically employ inductive logic, rehearse your data/details/features first, then state the main idea or conclusion derived from them.
- For skimmers, be sure your messages are emphasized by design (e.g., italics, boldface, one-sentence paragraphs, prominently displayed main ideas or themes).
- For the visual conceptualizers in your mixed audience, ensure that at least one-third of your message is captured and expressed via powerful visuals.
- For the verbal conceptualizers, ensure that your text is well written (e.g., in the active voice rather than the passive), well edited and "punched up" with effective but not overdone emphatic devices.

Selling the Benefits: Customer-Oriented Proposals

Since selection decisions are typically made by senior executives, pricing specialists, purchasing managers and mid-level managers, a purely technical presentation of an offer is doomed to failure. These evaluators will ask the following non-technical questions: Will this supplier deliver on time? Will this supplier's products or services meet our quality standards? Will there be any hidden costs in doing business with this supplier?

Even their "technical" questions will not favor you. They will reflect customers' concerns with the long-term usefulness of products and services; with the reliability, supportability, life-cycle cost and the total cost of ownership of every product.

Five Essential Components of a Customer-Focused Proposal

To craft a truly powerful proposal, you must

1. **Uncover and respond to the customer's underlying need.** All of the issues and problems underlying the requirements rarely appear in an RFP. The RFP may state some of them, but you won't know all of them unless you work with the customer and ask probing questions to uncover the "hidden" issues and problems.
2. **Address all of the requirements and requests.** For every requirement in an RFP, ask these key questions: "Where did this requirement come from?" "Why do they require this and not something else?" These questions signify both a technique and an attitude. They help you identify the customer's hot buttons, discover the appropriate technical solutions and then sell those solutions in the most effective manner.
3. **Mirror the RFP.** One of our golden rules says that ease of evaluation is a very real factor of success in a proposal. One way to accomplish this is to follow the RFP's structure. To write a mirroring, customer-oriented proposal, treat the RFP as a list of key words and phrases. Repeat those key words and phrases in your proposal as a way to cue the reader.
4. **Emphasize the benefits.** Benefits come in all shapes and sizes and are often either tangible or at least measurable. A faster computer (feature) will increase productivity (benefit) as measured by reduced time to complete repeatable tasks.
5. **Develop an effective proposal strategy.** Understanding what problem the customer is trying to solve helps you develop an effective proposal strategy. The issues and problems underlying the requirements are the customer's hot buttons. By pushing these, you show that you understand their problems in depth and that your offer is going to meet their real needs.

What It Takes to Win: Credibility, Acceptability and Preference

To win a competitive bid, you must build preference on top of two solid foundations: credibility and acceptability. You must have a credible solution to the customer's problems and needs, and you must be acceptable to them as a provider. However, credibility and acceptability alone will not seal the deal. You must also establish a preferred position with the people in the customer's organization who will make the selection decision.

Establishing Credibility

You build credibility through every aspect of your marketing, sales and ongoing product or service delivery activities during what we've described as the opening and middle game preceding your endgame proposal.

Most of what it takes to win today occurs before the proposal, and that means that you can't wait until the RFP arrives to begin communicating your experience, solution, technology and team.

1. **The right experience.** You must prove to customers that you have the right experience for the solution they need. Highlight the similarities between your experiences and the customer's wants, needs, requirements and goals.
2. **The right solution.** The right solution is one that meets the customer's needs, solves the problems in the most efficient and effective way, satisfies their expectations and gets them to their goals—even if it is less elegant, interesting, creative and state of the art than preferred.
3. **The right technology.** The right technology is usually compatible with the customer's existing technology base and has one foot in the present and the other in the future.
4. **The right team.** The right team has an effective leader, individual members with the right experience and skills, acts like a team and has good chemistry with the customer.

Establishing Acceptability

Acceptability hinges on two factors you can control (negotiable terms and a competitive price) and on one you cannot (the political environment).

1. **Negotiable terms.** Customers want to know if they can work with you. Are your terms and conditions acceptable to them, which usually means, are you willing to negotiate the terms of the contract?
2. **Competitive price.** Price will always be a key factor in competitive bids. But your price doesn't always have to be lowest for you to win. However, it must be in the competitive range. The key question to ask is, "Could my customer justify to their board selecting me over other providers if my price is higher than theirs?"
3. **Conducive political environment.** Political considerations play a role in determining which provider is acceptable. For example, the customer may have a high profile or may be located in a country that is hostile toward the country in which your company is located.

Creating Preference

In competitive bidding, as in courtship, creating preference comes down to three things:

1. **The right relationships.** Since people decide who should receive a contract, you must have relationships with the right people. It is imperative to introduce that team not only before you submit your proposal but also before the customer releases an RFP.
2. **A compelling story.** Your story should have clear messages about why the customer should choose you; it should address each of the customer's needs; it should explain why you made the choices you did in crafting your solution; and it should be told visually as well as verbally.
3. **Winning behaviors.** Behave as though you really want the work by having your CEO meet with the customer's CEO, moving some employees near the customer's location to ensure that you understand their local needs, engaging in joint planning with the customer, and making value-added contact with customer representatives at all levels in their organization.

Winning Executive Summaries: Your Most Powerful Selling Tool

Today, the executive summary is typically seen as the single most important part of a proposal, as it:

- Tells the story of your offer in terms of the customer's priorities.
- Answers the four questions every customer asks.
- Behaviorally differentiates your company in the mind of the customer.
- Deepens your relationship with the customer and positions yourself for the long term.

Preparing to Create an Executive Summary

To create the kind of executive summary your potential customer will want, you must have four things:

1. **Develop a win strategy.** An effective win strategy highlights your strengths, subtly points out your competitors' weaknesses, mitigates your weaknesses and neutralizes your competitors' strengths.
2. **Build a compelling story line.** Try to use a tool called the GIFBP Matrix for helping customers develop their most compelling sales messages in executive summaries, proposals and presentations. To build a GIFBP Matrix, you need the following:

Goals. List the business goal(s) driving the customer's need for your product or service.

Issues. List the key issues by linking them to the goal(s).

Features. List the features of your offer that address each issue.

Benefits. For each feature, ask "So what?" to brainstorm the benefits.

Proofs. List the proofs for each benefit, such as facts, figures, visuals or testimonials.

How to Design an Executive Summary with Impact

Choose one of the following executive summary formats in accordance with the needs of your audience:

1. **Brochure format.** The brochure-style executive summary is your best sales tool for communicating with customer personnel who will never read your proposal. Its key advantage is being separately bound, so it can be reproduced in greater numbers and handed out to all the key influencers and decision makers.
2. **Issues-driven.** Organize the four parts of an issues-driven executive summary:
   - Front cover: A graphic depicting your key differentiator.
   - Inside front cover: A hot-button list of the customer's issues, in descending order of priority, with the key features and benefits of your offer linked to them.
   - Interior pages: The key issues—one or two per page.
   - Back cover: An elevator speech.
3. **Ad-style executive summary.** This style differs from the basic issues-driven style because it is slicker, selling more overtly with softer benefits. Use this format if you know the customer well, you're a long shot and have nothing to lose, or your customer's business invites this approach.
4. **Four-page executive summary.** This format is the easiest for customers to absorb—and the hardest for proposers to create. Try picking three to six high-priority issues to address in the interior of your brochure; then allocate a set amount of space to each issue, giving the most space to the highest-priority issue.
5. **Product-emulation executive summary.** One way to demonstrate your understanding of and commitment to your customer's business goals is to emulate the customer's product.
6. **Customer-empathy executive summary.** Demonstrate customer empathy by using the customer's language, linking your features and benefits to their issues and goals, and address all requirements, written and unwritten.

Living Executive Summary: An Evolving Sales Tool

An executive summary can serve as a proposal where no formal written presentation is required. It can also be used throughout the sales process as an evolutionary sales tool — a "living" executive summary. As many as five versions of the living executive summary could be deployed to create significant positive differentiation in your markets and with your customers.

Timing Is Everything: Positioning to Win

Like people, companies pay more attention to the short term than the long term, devote more time to the tangible than the intangible, and worry more about tomorrow's deadlines than next month's early warnings.

Begin Early: Build Relationships, Develop Influence and Win the Customer

Whenever possible, work to win customers first; then work to win their business. It may help to consider once again the chess game of business development. Both unfold over a finite period. Both have an opening game, a middle game and an endgame, and the outcomes in both are largely determined by what happens early in the game, particularly middle game.

Middle game starts when you make initial contact with either a prospect or a current customer with a high potential for repeat business. This is the point where starting early has meaning, and from this point forward you can divide middle game into three phases: early-, mid- and late-middle game.

Early-middle game involves breaking the ice, creating quality face time by ensuring that value is moving in both directions and thereby building relationships based on trust, credibility and compatibility.

Mid-middle game includes the customer's initial work in identifying the problem to be solved, gaining alignment on the need for a solution, discussing alternatives, estimating the scope and budget of the solution and identifying potential suppliers or thought partners.

By late-middle game, the customer is usually developing specifications, finalizing the procurement budget, writing their request for proposal, defining their bid process and procedures, and meeting with suppliers to learn more about their products and services.

By working hand in glove with the customer in the days or

weeks preceding the RFP, you are in the final push to build preference for you, your company and your solution.

Proposal Management: The Art of Containing Chaos

A proposal is a custom-designed product in its own right, one that you will hand to a customer as tangible evidence of your ability to meet requirements, manage a project and produce quality deliverables on time.

The manager who understands front-loading also understands that no two opportunities are alike, some being strategically more important than others. So for major, must-win contracts, the first 25 percent of the response period dedicated to planning and designing the proposal should be extended to the left, back into middle game.

Here are a few potential objectives for a pre-RFP jumpstart of the proposal:

- Gather and assess information on the client, the opportunity and the competition.
- Test the baseline offer with the customer, and adjust accordingly.
- Update the win strategies, and determine which ones can and should drive the proposal.
- Assemble the boilerplate you'll need, and begin the process of customizing it for this customer.
- Create a draft executive summary to set down your latest knowledge of the customer's key issues, your win strategies, your most compelling message and your strongest visuals.

Freezing the Offer

Working primarily from information gathered and validated during middle game, the proposal core team (e.g., account manager, proposal manager and solution managers) initiates a baseline design prior to receipt of the RFP. Once the solicitation arrives, the solution experts can make the necessary adjustments as quickly as possible before freezing the design for the duration of the response period. The design freeze allows substantial time that can then be devoted to designing and producing a superior proposal even as the pricing is refined in parallel track to the proposal draft. The failure to freeze the offer means danger may well lie ahead.

Planning for and Conducting a Superior Kickoff Meeting

The kickoff meeting is the moment of truth for the people who must plan and execute the proposal effort because it allows them to implement three principles fundamental to effective proposal management:

1. **Teamwork**. The key for proposal managers is to recognize that (1) the team consists of many specialists needing focus and direction; and (2) the full team often includes people other than those officially tapped as contributors, who should attend the kickoff meeting. Proposal managers can use the kickoff meeting to generate energy and camaraderie.
2. **Proposal planning.** A proposal project plan must be developed and distributed no later than the kickoff meeting. (It's actually better to distribute the plan a few days prior to the kickoff meeting so that every team member has a chance to review it and formulate questions.)
3. **Establish credibility.** Contributors must never leave a kickoff meeting with unanswered questions or serious doubts about the system (the process and tools) they will be expected to use quickly and skillfully.

Getting It Written, Getting It Right: Guide to Creating Compelling Proposals

Writing proposals may never be pain free, but it can certainly be less painful and more satisfying if you follow a few simple rules:

1. **Determine the content.** Address the customer's particular concerns as reflected in the RFP and any additional key issues you have learned about during pre-RFP interactions.
2. **Organize the content.** Most proposal sections should follow the classic structure: Tell them what you're going to tell them, tell them and then tell them what you told them.
3. **Develop the themes.** Know what you are selling in each section, and make your messages clear. To give each section strong messages, create theme statements linking goals, issues, features, benefits and proofs.
4. **Develop the visuals.** Every section should have at least one visual illustrating its theme. Proposal sections should be about one-third visual in terms of space allocation.
5. **Develop the proofs.** Search for proofs of the benefits you are going to cite.
6. **Create a mock-up.** A mock-up is basically a visual outline. Where the outline gives structure to the verbal

content, the mock-up reveals the structure of both the verbal and the visual content.

7. **Draft the section.** Every proposal has three communication elements—themes, visuals and text—in order of communication power and preparation.

The Review Process: Making Sure the Power Is in the Proposal

Red Team is a term used to refer to the formal review of a draft proposal. Make an effort to have a pre-red team review —often called the "pink team" review — before the sections are actually written. This early review alleviates many of the problems associated with waiting until the entire proposal has been drafted before launching the final review.

The Contributions of the Pink Team

The pink team review should be conducted after the sections have been designed (i.e., outlined and the themes and visuals drafted) but before the text has been generated.

The pink team has two objectives. First, without the benefit of the proposal's text, determine to what extent the proposal measures up—via the outline, the themes and the visuals—to these four critical questions: Is the proposal compliant? Is the proposal responsive? Does the proposal sell throughout? Does the proposal communicate?

The Contributions of the Red Team

The red team simply becomes a more extensive and higher-level version of the pink team, carrying forward the basic methodology and expanding its application to critique the proposal's text as well as the visuals and themes.

The pink team makes early adjustments and course corrections to ensure that the proposal heads in the right direction. The red team then determines whether the proposal has "arrived."

The red team's first objective is to determine whether the proposal has achieved affirmative answers to the four critical questions.

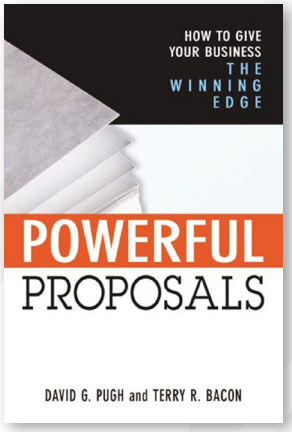
The red team should also pursue a third objective of reviewing the final draft through the customer's eyes: How will they evaluate it? What will matter most to them? How can you communicate in ways that they will appreciate and understand? The most effective red team review provides a simulation of evaluation, and to this end the evaluation tools we provide here can and should be modified to match your customer's whenever that information is available.

Long-Term Benefits

As the saying goes, a rising tide lifts all boats, and if simple, repeatable processes are put in place for conducting proposal reviews, the quality of all your company's proposals will be raised over time. That's a win for you, your company, and your customers. Alas, the only losers will be your competition, but that is assumed to be an acceptable outcome.

IF YOU LIKED THIS SUMMARY, YOU MIGHT ALSO LIKE:

- ***The Machine*** by Justin Roff-Marsh
- ***Persuasive Business Proposals*** by Tom Sant
- ***The Innovative Sale*** by Mark Donnolo



David G. Pugh and Terry R. Bacon are co-authors of *Winning Behavior* and *The Behavioral Advantage*, and co-founders of Lore International Institute, an executive and professional-development firm serving Fortune 500 clients globally. Pugh is a recognized authority on marketing, business development, and the creation of winning proposals.

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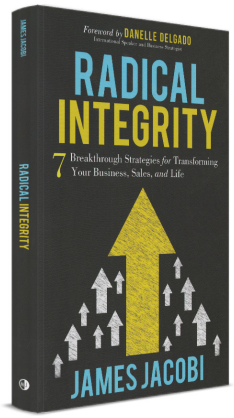
Radical Integrity

James Jacobi

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Radical Integrity

7 Breakthrough Strategies for Transforming Your Business, Sales, and Life



by **James Jacobi**

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THE SUMMARY IN BRIEF

Millions of people in business are sales leaders who are struggling, not hitting their sales, and not seeing enough short-term wins and long-term gains. They are living with a tremendous amount of stress, uncertainty, fear, worry, and anxiety. This doesn't help them be successful at work, and it takes a toll on their health and family life. Maybe you're one of these people.

Radical Integrity: 7 Breakthrough Strategies for Transforming Your Business, Sales, and Life breaks down into seven steps a system of how to become the successful sales leader that you were born to be. If you take it seriously, in ninety days you will make major leaps to where you want to go and who you want to be.

Author James Jacobi, who scaled a small business into one of the largest in the industry, among many other successes, details the mental strategies it takes to be a consistent high-producing asset and influencer, grow sales by 400 percent in ninety days, create high-performing teams without turnover, use modern customer-centric business strategies, and use those same strategies to create a happy home life.

IN THIS SUMMARY, YOU WILL LEARN:

- What you must do to build incredible success in sales leadership.
- How to grow sales 400 percent in ninety days.
- How and why to serve and lead your team.
- How to serve people with radical integrity.

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Introduction To The Success Process

You're in sales management now, after being a successful producer, and it's a whole new ballgame. Your schedule is maxed out, but revenue isn't going up. You care about your people, your clients, and your company, but it seems like there are more failures and disappointments than successes and long-term sustainable growth.

When you get home, you're mentally, emotionally, and physically exhausted. You're binging on junk food and drinking too much. Your weekends are full of worry and conversations about how you will make more money to cover all those bills. You got thrown into sales management, a sink-or-swim environment, and you mostly have to figure out how to do your job on your own.

The author was in this position. Then he doubled his income, didn't lose a single person on his team in two years, built his largest book of business, got in the best shape of his life, and took his marriage to a whole new level of awesome with the strategies in this book.

Your Roadmap To SUCCESS

No matter how successful you become, you will reach a threshold if you are not authentically you. You cannot care what people think about you. You are 100 percent responsible for where you are in your life right now. Most people don't really own their problems; they blame situations, circumstances, and other people. But what you have allowed in your life to this point is what you were willing to tolerate.

The SUCCESS process will guide you to achieve what you want to achieve in your business and life in the next ninety days. What is the SUCCESS process?

- **S**et your goals higher
- **U**tilize and practice daily gratitude
- **C**hange your circles of influence
- **C**atch fire with your sales growth
- **E**levate your personal brand
- **S**erve your people with radical integrity
- **S**erve your family first, last, and foremost

Set Your Goals Higher

Think big, way bigger than you are now. Write down your goals for each of these categories:

- Business/sales
- Income
- Team growth
- Health
- Impact/influence
- Family

Make your goal 100 times bigger than your best performance in each category. Think of your goals many times every day. Put in ten times the effort you think it will take you to achieve your goals. Learn and adjust every day. You will fail, but that's okay. Never give up.

There is a point of no return—a Rubicon moment—when you decide to be 100 percent fully you, fully alive, fully authentic. Go higher, go bigger, go all in—emotionally, physically, financially, spiritually. Be bold, be brave, announce your goals to the world, and set out to achieve them

Utilize And Practice Daily Gratitude

Leadership is a skill that can be learned. It's important to develop emotional intelligence (also called emotional quotient, or EQ), which is a skill that can be learned. It is two things: understanding and being aware of yourself and understanding and being aware of others—mainly their emotions, moods, and body language. The mother of all the things you must learn is gratitude. Choose joy, always.

Use affirmations. Affirmations are short statements about yourself. They hold claim to your identity, your life goals, your vision, your truth. Write down three affirmations that you can look at throughout the day. For example: "I am the most successful salesperson in the world." "I am a leader of strong values and conviction."

Change Your Circles Of Influence

Massive success often results from collaboration. You should hire and collaborate with beautiful minds and gifted talents who are unique and different from you.

If you can, put out of your life anyone who says you can't. You're not smart enough. Your dream is unrealistic or unattainable. Your business plan and goals are too far-reaching. You're not a good parent. Seriously evaluate who you are allowing to influence your decisions.

What don't you like about who is present in and influencing

your life now? Who would you like to be in your life—people you could learn from? Are you willing to spend less time with people who won't support your dream? To have hard conversations and stand up for what you believe in to your core? Defend what you value?

You may think that your influencers aren't reachable and don't have time for you, but our planet is more connected than it's ever been. You can direct message almost anyone. Keep showing up and finding ways to connect to the people you want to connect with. You can find ways for these people to be in your life, if you really want it. Rise above the noise, above the mediocrity.

Catch Fire With Your Sales Growth

Your new rule to live by is no negativity allowed. Negativity shuts you down. Gratitude grows sales. People want to do business with people they know, like, and trust. You're much more likable if you're in a good mood. Confidence is very attractive to people. But what do you do when you're struggling; not seeing many wins? Don't fake it until you make it. People can see authenticity and integrity. Rather, make a choice. Be grateful for today and appreciate YOU.

Map It Out

When you set your targets high, 100x high, your thinking and problem-solving genius changes trajectory. What kind of customers and sales volume, how many orders, how many meetings, how many calls, how many closes, how many contracts would you need to achieve your goal?

Work backward and break down your goal for the day, week, month, and year to figure out what you will need to do. If you think that your goal is impossible given the time frame, then you need to change the plan, not the result.

Leverage And Momentum Are King And Queen To Scaling Fast

You have to create leverage and momentum in your sales growth to go faster, higher, and longer. How? Get clients that buy in bulk, many times over, versus one-off orders. Raise your prices significantly. Would this turn people away? Yes, probably. It would turn away the customers who are killing your business right now. That's a good thing.

Know The Marketplace

Who is your ideal customer? What do they care about? What problems are they trying to solve in their business? What's their competitive advantage over their competition, and what are their weaknesses?

Understand the people within your ideal customer's organization. Who are the leaders? What do they care about inside and outside of work? What features or benefits of your product or service are important and not important? This requires market study and surveillance. You need to know the marketplace for your product or service better than anyone. Then offer what your customers say they want to buy, not what you think would be cool.

Show Your Value

If you're not being noticed in the marketplace, it doesn't matter how good your product or service is. You need to go from being unnoticed to completely dominating the market with attention. Advertise, promote, meet as many people as possible, share, and shout your solution to the world. Use every possible medium to get your message across. Develop a written strategy for doing this.

Two Key Factors In Closing Deals

There are two ingredients to closing your clients as fast as possible. First, find and build a relationship that turns them into your champion. If you get someone inside the client with enough clout to tout your name to the decision makers, you will cut your sales cycle by 50 percent or more. Second, ask for the close and create urgency. Give them a time limit—no more than five business days—to make a decision. You have to move and get other deals if they're not ready.

The Last And Most Important Thing On Sales

The number one marketing strategy is caring. You can't just tell your staff to be kind and do a great job. If you want your customer to want to keep you around, you build loyalty. You become their trusted advisor. How? Serve with gratitude. Serve them—with free information, interesting articles, small gifts; there are many possibilities—before you sell to them. Go even deeper with your research. Find out about their hobbies, their family, what's important to them outside work. What skill or industry segment are they interested to learn about to improve their results at work? Care, do the right thing, and do what you say you're going to do.

Elevate Your Personal Brand

You must build your own personal brand, not just your company's. Collect everything you can to validate and promote your personal brand: videos and written testimoni-

als from your clients, email introductions to new prospects, reference client calls.

You can be wildly successful with your business and your life if your marketplace knows you as the ultimate authority on your subject matter. You have to push and reach to get your name out there. Post your own articles on LinkedIn or blogs, videos on Facebook and YouTube, editorials in publications, and so on.

Serve Your People With Radical Integrity

You can do nothing without your team. Serve them and lead them well, you win. Don't, you lose. How can you build a performing tribe of people who are totally committed and never quit?

Be authentic in your demeanor and your message. Make decisions confidently. You will make bad decisions. That's life! Your team is better off seeing you make mistakes and watching you have a sense of humor about it, learn from it, and implement strategies to improve. That will teach them how to respond to their own mistakes.

Serve your team with radical integrity. Set a vision with your team for who you all want to be, where you want to go, and how you will get there. Implement your gratitude rituals, affirmations, and EQ strategies with your team—teach them how to do this. Personal and professional developing is non-negotiable if they are going to be working for you.

Have a growth mindset for yourself and your team; it will create a safe place for everyone's genius. A fixed mindset—one that says to you that you are who you are and can't change—is toxic and will tear down your dream. A growth mindset says, I may not understand what I'm doing now, but I can learn and get better. Show vulnerability. Show your team that you are not perfect, but you're getting better every day.

Set your team up for success. You are the rainmaker. They need you to bring in the bacon so they can execute and deliver. One important sales strategy is keeping your product or service simple and repeatable. You will get a lot more buys and bulk buys. And this is highly motivating for your team. They get to know, learn, and love serving the client. Recognize and praise your team often, and document it. Help them see what you see in them, which is that they are talented, vital assets who are appreciated and valued.

Serve Your Family First, Last, And Foremost

When you have a family, priorities and needs change. You need to show up for your family at home as much as or more than you do at work. Don't carry the concerns of work into your home (and vice versa). Be fully devoted to your spouse and kids when you are home. Tomorrow is never promised.

Embrace your Rubicon moment. Step across the river and never look back. Be fully alive, 100 percent authentically you. If you choose not to, the opportunity will go to someone else.You don't need to try to do it alone: find a mentor, a success coach. Forgive yourself and others so you can move on. And start implementing the SUCCESS steps and watch what happens!



James Jacobi is the founder of The Authentic Leader and creator of the Success Process. He's a six-time president's club winner, a recognized millennial leader on multiple boards of directors, and has shared stages with elite performers and CEOs: Danelle Delgado, Tim Grover, and Roddy Chong. His professional practice is focused on helping sales leaders become the aspired leader within.

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Right On the Money

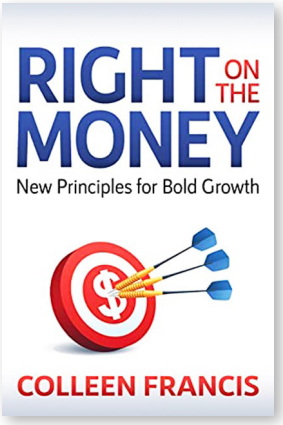
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Right On the Money

New Principles for Bold Growth

by **Colleen Francis**



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THE SUMMARY IN BRIEF

In today's highly globalized world, the power of technology has seeped into every arena of business, and sales in no exception. Businesses that had the courage to adapt sailed smoothly but those who looked up to traditional systems couldn't reach the shore. ***Right on the Money*** offers a roadmap to bidding farewell to many outdated and moldy '70s-era habits of sales. It helps you navigate today's radically transformed business landscape, exploring its maddening challenges and limitless opportunities. The book also discusses many ways in which you can not only adapt but also capitalize on huge changes.

By ripping open the never-before-discovered – but not any less true – facts about sales in today's landscape, author Colleen Francis offers deep and insightful strategies that businesses can infuse into their operations.

IN THIS SUMMARY, YOU WILL LEARN:

- How the sales landscape has changed drastically over the years.
- How to implement a new mindset for a changing landscape.
- How to map your sales velocity and corporate velocity.
- How to bring the change your organization needs in order to scale and grow.

Introduction

For years we felt technology and innovation quake the fragile ground beneath our tradition-loving feet. Just a handful of years moved us from identifying and wooing customers based on informed hunches to swimming in a vast ocean of increasingly granular market data, much of which fuel machine-learning technologies certain to elevate targeting to whole new levels. Buyers today base decisions more on data than on personal relationships with sellers.

This is bad news, for sure. But the good news that is to follow in the book brings with it a massive scope to succeed. Right on the Money sheds a light on the current sales landscape, how it reflects buyers' interests and demands, and how you can align both your personal and organizational strategies to win. It also offers a wealth of field-tested, actionable steps to achieve accelerated growth results.

Part One: Four Core Realities Reshaping Today's Sales Landscape

The Landscape Has Changed

The world continues to change and so does the sales landscape. The LinkedIn State of Sales Report 2020 zeroes in on more immediate trends for today's sales managers.

- 77 percent hold more virtual meetings
- 44 percent expect a decrease in responsiveness to outreach efforts
- 44 percent anticipate a longer sales cycle
- 70 percent agree a manager's capacity to navigate change is more important today than five years ago

A new landscape gave form to new rules that simply obliterate the lines between b2b and b2c selling strategies. Whether it's about a few dollars worth of purchase or ordering costly industrial equipment – buyers today expect the same experience ordering both.

Successful companies understand and embrace this shift. They understand that the key to succeeding in sales today is to become Right on the Money where you blend your customer-centric revenue model with new improvements to your Sales Velocity. To be Right on the Money is to give buyers and their needs the top priority.

Time-Based Branding

When you deploy time-based branding, both you and your buyer save tons of time, ultimately making the deal profitable for both. To take full advantage, you must embrace three key strategies:

- Use speed to anticipate. Our research at Engage Selling shows that the company that responds first comes away with 75 percent of orders. If you fail to reply within twenty-four hours, kiss any order goodbye. If you're slow, your competitors often end up winning.
- Be a one-stop shop with a variety of relevant products under one roof (or website): Business buyers today demand a one-stop convenience. Therefore, staying ahead of the curve means companies today have no choice but to offer customers more.
- Be easy to buy from. Aside from speeding to anticipate and becoming a one-stop shop, companies must also make it "effortless" for people to buy from you. A great start for this would be to replace redundant buying processes with a more customer-centric process.

Critical Mass Influence

Today we sell to millions by reaching populations measured in billions and in economies measured in trillions. Everyone today stays deeply interconnected. Be it online or offline, people are constantly talking about whether you're tuned in or not. This points to the single most important thing in sales: every person in your market wields power in today's marketplace. They can either strengthen or impede your chances of securing a sale. Buyers spend only 17% of today's sales cycle talking to sellers. They source most of their information through their own research or their peers. Sellers can no longer shape how buyers feel about a product. This makes Critical Mass Influence crucial. Today, volume is power. The more people talk about you, the more buyers you accumulate.

Controlling Your Own Story

The fact is, today, your buyer sees you before you see them. Once they see you, they weave their own story about you. They know exactly how to research your products or services and evaluate your claims about them. They even know what others think you offer.

To ensure your customers know the "right story" about you, it's important that you're not a stranger to them. This can be achieved through critical mass influence that is ubiquitous. The more a prospect sees you and hears from you in their

community of influence, the more familiar you become—and the more likely you are to capture their business.

The three magic elements to achieve ubiquity include: diversity of platforms, diversity of content, and relevance to your market. Let The Triad Tempo assist you in this goal. Start by choosing three platforms – such as Twitter, Linkedin, Youtube, Instagram, or Facebook – as per your business requirements. Next, create and publish three types of content. These include original, high-value content, content from other sources that distribute highly valuable information, and engagement (comment on or share) with your prospect's posts or articles.

New Mindset For A Changed Landscape

Given how the sales landscape has changed to an overwhelming degree, it's critical to adapt a mindset to sway customers in your direction. Remember, your customers want to work with an insider. They want you to know just as much about their business as they do. This is where the need for building quality relationships comes in. Alongside focusing on the quality, it is also important to focus on the quantity of your connections. The more connections you establish and nurture within each organization, the more vital context you gain, and you get quicker responses and faster invitations to put your solution in front of buyers. Build connections that are both wide and deep. Craft a vision by considering how your value proposition must speak to the customer. Understand that the only value that matters is the value that matters to the buyer.

Part Two: Balancing Customer Centricity And Sales Velocity

Sales Velocity

Determining your Sales Velocity requires you to measure:

- The number of opportunities in your sales pipeline
- The average deal size your team achieves, measured in dollar value
- Your win/lose rate, expressed as a percentage of new business successfully closed
- Your team's sales cycle time from prospect to close, measured in days

Once you understand how these variables can transform your bottom line, the next step would be to figure out how you can increase the number of your opportunities. A good start for that would be to fully define the problem you're looking to solve.

Next, increase your average opportunity size by learning to sell more to your existing customers, conducting a cut-throat review of existing opportunities, and being skilled at goals higher than necessary. Aside from executing your strategies flawlessly, it's important to align both your strategy and execution with your service-level agreements.

Corporate Velocity: Bringing Change Inside Your Organization

We've talked about how sweeping, massive changes continue to reinvent our marketplace. We've also discussed ways in which we can adapt to these changes. But what binds your plan to adapt with ultimate success? The answer? Flawless execution.

Flawless execution, however, demands frequent, clear, and practical communication and collaboration. Make sure you keep your sales team engaged before, during, and after the sales process. One way to drive engagement is to pay sellers upon implementation, rather than at the time of sale. This encourages them to stay engaged—which is particularly vital, since the faster a client is onboarded and using your product, the more loyal they often become.

Remember, your customer activation structure is connected to your engagement strategy. Maintain a customer activation structure involving multiple players – where one person secures the sale, activates the buyer, and then transitions him or her over to an account or customer relationship manager before moving on to the next sale. Make sure the transition is perfectly smooth so you don't end up setting yourself up for reduced or even lost sales.

Control Your Data... Before It Controls You

Data can make or break a company.

Keeping your data siloed, especially, can prove insidious for your business. When you don't integrate data among sales, marketing, and customer service, you rely on flawed results and perceive your team as more successful than it is. Mismanaged data gives you too many, too poor, or too few leads, inaccurate retention rates, and product profitability that is not in line with actual results.

Share data and information across departments to generate insights so you no longer risk becoming a victim of bad data. Instead, you gain the tools needed to improve sales and retention. Don't fall into the trap of "vanity metrics"

where you end up generating countless cascades of numbers without any meaningful insights into them.

Once you understand why data is so important, your next step is to help your team employ the tactics to pump up their results. To do this, you must become more than a sales manager—you must become a coach.

Build And Grow A Coaching Culture

Businesses succeed in sales when they sustain a strong coaching culture. As a sales manager, coaching someone to be a top seller comes with several challenges. Your role is to teach and refine each seller's skills, so they become the best at what they do. You accomplish this not by managing them by coaching them.

As astounding as it is, only 54 percent of salespeople hit their targets each year. But with this new performance-management culture, subpart results can turn into massive growth roadblocks. Real results will manifest only if you aim for 100% results. If your team fails to meet the standards you've outlined, make sure you hunt down the why and create a solution from there.

Focus on three core elements of pipeline building, opportunity management, and skill strengthening, and create detailed strategies to help your sellers master them.

Remember, people look up to leaders because they, too, want to carry a belief system of their own. When you communicate exactly how sellers can achieve value in their selling process, they are sure to sit up and pay attention.

Part Three: Summing Up

Mastering What You Can Control

Being Right on the Money is all about adapting one's outlook and habits in recognition of a plethora of changes that occur in the marketplace. It is about helping you:

- Make discovering you and buying from you easier for your customer.
- Think big about your company.
- Network like a master.
- Know what changes take form in the landscape and where the customer sees you first now.
- Know how to measure what matters to your business.
- Build and grow your coaching culture.

Conclusion

The world of sales is full of uncertain and epic adventures and limitless opportunities. The ones who acclimatize with changing times become the kings of the jungle while the others who stick to the old ways simply fade away. Through the strategies mentioned in this book, you can regain certainty in an uncertain world, gain mastery over what's within your control, be wise about data, and ultimately be Right on the Money!



Colleen Francis works with business and sales leaders to synergize the sales DNA of the organization to seize market opportunities. Whether designing strategy to target a new market or working with a team to improve its productivity, her results have attracted clients such as Merck, Abbott, Merrill Lynch, Royal Bank, Dow, Adecco, Trend Micro, NCR, Chevron, and thousands of other global organizations. Time and time again, clients who work with Colleen note her frank, no-nonsense approach to accelerate sales while reducing effort and increasing profits. Her practical strategies deliver immediate and lasting results.

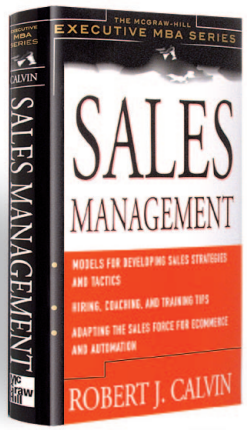
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Sales Management

Robert J. Calvin

SOUNDVIEW Executive Book Summaries®



By Robert J. Calvin

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Creating and Managing Today's Sales Force

SALES MANAGEMENT

THE SUMMARY IN BRIEF

Sales managers in today's global marketplace must face and conquer a variety of challenges. Technology has shortened the life cycles of products and services, while lengthening the cycle time in which it takes to sell those products and services. Customers are more demanding and competitors more aggressive. The Web has leveled the playing field for purchasers and vendors.

Into these tumultuous times steps Robert J. Calvin, international consultant, teacher, entrepreneur and sales manager, whose book, *Sales Management*, lays out a detailed success plan for sales managers.

Calvin approaches his topics with three basic assumptions:

● **A sales force is no better than its management.** For a multitude of sales managers who complain about their salespeople, this can be a bitter pill to swallow.

● **A sales manager's job is to get work done through other people.** Your success depends on the success of the sales team.

● **A manager's job is to make heroes, not be one.** This applies to all functions, not just sales.

With these thoughts in mind, Calvin addresses in this summary the following essential, sales-focused topics:

✓ **Creating the Sales Force.** When hiring, plan carefully, anticipate needs, and choose candidates who will be winners for your company. Also, train your sales force not only for maximum productivity and capacity, but also to improve their confidence and enthusiasm through their performance.

✓ **Strategy and the Firm.** You must structure your sales force according to your company's channel needs (how will people find and purchase your products?) and architecture (how do you organize those channels for top effectiveness?).

✓ **Perfecting the Program.** You must facilitate excellence through regular performance reviews that measure, motivate and set the standard for success in your organization.

Feeling lost in the new world of selling and sales management? Your map is just a page away.

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PART I: CREATING THE SALES FORCE

The Changing Sales Landscape

Business is a dynamic process. The future is a moving target, rife with change that sales managers must address constantly. Consider how the following changes will impact sales management process, strategy and tactics at your company:

● **Shorter product/service life cycles.** Product life cycles may shrink to the point where products are quickly "commoditized," making them difficult to differentiate. Companies that can reduce the time and steps between a customer's search and purchase will wind up the winners in this new environment.

● **Longer, more complex sales cycles.** The number of steps from customer search to purchase is expanding. A given transaction might require layers of specification research, samples, betas or trial orders before the client is ready to sign on the dotted line. Sales managers may need to hire people with experience in this more tactical selling, then train them on each step in their process (including how to document and track each step). Performance pay might reflect progress from one step to the next. The sales force also may need to be reorganized into teams.

● **Buying from experts.** In some industries, the people who make buying decisions have become extremely knowledgeable and experienced in the purchase of products, as well as in the products themselves. Salespeople must have more expertise than the purchaser, which means he or she must be appropriately trained in product knowledge.

● **Group decision.** In order to spread the risk of making major purchases, purchasing decisions will be made by groups — cross-functional boards that incorporate multiple aspects of an organization (finance, manufacturing, engineers, etc.). Salespeople must be trained in multilevel selling, to address the needs of each component of each group.

● **Intense competition.** Global markets and changing technology will drive competition to new levels of intensity, leading to shorter product/service life cycles and increased "commoditization." Start-ups are competing with giants, thanks to the Internet and Internet-related technology that has leveled the field. Sales managers must use competitive grids to train salespeople to identify present and potential competitors, competitive issues, and decision points for customer selection of vendors.

● **Less customer loyalty.** People who make buying decisions are becoming less loyal to particular vendors. The demand for cost reduction in many industries is forcing purchasers to focus on the bottom line. In addition, Internet access provides instant competitive product and price information, further reducing customer loyalty. ■

Hiring the Best

In order to avoid costly personnel mistakes, you need to approach hiring as a science, laying out your expected results (by determining the roles and responsibilities of the job and a profile of the ideal candidate) prior to conducting a step-by-step interview process. Hiring requires planning, anticipating needs, and working within an appropriate time frame. If you hire reactively or under pressure, you increase the risk of failure. One study reports an average of 4.13 months is needed to hire a qualified salesperson.

Before You Hire ...

Prior to beginning the interviewing process, develop a list of strategic duties and issues the new hire will be expected to address. Your list of strategic duties should answer the following questions:

● **What are the target accounts, markets and products the new hire will need to address?**

● **Do you want the salesperson to concentrate on**

(continued on page 3)

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Published by Soundview Executive Book Summaries (ISSN 0747-2196), 10 LaCrue Avenue, Concordville, PA 19331 USA, a division of Concentrated Knowledge Corporation. Publisher, George Y. Clement. V. P. Publications, Maureen L. Solon. Editor-in-Chief, Christopher G. Murray. Published monthly. Subscriptions: $195 per year in U.S., Canada & Mexico, and $275 to all other countries. Periodicals postage paid at Concordville, PA and additional offices.

Postmaster: Send address changes to Soundview, 10 LaCrue Avenue, Concordville, PA 19331. Copyright O 2001 by Soundview Executive Book Summaries.

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Hiring the Best

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new account development or further penetration of existing customers?

● **Do your existing accounts require a consultative approach to their long, complex sales cycles?**

● **Do your salespeople have a pricing window and/or the leverage to negotiate such terms as delivery and product/service customization (requiring that the new hire come in with experience and skills in negotiation)?**

● **Do you have a number of channels through which the salesperson will be required to sell?**

● **Will the salesperson be a solo performer or part of a greater team?**

Based on the answers to these questions, create a detailed job description that leaves no ambiguity regarding your expectations. Be sure to include sales and servicing duties, planning, reporting, company relations, administrative chores and housekeeping. Try to keep the job description to one or two pages. Review and revise the description on an annual basis to reflect rapidly changing products and services, competition, customers, technology and strategy.

The Interviews

Face-to-face candidate interviews are most productive if you do the following:

● **Know exactly what type of candidate you seek, and prepare a list of questions based on matching the candidate's résumé and personal history to the candidate profile and job description.**

● **Look carefully at the candidate's past sales performance.** Compensation history is a good indicator to review. If it was based on performance and increased each year, chances are you have a winner in front of you.

● **Don't assume you are more clever than the candidate, just because you're the interviewer.** In many cases, he or she has had more interviews than you've given.

● **Don't show the candidate the job description or discuss specifics about the position until after you have asked all of your probing questions.** Then discuss the position openly and answer any questions he or she may have.

● **Remember — the interview's purpose is to learn more about the candidate!** Tailor open-ended questions to the candidate's interviewing style and responses. The more he or she talks, the more you'll be able to surmise about that person, enabling you to make a better hiring decision. ■

Where Can You Find Good Salespeople?

Finding the best candidates for sales positions can be challenging and intensive. Try looking in one or more of the following recruitment resources:

Current employees. Your salespeople will often know other qualified salespeople who might find your available position attractive. They also have perhaps the best inherent understanding of the job requirements, and can make an honest and efficient in-house recruiter for your organization. Offer a staggered bonus for their referral — an amount up front when the new employee is hired, and another amount if the employee stays with your company within a specified length of time.

Competitors. Although perhaps the riskiest method of getting candidates, recruiting from your competition can provide both advantages and disadvantages. The good news is that you're getting a salesperson who knows your business' customers, competition and product or service. The bad news is they may lack credibility with customers, balk inflexibly at your sales process, be disloyal to your company, and bring bad habits picked up at your competitor's firm. You might wind up with a great employee; you might also wind up inheriting someone else's troubles.

Recruiters. Recruiters who understand your industry and corporate culture and have a database of salespeople who match your candidate profile, can help you search for qualified candidates. Look for recruiters who use all the tools of the trade — Web site job postings, online message boards, etc. — and who are expert at phone, e-mail and in-person interviews.

Internet. The Internet has quickly become an important source for salespeople. While your organization's Web page should advertise any job openings you have, the real treasure trove of candidates can usually be found in such online recruitment sites as the following:

✓ **www.salesclassified.com**
✓ **www.salesseek.com**
✓ **www.salesjobs.com**
✓ **www.monster.com**
✓ **www.careerpath.com**

Media Advertising. Determine first where you want to advertise (newspaper, radio, television; locally, regionally, nationally), then what you want to say. Regardless of medium used, your ad must contain an honest description of the position. Remember, the purpose of the ad is not to sell candidates on the position, but to produce a bulk of qualified applicants. You can do the selling to those who respond to the ad.

Train for Results

Training a sales force well not only increases their productivity and capacity, but also improves sales force confidence and enthusiasm, reduces turnover, and makes salespeople feel useful, important and valued.

To make sure your salespeople are receiving the proper training, create a training checklist containing topics a salesperson must understand to be successful at your company. Among the topics you will likely want to cover are the following:

- **Product knowledge.** Teach salespeople whatever product/service knowledge your customers require to make informed buying decisions. In some situations, the salesperson's product knowledge will not exceed the customer's, or the customer will ask questions the salesperson cannot answer on the spot. In these cases, the salesperson should know what resources are at his or her disposal to get more information.
- **Competitive issues and advantages.** Salespeople require knowledge, both of their own products or services, as well as those of their competitors'. To sell effectively, a salesperson must know the competitive advantages and disadvantages of each style, model or service in the marketplace. This knowledge of the competition not only allows the salesperson to sell more effectively, but to understand such strategic issues as market segments, differentiation and targeting.
- **Customer knowledge.** Customers are the most important asset of any organization; thus, salespeople need training in how to collect, organize and use customer information. Encourage (if not mandate) that they maintain customer profiles, use contact management software, and actually make use of the information they gather to help surmise customer needs, budgets, time frames and other decision-making essentials.
- **Selling skills.** A sales manager's job involves reinforcing and customizing his or her salespeople's basic strategic and tactical sales skills to the best use possible. Focus on the specific selling skills most important for success in your industry.

Riding Along

To reinforce training, sales managers will typically conduct field coaching, riding with the salesperson on a call in order to train, evaluate and motivate salespeople, as well as to create a rapport with customers. Field coaching enables you to observe salespeople in planning and critiquing a customer visit, along with observing their knowledge of selling skills. Some things to remember when field training includes the following:

- **Does the salesperson establish rapport with the customer by discussing personal interests from the customer profile before asking probing questions about the business?**
- **Does he or she demonstrate knowledge of decision-makers, influencers and the decision-making process?**
- **Does the salesperson demonstrate knowledge of the customer's business, operations, competitors, key drivers and usage of the product or service?**
- **Does the salesperson ask probing questions to identify key problems, need and opportunities?**
- **Does the salesperson suggest solutions, products and services?**
- **Does he or she properly present features, benefits and proof?**
- **Does he or she quantify benefits in dollars?**
- **Does the salesperson actively listen?**
- **Does he or she overcome objections?**
- **Does he or she appear well organized by using sales aids?**
- **Does the salesperson use a reference sell?**
- **Does he or she act like a consultant and think like a customer?**
- **Does he or she properly ask for the desired action (possibly an order or a trial)?**
- **Does the salesperson establish the next action (a next meeting or samples)?**

As a sales manager, you should know what you're looking for, set standards and be critical. After each sales call, do a post-call critique or analysis before driving to the next customer. At the end of each field coaching day, summarize key issues with the salesperson, acknowledging specific strengths and weaknesses and coming to an agreement on action items, objectives and a time frame for completion. ■

Compensation: Let Salespeople Know How Much They Cost

Sales force compensation plans can and should do the following things:

- **Reward specific activities or results that are important to your organization's success.**
- **Reward superior results.**
- **Reflect the complexity of the sale through the level of compensation.**
- **Reflect the salesperson's influence on the sale.**
- **Reflect the behaviors and results that are consistent with the model salesperson you wish to attract.**

One way to maximize the efficiency of your compensation plan is through the use of written individual

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Compensation: Let Salespeople Know How Much They Cost

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plans. Each plan should include specifics on salary, rates of commission and bonus, as well as details of expense reimbursements and fringe benefits (Medicare, Social Security, etc.). These written individual expense plans give you the opportunity to discuss with your salespeople their total cost to the organization [see box at right]. Because most sales managers never fully explain how much over and above direct compensation a salesperson costs the firm, most salespeople perceive their total cost as merely their take-home pay.

Each salesperson should sign a copy of their individual plan, but not before asking questions and acknowledging their understanding of their plan. Misunderstandings concerning direct compensation, reimbursed expenses and fringe benefits waste time and demotivate salespeople.

You and the salesperson will find mutual benefit in discussing these numbers. You can use this opportunity to discuss with the salesperson how to increase his or her productivity, using the written individual plan to quantify certain behaviors and help create targets for future achievement. ■

The Annual Cost of Putting a Salesperson on the Road

Name: Bill Locke	**Time Period:** Calendar 2002
Direct Compensation:	
Salary:	$ 48,000
Commission: 2% of sales	$ 30,000
4% of gross margin	$ 20,000
Bonus:	$ 3,000
Total Direct Compensation:	$101,000
Medicare, Unemployment Insurance, Social Security:	$ 10,000
Health, Life and Disability Insurance:	$ 10,000
Pension, Stock Options, Education:	$ 10,000
Total Fringe Benefits:	$ 30,000
Total Reimbursed Expenses:	$ 24,000
Total Direct Cost - Bill Locke:	$155,000
Percent of Sales:	10.3%
Cost per Day Using 240 Days a Year:	$ 646
Cost per Hour Using 8 Hours a Day:	$ 81
Cost per Customer Visit Using 2 a Day or 480 a Year:	$ 322
Percentage of time in Sales-Driving Activities:	33%
Cost per Hour of Sales-Driving Activities:	$ 243

PART II: STRATEGY AND THE FIRM

Organization and Architecture: Designing the Best Channels For Your Products or Services

The structure of your sales force is one of the most important considerations you must address as a sales manager. In determining the structure of your sales force, you must make two important initial decisions:

- **What channels are most efficient for reaching and serving target customers?** Determine whether your own direct salespeople are more effective, or whether some combination of indirect sales organizations/channel partners will do the trick. Determine, also, whether to use a combination of distributors, brokers, sales rep organizations, value-added distributors, retailers or other channels to get your products or services into the hands of customers.
- **How should you organize those channels?** Determine whether to arrange channels by product line, major customer/market segment, function or geography.

Channeling Success

Choosing the proper distribution channels depends on the type of selling performed by your sales force, the type of customers called upon, operating issues and the type of product/service sold. These factors must be reviewed each year to note changes and to see whether those changes require a change in channels. Let's take a closer look at each:

- **Type of selling.** Certain types of selling lend themselves to direct sales; others, to an indirect sales organization or channel partner. For example, long sales cycles with a great deal of consultative selling to first-time or one-time systems buyers lend themselves to a direct sales organization, while relationship selling to commodity buyers lends itself to channel partners.
- **The type of customers.** A large number of widely dispersed customers, frequently ordering small quantities of product, may be more efficiently reached by several outside indirect sales organizations than by your own company's sales force. To enter new market segments in which you do not possess a great number of contacts, you may want to consider bringing in a channel partner that does have those contacts.
- **Operating issues.** Issues such as inventory, spare parts, service, maintenance, repair, customization, engineering, design, installation, programming, customer training, just-in-time delivery, safety and credit services exert a tremendous influence on channel choice.

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Organization and Architecture: Designing the Best Channels For Your Products or Services

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● **Type of product/service sold.** Heterogeneous products that can be more easily differentiated (biotech or consulting services, to name two examples) lend themselves to a direct company sales force, while homogeneous products or services that are more difficult to differentiate lend themselves to channel partners.

A Solid Architecture

Once you have decided on what channel or combination of channels you will use to most efficiently reach the targeted marketplace, you must decide how to organize these channels. To establish the most effective channels, follow these guidelines:

- **If your company offers a wide variety of dissimilar or unrelated products or services (particularly if they're complex) or if your company's products or services are sold to totally different markets, you should consider a sales force organized by product line.**
- **If your company sells large quantities of products or services to a limited number of major customers, especially customers with many branches, you should consider a sales force organized by account.**
- **If your company sells similar or closely related products or services to a large number of widely dispersed customers in the same industry, you should consider a sales force organized by geographic territory.**
- **If you offer a product that requires considerable service after the sale and different skills for selling than for servicing, consider a two-tier sales organization with separate functions (new account development and current account maintenance, for example).** ■

How to Motivate Your People

Although we cannot force salespeople to be successful, we can help them to solve motivational problems and meet motivational needs. To motivate salespeople, you must first understand the specific needs and desires driving individuals and then the activities and rewards that satisfy those needs. Each salesperson is different, with a different set of needs and goals — many rational, some not.

Motivation represents an internal process of need satisfaction, one greatly influenced by external factors.

Time Management

Salespeople resist training in time management. Most sales managers hesitate to become involved in such tactical issues, thinking that mature adults do not require assistance in these areas. This is an incorrect assumption; poor time management reduces sales force productivity and dilutes the positive affects of proper organization and architecture.

Be sure your salespeople do the following to ensure maximum time efficiency:

- ✓ **Plan their calls at least a week in advance, noting (in writing) who they will see and what they wish to accomplish.**
- ✓ **Use available technology (such as contact and calendar management software) to better manage their time.**
- ✓ **Call only qualified leads that have been properly screened, analyzed, evaluated or updated.**
- ✓ **Use the telephone and e-mail as often and as smartly as possible to communicate with customers daily.**
- ✓ **Analyze and reduce their paperwork load, when possible.**
- ✓ **Prioritize their day, listing their tasks by importance. In other words, make sure they're doing the important work, and not just the easy work, first.**
- ✓ **Set daily objectives and deadlines, focus on results and develop alternatives if those results are not satisfactory.**

You, as a sales manager responsible for helping salespeople satisfy their needs and reach their goals, represent one of the most important external factors. Other such factors include the following:

● **Recognition.** Salespeople want to be noticed, praised and appreciated for their performance. As sales manager, you should reinforce and reward positive action and results with recognition — anything from a casual thank-you over the phone to a formal awards dinner. You must create different levels of recognition for varying levels of performance (the higher the level of performance, the greater the level of recognition). Recognition is most effective when it is sincere, receives publicity, is recorded and involves top management.

● **Feeling useful, important and worthwhile.** Salespeople need to feel their work serves a useful purpose and makes a significant contribution to the company's success and well being. Training programs,

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How to Motivate Your People

(continued from page 6)

management attitudes, good communication, appreciation of their work, and sensitivity to their problems all contribute to their sense of feeling useful, important and worthwhile.

● **Challenge and achievement.** Most salespeople need recognition, but many thrive on the challenge of opening new accounts and increasing the volume of existing ones. They possess a high need to achieve that exceeds any monetary rewards they may gain. Generally, such high achievers enjoy taking personal responsibility for problem solving, are willing to take calculated risks, enjoy participating in management decisions and need constant feedback on their performance. Because they tend to be your best performers, you must continue to motivate them by providing outlets for their achievement-related needs.

● **Freedom and authority.** Many salespeople prize the freedom and authority available to them through selling — planning their own day, staying away from the office, representing their company to customers and making many of their own decisions. To satisfy the needs of these people in your organization, remove some of the controls on them, allowing them more freedom and authority. Allow them to work directly with customers on certain non-selling activities, hold them accountable for results, and even issue them titles in recognition for their efforts.

Many salespeople prize the freedom and authority available to them through selling

● **Esteem, status and respect.** Most salespeople crave the esteem of their peers and other company employees, management, customers, friends and family. For some, this esteem comes in the form of praise, recognition or money; for others, it is associated with one's status within the organization, represented by a job title. For still others, a more direct expression of esteem is required — things like impressive calling cards, or expense accounts, or some other sort of special treatment (company credit card, subscriptions to trade publications, a bigger company car, etc.). Be sure, however, that by motivating one salesperson, you do not demotivate others.

● **Sense of belonging.** Many salespeople need to have a strong feeling of belonging and participation in their organization. To accommodate this, make regular field coaching trips, schedule special events or meetings, communicate regularly and mark professional and personal milestones with a gift or some other sort of recognition. ■

How Is Your Leadership Motivation?

Salespeople require consistent, motivated and competent leadership in order to maintain their own motivation. A sales force is seldom more motivated or competent than its sales manager.

Five Common Traits

Successful sales managers vary greatly in style, but tend to have five common traits:

1. **They realize that their job is getting work done through others, and that their success depends on the success of the people who work for them.**
2. **Their styles, techniques and policies are consistent. They don't switch between autocratic and democratic, for example.**
3. **They believe in what they do, which creates strong, contagious personal motivation. They communicate this strong personal motivation to the sales force, who in turn displays it to customers.**
4. **They realize they are agents of change — they manage change, take advantage of change and modify people's behavior.**
5. **They set standards, are critical and provide fair judgment.**

Communicating One's Motivation

Most sales managers claim to be motivated, yet have a difficult time communicating that motivation to their salespeople. In order to make sure you're properly communicating your motivation, evaluate yourself quarterly, asking the following questions:

- ✓ How motivated do I appear to the sales force?
- ✓ Am I consistent in my style of management and my techniques and policies?
- ✓ Do I attempt to get work done through other people, or do I just do it myself?
- ✓ How much time do I spend training salespeople?
- ✓ Do salespeople have difficulty understanding what I want from them?
- ✓ How often do salespeople turn over in my division?
- ✓ Is each salesperson showing net revenue increases?
- ✓ Are the salespeople self-motivated, or must I continuously prod them?
- ✓ What percent of my time do I spend each month on administrative duties? Personal selling? Time with salespeople? Other responsibilities?

PART III: PERFECTING THE PROGRAM

Performance Evaluations Can Drive Sales Success

Salespeople have the need and the right to know what their sales manager expects from them, if those expectations are being met, and, if not, what corrective action is necessary. Companies benefit from giving salespeople that knowledge: organizations that regularly use performance evaluations for salespeople and hold them accountable consistently outperform those that do not.

Regular performance evaluations motivate salespeople through reorganizing positive action and results. Recognition of positive performance motivates a salesperson to do even better, and anticipation of such recognition stimulates self-motivation. On the other side, regular performance reviews also can provide vital legal help, enabling companies to document performance problems and justify termination.

In order to be most effective, performance evaluations should be performed quarterly so that you and the salesperson being evaluated can set goals and make development plans that can be effectively and promptly measured. Indeed, your evaluation process should include the following:

- **Deciding what you want to appraise.**
- **Developing metrics and performance standards for these categories, and creating a rating system.**
- **Holding the evaluation review meeting.**

What to Appraise

Your appraisal should cover both quantitative and qualitative measures, and should touch on many key aspects of the sales person's performance, including:

- **Sales results.** The metrics for sales results would include such items as market share compared to forecast/goal and previous year/period; total dollar and unit sales volume; and sales volume as a percentage of quota or forecast.
- **Sales quality.** The metrics for measuring sales quality would include such items as dollars and unit sales by product or service group; area coverage; pricing; and credit losses.
- **Expense control.** The metrics for measuring expense control would include such items as reimbursable travel/entertainment costs; samples; betas; in-service training; discounts and promotions.
- **Customer relations.** When measuring a salesperson's facility at customer relations, you may refer to customer satisfaction surveys. You may also judge the salesperson's ability to solve customer problems and satisfy needs, the timeliness of his or her response to complaints or service calls, and other service-related criteria.

How to Rate

After you decide what to appraise and what metrics to use for each category of appraisal criteria, you must establish a meaningful rating system that focuses on each category's goals, objectives and development plan. Devise a rating system that enables you to avoid taking the middle ground on an employee's performance, playing it safe for the sake of avoiding a confrontation over a problem area. You might also want to consider eliminating overall or total ratings, because such a compendium takes the emphasis off a meaningful discussion of goals for each category or topic.

Consider the following as a template for your rating system:

- **Rating 1:** Poor. Accomplishment is significantly below acceptable levels.
- **Rating 2:** Fair. Performance is close to but not yet at an acceptable level. Some improvement has been made.
- **Rating 3:** Expected. Performance is at an acceptable level, with accomplishments satisfactory.
- **Rating 4:** Very Good. Performance is above acceptable level, and accomplishments are satisfactory.
- **Rating 5:** Excellent. Performance and accomplishments are outstanding.

How to Give the Review

Here are some tips for giving a performance review:

- Several weeks before the interview, ask each salesperson to review their past performance, future goals and objectives. Using the format you will employ for the performance evaluation, ask them to rate themselves on each category and fill in necessary information on results.
- Create a relaxed, positive atmosphere at the start of the appraisal meeting. Give your total attention to the salesperson. After some small talk to set the salesperson at ease, review the reasons for the appraisal process and state what you hope to achieve. Discuss the previous quarter's evaluation and this quarter's overall guidelines, objectives, action items and so forth.
- Review each section of the appraisal form, soliciting the salesperson's assessment, then giving yours. Let the form become the basis for open yet pointed discussion, providing a starting point for talking about the job.
- Be positive, straightforward and helpful, asking probing, open-ended questions that encourage discussion. Use positive, non-emotional language, making sure to criticize the salesperson's work, not him or her personally.
- Do not overemphasize one or two skills, activities or results — this can lead to an unbalanced evaluation of the person's overall contribution. ■

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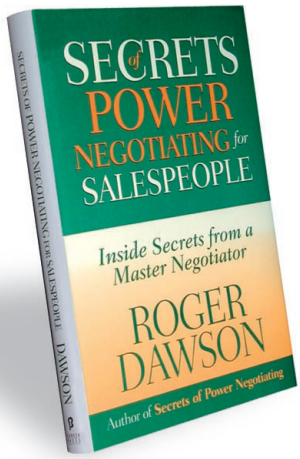
Secrets of Power Negotiating for Salespeople

Roger Dawson

Vol. 22, No. 1 (3 parts) Part 2, January 2000
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FILE: NEGOTIATING



By Roger Dawson

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Inside Secrets from a Master Negotiator

SECRETS OF POWER NEGOTIATING FOR SALESPEOPLE

THE SUMMARY IN BRIEF

Imagine that you had the tools to win every negotiation you are called upon to enter with buyers, while simultaneously making the person on the other side of the table feel like he or she won as well. What tools would be in your toolkit? What, in other words, would you need to know?

You likely would need to know a bit of psychology to determine, identify and engage in the dynamics of the negotiation. You would also need to analyze the personality of your buyer to understand how he or she will act and react, offer and counter. Most importantly, you would need a strategy to tie it all together, a collection of instructions to guide you through every conceivable negotiating tactic.

Look no further — your toolkit is in your hands. In *Secrets of Power Negotiating for Salespeople*, master negotiator Roger Dawson gives you the tools you need to foster a win-win negotiation every time you sit down to the table. Among others, he provides the following tools:

✓ A detailed set of rules to guide you through the beginning of a negotiation, when your preparation and initial demands set the tone for everything that comes after.

✓ Six negotiating gambits to use and watch for in the middle of a negotiation, when you need to maintain momentum to keep the ball rolling in your direction.

✓ A set of closing gambits that help you seal the deal, get the buyer's final commitment on the terms you set, while also giving the buyer the impression that he or she has won.

✓ A strategy to downplay the importance of money in a negotiation by increasing the buyer's awareness of the value of your offers.

✓ A set of techniques to help you determine your buyer's negotiating range, in order to maximize your effectiveness in the bargaining process.

✓ Tips to help you recognize and understand what buyers are doing when they try to intimidate you.

✓ A unique, personality-driven approach to moving buyers from a firm position, in an effort to find a mutually beneficial solution.

Your toolkit is ready; turn the page and see what's inside.

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SECRETS OF POWER NEGOTIATING FOR SALESPEOPLE

by Roger Dawson

— THE *COMPLETE* SUMMARY

Three Trends: Challenges for Sales Negotiation

Only the best and brightest salespeople will be equipped to grow and prosper in the next millennium, in the face of constant shifts in the vocation (indeed, the life) of sales. Roger Dawson sees three major trends coming to fruition:

1. Buyers are becoming better negotiators. Customers seem intent on improving their bottom lines by taking away from yours. This is a trend that is certain to continue in the foreseeable future. Customers have three ways to improve profits:

- To sell more by either going head-to-head with a competitor (to improve their market share by taking a portion of someone else's), or creating a new market share through product innovation (a risky and expensive proposition).
- To reduce operating expenses via employee attrition or upgrading to more efficient (and expensive) equipment.
- To do a better job negotiating with their suppliers. This is the easiest way to improve profits, and the one that affects you the most.

With an increased focus on negotiation in most companies, the buyers with whom you deal most often are better educated and more savvy than the buyers of 10 or 20 years ago. They know that doing a better job of negotiating with you directly affects their bottom line.

2. Buyers are better informed than ever. Buyers used to need salespeople because they brought to the table a wealth of valuable information the buyer could not get elsewhere. That knowledge was power — power the salesperson could use to his or her advantage at any point in the negotiation or sale. Thanks to point-of-sale data collection, demographic analysis and the Internet, buyers have all that information more literally at their fingertips, and the power that accompanies that information is theirs to wield, not the salesperson's.

3. Salespeople are facing a role reversal. The once highly defined role of the salesperson has now blurred to include a host of other tasks, including becoming buyers for retailers, specialty stores, supermarkets and the like — an intriguing role reversal. To meet this challenge, salespeople must be more intelligent, versatile, and better trained than ever. And, most of all, they must become better negotiators. ■

Beginning Sales Negotiating Gambits

Beginning gambits are critical in your negotiations, because every advance you make will stem from your early preparation and the demands you make in the initial stages of the negotiation. Your beginning gambits must reflect a careful evaluation of the buyer, your market, the buyer's organization and other crucial conditions. These early moves can win or lose the negotiation for you.

In beginning sales negotiating gambits, several key rules apply.

Rule 1: Ask for more than you expect to get.

Henry Kissinger once said "Effectiveness at the conference table depends upon overstating one's demands." In other words, why begin a negotiation with your target result, when, in the normal give-and-take of bargaining, you know you will have to make some concessions that move you further away from that ideal point? By making a high (even extreme) initial proposal, you both give yourself some negotiating room (you can always go down, but never back up) and set the stage for advancing your Maximum Plausible Position (MPP) — the most that you can ask for and still have the buyer see some plausibility in your position.

(continued on page 3)

The author: Roger Dawson, one of America's top experts on negotiating, is the founder of the Power Negotiating Institute. For nearly 20 years, he has trained executives, managers and salespeople throughout the United States, Canada and Australia. He is also the author of *Secrets of Power Negotiating* (Soundview Summary #17-17) and *The Confident Decision Maker.*

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Published by Soundview Executive Book Summaries (ISSN 0747-2196), 10 LaCrue Avenue, Concordville, PA 19331 USA, a division of Concentrated Knowledge Corporation. Publisher, George Y. Clement. Publications Director, Maureen L. Solon. Editor-in-Chief, Christopher G. Murray. Published monthly. Subscription, $89.50 per year in the United States and Canada; and, by airmail, $95 in Mexico, $139 to all other countries. Periodicals postage paid at Concordville, PA and additional offices. **POSTMASTER:** Send address changes to **Soundview, 10 LaCrue Avenue, Concordville, PA 19331.** Copyright © 2000 by Soundview Executive Book Summaries.

Beginning Sales Negotiating Gambits

(continued from page 2)

Going in high also raises the perceived value of your product or service, negates the deadlocks typically caused by conflicting egos, and creates a climate where the other side can also win. High initial demands provide plenty of "wiggle room," allowing negotiators to work their way toward the middle ground, to find a solution with which both sides can live.

Rule 2: Bracket effectively.

Your initial proposal should always be an equal distance on the other side of your objective as their proposal. If, for example, a buyer is offering $1.60 for your product, and you know you can live with $1.70, bracketing tells you that you should start negotiations at $1.80. Your proposal should be structured so that if you and your opponent end up splitting the difference, you still get what you want.

The trick is to get the buyer to state his or her position first; you cannot bracket effectively if you make the first offer. Once the offer is on the table, you can bracket the negotiation with your counteroffer, then continue bracketing until you have zeroed in on your objective.

Rule 3: Never say "Yes" the first time.

Saying "Yes" to the first offer or counteroffer from an opponent automatically raises two regrets:

- "I could have done better." This reaction has little to do with price, and everything to do with the reaction of the other person. When you ask for more than you expect to get and carefully bracket your offer to attain your objective, you naturally expect a counteroffer; when this does not materialize, you doubt the worth and veracity of your offer.
- "Something must be wrong." When your opponent accepts an offer you did not think he or she would, the mental picture you have formed of how he or she would respond is shattered, catching you off guard. This is a big danger in negotiation, particularly if you have invested a lot of time in coming up with a proposal. Regardless of how difficult it may seem, turning down a first offer is a crucial step in Power Sales Negotiation.

Rule 4: Flinch.

Body language is a critical part of negotiations. Thus, you should always flinch in surprise in reaction to a proposal from a buyer. They may not expect to get what they're asking for; if you don't show surprise, however, you communicate to them that their most extreme offer is a possibility, and it makes them tougher negotiators. It is important to remember that concessions often follow a flinch.

Seventy percent of the people with whom you will deal in a negotiation are visual, and will react when they see a flinch. Do not dismiss flinching as theatrical or childish until you have had an opportunity to see how effective it can be.

Rule 5: Play the Reluctant Seller.

Power Sales Negotiators should always play the Reluctant Seller when they're selling to squeeze the negotiating range before the negotiation even starts. Showing reluctance usually feeds the desire of the opponent to strike a deal, so much so that he or she may give away his or her bargaining range immediately.

On the other hand, you must also be wary of the Reluctant Buyer, whose aim is to get you to divulge your lowest price. You must be wary of these individuals and learn to play the negotiation game better than they do.

Rule 6: Concentrate on issues.

Sometimes, intense negotiations can result in flashes of anger or upset on either or both sides. When this happens, maintain your cool. Never focus on personalities in the negotiation; focus instead on the issues at hand.

"Never focus on personalities in the negotiation."

Imagine a top arms negotiator walking out on a treaty negotiation with Russia and telling the President, "Those guys are so unfair; I got upset, so I just walked out."

Staying calm and concentrating on the issues of the negotiation allows you to fend off distractions brought on by the actions of the other negotiator. To do so, keep a running tab of your progress in a negotiation — compare where you are presently to where you were an hour ago, a week ago or a month ago. These are the only things that matter.

Rule 7: Use the Vise gambit.

The Vise gambit is a measured response to an offer or counteroffer, one that tells your opponent "You'll have to do better than that." Of course, the next tactic after making this statement is to simply shut up — say nothing and let your opponent do the talking, make the next move or alter his or her position.

When using this gambit, concentrate on the dollar amount being negotiated; a negotiated dollar is a bottom-line dollar. Don't be distracted by the gross amount of the sale or by percentages. Be aware of what your time is worth, and what the sale will mean in terms of your bottom line. ■

Middle Sales Negotiating Gambits

Middle gambits feed off your early work and keep momentum going in your direction. You'll be able to respond to the pressures that pull you and your opponent apart, and to use those pressures to master the negotiating game.

Appeal to a Higher Authority

A very popular negotiating tactic on both sides of the table is the Higher Authority gambit, in which one person claims he or she must appeal to a higher authority before making a final decision. This tactic is as powerful as it is popular; it shifts pressure off your shoulders without forcing a confrontation. The Higher Authority appeal sets aside the pressure of making a decision, but it also might cause some frustration, as your opponent may surmise from your appeal that in speaking with you, he or she is not speaking with the decision-maker.

The gambit is a ruse; you might have the power to make a decision, but you do not allow your opponent to know that. Your Higher Authority should be vague — a "board" or "committee," rather than an actual title (the other person can always demand to meet your authority figure if he or she knows a title). If the gambit is played on you by buyers, attempt to get them to admit they have decision-making authority by countering their gambit with one of your own:

- **appeal to their ego;**
- **get their commitment that they'll recommend you to their Higher Authority;**
- **get them to commit to a decision, subject to some other consideration or time period.**

Note the Declining Value of Services

When you make a concession, ask for a reciprocal concession immediately; the value of your concession will drop very quickly, in accordance with the Declining Value of Services principle. This principle states that, although the value of any given material object you buy may go up in value over time, the value of services (like a concession) will decline rapidly after those services are performed. Never trust the other side to "make it up to you later." Negotiate concessions or counteroffers immediately.

Never Offer to Split the Difference

In this country, we have a tremendous sense of fair play, which indicates that if both sides give equally, the eventual outcome is fair. What is rarely considered is that these so-called "equal" concessions do not often reflect the opening negotiating positions of the opponents. For example, if a seller over-values the worth of a property and an under-informed buyer negotiates from the seller's bracketing strategy, the results will rarely be equitable for the buyer, regardless of whether the two meet in an acceptable "middle ground" in their negotiation.

In a negotiation in which a middle ground is apparent and close, never offer to "split the difference" yourself; you should, however, encourage your opponent to do so. Stress both the time you have spent on the negotiation (preparation time, time spent at the bargaining table, and so forth) and the small amount of money that separates you from the other person. If he or she offers to split the difference, use that as the starting point for further negotiation, re-bracketing your negotiating range each time. Splitting the difference doesn't mean splitting down the middle, because it can be done multiple times.

By getting the other person to offer a split, you put him or her in the position to suggest a compromise, which you can then use to your benefit and either push for more concessions or agree to the proposal, however reluctantly. This makes your opponent feel victorious, even though you have actually subtly controlled the negotiation yourself.

Mind the "Hot Potato"

When buyers want to give you their problem and make it yours, it's like tossing you a hot potato at a barbecue. For example, if a buyer says, "I need that delivery tomorrow, or the line will come to a screeching halt," he is taking a problem that is his and trying to make it yours.

When the other party tries to toss you a hot potato, test the problem for validity immediately — is this the deal killer your opponent says it is, or is he or she trying to test you for your reaction? For example, if the buyer has a procedural problem, there is very likely someone in his or her organization who can override the procedure and let the deal progress. If the buyer is simply trying to get

(continued on page 5)

Avoid Confrontation

Never argue with a buyer who disputes what you say; argument forces a confrontation, which could have one of several negative reactions:

- **The buyer might have a personal stake in proving you wrong and him/herself right**
- **Your argument will make him/her doubt your objectivity**
- **The more you argue, the more you'll force him/her to defend his/her position**

Use a counter gambit to give yourself more time to think, regain composure, and to turn any hostility around to your advantage in the negotiation.

Middle Sales Negotiating Gambits

(continued from page 4)

you to lower your price, recognize this and find a way to resolve the issue without giving him or her a better deal.

Watch Your Trade-offs

Just as you did when considering the Declining Value of Services principle, the Trading Off gambit requires you to immediately ask for something in return when a buyer asks for a concession in a negotiation. When you do this, one or all of three things will happen:

1. You just might get a significant concession.

2. You elevate the value of your concession by demanding something in return.

3. It stops them from constantly coming back for more or "grinding away" in the negotiation.

An important point to remember is to refrain from asking for something specific in return — it usually forces a confrontation. Let the other party make the concession offer, then negotiate from that point forward, toward the concession you really want. ■

Ending Sales Negotiating Gambits

Ending gambits prepare you to get the buyer's final commitment in a negotiation. These strategies allow you to close the sale by getting what you want, while the buyer also feels victorious. As in horse racing, there's only one point that counts — the finish line.

Good Guy/Bad Guy

One of the best-known negotiating ploys is the Good Guy/Bad Guy gambit. Variations of the tactic have appeared in everything from Charles Dickens' *Great Expectations* to just about any television police drama you can name. One negotiator on the other side will hold firm to his or her offer, get emotional, and leave the table, where his or her partner, a much more friendly, amenable sort, will "buddy up" with you in an effort to entice you to make a concession in response to his or her pleasant demeanor.

Buyers use this gambit much more than you might believe; be on the lookout for it when you're dealing with two or more people. Good Guy/Bad Guy is usually diffused when it is identified; buyers are so embarrassed to be caught using it, they will typically back off immediately.

Nibbling

The Nibbling principle dictates that you can accomplish things more easily with a "nibble" later in the negotiations, suggesting an additional concession after a decision is made. Nibbling enables you to sweeten the deal you have made with buyers and to get them to agree to something they would not have agreed to earlier. A terrific example of nibbling is the optional automobile warranty, which sellers only detail after the buyer makes the decision to buy the car; the seller "nibbles" in the closing room, getting the buyer to purchase additional coverage and spend more than he or she might have otherwise done.

Don't ask for every concession up front; get the buyer to commit to a deal, then "nibble" for a little extra. Determine, first, which elements are better off bringing up only as a "nibble" — concessions to which they would not agree the first time around but that you might successfully negotiate by "nibbling." You also must be vigilant, recognizing that your opponent may "nibble" on you at the last moment. Try to counter this by tying up all loose ends and details, and by using gambits that make the other party feel as though they won.

Pattern of Concessions

The way you make concessions is very important, because it can create a pattern of expectations in the buyer's mind. There are four errors to avoid when making concessions:

- **Equal-sized concessions**. Buyers will keep pushing you if you concede an equal amount every time they push. If, for example, you lower your price $250 the first time the buyers push, and $250 the second time they push, don't you think they would expect another $250 concession if they pushed you again?

- **Making the final concession a big one.** When you make a big concession in the middle of the negotiation to reach your lowest possible concession, you create an expectation of further large compromises. For example, if your first concession is $600, and your second $400, buyers may expect at least one more similar concession, perhaps of $100. If you do not concede (having reached your lowest possible figure), you may create an atmosphere of hostility that could kill the negotiation.

- **Giving it all away up front.** Some buyers may try to entice you to reveal your entire negotiating range up front by asking for a "last and final bid," or by telling you "We don't like to negotiate." This is a trap — the buyer is indeed negotiating with you; he or she is simply trying to get you to make all concessions before the negotiation even begins.

- **Testing the waters with a small initial concession**. If you make a small opening concession and it is rejected, the temptation may exist to increase the increment of money relinquished with each concession. A smarter

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Ending Sales Negotiating Gambits

(continued from page 5)

approach would be to begin the negotiation with a modest concession, then decrease the increment with each concession, thus creating a decreased expectation with each compromise.

Withdrawing an Offer

When a buyer continuously grinds away at you for a lower price, you can sway the negotiation to your advantage by calling the buyer's bluff and withdrawing your offer from the table, either by backing off your previous price concession, or removing extended terms (training, installation, etc.) from consideration. This tactic is a gamble, to be used only in extreme cases, and only in combination with another gambit — the Higher Authority ploy, perhaps, or the Good Guy/Bad Guy gambit. Withdrawing an offer on your own authority creates a confrontational atmosphere when you want to appear to be on the buyer's side.

Position for Easy Acceptance

The best negotiation results occur when you win the concessions you want and need, and the buyer walks way feeling as though he or she won also. In order to affect this ideal situation, it may be necessary for you to make one small, last minute concession that allows the buyer to feel good about giving in to you. In these cases, the size of the concession is not as important as the timing of it; indeed, the concession can be small and still do the trick. Some positioning concessions may include the following:

1. **A free training class for the buyer's operational staff.**
2. **A hold on the price for 90 days, in case they want to duplicate the order.**
3. **A three-year extended services warranty for the price of a two-year warranty.**

The point to remember is that the concession, regardless of how token, allows the buyer to walk away happy with pride intact.

Writing the Contract

Regardless of how long or detailed your verbal negotiation with a buyer, there will always be details that are overlooked until the actual written contract is created. Chances are, the person writing the agreement will think of at least a half-dozen things that did not come up during the verbal negotiation; that person can then write the clarification of these points to his or her advantage, leaving the other side to negotiate the changes before signing.

This very fact should give you the impetus to position yourself to write the contract, from the most brief counterproposals to the final long agreement. Writing the agreement gives each party one last chance to reach true accord; up to that point, each side might have interpreted the agreement differently. The written contract is the final, official interpretation of the agreement. The side that writes it thus has the advantage of having his or her interpretation stand. ■

Things More Important Than Money

Two decades of training salespeople has convinced Roger Dawson that price weighs heavier on the minds of salespeople than it does on their customers. In fact, customers who ask you to cut your price are secretly wishing they could pay more for your product or service. To get them to do this, however, you need to accomplish two things:

- You must give customers a reason for spending more.
- You must convince customers that they cannot find a better deal than the one you are offering.

The second point is one of the central issues at work in Power Sales Negotiating, because the feeling of getting a great deal is more important than the dollar amount spent in the deal.

There are many other things that are probably more important to buyers than price. Among them:

— The quality of the product or service. If it were true that buyers only bought based on the lowest price, 90 percent of vendors would be out of business. When buyers admit that they see your product as a commodity only, you must recognize the tactic as a negotiating ploy and kick in your Power Sales Negotiating techniques from there.

— The terms you offer. Recognize that companies make more money on the financing of their product than they do on the products themselves (bought a car lately?). Pay attention to the full range of terms you negotiate; your buyers will definitely be doing the same.

— Credit. Extending a line of credit with your company can help a customer through a lean time, or through the bottom levels of a cyclical cash flow cycle. This offer may be more important to them than price.

— Flexibility. If you are willing and able to tailor a product or service to the needs of a customer, that customer may be willing to pay a little extra for that product or service. Flexibility is key; if you can bend to meet your client's needs, the client is more likely to overlook a price differential between you and your closest competitor.

Find Out How Much a Buyer Will Pay: Four Techniques

The negotiating range of your buyers runs from the wish price (what they hope you will sell your product for) all the way up to the walk-away price (the highest price they are willing to pay). As a Power Sales Negotiator, your duty is to uncover their walk-away price, using one or more of a number of tactics, including the following:

- **Raise their top offer by hypothesizing what your Higher Authority might be willing to do.** If they are currently buying a similar product at $1.50 per unit and you are asking $2.00 per unit, you can make a comment along the lines of "If I could get my boss down to $1.75, would that work for you?" You do not necessarily have to sell your product for $1.75; getting the customer to acknowledge that $1.75 might be acceptable raises their negotiating range, so that you are now only 25 cents apart, not 50 cents.
- **Determine their quality standards by offering a stripped-down version of your product.** You can use their concerns about quality as a means to prove that price is not their sole concern. For example, use the line "I can get down to $1.50 if you don't care about this feature. Would that work for you?"
- **Establish the most they can afford by offering a higher quality version.** Offer to add new features for a modest price increase. If the buyers show interest, you'll know they could pay more; if they stick to the original offer, you'll know that fitting the product into their price bracket is critical.

"As a Power Sales Negotiator, your duty is to uncover [the buyers'] walk-away price."

- **Remove yourself as a possible vendor.** It is a gamble, but offering to back away from the sale can disarm buyers enough to cause them to reveal some information they would not necessarily share if you were still in the game. For example, you might say "We'd love to do business with you, but this deal is just not for us. Let's get together on something else later." A little later, you can ask "Just between you and me, what do you realistically want to pay for this?" If they tell you, you may yet be able to get back in the running with a better, more informed deal. ■

Personal Power

When you are face-to-face with a buyer, you automatically get a feel for how much power you have over that person. Perhaps you get a mild burst of confidence that you can close the deal, that it just might be your lucky day. Sometimes, the power is overwhelming; you're certain that you possess all of the power in the sale. Sometimes, you feel confident but you don't know why.

This personal power can be demystified by understanding where the power comes from; it can also be used as a tool that enables you to understand what buyers are doing when they seem to intimidate you. Take note of the power you and your buyer may exert at the negotiating table:

- **Legitimate Power** — the power of your title or position in the marketplace. Legitimate Power goes to anyone who has a title, because titles influence people. If you have a title, use it on your business card, nameplate and letterhead; at the same time, do not feel intimidated by another person's title — some of those titles mean nothing.
- **Reward Power** — the power that lets the buyer feel you can reward him or her, now and in the future. When you perceive someone as being able to reward you, you have ceded power to that person and given him or her the ability to intimidate you. Some buyers may try to use Reward Power on you when they ask for a concession, then just happen to mention they have a big job coming online next week, for which you may be in the running. Recognize this power and understand what they are trying to do to you. Then watch as their influence diminishes as your confidence increases.
- **Reverent Power** — the ability to project a consistent set of values, thereby building trust. When you vacillate on a set of issues, your buyer loses confidence in you. Be certain you do not set up standards, only to break them when you cannot live up to them.
- **Charismatic Power** — the power of the personality. Your objective should be to have the buyer like you so much that he is willing to make concessions to you, but not to like the buyer so much that you find yourself making concessions to him.
- **Expertise Power** — the buyer's belief that you know more about the product than he or she does. When you project that you have more expertise than the buyer in a certain area, you gain power. You can also combat this gambit by recognizing it and finding a way to diffuse it, by referring to another expert or by quickly becoming one yourself.
- **Information Power** — the buyer's vision of you as a storehouse of information. Sharing information forms a bond; withholding information intimidates. Recognize when information is being withheld as a negotiating gambit — you'll shift the power from the buyer to yourself.

Know the Buyer's Personality

Power Sales Negotiators, recognizing when a buyer has taken a firm position, can get the buyer off that position so that they both can focus on their mutual interests. The key to doing this is to become familiar with the personality styles of your buyers, and how those styles cause buyers to approach situations differently.

In order to correctly identify the various personalities of your buyers, you should first discern the two dimensions of their personalities: their level of assertiveness (how quickly do they want to make decisions, to get the deal done or to demand a concession?), and their level of emotion (how creative are they? How caring or warm?). When you combine assertiveness and emotional dimensions, you come up with four different personality styles:

- **Pragmatic (assertive-unemotional)**. Buyers who fall into this category usually negotiate like a street fighter whose sole goal in the negotiation is to win. They tend to frighten people, to waver on the edge of hostility, threatening (however implicitly) that things will be very uncomfortable if they do not get their way. While the pragmatic buyers' domineering style of negotiating is cause for some discomfort, they also tend to dig into a certain position, unwilling to budge even when it is to their benefit to yield.

  Don't waste time with small talk when dealing with a pragmatic buyer. Don't overload the buyer with information or give an over-enthusiastic presentation; you will come off as phony. Be quick, factual and expectant of a quick decision.

- **Extrovert (assertive-emotional).** Extroverted buyers are friendly, open, quick decision-makers whose prime goal is to influence and inspire other people. They tend not to be sensitive enough in a negotiation to keep up with what's really going on, but they also are not afraid to say no to you.

  Extroverts respond well to enthusiastic explanations of the situation; if they're excited, they will go out of their way to get others excited about it also. Talk about their interests and be prepared to receive a quick decision, based on their level of excitement about the project.

- **Amiable (unassertive-emotional).** Amiable buyers will set up barriers to keep a safe distance between them and that which makes them uncomfortable, including assertive decisions. They prefer managing in a large corporate situation where they can be protected by the format of the organizations. Their goal is agreement; everything else will fall into place if everyone involved in the decision agrees. Indeed, their guiding philosophy is, "If we like each other well enough, we'll all agree." Their soft negotiating style leads them to be too easily swayed, even to the point of accepting losses in the hope that the other side will reciprocate with concessions of their own.

  When you negotiate with an amiable buyer, proceed slowly, gradually building a level of trust. Take care not to offend them, or to use high-pressure tactics with the purpose of goading them into a decision. Give them time to consider all the angles and be comfortable with the decision.

- **Analytical (unassertive-unemotional)**. Analytical buyers feel they can manage any situation by providing massive amounts of information. They appreciate and demand accuracy, are flawless time managers, and will likely do anything to make sure there is order in the negotiation. Procedures, in their minds, will produce a solution. They ignore relationships in negotiations, detaching themselves from the personalities involved, preferring to act strictly on facts. They are rigid, sometimes to the point of inflexibility.

  Be as accurate as possible when dealing with analytical buyers. Provide facts, figures, charts and other graphic representations of the information you are providing. Indeed, be prepared to give every little detail about your product and operation, and to answer a lot of questions. Try to build rapport by engaging them in a conversation about their interests, which probably include some technical background and/or hobbies. ■

Win-Win Sales Negotiation

Instead of trying to dominate buyers and trick them into doing things they wouldn't normally do, you should work with them to develop a solution that benefits both of you. Observe the following four rules to create and maintain a win-win negotiating atmosphere:

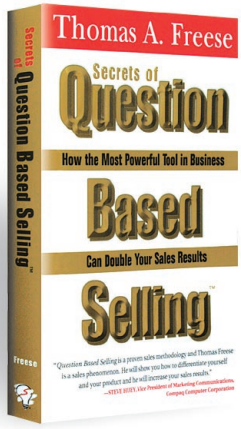
1. **Don't narrow the negotiation down to just one issue.**
2. **Understand that people are not out for the same thing — that your goals and your buyer's are distinct.**
3. **Don't be too greedy.**
4. **Put something back on the table. The little extras you give that they didn't negotiate for mean everything.** ■

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Secrets of Question Based Selling

Thomas A. Freese

SOUNDVIEW Executive Book Summaries®



by Thomas A. Freese

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Use Questions to Double Your Sales Results

SECRETS OF QUESTION BASED SELLING™

THE SUMMARY IN BRIEF

Despite the claims of many sales trainers and consultants hawking their methodologies, there is no single, "right" way to sell. Every sales call is a unique, creative process. People you call on have different needs, biases and experiences. They also will respond differently in different situations. And what's right for one prospect may not be right for another.

Question Based Selling™ (QBS), therefore, is not an ironclad formula for selling. Instead, QBS offers a systematic framework, using questions as its primary tool, that strives to increase your probability of success — and, just as important, decrease your risk of failure.

The first part of this summary shows how QBS can anticipate and reduce two of the major risks involved in the sales process: the risk of rejection and the risk of what author Thomas A. Freese calls "mismatching" — the automatic tendency of people to counter what someone says.

The second part of the summary introduces Freese's "Conversational Layering" framework. With Conversational Layering, you'll learn how to use questions to:

- ✓ **spark prospects' curiosity in your product or service;**
- ✓ **earn credibility;**
- ✓ **build relationships;**
- ✓ **uncover needs;**
- ✓ **make effective sales presentations;**
- ✓ **secure a commitment to buy.**

The sales process has one goal: to close the sale. If what you do causes the prospect to respond favorably, you are moving closer to your goal. If what you do causes the prospect to respond unfavorably, you are moving further from your goal. Through the power of questions, QBS will help you elicit favorable responses from your prospects, leading them to become, eventually, satisfied buyers.

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Questions Can Reduce Risks

The dominant "smile and dial" approach to selling is not very successful — between 95 and 98 percent of all such sales calls do not result in a sale.

To overcome such daunting statistics, salespeople must find ways to increase their probability of success and decrease the risk of failure. The skillful use of questions will help them achieve their goals.

This summary introduces a methodology, called Conversational Layering, that uses the power of questions. First, however, we will examine how questions can be used to reduce two of the greatest risks in sales: rejection and "mismatching."

The Greatest Risk in Sales: Rejection

Rejection isn't pleasant. Most people will do anything in their power to avoid such personal humiliation and defeat. In the sales arena, the threat of hang-ups and abrupt "no thank yous" is constantly present.

One way to reduce the risk of rejection is to use the "Single Ping" theory — sending out feelers and seeing what kind of response you get in return.

An example of this theory is offered in the movie, *The Hunt for Red October.* In one scene, a nuclear catastrophe is averted when the CIA officer on board a U.S. sub tells the captain to send out a signal to the just-discovered Soviet sub less than 100 yards from it in the deep, dark waters of the North Atlantic. All indications are that the Soviets are ready to attack the Americans. Then, the American captain sends out a brief sonar message, which the Soviets answer with a single ping, the underwater equivalent of a white flag. Once the Americans know where the Soviets stand — that they wish to defect rather than engage — they have greatly reduced the risk of making a mistake (in this case, firing nuclear weapons).

One way to reduce the risk of rejection is to use the "Single Ping" theory — sending out feelers and seeing what kind of response you get in return.

In the sales process, you should also send out signals and see what kind of response you receive. Those signals are often best framed in the form of a question. For example, rather than approach prospects with a direct, "Let me tell you about our product," first show basic courtesy by asking, "Did I catch you at a bad time?" Even if you have caught them when they're busy, you've left the door open for your next question, "When should I call you back?" Few people will say, "Never!"

Another single ping to send out might be the question, "Can I ask you a question?" Since most people will say, "Sure," you have the prospect's permission to proceed.

Let's take an example at the other end of the sales process — when you are trying to close the sale. Instead of demanding a yes-or-no answer to the proposal — which could push prospects to respond with a "no" — you might say: "Mr. Prospect, you've been considering our proposal for some time now. Does it make sense for us to think about sitting down and wrapping up the details?"

In sum, the single ping method uses questions to advance the sales process while reducing the risk of failure. ■

How to Disarm the 'Mismatching' Reflex

Rejection is not the only risk that salespeople face during the sales process. Mismatching — the tendency of people to automatically contradict what someone says — is another barrier to success. In this case, both the prospect and the salesperson can be guilty of mismatching, with equally disastrous results.

The Need to Be a Contrarian

The human body has certain natural reflexes. Blinking is a physical reflex. Mismatching — which author Freese defines as "the instinctive tendency of individuals

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The author: Thomas A. Freese is founder and president of QBS Research, Inc., a consultancy that specializes in sales methodology, buyer motivation and business strategy.

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Published by Soundview Executive Book Summaries (ISSN 0747-2196), 10 LaCrue Avenue, Concordville, PA 19331 USA, a division of Concentrated Knowledge Corporation. Publisher, George Y. Clement. Publications Director, Maureen L. Solon. Editor-in-Chief, Christopher G. Murray. Published monthly. Subscription, $89.50 per year in the United States and Canada; and, by airmail, $95 in Mexico, $139 to all other countries. Periodicals postage paid at Concordville, PA and additional offices. **POSTMASTER:** Send address changes to **Soundview, 10 LaCrue Avenue, Concordville, PA 19331.** Copyright © 2001 by Soundview Executive Book Summaries.

How to Disarm the 'Mismatching' Reflex

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to resist, push back, or respond in a contrarian manner" — seems to be an almost universal emotional reflex.

Freese describes how one day he lamented to his neighbor that yard work was cruel and unusual punishment. His neighbor insisted that he found yard work relaxing and enjoyable. Out of curiosity, Freese later told another neighbor that he found yard work relaxing. The other neighbor immediately took the other position, describing how working in the yard was depressing. Each neighbor took the opposing viewpoint, which may have been a coincidence but more likely an example of mismatching.

Mismatching also occurs in the sales process. If you ask someone, "Did I catch you at a good time?" they will most likely respond cautiously with something like, "That depends on what you need." By anticipating mismatching, however, you will know to frame the question as, "Did I catch you at a *bad* time?" which is far more likely to yield a response such as, "No, that's okay. What can I do for you?"

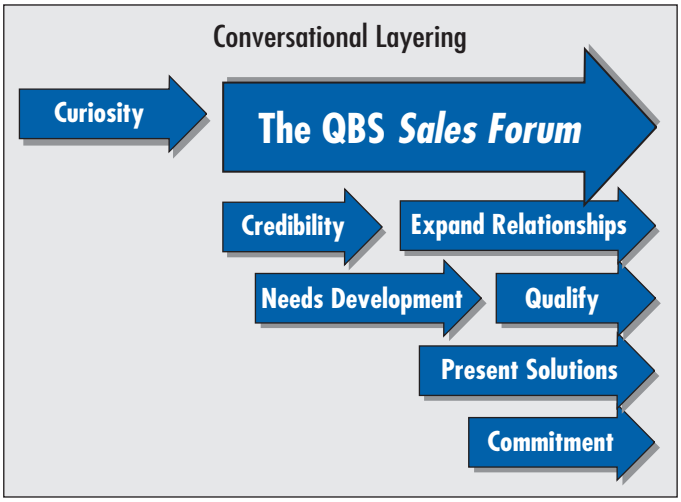
Questions are much harder to mismatch than statements because they ask people to contribute to the conversation.

This is a technique known as "reversing the positive." By framing the question negatively, you put mismatchers in the position of responding in a positive manner. To take another example, it is better to ask, "Will the pricing in this proposal make your boss nervous?" than "Is this price okay?"

Other strategies for disarming the mismatching reflex include:

- **Asking More Questions and Making Fewer Statements.** Questions are much harder to mismatch than statements because they invite people to contribute to the conversation. This reduces your risk by helping to expand your dialogue with the client.
- **Building Your Credibility.** Prospects will naturally be cautious with salespeople they don't know. As you build your credibility with them, you will reduce their need to resist.
- **Leveraging Curiosity.** If someone is curious, they will want to know more. Curiosity neutralizes the mismatching reflex.

As shown in the following articles, credibility and curiosity are key elements of a successful sales process.



Conversational Layering: The Key to Building Effective Relationships

Most salespeople now recognize that the key to successful selling is to build a relationship with prospects. Prospects must believe in the salesperson's honesty and credibility. The question is how to create this type of relationship.

The **Conversational Layering** methodology, illustrated above, is designed to help salespeople ask the right questions at the right time to slowly build up the relationship.

The first challenge of the relationship-building process is to establish the conversation. Most prospects are deluged with calls from salespeople. How can you differentiate yourself from other salespeople and capture the prospect's time and attention?

The answer: Use questions to elicit the prospect's *curiosity*. ■

Create Curiosity with QBS

QBS differentiates itself from other sales methods by trying to create a mutually beneficial discussion between buyer and seller. By taking the time to make prospects curious, even the standard sales pitch will have much more impact.

Five ways to build curiosity are:

1. Provocative Questions. Don't underestimate the power of simple declarative statements or pointed questions, such as "Guess what?" Such provocative questions or statements by nature make people stop and wonder why you said or asked them.

2. Partial Information. Share just enough information with prospects so that they'll want to ask you more

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Create Curiosity with QBS

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questions.

3. Glimpses of Value. If your product or service could be used to help a prospect save money or reduce downtime, suggest this solution without too many details.

4. Newness and Exclusivity. Just as the Herd Theory builds on the fact that nobody likes being left out, dangling something new and shiny also has a tremendous appeal.

● **Leveraging Momentum.** Use your sales to other companies in the same industry as a starting point, by showing how you've solved similar problems for another organization.

The Herd Theory

One effective method for creating curiosity uses what Freese calls the "Herd Theory." This theory is based on the basic human fear of being left out.

If most companies in an industry appear to be interested in a certain product or service, other companies will also become interested. Rather than rely on traditional, "happy customer" testimonials, QBS creates a sense of momentum by implying that since so many others are interested in your product, there must be a good reason for it.

Freese first tested the Herd Theory when he was transferred to a new city by his employer, KnowledgeWare, and told to start selling. He soon saw that the old, "smile and dial" approach was not working. He was desperate as his quota deadline neared. So he tried something new.

Knowing that KnowledgeWare offered a packaged "road show" presentation, he booked a hall at the headquarters of one of KnowledgeWare's biggest business partners in that city and sent out invitations to his prospect list. He quickly followed up that mailing with phone calls, but the first few responses were noncommittal, and he knew he needed to change his tactics. He came up with the following script for his remaining follow-up calls. It was such a successful maneuver that he not only met his sales quota, but by the end of the year, his territory had finished number 1 in sales. Here's his sales script:

"Hello Mr. Prospect, my name is Tom Freese and I'm the regional manager for KnowledgeWare in your city. I wanted to contact you about the CASE application development seminar we are hosting. Do you remember seeing the invitation we sent you?

Frankly, we are expecting a record turnout—over 100 people, including development managers from [name several companies], just to name a few.

I Have Your Tax Records!

Freese shows how one commercial real estate agent differentiated his cold calls from other commercial real estate salespeople. Simply by getting copies of readily available county tax records, this salesman came up with the following cold call script:

"Hi, Mr. Jones. My name is Dave Brown and I'm with ABC Realty. I'm holding a copy of your county tax record and I have a question. Could you please call me back?"

Contrast this with his previous cold call phone message script:

"My name is Dave Brown and I'm with ABC Realty, the leading commercial real estate brokerage firm in Atlanta. Our firm specializes in getting landowners the highest value for their property. I would like to have an opportunity to talk with you about the possibility of listing your property. Could you please call me back?"

After listening to the first message, most people will want to know, at the very least, why this person had a copy of their tax record. The original script did not create any curiosity.

I wanted to follow up because we haven't yet received an RSVP from your company, and I wanted to make sure you didn't get left out."

As Freese discovered, when you say to someone, "I just wanted to make sure you didn't get left out," the next four words that person will say are, "Left out of what?" When prospects become curious about what they might miss, they always ask for more information.

Effective Voice-Mail Messages

Your prospect spent his morning in back-to-back meetings and when he gets back to his office he learns he has 16 voice mail messages, including yours. Some sales programs suggest hanging up on message machines or voice mail and encourage you to keep trying until you reach the person. But with caller ID, many business people are reluctant to answer calls from unknown phone numbers.

A better strategy is to leave voice-mail messages that make prospects curious — and thus willing to call back. Here are three suggestions:

● **"A Question Only You Can Answer."** Think of ways to personalize a message, such as "I'm calling because I have a question … that only you can answer. If you would, please call me back. I'll be in my office until 4 p.m. today." Of course, you will need to have a question in mind to ask the prospect when they call back. By setting up your call by asking the prospect a

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Create Curiosity with QBS

(continued from page 4)

question, you are giving them a chance to feel important and valued.

● **"Something Made Me Think of You."** This is a more personal approach. Maybe you and a client talked about fishing or golfing once, and you happen to hear a good fish story, or just played a great game of golf. Then you could leave a message such as: "Hi, Prospect. I decided to pick up the phone and call because something happened today that made me think of you. When you get a minute, call me back. I'll be in the office until 5 today."

● **Associative References.** When you are entering a new account, and don't know anyone in the firm, QBS suggests creating and leveraging an associative reference. Even if you really need to speak with the CEO of a company, you might start with the actual end user of your service or product, typically someone in the purchasing department.

Here's a sample script: "Hi, my name is XYZ and I'm with ABC Corporation. I've got a little problem that I was hoping you could help me with. Did I catch you at a bad time?" You're empowering this person to help you solve a problem, and creating a mismatching scenario that works in your favor. If they are truly not busy, they will usually be eager to help you. This is a good time to ask about the purchasing process for your type of products, and whom you should talk to about presenting your product.

Now you have an associative reference and can leave a much more interesting voice mail for the key decision-maker in the firm. Here's a sample: "Hi, decision maker, this is XYZ with ABC Corporation. I just got off the phone with so-and-so in purchasing … and I have a question. Could you call me back …?"

Curiosity is the driving force behind the entire QBS strategy. By constantly piquing the prospect's interest, you build up the credibility you need to ask more probing questions and to offer solutions, and finally, a sale. ■

Establish Your Credibility

Once you have engaged a prospect's curiosity to get their time and attention, you are able to set up a QBS sales forum — a time and a place for you to meet the prospect and begin the actual selling of your product or service. The QBS sales forum, in other words, is where the action takes place.

In this forum, your first priority is to establish your credibility — that is, to convey a favorable impression to the prospect about your trustworthiness, believability and competence. Credibility is key to your success as a salesperson, for if you are unable to establish credibility early in the process, you are unlikely to successfully close a sale.

QBS shows you how to establish credibility by narrowing the scope of your questions early in the relationship, then broadening the scope of your questions once you have gained the prospect's confidence.

Ask Diagnostic Questions

First, narrow the scope of your questions.

Many salespeople make the mistake of asking broad, open-ended questions that they have not earned the right to ask. For example, financial planners may start a phone call with, "Hi, Mr. Smith, my name is John Doe, and I'm with Financial Planners of America. What are your financial goals and objectives for the next five years?"

Mr. Smith, of course, is not very likely to engage in a conversation about his financial goals and objectives with a person he has never met or talked with.

Salespeople will have more success if they begin with targeted, diagnostic questions. Diagnostic questions are closed-ended, very specific and only require a short answer from the prospect. These questions establish your competence and experience while slowly building a conversation with the prospect.

The first question should always be: "Can I ask you a question?" If the prospect says "yes," you can then start to fire your diagnostic questions.

Here's the start of a sample conversation between a prospect and a seller:

Seller: "How many file servers do you currently have installed?"

Prospect: "We have 22 servers downtown and seven in the annex."

Seller: "Is your network topology Ethernet or Token Ring?"

Prospect: "Ethernet."

Seller: "Are you using Microsoft NT or Novell?"

Prospect: "Microsoft."

Seller: "Version 3.X or 4.X?"

The conversation is now engaged.

Diagnostic questions address the disadvantages of both closed- and open-ended questions. Many prospects, as described above, are not likely to open up to open-ended questions from people they don't know. On the other hand, closed-ended questions can quickly close down a conversation, especially if they are answered with a simple, "No."

Diagnostic questions allow the conversation to continue without pushing prospects to divulge more than they are ready to. ■

Uncover Buyers' Needs

By starting off asking short-answer, diagnostic questions, you earn the right to ask more focused, probing questions that will enable you to uncover the needs of your prospects. People will buy your product because they see it as a solution to their needs. It's your job to uncover those needs.

There are four types of questions that help to focus your conversation: Status, Issue, Implication and Solution. As you move from the general status questions to the specific solution questions, you escalate the focus of your questions, thus zeroing in on prospects' needs.

From Basic Information to Specific Solutions

Status and Issue questions are analytical and are helpful for garnering basic information. Two examples of status questions are: "How many file servers do you currently have installed?" and "Is your network topology Ethernet or Token Ring?" Two examples of issue questions are: "What's the most significant business issue you currently face?" and "What would you like to accomplish with this type of product?"

Once you've found out what is important to the customer, you need to find out why it is important, and this is where implication questions play a role.

Probe and discover the implications of each issue, both for the buyer personally and for his company, by asking implication questions. If the customer said that the biggest issue facing his company was downtime, then a follow-up implication question would be: "How does your downtime affect your customers?" or "What would happen if your data were lost completely?"

One way to elicit more information is to use "global questions" which show prospects that you are eager to hear more from them. If a prospect tells you that security is very important to this business, an effective global question for you to ask next would be, "How do you mean?" A word of caution: Using the question, "What do you mean?" can cause some people to go on the defensive by making them think their opinion is being challenged.

Finally, once you have learned what is important to the prospect, you need to phrase solution questions to move the sales process to the next step. An example of a solution question is: "Mr. Prospect, if I could show you how to solve each of the issues we just discussed, would you be willing to take the next step?"

Create a Sense of Urgency

To successfully identify buyer needs, you must understand the difference between latent and active needs. Active needs occur when prospects realize that they are no longer satisfied with the status quo; latent needs are those that the prospect hasn't yet recognized.

Freese once informed a cold-calling septic system maintenance salesperson that he didn't need a maintenance system. However, after Freese had hung up from that sales call, he began to think about the maintenance and upkeep of his home's septic system, and eventually did purchase a service agreement—but not with that initial salesperson's company.

The original salesperson, in other words, failed to uncover Freese's latent need for a better maintenance system, and then failed to transform that latent need into an active need by convincing Freese of the urgency of the situation.

If you can uncover latent needs and transform them into active needs, you will increase your probability of success. The septic maintenance salesperson skipped the stage of creating a sense of urgency by uncovering Freese's latent needs, and went right into the boilerplate sales pitch. ■

Disposition: The Third Attribute

According to Freese, there are three attributes to strategic questions: scope, focus and disposition. Scope refers to the broadness of a question. Beginning the sales process with narrow rather than broad questions helps establish your credibility. Focus refers to the specific purpose of the question. Status questions, for example, are designed to uncover the status of a sales opportunity. Issue questions are designed to reveal issues that prospects may be dealing with.

Disposition refers to the tone of your question. Many salespeople try asking questions with a positive spin, such as, "Our solution looks really good, doesn't it?" The underlying message, though, is that the salesperson is trying to avoid hearing bad news by encouraging the other person to respond positively. But, because of the natural tendency to mismatch, prospects may automatically counter your positive spin with a negative answer. Furthermore, if there are problems with a client or a deal, questions posed with a positive spin are not going to uncover those problems. While it is more comfortable to avoid difficult issues or problems, to bring a sale to a close, all problems must be dealt with. By neutralizing the disposition of your questions, you invite open and honest sharing with your client. One way to do this is to offer the prospect a choice, such as: "Mr. Prospect, would it be possible to meet later this week … or would that put a burden on your schedule?"

Two Kinds of Buyers

What motivates people to buy something? According to Freese, buyers are either running *toward* gold medals (having the latest and greatest) or running *from* German shepherds (avoiding potential problems). If you can learn to phrase your product's attributes as providing positives and avoiding negatives, you will have doubled your chances of a sales success.

For example, you might say to a buyer: "Ms. Prospect, our reliability features will increase your productivity (gold medal) and reduce all those pesky interruptions that would otherwise handcuff your business (German shepherds)."

Here's another example:

"Because our systems use advanced technology, you can access more information than ever before (gold medal) without any risk of overloading the system with excess network traffic (German shepherd)."

Remember that your beliefs about what the prospect should do are unimportant. It is the *buyers'* motivations that are important. As Dale Carnegie once said, "Personally, I am very fond of strawberries and cream, but I find that for some strange reason, fish prefer worms."

Present Solutions

Once you've made prospects curious, established your credibility and uncovered buyers' needs, the next step is to present solutions.

This is a pivotal point in the sales process, where you educate the prospect about the value of your product or service's solution. Most sales training programs focus almost exclusively on this point in the sales process, but QBS recognizes that it is only the midpoint of a sale.

The Mutual Agenda

When giving your sales presentation, QBS suggests you use the audience to help define problems. You do this by asking them an issue question: "To what extent is ____ important?" If they agree that this issue is important, write it down on your flip chart. After a few more issue questions, you have written down not just *an* agenda, but *your prospects'* agenda (what they need) as well as *your* agenda (what needs must be filled by the solutions your product or service offers).

Presentation Strategies

QBS suggests five strategies for creating a more effective sales presentation:

1. Divide and Conquer. After you have created the mutual agenda, realize that different people in your audience will react to different parts of the agenda, because buyers are motivated differently. The mutual agenda will also help you because it breaks down the bigger selling decision into its smaller component parts. It is easier to educate prospects on the individual components of your product.

2. Use Stories. Not only do stories break the ice, but more people will remember a funny story better than they will the specs on a new computer system.

3. Gold Medals and German Shepherds. Because buyers can be motivated by either rewards (gold medals) or fear (German shepherds), remember to position your product as providing both positive rewards and as a defense against negative consequences.

4. Use Confirmation Questions. Don't let the audience doze off on you. Interject short confirmation questions, such as "Are you with me?" or "Does that make sense?" during your presentation.

5. Say and Explain. Don't assume everybody knows as much about your product as you do. If you are using technical jargon, make sure you explain it, or at least ask the audience if they've heard of the term. ■

Commitment: Close the Sale

This is one of the riskiest stages in the sales process, because most salespeople ask for a commitment too early in the sales process.

QBS doesn't believe in using high-pressure tactics to get customers to buy something they don't really want. Customers are smarter and more sophisticated then ever and will walk away if they feel in any way pushed or hassled. The impetus in QBS selling is to get the customer to keep moving the process forward, rather than the salesperson dragging the customer along.

Closing Strategies

To reduce the risk in this stage of the sales process, QBS offers a four-point checklist:

1. Know the Status of the Opportunity. If you don't ask for the sale, the prospect can't say "no." And if the prospect does say "no," then you can learn what is preventing the sale from closing and work from there. Find out what the prospect expects from the sale. For instance, if a client tells you, "The price in your proposal seems a little high," QBS encourages you to elicit their expectations, by saying, "How much did you expect to pay?" Getting your client's insights and expectations gives you more information with which to navigate the sales process further.

2. Tit-for-Tat. QBS recognizes each sale as a mutual exchange of value. Don't bend over backward giving prospects more and more without expecting a commitment from them, because they will come to expect the

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Five Prerequisites to Close Successfully

There are five prerequisites that must be satisfied before a prospect will buy your product or service:

1. A recognized need. Recognizing a need sets prospects on the hunt for a solution.

2. A viable solution. The benefits of your product or service must match the needs of the prospect.

3. Value must justify the cost. The value of the solution must exceed its cost.

4. A sense of urgency. Prospects must be emotionally ready to make the purchase. It's far easier to accept the status quo.

5. The authority to buy. Are you dealing with the right people? If not, the other four prerequisites won't do you any good.

Commitment: Close the Sale

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moon and the stars with every order they place with you. Again, use a strategic question that gives the prospect a few options, such as "Mr. Prospect, if we do this or that … would you be willing to agree to move forward with a purchase?"

3. Reiterate Your Value. Since the sales process can take anywhere from two weeks to two years, you will need to keep your product's value fresh in the minds of your prospects. Remember that they have many other duties, and just because you've already covered the mutual agenda at your sales presentation doesn't mean everyone will remember every part of it.

4. Emotional Reassurance. All decisions, especially large-purchase decisions, are highly emotional and full of uncertainty and risk. Sellers need to offer not just analytical support (to justify the cost of the decision) but emotional reassurance to make the prospect feel more comfortable. Empathy (as long as it is sincere) will go a long way not only with the deal at hand, but in helping build a long-term relationship. ■

Putting It All Together: Using QBS from Start to Finish

Every successful sale is the result of a multi-stage process. QBS divides the sales process into three stages: Interest Generation, Presentation and Closing Steps. While most sales training programs stress the importance of the presentation aspect, QBS recognizes that most of the salesperson's time is spent generating interest and moving prospects toward closure.

This interest generation phase of the sales process involves the initial sales calls and other prospecting initiatives — attendance at trade shows, holding seminars and special promotions and sending out mass mailings — designed to get the attention of potential customers. As described in the Conversational Layering framework, making the prospect curious and establishing your own credibility while uncovering client needs are all part of the Interest Generation phase.

The Conversational Layering framework uses both broad and focused strategic questions to lead prospects through these three phases, resulting in a successful sale.

Question Based Selling: The Key to Control

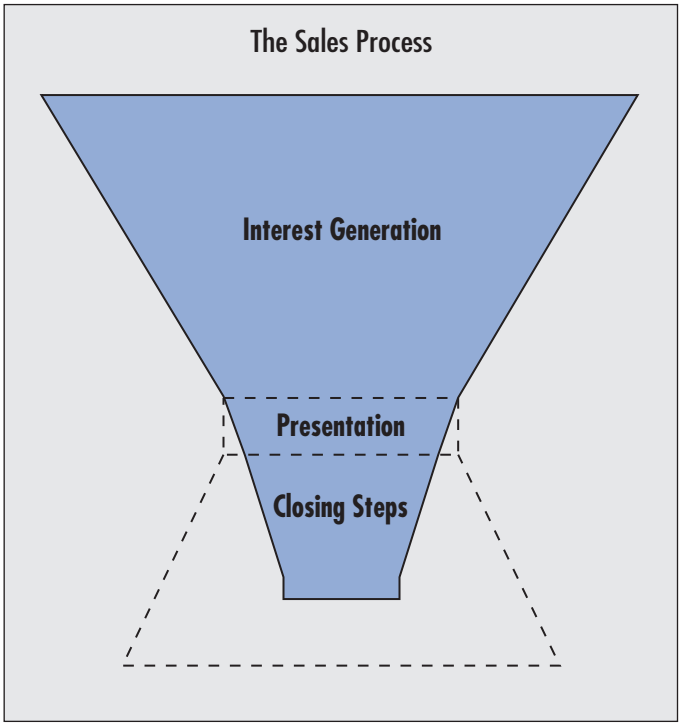
By being the one posing the questions, you place yourself in a position of power because you are controlling the subject of the conversation. Here's an example:

Salesperson: Mr. Prospect, several people on the committee were not able to attend last week's presentation. Does it make sense for us to educate those people—so they will be up to speed when it's time to review the details of our proposal?

*Prospect:*Yes, that probably would make sense.

Salesperson: Could we schedule a follow-up event to include everyone who was unable to attend the first presentation?

In sum, by asking the right questions at the right time, you will control the sales process from beginning to end. That is the power of Question Based Selling. ■



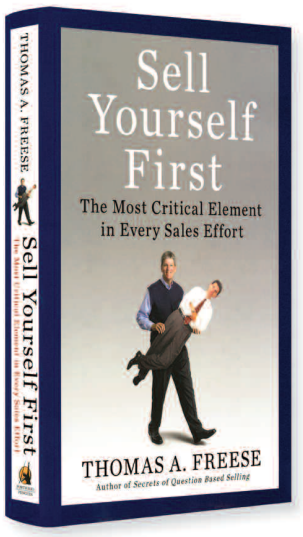
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Sell Yourself First

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Sell Yourself First

The Most Critical Element in Every Sales Effort



by Thomas A. Freese

THE SUMMARY IN BRIEF

The familiar adage that "It's a jungle out there" applies to sellers and sales organizations now more than ever. Competitors are hungry for business, decision makers are wary of change, and the market is crowded with products and services that are barely distinguishable from one another. Meanwhile, the tried-and-true sales methods of the past are simply no longer effective in a world where customers aren't sure whom to trust.

According to Thomas A. Freese, author of the contemporary sales methodology classic *Secrets of Question Based Selling*, the single most effective way to separate yourself and your offerings from all the noise in the marketplace is to sell yourself first. After all, you are the greatest asset your competition lacks.

Freese has helped thousands of salespeople worldwide become more effective at penetrating new accounts, positioning a unique value proposition and closing more business. In *Sell Yourself First*, he shows how to leverage personal assets to win the confidence of customers by displaying a host of intangible attributes, such as credibility, competence, confidence, integrity, creativity, attitude and thought leadership. Ultimately, by maximizing your ability to convey a more impactful value proposition, you give yourself an unfair advantage over the competition to win more sales.

IN THIS SUMMARY, YOU WILL LEARN:

- How to gain a significant competitive advantage.
- Why you should earn credibility early in the sales conversation.
- How to treat every sales call like a job interview.
- How the biggest differentiator in a competitive marketplace is you.

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THE COMPLETE SUMMARY: **SELL YOURSELF FIRST**

by Thomas A. Freese

The author: Thomas A. Freese is the founder and president of QBS Research Inc., and the author of five books, including *Secrets of Question Based Selling*. He has been featured in numerous articles and is considered to be one of the foremost authorities on sales effectiveness, buyer motivation and competitive positioning strategies.

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Introduction: The Game Has Changed

Skills development has become the new field on which the game of selling is now being played.

Keep in mind that your doctor went to school and studied for 10 or more years before you were willing to take his or her advice. Likewise, it takes five to eight years of formal education to become an architect, an accountant, an engineer or an attorney. With that in mind, perhaps it's reasonable to expect that it should take a little effort and commitment on your part to learn how to cause potential buyers to trust you with their time, money, problems, issues, goals, needs and concerns.

Even if you are indeed a capable individual, it's unlikely that you are the only talented person in your industry. Companies offering similar solutions will be competing against you harder than ever to gain the customers' trust and ultimately earn their business. Eventually, someone is going to win these battles and, as you might expect with any competitive situation, your ability to prevail has a lot to do with *you*.

In today's competitive landscape, your long-term career aspirations, along with your day-to-day livelihood, depend on your own personal effectiveness more than ever. And how you approach the profession of selling will ultimately determine whether you will be seen by customers as a sales professional or just another hungry vendor who's trying to make a buck. Even if you are not a career salesperson, whether you manage a small business, support the organization in a customer service role or are an executive in a Fortune 500 company, you will definitely be selling yourself every day.

When selling yourself, you must remain true to yourself by doing things in the way that makes the most logical sense in today's business climate. Make it your goal to be perceived as competent and purposeful when talking with customers, and keep it simple and current by allowing reasonability and relevance to be your guide. ●

The Elephant in the Room

Starting with an "elevator pitch" to convey value is officially dead as a viable differentiation strategy. After a salesperson finishes spewing all the wonderful benefits of his or her product offering, the customer's two biggest issues have not been addressed. What decision makers really want to know is "who" to trust and "how" to make a good decision.

Even if you have a great story to tell about your products and services, customers are skeptical of sales pitches. Thus, for the sake of maximizing your credibility and differentiating your company's value, you must be willing to give customers what they really want — the rest of the story. Customer skepticism is the "elephant in the room," and you will help yourself by dealing with it up front.

Customers tend to buy from whoever they like the best. It's just that likability is no longer just a function of friendliness and sociability. Instead, customers will "like" whoever represents the greatest value, which is now a function of being perceived as credible, intelligent, capable, professional, creative, honest, prepared, customer-focused and responsive to their needs.

The same logic applies in virtually every competitive

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Rebecca S. Clement, Publisher; **Sarah T. Dayton**, Editor in Chief; **Andrew Clancy**, Senior Editor; **Edward O'Neill**, Graphic Designer; **Chris Lauer,** Contributing Editor

market, whether you sell financial services, pharmaceuticals, technology or sales training courseware. Customers are ultimately going to partner with someone in an effort to meet their needs, and whether or not they choose to deal with you has a lot to do with how you choose to deal with them. Consequently, the difference between winning and losing in today's business environment usually comes down to the ongoing perceptions customers form about you.

Learning How to Win When It's Close

A salesperson's ability to earn some initial credibility in order to get deeper, wider and more strategic within his or her accounts can give an otherwise ordinary salesperson an unfair advantage. Potential buyers aren't just looking for a sterile listing of features and benefits when talking with vendor representatives. What they really want is to gain a certain comfort level that comes from a set of intangible benefits that don't necessarily show up on the company's preprinted product brochures.

Discerning customers are especially looking for creative ideas, transparency and thought leadership, the combination of which can all roll under the heading of getting sound advice. Add to these qualities the many other intangible character traits you bring to the sale, such as knowledge, experience, integrity, vision, preparedness and responsiveness, in addition to someone who cares more about the needs of the customer than about padding his or her own commission check, and we may indeed be on to something. Whether the customer verbalizes it or not, these intangible qualities tend to be extremely important and will determine the outcome of many sales opportunities. When the time for a decision arrives, customers want to know that they are dealing with someone who cares about their long-term success, and they want to feel comfortable that you have the depth and perspective to help them make the right choice. ●

Your Next Job Interview

Whether you are a person interviewing for a desirable position or you have ever evaluated potential candidates as a hiring manager, a job interview scenario is something that virtually everyone can relate to. It also provides the perfect metaphor for why it's important to sell yourself first.

As an applicant for employment, in addition to being solely responsible for selling yourself, you are also the product that's being sold. And even if you are the most qualified candidate applying for a position, you still have to say and do things during the interview process (or during a sales call) that will cause you to be perceived as such.

Desirable Qualities of the Perfect Candidate

It's pretty easy to create a top 10 list of desirable attributes a hiring manager might be looking for in the perfect candidate. Those qualities might include:

1. Knowledgeable, experienced, savvy.
2. Likable, easy to get along with.
3. Customer-focused versus self-serving.
4. Could easily blend with existing business culture.
5. Quick learner, short ramp-up time.
6. Offers a new perspective with fresh ideas.
7. Independent, motivated, hard worker.
8. Track record of success, combined with a dose of humility.
9. Positive attitude and commitment to excellence.
10. Solid references.

If a candidate for employment possessed each of these qualities, and he or she could effectively demonstrate them during a job interview, can we agree that in addition to having a pretty good chance of being hired, he or she would also have the potential of being a valuable long-term asset for the company?

The Real Purpose of a Job Interview

The real purpose of a job interview is twofold. First, a face-to-face meeting provides qualified candidates with an opportunity to sell themselves to the hiring manager and second, it gives the hiring manager a chance to see, experience and evaluate many important intangible qualities about the person that wouldn't otherwise show up as specific line items on the candidate's resume.

Not surprisingly, the purpose of a sales call is very similar. For customers, time spent with a salesperson either on the telephone or in person gives them a chance to evaluate the vendor's value proposition. Your probability of success and the customer's perception of your value will be significantly influenced by some key intangibles, like professionalism, preparedness, energy, passion, personality, commitment, assertiveness, helpfulness, confidence and mutual respect, and the extent to which you can demonstrate these during the call. Think

of it this way. Every job interview is a sales situation and every sales situation is also a job interview. In sales, if you want to have opportunities to position your product or service offerings to qualified decision makers, then you must be able to *sell yourself first*.

Customers Won't Trust Just Anyone

Understanding the dynamics of how mutual trust is created is particularly important for salespeople because trust serves as the foundation for building solid relationships, whether personal or professional. Especially these days, if someone is not willing to trust you, then it is unlikely that any attempts you make at offering potential solutions will produce a positive result.

Trust is also a critical element in maintaining existing relationships. At the point where someone decides he or she can no longer trust you, it is predictable that whatever relationship you may have had with him or her will abruptly come to an end.

Problem, Alternative, Solution (The PAS Approach)

Essentially, every value-based decision that you or your customers make is arrived at by using PAS logic. Whether you are considering the purchase of a new computer, car, house or fancy outfit, the underlying decision process is essentially the same. Because you have a problem (P) that the alternatives (A) don't solve as effectively, you are going to choose this particular solution (S).

The underlying logic is universal. If a hospital administrator must choose between multiple suppliers from which to purchase medical equipment, the decision maker in the hospital will ultimately conclude the following: "Because we have certain goals, objectives, issues, concerns, wants, needs, desires or problems (P), which the alternatives (A), other suppliers, don't solve as effectively, that's why we are going to procure these solutions from this particular vendor (S)."

The underlying logic of this new PAS positioning model comes with a hidden benefit. Simply put, you bond with people by focusing on what's most important to them (their goals, issues, needs, concerns, desires and problems (P)), as opposed to whatever is most important to you — your solutions (S). This especially makes sense in the selling arena because in order to communicate the value of your product or service, you must first have something to build value against. Bonding with potential customers on what is most important to them is strategically significant because that's what allows them to begin to trust you. Your ability to solve problems is also the trigger that piques the customer's interest.

Managing Conversational Dynamics

Ever wonder why some of the conversations you have with customers seem to flow along with inexplicable ease, while other times it feels like you're pulling teeth to initiate a dialogue or suggest possible next steps? The extent to which other people will respond to your questions, listen to your ideas or take your advice is largely a reflection of how effectively you communicate with them.

Reducing conversational tension is an area where superior technique can give the strategic salesperson a significant advantage. As you've probably heard many times, it's not just what you say (or ask) that's important, your success is also contingent on how those messages (or questions) are actually being delivered.

In sales, achieving trusted adviser status has become the Holy Grail in terms of placing yourself in the strongest possible position to earn the customer's trust and close business. Why? Because customers usually do business with the person or company from whom they feel most comfortable taking advice. You have to assume that other vendors will also be competing as hard as ever to have a share of the decision maker's ear. The challenge in today's competitive marketplace is putting yourself in a position to be the vendor who ends up in the coveted role of trusted adviser.

Understanding Question-Based Logic

The real skill with regard to selling yourself first is causing customers to *want to* open up and engage in a more productive conversation about their needs and your potential solutions.

Only if a product or service seems to provide a good fit might customers be willing to listen, and then only to the extent that the salesperson makes a valuable use of their time. This is where Question Based Selling (QBS) comes in — using logic, not just asking a bunch of questions.

It's best to secure the customer's permission prior to asking questions. Knowing that a mini-invitation from the customer instantly opens the door to a more productive conversation, it is very easy to think in terms of saying, "Ms. Customer, I'd be happy to give you all the details. Can I ask you a couple specifics about your upcoming project?"

Asked at the appropriate time, customers will surely say yes. This is not about fooling people into answering questions a certain way. It's about being customer-focused, respectful and demonstrating that you want to make the best use of the decision maker's time. ●

Establishing the Customer's Buying Criteria

Have you ever noticed that your local hardware store sells drills and drill bits? But if you think about it, no one actually wants the drill itself. What they really want are holes. Isn't that odd? Hardware stores don't sell what the customer really wants — holes. Instead, they sell drills and drill bits as a means to accomplish the customer's true objective.

In the same manner, the decision to purchase your product or service is usually a way to accomplish other more specific goals or objectives. Knowing t he customer's true motivations, therefore, is very important. Identifying multiple reasons for customers to buy from you can also boost your sales while significantly benefiting the customer.

Once customers begin to form the impression that a salesperson might be able to help them, they are usually willing to share tons of information with a salesperson they believe to be a valuable resource. The customer's perception of the value you bring is, therefore, largely in your own hands and establishing credibility is a direct function to your ability to *sell yourself first*.

Getting Your Arms Around the Customer's Decision Criteria

Getting your arms around the customer's decision criteria is complicated by the fact that customers often speak in generic or general terms, as opposed to articulating what they really need. This natural vagueness creates another good opportunity for sellers who are prepared to facilitate more in-depth conversations.

The actual value of your product or service doesn't change whether you have a detailed conversation with potential buyers or a superficial one. But if the solutions you offer are capable of addressing multiple issues and implications, and you know customers are not going to fully articulate their own needs, then your success is closely linked to your ability to facilitate more in-depth conversations, which is very different than just probing and having customers reluctantly share some fraction of their needs.

Applying Your New Decision Logic

This participative philosophy on needs development has dramatically shifted the older-school paradigm away from the idea that customers will openly share all their needs with a salesperson they don't yet know and trust. Instead, mutually beneficial sales conversations will only occur as a result of a proactive facilitation where you are able to gain credibility and focus on which issues are most important to the customer. In QBS, my vision includes having salespeople convey more value by helping customers recognize possible implications that potentially otherwise wouldn't have been considered.

The difference between success and failure often boils down to a simple formula that starts with putting in the time and effort to give yourself an unfair advantage. ●

How to Be More Strategic with Your Sales Questions

Sellers have been taught to ask lots of questions. But just because a salesperson wants to ask a bunch of questions doesn't mean potential customers will share information with a salesperson they don't yet know or trust.

In today's competitive business environment, if it is possible to ask questions in a way that could be considered highly ineffective, then it must also be possible to ask effective questions, in a way that causes people to "want to" share lots of valuable information. The difference between these two outcomes is generally dictated by the logic behind the questions you ask.

Scope, Focus and Disposition

Your ability to manage the *scope, focus* and *disposition* of your questions will have a direct impact on how productively people respond.

The scope of a question refers to its broadness or narrowness. Like closed-ended questions, questions that are narrow in scope can easily be answered with a single word or phrase. These questions tend to be less invasive because you are asking about specific data points. This makes them easy for salespeople to ask and easy for customers to answer.

Narrowing the scope of your questions essentially serves as a steppingstone strategy for kicking off the broader needs development conversation. Once you have earned some initial credibility, you can easily broaden the scope of your questions and probe more deeply into the customer's issues and concerns.

Once you understand how to narrow the scope of your questions to initiate a more productive needs

development conversation, it's time to escalate the focus of your questions to get into more depth. Every question a salesperson asks has a strategic focus, where you are either asking about the status of an opportunity, issues that a customer might be facing, the implications of those issues or possible solutions for moving forward. Hence, the second strategic attribute that sellers have an opportunity to manage is the strategic focus of their needs development questions.

As potential buyers start to perceive you as a valuable resource, they will begin to confide in you regarding their problems, issues and concerns. They will also want you to recommend the appropriate next step in the decision process. After all, you're the expert. That's why it is critical to have a strategy that escalates the focus of your needs development questions — first earning the right to engage, then identifying multiple opportunities to provide value and, finally, closing on potential next steps. If you can consistently accomplish these goals, you will differentiate yourself from all the other salespeople who are stuck in the mindset of asking highly invasive and probative questions. ●

Cost-Justifying Your Intangible Value Proposition

The actual value of any product or service is highly intangible. Even if you sell tangible goods, the benefits of your offerings must still be recognized by potential buyers as being valuable, enough so to justify the cost of your proposed solution.

What if it were possible to increase your probability of success in making a sale merely by causing customers to perceive more benefits? In addition to separating yourself from the competition, selling the intangible aspects of your solution is the best way to tip pending purchase decisions in your favor.

Even if you sell tangible goods, the true value proposition of those items comes from an array of intangible benefits that must be perceived by interested buyers.

If you think about it, the whole concept of selling yourself, especially in today's competitive marketplace, is extremely intangible.

What is the value of working with a knowledgeable and trustworthy salesperson instead of a vendor whose methods are somewhat questionable? The difference can be huge from the customer's perspective, even if the products being offered are virtually identical. In competitive sales situations, the customer's perception of your value is equal to the benefits of your product or service plus the intangibles you bring to the table.

It's no longer enough to be friendly and polite. The concept of selling yourself is more about accruing enough value to tip the scales in your favor, whether you are up against a competitive proposal or the customer is considering the option of holding off altogether. Sellers must also accumulate enough value to overcome any concerns that may arise when dealing with objections.

Cost Justification: The Final Hurdle

In sales cost justification is often the final hurdle that must be cleared before customers are willing to pull the trigger on a purchase.

For sellers, cost justification is more about expanding the buyer's perspective. Since buyers tend to focus on a few specific hot buttons, sellers can accrue more value by causing customers to recognize additional needs or facets of their solution that would have otherwise gone unnoticed.

Qualities like integrity, leadership, desire, passion, vision, creativity, confidence, poise, honesty, compassion, resourcefulness and work ethic tend to be very important to decision makers who are forming impressions about you and the value you can offer. Even though you can't actually touch these things, your ability to convey these valuable character traits will determine not only whether you succeed in selling yourself, but also how much others are willing to pay for your services. ●

Making Prospects More Receptive to Your Message

Sellers should have a compelling story to tell about their products and services. But you must also have a receptive audience that wants to hear about your potential solutions. Particularly since today's buyer is increasingly cautious and skeptical, decision makers are quick to fend off even the most tenacious salespeople.

Rather than being more aggressive, however, why not take the opposite approach? What if we combined sound logic with proven communication techniques to pique the customer's interest, as a means of securing more time and attention with key decision makers? You can accomplish this by leveraging curiosity as a key ingredient in your new sales strategy.

The magical ingredient in the strategic sales process is *curiosity*. It's a simple formula really. If a decision maker

is not the least bit curious about who you are or what you can do for him or her, then you probably won't succeed in getting his or her time or attention. Fortunately, the opposite is also true. If you are able to do something to pique the prospect's curiosity, you will not only get more mind share within target accounts, you will also enjoy a competitive advantage throughout the sales process.

Mini-Invitations Are HUGE!

Mini-invitations are terrific conversational tools. They are also great curiosity inducers. In an account where you already have an existing relationship and the customer is open and willing to share with you, you may not need a curiosity strategy. But if your job function includes business development and you are responsible for creating revenue opportunities that otherwise wouldn't exist, then using mini-invitations to make people more receptive can pay huge dividends.

Basically, a mini-invitation is the customer's way of saying, "Tell me more." It's the equivalent of a decision maker saying, "Mr. Salesperson, I'm interested enough to continue the dialogue, so can you please take a few minutes and explain your solutions?" Of course, the customer's interest (in the form of an invitation) paves the way for you to educate him or her. Similarly, if a customer said, "Mr. Salesperson, could you please ask me a couple specifics to better understand my needs?" that would instantly change the complexion of your sales interactions. Customers would go from being standoffish to being intrigued, to the point where they are actually inviting you to take the lead in the conversation.

Inducing curiosity, as a positioning strategy, is applicable in every industry. While one could argue that some of this is just common courtesy, using curiosity to create mini-invitations is highly strategic because it generates a predictable outcome. ●

Positioning Your Solutions Against the Competition

Whether you are making a sales call, working in the booth at a trade show or delivering a product presentation, your ability to competitively position your solutions is critical to your success in sales.

Positioning an effective value proposition is more than just rattling off a bunch of features and benefits, however. For decision makers to register real value, they must conclude that your product's capabilities are the most cost-effective as compared to other options. Note that I'm not saying you have to be the cheapest. You just have to be the most valuable solution that satisfies their particular needs.

If the outcome of the sale comes down to whoever has "the ability" to convey the most value, then having superior positioning skills can absolutely give you an unfair advantage.

The only question now is: What can you do to put yourself and your products in the strongest possible position to win business?

Winning the Battle for Conversational Control

To me, the most important reason to have at least some control over your dialogue is to make the best use of the customer's time, by keeping the conversation on track. As a salesperson, you should have a pretty good idea of how you can provide value prior to making the call. Thus, it stands to reason that if you are able to steer the conversation toward those areas that are most beneficial to the customer, you will accomplish much more than if you just let the conversation wander. Whether you get five minutes or two hours in front of a customer, providing maximum value during this window of time not only is good for customers, it also places you in a strong competitive position.

So, how exactly is a salesperson supposed to control his or her sales conversations, especially when decision makers are cautious or standoffish? Strangely, the answer to this question comes down to simple punctuation — use questions, not statements.

Always remember that decision makers are not so concerned about your resume during a job interview, just as customers don't really care what's printed on the product brochure during a sales call. What potential buyers are interested in is how those details will affect your performance in the job or how a salesperson's advice will help them accomplish their goals. Recognizing this will make you exponentially more effective when it comes to competitively positioning yourself and the value of your solutions. ●

Paint Pictures with Your Words

Most people think in pictures, not words. Thus, if you want to be an excellent communicator, your words must enable customers to visualize the potential value of your proposed products and services.

Painting pictures with words is an extremely valuable sales skill, but one that is generally left up to the individual to figure out on his or her own.

I'm sure you've heard the saying that a picture is worth a thousand words. It's true. Try reading a short

written paragraph describing something and then look at a picture of the same item. When you see the visual image, your brain begins to process specific shapes, colors, shading and depth. You will automatically recognize visual contrasts between the various objects that exist in the picture. An emotional response may also be triggered if you associate something in the picture with an experience you've had in the past. The neurons in someone's brain fire instantaneously when they see an actual picture rather than just hearing a bunch of words.

Create Visual Images in the Mind

If you want prospective buyers to recognize the full value of your product or service, then your company's story and the messages you convey must be articulated in a way that creates visual images in the mind of your target audience. You do this by painting pictures with your words. Essentially, this is the skill of storytelling.

One of the best ways to communicate with people as you execute the various steps in the sales process is to leverage stories, anecdotes, metaphors, analogies and parables to enhance key points you want to make.

Using stories to better relate to your audience enables you to translate the capabilities and potential benefits of your recommended solution into real value for the customer. Given that most people who evaluate your product or service are comparative thinkers, they will naturally try to put your value proposition into some type of context, most likely by relating it to something they are already familiar with or understand.

The best advice about articulating a valuable message is to think less about what you are trying to say and more about what the customer needs to hear in order to move forward with a favorable decision. ●

Wrapping Up the Sale

Closing can be relatively simple once you reach the point where your customer is ready to move forward with a purchase. But if a decision maker isn't yet convinced that your product or service provides the right solution, then more selling needs to occur.

Since a sales transaction usually represents the culmination of several smaller victories on the way to closing the larger sale, a savvy salesperson can revisit many of the same strategies and techniques used earlier in the sales process to close more deals.

The act of closing a sale should be an anticlimactic event. If a client clearly recognizes the value of your product or service and agrees that your solutions will help him or her address important needs, then wrapping up a sales transaction shouldn't be more difficult than just saying, "Press hard, five copies." However, if the customer does not see the value of your solutions, using manipulative closing gimmicks is probably not going to help you win the business against a viable competitor.

The real "trick" to being successful in sales is causing customers to see the value of how your solutions will address their needs and, within the process, make them comfortable enough to justify a decision to move forward with a purchase.

Find Out Where You Stand

Putting the awkwardness of the situation aside, closing is really about getting an accurate report as to where you stand in the sales process. Is the customer ready to move forward with a purchase? If not, what things might be holding him or her back?

Knowing the true status of the sale is the only way a salesperson can know how best to proceed.

The best way to find out where you stand in the sale is to put your closing question in hypothetical terms. After you have identified the customer's needs and educated him or her on the full extent of your value proposition, go ahead and summarize the progression of events that brought the decision process to this point. Then you can simply ask the customer if it "makes sense" to take the appropriate next step. ●

A Balancing Act

It's a balancing act — sellers must be forthright enough to find out where they stand in the sale and know how best to proceed, but there isn't any upside to being harsh, pushy or manipulative at the end of the decision cycle.

One of the ways to avoid sounding like a money-grubber is by focusing on the broader decision, not just the impending purchase. For example, I might ask, "What is the typical administrative process for this type of decision?"

RECOMMENDED READING LIST

If you liked *Sell Yourself First*, you'll also like:

1. ***Rainmaking Conversations* by Mike Schultz and John E. Doerr.** Rainmaking Conversations offers a research-based, field-tested, practical selling approach that will help you master the art of the sales conversation.
2. ***SNAP Selling* by Jill Konrath.** In the new age of selling, sales is no longer a numbers game. Konrath offers four SNAP rules to win more sales and she teaches us that sales is an outcome, not a goal.
3. ***Exceptional Selling* by Jeff Thull.** Thull shows readers how to create a different kind of relationship with customers and reframe the typical sales conversation.

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Selling Without Selling Out

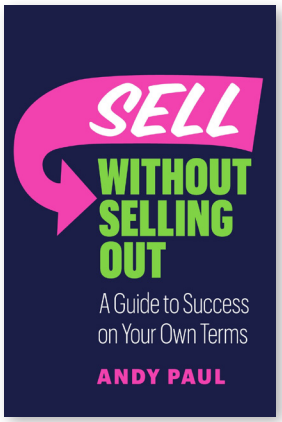
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Selling Without Selling Out

A Guide to Success on Your Own Terms



by **Andy Paul**

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THE SUMMARY IN BRIEF

Selling is all about persuasion, right? Or is it possible that 'persuasion' is no more than a blunt instrument that sellers use when they haven't yet learned to harness the power of influence in their interactions with their potential customers?

If you feel as though you're in danger of becoming a 'sales zombie' who has stopped learning, stopped improving, and who goes through the motions of sales in a mindless and uninspired way, you're likely on the hunt for a better way.

In ***Selling Without Selling Out,*** entrepreneur, sales expert, and podcaster Andy Paul shares the tools, mindsets, and strategies that can help salespeople break free. The result is that you'll take charge of your own career on the strength of the four Sell In pillars: Connection, Curiosity, Understanding, and Generosity. You'll also become more human in your selling, speaking to the human being in each individual you sell to. Finally, you'll forever escape the 'salesy' label that can mark the death of any sales career.

IN THIS SUMMARY, YOU WILL LEARN:

- How to stand out in a world crowded by salespeople trying to blend in.
- How to be more human at every stage of the selling journey, and why you should.
- How to consistently avoid 'salesy' language, techniques, and mindsets when communicating with customers.
- The four Sell In pillars that lead to dramatically more effective selling.

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Introduction

This book starts by laying out how traditional sales behaviors work against you and against what you're trying to accomplish in sales. And in life. I'll teach you how to take control of how you sell in order to help your buyer achieve the thing that's most important to them, and help you achieve what's most important to you. All on your own terms.

At the heart of taking control are four core sales behaviors. These are the Sell In Pillars: Connection, Curiosity, Understanding, Generosity. Everything that I've accomplished in my professional and personal lives has stemmed from how I've embodied these four behaviors to help others achieve the things that are most important to them. Everything else is window dressing.

Stand Out or Sell Out

In *Atomic Habits*, author James Clear writes, "Every action is a vote for the type of person you wish to become." This statement begs the question: what type of seller do you want to become? A sellout who struggles to establish a firm footing in sales? Or a consistently good seller who sells in and stands out year after year? There's often a yawning chasm between how sellers imagine themselves professionally interacting with and helping their buyers, and how they sell in reality. There's also a wide gap between how their buyer perceives them and how they would like to be perceived, which is as a trusted advisor and source of value.

Pushy. Self-interested. Lazy. Uninformed. Clueless. Buyers often use these adjectives to describe salespeople. Unfair? Of course. But buyers' seemingly instinctive distrust of sellers didn't materialize out of thin air. Buyers' experiences with sellers continue to reinforce this negative perception. And sellers have helped perpetuate this problem through the salesy techniques and behaviors they're trained to use. It doesn't need to be this way. But the impetus for change has to come from you, the individual seller. It's not going to come from your bosses or managers. They're invested in the status quo.

Selling to Humans

Sales is a human business, but sellers aren't very good at selling to humans. More often than not, your customers make the decision to buy from you in spite of vou, not because of you. If you're going to stop Selling Out, you have to take control of how you sell. Before you can do that, you first have to understand exactly what your buyers need from you.

According to a Forrester study, executives consider less than one fifth of the meetings they have with salespeople to be valuable. In other words, more than 80 percent of buyers earned zero return on the time and attention they invested in you. Buyers are figuratively holding their noses and buying from you in spite of your best efforts to sell to them. This happens primarily because you have been Selling Out.

Look at selling this way: every choice and decision a buyer makes during their buying journey is their referendum on you. And it's personal. Not in a "you're a bad human" sort of way. Personal as in "you don't really understand what's most important to me. so I don't have confidence that you can help me get it." If, to paraphrase Dan Pink, to sell is human, then we need to learn how to get much better at selling to humans. Because our buyers are moving on without us.

You're Not the Boss of Me

Step one in your transformation from Selling Out to Selling In starts with taking control of how That's why your sales boss will hate that you're reading this book. Selling In requires that you behave more independently, act more autonomously, and exert more personal control over how you sell. Sellers largely operate in environments in which too many sales bosses prioritize conformity and predictable mediocrity (or is it mediocre predictability?). They slap a few layers of new technology on outmoded sales processes and call them "modern." Sales processes that are enforced by data-driven metrics and key performance indicators (KPIs) rob sellers of their autonomy and strip the soul out of selling.

But sales bosses are afraid to stray from what they know, afraid to stray from the playbook that sort of works. Adopting a sales approach that differs too much from the herd mentality, even if it makes sense, could be disruptive to their careers. However, that's their problem. Not yours. You have to do what is best for your buyers. Just so I'm clear: what's best for your buyers is also what's best for you.

Death to Salesy

The next step in taking control of how you sell is to refuse to act in ways that buyers automatically resist. Here's the thing. Selling is very simple. Don't confuse simple with easy. Selling is hard, hard work. That is never going to change.

Let's illustrate why salesy needs to go. The one question you can guarantee that your buyers will never ask you is, "Could

you be more salesy?" Let's look at salesy from the buyer's perspective. Being salesy is a way of acting that universally makes buyers squirm. Salesy is Selling Out. Ask yourself this question: Is "being more salesy" the answer to helping my buyer define the problem they need to solve make sense of the information that I provide, understand their options for achieving their most important thing, calculate the value of my solution, or make an informed decision? The answer is a resounding NO.

Influence Rules, Persuasion Drools

If you're going to stop being salesy, then you need to have the right mindset and perspective about the interactions you have with your buyers. Despite the best efforts of various sales experts and sales trainers to conflate and interchangeably use the words influence and persuasion, they are not the same thing. There's a reason Dale Carnegie didn't title his classic book How to Win Friends and Persuade People.

To persuade means to prevail on someone to do something by argument, entreaty, or expostulation. To prevail is to gain ascendancy by strength. In other words, to coerce a buyer to do something, which just reinforces their negative image of sellers as sellouts. If your primary job in sales is to understand what the most important thing is for your buyer, and then help them get that, then what value does persuasion offer? Are you going to persuade the buyer to change their mind about what is most important to them?

The One Question Every Buyer Will Ask You

"Why should I buy from you?" This is the question that every buyer, every stakeholder in a decision, will ask you. After killing off salesy and putting the lid on persuasion, how you answer this question is the most important step in taking control of how you sell. It's where you irrevocably move from Selling Out to Selling In.

Scan this list and you'll see that hardly a day passes when you aren't asked this question in one form or another.

- Why should I work with you?
- Why should I trust you?
- Why should I invest my time in you?
- Why should I collaborate with you?
- Why should I take advice from you?
- Why should I buy from you?
- Why should I risk my money on you?
- Why should I accept you?
- Why should I hire you?

At heart, these are all the same question. Scroll through that list of questions again. This time, delete all the words between Why and you. You see, the real question that people are asking is "Why... you?" This is why it's so critically important to be in charge of how you sell. Because you are the difference between winning and losing.

The Sell In Pillars: Selling Without Persuasion

Your buyers can get product features, technical specifications, and pricing from the internet. What they can't get from your website are the questions, context, insights, and other forms of value that help them fully understand their problem and visualize what success looks like. That comes from how you are Selling In: the Connection, Curiosity, Understanding, and Generosity they can only get from you, the human seller.

Connection

Look at your own experience buying products or services. Or your experience paying for advice. It doesn't matter whether it's for personal or business purposes. Think back to all the salespeople, real estate agents, doctors, financial advisors, therapists, and others that you have chosen to work with in your life. Before making that choice, how often did you say to yourself, "You know, I'm not sure I really trust this financial advisor. But what the heck, I'm going to invest my money with her anyway." Or "This painting contractor kind of gives me the creeps. But I'm going to use him anyway."

The answer is never. You didn't. And your buyers ask the same exact question about you. Don't believe anyone who tells you differently. Good things rarely happen in sales without that human-to-human connection. It's possible. But not highly probable.

Curiosity

The late Anthony Bourdain used his food travelogue series to connect with people from all cultures in every corner of the world in order to learn about them and their stories. Bourdain said: "What I do is not complicated. Any stranger who shows an honest curiosity about what the locals think is

the best food is going to be welcomed. When you eat their food, and you seem happy, people sitting around a table open up and interesting things happen." Think about this in the context of what we do as sellers.

If you meet a new prospect and default to the uninterested interrogation of them with your list of scripted questions, then that door will be closed to you.

If you meet a new prospect and show an honest curiosity in them, and the things that are important to them, then you will be welcomed. And when your buyers respond to your curiosity, opening up and talking about the things that are most important to them, that's when interesting things happen.

Understanding

Behavioral scientist Kurt Lewin has been quoted as saying, "If you want to truly understand something, try to change it." That's what you do as a seller. You help buyers make a change. Understanding is essential. In fact, understanding may be the most critical source of value you can provide to your buyers.

Generosity

You've heard of buyer-centric selling, right? It's one of the more commonly mentioned, and least utilized, modes of selling. The idea makes perfect sense: Place the buyer at the center of your sales efforts. Align how you sell with how the buyer buys. It's something we should all aspire to do.

However, for most sellers, buyer-centric selling falls victim to the demands of the archaic, linear, stagebased sales processes that they've been trained to follow. The processes in which the buyer is merely an inconvenient obstacle that stands in the way of their getting an order. Sound familiar? Let's try something better. A new perspective to add to your selling. Selling, when done well, is an act of Generosity. If the prime objective of Selling In is to listen to understand what the most important thing is to your buyer and then help them get it, then Selling In is, at heart, an act of Generosity.

The "Secret" Sales Accelerator

Sales acceleration is a myth. However, there's a hidden bonus when you're Selling In. You can experience a kind of trampoline effect, a quasi-sales accelerator, that actually enables your buyers to make their decision sooner than they had planned. Meaning that you'll help your buyers achieve their strategic objective of quickly gathering and making sense of the information they need to make their purchase decision with the least possible investment of their time, attention, and resources.

Conclusion

You can seize control over how you sell. Not only can you; you have to. Sellout zombies never change. But you are different. You can choose to take action. And make an immediate difference.

By Selling In.



Andy Paul has more than 30 years experience as a sales professional and Vice President of Sales with enterprises ranging from Fortune 1000 companies to technology start-ups. As Founder and Principal of the Sales Action Group he has consulted with numerous CEOs to help them discover the key to consistent sales success.

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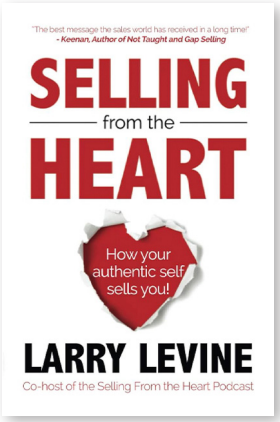
Selling from the Heart

Larry Levine

Executive Book Summaries®

Selling from the Heart

How Your Authentic Self Sells You!



by **Larry Levine**

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THE SUMMARY IN BRIEF

The world of sales has progressed beyond manipulative, self-serving, and pushy mantras for "closing the deal."

The book ***Selling from the Heart: How Your Authentic Self Sells You!*** helps readers build a fail-proof recipe for success by using the power of authenticity. The pages within talk about the importance of building relationships, being authentically you, and genuinely taking care of your clients.

By deploying learnings from his successful sales career, author Larry Levine lays out insightful and actionable ways salespeople can truly know themselves, operate with brutal honesty, prospect consistently, understand clients deeply, build lasting relationships, and finally become successful at sales. His lessons help learners evolve from mediocre "sales reps to winning "sales professionals."

IN THIS SUMMARY, YOU WILL LEARN:

- How to be authentic and sell from the heart.
- How to prospect consistently and build lasting relationships with clients and prospects.
- How to truly understand and fulfill the needs of clients.
- How to use the power of content and social media to start meaningful conversations.

Introduction

Authenticity. This was the word that started me on the journey of selling from the heart. This book is divided into two sections: Finding Your Authentic You and The Sales Skills of an Authentic Sales Professional.

Authenticity is the key to being a sales professional instead of a sales rep. It allows you to get rid of sales chaos, where you must be in control of everything. When you are truly yourself, you learn to own your story and use it to sell.

Join me as I take you on a journey to sales success. Throughout this book, we'll be looking at what it means to be authentically you and how to use this to brand yourself. We'll also be looking at the skills authentic sales professionals possess, including prospecting and leadership.

Part 1: Finding Your Authentic You

Chapter 1: I Finally Found the Real Me

The first year of my sales career was pure torture. In that entire year, I made a minuscule $18,000. But my failure triggered my biggest breakthrough. I knew there had to be something better. I had learned the basics, but my education was far from complete. I had learned a long time ago there's no shame in asking for help, but I wasn't getting the help I needed from my first sales manager. So, I decided to become my own sales manager.

I tracked and monitored who I was losing to, who the sales reps were, and where they worked. I set up a meeting with each sales rep I was losing to. They started sharing with me why they enjoyed working for their respective companies as well as a bit about themselves. The insight into their processes was the start of learning to build professional relations.

One of the things I was never coached nor mentored in was the art of building relations. Throughout my journey, I began to learn how to read people, understand them, and treat them the way I want to be treated. I started to sell to my customers the way I wanted to be sold to.

Commitment to excellence is the key to unlocking your success today. If you want to get ahead in life, you must hold yourself accountable to YOU. A true sales professional takes ownership of everything they do as they facilitate the buyer's journey. Become serious about your work and put in the time it takes to become a true sales professional.

I've seen so many salespeople hindered from achieving success because they're trying to be someone they aren't. Instead, learn to align your actions with your core self, be genuine, be authentic, and get to know yourself. You can be your true, authentic self and be great at sales.

Chapter 2: Brutal Honesty – It's the Only Way

You're reading this book because you want to become better at the art of sales. The first step is recognizing who you are in the sales world. What do you stand for? One of the main reasons why you may view yourself as a sales rep instead of a sales professional is chaos. What does chaos look like inside the mind of a sales rep? Let's look at these symptoms:

- Only looking through your own eyes
- No planning
- Lack of time management and patience
- Not doing the small things right
- You get beat on price
- There's no coaching from the leadership
- Actions do not match words
- A need to control everything

So, how do you get rid of Sales Chaos? The first step is self-reflection. Continuously reflect on your performance. What helped you to succeed during the day, week, or month? What caused you to lose a deal? What caused you to win a deal? Self-reflection allows us to understand what's important while focusing on what could be done differently. Self-reflection is never easy, but for sales professionals, this is the difference between just getting by and making it happen.

The next step is self-awareness. Are you always your authentic self? Are you living as the real you and not someone else? Do your thoughts match your actions? Does your walk match your talk? Are you emphasizing the positive aspects of your personality? Acknowledge the good and the bad within your story. Learn how to let go of past guilt, failure, and regret as you start living your life with conviction.

The third step is to challenge yourself. Are you investing enough in yourself? Whether it's investing in learning a new skill, developing yourself professionally or personally, or contributing to community service, you need to give to yourself first before you can give to others. Investing in yourself sends a powerful message to yourself and those around you. I encourage you to build confidence in your abilities. I challenge you both personally and professionally around these five areas:

> "... everyone has a brand. It's the opinion people form about you that will equate to a part of your brand."

- Seek to become an expert in your field of work
- Constantly crave feedback on YOU
- Be brutally honest with yourself
- Set goals and create a business plan
- Never, ever stop learning

Chapter 3: Validating Your New Identity

Something special happens on your journey of self-discovery. You start becoming more aware of who you are, and how your uniqueness contributes positively to your clients, your prospects, your centers of influence, and those who know you the best. But how to share your story in a way that it positions you as the go-to sales professional everyone wants to work with...

First, everyone has a brand. It's the opinion people form about you that will equate to a part of your brand. One simple keyword: it's your promise! Every single day your brand is being built by your actions: How do you interact with your clients? How do you communicate with your prospects? How do you interact with your fellow employees? How do you associate with your manager? These actions are all formulating the foundations of your brand.

It's imperative in today's business world for sales reps to learn how to market themselves proactively. After all, how do you expect to get noticed in your marketplace when nobody knows you exist?

To market yourself and grow your business, be clear about the value and your uniqueness you bring to the marketplace. Go back to the clients who know, like, and trust you and ask them, "Can you share with me three ways I have brought added value to your business?" If you are a young sales professional, go back to your friends and family and ask them the same question. Understanding how to brand yourself begins with self-awareness and becoming brutally honest with how well you know YOU. Building your brand is understanding your combination of interests, beliefs, aspirations, values, talent, and skills. All those characteristics are combined to form 2 words: your promise. Always remember to communicate your promise; this is your brand identity. Broadcast your value into the business community. Become the difference maker! Communicate your promise; This is your brand identity.

Create your unique sales story and tell it in a way that resonates with your clients, through their eyes. Get better acquainted with your current clients and understand the difficulties you've settled for them. Then, use those stories to help you as you prospect for new business. Now, you can't tell a story about something you haven't experienced yourself. For instance, if you're selling software to help reduce the amount of paper someone has in their office, why not personally experience what it can do?

Even if a sales rep has come up with "a story," they fail to capitalize on having it validated. A sales professional, on the other hand, backs up their stories with testimonials. This is why it's so important to validate your story by interviewing your clients and understanding how they feel about you.

Chapter 4: The Hard Work Mindset

Why is your mindset important in sales? All too often, we beat ourselves up. We turn the mental hammer on ourselves when we feel like we're getting beat up by our clients and prospects. Then our sales managers hammer on us about what we're doing wrong as opposed to what we're doing right. Before you know it, you find yourself in a deep, dark hole and you don't know how to crawl out of it. How do you fix it? Surround yourself with positive people, ones you can trust. Create an inner circle of mentors, friends, and family who want to see you succeed.

Let's face it: in sales, we get a ton of rejection. You've got to be strong-minded, strong build, and thick-skinned. You will get beat up, and you must be able to handle it and take it in stride. Develop a learning mindset. I know you're capable of cultivating it.

Sales reps today have hypnotized themselves into believing what they aren't doing doesn't work. The scarcity mindset limits your ability to accomplish great things. It doesn't matter if it's outbound, inbound, all-bound, traditional, mod-

ern, or social; you must use every single prospecting tool available when it comes to developing your business. Some other flawed mindsets sales reps face include:

- Victim mentality
- Not believing in yourself
- Constantly complaining
- Fear of change
- Fear of ego
- Giving up
- Knowing it all
- Trying to impress

All these issues lead to them giving up. If you're dealing with any of these mindset issues, it's time for you to start having a serious talk with yourself. Remember, there's no gatekeeper except the mental one. Acknowledge you are important and start making daily appointments with YOU. Set an appointment with yourself to read for fifteen minutes, exercise, write thank-you notes (to your friends, people who mean a lot to you, and your clients), and uncover what you could be doing better.

Part 2: The Sales Skills of An Authentic Sales Professional

Chapter 5: What Consistent Prospecting Looks Like

The biggest problem with salespeople today is they're consistently inconsistent with how they go about developing their business. The root of all sales evil is an empty pipeline. The reason why an empty pipeline exists is your fault. Not your company's fault or anyone else's. It's the failure to make a non-negotiable deal with yourself, repeating to yourself every single day, "I must set aside the time to prospect." It all boils down to a few things: lack of patience, laziness, poor management, and a reactive, not proactive, approach to prospecting.

To me, a sales professional does the complete opposite of that of the average sales rep. They're proactive and offensive-minded about prospecting. They operate as if they're the CEO of their own business, whereas an average sales rep operates as if they are an employee of the business doing the bare minimum expected to get by and collect a wage.

Sales professionals control what happens inside their sales funnel because they know that sales are ultimately a numbers game. For instance, to reach $125,000, you must make a certain number of sales. To make those sales means you must do so many qualified meetings. To get those meetings, you need to make "X" number of calls and speak to "X" number of people to coordinate these meetings. You must then break this down into how many you must do every day, week after week.

Combine both offline/face-to-face prospecting and online/social media prospecting. Equate face-to-face prospecting to business development or networking. Become actively involved in community groups. Interact within your centers of influence. Get to know your city officials. Face-to-face prospecting is not dead. It is still alive and well. The only difference is you adjust it according to the market.

Online becomes an augmented prospecting approach based upon the social channels your clients and buyers hang out on. When leveraged correctly, these social tools integrate strategically into a business development cadence. Use social media platforms like LinkedIn, Twitter, Instagram, or Facebook to observe and learn more about your clients and prospects online. Strategically engage, educate, and create awareness on these platforms to drive conversions.

Social Window + Social Phone + Social Selling = Enhanced Sales Funnel.

But what if you're brand new to sales? Develop a cadence for what prospecting tools to use daily, weekly, and monthly. Then develop a rhythm around it. Some ideas include email, social, face-to-face, quarterly business reviews, networking events, community involvement, and referral partners. The right activity + enhancing the skill set + daily habits = Sales Success.

Chapter 6: Servant-Led Sales Leadership

Servant-led leadership is learning how to serve with heartfelt sincerity instead of learning how to service.

Adopting a servant leadership mindset takes a conscious effort by learning and committing to develop self-effectiveness in areas such as listening, empathy, healing, persuasion, and foresight.

Actions speak louder than words when serving with the heart. Serving a client goes beyond actually doing what you've been hired to do.

> "Serving a client goes beyond actually doing what you've been hired to do."

Seek to open up communications. Have meaningful conversations with your clients outside of the selling process. The best of the best know how to bring the conversation out in the open. It is about uncovering the conversation your client or prospect is having with themselves. This enables open and honest communication to what is really going on providing the freedom to engage in a mutually beneficial relationship.

Use community service to enhance your sales. Ask yourself, "What does community service mean to me?" When prospecting, look at your target list of accounts and start conducting research. Look for charities, schools, or even the local events inside the community they volunteer within. Get involved and volunteer because you may never know who you will run into.

Understand the client's needs on a profound level. This means you must make personal commitment to yourself to understand your client inside and out. Help them identify emerging needs. You must have your clients' best interests – which means you have to be continually educating them. Be full of ideas and solutions. Help them notice some new business opportunities.

Whoever wants to become a sales professional must become a servant!

Chapter 7: Taking Care of Your Clients

If you don't care for your clients and provide them with an outstanding experience, I guarantee there's someone else waiting in the wings to enhance the experience.

You must lead with a servant mindset by bringing the human element back into sales. Make it about the customer. Continue to take them through the journey after the purchase. Salespeople discuss everything that leads up to the sale but a true sales professional shares what's going to happen after the sale.

Sales professionals start by setting up a post-sale game plan that's mutually agreed upon between the client and themselves. They make a post-sale interview on how everything went during the buying journey, making sure they fulfilled and acted upon all the promises made up to the point of sale. Then they share what will happen next:

- This is what you can expect from me on a monthly or quarterly basis
- This is how I'm going to grow our relationship
- This will be ongoing and continued
- This will be through the insights I will bring to your organization
- Sales professionals take it to the next level: you must make three promises:
- You must have a consistent touch point with each contact inside every current account. Pledge to develop relationships with at least six people inside every one of your current accounts.
- You must conduct monthly site visits. Become visible and valuable inside your accounts. Diversify your relationships while establishing consistent communication patterns during these visits.
- You must conduct quarterly business reviews that are designed to create engagement. Demonstrate on a strategic level top-of-mind awareness with your clients.

Other important things for sales professionals to do include building trust, providing strategic advice, showing you are accountable, and thankfulness.

Chapter 8: Continuing Education

Sales is evolving all the time. If you fail to educate yourself continually, the sales world will pass you by. Salespeople must know ten times the content than that of the buyer.

A true sales professional takes pride in their profession. They know that if they don't invest in themselves, nobody else will invest in them. They hold themselves personally accountable for their learning and development. They're constantly purchasing books, listening to podcasts, and seeking out other sales professionals for advice. Here are five things sales professionals do:

- They hold themselves to a much higher standard

- They continually prospect, keeping their sales funnel full
- They never stop learning
- They are always helping (by keeping the customer's needs before their own)
- They have become digitally savvy sales professionals

Always be on top of your industry, look ahead and monitor trends, master the short and long-term goals for your clients, and be keenly aware of your competitors. Invest in yourself and never stop growing.

Chapter 9: Content That Creates Conversations

Content is an important strategy for building sales in today's world. Your prospects are constantly conducting pre-purchase research to understand their options via a combination of channels including search engines, social media, email, and numerous competitive websites. Learn to digitally fish in the same online ocean that your clients and prospects educate themselves with.

Integrate the use of content as an additional method of communication along with all your other outbound prospecting endeavors. In cases where sales and marketing may not be aligned, take ownership by building a digital library of content which can then be used to teach and tailor your audiences through the buying and sales journey.

Use content as a sales positioning tool. Capturing, conversing, collaborating, and connecting along with providing relevant and insightful content to grab the attention of the executive buyer will determine your sales success in the twenty-first century.

Leverage content as bait. Gather the top questions you hear from your clients and prospecting and answer them in a blog format. Potential prospects researching for those answers online could end up finding your blog posts. Remember, your clients and prospects not only search by keywords but by topic entered into a search engine.

Leverage LinkedIn as your own personal website. Position yourself as a valuable resource to educate, engage, and delight your network. Use testimonials from your previous clients. Twitter, Instagram, and Facebook are a few other channels you can focus on. Know how to position yourself on at least two social media platforms correctly.

Chapter 10: No More Empty Suits!

Commission breath describes a sales rep who's so hungry for a deal that they will say or do anything just to get it. These sales reps are more interested in the commission than the relationship.

Your prospects are smart. Your clients are even more intelligent. They can smell commission breath a mile away. Commission breath can be cured by adopting a Selling from the Heart lifestyle, by genuinely caring about your clients, and becoming absorbed with their needs and not your own.

Remember, sales professionals are leaders, not empty suits. An empty suit is someone puffed up with their own importance but having little effect on the lives of others. A sales professional is heartfelt, and sincere, and fills out a suit with empathy, emotion, and excitement.

Don't be mediocre. You can survive and get by operating with a mediocre mindset, but you'll never thrive. Sell from the heart and wage a war against mediocrity by practicing your selling skills like an athlete and refusing to chase the shiny silver bullet to success.

It's a bunch of little things done well, every single day that make a great sales career. It's consistent prospecting, building a strategic network, gaining business knowledge, self-awareness, practicing the art of conversation, and time management. So, always keep learning.

Conclusion: Writing Your Manifesto

How much are you willing to commit to yourself and to your future? One of the things I did this year was to create a manifesto, a series of commitments to myself that I choose to live by daily.

I'm not going to tell you there is a right or wrong way to write a manifesto; The style is completely up to you. You may want to make it simple, and straightforward and state with passion why you believe in each principle.

Write down your beliefs, motives, and intentions around each type of topic. Your manifesto is an opportunity for you to lay it all out there by being real, genuine, and staying true to YOU. I want to close with this. I believe in you, now it is time for you to believe in yourself. It's time for you to take your sales career to the next level.



Named a top 50 sales influencer by The Daily Sales, **Larry Levine** is catalyzing a movement of authenticity in the sales profession. With 29 years of on-the-street selling experience in the Los Angeles market, Larry discovered the key to success in sales is to bring your authentic self to your prospects and clients. Companies large and small are taking notice. Larry has trained thousands of sales professionals across many industries. In addition to co-hosting the Selling From the Heart Podcast, Larry leads a growing community of sales professionals inside the Selling From the Heart Insiders Group.

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Selling the Price Increase

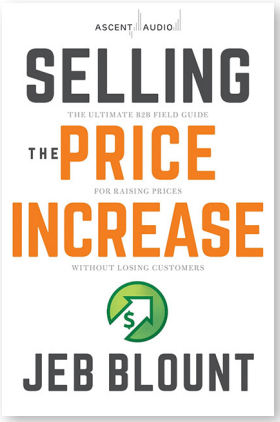
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Selling the Price Increase

The Ultimate B2B Field Guide for Raising Prices Without Losing Customers

by **Jeb Blount**



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THE SUMMARY IN BRIEF

Inflation, demand surges, supply shortages, increased costs, shareholder demands, growth initiatives, mergers, and capital-intensive investments can all lead to the need to approach customers with price increases–as can the regular costs of doing business. It is critical to the financial health of B2B organizations that sales professionals hone the skills to successfully approach price increase conversations with customers. Author and sales training extraordinaire Jeb Blount and his team at Sales Gravy have helped hundreds of organizations successfully sell price increases without losing customers.

In ***Selling the Price Increase: The Ultimate B2B Field Guide for Raising Prices Without Losing Customers***, Blount shares the repeatable system that reduces anxiety, builds confidence, and is easy to learn, coach, and deploy in the field. This tactical field guide is for frontline sales professionals, account managers, and sales leaders who want strategies, tactics, and techniques for approaching customers confidently and gaining price increase acceptance without damaging long-term relationships.

IN THIS SUMMARY, YOU WILL LEARN:

- How to disrupt the mindset of fear.
- How to protect customer relationships.
- The five-step price increase sales process.
- Making the case for and closing a price increase.

Part I: Disrupt the Mindset of Fear

The truth is that salespeople love to close sales, love to give discounts, love to make our customers happy, love to solve problems. But, as a rule, we have a psychological aversion to and loathe selling price increases.

Given the choice between selling price increases and doing anything else–and I mean anything–salespeople will always choose anything else. There are many reasons why, including:

- Conflict avoidance
- Fear of rejection
- Desire to be liked by their customers
- Awkwardness of communicating price increases
- Sympathy of customers
- Fear of losing customers, sales, and income
- No buy-in to the justification for the price increase
- The price increase is not aligned with compensation
- Lack of understanding of the impact of price increases on their organization

Price Increases Matter But Salespeople Hate Price Increases

Nothing else in the business-to-business sales arsenal protects the health of your company like price increases. They protect the enterprise during inflationary periods, produce capital for investment in growth, help improve quality and service delivery, boost stock prices, and protect jobs.

The payoff for price increases is massive and it is the single greatest profit improvement opportunity and strategy for B2B enterprises. That is, of course, if you retain your customers along the way.

Customer retention is exactly why your company leans so heavily on you to execute price increase campaigns. Sales professionals have the most intimate knowledge of the customer base, are skilled communicators, and professional closers.

Except that, in overwhelming numbers, sales professionals express deep anxiety and lack of confidence with price increase initiatives. They fear that they will lose customers and permanently damage important relationships. They feel that they lack the skills to approach price increase conversations effectively. Compounding this is the fact that most companies provide little to no formal training for selling price increases, even for frontline leaders who must coach this critical skill set.

The Five Fears

When it comes to approaching price increases, sales professionals tend to worry about five potential outcomes. They fear that their customer will:

- Defect to a competitor, and they will lose the account.
- Stop buying or reduce purchases of a particular product or service.
- Bring up past service deficiencies or product-quality defects as an objection to the price increase.
- No longer like or trust them, and the once-friendly relationship they had with the account stakeholders will disintegrate.
- Get angry, argue, or pummel them with hard objections and rejection.

At the heart of each one of these worries is the deep-seated fear of conflict and rejection. These fears cause you to hesitate, procrastinate, hide from potential conflict, and make excuses. They cloud objectivity, leading to anxiety, insecurity, and worry.

Mastering the Fear of Rejection

The fear of rejection is your Achilles' heel when approaching customers with price increases. This is why mastering your fear is the real secret to mastering price increase conversations. In these situations you must focus on what you can control rather than what you cannot:

- Your actions
- Your reactions
- Your mindset

The truth that few people will tell you is that your fear of rejection, and the worry that stems from it, is not a psychological problem. Rather, it is biological and baked right into your human DNA. You can't just snap your fingers and detach from this emotion. It doesn't work that way.

You'll need to deploy sustainable techniques to rise above this fear. This begins with awareness that the emotion is happening, which allows your rational mind to take the helm, make sense of the feeling, and choose your behavior and response.

Emotional discipline is managing your outward behavior, despite the volcanic emotions that may be erupting be-

It's up to you to decide that you no longer want to feel intimidated, insecure, and inferior when presenting or asking for a price increase.

low the surface. This is how you display relaxed, assertive confidence when presenting price increases. Like a duck on the water, you appear calm and cool on the outside, even though you're paddling frantically just below the surface.

There is a difference between experiencing emotions and being caught up in them. Awareness is the act of rising above your emotions and becoming a detached, dispassionate observer. It begins with learning to understand and anticipate the anxiety that comes with price increase conversations.

The most effective way to learn how to conquer obstacles is to encounter them repeatedly until, instead of looking insurmountable, they seem easy. To become more effective with price increase conversations, you must first do the hard work of getting past your fears.

You must make the decision that you are tired of wasting energy on worry, stress, and anxiety over your fears. It's up to you to decide that you no longer want to feel intimidated, insecure, and inferior when presenting or asking for a price increase. You must decide to change.

Emotional discipline in the face of potential rejection is like a muscle. The more you exercise it, the stronger you become. You develop obstacle immunity.

Four Keys to Developing Price Increase Obstacle Immunity

Adversity is your most powerful and impactful coach. Things that challenge you change you–most often for the better.

Here are the four keys to developing obstacle immunity when selling price increases:

1. Be ready and be open to gaining resilience through the crucible of adversity and pain.
2. Intentionally choose to put yourself in uncomfortable, rejection-dense situations.
3. Actively seek rejection by asking confidently for what you want.
4. Push through the early pain until you ignite your own virtuous loop of confidence.

Part II: Protect Customer Relationships

Here's a blinding flash of the obvious: The effort you put into selling price increases doesn't matter if you lose your customers or their future orders in the process. Chasing your good customers and high value accounts into the arms of your competitors is bad business. But, so is allowing profits to suffer because you are afraid to get the prices you deserve, for the value you are delivering, because you worry you will lose your customers.

Price Increase Initiatives Are Dual Focused

No matter if you are involved in a board price increase campaign or selling a price increase to a targeted account, your mission is to get the highest prices you can, AND retain your customer and orders. To accomplish this mission, both of these things must be true at the same time. It is a dual focus. In order to do get a customer to accept a price increase while protecting the long-term relationship, you must gain awareness of the various pitfalls you'll face when approaching customers with price increases that can cause them to:

- Argue you out of it.
- Negotiate it down.
- Refuse to pay it.
- Stop ordering.
- Leave you for a competitor.

There is nothing easy about approaching customers with price increases. You don't want to sell it and they don't want to buy it. Therefore, you must get past your own fears and influence your customers to accept price increases that they don't want in spite of these imperfections.

Customers Are People

Business-to-business (B2B) relationships are different and

more complex than consumer-based relationships. B2B relationships may involve large sums of money, contractual agreements, strategic relationships, and layers of influencers and end users. Relationships tend to be long-term rather than transactional.

On the outside, these relationships appear to be, as they say, "nothing personal, just business." However, in B2B relationships, customers are still people. They are irrational humans who are driven by emotion just like you. Not companies, not departments, not job titles. People.

Therefore, selling price increases is human. You aren't selling price increases to a company; you are selling them to other people. At the granular level, it is just one person (you) influencing another person (your customer) to accept the price increase without resenting you for it.

Triggering Resentment and Contempt

Resentment and contempt are the most negative and destructive human emotions. These emotions slowly rot away the connections that bind you and your customer together until the relationship is destroyed.

Resentment is a combination of bitterness, indignation, irritation, displeasure, dissatisfaction, animosity, and more. It is most frequently triggered by an emotional injury like rejection, humiliation, losing face, feeling used or taken advantage of, or a perceived injustice–like perhaps a price increase you feel was undeserved or shoved down your throat.

Resentment is a monster that degrades and destroys relationships because, unchecked, it turns into contempt–which is disdain, scorn, and a total lack of respect. Once the feeling of contempt is triggered, communication and cooperation become a challenge, creating a downward spiral that makes recovery insurmountable.

In this untenable situation, marred by distrust and lack of transparency, it becomes impossible to save the relationship. This is why it is critically important that you carefully plan your approach to price increase conversations to avoid creating resentment.

The Procrastination Train Wreck

One of the easiest ways to trigger resentment and piss off your customers is to wait until the last minute to spring the price increase on them. This is especially bad behavior when your price increase impacts their operations, customers, forecasted financials, or critical parts of their business. Your customer is likely to react with anger and pushback when you surprise them and turn their world upside down. All it takes is a little empathy to step into their shoes and see just how awful this can be. Do not procrastinate. Present price increases to customers as early as possible to give them plenty of time to accept them.

Neglect: The Grim Reaper of Account Retention

The reality is that most customers are lost because of neglect. They feel taken for granted and unimportant. Neglect happens slowly. It happens because you get into the habit of fighting fires rather than preventing them. You ignore the customers that aren't squeaky wheels. They ignore you, too, because they're busy with other things and nothing is on fire. Then, out of nowhere, you show up on their doorstep with a price increase. That's when your customer realizes that you've been taking them for granted. They begin scrutinizing and peeling back the onion on your relationship.

They find your mistakes. They push back on your price increase and pound you with objections. You are suddenly on the defensive. In two shakes, you jumped from a price increase conversation into a desperate attempt to save your account. If, by some chance, you save the account, you'll likely do so by offering a significant price decrease and more generous terms and conditions. Good luck.

Invest in Relationships Before You Ask for a Price Increase

When you are assigned a new customer, do not wait to make contact. With existing customers, set up a proactive system that keeps you in front of them regularly. If you are tasked with approaching customers that you have ignored or have never met with a price increase, ensure that the first time that they meet you or see you in months is not *that* conversation. Instead, initiate a pre-price increase conversation campaign to shift the relationship dynamic in your favor.

Get proactive and start talking to them 60-90 days from your planned price increase conversation.

Develop a three- to five-touch point plan to invest in the relationship and add value prior to presenting them with the price increase. Get these conversations booked as appointments and scheduled on your calendar.

- Uncover problems you can solve.
- Conduct a business or account review.
- Meet the other stakeholders.
- Fix service issues.

When discussing price increases with customers, the message–what you say AND how you say it–matters.

- Provide a value-added service.
- Let them know that you appreciate their business.

Then, once the relationship is established, make your case for the price increase.

Part III: Approaching Price Increase Conversations

This brings us to where the rubber meets the road: the price increase conversation. This is the moment of truth when you and your customer meet one-to-one to discuss the price increase. With everything on the line, it all comes down to how you manage this pivotal conversation. There are three approaches to price increase conversations: presenting, asking, and defending.

The Five-Step Price Increase Sales Process

Like most activities in sales, selling price increases is a process. It is a linear, logical process that, when fully leveraged, guarantees a higher win probability. There are five steps in the Price Increase Sales Process:

1. Set the stage.
2. Prepare.
3. Make your case.
4. Leverage the assumptive close.
5. Handle objections and negotiate.

Price increase conversation outcomes become predictable based on how well you follow the process. Sadly, many salespeople ignore this basic truth and wing it. In these pivotal conversations with so much on the line, winging it and approaching price increase conversations randomly is wickedly stupid.

Set the Stage: Customers don't like surprises. They need time to adjust to and accept change. Therefore, to gain acceptance quicker and with less resistance, it makes sense to set the stage for the price increase.

Pre-call Preparation: Prior to meeting with your customer, take the time to review the account history thoroughly. Carefully build your business case and craft your message based on each customer's unique situation. List all potential objections and practice responses for each. Prepare to negotiate on your targets, limits, and value trades.

Make Your Case: Once you are in the price increase meeting with your customer, you will need to make the case for why you deserve the price increase. When approaching low-risk accounts, you'll make your case with a direct, succinct "because" statement. When targeting high-risk, large accounts you will present a formal business case.

Close: Once you make your case you'll leverage a confident, straight-forward assumptive close to compel your customer to accept the price increase.

Handle Objections and Negotiate: Objections are roadblocks to acceptance. It is your customer saying, "No. I do not accept your price increase." Or, "Convince me why I should accept this." Unlike an objection, which is a *no*, negotiation is a "*Yes,* I'll accept your price increase but not under these terms." At this point, all you need to do is work out terms on which you can both agree.

Part IV: Making Your Case

You've targeted your account, set the stage, made the appointment, and prepared for your price increase conversation. Now you must deliver the message. This is the moment of truth. It's just you and your customer. The price increase, future orders, and your account are on the line. When discussing price increases with customers, the message–*what you say* AND *how you say it*–matters.

Confidence is the Key Ingredient

When salespeople demonstrate relaxed, assertive confidence in price increase conversations and other situations in which customers are asked to step out of their comfort zones, those customers accept the new reality without resistance about 70 percent of the time.

Conversely, non-assertive, insecure, I-don't-want-to-seem-too-pushy approaches are more likely to generate pushback, conflict, rejection, and objections. Which is, of course, exactly what the seller was hoping to avoid.

Emotional Contagion: Customers Respond in Kind

Emotional contagion is a subconscious response that causes humans to mirror or mimic the behaviors and emotions of those around them. It makes it very easy for humans to both feel what other humans are feeling and transfer emotions to other people. Knowing how to leverage emotional contagion is a powerful meta-skill for influencing human behavior.

Your emotions influence your customers' emotions and they will respond in kind. When you approach price increase conversations with insecurity, beating around the bush with passive words, tone of voice, and body language, customers sense your fear. When you pair relaxed, assertive confidence with a compelling message that makes your case, you bend the probability decidedly in your favor that your customer will accept the price increase without resistance.

Three Drivers of Price Increase Acceptance

Since we know that customers don't like price increases, it is worthwhile to consider what motivates customers to accept them. Studies indicate that the top three drivers of customer price increase acceptance are customer satisfaction, perceived fairness, and magnitude of the increase relative to current spend or value perceived.

Customer Satisfaction: When customers are happy and feel that they are getting good value for their money, they are far more likely to accept the price increase without resistance, resentment, or considering switching to your competitors. Studies have consistently demonstrated that customers will pay more when the perceived value is high and they are satisfied. That is exactly why managing your accounts and delivering a legendary customer experience pays off. When you do a good job for your customers, you earn price increases.

Perceived Fairness: Customers get that when your costs have increased significantly through no fault of your own, it is fair to pass some or all of that increase on. However, when making the case for fairness, you must not break trust or cause your customer to question your reasoning. As soon as this happens, you forfeit the moral high ground and risk losing your customer.

You need to have a firm grasp on the data and facts to be able to clearly articulate those facts to back up your case when you get questions or objections about the fairness of the increase.

Magnitude of the Price Increase: The size of the price increase will be considered large or small relative to how your customer views their current spend and/or the added value they perceive they will or are deriving from your product, service, and software relative to the increase. To improve the probability that your customer accepts the price increase without resistance, consider their perspective and tailor a message that resonates with them. Your message will be much more persuasive when it minimizes the perceived magnitude of the increase by increasing the perceived value your customer will derive from it.

Part V: Closing

This might come as a blinding flash of obvious but your customer is not going to close the price increase for you. Therefore, it is on you to face the fear of rejection, approach your customer, and close the price increase sale. Closing is about compelling your customer to accept or accede to the price increase without resistance or resentment. If there is a magic wand that makes this happen, it is the *assumptive close*.

The assumptive close is, hands down, the most effective way to close the price increase. There is nothing complicated about the assumptive close. No tricks or smoke and mirrors. It's just confidently expecting (through verbal and nonverbal communication) that your customer will accept the increase.

The Assumptive Close Framework for Price Increases

There are three steps to closing the price increase sale with an assumptive close.

1. Because statement
2. Price increase effective date
3. Shut up

Let's look at how this comes together with an example.

Tony, we're going to be increasing our prices by $3.00 per seat per month during the next contract term because we're opening up unlimited access to the business lead database for all of our customers. This will give your salespeople the ability to search more than one million records to get the phone numbers and email addresses of the prospects

they call on. Database access opens up next Monday and the price increase will take effect on next month's billing cycle.

Shut Up

After you present the implementation date or ask permission to implement, you must stop talking and leave your customer room to respond. Executed well, the assumptive close significantly reduces the probability that you will get resistance and objections. Still, because you are dealing with price increases, there is absolute certainty that you will get questions, objections, and attempts to negotiate.

Your brain knows this, which is why you anticipate and brace for rejection. It's why the mere seconds of silence between assuming and your customer's response seem interminable. For this reason, shutting up is the most challenging part of the assumptive close.

In this crucial moment of silence, after you've put it all out there, you feel the most vulnerable to being rejected. The problem is when you feel vulnerable, you attempt to protect yourself. You begin:

- Answering unasked questions
- Putting objections in your customer's mouth
- Apologizing
- Insinuating that the price increase is negotiable

You come off as unsure of yourself and untrustworthy. You blab on and on until you talk the customer, who was on the brink of agreeing to accept the price increase, into pushing back, asking for concessions, or taking a look at your competitor.

After you put the price increase on the table, be silent. Despite the alarm bells going off in your adrenaline-soaked mind, despite your pounding heart, sweaty palms, and fear, bite your tongue and give your customer space to respond. You will be surprised at how often customers accept the price increase without resistance when you allow confident silence to do the work.

Many companies fail to maximize price increases, sales professionals and their leaders feel frustrated, and unhappy customers are lost along the way. Sales professionals are ill prepared to talk with customers about price increases because they don't get trained and there are almost no resources to help them develop the skills to do so.

You can scour the internet for information on how to sell price increases and be hard pressed to find any system, process, or framework for these crucial conversations. Until now. In ***Selling the Price Increase***, Blount gives you exactly what you need to successfully sell and defend price increases without losing customers.



Jeb Blount is a Sales Acceleration Specialist who helps sales organizations reach peak performance fast by optimizing talent, leveraging training to cultivate high-performance sales culture, developing leadership and coaching skills, and applying more effective organizational design. Through his companies—Sales Gravy, Channel EQ, Level 4 Training, and Innovate HCG—Jeb advises many of the world's leading organizations and their executives on the impact of emotional intelligence and interpersonal skills on sales, leadership, customer experience, channel development, and strategic account management. Jeb spends more than 250 days on the road each year delivering keynote speeches and training programs to high-performing sales teams and leaders across the globe.

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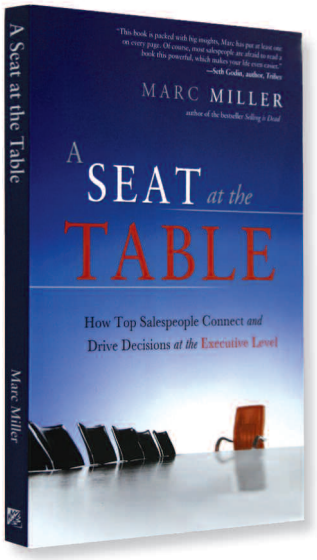
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Summary

January 2010

SOUNDVIEW Executive Book Summaries®
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Sales: Strategies



A Seat at the Table

How Top Salespeople Connect and Drive Decisions at the Executive Level

by Marc Miller

THE SUMMARY IN BRIEF

To close more sales, stop selling.

Sales expert Marc Miller offers a new sales approach designed to help you earn "a seat at the table" — the place reserved for those select people who set the direction and the budget of an enterprise.

In today's commoditized business world, customers only care about one thing: value. To offer real value, you must stop being a salesperson and become a businessperson who sells. Only then can you help your customers increase productivity and profitability, which are the key factors of growth — and your continued success.

This summary explains how to connect with executives and decision makers from the very first point of contact — psychologically, strategically and financially — to prove your value. When you can do this, you will be able to create demand for your products and services, protect your core business and close more sales. Building on his experiences identifying best practices of thousands of salespeople, Miller offers all the tools you need to close more and bigger deals.

IN THIS SUMMARY, YOU WILL LEARN:

- How to use a simple, analytical matrix for illuminating customer strategies.
- How to use a methodology that will have every contact offering up the information that you need to make the sale.
- How to generate recommendations that are perfectly aligned with customer strategic needs.
- How to close more and bigger deals — and help your customers succeed.

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Published by Soundview Executive Book Summaries, P.O. Box 1053, Concordville, PA 19331 USA
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Vol. 32, No. 1 (3 parts), Part 3, Janauary 2010 • Order #32-03

THE COMPLETE SUMMARY: **A SEAT AT THE TABLE**

by Marc Miller

The author: Marc Miller is the CEO of Sogistics, a privately held sales force transformation firm. Miller is a keynote speaker on mastering the complex sale. He is also the author of the bestseller *Selling Is Dead*.

A Seat at the Table: How Top Salespeople Connect and Drive Decisions at the Executive Level by Marc Miller. Copyright © 2009 by Marc Miller. Summarized by arrangement with the publisher, Greenleaf Book Group Press. 184 pages, $19.95, ISBN 978-1-929774-69-2.

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Game Change

All of the difficulties companies are facing in our turbulent, constantly shifting economy are actually creating the opportunity of a lifetime for salespeople — specifically, the opportunity to play a far more important role in the lives of the customers on whom they call. For those special salespeople who embrace this new role, the world will be one of endless opportunity. Their customers will see them as difference makers, champions who deliver value far surpassing that of any single product or service.

There is new evidence to suggest that salespeople can transcend their current "brand" as product peddlers to achieve record levels of productivity. But, to do this, they must accept one simple truth:

The only thing your customer cares about is value.

To achieve radically better sales results, you must become radically more valuable to customers — strategically valuable. The game has changed, and research suggests customers are pleading for a new and different type of value from salespeople. And, when this new value is created, captured and delivered, customers no longer view salespeople as salespeople at all. They now see "businesspeople who sell" — people who are worthy of a seat at their table.

Earning a Seat at the Table

Customers today are looking for value in the form of help — specifically, strategic help. Corporations are under duress as never before — business failure and executive turnover are at an all-time high, and business models need adjusting not once every year, but seemingly every week. And executives often get lost in this rapid pace of change. They need to focus on the future, but the day to day of running a business is like gravity, a force that continuously drags them down into the daily muck, battling the fires necessary to drive short-term results. As a result, senior executives often get off track, becoming disconnected from the real purpose of their organizations — to sustain profitable growth.

And this is where you come in. You have an opportunity to play a new role, and that new role has two distinct parts. First, you have to help executives reconnect to their strategies. When you help customers reconnect to what's important, you connect to them. Second, you need to devise solutions that will help them achieve or expand their master strategic plan.

Quit talking about expenses (products and services) and start having discussions about investments (productivity and differentiation). From the perspective of the executives you will be calling, these are polar opposites. Comprehend your customer's strategies and connect your products and services to them. This is how you will earn a seat at the table — that lofty position that executives reserve for those special businesspeople who add strategic value, who make a profound impact on their results, their enterprises and their people. ●

A New Role, A New Mind-Set

To successfully engage at senior levels, salespeople need to abandon the old ways — in effect, *unlearn* to sell. This means letting go of the "sell something to someone" mind-set so pervasive among product myopic sellers who cannot see the big picture of customer value beyond their products. Instead, the salesperson's focus must shift — uncompromisingly — to connecting and adding value to client strategy.

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Published by Soundview Executive Book Summaries (ISSN 0747-2196), P.O. Box 1053, Concordville, PA 19331 USA, a division of Concentrated Knowledge Corp. Published monthly. Subscriptions: $209 per year in the United States, Canada and Mexico, and $295 to all other countries. Periodicals postage paid at Concordville, Pa., and additional offices.

Postmaster: Send address changes to Soundview, P.O. Box 1053, Concordville, PA 19331. Copyright © 2010 by Soundview Executive Book Summaries.
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For sales revenues to lift, selling must end and helping must begin. No doubt, helping a client achieve radically better results often requires a different sales mind-set. You will need to:

- Focus less on how you influence clients and more on how you impact their businesses.
- Shift from competing with other vendors to creating value for your client.
- Concentrate less on making a sale and more on making a difference.

In other words, the mind-set must be on helping the client. This means listening, understanding and, on occasion, telling the customer that change might not be in his or her best interest. It means delivering a new kind of help that is more about expertise and know-how than products and services, a kind of help that touches every facet of a business.

Strategic Value

All salespeople believe they are strategically valuable to customers. They believe they are already helping. Unfortunately, the evidence proves otherwise, as shown by a landmark survey conducted by MasterCard.

Looking for ways to differentiate itself in a crowded sphere, MasterCard asked more than 1,000 of its key business customers an important question: What value would they like to receive more of from their MasterCard salesperson? In a resounding vote of need, customers requested MasterCard salespeople help in more strategic ways: competitive strategy, strategic thinking, innovation and alignment.

When the final numbers were tabulated, corporate customers rated MasterCard salespeople a paltry 4.1 on a scale of 1 to 10 on their ability to deliver strategic value. In other words, what customers felt was lacking was the ability of MasterCard salespeople to drive the customers' businesses. MasterCard executives asked MasterCard salespeople to rate themselves in the very same category. The salespeople gave their own strategic value-creation abilities a 9.9!

Upon seeing the results, MasterCard leadership realized they had just encountered a new enemy — the distorted belief system of their sales and account management teams.

Flawed Self-Assessment

Until salespeople understand that they can be an actual barrier to delivering new, more strategic value to customers, the organizations that employ them will never realize their true potential. Salespeople who do not understand how to add strategic value negatively impact both the sustainability efforts of their organizations *and* the customers on whom they call. ●

Raising Sales Productivity

When you gain a seat at the table, sales productivity will rise significantly because of your ability to do the following:

1. Protect the core: Customer executives who consider you to be strategically valuable will not let their internal procurement people reduce the relationship to the lowest common denominator — that is, a cheaper price.
2. Gain access: When you have earned a seat at the table, you will be able to connect with more senior executives — the ones who can make big-bet, discretionary, risk/reward decisions that affect your offerings.
3. Create demand: Creating demand for new products and solutions requires building a case for change with multiple executives and decision makers.
4. Get the best of both worlds: When you successfully add value to the strategies of executives, you are able both to protect your core and to sell the new, without having to sacrifice one opportunity for the other.

Velcro Value

You will need to "make like Velcro" to ensure that your complex solutions stick with your customers. Think of the fuzzy Velcro surface that has hundreds of loops representing all of the client strategies — a few big ones along with dozens to hundreds of sub-strategies. The loops represent these many client initiatives and strategies.

The other Velcro surface — the coarse one with the hooks — is your value proposition. A single value proposition adds many, many different types of customer value. It removes a variety of problems, helps different departments in very different ways and enables the accomplishments of multiple strategies. Now, think of each single Velcro hook as representing these many individual value elements.

Your job is to simply bring the two together, making sure the proper "value connections" are made with those people who have an important voice in the decision. When this happens — instant connection!

The more client strategies you can put your value hooks into, the better.

But before you can "make like Velcro," you're going

to have to learn how to align your side with the client's side: how to make the connections in a way that will stick. To do this you need to learn a little bit more about what generates the Velcro surface with all the loops — the fuzzy client strategies.

New Customer Realities

The real takeaway of the MasterCard research is that today's customer not only needs but also is *actively requesting* a different kind of help. Customers and prospects are looking for the salespeople who call on them to connect and add value to their strategies.

Discovering the drivers of this common need is the first step salespeople must take in becoming strategically valuable and connecting with executives.

Customers, especially senior executives, are under enormous pressure today to deliver on two fronts:

1. The Province of Productivity, where senior executives must deliver the quarterly and annual numbers that satisfy all of the stakeholders — not an easy task. Productivity is about generating more with less.

2. The Domain of Differentiation, where senior executives must ensure that the enterprise is well positioned for the future — an even more daunting challenge. Differentiation means creating new offerings, entering different markets or devising any new strategy that leads to competitive separation, higher growth and the ultimate reward, premium profit margins.

Productivity and differentiation are the two major executive decision categories that drive scores of subdecisions within an enterprise. ●

Bridging the Divide

One cannot under score the difficulty inherent in selling divergent or complex offerings, especially in scenarios where demand must be created. A wonderful vignette on the difficulty of change comes from Machiavelli's *The Prince:*

> *There is nothing … more doubtful of success than an attempt to introduce a new order of things … The innovator has for enemies all those who derived advantages from the old order of things, while those who expect to benefit by the new order will be but lukewarm defenders. This indifference arises in part from fear of their adversaries … and partly from the incredulity of established experience.*

In other words, serious change that requires major commitment will necessitate building bridges that take executives beyond mere curiosity and that eliminate the divide between adversaries and supporters of the new order.

We call this process "bridging the divide" — a process that requires salespeople to build a bedrock foundation for change — with change-resistant organizations. To do this requires a sound knowledge of an organization's master strategies and a different FOCAS *(an acronym defined later in this summary).*

Set Sail

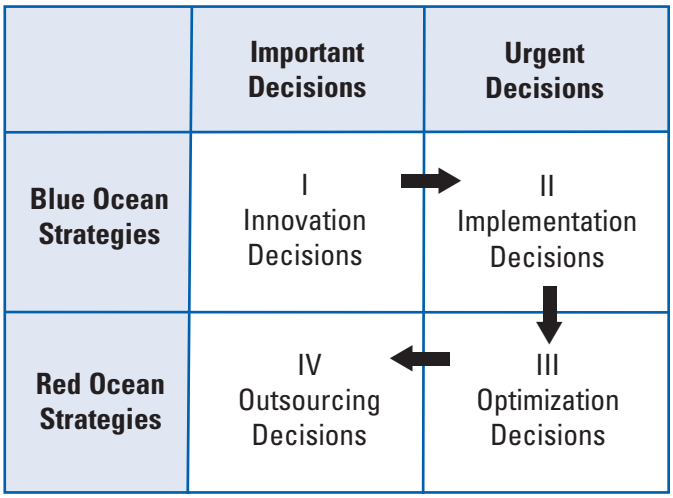
The first step in improving sales effectiveness lies in understanding that "not all sales are created equal." This is especially true for those faced with selling divergent, complex offerings that customer executives perceive as high reward, but equally high risk. In these cases, demand is best created by attaching the offering to a ship that already set sail — that vessel being customer strategy. ●

The Great Game of Strategy

Strategy is pretty simple stuff — as long as you have the proper schema to act as a road map. A schema is a mental model that serves as a visual reference point. For example, a blueprint of a new home is a schema. Schemas help you quickly make sense of a complicated situation, essentially helping you reach — in the words of Oliver Wendell Holmes — the simplicity on the other side of complexity.

The schema presented here — The Master Strategic Plan Matrix — is based on two distinct schools of thought about strategy and decision making. The first is

FIGURE 5.1: THE MASTER STRATEGIC PLAN MATRIX



the concept of Blue Ocean and Red Ocean strategies, developed by W. Chan Kim and Renée Mauborgne in their popular business book *Blue Ocean Strategy*, a treatise on how to create new forms of customer value. The second is an analysis of the two types of decisions high-

level executives make almost every day that dictate how they allocate funds: important decisions and urgent decisions. This distinction was made by Geoffrey A. Moore, author of many books on marketing, in his book *Dealing with Darwin*.

Oceans Two

The first component of the schema is represented by two very large oceans — one red and the other blue. Each ocean represents a different category of strategy, each diametrically opposed.

The Red Ocean strategy is any strategy that supports the "core business" of the enterprise. This is the domain of mature, competitive categories — products, services or markets on which a company has relied for past growth and profits. Unfortunately, competition has gradually swooped in and commoditized offerings that were once new and unique.

A Blue Ocean strategy is any strategy that supports the new products, services or markets that represent higher margins and faster growth. This is the place where the company sees its best opportunities for future growth. The goal in this space is to separate from the competitive herd through significant differentiation.

Moore delineates the decisions that executives make as important decisions and urgent decisions. Important decisions are decisions the executive considers important in the long run. Important decisions are typically about tomorrow, the future. That makes them less "edgy," or less critical, than urgent decisions, which require immediate attention.

An urgent decision is critical — it must be taken care of immediately. Since every organization must survive today — or there will be no tomorrow — urgent decisions often take precedence over important decisions.

The Master Strategic Plan Matrix

To understand how senior executives attempt to sustain growth requires classifying decisions into four quadrants. The Master Strategic Plan Matrix helps you visualize how the Blue and Red Oceans overlap with the important and urgent decisions.

The matrix (to be read clockwise from the top left-hand quadrant) is divided into two rows (the two oceans) and two columns (the two types of decisions) that intersect to create four quadrants. The top row of the matrix is Blue Ocean decisions; the bottom row is Red Ocean decisions. The left column is for important decisions; the right column is for urgent decisions.

Based on these elements, the Master Strategic Plan Matrix shows how executives make the risk/reward decisions that sustain profitable growth.

The Big Four Decisions

Categorizing organizational spend is a good first step in your quest to better understand client strategy. Next, you'll need to learn the big four decisions made by all senior executives in their quests to sustain the growth of their companies. The Master Strategic Plan Matrix will help you understand and analyze these decisions.

- **Quadrant I: Innovation Decisions (Blue Ocean, Important).** Decisions in this quadrant revolve around the future; new markets, value or offerings must be created for positive differentiation — the driver of Blue Ocean strategies. The "urgent-less" nature of this quadrant means that these decisions tend to be less of a priority in many organizations.
- **Quadrant II: Implementation Decisions (Blue Ocean, Urgent).** This is the domain of deploying the Blue Ocean strategies that have been created in Quadrant I. New products and services have been created. Now it is time to turn "potential" into "actual." *Speed* is critical in this quadrant — the organization must move quickly to capture new opportunities.
- **Quadrant III: Optimization Decisions (Red Ocean, Urgent).** In this quadrant, offerings and markets have now matured. Competition has entered the fray, squeezing margins and slowing growth — problems Red Ocean strategies are designed to combat. The primary focus of this quadrant is maintaining the legacy cash cow that still accounts for the largest majority of revenues — urgent dollars that pay the bills and enable the organization to survive for another day.
- **Quadrant IV: Outsourcing Decisions (Red Ocean, Important).** In this final quadrant, leadership must answer the question, "What should we not be doing?" Valuable people and money need to be freed from the Red Ocean and redirected to the Blue Ocean for new differentiation strategies to succeed. ●

Connection Mastery

Prepare, capture and *feedback* — this is the cycle required to gain mastery in any complex process, skill or methodology.

Preparing for the Call

Cheat sheets are a key transformative tool for great preparation. Cheat sheets allow you to prepare for complex opportunities by highlighting critical information that you feel is essential to grasp for an upcoming call. Cheat sheets ultimately enable you to better prepare for

critical sales calls — no easy task when calling on executives who run complex organizations.

Cheat sheet categories can be many and varied. All vastly improve sales call preparation. They include: sales effectiveness cheat sheets, technical cheat sheets, industry cheat sheets, functional title/department cheat sheets, customer cheat sheets and internal best practices cheat sheets.

Capturing the Call

Experts recommend that you record important sales calls using capture technology. But, the technology needs to be unobtrusive so as not to inhibit open dialogue with the customer you're calling on. You need to ask for their permission, of course, but rest assured that most clients are open to capture technology for one simple reason — it adds value to their strategy.

Call Feedback

Once a call is captured, you must actually do something with the recording to ensure that this final step of mastery is accomplished. Make sure you're either self-coaching or using a third-party coach to ensure that you're both maximizing your potential and optimizing each of your valuable selling opportunities.

For savvy sales leaders and managers, this feedback capability is indeed the Holy Grail of sales force effectiveness. Since selective customer conversations conducted in the field can now be immediately assessed with capture technology, the opportunity for quickly coaching salespeople to higher performance is finally possible. This moves training from the classroom to the field — the place of execution where real accountability and change occur.

Conversations That Connect

Making a connection with a senior executive will require the combination of two important ingredients:

1. **A strategic blueprint:** The Master Strategic Plan Matrix tells you how organizations sustain profitable growth.
2. **A questioning structure:** The FOCAS questioning model enables you to quickly connect to executive strategy.

Discovery

Gaining an in-depth understanding of the customer does not happen on just one call. Discovery is where the process begins. As such, this makes discovery the most important sales call of all.

Following are the four parts of a discovery:

1. **Approach:** A one- to two-minute high-level overview that gives the prospect some important background information on your company.
2. **Questioning:** A 20-minute to two-hour discussion to learn as much relevant information about the prospect as possible.
3. **Summary:** A quick "Here's what I heard …" recap.
4. **Progression:** A recommendation for next steps.

Approach and Questioning

In the approach, you will cover two important pieces of information: what you do and the purpose of your call. "What you do" is your strategic positioning statement — something with which you probably grapple. This is the statement spoken in simple language that helps the customer understand what you do best. The important point here is to not describe your company as a "product" company, a very easy and common mistake. Remember, you are in the *results* business — high-impact results — and if you don't communicate this quickly to a senior executive you immediately risk misalignment and loss of interest.

FOCAS

The next step — and the most important part of the discovery — is the questioning process. To help you, here is how to FOCAS.

FOCAS is an acronym with each letter signifying a type of question. Each type of question is unique in its intent and function. Broken into its components, the FOCAS questioning model is as follows:

- **F**act Questions.
- **O**bjective Questions.
- **C**oncern Questions.
- **A**nchor Questions.
- **S**olution Questions.

The FOCAS model allows you to transcend negative pain-based questioning, helping you learn what an organization is *attempting to create*. This dialogue is much more positive in tone, and it will generate valuable information to help you build your case for change.

FOCAS on Customer Strategy

FOCAS is a questioning structure that leads to very dynamic customer conversations. What keeps FOCAS on track is its strategic intent — to uncover strategy, objectives and challenges of the customer in a systemic

way. This strategy is the glue that keeps the conversation coming back to common ground, and keeps your queries high payoff for both parties.

Fact Questions

Fact Questions are the easiest type of questions in the FOCAS model. Fact Questions are used to collect data, facts and information about the buyer's *current* situation. Here are two examples of common Fact Questions:

- Could you give me a little more background on this division?
- In which markets do you generate most of your revenue?

Fact Questions are necessary to capture vital information that you are unable to acquire through pre-call research. However, they are also low-payoff questions for both buyer and seller. You need to limit the number of Fact Questions you ask, spending five to 10 minutes on them at most, and move quickly to questions that you and the buyer find more meaningful.

Objective Questions

Objective Questions are questions used to identify and investigate the buyer's objectives.

Objective Questions are critical to helping you understand the master strategic plan of the customer, the driving goal of the questioning process. Once you learn this plan, you can drill down into each quadrant, uncovering which objectives are most critical from both a differentiation (Blue Ocean) and a productivity (Red Ocean) perspective. The following are examples of Objective Questions:

- How do you see the organization needing to change over the next few years to retain its competitive edge?
- Where do you see your best future opportunities for profitable growth?

Once you feel you've learned the critical goals that relate to this organization and individual, it is time to move on. ●

FOCAS on Building a Case for Change

Now it's time to turn our attention to Concern, Anchor and Solution questions.

Concern Questions

Concern Questions explore the dissatisfaction, difficulties, concerns and problems that the executive or prospect may be experiencing. Therefore, the strategic intent of Concern Questions is to find buyer dissatisfaction — especially strategic discontent.

Following are two examples of Concern Questions:

- Could you share with me some of the more interesting challenges you are facing in the accomplishment of your core strategies?
- Have you had any issues with losing market share to overseas competition?

Concern Questions serve as an excellent foundation on which to build a case for change for your solutions.

Anchor Questions

Anchor Questions explore the seriousness of problems already identified. Anchor Questions are designed to broaden the discussion of these issues, helping an executive see that narrow problems often have systemic consequences. For this reason, Anchor Questions are extremely high payoff because they help executives see the broader — or enterprise — implications of a problem.

Examples of Anchor Questions include:

- Do you feel that your bottlenecking problem is affecting your reputation in the market?
- How is that void in hiring quality people affecting your ability to make faster inroads into the new market?

Anchor Questions resonate because they represent the reasoning process of an executive.

Solution Questions

Finally, the last questions in the FOCAS model are Solution Questions. Solution Questions are unique in that they develop the executive's recognition of the value or usefulness of your solution. Unlike Concern or Anchor questions, they do not explore dissatisfaction areas. Rather, these are value-focused questions that help you understand the interest level of an executive in potential solutions.

Following are two examples of Solution Questions:

- In what ways might it help your organization to solve that bottleneck issue?

What Customers Want

Here are three things to keep in mind:

- Customers want help — just a different kind of help.
- Customers want *their* businesses to become more productive and differentiated.
- Customers want to conceive of different products, capture different markets and create new forms of value for their customers.

- How would it help you if we could free up valuable resources in that area?

Solution Questions help you learn whether the executive sees value in the removal of problems. Solution Questions get the buyer to think about potential solutions and determine whether or not their problems or dissatisfactions are serious enough to justify action.

They also help the buyer see your potential role in the achievement of their objectives and opportunities and help you get feedback on the value of helping in important strategic areas. ●

On the Same Side of the Table

Good strategy is always based on sound objectives, so let's start by examining some important goals you'll want to ideally accomplish on this next visit:

1. **The case for change:** You need to demonstrate that change might be in the best interest of the client — at least worthy of further investigation.
2. **Same side of the table:** At some point during this second meeting, those in attendance must begin seeing you as a consultant.
3. **Shock absorber:** You need a shock absorber mechanism between *needs analysis* (the discovery call) and your eventual *specific proposal* (in the future).
4. **Conceptual agreement:** The sooner you can conceptually agree on direction, the better.

Ultimately, you want to paint a vision for the prospect — a powerful vision that adds significant value to their current strategy. This happens *after* you've demonstrated that you understand their objectives and constraints, but *before* showing ideas and options. In other words, a vision is only introduced after one has *connected to strategy*.

General Recommendations

The General Recommendations tool will enable you to connect to customer strategy, build a case for change and achieve your other goals for this second meeting. The purpose of this tool is to establish a business argument that change is in the customer's best interest. Done properly, this mechanism not only accomplishes this goal but also offers a range of options for how to move forward at appropriate — but varying — risk levels.

General Recommendations are presented in a document that you will walk through with the buyer, page by page. This can be done in a visual presentation format for a larger group, but since your second meeting will usually have only a handful of individuals, a paper document is more appropriate. The process of delivering the document is critical and the delivery should become a disciplined skill.

A General Recommendations document consists of five parts:

1. **Situation Summary.** This first section contains factual information learned via your Fact Questions during the discovery.
2. **Goals and Objectives.** This portion of the document ideally captures the critical objectives of the enterprise at two levels: organizational and departmental.
3. **Constraints, Issues and Challenges.** This section reveals the problems — and the systemic consequences of those problems — originally uncovered in your discovery visit.
4. **Vision.** This should be a fairly simple but powerful depiction of the better future you are espousing for this particular client.
5. **Options.** By offering fundamentally different types of value at this point, you can better — and more quickly — determine the true quality of this opportunity.

No Closing

Encourage the group to talk things through before they make a decision. In other words, please do not implode your entire effort by attempting to close on one or all of the options. Slow down the process by encouraging the key decision base to discuss your suggestions to determine the best course of action. Then simply agree on a date in the (near) future when they can give you commitment or direction. ●

Difference Maker

When executives who lead companies say that you really made a big impact, they are indirectly telling you that you have gained a seat at their table. This table is reserved for those special *businesspeople* who have made a profound impact on both the executives' personnel and their enterprises.

When you help a client achieve a differentiated position, you will be viewed as a change agent, a strategic consultant or a client adviser. Not only will you be sought out, you will also stand out. *An investment.* You will be seen as a difference maker. ●

RECOMMENDED READING LIST

If you liked *A Seat at the Table*, you'll also like:

1. ***Exceptional Selling* by Jeff Thull.** Focuses on how to use powerful diagnostic principles to reframe the typical sales conversation.
2. ***The Giants of Sales* by Tom Sant.** Learn four time-tested approaches to successful selling from the four greatest sales pioneers of the 20th century.
3. ***The Ultimate Sales Machine* by Chet Holmes.** Provides 12 key strategies to turn any business into the ultimate sales machine.

· Book 43 of 58 ·

Summary

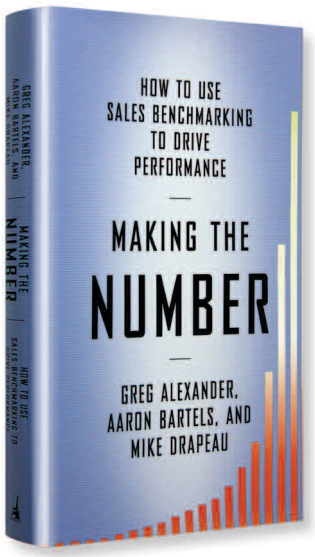
February 2009

SOUNDVIEW Executive Book Summaries®
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Sales: Management

Making The Number

How to Use Sales Benchmarking to Drive Performance



Greg Alexander,
Aaron Bartels, and
Mike Drapeau

THE SUMMARY IN BRIEF

In *Making the Number*, the authors make a convincing case for improving the sales function of an organization through benchmarking. Sales benchmarking, they explain, takes the guesswork out of sales and turns the sales function into a highly predictable, dependable engine that ultimately increases shareholder value.

Greg Alexander, Aaron Bartels and Mike Drapeau first explain why sales benchmarking is valuable for the sales force, for executives and for sales professionals. Then, they break down benchmarking, delving into process, strategies, best practices and world-class status.

Next, the authors identify and expound on the five steps to effective sales benchmarking: metric identification, data collection, comparing and contrasting, focused action and sustained improvement.

Understanding that there will be resistance inside organizations to sales benchmarking, they list the most common objections and provide responses for sales leaders who wish to implement sales benchmarking. Finally, they let benchmarking speak for itself through case studies of companies that have successfully employed sales benchmarking.

IN THIS SUMMARY, YOU WILL LEARN:

- Why sales benchmarking should replace the concept of sales as an art
- How sales benchmarking can increase company profits
- How to increase a salesperson's annual sales
- The five steps to effective sales benchmarking
- How to overcome objections to sales benchmarking within your organization
- How to overcome implementation obstacles to sales benchmarking
- How other companies succeeded with sales benchmarking

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Published by Soundview Executive Book Summaries, P.O. Box 1053, Concordville, PA 19331 USA
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Vol. 31, No. 2 (2 parts), Part 2, February 2009 • Order #31-05

THE COMPLETE SUMMARY: **MAKING THE NUMBER**

by Greg Alexander, Aaron Bartels, and Mike Drapeau

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Making the Number by Greg Alexander, Aaron Bartels, and Mike Drapeau. Copyright © 2008 by Sales Benchmarking Index. Summarized by arrangement with Portfolio, a member of Penguin Group (USA) Inc. 302 pages. $29.95. ISBN 978-1-59184-217-0.

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For additional information on the authors, go to: http://www.summary.com.

Sales Benchmarking: The Time Has Come

In order to appreciate why sales benchmarking is critical for executives, managers and front-line salespeople, it is necessary to take several steps backward. In doing this, consider some macro trends that are shaking up corporate America and how this is impacting the sales profession.

There has been an ongoing debate on the significance of globalization, even as its reality is now too well established to deny. To understand how your organization might form a coherent and compelling response to the threat of global competition, let us examine the sources of competitive advantage.

Sources of Competitive Advantage

Michael Porter has published two seminal works on this topic — *Competitive Advantage* and *Competitive Strategy*. Porter outlines three basic approaches organizations can use to establish and maintain competitive advantage in their respective marketplaces:

Overall cost leadership describes how companies can achieve and defend a low-cost provider position, yet retain enough return to sustain the business model achieved through technology, labor force selectivity or even process innovation.

Focus is built around the ability to orient a product or service toward a specific market segment, buying group or geographic market. It succeeds when you can convince the customer that the higher price is worth the value you deliver. This can be a long-term profitable approach but is limited by the size of the chosen target market; the larger the market, the more likely it is that the twin strategic forces of cost and differentiation will make the focus strategy more difficult to defend.

Differentiation is fixated on establishing and leveraging the uniqueness of a product or service such that customers demand it from the supplier and substitute offerings are insufficient. Customer service is the most sustainable differentiation strategy available to 21st century companies.

Customer Experience

The Internet has armed the consumer against ineffective, legacy corporate messaging efforts. The sales profession must understand that marketing departments have already been disintermediated by citizen marketers. Sales is next.

Consider these statistics:

- The average shelf life of a sales manager is 15 months.
- Nearly four out of 10 salespeople will lose their jobs this year.
- An average of 27 percent of salespeople do not produce enough even to cover their loaded employment costs.

Armed with these numbers, CEOs will increasingly demand quantitative evidence that supports whatever the sales leaders are trying to sell to senior management about their ability to hit the number. No other function within a company is allowed to underperform this way.

The Sales Force

The bottom line is that salespeople who miss their numbers cost the company.

Many organizations are prevented from achieving their revenue goals or improving market penetration because they embrace a mind-set that there is an intangible "golden secret" to the sales profession — something that simply can't be quantified. Many CEOs have been

SOUNDVIEW **1-800-SUMMARY** **service@summary.com**

Published by Soundview Executive Book Summaries (ISSN 0747-2196), P.O. Box 1053, Concordville, PA 19331 USA, a division of Concentrated Knowledge Corp. Published monthly. Subscriptions: $209 per year in the United States, Canada and Mexico, and $295 to all other countries. Periodicals postage paid at Concordville, Pa., and additional offices.

Postmaster: Send address changes to Soundview, P.O. Box 1053, Concordville, PA 19331. Copyright © 2009 by Soundview Executive Book Summaries.

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cautious in demanding accountability of the sales leader in the same way that they have of the other functional heads. The "hall pass" that sales executives have received from their CEOs is coming to an end.

Sales benchmarking can dramatically increase revenue growth and decrease cost of sales.

Sales Benchmarking: What's in It for the Executives?

The importance of benchmarking lies in its ability to increase profits and positively impact each business function within the organization. There is nothing different when it comes to sales.

The application of benchmarking to the sales function can be so transformative that it should be a matter of interest from the individual sales reps all the way up to the corporate boardroom.

No matter who you are in a public firm — salesperson, sales leader, CEO, CFO or board member — shareholder value affects you. Shareholders control the firm and are focused on maximizing shareholder value. A board of directors focused on sales performance should embrace sales benchmarking because it improves shareholder value.

Conflicts between management and shareholders arise when corporations pursue managerial goals at the expense of shareholder goals. Sales benchmarking helps realign them again.

The Power of Sales Benchmarking

Let's look at the fictional company Consolidated Inc. to see the power of sales benchmarking. Assume that Consolidated will generate $1.1 billion in revenue during the next fiscal year and will have earnings of $55 million, an EPS (earnings per share) of $1.10, and a P/E (price/earnings) multiple of 20. This will translate into a share price of $22 and a market cap of $1.1 billion. Consolidated expects to enjoy a return on investment 0.4 percentage points behind the average — if it hits its numbers. This is where the sales-benchmarking discipline can be used to improve Consolidated's situation.

Consider if, in the first year, Consolidated cuts back on those expense items that are least likely to negatively impact the top line. Using this low-risk, cherry-picking approach, Consolidated is able to reduce its cost of sales by $22 million, resulting in an earnings growth of nearly 7 percent rather than 5 percent. This approach would generate $77 million in earnings, compared to the previous estimate of $55 million. EPS will now be $1.54 (up from $1.10). With a P/E ratio of 20, the stock will now be valued at $30.80 per share, driving market cap up to $1.54 billion. The result of this seemingly low-impact sales expense reduction effort is more than $440 million in increased shareholder wealth.

Following is a list of some of the sales metrics against which companies can benchmark themselves to achieve top-line revenue improvements:

- Sales productivity per sales rep
- Ramp time to full sales productivity
- Annual sales rep turnover rate
- Sales rep time allocation
- Sales deal size
- Sales cycle length
- Close rate

By analyzing and improving performance in these dimensions, companies can determine the extent of shareholder wealth that can be created.

Why Should a CEO Employ Sales Benchmarking?

Most CEOs did not rise through the sales function. As a result, they don't really understand sales. With sales benchmarking, CEOs can accelerate their knowledge of the sales department's capabilities.

Much like CEOS, other key members of the leadership team also often have no experience in sales. This prevents many members from contributing to the overall effort of growing revenue. Sales benchmarking provides the CEO with a tool to educate other leaders in the organization in a language that everyone can understand — numbers.

When a CEO is armed with an objective analysis of the sales department, he can better direct other parts of the company about exactly how to enable the sales force to grow new sources of revenue. Sales benchmarking allows CEOs to explain to a sales force its specific role in bringing the corporate vision to life. It gives the CEO the chance to convince the sales force why the vision is viable and calculates the payoff for the sales department if it is able to successfully execute it.

Sales benchmarking transforms the sales department's capabilities from tribal knowledge to a bastion of intellectual property embedded in company systems. This reservoir of data forms the basis for a new sales culture and more predictable sales behavior patterns.

Business Benchmarking

Benchmarking is one of the most universally effective management disciplines available in business today. But it will not correct a flawed business model nor will it force an organization to make the necessary changes — that is the job of the leader. It does, however, serve up a wealth of positive possibilities.

Sales benchmarking helps organizations understand how to use data to uncover the root cause of individual sales problems.

Diving Deeper Into Sales Benchmarking

The four key assets that must be evident to ensure an effective sales-benchmarking initiative are a sales-benchmarking taxonomy and a sales-benchmarking repository, along with automation technology and subject-matter experts. A taxonomy should cover, at a minimum, the definitions for all data inputs, metric formulas rendered from these inputs and sales processes into which these metrics are grouped.

A sales-benchmarking repository is a robust, extensive, layered, archival, verifiable and integrated data resource that possesses a series of attributes, including industry segments, geographical areas, sales channels, sales force/organization, company type and history.

Sales-benchmarking automation technology enables a series of steps from data collection to analysis to display long-term integration.

Sales-benchmarking subject-matter experts perform a variety of assessment and analytical tasks.

What Sales Benchmarking Is and What It Is Not

Sales Benchmarking Requires:	Sales Benchmarking Is NOT:
A detailed taxonomy	Valid without accepted definitions
Empirical and validated input data	A series of opinion-based answers from only those who decided to respond to a survey
Comparison of your performance against a relevant peer group	A simple comparison of your current performance against past performance
A statistically valid sample set cut by significant dimensions	A summary of survey results
Coverage of all major sales processes and subfunctions	Limited to one subfunction (such as compensation planning)
Strategic and tactical sales metrics	A list of qualitative questions
Tools to automate the series of steps from data collection to analysis to display	Accomplished manually without Herculean effort
A living repository with sufficient data and OLAP-like (online analytical processing) functionality to enable multidimensional and trend analysis	A collection of disparate data sources, surveys, and spreadsheets that lack integration, consistency, and analytic functionality
Subject-matter experts with specific expertise in comparative data analytics	Possible with ex-salespeople trying to perform data analytics without applicable training

Process Sales Benchmarking and Strategic Sales Benchmarking

The majority of sales professionals find themselves working for organizations that have poorly designed processes, rather than no process at all. Poor process design manifests itself in inaccurate workflows, bad governance, inadequately defined roles and insufficient standard operating procedures.

Process is the road map by which sales gets things done. Sales managers who say "Too many deals fail to progress from upside to forecast" or "Why does it seem that it takes so long for new hires to become productive?" are giving voice to the fact that the process is insufficiently defined or poorly controlled.

The purpose of process sales benchmarking, according to John Davis, who wrote the book *Magic Numbers for Sales Management: Key Measures to Evaluate Sales Success*, is to identify the "most effective operating practices from many companies [in a peer group] that perform similar work functions." When an organization is able to elevate an entire sales process so that it attains world-class status, it can achieve breakthrough performance improvements.

Strategic benchmarking examines how companies compete. It involves considering high-level aspects such as core competencies, development of new products and services and improved capacity for dealing with changes in the external environment.

Strategic benchmarking helps identify winning approaches that have enabled world-class companies to succeed in their respective marketplaces.

At its most basic level, strategic sales benchmarking usually reveals some sort of indication of which process areas are deficient and by how much.

Best Practices and the Importance of Being World-Class

Best-practices benchmarking is about understanding and improving the processes within the business, not about comparing sets of numbers. It is what comes after you have diagnosed the problem areas and quantified the magnitude of the opportunity for financial gain. Best-practices benchmarking is the *how* of closing the gap between current performance and an improved one.

Best-practices benchmarking encompasses the effort necessary to:

- Identify those companies that are known for

excellence in a certain discipline or process.

- Gain agreement from them to study their unique set of policies, operating environment and techniques.
- Determine if and how this discipline should be modified so that it can be imported into your organization's unique culture and systems.
- Make those modifications.
- Implement the new discipline/process and enter into a cycle of continuous improvement.

Every organization has the potential to field a world-class sales force. To get there it takes a firm commitment to deploy benchmarking as a habit. There are many different techniques to measure world-class status – a bottom-up approach through individual metrics, one that focuses on the sales process and one that takes an overall view. All are potentially valid. Once your sales organization has been benchmarked against your peers and world-class performance, you can then develop a plan to consistently outsell the competition.

The Self-Aware Sales Force

Sales benchmarking is not a one-size-fits-all proposition. Organizations and their sales forces have distinguishing characteristics that influence whether and how they should be compared to each other. The results of sales benchmarking — metrics, scores, gaps, comparisons — all need to be evaluated when they are finally produced.

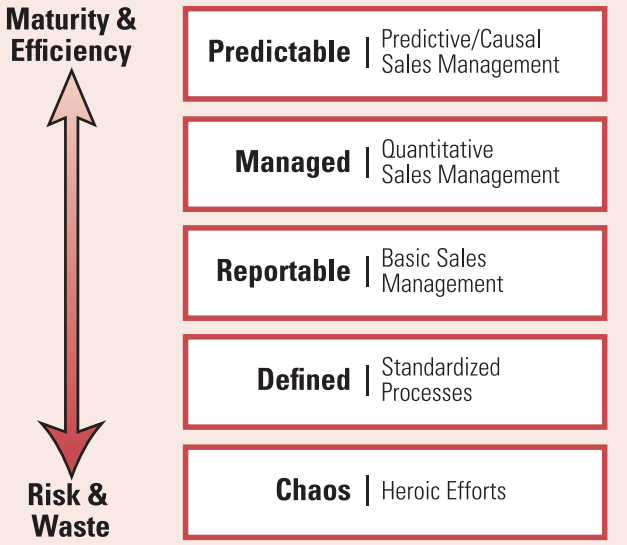
Sales forces can best be characterized by their dominant trait, which typically falls into one of the following six categories:

- **Delivery.** Example: courier services
- **Order taking.** Fulfilling demand. Example: Internet orders
- **Missionary.** Educates the marketplace to build brand awareness
- **Technician.** Sales reps who cannot complete a sale without the direct assistance of a presales engineer
- **Demand creator.** Classic transaction-based, business-to-business sales force
- **Solutions provider.** Focused on solving customer problems

With the sales category determined, the next step is to perform a snapshot analysis of your sales force maturity. The five levels of sales management maturity are, from least mature to most mature:

- Level 1: Chaos. Processes, if they exist, are ill-defined and unmanaged.

Sales Force Management Maturity Model Scale (SM3)



- Level 2: Defined. Most sales processes have been developed and documented.
- Level 3: Reportable. Sales processes have been adopted by the sales force.
- Level 4: Managed. Sales management team relies primarily on quantitative internal data.
- Level 5: Predictable. Sales management team is able to sufficiently predict sales performance.

Five Steps to Effective Sales Benchmarking

Now that benchmarking has been defined and its applicability to the sales function understood, how do you get started? Benchmarking is a data-intensive exercise and derives its value from comparing information at different points in time. The first step in executing a sales-benchmarking effort is to identify which key sales-related metrics to measure.

Metrics Identification (Step 1)

It is unreasonable to think that any organization could measure (or would want to measure) every possible sales metric. Therefore, the first step is to pare down the possibilities to a strategic list of 20 to 40 that are judged the best indicators of future performance and have the greatest likelihood of positively impacting the organization.

By using the customized approach, organizations gain control over the metrics and their input definitions, but

they may find themselves without meaningful external data sets for comparison. Identifying the strategic metrics you want to measure will teach you a lot about your organization. Most companies have never thought of their sales performance in terms of a prism like the formula for sales success or ever considered measuring their sales force according to the many metrics from which to choose.

Data Collection (Step 2)

The Data Collection step is the most labor intensive of the benchmarking process, but it is necessary in order for the organization to determine how it stacks up, both internally against past performance and externally against peers and world-class entities.

Sales benchmarking is concerned with both qualitative and quantitative data. It uses descriptive statistics to depict raw data patterns and inferential statistics to leverage the power of leading indicators.

Sales benchmarking uses sampling to draw conclusions about a sales population (perhaps all sales receipts in the month of November, for example). If performed in the proper, nonbiased manner, sampling can support statistical results with sufficiently high precision.

The goal of data collection is to have a statistically valid sample that can be used to identify where an organization is underperforming or overperforming in relation to its peers and other world-class organizations.

Compare and Contrast (Step 3)

Compare and Contrast describes the actions necessary, after having collected the internal data and assembled the relevant peer group data, to compare them to each other. This comparison effort requires the use and understanding of a series of statistical techniques that help benchmarkers better interpret the data. In this way, organizations can determine how they stack up against peers and world-class organizations and, more important, they can determine the magnitude of any return they are likely to receive by closing these gaps. Usually these findings are summarized in some sort of report that goes to the board for review.

Some sales benchmarkers prefer to highlight areas of weakness and strength with graphical flourish. They draw big red circles around the sales metric results that contribute disproportionately to failure and big green circles around those metrics where performance is well above the peer group and occasionally above world-class. This latter indication identifies centers of competency that are every bit as important as determining where improvement must be made to exposed areas of weakness.

What Are the Focus Areas of Strategic Benchmarking?

Typical focus areas for strategic benchmarking include:

- Acquisition strategy
- Business partnerships and strategic alliances
- Competitive dynamics
- Core competencies
- Foreign markets
- Marketplace segmentation
- Outsourcing, offshoring and insourcing opportunities
- Process capabilities
- Product offerings and product development
- Service portfolio
- Strategic intent
- Technology enablement

Whatever the format or version this report takes, it should clearly indicate the gaps by sales metric and summarize the financial opportunity for improvement.

Focused Action (Step 4)

Focused Action is the antidote for the typical sales leader who is urged to implement a major improvement program across the board as soon as possible without first having ensured success through a well-designed pilot effort.

Focused action is based on the concept of hypothesis testing. Hypothesis testing provides managers with a structured analytical method for making decisions in such a way that the probability of error can be controlled or at least measured.

Sales Benchmark Index recommends a seven-step methodology to help organizations identify, test and select the most effective solutions to the business problems exposed by sales benchmarking.

1. *Frame the Problem*. Define the problem being addressed in specific terms.
2. *Develop Hypotheses*. List potential causes for the problem and key drivers that impact or influence each potential cause.
3. *Gather Data*. Gather relevant data, information and background on the key drivers that will allow each potential cause to be proved or disproved.
4. *Test Hyphotheses*. Analyze each potential cause to determine if the data supports the hypothesis as the most likely cause of the problem.

5. *Create Solutions*. For those hypotheses that prove to be valid, identify possible solutions and examine each solution's feasibility for successful implementation.
6. *Develop Plans*. For those solutions determined to be viable, estimate all necessary tasks, investments, milestones, resources, metrics and returns.
7. *Select Solutions*. Determine which solutions should be implemented using some form of program approval criteria (e.g., hurdle rates for internal rate of return, or IRR).

Sustained Improvement (Step 5)

Completing Step 5 — Sustained Improvement — will ensure sustainability for the benchmarking program.

Is sustainability possible? Much research has been done on the tendency for corporate performance to revert to the mean. Although the details are somewhat arcane, the conclusions lend powerful support to the notion that benchmarking, as a form of modeling, can improve an organization's chances of staying continuously above the norm in performance.

Sustained competitive advantage is the goal, and it will be obtained only if the program transitions from a one-time event to being one that is thoroughly embedded in the company's operating procedures.

Sales benchmarking can become standard operating procedure without replicating the heavy lifting of Steps 1 through 4. The benchmarking process can be administered by a small number of staff members. When an organization is ready to move the benchmarking process into the mainstream of its sales operations system, it should implement a form of quality improvement.

Control charts monitor variations in data, highlighting trends that allow for correction before a process gets out of control. Control charts show when variation is due to a special cause and help highlight problems that need to be corrected.

Implementing the techniques of statistical process control and applying them to the sales force will enable sales benchmarking to transition to a best practice inside a company. ●

Call to Action

Sales leaders have very strong personalities. They sometimes suffer from the "not invented here" syndrome, particularly with regard to any attempt to change sales processes, tactics or strategies that did not originate within their organizations.

Overcoming Objections to Sales Benchmarking

There are several common objections that sales leaders tend to present when faced with the question of whether to adopt sales benchmarking. Each one can be overcome. One objection is that "Sales benchmarking is a fad." This objection has some teeth in that innovative concepts can boast of longevity only if they yield continual value for those who adopt them. From a "logical" perspective, sales force leaders should adopt sales benchmarking as a means of driving improvements in their businesses. However, when assessing the advisability of such "risky" ventures, emotions can affect our decisions. And fear, the most powerful of all negative emotions, can distort otherwise rational views and prevent sales benchmarking from gaining a foothold.

Another objection is "Sales benchmarking won't really work." The counterargument is sales benchmarking delivers large, company-changing results. It is a "skewed bet" that presents a large payoff when allowed to succeed.The key question to ask when comparing sales benchmarking to other sales ideas is not how likely it is that it will work, but how much will be gained when it does work. It is the magnitude of the outcome that counts.

One additional example of an objection is "Things are going well — we don't need it." The response is that sales benchmarking allows a company and a sales leader to compare themselves against a large sample size. This raises the bar to what is possible. It is a common occurrence for a sales leader to mine internal data and present it in such a way that makes senior leadership feel good about the results. But when the first quarterly target is missed, the sales executive is greeted with looks of astonishment. Objectivity and external measurement are musts.

Overcoming Implementation Obstacles

You may be tempted to think that obstacles pose too stiff a challenge. Maybe you are beginning to believe that deployment of sales benchmarking would be too difficult and time-consuming. Overcoming these challenges appears daunting and putting forth the effort seems perilous, but for those who leave their comfort zone to adopt benchmarking, the results will be dynamic — competitors will be eclipsed and business transformed. Despite the obstacles, sales benchmarking can be deployed with success.

For those few CEOs still resistant to the idea that the sales leader should be a key participant in strategy

creation, a mountain of literature argues to the contrary. The key to this discussion is making sure that the CEO understands that the sales organization is crucial to strategic plan execution. This justifies a sales seat at the table.

Sales leaders must master the discipline of change management and ensure that their own sales forces do not derail an otherwise well-constructed benchmarking improvement program. Developing staff behaviors conducive to change management will be the best approach to achieving sustainable success with sales benchmarking.

Do you have the organizational fortitude to introduce sales benchmarking? It is true that embracing sales benchmarking can be risky, and there are few sales leaders currently doing so. Many will doubt the worth of sales benchmarking, and you will face some dogged resistance. But persevere, address the obstacles and the results will be dramatic. ●

Case Studies

Two real-world examples of sales benchmarking follow:

Discover Financial Services

Credit, Debit, Stored-value Cards

In an effort to increase acceptance of Discover Network-issued cards and grow its transaction volume, Vice President of Sales Gerry Wagner and his team have conducted extensive analysis, identifying areas for improvement. They have studied their accounts to determine levels of transaction volume. These metrics, along with several submetrics, are the key drivers of their success.

When Gerry and his team identify a gap in acceptance, they gather external data from sources such as the Nielsen Report to identify partners that can perform the activities necessary to close the gap.

Discover brings innovative offerings to market in an effort to convert more of the available market to Discover transactions. Each product's effectiveness is measured in conversion rates. Each new program has a volume goal, which is then projected on a percentage basis to a group of merchants.

Gerry gathers real-time data comparing actual results to goal results and determines the variance. Armed with this level of granularity, Gerry can speak to his team members responsible for the program and the merchant, and make midcourse corrections in order to drive volume.

Nine years ago, Gerry had approximately 700 people in his sales and service force. Today, he has around 150. The key difference between then and now is that Gerry now outsources the acquisition of small-business owners to an independent network of sales professionals who work on a commission basis. This has dramatically lowered his acquisition costs, while significantly and rapidly expanding acceptance points for Discover.

Discover invested in the proper infrastructure to sustain its level of performance. It streamlined its processes, allowing for few people to produce high levels of productivity. The resources deployed are focused and the organization's priorities are clear to all.

Covad Communications Group

Broadband Innovation

Covad's leads are generated primarily from three sources: marketing, customer referrals and old-fashioned cold calling. In the past year, David McMorrow, executive vice president of worldwide sales, and his team performed a lead-generation benchmark where closed sales were tracked back to the originating activity, with effectiveness measured in terms of closed business per dollar spent generating the lead.

For the first time, Covad could clearly rank lead-generating activities in terms of the returns they produced. These findings revealed that the traditional investments they were making in radio and print were largely ineffective. After deploying a pilot, Covad rolled out a new program focused on search engine optimization. The result was a 30-percent improvement in yield in the first year, measured as a dollar earned compared to a dollar spent.

Covad measures several metrics, including customer churn, deal size, revenue per sales rep, channel yield, rate of upsell/renewal and post-sale cancellation. Covad learned that the primary events leading to customer "fallout" were typically a rough implementation, an outage or renewal time. It has cut its churn in half, but it is still almost a percentage point above the industry benchmark. Customer churn and fallout, the two items that have the largest impact on companywide profitability, will continue to be an area of focus. ●

RECOMMENDED READING LIST

If you liked *Making the Number*, you'll also like:

1. ***The Perfect Salesforce*** **by Derek Gatehouse.** Gatehouse argues that sales is about people, different types of people who excel naturally in different types of sales jobs.
2. ***Exceptional Selling*** **by Jeff Thull.** Strategist Thull shows readers how to create a different kind of relationship with the customer and use powerful diagnostic principles to reframe the typical sales conversation.
3. ***Driving Change*** **by Mike Brewster and Frederick Dalzell.** To most people, UPS is a reliable fact of life. But to well-informed businesspeople, Big Brown is a company to emulate. Learn from its success.

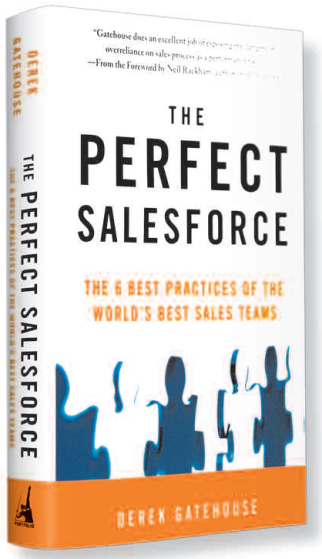
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Summary

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THE PERFECT SALESFORCE

The 6 Best Practices of the World's Best Sales Teams



by Derek Gatehouse

THE SUMMARY IN BRIEF

Despite billions spent every year on personality profiling, sales training, motivational experts, coaches and incentives, there's never been a proven formula for building a sales force of top performers. Finding such a "holy grail" of sales has been Derek Gatehouse's obsession for decades.

To identify what makes a top-producing salesperson — the kind who sells four times more than everyone else — and why some sales teams have a high percentage of top producers, he interviewed more than 2,000 executives in many different industries. His findings challenge the conventional wisdom about hiring, training, managing and rewarding a sales team.

Gatehouse has tested virtually every personality assessment tool, sales process, training methodology and management system available, only to conclude that the vast majority of those systems don't raise performance in a lasting way. Instead, the world's greatest sales teams share six simple but critical practices. These best practices are noteworthy because they focus on how to assess your type of sale and how to identify the specific qualities and characteristics required for success.

IN THIS SUMMARY, YOU WILL LEARN:

- How to hire for talent, not skill or even experience.
- How to blend positive and negative motivators.
- Ways to measure for results instead of micromanaging the process.
- How to use a framework based on 10 selling talents.
- Who to select for the sales manager position.
- How any company can build an incredibly effective sales force.

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Published by Soundview Executive Book Summaries, P.O. Box 1053, Concordville, PA 19331 USA
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Vol. 30, No. 3 (3 parts), Part 2, March 2008 • Order # 30-07

THE COMPLETE SUMMARY: **THE PERFECT SALESFORCE**

by Derek Gatehouse

The author: Derek Gatehouse has spent 30 years as a sales rep, sales manager, sales VP and sales trainer at companies in many different industries. He's currently the CEO of Vendis Inc., a New York-based consulting and training firm. *The Perfect SalesForce* is his first book.

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For additional information on the authors, go to http://my.summary.com

The Perfect Sales Force

The only feasible growth system for a sales force, and the only way to build a sales force comprising top performers, is to learn the language of selling talents. This will let you cast the right talents into each stage of your particular sale type and then gain an understanding of what specific conditions generate autonomous top performance from these gifted sellers. This is the essence of the perfect sales force — and in fact the very definition of a top producer: *natural talent operating under specific conditions*. This definition has been distilled from decades of studying top-performing sales teams.

The Six Best Practices of the Perfect Sales Force

In order to build such a team, there are six best practices that must be followed:

1. Understand what arrangement of the 10 selling talents applies to your sale.
2. Sort the stages of your sales according to talent.
3. Cast the different selling roles, using a talent-based hiring process.
4. Generate ultimate motivation with the perfect pay plan and quota.
5. Conduct regular sales behavior training.
6. Manage and develop your team by using result-based management.

It should also be noted that these best practices all stem from the following three different fields of study:

1. The study of **natural talent** or ability — that which you are born with, that which cannot be taught to another.

2. An understanding of **training** as performance enhancement — can you make someone better by a margin that sufficiently exceeds the effort and, if so, how?

3. An understanding of what external **conditions** affect performance.

Natural Talent

If it's top performers you want, not only is talent important, it's essential. In the absence of the natural-born talents needed for a task, top levels of performance at that task are not possible. Ninety-five percent of American companies have no methodology whatsoever for identifying which natural talents their new hires possess or for identifying which natural talents might be needed for the job at hand.

Understand that the inbred talents we all possess are part of our DNA. New skills and new knowledge can be taught, but natural talent cannot. You must learn how to identify which talents you need for your sale type and then have a reliable interview methodology for identifying those talent sets in your candidates.

Training

Training will raise performance to a new and lasting level if and only if all three of the following criteria are met:

1. The natural talents required for the task must be present. In the absence of talent, even the best training will not raise performance significantly.

2. The training curriculum must be well-substantiated, and must be adoptable by all personalities and selling styles. In other words, it must be presented as a series of practices that trainees can "mix and match" at will, rather than a rigid, step-by-step selling process.

3. The training methodology must respect what we now understand about permanently altering

1-800-SUMMARY
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Published by Soundview Executive Book Summaries (ISSN 0747-2196), P.O. Box 1053, Concordville, PA 19331 USA, a division of Concentrated Knowledge Corp. Published monthly. Subscriptions: $209 per year in the United States, Canada and Mexico, and $295 to all other countries. Periodicals postage paid at Concordville, Pa., and additional offices.
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Rebecca S. Clement, Publisher; **Sarah T. Dayton**, Editor In Chief; **Melissa Ward**, Managing Editor; **Christine Wright**, Senior Graphic Designer; **Chris Lauer**, Contributing Editor

habitual behavior. Sales training is behavior training, as we are asking trainees to suddenly change the way they behave in certain situations. The formula for permanently adopting new selling behaviors must include certain reinforcement practices.

Conditions

There are hundreds of workplace conditions that can be examined, some personal, some communal, but the first distinction to understand is that only a few are true *performance influencers*. A performance influencer is a condition that affects people's ability to consistently perform at the pinnacle of their talent. There are two main types: *logistical* influencers and *psychological* influencers. Though logistical influencers can be pretty obvious (e.g., a laptop can boost a salesperson's productivity in the field), psychological influencers tend to be deeper. The psychological influencers that are true performance influencers are:

1. Your pay plan
2. Your quotas
3. Sales training
4. The salespeople's immediate manager (sales manager).

Salespeople need the right conditions in order to flourish, and if the four conditions listed above are arranged correctly according to behavior analysis, then they will flourish indeed.

The Sum of All Parts

There are two different reasons that the six best practices work as well as they do. The first is the practical application of each: how you hire, how you motivate, how you approach training and how you manage your people. But the second criterion is equally important to their effectiveness, and that is an understanding of how interrelated these six practices are. Think of them as your "Master Plan for Sales Force Performance."

Each of the six practices must be understood, but for them to be effective, their relationships to one another must be understood as well. The phenomenon is actually no different than the relationships among other departments in your company. The success of people and systems relies on the efficiency of other people and other systems. Unless you can identify these practices and understand their interdependency, you will be powerless to improve performance.

Be aware that the recipe for stellar group performance is like any other recipe. First, the outcome will always be better if each of the ingredients is superior. Second, if you alter even one ingredient, you will certainly affect the overall outcome. ●

Best Practice No. 1: The 10 Selling Talents

There are 10 selling talents that dissect the selling process into its influencing components. The first six talents deal with how people are hardwired in terms of work ethic, tolerance levels, ability to influence, and aptitude for abstract communication and thinking. One person's idea of "working hard" can often put another person to sleep. Some people's idea of fun on the job can be hell to others. Top salespeople all influence other people positively, but their specific communication abilities vary greatly.

Deal Breakers

The first six talents are must-haves; your candidates must possess the exact needed arrangement of all six. Talents seven through 10, however, are more preference than talent, and with these you have some leeway.

1. Work Ethic: Quality Versus Quantity. Half of the world's top salespeople are wired for *quantity* — that is, they need to be busy and productive. They like their days to be filled; they are hardwired to make many calls and many sales. They thrive in a repetitive and structured sales job. The other half prefer *quality* over quantity — a number of client interactions that, though fewer, requires a near-perfect performance every time. This is typically a higher priced, higher executive level sale. Respecting this daily work ethic talent when hiring is critical, as a quality salesperson simply *cannot* perform the daily routine of a quantity salesperson, or vice versa.

2. Tolerance: High Versus Low. Tolerance refers to your candidate's pain threshold: how thick-skinned the person is. Every job contains multiple tasks; some are enjoyable, others far less so. Salespeople with high tolerance are those who embrace something they don't like — without any hesitation — in order to get to the end goal. Someone with low tolerance will completely avoid those tasks they hate or fear.

3. Persuasion: Adviser Versus Pleaser. The persuasion talent states that there are born advisers ("closers") and there are born pleasers. Unfortunately, the line between the two can be very faint — particularly during a job interview, which explains why so many sales managers have hired awesome salespeople that, to their surprise and disappointment, just couldn't close. Salespeople with the adviser talent have no problem at all moving things forward when it is time.

4. Executive Rapport: High Versus Low. Some salespeople bond instantly with the "common man," and others gravitate to rubbing noses with top brass. Always match the executive level of your clients and prospects

with a salesperson who naturally impacts that level.

5. Need: Created Versus Established. Some salespeople do very poorly when it comes to creating the need but excel when the need is already established. Others thrive on the challenge of *creating* need. We must appreciate that when the need has not yet been established, the sale has a whole extra step. You can't even begin the selling process until there is need.

6. Explanation: Obvious Versus Concept. Selling a product or service whose benefits are obvious requires different communication talents than explaining a more complicated concept. This is not the same as tangible versus intangible sales. The explanation talent has more to do with the amount and the type of explanation involved.

Preferences

These next four talents are not necessarily deal breakers. With the first six talents, you must match all six to your sale type because your candidates will either possess or not possess these abilities.

But these last four are more preferences than talents, and you have some flexibility. Your salespeople have job preferences, and it is definitely in your best interest to try to make as many matches as you can, but these will not necessarily affect performance.

7. Sale Cycle: Short Versus Long. Some salespeople excel at either a short or a long sale cycle. Those salespeople who have no problem with a long sale cycle can usually do both equally well. If you have a relatively short sale cycle, you can ignore this factor, as either candidate will do. But if you have a long sale cycle, you would do well to find someone who understands the nuances of such a job.

8. The Solution: Unique Versus Commodity. Some salespeople prefer to represent a solution that is unique to their respective company; they do not like to represent a solution that the prospect perceives can be "bought anywhere." Understand that some salespeople prefer to sell a unique solution, while others actually do much better with a commodity sale; they use nothing more than their own relationship-building abilities to woo clients from their current suppliers.

9. Products: Many Versus Few. "Account penetration" refers to selling as many of your company's relevant products as possible to clients. Whether your company has a vast product line or just one solution, be mindful of matching the right candidate to your sale.

10. Decision Makers: Many Versus Few. Some salespeople have a great deal of trouble orchestrating the whole decision-making process when many people are involved. They are fine with one or two decision makers, but when it comes to selling a solution that requires them to work the whole multiperson, multidepartment dynamic, they get a little lost. ●

Best Practice No. 2: Sorting Sales Stages for Talent

Most sales jobs require salespeople to perform at too many stages. The problem is, from a standpoint of the talents required, many of these stages end up being totally unrelated. Asking a salesperson to be a top communicator, influencer, leader, diplomat, closer, lead researcher and prospector is a pretty tall order. One cannot expect this individual to perform at top levels in every activity.

You will have much more success finding people who are top performers at one or two sales stages only. Top sales teams isolate selling tasks and assign them to different groups, so as to match talent with pinpoint accuracy.

Common Sales and Marketing Stages

Here are the three most common sales stages:

• **Engagement.** "Client engagement" is a term for that moment when the prospect starts to care, starts to take interest. The selling stage cannot even begin until there is engagement. The prospect must begin to visualize owning your product or service: what it would be like, what it would do for him. He will then start to ask questions, and a dialogue will begin.

• **Pre-Engagement Stages.** There is an endless menu from which to assemble engagement-building stages: cold-calling, prospecting, Web sites, Webinars, trade shows, sales meetings, free seminars, free samples or product trials, advertising of all kinds, publicity of all kinds, referrals and a myriad of other marketing activities. The goal of every one of these stages and combinations of stages, is the same: to create prospect engagement and get to the selling stage. The various combinations of these pre-engagement stages are also known as "marketing channels." Most companies have marketing channels to generate leads for salespeople.

• **Post-Engagement Stages.** There are three components to this stage: selling, technical support and servicing.

Once your prospect is engaged, **selling** can begin. You can now begin the stage of understanding your prospect's situation and needs, and building value in the notion of you (and your product or service) being the best way to address this situation and these needs.

Technical support refers to the participation of those with more technical or specialized expertise than the

salesperson, which may become necessary during the selling process. Technical support also refers to any such assistance immediately after the purchase.

Servicing begins when a new client comes on board, and lasts for as long as you serve this client. The important question when assigning people to this stage is "Will there be selling involved?" Some servicing positions require nothing more than keeping the client happy. But others require "account penetration" — selling more of your goods and services in addition to servicing. This will require different talents (e.g., work ethic, tolerance), and since many sales jobs have salespeople selling *and* servicing, overall productivity will drop if the salesperson possesses the talents for only one of these two functions.

Sorting Sales Stages

Here is the three-step process to determine which talents are needed for each sales stage:

Step 1: Identify the sales stages in each *marketing channel*, such as cold-calling, referrals and trade shows.

Step 2: Determine the ideal *result* needed from each stage.

Step 3: Determine which of the *10 selling talents* are needed to achieve each of these results.

The Long-Sales Stage Factor

Despite the serious improvement in overall performance when talent is assigned to isolated sales stages, there is a situation in which the alteration of your sales stage structure may affect your clients or prospects. If your sales type contains any sales stages that take a very long time, it can be disruptive to the prospect to insert a "new player" midway. In general, if you have a sales stage that lasts long enough for a significant relationship to develop, then switching salespeople may do more harm than good. ●

Best Practice No. 3: The Talent-Based Hiring Process

Talent-based hiring has two steps. The interview itself is actually the second step in the talent-based hiring process. The first step is to understand, very specifically, which talents you are actually out to hire. There are four things to look for when hiring a salesperson:

1. **Skills that may be required to do the job**
2. **Specific knowledge that may be required to do the job**
3. **Experience, if necessary**
4. **Natural talent.**

Of these four things, talent is the only reliable predictor of future performance. Equally critical to understand is that talent is the only one that cannot be acquired.

You want to have conversations with your candidates and listen for certain clues in the way they say things. You're just going to chat and listen for patterns that develop — repeated patterns in the way the candidates answer that reveal whether this is an actual recurring behavior for them or one that they are just telling you is a behavior. It is the recurring behaviors that we all keep coming back to — without even realizing it — that reveal the presence of natural talent. There are two steps to this interview process:

Step 1. Know what you're looking for, but don't reveal it.

Step 2. Structure your questions — and the entire interview — around the talents needed, and then listen for patterns of behavior. ●

Interview Tips

Here are some interview tips to consider when hiring new talent:

- **Divide your mind.** You need to divide your mind into two (sometimes conflicting) halves. Half of you must pay attention to mirroring the candidate and making him or her feel as comfortable as possible, while the other half must remain objective.
- **Guide the interview, but not too much.** While you are guiding candidates toward needed topics and discussions, be careful not to put the words you want to hear right into their mouths. If after a few opportunities they are not giving you the detailed answers you need to hear, they may not possess those talents, no matter how much you want them to.
- **Keep an answer file.** For those candidates who you choose to hire, keep a file of the answers they gave to your most common questions. Mark your agenda six months from their hiring dates and pull out their answer sheets. Add notes to the file regarding how well or how poorly they are performing and in which stages of your sale. After a time, you should be able to identify patterns in how top performers in your specific sale type answer questions and behave during the interview.

Best Practice No. 4: The Pay Plan and Quotas

The previous three best practices addressed talent. The next three practices will describe the ideal performance conditions.

The conditions are as important as natural talent. If you have managed to find and hire a top performer into the specific selling role for his or her talent set, you have accomplished something significant. Losing this person

due to a lack of understanding of his or her needs and wants is inexcusable.

The ideal performance conditions are psychological performance influencers. These conditions affect one's ability to consistently perform at the pinnacle of his or her talent, and they all serve to answer that big question: What conditions do your employees need and want? What is it that Google and others are doing so differently?

The answer involves only these two things. You have to:

1. Provide clear parameters.

2. Treat employees right.

In March 2005, Microsoft published the results of a survey the company conducted on employee productivity. The "Microsoft Office Personal Productivity Challenge," which drew responses from more than 38,000 people in 200 countries, rated workers' individual productivity levels based on their responses to 18 statements about work-related practices. Cited among the top reasons for lost productivity were unclear objectives and lack of team communication.

If you are going to succeed in creating a top-performing sales force, you must incorporate both positive *and* negative motivators into your communal conditions. The positive motivator is your pay plan. The negative motivator is your quota.

Quota

Top sales teams follow this definition of quota: *the **results** that a **properly cast individual** can **regularly** accomplish **with reasonable effort.*** The four components to this definition are all important to understand.

• **Results.** These can be defined as monetary values or nonmonetary accomplishments, but they must be results, not activities. Top performers reach the top via combinations of activities that often differ from performer to performer. Picking the perfect results, or quotas, for each job is a critical step, so don't do it alone. Enlist the assistance of trusted colleagues. You very much want to avoid changing quotas once they are in place.

• **Properly Cast Individual.** This is a method that helps you determine whether your recruits are indeed the right talents for the sale type. Reaching quota should be fairly easy for properly cast individuals. It will *not* be easy for those you have unwittingly miscast talent-wise.

• **Regularly.** If properly cast, your people should reach quota every period. It is not a quota if the majority of the salespeople do not attain it regularly. It is also not a quota without ramifications. The correct length of time for a quota *period* is dictated by the sale cycle and by which stage of the sale you are dealing with.

• **With Reasonable Effort.** Quota should define what each selling position will produce on a regular basis. With a hiring process that more reliably casts needed selling talents, and a quota system that clearly and quickly identifies those who may not make it, growth through an aggressive hiring campaign is less risky. With extra effort the salespeople will surpass this number — and they often will, but they cannot be relied upon to do so all the time, which hinders forecasting.

Pay Plan

Balance those parameters and create the positive motivators. Tell salespeople what happens when they blow quota out of the water every period. Every sales pay plan must address three components:

1. Base Salary. The base salary is paid no matter how much or how little you produce and is therefore not usually a performance influencer. Your base salary and perks are hiring tools more than motivators. The ideal pay plan is the one that pays just enough of a base to attract the person you need for the sale type, and enough commission that high performers make a lot of money. You need to offer a base salary just to get the caliber of candidate you want to come to interview with your company.

2. Commission. When creating pay plans, your gauge must be *positive, immediate* and *certain* (PIC). First create the most motivating pay plan possible for your salespeople, and then make it fit with management. Payouts are very *positive*, they are *immediate* and they are *certain*.

3. Short-Term Incentives. Short-term incentives keep things fresh and fun. They definitely fit PIC. They also fit a behavior analysis technique known as "shaping." Shaping tells us to reward smaller (hence very achievable) victories often, which quickly forms cause and effect associations in our salespeople's minds. Shaping allows you to program, or shape behavior. If you have a surplus of a particular product that you want reduced, attach today's incentive to the sale of that product.

Putting It All Together

You want to keep your pay plans as simple as possible. Use this three-step process to build your perfect pay plan:

1. Calculate exactly *how much* pay you have to share with the sales department.

2. Decide exactly *who* you'll share the pay with.

3. Divide the pay amongst the three pay plan components: *base, commission* and *short-term incentives.*

One suggestion before you finalize any new pay plan: Gather a few salespeople that you have come to know and trust and run it by them. You'll get good feedback from the most relevant parties. You want to tweak every-

thing before you launch so as to avoid changing things around all the time. ●

For additional information on what to do when salespeople don't make quota, go to www.summary.com.

Best Practice No. 5: Sales Behavior Training

Sales training alone will not produce a sustained increase in performance. You have to come to understand the roles and the necessity of the other practices. Assuming these are in place, training *will* augment performance — as long as it too is implemented correctly. However, though sales training is important, studies have shown that the greatest impact on performance comes from understanding how to cast top talents into their ideal selling roles, supported by ideal performance conditions for that group.

That said, training *is* a performance enhancer under the right conditions, and it is an expected company practice. New hires must be trained. Best practices in all stages of selling must be discussed and shared. There are two equally important sides of sales training: *curriculum* and *delivery.*

Sales Training Curriculum

The term *training* here relates to influencing and leading someone to make a decision. The most successful and highest-producing salespeople seem to have mastered three different dimensions of influence. With very few exceptions, all successful sales have these three dimensions in place. They are:

1. The Attaining of Rapport. Influencing someone to make a decision requires that you first establish some level of rapport with him or her. Although buyers rarely admit it, largely because they don't even realize it, how they "feel" about you very much impacts their final decisions.

2. The Discussion of the Solution. In *The SPIN Selling Fieldbook*, Professor Neil Rackham and his team ushered in the "consultative" selling style that countless others have now copied. It is a far more natural way to communicate with others and a welcome departure from the overly contrived approach most salespeople are taught: make a presentation; probe for need; trial close; handle objections and then close, close, close.

3. The Advising Process. Advisers are closers. Prospects do not want to be asked; they want to be told. As long as there is good trust and rapport, and as long as the selling stage did in fact uncover that your solution will benefit the prospect, then your prospect wants his trusted adviser to advise him. Telling a prospect what you believe to be the right move for him rather than asking him what he wants to do is simply an extension of the trusted adviser relationship.

Sales Training Delivery

Sales training is a form of *behavior training* and altering habitual behavior requires reinforcement. If you want your salespeople to adopt their training and actually make use of it, you need to follow three steps in order to effectively deliver your sales training.

First, provide them with a solid curriculum for the training. Be forewarned: You need to *sell* your salespeople on training since many seasoned top producers are reluctant to receive sales training, fearing that it will take away from their selling time or simply waste their time.

Second, once the trainer has imparted the curriculum in the classroom, it must be practiced. Practicing with role play in order to get better at newly learned material is only one of the two reasons we need to practice. The second, equally important reason is to *reinforce new behaviors*.

And finally, field training is sales training's missing link. The good news with field training is how *quickly* a bridge develops between practice situations and the real-life situations. ●

Best Practice No. 6: Result-Based Management

The role of the sales manager is an absolutely pivotal one, and it has two sides to it. As always, if you have one in place without the other, you will not reach top performance levels. The two sides are (1) *what* the manager does and (2) *who* the manager is.

If you abide by the five best practices previously elaborated, then in theory you're finished. You will have "built" what you set out to build; the changes that were needed have all been made. Sale types and sales stages have been identified. Talents have been cast. Pay and quota have been tweaked. Training is in place. If these sales pros are so talented and so autonomous, and if they have been plugged into such a complete and synchronized infrastructure, we could ask why they need a manager at all.

The answer is that they're still human. As high-functioning as they may be, and as clearly defined as their environment is, top salespeople still need guidance, feedback, arbitration, praise, reprimands and support. The manager does not *build* the infrastructure; he or she maintains, nurtures and grows the infrastructure that *management* built.

Who to Select for the Sales Manager Position

The best sales managers are respected colleagues and down-to-earth members of the group. They lead by

The Practices of the World's Best Sales Managers

A manager's primary job is to get those in her charge to produce whatever it is she needs them to produce. In a result-managed environment, people are held accountable for fair, reachable, pre-agreed-upon results for each period; they are supplied with all pre-agreed-upon resources needed to get there; and then they are not micromanaged.

Two duties should occupy the majority of a good manager's time:

1. Enforce results; manage activities. Activities are discussed, debated, tossed around, supported — they are simply not enforced. There isn't one perfect approach to doing things. Activities should be discussed, but enforcement is unnecessary.

2. Develop strengths, not weaknesses. Remember, new skills and new knowledge can be acquired, but talent cannot, and weak performance is almost always an indication that the talents needed for the job are simply not there. The world's best managers understand what can and cannot be trained, and if training will indeed raise performance, then they train.

example and are never intimidating. Top managers always put their team members ahead of themselves. They know that their job is about getting their people to produce, not about shining themselves. Top managers also genuinely care about their people and look out for them. A good manager fits perfectly halfway between management and the salespeople, yet is completely loyal to both. ●

For information on sales manager talents, go to: http://my.summary.com

Growing the Perfect Sales Force

The top sales forces have found a way to stifle that natural urge to micromanage. They set correct results and expectations, put the right people in place, create the right conditions, and then trust the logic of that system enough to let it run.

The six best practices need not apply only to the sales force. They are a model that applies to every department, team and person — they are simply the natural laws of human behavior, applied in the workplace. As such, they should be applied companywide and become the company mind-set. You cannot have a sales manager who manages the results of her salespeople, and who in turn is micromanaged by her boss.

When implementation of these six best practices is not successful, it is due to the owner's activities and his lack of understanding of what his daily role should be. Years of trying to boil it down to a succinct, common behavior have led to these observations:

• Owners and execs of high-growth companies focus on the sales they get.

• Owners and execs of slow or nongrowth companies focus on the sales they don't get.

Fast-growth companies learn to focus on the machine — the bigger picture — rather than on "those that get away," and this philosophy carries through all levels. Salespeople know full well they will not close everyone, and yet they still try. This is the mind-set of growth: the ability to focus on a steady hiring and training regimen instead of fixating only on your current producers.

Change

People like to say that change is scary, that most people fear and resist change. This is absolutely not true. People fear the unknown. Keep your people informed. Let them know why you are doing things, involve them in planning it, get their buy-in. Not only will there be no fear, there will be excitement!

Having properly announced and discussed the upcoming changes, your secret weapon is time. You cannot be held hostage by a few employees who may not want to change. As long as your committee is in agreement and all but a few agree that the proposed changes will benefit the company, you must move forward. Time will fix everything.

By nothing more than the passage of time, people acclimatize. You turn around one day and notice that everyone is once again on the same page. Never allow the few who fear new things to prevent you from implementing better and better practices in your company. The only true constant in life, after all, is change. ●

RECOMMENDED READING LIST

If you liked *The Perfect SalesForce*, you'll also like:

1. ***The Giants of Sales*** **by Tom Sant.** Sant introduces readers to the techniques developed by four legendary sales giants — Dale Carnegie, John Patterson, Elmer Wheeler and Joe Girard — and offers concrete examples of how they still work in the 21st century.
2. ***Exceptional Selling*** **by Jeff Thull.** You may have the world's greatest solution, but if you can't communicate with relevancy, develop credibility and respect, and build clarity for your customers, your potential will be severely constrained.
3. ***Bag the Elephant*** **by Steve Kaplan.** Kaplan shows owners of small and medium-sized businesses how to land the huge account they desire — the elephant.

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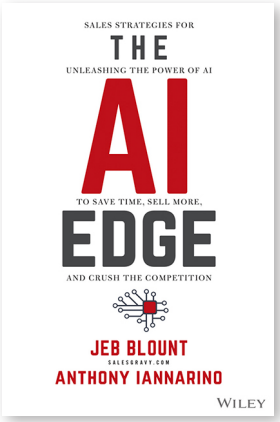
The AI Edge

Jeb Blount, Anthony Iannarino

Executive Book Summaries®

The AI Edge

Sales Strategies for Unleashing the Power of AI to Save Time, Sell More, and Crush the Competition



by **Jeb Blount and Anthony Iannarino**

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THE SUMMARY IN BRIEF

This is a guide focused on helping sales professionals identify how to begin to integrate artificial intelligence into sales processes and approaches. ***The AI Edge*** is a foundational guide for using AI to save time and sell more. It's about putting sales professionals in control of a powerful rocket engine that will achieve sales goals. As the first generation of sales leaders, sales managers, and salespeople to access artificial intelligence, this moment in time is an inflection point, one that breaks from the past, with no turning back. Salespeople in the future will be armed with AI, and so will clients.

This is a sales book, written by and for sales professionals, that teaches how to leverage AI in the context of sales to gain a competitive advantage. Included is an overview of how artificial intelligence tools can support salespeople, and the book provides an understanding of how and when AI can be useful — and when being human matters more. By providing guidelines and foundational principles, authors Jeb Blount and Anthony Iannarino seek to prepare salespeople to be discerning as more AI tools are encountered in the course of their work.

IN THIS EXECUTIVE BOOK SUMMARY:

- Discover what the role of AI is and will be in sales.
- Learn how to successfully integrate AI into the sales cycle.
- Validate the necessity for emotional intelligence and the human-touch in sales.
- Balance the 'AI partnered with human' advantage.

PLUGGING INTO AI

The Beginning of Everything

In this brave new world, there will be three types of people:

1. People who are displaced by robots.
2. People who are controlled by robots.
3. People who are enhanced by robots.

To survive and thrive in the future, it is essential that we move into category three. We must lean into being human. We must get fundamentally better at doing the things that only humans can do. We must leverage AI as a tool to enhance our human advantage and give us more time to do those things that we do best.

AI Everywhere, All the Time

AI has evolved, moving from challenges like the "AI Winter" to breakthroughs such as IBM's Deep Blue beating Garry Kasparov. Today, AI powers many industries, with models like OpenAI's ChatGPT at the forefront of innovation.

The Next Level: Is the Singularity Near?

Professionals worry about AI displacing jobs, but salespeople skilled in real-time, authentic communication will remain invaluable. The human element of trust-building and communication is irreplaceable, making sales roles more crucial.

The Six Million Dollar Man

As AI integrates more into human life, it will amplify our potential in sales by streamlining tasks like content creation, prospecting, and sales forecasting. Salespeople will use AI to focus on building relationships and solving customer problems.

The Human Advantage

The role of the salesperson is not diminishing. Instead, it's evolving and becoming more important. With AI handling data analysis, content creation, and strategy suggestions, salespeople can focus on what they do best: building genuine authentic relationships, trust, and developing creative solutions for customer problems.

Better Together

So there you have it, AI and humans each have advantages. AI can do wonderful things, but the complexities of human behavior are a puzzle that AI cannot fully decode. We, on the other hand, have the unique ability to build rapport and build deep emotional connections, but we are infinitely slow at crunching data.

The Three A's

The keys to plugging into AI to become an enhanced human—faster, better, smarter—are the three A's:

1. Adopt: Commit to becoming an early adopter of new, cutting-edge technology, and leverage it to achieve a game-changing, competitive edge.
2. Adapt: Adapt new technology to your unique sales process. Avoid seeing AI as a one-size-fits-all solution. Most importantly, leverage artificial intelligence in your sales day to gain more time for focusing on high-value human interactions and strategies.
3. Adept: Rapidly assimilate AI into your sales motions, blend it into your sales process—even when it feels uncomfortable—and then use it, practice it, experiment with it until you become adept at it.

The Four Elements of Sales Intelligence

Success in sales requires a balance of technology acumen (TQ), intelligence (IQ), knowledge (AQ), and emotional intelligence (EQ). High-TQ sellers thrive by using AI to free up time for relationship-building.

ROBOT RULES

Robots Have Goals, Not Souls

Though artificial intelligence may appear to think and reason, it does not. Anything about it that seems human is an illusion—a crafty parlor trick. It is a robot. A digital machine. It does not feel emotions. It does not care.

Beware of the Authority Bias

This is the human inclination to accept and value the views, information, or recommendations from authoritative sources, without critically evaluating their validity or accuracy. In other words, we have a pernicious tendency to seek guidance and direction from "experts" whom we perceive as knowledgeable or possessing a higher status. As our reliance on digital sources—especially artificial intelligence—for knowledge grows exponentially, this bias will become an increasing danger, across society.

Harnessing Generative AI

At the root level, generative AI is built on a large language model (LLM) that learns how to predict, based on statistical

The first step toward harnessing the true power of AI is learning how to direct it to achieve your goals efficiently and effectively.

probabilities, what you want based on the prompt provided. The first step toward harnessing the true power of AI is learning how to direct it to achieve your goals efficiently and effectively. This requires practice, trial and error, a significant investment of time, and increasingly an investment of money.

Robot Rules

For a modern sales professional, merging the power of AI with the human touch will remove many of the repetitive boring tasks that steal your joy, allow you to lean into the things that make you uniquely human, give you the competitive edge you've been seeking, and ultimately give you more time to sell more. To guide your journey into the future, we've developed a new set of robot rules.

- Never Trust, Always Verify
- Crap In, Crap Out
- Just Because AI Can, Doesn't Mean It Should

MORE TIME TO SELL MORE

Time Discipline

As a modern sales professional, your most precious resource is time. Selling and revenue generation is how you make an impact. AI should help you make a bigger impact.

Me Management

Here are the foundations of Me Management:

- Adopting a CEO mindset
- Ruthless prioritization
- Planning and calendar management
- Territory mapping
- Attention control
- Time blocking

The First Seven Steps on Your AI Edge Journey

1. Conduct a Time Investment Audit to gain a clear understanding of what you are doing now.
2. Make a comprehensive list of the activities only you can do and which activities you should delegate to AI (or someone else).
3. Brainstorm all of the possibilities for how AI might put time back into your sales day.
4. Research and test AI tools and platforms.
5. Prioritize where and how you hand activities off to AI and integrate it into your sales process, planning, calendar management, and sales day.
6. Implement AI using the three A's: Adopt, Adapt, Adept.
7. Continue to repeat and refine this process until you've optimized your sales time for leveraging your human advantage.

The real secret to truly harnessing the power of AI is separating the things that only you can do from the things that robots can or should do.

Time Investment Audit

This helps put into sharp focus how you are actually using time. It's a transformative lens. Through it, you'll be able to quickly identify the activities that drive sales from those that drain your time, energy, joy, and income.

Brainstorming and Prioritizing AI Possibilities

Now that you're thinking about how you spend your time, let's brainstorm a list of the work, activities, and tasks that you'd like to give to AI:

Outreach

- Email management
- Scheduling send times
- Content sharing

Daily Tasks

- Research automation
- Agenda setting

- Automated CRM data entry

Me Management

- Task prioritization
- Time tracking
- Automated scheduling

Prospecting

- Opportunity finder
- Intent and buying windows
- List building

Strategic Thinking

- Pre-call planning
- Account expansion and retention
- Competitor analysis

Professional Development

- Sales performance tracking

Practice and Prompts

Learning how to use AI effectively is frustrating, just as it is when you attempt to learn anything new. There will be times when it feels like it's taking longer to delegate the task to the robot than to just do it yourself. You'll want to give up. Don't.

Prompt Engineering

The goal of prompt engineering is to write prompts that are clear, concise, and produce the information you seek on the first try.

Build a Sales Prompt Library

What you want to avoid doing is reinventing the wheel each time you need something from AI. That will cost you a lot of time. Instead, when you find a prompt that works for you, add it to your prompt library to make it easy to reference when you need it in the future.

WRITING, GRAMMAR, AND COMMUNICATION

Humans Resent Being Manipulated

Humans distrust laziness. Misusing AI to take shortcuts in communication can damage relationships. Strong writing and editing skills are necessary to guide AI effectively. AI is a fast writer, but humans craft more compelling, nuanced messages. To make AI-generated content sound more human:

1. Vary sentence structure.
2. Mix formal and informal tones.
3. Write with emotional depth.
4. Avoid repetitive points.

PROSPECTING

The Asynchronous Seller

AI is a powerful tool that will help you become more effective and efficient at prospecting, but it will not remove your responsibility to interact and talk with people. It is not an easy button. Not a panacea. Not a replacement for the human touch.

Synchronous versus Asynchronous Prospecting

1. Synchronous is talking with people in real time - phone, text, direct message.
2. Asynchronous is talking at people, independent of time - email, voice message

Viva la Synchronous Prospecting

Prospecting is the art of interacting—primarily through synchronous channels and secondarily through asynchronous channels. It's about moving opportunities into your pipeline now and qualifying prospects for the future.

Talk with People

There is a fundamental formula for sustained sales success: The more people you talk with, the more you will sell. Talking with people is what we, as sales professionals, get paid to do.

A Powerful Prospecting Partner

What AI can do very well is help you target who you should be talking with and provide you with research, background summaries and dossiers, questions to ask during conversations, and intent data. All of which helps you engage the right people in more meaningful conversations.

The AI tools that are being built into your CRM and sales engagement platforms can make it much easier to develop and execute effective prospecting sequences - an intentional series of prospecting touches. Managing sequences effectively requires a deep commitment to mastering targeting, timing, channel techniques, and message relevance. AI can transform your sequences, making them more strategic, personalized, and adaptable.

When the stakes are high and you need to grab the attention of a high-level decision-maker, a personalized message is the way to go.

AI can be a game changer for designing prospecting sequences because it can crunch and analyze historical data to identify patterns that lead to successful conversions way faster than you can.

The Future of List Building: Right Prospect Plus Right Time

Imagine how things would change for you if, as you started your sales day, your company's sales AI handed you a targeted list of highly qualified prospects that are in the buying window.

Define Your ICP

The first step toward more effective qualifying is developing an ideal customer profile (ICP). AI can quickly analyze your database for patterns and commonalities among your best customers, uncover the stakeholder roles most likely to be involved in decision-making based on past sales data, analyze the deals you are closing, and gain a deeper understanding of trigger events that opened those buying windows.

Intent

The easiest way to sell more is to spend 100% of your time talking with prospects who are in open buying windows and ready to buy. AI is already making this possible by analyzing and scoring leads based on intent data. Though it is far from perfect, now is the time to start familiarizing yourself with intent data and learning how to use it while it is in its nascent stages.

Message Matters

When the stakes are high and you need to grab the attention of a high-level decision-maker, a personalized message is the way to go. Effective personalization should build up your credibility and authority, not damage it. Certainly, AI can speed up the process of research and gathering information when you are working on personalized messages. But this is one place where you, the human, must put your heart and intellect into crafting the perfect message.

Show Me You Know Me

The real secret to crafting personalized messages that reduce resistance and convert prospecting calls into meetings is remembering a simple but powerful premise: people make decisions based on emotion first, and then justify with logic. Focus on specific problems they are facing and bridge to how you can help them.

Targeted Messaging

When you have a large prospect base combined with high activity expectations, taking time to research each prospect and craft a unique prospecting message before every call makes no sense. Start with segmenting your prospect database into large groups of similar prospects. Then prompt your AI to do the heavy lifting.

Focus on Emotions

The most effective prospecting messages relate to your prospects' emotions like stress, worry, insecurity, distrust, anxiety, fear, frustration, and anger, or they offer them peace of mind, security, options, lower stress, less worry, or hope.

Craft Targeted Messages

Build several targeted prospecting messages for each segment of prospects or targeted list. Test and refine them. As you engage in conversations with these prospects, you'll naturally iterate and refine your message.

Slow Prospecting

Slow prospecting techniques include developing a professional network, networking and community engagement, nurturing high-value prospects, and most importantly for modern sellers, social selling activity on platforms like LinkedIn.

An Explosion of AI-Powered Social Media Tools

The good news is that there is an explosion of new AI-powered tools that can make it much easier to keep your social media presence consistent and strong. Many AI-powered social media tools will even rate and score the content you are sharing for relevance and the potential to go viral. This can help you make better decisions about the content that you choose to post and share.

QUALIFYING, PRE-CALL PLANNING, DISCOVERY

Everything in Sales Begins with a Qualified Opportunity

Effective qualifying requires a systematic and methodical focus on turning the unknowns into the known. AI is particularly effective at gathering factual information to help you qualify and target the right prospects before you put them into your pipeline. Qualification is a combination of both data and human intuition. You must consider factual evidence and listen to your gut instinct when assessing the viability of an opportunity.

The Art of Discovery

Discovery is the most important step in the sales process. The art of discovery is a uniquely human endeavor. It requires intention, strategy, and planning. You must ask open-ended questions, demonstrate sincere interest, use your empathy, and listen. AI cannot do this job for you.

Eight Big Discovery Mistakes You Need to Avoid

Taking Shortcuts

Asking Stupid Questions

Self-Orientation

Focusing on Your Next Question Rather Than Listening

Interrogation versus Conversation

Asking Hard Questions First

The Pump and Pounce

Failure to Prepare

Pre-Discovery Call Research

Leverage AI, social media, your CRM, and the internet to gather information about stakeholders and their organizations. Proving yourself to be a "knows-something" salesperson requires doing your homework about your prospect, their industry, and the headwinds and tailwinds they face. Research and qualifying go hand in hand. With AI assisting you, there is absolutely no excuse for not doing extensive research on every prospect and stakeholder before you ever engage in a discovery conversation or put them into your pipeline.

AI Can Assist with Discovery Questions

The primary objective of discovery is to gather the information you need to put your business case puzzle together. AI can assist you with developing discovery questions as long as you provide it with the right information and prompts. Assist is the optimal word here.

Getting to the root cause of your prospect's problems is the key to developing a set of personalized solutions to present to the stakeholder group. AI can help you develop root-cause analysis questions.

Identifying measurable business outcomes (MBO) and gaining consensus on the value of those outcomes—the metrics that matter—are the keys to developing a winning business case and proposal. AI can help you develop MBO questions.

It's important that you understand what your prospect values and how they will select the vendor of choice. AI can help you with these types of questions.

AI can help with stakeholder insights as well.

CLOSE THE DEAL

Competitive Analysis and Objection Prevention

Buyers researching with AI is the new norm. If you walk into a presentation or closing meeting only to be blindsided by tough questions about your competitive weaknesses, that is on you.

AI-Powered Proposals

Those who harness the full power of AI to streamline and elevate their proposal game gain a powerful sales edge. Advanced AI models and platforms are rapidly transforming proposals from dry, lifeless documents into dynamic, multimedia storytelling experiences. In the near future, your CRM will harness AI to fully automate and streamline every stage of the proposal creation workflow.

Closing the Sale

AI can be a game-changing force multiplier for closers, helping you seal more deals through precisely calibrated closing tactics. Over the course of the sales process, AI will continuously reanalyze opportunities and update individual deal playbooks. One of the most promising AI capabilities being integrated into CRMs is the ability to accurately predict close probability at any given deal stage versus just going off gut instinct or traditional forecasting approaches that can be misguided by human biases or lagging indicators.

If you haven't already experienced AI sales coaching,

you soon will. AI simulation enables salespeople to get realistic, risk-free practice for high-stakes situations like closing the deal.

Case Studies and Social Proof

AI can help you build persuasive, personalized case studies for sales proposals.

Contracts and Lawyers and Terms and Conditions, Oh My!

Because contract negotiations can become emotional, it can be difficult to find the right words. This is where AI shines. Before sending anything to your prospect, paste what you've written (or what you plan to say) into various AI engines—like Claude.AI —for this—and prompt it to make your words more diplomatic and remove any words or passages that might offend the other party.

AI Turns Your CRM into a Strategic Partner

There is no weapon or tool in your sales arsenal that is more important or impactful to your long-term income stream than your CRM. Leveraged effectively, it will give you a decisive edge.

The future of sales lies in the seamless integration of human capabilities and AI technology. By adopting AI tools and strategies, sales professionals can streamline processes, increase efficiency, and free up valuable time for the human-centered tasks that build trust and relationships. AI is not a replacement for human intuition, empathy, or creativity, but rather a powerful tool that amplifies these uniquely human strengths. By mastering the balance between AI and human touch, salespeople will be better equipped to thrive in an ever-evolving market, ensuring they remain indispensable in the new era of selling.





Jeb Blount is an acclaimed thought leader on sales, leadership, and customer experience, and a global bestselling author of multiple books. Jeb and his team help companies of all sizes accelerate sales productivity through his global training and consulting organization, Sales Gravy.

Anthony Iannarino is a bestselling author and internationally recognized speaker on sales, success, personal development, leadership, and entrepreneurship.

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The Art of Selling Your Business

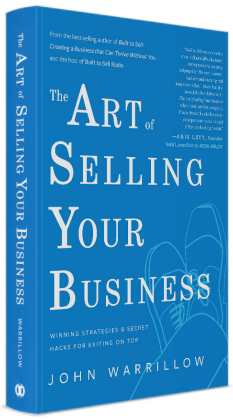
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The Art of Selling Your Business

Winning Strategies & Secret Hacks for Exiting on Top



by **John Warrillow**

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THE SUMMARY IN BRIEF

There is an art to selling a business well. It comes down to how you package it, the story an owner tells about it, and the feeling it gives potential buyers. ***The Art of Selling Your Business*** is designed to be a playbook for navigating both the hard rules and the softer edges of selling businesses that are worth between $1 million and $50 million. The art of selling is not only about the nuances but develops a set of instructions to follow at each step of the process and describes the professionals you'll need to lean on to get a deal done.

Author John Warrillow began as an entrepreneur, starting and selling a few businesses, and created a book, Web site, and podcast about building a business to sell it. As he took questions from listeners, there was great interest in all of the details of negotiating the sale of a business. *The Art of Selling Your Business* is the result of that interest, John's experience, and what he has learned from Built to Sell Radio, where he interviews a different founder every week and asks them about how they sold their businesses.

IN THIS SUMMARY, YOU WILL LEARN:

- How to identify clearly why you are selling your business and the best time to do so.
- Ways to position your company to be ready for buyers.
- Who you need on your side as part of the negotiation process.
- When to tell your employees that you are selling your business.

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Introduction

There is an art to selling a business well. It comes down to how you package it, the story you tell about it, and the feeling it gives potential buyers when they imagine owning it.

The Art of Selling Your Business is designed to be your playbook for navigating both the hard rules and the softer edges of selling well. It features a set of instructions to follow at each step of the process and describes the professionals you'll need to lean on to get a deal done.

The Secret to a Happy Exit: The Most Important Question Most Founders Never Answer

One of the most important things you can do to ensure you sell your business well has everything to do with your reasons for wanting to sell in the first place.

Pull factors are the things that you're excited to go do next. What are you enthusiastic about diving into after you sell your business? That's the most important question that most founders never ask it.

By contrast, "push factors" are the things that are pushing you out of your business. Push factors can be fine motivators, but the secret to avoiding a feeling of loss when you sell is to get clear about your pull factors too.

Take action: Create a vision board that illustrates where you want to be after you sell. Hang your vision board prominently so you can be reminded as you go through the process of selling your company.

The Danger of Timing Your Exit: How to Decide When to Sell

Some sell early when there might have been more revenue growth. Others wait too late. Many founders try to time the sale of their business when it peaks and coincides with the top of an economic cycle. The problem is, when you sell your business, you have to do something with the money you receive, which usually means buying into another asset class that is being affected by the same economy. Timing your exit based on economic factors is a zero-sum game.

Wait until your company is on a winning streak and you have the data to ensure you can create something called "deal momentum."

Pull together a package of information—a process known as "pre-diligence"—detailing the essential elements of your business even before you start the process of selling it.

Building Your Negotiating Leverage

This slow trickle of material is designed to protect you and to maximize the desire among a group of bidders so they all begin fighting over you at the same time. Giving away vital information too early in the process can end in disaster.

Proprietary dealmakers recognize that they do not have competition, and they tend to make weaker offers because they know nobody else is bidding.

Be careful about revealing revenue, gross margin, and profitability—your private numbers. Instead, ask open-ended what questions to get the other side talking and keeping your from revealing too much.

Fish Where They Are Biting: How to Position Your Company to Be Acquired

You've spent years marketing your products and services, and now it is time to apply everything you know about marketing and selling to your most important product of all: your company.

Every great marketing campaign begins with positioning what you have to offer in the mind of the consumer. Acquirers are just like consumers. They already have preexisting ideas of the kinds of companies they want to buy. Your job is to position your business as something unique in a category they're already interested in.

The trick is to understand the kind of company that is selling in your industry and to make sure you look like one of those to a buyer. Review your website, and ensure that it clearly positions you as a leader in the industry where companies are looking to make acquisitions.

Building Your List: How to Identify a Potential Acquirer

Like positioning, deciding whom to approach about buying your business is more art than science. Your ultimate goal is to attract a handful of offers so that you can play one off the other to ensure you're getting the best price going for a business like yours.

Focus on strategic buyers who usually have the capacity to pay more for your business. A strategic acquirer is evaluat-

ing your business based on what it is worth in their hands. They will try to estimate how much more of their product or service they can sell if they add you into the mix.

As you contemplate your long list, remember that strategic acquirers are usually already in your industry—and your most natural acquirer may even be an existing partner or investor.

The Tease: How to Attract Acquirers without Looking Desperate

A tease is a one-page document describing your business in sufficient detail to tease his short list of potential acquirers into learning more about his company. Your teaser's job is to intrigue an acquirer on your short list to the point where they are willing to sign an NDA to learn more.Your teaser is a written summary of your business that positions it in the mind of an acquirer.

You have to thread the needle between telling the truth about why you are selling and not sabotaging your sale. In addition, most acquirers will want to keep you involved in your business after a transaction, so you have to explain that you are willing to help them monetize what they have acquired.

Keeping Your Secret: How (and When) to Tell Your Employees

Randomly telling your employees you're considering selling is almost always a catastrophic mistake:

- Some deals fall apart.
- Employees get rattled when they know you're selling.
- Panicky employees often leak the news to industry people.
- If your results slide, expect your price to go along with it.
- Deals morph as they progress.
- You'll need everyone on board to hit your earnout.
- You may decide not to sell.

You will need to tell employees who are senior leaders whom you must tell in order to get the deal done. Your acquirer will want to talk to your management team at some point, and these are the people who need to know what's going on. Have them agree to keep the possible sale confidential and give them some financial incentive for helping you close the deal.

Everyone else is category is made up of your rank-and-file employees who should be told once your bank has received the acquirer's wire transfer.

What's Your Number? How to Calculate Your Bottom Line

What's your number? Determine it and write it down. To calculate your number, you have to answer two questions:

1. What's your business worth?

2. What's your business worth to you?

You have to weigh intangible benefits and costs and do your best to calculate what your business is worth to you. When the value of your business to an outsider exceeds what it's worth to you personally at this point in your life, then it may be time to sell. Likewise, if your company is worth more to you than it would be worth to a buyer, putting it on the market now will be an exercise in frustration.

Punching Above Your Weight In a Negotiation

Instead of investing time trying to figure out how you will reach your short list of potential acquirers, figure out who would be the very best person to do this on your behalf.

- Business broker: Sells companies worth up to $10 million
- M&A professional: Sells companies worth $10 million–$100 million
- Investment banker: Sells companies worth $100 million-plus

A sell-side intermediary is an individual who has been hired by a seller to find an acquirer for their company. A buy-side broker has been hired by a company (or an individual) to find them a business to buy.

To ensure a prospective intermediary would be working for you exclusively, simply ask if they are working on any buy-side mandates right now.

There are 6 reasons not to go it alone:

1. Create competition.
2. Keep acquirers interested.
3. Provide a buffer.

4. Be the good cop.
5. Time the reveal.
6. Receive services (mostly) for free.

You Set the Price, I'll Set the Terms: How to Drive a Great Deal

Broadly speaking, an acquisition offer has two major components: the price and the terms by which you will get your money. You are going to need an experienced M&A attorney (i.e., a lawyer) to represent you throughout the process of selling your business. A lawyer and an intermediary with mutual respect for one another will act as natural counterbalancing forces. One will push for a deal; the other will pump the brakes.

Leverage is significantly reduced when you sign the LOI, because almost all offers will include a no-shop clause, forcing you to terminate discussions with other potential buyers while your newfound "fiancé" does due diligence before consummating a deal.

The Art of the Nudge: How to (Gently) Squeeze an Acquirer for More

To get an acquirer to increase their offer, you have to find the middle ground between expressing gratitude for a firm bid and nudging them gently to do better. Try these useful tactics:

- Clarify your best alternative to a negotiated agreement (BATNA)—in other words, your plan B.
- Apply the magic of adjustments, aka as "normalizing," "recasting," or "adjusting" your P&L.
- Quantify the acquirer's upside; show your knowledge as owner.
- Demonstrate how your company will sell more of their stuff.
- Quantify your value in the business.
- Kill them with kindness: no matter how low an offer is, try to work with it.

The Freedom Paradox: How to Get Comfortable with Your Decision to Sell

One of the most common things founders say on the Built to Sell podcast is: "I wish I'd done it sooner." Often, they start a business for the sense of freedom they hope it will give them.

As the lyrics in Bob Dylan's song "Like a Rolling Stone" reference, when you've got nothing, then you don't have anything to lose.

Selling your business is the natural culmination of a job well done. It means you have conceived of an idea, built it to be independent of you, and then set it free to thrive on its own. Your kids need to leave the house in order to reach their potential—and the same is true of your business.

When you started your business, you were free. The goal of this book is to give you a pathway to be free again—through selling your business!



John Warrillow is the founder of The Value Builder System, a simple software for improving the value of a company, offered via a global community of advisors who have earned their Certified Value Builder qualification. His best-selling book *Built to Sell: Creating a Business That Can Thrive Without You* was recognized by both Fortune and Inc. as one of the best business books of 2011 and has been translated into 12 languages. John is the host of Built to Sell Radio, ranked by Forbes as one of the world's 10 best podcasts for business owners.

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The Challenger Sale

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The Challenger Sale

Taking Control of the Customer Conversation



by Matthew Dixon and Brent Adamson

THE SUMMARY IN BRIEF

What's the secret to sales success? If you're like most business leaders, you'd say it's fundamentally about relationships — and you'd be wrong. The best salespeople don't just build relationships with customers. They challenge them.

Based on an exhaustive study of thousands of sales reps across multiple industries and geographies, *The Challenger Sale* argues that classic relationship-building is a losing approach, especially when it comes to selling complex, large-scale business-to-business solutions. The authors' study found that every sales rep falls into one of five distinct profiles, and while all of these types of reps can deliver average sales performance, only one — the Challenger — delivers consistently high performance.

The things that make Challengers unique are teachable to the average sales rep. Once you understand how to identify the Challengers in your organization, you can model their approach and embed it throughout your sales force. The authors explain how almost any average-performing sales rep, once equipped with the right tools, can successfully reframe customers' expectations and deliver a distinctive purchase experience that drives higher levels of customer loyalty and, ultimately, greater growth.

IN THIS SUMMARY, YOU WILL LEARN:

- Why the rules of selling have changed and how to apply the new Challenger formula for success.
- How to achieve insight into the customer's business and teach him or her how to better compete in the market.
- How to tailor your sales message to the customer's particular needs.
- How to be assertive and take control of the sale from the beginning.
- Why sales management is an integral part of the Challenger formula.

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THE COMPLETE SUMMARY: **THE CHALLENGER SALE**

by Matthew Dixon and Brent Adamson

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To purchase this book, go to www.amazon.com or www.bn.com.

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Introduction: A Surprising Look Into the Future

In the unforgettable early months of 2009, as the bottom fell out of the global economy, customers had vanished overnight. Commerce had ground to a halt. Credit was scarce and cash even scarcer. For anyone in business, times were tough. But for heads of sales, they were an absolute nightmare. It's one thing to sell to reluctant, even nervous customers. It's another thing altogether to sell to no one at all. And that's where we were in early 2009.

Selling Into the Teeth of a Bad Economy

Yet therein lay the mystery. A small but uniquely gifted number of sales reps were selling. In fact, they were selling a lot. While others struggled to close even the smallest of deals, these individuals were bringing in the kind of business most reps could only dream of even in an up economy. How could you possibly capture that magic, bottle it, and export it to everyone else?

It was into this sales environment that the Sales Executive Council (SEC) — a program within the Corporate Executive Board — launched what has become one of the most important studies of sales rep productivity in decades. Tasked by our members — heads of sales from the world's largest, best-known companies — we set out to identify what exactly set this very special set of sales reps apart.

And having studied that question extensively for the better part of four years, spanning dozens of companies and thousands of sales reps, we have discovered three core insights that have fundamentally rewritten the sales playbook and led B2B sales executives all over the world to think very differently about how they sell.

Insight #1: There Are Five Kinds of Sales Reps. It turns out that just about every B2B sales executive in the world falls into one of five distinct profiles, a specific set of skills and behaviors that define his or her primary mode of interacting with customers. These five profiles — the Hard Worker, the Relationship Builder, the Lone Wolf, the Reactive Problem Solver and the Challenger — prove to be an incredibly practical way of dividing the world into a manageable set of alternative sales techniques.

Insight #2: One Is a Clear Winner, One Is a Clear Loser. When you take those five profiles and compare them with actual sales performance, you find that there is a very clear winner and a very clear loser: The Challenger spectacularly outperforms the other four, while the Relationship Builder falls dramatically behind. When we show the results to sales leaders, they find them to be deeply disturbing, because they've placed by far their biggest bet on the profile least likely to win.

Insight #3: Challengers Master the Complex Sale, Not the Economy. The third and final core insight from this work is that the profile most likely to win isn't winning because of the down economy, but irrespective of it. These reps are winning because they've mastered the complex sale, not because they've mastered a complex economy. Your very best sales reps are far better able to drive sales and deliver customer value in any kind of economic environment. What we ultimately found is a dramatically improved recipe for a successful solution sales rep. We call these winning reps Challengers. ●

1-800-SUMMARY
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Published by Soundview Executive Book Summaries® (ISSN 0747-2196), 500 Old Forge Lane, Suite 501, Kennett Square, PA 19348 USA, a division of Concentrated Knowledge Corp. Published monthly. Subscriptions starting at $99 per year.
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The Challenger: A New Model for High Performance

In our analysis, of the 44 or so attributes we tested, six of them showed up as statistically significant in defining someone as a Challenger rep:

- Offers the customer unique perspectives.
- Has strong two-way communication skills.
- Knows the individual customer's value drivers.
- Can identify economic drivers of the customer's business.
- Is comfortable discussing money.
- Can pressure the customer.

At first glance, this list may seem like a strange mix of unrelated qualities. Each of these attributes represents a particular way in which Challenger reps significantly outperform their colleagues in the core.

The Challenger Selling Model: Teaching, Tailoring, Taking Control

If we group the attributes into three categories we find they paint a very clear picture of who the Challenger truly is. A Challenger is really defined by the ability to do three things: teach, tailor and take control.

With their unique perspective on the customer's business and their ability to engage in robust two-way dialog, Challengers are able to teach for differentiation during the sales interaction.

Because Challengers possess a superior sense of a customer's economic and value drivers, they are able to tailor for resonance, delivering the right message to the right person within the customer organization.

Finally, Challengers are comfortable discussing money and can, when needed, press the customer a bit. In this way, the Challenger takes control of the sale.

Challengers Are Made, Not Born

One of the things we know from our research is that every rep in our study had traces of the Challenger "gene." It just wasn't the thing they "majored" in. But because we focused our work specifically on skills, attitudes, behaviors and knowledge, with the right tools, training, coaching, and reward and recognition system, you can likely equip many of your reps who minor in challenging to act more like Challengers in front of the customer.

There is ample evidence that Challengers can be made. We've seen this firsthand: Our own SEC Solutions group (the consulting arm of SEC) has had tremendous success helping our members build

The Five Types of Sales Reps

- **Hard Workers** show up early, stay late and are always willing to put in the extra effort. And they are always looking for opportunities to improve their game.
- **Relationship Builders** are all about nurturing strong personal and professional relationships and advocates across the customer organization.
- **Lone Wolves** are deeply self-confident. They tend to follow their own instincts instead of the rules.
- **Reactive Problem Solvers** are naturally drawn to ensuring that all of the promises that are inevitably made as part of a sale are actually kept once the deal is done.
- **Challengers** are the debaters on the team. They've got a deep understanding of the customer's business and use that understanding to push the customer's thinking and teach him or her something new about how his or her company can compete more effectively.

Challengers within their own organizations. If you are a sales rep, regardless of whether or not you are a natural Challenger, this discussion of the Challenger Sales Model will help boost your personal effectiveness as a salesperson. While your current approach may differ from the Challenger Model, don't think of these differences as carved in stone. Understanding that these gaps exist and, more important, that you have it in your power to close them, is a critical part of the journey.

One of the key lessons from our work is that it's the combination of the Challenger attributes — the ability to teach, tailor, take control and do it all while leveraging constructive tension — that sets the Challenger apart. If you teach without tailoring, you come off as irrelevant. If you tailor but don't teach, you risk sounding like every other supplier. If you take control but offer no value, you risk being simply annoying.

Challenging Is About Organizational Capability, Not Just Rep Skills

An organization that leaves the teaching content up to its individual reps will be pulled in many different directions as reps promise customers solutions to myriad business issues — including many your company is not equipped to solve.

The act of delivering a teaching pitch is a skill, to be sure, but the content of a teaching pitch — the business issues you teach customers to value, the idea around

which you reframe how customers think about their business — must be scalable and repeatable and, as such, must be created by the organization. The same can be said for parts of tailoring. And Challenger reps armed with powerful teaching messages produced by their organizations will be in a much better position to take control of the customer conversation.

A big mistake we see organizations make in their Challenger efforts is assuming that change will happen instantly. Moving to a Challenger model is a commercial transformation, one that early adopters tell us takes time to get right.

Ramming through Challenger training for reps without also carefully constructing robust teaching pitches for them to deliver or arming front-line managers to reinforce the right behaviors and skills might yield a small bump in rep productivity, but two outcomes are practically guaranteed: The performance boost attained will fall well short of what it could have delivered if done properly and, more likely than not, it will be perceived as the training "flavor of the month," soon to be forgotten or rejected by most reps.

Teaching for Differentiation: Why Insight Matters

Over the last 15 years, most sales training has centered on a core principle: The shortest path to sales success is a deep understanding of customers' needs. If you're going to sell "solutions," the thinking goes, you've got to first "discover" your customers' most pressing points of pain and then build a tight connection between what's keeping them up at night and what you're seeking to sell.

The idea being, if we just dig deep enough to find "the story behind the story," we'll eventually get to a place where customers are so forthcoming about what they truly need that right there on the spot we can craft a highly targeted offer that provides the perfect "solution" to their problem. A solution so perfectly aligned with their needs that they have no choice but to buy it — no matter what the cost.

But what if customers truly don't know what they need? What if customers' single greatest need — ironically — is to figure out exactly what they need? If this were true, rather than asking customers what they need, the better sales technique might, in fact, be to tell customers what they need. And that's exactly what Challengers do. When you get down to it, Challengers aren't so much world-class investigators as they are world-class teachers. They win not by understanding their customers' world as well as the customers know it themselves, but by actually knowing their customers' world better than their customers know it themselves, teaching them what they don't know but should.

The Power of Insight

Of the 50 or so insights we tested in our customer loyalty survey, 17 of them fell into the sales experience category, each reflecting at least a marginally positive impact on customer loyalty. They included things like, "Demonstrates a high level of professionalism," "Adjusts to our unique needs and specifications," "Portrays a realistic picture of costs," and "Matches communications to my preferences." However, when we ranked the list according to impact, we found seven in particular that rose way above the others in terms of importance:

- Rep offers unique and valuable perspectives on the market.
- Rep helps me navigate alternatives.
- Rep provides ongoing advice or consultation.
- Rep helps me avoid potential land mines.
- Rep educates me on new issues and outcomes.
- Supplier is easy to buy from.
- Supplier has widespread support across my organization.

Take another look at the top five attributes listed there — the key characteristics defining a world-class sales experience. Each of these attributes speaks directly to an urgent need of the customer not to buy something, but to learn something. They're looking to suppliers to help them identify new opportunities to cut costs, increase revenue, penetrate new markets and mitigate risk in ways they themselves have not yet recognized. Essentially, this is the customer saying, rather emphatically, "Stop wasting my time. Challenge me. Teach me something new."

It's a powerful conclusion that runs contrary to years of thought and training in B2B sales. Sure a supplier has to have great products, brand and service. But from the customer's perspective, most already do. After all, if that weren't the case, they probably wouldn't be speaking with that supplier in the first place. Instead, what sets the best suppliers apart is not the quality of their products, but the value of their insight — new ideas to help customers either make money or save money in ways they didn't even know were possible.

In this sense, customer loyalty is much less about what you sell and much more about how you sell. The best companies don't win through the quality of the products they sell, but through the quality of the insight they

deliver as part of the sale itself. The battle for customer loyalty is won or lost long before a thing ever gets sold. And the best reps win that battle not by "discovering" what customers already know they need, but by teaching them a new way of thinking altogether. After all, if you don't change the way a customer thinks — and, ultimately, acts — then you really haven't taught him or her anything to begin with; At least nothing worth bothering about. And where's the value in that?

Building Insight-Led Conversations

This isn't so much about delivering a formal presentation as it's about telling a compelling story. Along the way, there should be some real drama, perhaps a bit of suspense, and maybe even a surprise or two. Ultimately, the goal is to take customers on a roller-coaster ride, leading first to a rather dark place before showing them the light at the end of the tunnel. And that light, of course, is your solution.

Done well, a teaching pitch makes customers feel sort of sick about all the money they're wasting, revenue they're missing or risk they're unknowingly exposed to. But if your story fails to engage both sides of the brain simultaneously — the rational and the emotional — it's too easy for your customer to make no decision even over a good decision, as logic alone is rarely enough to overcome the status quo. Disruptive change is as much about following your gut as it is about following your head.

Tailoring for Resonance

The best way you sell more stuff over time isn't by going directly to the person who signs the deal, but by approaching him or her indirectly through stakeholders who are able to establish more widespread support for your solution. The link between stakeholders and the decision maker is significantly stronger, whereas the link between the rep and the decision maker is significantly weaker — the rep's ability to influence the sale in the executive suite is nowhere near as strong as the stakeholder's ability to do the same thing.

Just as important as the direction of the information flow is the nature of the actual information flowing through them. In the traditional model, it's customer-generated intelligence valuable to the supplier. In the emerging model, it's supplier-generated insight valuable to the customer. This is the new physics of sales — it's like the world is spinning in the opposite direction.

Over the last several years, how well have you balanced the time, effort and money you've invested in gaining access to the customer's executive office with comparable efforts to identify key stakeholders and equip them to evangelize on your behalf? For most organizations, that's a huge missed opportunity. While you shouldn't stop calling on decision makers, you now know that those efforts do not negate the huge impact key stakeholders can have on driving more business over time. And this is something your best sales reps, your Challengers, do as a matter of course.

How Challengers Tailor the Sales Message

A Challenger rep arrives at the customer with a deep understanding of how individual stakeholders fit into their overall business — what their role is and what they're worried about — as well as the specific quantifiable results that those individuals want to achieve.

Most sales reps tend to deliver the same message whether they're talking to senior decision makers or more junior end users, and usually their message is about your products rather than the customer's challenges. Challenger reps aren't focused on what they are selling, but on what the person they're speaking to is trying to accomplish.

Tailoring to Different Levels

From a practical standpoint, what all of this means is that your reps now have to talk to more people than ever just to get the deal done. And we have found that one of the biggest obstacles that core reps have to grapple with when it comes to dealing with a consensus-based buying environment is how to tailor the sales message to these different stakeholders in order to achieve maximum resonance.

For individual customers, tailoring takes on many forms. A good way to think about how to tailor messages is to start at the broadest level — the customer's industry — and work your way down to the person's company, the person's role and, finally, to that individual person. Think about how well your current approach resonates at each of these levels for each of the many diverse customer stakeholders your reps now need to contact. The vast majority of sales messaging out in the market is not contextualized at any level, let alone at each of these levels for each kind of stakeholder. Typically, that messaging is about a supplier and that supplier's product and services.

Start Broad and Narrow It Down

So as a starting point, marketing can add a tremendous amount of value simply by helping sales reps to tailor at the industry and company levels. There are so many sources of information — and many of them free — that can aid a rep in offering, at the very least, some industry and company context to the sales pitch. What's going on in terms of industry trends and current events? Has a big competitor recently folded up or has there been a meaningful merger? What do the company's recent press releases and earnings statements suggest about strategic priorities?

When a rep comes in with not just a sales pitch, but with a sense of what's going on in that customer's company and industry, you've got the beginnings of a tailored message. These two outer layers are arguably the easier ones, and when you see tailored messaging in practice, it's usually at this level. Much rarer is messaging that is tailored at the level of a customer stakeholder's role — and rarer still is messaging that's tailored to that individual, i.e., his or her personal goals and objectives.

Taking Control of the Sale

According to the data, the ability to take control of the sale comes from two things: Challenger reps are naturally more comfortable talking about money and they're able to "push" the customer. What we're really talking about here is the Challenger's ability to demonstrate and hold firm on value and the ability to maintain momentum across the sales process. Challengers are comfortable discussing money because they are confident in the value they will provide to the customer. There's really nothing that instills confidence like knowing that you will deliver superior value to your customers — and Challengers have that confidence in spades. This means that the Challenger has no problem respectfully pushing back when the customer asks for a discount, looser terms or increased scope without a commensurate increase in price (i.e., "freebies").

This isn't the same confidence one feels knowing his or her company's products and services are No. 1 in the market. It's confidence built on the knowledge that you've taught the customer about a problem he or she didn't previously know he or she had. There's now a burning platform — one you created — and it just so happens that you sell the only solution to that problem. Being No. 1 in the market is great, but unfortunately it isn't anything your customers really care about.

Challengers also create momentum. Their deals don't get stuck nearly as often in "no-decision land" the way typical core reps' deals tend to. This is because a Challenger will push things along, always thinking ahead to the next step. When Relationship Builders come to the end of a customer meeting, they won't push hard on next steps for fear of ruining what was otherwise a positive interaction. But Challengers understand that the goal is to sell a deal, not just have a good meeting; they are focused on moving ahead.

Taking Control from the Beginning, Not at the End

Neil Rackham shared with us a story from his research. "A big problem," he explained, "is the customer who invites a salesperson to come in, analyze a problem and generate creative solutions. Many sales organizations will spend well into the six figures to pursue a complex opportunity. All too often, though, the customer encourages this free consulting work until the best solution becomes clear, at which point they go shopping for the cheapest supplier."

This is a core difference between Relationship Builders and Challengers, in Neil Rackham's assessment. "In my own research, I saw some reps losing more customers to cheaper suppliers late in the sale because they failed to take control early on. They steered clear of having a tough conversation about the commercial side of the interaction, fearing it would damage the relationship. Other reps, however, confronted the customer early in the sale, saying, 'It's going to cost us $200K to put our best thinking into your problem. We're willing to do it, but we need some assurance that if we invest in you, you'll invest in us.' These reps had far fewer customers switch to cheaper suppliers late in the sale process."

Challengers find many other opportunities to take control during the sale — again, well in advance of the negotiating table. Even if a rep can successfully verify a customer's real intentions at the beginning of the sales process, many deals will get bogged down nevertheless. Challengers distinguish themselves by building momentum within the customer organization — momentum that enables them to drive to a conclusion faster than the typical rep.

Taking Control of More Than Just Money

Challengers can push customers on financial terms and aspects of the selling/buying process, but more important, they push customers in terms of how they think about their world and their challenges. This is the essence of Commercial Teaching: the ability to reframe the way customers think about their world.

Why is it important to take control around ideas? Because it's extremely unlikely that a customer — especially a seasoned executive — is going to roll over and accept the reframe that the Challenger delivers without a healthy dose of skepticism. More likely, he'll push back. He'll ask why. He'll ask to see the supporting data. He'll say his company is different. These are the questions that make Relationship builders' knees go weak. Seeking to defuse tension, the Relationship Builder will acquiesce, caving on the argument and hoping to salvage what's left of the conversation, in the end relegating himself to a price-driven conversation about products and survival rates rather than the bigger, more valuable solution that could have been.

But it's this kind of challenge the Challenger lives for. The Challenger will use constructive tension to her advantage. Instead of giving in at the first sign of resistance to her argument, the Challenger pushes back: "You're right, your company surely is different, but so are the other organizations we work with . . . and I can tell you that this insight has helped them to rethink the way they run their operations. With your permission, let's explore this idea in more depth and then circle back to make sure I've adequately addressed any concerns you might have."

Reps Need to Become Assertive, Not Aggressive

People confuse taking control — that is, the Challenger's tendency to be assertive during the sale — with aggressiveness. But these are actually two very different things.

While aggressive people will pursue their goals by attacking others and using antagonistic language, assertive individuals are much more constructive, using strong language, perhaps, but not so strong that it's off-putting or offensive. So the rep pushes the customer, but does so with respect and sensitivity to how the customer is reacting. The rep doesn't blindly pursue his own agenda, but instead moves purposefully, always sensing and responding.

The general fear is that if you tell your reps to take control by being more assertive, they're going to jump over the middle of the continuum and move straight to aggressive. But in reality, we find that almost never happens. More often than not, reps will continue to gravitate to the passive end of the continuum rather than move to the right at all. They get stuck seeking to resolve tension with the customer, rather than maintain it. ●

The Manager and the Challenger Selling Model

So far we've focused on the rep skills and organization capabilities required to implement the Challenger Selling model. But anybody who's ever attempted to execute large-scale change within a sales organization will know there's one glaring admission to this story: the frontline sales manager.

If you don't get front-line sales managers on board, the initiative will fail. Whether it's changes to comp plans, the CRM system, the sales process, or more basic skills and behaviors, it always comes back to the manager. The front-line sales manager in any sales organization is the fundamental link between strategy and execution — this is where change initiatives and sales transformations live or die.

The Importance of Management Fundamentals

As it turns out, management fundamentals account for roughly one-fourth of sales manager success. These are the foundational skills that are necessary for success in any management job, irrespective of function. Yet interestingly, we also found that performance on these attributes does not fall along a spectrum but tends to be binary. Either you're reliable or you're not. You have integrity or you don't. And that, in turn, tells us that these are inherent traits you should be looking for in the people you hire, not skills you want to be developing in your staff over time.

Put another way, great reps don't necessarily make great managers. You can't just excel at sales to be a great sales manager, you've also got to excel at management. Yet that is exactly how most companies still source new front-line management talent. This approach to hiring is the root cause of many organizations' high manager failure rates. Not surprisingly, our analysis of manager performance indicates that a handful of managers fail on at least one of these management fundamentals.

Selling, Coaching, and Owning

When we ran the analysis, we found that the attributes contributing to manager excellence fall into three high-level categories: selling, coaching and owning. This last category is all about the various aspects of business ownership that senior leaders like to see in managers — the extent to which they run their territory as if it were their own business.

We see that the same skills that matter most for manager success are the exact same skills that we found to

matter most for rep success: "Offers the customer unique perspectives," "Tailors the offer to the needs of customers," "Is comfortable discussing money." This implies that your best managers are likely to come from your Challenger ranks, and it helps explain why top-performing managers are heavily sought after for the support they can provide on the largest, most complex deals — deals where the Challenger skills, as we have seen, are most needed.

Innovation is the Key to Sales Manager Performance

At 29 percent, sales innovation is the single biggest attribute contributing to world-class sales manager performance — more important than selling skills and much more important than a manager's ability to allocate resources. While coaching is a close second at 28 percent, what's so interesting about sales innovation is that, unlike sales coaching, which has received a huge amount of time and attention over the last five years, it isn't something that most sales leaders have ever really thought about in any systematic fashion before.

Sales innovation is the missing link in terms of fully realizing the benefits of the Challenger Selling Model. Even armed with the best teaching pitches and honed capabilities for tailoring and taking control — even with strong sales managers who coach to these behaviors — many deals will still not happen. While the Challenger Model increases the likelihood that deals will move through the funnel, beating the status quo is a hard task. Customers are reluctant to change. The requirements for consensus continue to expand. Decision makers will continue to choose "no decision" even over a good decision.

This is where the innovative manager comes in. Armed with the ability to innovate at the deal level, the manager can help the rep avoid "no-decision land" more often than the rep — even a Challenger rep — can on her own. It's a critical capability in the battle to sell increasingly complex solutions to understandably ever more reluctant customers. ●

Implementation Lessons from the Early Adopters

Close observers of our research could make the argument that Lone Wolves have the highest *probability* of being high performers — and technically, they would be correct. While Lone Wolves represent the smallest percentage of the overall sample of sales reps (at 18 percent), a full 25 percent of all high performers fall into the Lone Wolf profile — in other words, of all the profiles, the chances are greatest that a Lone Wolf pulled out of a crowd would actually be a high performer. But jumping from this observation to the conclusion that all reps should be Lone Wolves is a folly.

An all-Lone Wolf sales force follows no pattern. By definition, Lone Wolves don't follow any process or set of rules aside from their own. That makes it impossible to model and replicate their behaviors across the sales organization. The top performers in this kind of environment may do well, but there's no way to bring your core performers up to their level in the same manner.

Lone Wolves also struggle in the collaborative, team-based environments required to bring more complex solutions to customers. As a vice president of sales from a high-tech company recently told us, "In our organization, we are moving rapidly to having to sell as a team instead of selling individually. Lone Wolves are a cancer in an environment like this."

Start Now

The Challenger Selling Model is a commercial transformation. Getting it right requires significant changes to the way sales and marketing interact, to the kind of tools you arm your reps with, the sort of reps you recruit, the kind of training you deliver to them and the way managers interact with them. Getting this right is hard.

It's not all bad news, however. Moving now means changing the way your reps interact with customers before your competitors do — and the data is very clear about what customers want. While the competition sends out Relationship Builders equipped to have only fact-, feature- and benefit-focused conversations, your Challenger reps are leading with insights, teaching customers about problems they didn't know they had. While the competition focuses its energies on *finding* customers, you will be out there *making* customers. ●

RECOMMENDED READING LIST

If you liked *The Challenger Sale*, you'll also like:

1. ***The Perfect Salesforce* by Derek Gatehouse.** Gatehouse argues that sales is about people, not a process. Learn how to find the perfect people for the right type of sales job.
2. ***Snap Selling* by Jill Konrath.** Konrath describes a new era in selling, one in which fewer calls can win more sales. Readers learn the four SNAP rules to increase success.
3. ***Rainmaking Conversations* by John E. Doerr and Mike Schultz.** Learn a proven system for leading masterful conversations that fill your sales pipeline.

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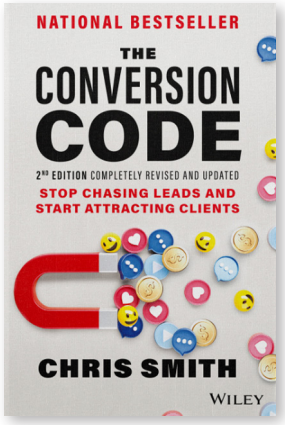
The Conversation Code

Chris Smith

soundview Executive Book Summaries®

The Conversion Code

Stop Chasing Leads and Start Attracting Clients



by **Chris Smith**

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THE SUMMARY IN BRIEF

The Conversion Code is a step-by-step guide to marketing and sales that will grow your business faster. The outcome for those who follow it is the highest conversion rate possible. Doing what is outlined in this book will get you better website traffic, a larger email list, higher-quality leads, and more social media followers. Most importantly, you will close more sales and make more money.

Author Chris Smith teaches readers exactly what to say and when to say it, so that day in and day out, you convince people to buy from you. You will also learn how to do marketing so that it generates higher-quality leads that are easier for sales to convert. What you will learn in this book gives you an unfair advantage. Whether you're a seasoned pro or brand new, ***The Conversion Code*** is your guide to growth if you're in marketing or sales, with particular relevance to sales professionals in real estate, mortgage, and SaaS.

IN THIS SUMMARY, YOU WILL LEARN:

- How to do marketing that attracts high-quality leads
- The essential components of websites, landing pages, blogs, and social ads
- How to follow up with leads that are most likely to convert
- The billion-dollar sales scripts

Section I: How to do Marketing that Attracts High-Quality Leads

The Biggest Challenges Facing Marketing and Sales

When it comes to successfully converting leads into customers, the most significant challenges companies face right now are, in order:

- not collecting enough data on the leads
- following up with leads quickly
- making initial contact with the leads
- maintaining contact with the leads
- filtering leads
- and setting appointments with leads.

Do any of those challenges resonate with you? Then ***The Conversion Code*** is right for you.

What Happens When Your Crack the Conversion Code

What exactly is ***The Conversion Code***? Conversion happens at the intersection of marketing, sales, and technology. It's what happens when all three of those things are firing on all cylinders and working in harmony. And what happens when you crack the code and get this right is pretty special. Sales and marketing alignment is the largest opportunity for improving business performance today.

There are three circles in the code's Venn diagram defining lead conversion called the opportunity circle. At the center of the opportunity circle, the smallest circle, are the people who hire you. The middle circle represents people who know about you but don't hire you. The outer circle, the largest circle, comprises the people who don't know you exist.

The code takes people who don't know you exist and moves them into the "do know you" circle. It takes the people who do know you but didn't hire you and moves them into the inner circle of people who hire you. The circles of people who don't know you and know you but don't hire you are a lot larger than your inner circle. They are where the greatest opportunity lies.

Your Website

There is a good chance that you have heard (possibly even a nauseating number of times) that "content is king." What isn't talked about enough, though, is who the queen is.

Design is queen.

If you want to attract high-quality leads that are easy to convert, obsess about design. A design-first mindset is a must when building your website and landing pages (or improving the ones you already have.

Why is design so important? Great design builds trust. Trust is why people choose you. Trust is why people send you referrals. There are still far too many companies that have a website so poorly designed that they are willing to admit *they wouldn't even hire themselves* based on it.

If you're updating your website out of the dark ages and have a budget, do yourself a favor and hire a professional. Have them build you an amazing website and plan to get a new one every couple of years. If you take the DIY approach, make sure you adhere to best practices.

Whether you build a new website, update your existing one, or outsource the project, there are six things you should be sure you factor into the design.

1. One Column: A one-column layout allows for a one page, one purpose approach. Plus, it's much easier to make a one-column layout look great on mobile.
2. Social Proof: When you display the feedback of your happiest customers and not just your own marketing messages, you will find that the quality of your leads increase.
3. Contrast: The fewer colors you use, the more each one pops. Use colors to draw attention to your calls to action.
4. Fewer Form Fields: There is a direct correlation between a website's conversion rate and the amount of information required to complete a form. Conversely, the more fields someone is willing to complete directly correlate to a lead that is easier for sales to convert. You must find the right balance.
5. Keeping Focus: More choices means fewer decisions made. Except for your home page and contact page, limit the number of calls to action on any given page to one when possible. Remember, one page, one purpose.
6. Design for Edge Cases: Many of your website's visitors will be coming back for a second, third, or even 100th time. Make sure the visitors who are the "edge case" who don't visit often and are unfamiliar with

Viral optimization is the art of architecting your content so it goes as far as it possibly can and generates as many leads as possible.

you and your brand can navigate your site and find information as easily as the visitors who return often.

Landing Pages

A critical component of cracking the conversion code is to understand that landing pages perform much better than websites for lead generation. The reason landing pages are so effective for lead generation is simple: they are simple. They have only one goal.

Compare that to your website, which may have dozens of navigation options or categories to choose from, and you can see why professional marketers use landing pages for lead generation campaigns involving ad spend.

There are nine key elements that every landing page should include:

1. Headline: Make it clear, concise, and coupled with your ad.
2. Sub-headline: Continue them down the path the headline started.
3. Description: Triple check all your grammar, punctuation, and spelling.
4. Testimonial: The goal is to establish trust.
5. CTA or Form: Must be prominent and contain the right copy.
6. Clickable Buttons: Button should stand out and be near or directly below the CTA.
7. Remove Links: There shouldn't be many, if any, links to other things.
8. Image or Video: Choose images that would make someone stop scrolling on social media.
9. Stay Above the Fold: Optimize what appears on what can be seen without scrolling.

Blogging for Business

You need to populate your site with content that converts. When you create content online, doing so correctly directly correlates with how well it will perform. Whether you take the lead on blogging, decide to outsource it, or use AI who knows SEO, you want to get the most out of every post you publish.

Buffer, a social media scheduling tool used by millions, identified several essential elements in an article titled "The Anatomy of a Perfect Blog Post." Following are some of the ones that matter the most.

- Titles: The title of your blog post matters the most. Eight out of ten people will read a blog post's title, but only two out of ten will read the rest.
- Storytelling Hook: Instead of starting a post with facts or claims, tell a story instead.
- Spacing: A massive block of text in an introduction can be overwhelming. Try spacing out the introduction.
- Images: Having at least one image in your blog post is a must. Having more than one is ideal.
- Length: The average piece of content that reaches page one of Google has about 2500 words. Medium found the sweet spot with their readers to be about seven minutes or about 1600 words.

When you start with a blog article that is well researched and in depth you have the ability to turn it into a lot of other shorter form content that is optimized for the platform it is shared on.

Optimizing Content for Lead Generation

You have a website, landing pages, and some great content. Optimizing that content for lead generation, social media, and search engines is a step often overlooked by even the savviest and most experienced digital marketers.

There are very specific things you can do to make your blog posts and social media content go as viral as possible. Viral optimization is the art of architecting your content so it goes as far as it possibly can and generates as many leads as possible.

Even if you get found on Google, have the right lead capture plug-ins on your website, and perfectly craft your content for social media, it is still necessary to optimize your content for lead generation by adding lead magnets.

What is a lead magnet? It is something so valuable that someone would give up their name, phone number, and email address to access it. Most of your lead magnets will live on a landing page featuring an opt-in form that's required to complete for "instant access to x."

Nine Examples of Lead Magnets for Your Landing Pages:

- Guide/report, e-book
- Cheat sheet/checklist
- Video/webinar
- Free trial
- Discount
- Quiz/survey
- Additional sales information

Once you have these lead magnets established for your business, there are two last steps to making sure the lead magnets and landing pages capture leads as often as possible.

First, you have to bake your lead magnets into your website. Your menu, header, footer, and pop-up messages can all include links to them. Second, you should make sure your blog posts have lead magnets in them.

Facebook Marketing and Ads

Profiles, Groups, Pages, Ads, and Messenger all work great if and when you use them properly. They give you the ability to start conversations with leads.

- Facebook creates conversations.
- Conversations lead to appointments and referrals.
- Appointments and referrals lead to sales.
- Thus, conversations create conversions.

If there is only one thing you do after reading this, build a Facebook ad funnel for your business. It alone can produce enough leads to keep nearly any sales team busy and grow your business.

Don't go into Facebook ads to supplement what you are already doing. Go into it with the mindset that it can be your number one channel for traffic, leads, and sales.

No matter what type of Facebook ad you decide to run, every ad has critical essentials.

- Image is Everything: Start every Facebook ad with a killer image, and then work backward. Create an ad with the mentality that the image in the ad is the entire ad.
- Extras and Text Over Image: Use text, badges, ribbons, buttons, arrows, or your logo as embellishments to the image.
- Killer, Clever Copy: Take a deep work approach to crafting your message. Obsess about what you write because serious leads will read it. When you write amazing copy, it can also help filter and qualify the leads for you.
- Specific Calls to Action: People like to be told exactly what to do in ads. They need and will take your guidance. Asking people to "like this post," "leave a comment," or "tag someone below" can be very effective social media-specific calls to action.
- Mobile-Optimized Ads: If you want high-quantity and high-quality clicks, leads, and sales from Facebook, you will need to ensure that your ads are displayed on and optimized for mobile.
- A Link to a Proven Mousetrap: Instead of always building new landing pages, spend time coming up with new and creative Facebook ads to get people to them.

Google Adwords

If you truly want to attract clients and not chase leads, Google should get a large percentage of your overall ad spend. If someone is Googling "real estate agents near me," you should do everything in your power to get one of the top results.

Local Services Ads are a no-brainer for any real estate agent, attorney, lender, and so on. This bottom-of-the-funnel approach can get expensive quickly. If you decide to make Google an acquisition channel, strongly consider getting professional help.

If you are bullish on going the DIY route, at a minimum, you need to nail the trifecta. This is when there is harmony among three ad components: the keywords you target, the copy in the ad, and the landing page you send them to.

Videos and YouTube

Thanks to their massive scale, YouTube can be a major source of traffic and leads. If you are making videos for your business and want to get more out of them, the good news

Speed, tenacity, and scripts are how you get the best ROI possible from the marketing you do, ads you run, and leads you generate.

is that you have already done the hard part. You made the video. The easy part is marketing and advertising your video.

You learned that the Google ad trifecta is keyword, copy, destination. On YouTube, the trifecta is different: thumbnail, title, description. Nail those to get the most out of each video.

Obsess about the design of your thumbnails. Think deeply about your title. Go deep with your description and make sure it has links to any relevant things you mention in the video.

Video can be a differentiator and catalyst for extreme growth for your business and personal brand. If you aren't making videos for your business, you need to start immediately. If you are making videos for your business, start marketing and advertising them more effectively, immediately.

Audio is Everywhere-Take Advantage of It

Podcasts empower you to connect with prospects when they can't read your blog, watch your videos, or scroll through your Instagram feed.

94% of listeners are doing something else while listening. Having quality audio content, with well-placed CTAs, for these lengthy "downtimes" is quickly becoming a must.

There are three ways you can take advantage of their popularity and effectiveness:

- Host your own podcast.
- Be a guest on other people's podcasts.
- Pay for ads on other people's podcasts.

Convert More Leads Using Retargeting

If you have ever been on Amazon looking at a product only to see it in an ad in your social media feeds shortly after that, you have experienced retargeting. Retargeting has become a popular option with professional marketers because even the best websites and landing pages in the world will not convert every visitor into a lead.

Every visitor who does not become a lead (as well as those who do) can begin to immediately see your ads on social media, websites they visit, and in mobile apps.

Section II: How to Follow Up with the Leads that are the Most Likely to Convert

How to Achieve the Highest Conversion Rate Possible

Speed, tenacity, and scripts are how you get the best ROI possible from the marketing you do, ads you run, and leads you generate. Without the right salespeople and processes in place, you will constantly have leads falling through the cracks and end up questioning the effectiveness of your marketing.

In a perfect world, you could call every lead that came in right away, they would answer, and you would close them. Unfortunately, we live in a far-from-perfect world. So focus on speed, tenacity, and using multiple follow-up methods to ensure that you are converting the highest percentage of leads possible into sales conversations or qualified appointments.

Text Messages to Convert Leads

Everyone loves to text, except businesses. You do not need to ask yourself if it is appropriate for a business to text someone. It is inappropriate for them not to. The data strongly shows that people want to communicate with businesses in this way.

When a lead comes in from one of your landing pages that collects a phone number, use an auto SMS with merge codes to send a personalized message to the lead immediately. Often, more leads will reply to that text than those who will even open the first drip email.

Why? Speed matters; so does personalization, plus in boxes are more clogged than SMS messages.

Beyond the first text, you can also put leads on drip text messages just like you can drip emails. Be sure to bake in a few into your lead follow-up campaigns so that they complement your calls and emails.

Automated Email Campaigns

Getting drip campaigns right can really move the needle for

conversion rate. They are being sent to the leads that marketing has worked so hard to educate, qualify, and capture.

The first email you send is especially critical as it will get the most opens of any you send. Do not waste this critical opportunity by sending something like, "Thanks for the inquiry. We will be in touch." Instead, craft initial drip emails that are more human, aim for a reply, and sound less canned.

If someone is registering for your blog or to access a free lead magnet, the greeting would be a lot different than the first email to a lead who filled out your contact us page. Take the time to develop a strong email sequence for every unique lead source you have. Think of them as conversation starters that lead to conversions. Conversations are what create clients, not drip emails.

Section III: The Billion-Dollar Sales Script

The Pre-Call Stalk

Every sale is won or lost before it's ever pitched. Before you call, you need to properly, legally, and non-creepily "stalk" a lead so you can use the intel you gather about them on your call. When you hyper personalize sales calls, you close more deals and make more money. Period.

Use social media and Google searches to start winning the sale, before it even starts. Gathering intel pre-pitch takes only a few seconds, is a repeatable process, and when done properly will impress leads and increase close rates.

A Perfect First Minute on a Sales Call

When you are following up with leads it is your job to take control of the call. There are two specific things you need to do at the beginning of nearly every call to ensure the conversation ends up being long enough for you to have a chance at closing them.

In the first minute you must:

1. Gain control
2. ARP: acknowledge, respond, pivot

What you say immediately after your opening is critical, and it needs to be nearly the same every single time. Once you find a "gain control" statement that works, use it over and over.

It is very effective to ask the lead to grab a pen and paper or something to take notes with for a specific purpose such as jotting down your name and phone number or to give them valuable information that isn't available online.

This is a technique called pattern interrupt and it puts you in control early. If they won't grab a pen and paper to write a few things down, will they be a customer 30 minutes later? This method of gaining control helps to identify the more serious leads within seconds of the call starting.

No matter what you sell, during the first minute of a call with a lead they will say some variation of "no." These are brick wall statements and once you know them, the last step in a perfect first minute of a sales call is to use a technique called APRing.

- Acknowledge: Let them know with 100% certainty that you heard them.
- Respond: Address the brick wall in a very simple and straightforward way, but don't answer the question too specifically.
- Pivot: Turn the conversation back to where you want it.

The Perfect Sales Pitch

Everyone sells features. The best salespeople sell the benefits of the features then ties it down with a technique called FBT: Features, Benefits, and Tie Down (FBT).

Features are what you do. Benefits are why it matters to the lead. Tie-downs ensure the lead agrees throughout the pitch that the various features benefit them.

To decide what your FBTs should be, ask yourself two questions: "What makes my business great?" and "What makes my business unique?" The answers to those questions is where your FBT material should stem from.

How to Close

You never want to get to the end of a great call and then trip at the finish line. Don't get cute with your close. Simplify it all the way down to two steps.

Step One: The Trial Close

The goal is to get the lead to visualize that they are moving forward, without having to directly ask them for their business. By doing this, they will typically either (1) answer your question, confirming they are ready to be closed immediately, or (2) ask a buying question or give you an objection before they answer. Both are good outcomes.

Step Two: The Slot Close

The second they answer your trial close question, you really close them by giving them one last choice. It is much easier for people to make a simple choice like credit or debit than it is for them to answer, "So, are you in?"

How to Overcome Objections

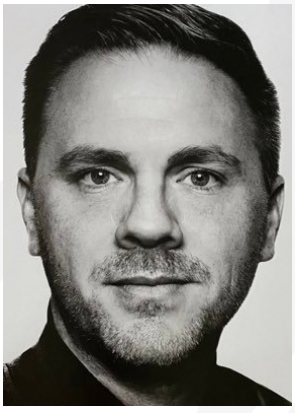
Let's be honest: even the best salespeople in the world hear no a lot more often than yes. You can attract high-quality leads, schedule qualified appointments, and crush your sales calls, but you will never close 100% of your prospects. When you hear objections, just remember to ARC.

Similar to an ARP, an ARC also starts with acknowledging the question they asked and then responding. The difference is that now the last letter, C, stands for close, not pivot.

Make a list of the most common buying questions you get and develop an ARC that works best and makes sense for each. Once you nail the ARCs that work best, ride them until the wheels fall off.

The blueprint presented in *The Conversion Code* was used to quickly grow the author's business to eight figures in annual recurring revenue, without raising any venture capital. It is taught at colleges like Johns Hopkins University and he has been a guest lecturer at NYU. *The Conversion Code* works. Attracting leads, booking appointments, and closing sales with the code requires art and science. Speed and tenacity. Mindset and skill.

One thing that cracking The Conversion Code does not require however, is luck. Nothing in this book works if you don't. Act like an expert and you just may become one. Here's an inarguable and compelling statistic for you to remember: 100% of the marketing you never do has a 0% conversion rate.



Chris Smith is the Co-founder of Curaytor (an Inc. 500 fastest growing business) and he is one of the 4 best marketers under 40, according to the American Marketing Association. Chris used the blueprint in this book to quickly grow his company to eight figures in annual recurring revenue, without raising any venture capital. His work has been featured in AdWeek, Forbes, Fortune, and many other publications. Previously, Chris worked for two billionaires, a billion-dollar publicly-traded company, and a startup that was acquired for nine figures. His first book, Peoplework, received endorsements from the CEO of Zappos and Gary Vaynerchuk, who wrote the foreword.

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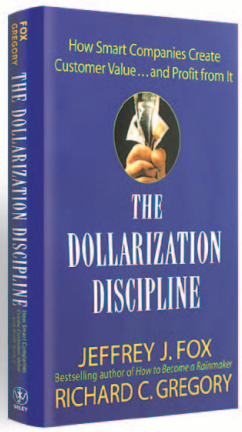
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The Dollarization Discipline

Jeffrey J. Fox and Richard C. Gregory

SOUNDVIEW Executive Book Summaries®

FILE: SALES



How Smart Companies Create Customer Value ... And Profit From It

THE DOLLARIZATION DISCIPLINE

By Jeffrey J. Fox
and Richard C. Gregory

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THE SUMMARY IN BRIEF

At the heart of The Dollarization Discipline *lies the concept of understanding the financial impacts a product or service has on its buyer. Although this involves the idea of "total cost of ownership," it focuses on more than just cost reduction and cost avoidance. In* The Dollarization Discipline, *marketing guru Jeffrey J. Fox, best-selling author of* How to Become a Rainmaker *and other books, and management consultant Richard C. Gregory describe how organizations can also measure the financial impact of noncost benefits, including increased market share, increased sales volume, and increased pricing power. The authors explain that "dollarization" should be a discipline that businesses apply across a broad set of sales, marketing and management activities, forcing organizations to be customer-focused and customer-driven.*

Helping companies to stay focused on the financial performance that is the ultimate arbiter of their customers' success is a primary ingredient of dollarization, and throughout The Dollarization Discipline, *the authors describe how the difficult task of dollarization can be put into practice.*

What You'll Learn In This Summary

✓ How to effectively communicate the economic value created by your products and services.

✓ How to use a step-by-step strategy to calculate the monetary gain a customer receives in exchange for the price paid.

✓ How to handle price objections, shorten sales cycles, protect business from competition, and get appointments.

✓ How to apply the techniques of "dollarization" to new product pricing, advertising and communications.

✓ Ways to discover how customers make money and align resources to help those customers make *more* money.

Published by Soundview Executive Book Summaries, P.O. Box 1053, Concordville, Pennsylvania 19331 USA
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THE DOLLARIZATION DISCIPLINE

by Jeffrey J. Fox and Richard C. Gregory

— THE *COMPLETE* SUMMARY

Getting Started With Dollarization

You are shopping for paint and find many choices at the local paint store. Product X costs $12 a gallon; product Y costs $20 a gallon. Which paint should you buy?

The salesperson says, "I strongly recommend product Y. Its price may be higher, but it will last eight years, while the other paint will last four at best. That means that over eight years, you'd have to buy product X twice, for a total of $24 a gallon, versus just $20 a gallon for product Y. In reality, product Y costs less!"

You reply, "That's very interesting, but I'm preparing to sell my home, so I don't care about how long this paint will last. I think I'll go with product X for $12."

The salesperson listens and responds, "I understand, but I think product Y is still your best choice. You see, product Y contains 50 percent more pigment, which results in better coverage than product X. This means you will need to apply only one coat to your house. Product X will require at least two coats. This will also cut your labor costs in half. Plus, you are guaranteed that your house will look freshly painted, which will improve your success in selling your home. Wouldn't you agree that an extra $8 per gallon is a great investment to sell your house at the price you want?"

Finally, you decide. The $20 paint is actually *less expensive* than the $12 paint.

Financial Consequences of Choosing

When businesses make purchases, too often they are myopic and overemphasize the importance of price. They overlook the many other financial consequences of choosing one offering over another. This is a failure on the buyer's part, because it may very well result in financial harm to the organization. But more importantly, it is a failure on the seller's part because the seller has missed the chance to demonstrate the true financial impact that could be provided to the customer.

The meaningful way to compare the cost of two offerings is by evaluating the *total cost* of using each. In order to help customers to understand the true net cost of your product, you must *dollarize* the product's *true value*.

Dollarization is figuring out what your offering is really worth — in dollars and cents — to your customer. It is the management discipline that is missing in many sales and marketing organizations, and its impact can be great, and its applications are many.

Dollarization can help your company better understand, articulate and profit from the value you create for your customers and clients. Dollarization should become a standing discipline that guides your thinking about pricing, selling, positioning, new product development, and nearly every other area of your sales and marketing.

Value Is a Number

In sales and marketing, value takes the form of value-added, value chain, value proposition, or value engineering. When sales and marketing people talk value, they use words — words that lack precision — and rarely use numbers.

The solution is an approach to sales and marketing that goes beyond articulating features and benefits, but in fact calculates the full economic value a customer receives from a product or service; the seller is then able to price the product or service as a true reflection of that value. This approach is called dollarization.

Businesses do not buy; they invest. Every time a company makes a purchase decision, it is committing company capital. In theory, that capital is constantly being allocated and reallocated to achieve the best available

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262 pages. $24.95. ISBN 0-471-65950-9.

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Published by Soundview Executive Book Summaries (ISSN 0747-2196), P.O. Box 1053, Concordville, PA 19331 USA, a division of Concentrated Knowledge Corporation. Published monthly. Subscriptions: $195 per year in the United States, Canada and Mexico, and $275 to all other countries. Periodicals postage paid at Concordville, PA and additional offices.

Postmaster: Send address changes to Soundview, P.O. Box 1053, Concordville, PA 19331. Copyright © 2005 by Soundview Executive Book Summaries.

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Getting Started With Dollarization

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return. Too few companies exercise this discipline for all purchases. And far fewer companies market and sell in a way that permits customers to understand the economic value provided in return for the investment. Whatever you do, you must map exactly how your offering translates to value for your customer's business. ■

Why Dollarize?

Keep your fair share of the value created. Companies receive value from suppliers, and they compensate those suppliers by returning a portion of the value created. In turn, they create value for *their* customers and are able to extract some value in return, which allows them to generate positive *net* value for their owners. Too many companies allow their customers to keep more than a fair share of the value created. Those customers are often unaware of and therefore underappreciate the actual value created by their purchase of the supplier's product. Dollarization is the bridge that enables a company to link and leverage the value it creates and the value it extracts.

Find new ways to grow your top line. Once cost cutting reaches diminishing returns, companies must look for ways to grow the top line, through expanded sales, higher prices, or both. The traditional growth levers available to marketers include:

- **Earning more share of volume or more "share of wallet" from existing customers.**
- **Add new customers in current markets.**
- **Introduce new products or services to existing or new customers.**
- **Enter new geographies.**
- **Sell new applications or uses for existing products/services.**
- **Enter new market segments.**
- **Raise prices.**
- **Reduce controllable customer attrition.**

In the following pages, you will learn how dollarization can improve the effectiveness of each of these marketing endeavors.

Help your organization at all levels protect price. An important motivator for many companies that utilize dollarization is the protection of a price premium or the defense against price erosion (or both). While companies may recognize these as strategically important, it is important for all front-line sales and marketing staff to appreciate just how much profit leverage can be gained by protecting price.

For example, if a salesperson is considering a 3 percent price cut and the current gross margin is 40 percent, the salesperson would have to gain 8.1 percent in incremental unit volume at the new reduced price in order to generate the same amount of gross margin dollars he or she was producing before the price cut.

Strategic Value of Dollarization

Understand your customer better. In addition to winning new sales and improving pricing, dollarization also enables the marketer to gain a deeper understanding of the customer. This understanding keeps the marketer focused on what is truly important to the customer, and helps the marketer make strategic marketing decisions — about product direction, sales approaches, pricing strategies, channel development — that are fundamentally more sound than traditional approaches.

Companies that become dollarization disciplines find that inside-out decision making gives way to a customer-focused mentality. Every decision that impacts the customer can be tested through the dollarization filter: How does this impact the value we create for our customers?

Value of Competing for Inches

The power of dollarization typically lives in the leverage of a few incremental gains. The economic benefit of effective dollarization is far in excess of the cost of implementation. When an organization develops the discipline to dollarize, it wins on multiple fronts. The company begins to win more of the close competitive fights that were once lost. It also grows business with existing customers through a new recognition of the economic contributions made. Overall profit margins inch upward due to smarter pricing and an increased sense of organizational confidence. ■

Buying Motivation

There are two fundamental reasons that drive all purchase decisions: People buy either to *feel good* or to *solve a problem*. But because our personal lives are not strictly profit-driven enterprises, not every personal problem we solve can be dollarized.

On the other hand, *the primary driver behind nearly all business expenditures is the need to solve some type of problem*. Further, in business, the solution to a problem represents either the avoidance of loss or the chance for gain. Both of these can be measured in dollars and cents ... or dollarized.

Examples of Avoidance of Loss	*Examples of Chance for Gain*
✓ Reduce cost of materials.	✓ Increase sales.
✓ Reduce downtime.	✓ Increase prices.
✓ Reduce labor costs.	✓ Expand market share.
✓ Reduce regulatory penalties.	✓ Enter new markets.
✓ Reduce product liability costs.	✓ Earn new customers.
✓ Eliminate manufacturing waste.	✓ Enable new products.

Dollarization and Selling

Dollarization is used most often as a competitive tool in personal, face-to-face selling. Within this realm, there are many specific situations that demand dollarization, including handling a customer price objection, dealing with a customer request for a price reduction, and escaping treatment as a commodity.

The price objection can come in many forms, and somewhere in the course of every sale at least one of these forms is likely to present itself. In order to buy something, customers must give up money, of which they have a limited supply. This creates tension, driven by the implicit economic reluctance to part with cash. In the absence of other financial information, the customer focuses on the price, which represents the imminent sacrifice of dollars.

If the seller truly believes that his or her product is worth the price, then the burden is on the salesperson to demonstrate the price/value relationship to the customer. It is the rare customer who will accurately assess this relationship without help from the seller.

Dealing With the Price Objection

To first overcome the psychological difficulties of dealing with the price objection, the seller needs to keep two simple facts in mind:

1. In most cases, the simple question "What is your price?" has no subversive intent. Usually, the customer simply wants to know the price.

2. Often, the customer is fully aware of the seller's price, the customer's own budget, and the competitive price situation *before* agreeing to meet with or talk to the seller. Despite knowing all this, the customer is still willing to discuss a potential purchase. Certainly, the customer will want to negotiate to ensure he or she pays the best price possible. And certainly, some customers use the price objection solely as a tool to drive down the seller's price. But most customers simply want or need the seller to help them understand why they should invest in the seller's offering over other options, or why they should move budget money around to enable an investment in the seller's offering. Often this is motivated by the customer's need to make the same case internally with his or her colleagues. The customer *needs* the seller *to demonstrate the dollarized value of investing in the seller's solution.*

It is also important to understand as sellers that the price-only customer is fickle and probably not a healthy addition to the selling company's customer portfolio. Price-only customers do not merit much investment of selling resources. Guard against price-only customers!

A true dollarization discipline salesperson handles the price objection by bringing it up long before the customer voices it. Early in the sales process, this salesperson says, "You need to be aware of something right from the start. When it comes time to propose a price for this program, I can guarantee we will *not* be the lowest. In fact, our price will likely be at the high end. However, as I work with you, I intend to show you how that does not matter. I will help you evaluate how my product will reduce your costs in areas other than price, so that your total cost picture will be much more attractive, even with my higher price. If that's OK with you, let's get started, OK?"

By establishing this understanding at the outset, before price is even on the table, this salesperson changes the rules of the game in favor of a total dollarized value approach. If the customer disagrees, the salesperson knows to invest his or her selling time elsewhere.

Selling Something New

One of the more difficult challenges in selling is persuading customers to purchase a new product or service when they are currently satisfied using an established, entrenched technology or methodology. Dollarization can help move even the most reluctant customer to action.

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Reduction to the Absurd

When you have exhausted all available strategies and the buyer's focus on price continues to go beyond what is rational and reasonable, it can be useful to employ *reductio ad absurdum*, or reduction to the absurd. This technique can be useful, but be warned: It must be used carefully! It is often saved as a last resort, and should be delivered with good humor (and low expectations). Consider this conversation:

Buyer: As far as we're concerned, we will buy from whatever gear company offers the lowest price. I don't care about your supposed "advantages."

Seller: So, if you could spend nothing on this gear, you'd be happy.

Buyer: Exactly. Very happy.

Seller: Well, there *is* a way you can do that and save all the money you would spend on gears: Don't buy any gears.

Buyer: Excuse me?

Seller: That's right. Don't buy any. That would save your entire budget.

Buyer: Yes, it would. But our machines wouldn't run without gears.

Seller: Oh, the operation of your machines is a factor in your decision?

The conversation has now returned to the underlying reason why the customer needs to buy the seller's product. By bringing it to an absurd level, the seller has made the point that product performance and price must be considered in concert.

Dollarization and Selling

(continued from page 4)

The challenge when selling a new concept is to demonstrate to the prospective customer that, despite the apparent risks of leaving behind the tried-and-true, the new product will produce a financial return so attractive that the customer would be committing management malpractice by not — at a minimum — testing the new product.

The financial argument plays out as follows: The customer considers the "net value" delivered by a product or service, which can be expressed as:

Net Value = (Dollarized Value – Cost of Risk) – Price

In other words, to understand the true net value of a product offering, the customer must assess the dollarized value the offering is expected to create, adjust that for any perceived risk, and then subtract the purchase price.

When comparing two established products, the customer analysis is simplified, because the cost of risk associated with the two established products, due to experience, is comparable and perhaps even negligible. However, when a customer is considering a new, unproven product or service, the net value for the new offering can be greatly impacted by the customer's perceived cost of risk for the new product.

In order to move the customer to buy, the new product seller must demonstrate that:

$$\text{Net Value}_{\text{New Product}} > \text{Net Value}_{\text{Old Product}}$$

To accomplish this, the seller's missions are: (1) to articulate the dollarized value of the new offering, (2) to develop and execute a strategy for minimizing the customer's perceived cost of risk, and (3) to present a price that makes financial sense given the other variables involved.

Mitigating the Customer's Perceived Cost of Risk

There are two key challenges in dealing with the customer's perceived cost of risk. First, the customer is frequently comfortable and complacent with the current product or service. Second, because newness brings with it a vacuum of experience or reviewable data, buying companies tend to overestimate the risk of switching to something new.

One selling strategy that has been successful in these situations involves three steps:

1. The seller works with the customer to generate a preliminary understanding of the new product's benefits and applicability to the customer's situation.

2. The seller works with the customer to conduct a pro forma dollarization analysis. This analysis is typically based largely on the seller's own background data.

3. The seller asks the customer for a conditional buying commitment. For example: "As we agreed, this widget could save your company more than $50,000 per year. If it performs as promised when tested, is there any other reason that would prohibit you from going forward with it?"

This approach works on several levels. First, it acknowledges the customer's need to test and validate the promise of the new, unproven product. Second, it puts the burden on the seller to prove the preliminary claims made about the product's performance. This creates a feeling of comfort for the customer. Third, it firmly puts the decision in financial terms: In order to save $50,000 per month, the customer must test the product. This makes the testing more likely to proceed in a timely manner. Fourth, the "Is there anything else?" question prompts the customer to verbalize any other hidden objections or roadblocks. And finally, once these are cleared up, the decision criteria are clearly established: If the product does indeed test as promised, the customer has committed to move ahead.

Unless there is a legitimate misunderstanding between the buyer and seller about the compatibility or applicability (or both) of the new product, this approach significantly increases the odds that the product will be tested and will perform acceptably for the customer. Testing the product greatly diminishes the perceived cost of risk, allowing the dollarized value to stand on its own.

Shortening the Sales Cycle

Dollarization *does* shorten the sales cycle. There are three requirements to get a business to accelerate its decision-making process on a purchase:

1. Dollarize. The seller must present a compelling dollarized financial story. This changes the way the customer views the decision. Rather than another buying decision, the customer sees an opportunity to make money, to save money, or to stop losing money. The presentation of a dollarized economic reason for moving ahead with a purchase decision can distinguish an offering and place it in a unique light. The dollarized story alerts the customer to the financial impact of making, or not making, a decision to move forward.

2. Make someone a hero. An important step in using dollarization in any customer situation is to earn the trust of one or more of the players on the customer side. You must help them understand that your dollarization approach is intended not as a selling ploy, but as a tool to make sure the customer is making a valid business decision.

3. Create a sense of urgency. Whether or not you are able to develop a partner on the customer side, the words used in presenting the dollarized case must be chosen very carefully. Telling a customer he or she "can stop losing $XX" is more compelling than telling him or her that he or she "could save $XX by investing in product Y." ■

For additional information on dollarization to protect business, go to: http://my.summary.com

Dollarization and Marketing

While the application of dollarization in advertising and marketing communications can take many forms, it is typically best executed using the following devices:

- **Testimonials.** A customer or other expert provides a third-party reporting of the dollarized story.
- **Case histories.** The marketer relates the experiences of prior customers in describing the dollarized outcomes.
- **Head-to-head comparisons.** The marketer states the dollarized advantages of its product versus a prominent competitive offering.
- **Test-driven data.** The marketer reports test data (third-party or its own) that demonstrates a dollarized advantage for its product versus the competition.

Sandvik Coromant

Dollarization can lead to clear positioning, messaging and communication, as seen in the following example:

Sandvik Coromant is the world's leading maker of highly engineered carbide metal cutting tools. These tools are used heavily in the automotive and aerospace industries, and in nearly every industrial segment for shaping steel and other metals, drilling holes, threading bolts, and many other applications.

Sandvik is a prolific new product marketer. Every year, it introduces thousands of new products. These products are built on technological improvements — sometimes incremental, sometimes revolutionary. The improvements tend to focus on a few key performance areas: extending tool life, faster cutting, and improving quality of cutting.

An implicit side effect of these improvements is that the consumption of tools by customers can decrease over time. For example, if a tool that currently cuts 100 pieces before breaking is replaced by a new tool that lasts for 200 cuts, the number of tools required by that customer is theoretically cut in half. Over time, this creates a governor for unit growth, so Sandvik must try to price its products to reflect the performance improvements to the customer in order to avoid long-term revenue erosion.

Every new product that Sandvik launches is backed by detailed comparative test data, developed by the product marketing teams. This data illustrates performance claims that can later be tested by individual customers. Every Sandvik salesperson is equipped with analytical tools to estimate the financial payback on converting to new Sandvik tooling. Dollarized thinking pervades the entire Sandvik approach to marketing, including its print advertising, which has distinguished itself from industry competitors for years.

Pricing New Products

Acknowledging that new product pricing is an inherently imperfect combination of marketing art and science, there are ways to add more science to the mix. New product pricing should not be strictly formulaic, as in target margin pricing, nor should it be a game of blindman's buff. Understanding the dollarized value of an offering to the target customer group is a critical ingredient to seeing new product pricing options more clearly.

The following sequence can be adapted for different product types and different markets, but the essential discipline remains the same:

1. Estimate the product's dollarized value. First you must understand the economic value your new offering delivers to your target customer. The value created by every unit of your offering establishes the dollarized price ceiling for your offering.

2. Compare the dollarized value to the price floor. The total dollarized value provides an initial snapshot of your potential pricing window. You must next compare that value to the minimum price you would accept for the new product offering.

This price floor is constructed by evaluating the direct cost of producing and delivering each unit, *plus* a minimally acceptable markup that would generate an acceptable contribution to your business. If the total dollarized value per unit is *less* than the price floor, the marketer must conclude that the product is economically viable. If instead the total value per unit does indeed exceed the marketer's acceptable price floor, the next task is to determine how far above that floor the marketer can manage to price the offering.

3. Consider the target customer's investment criteria. In order to be enticed to buy, the customer will demand to keep some of the incremental value created by the new product. The amount kept must satisfy the customer's investment criteria for making the outlay for the price of the product. Whatever the customer's method for evaluating the attractiveness of an investment, you must understand it and account for it in your pricing strategy.

4. Account for other marketplace dynamics. Dozens of factors come into play here, but some of the common considerations are the following: How defensible is your competitive advantage? What is the conventional market price? How homogeneous is the market?

5. Consider unconventional pricing structures. If you anticipate emotional customer resistance, look for ways to unbundle your pricing. This could involve charging for use instead of a one-time price, or one stripped-down price for the core product, and then charging extra fees for other components of the offering. Some companies charge special handling fees, odd-lot fees, engineering surcharges, environmental fees, etc. ■

For additional information on pricing and your competitors, go to: http://my.summary.com

Dollarization Techniques

When a company decides to put dollarization to work in sales and marketing, there are three major disciplines that must be addressed. Each requires a different set of skills and each can be accomplished through a variety of approaches. However, a dollarization strategy that underinvests in any one of these activities will underperform.

Dollarization Process Steps

The three process steps are:

1. Dollarization discovery. Determine how your offering results in financial value to your customers. The outcome of this step is the arithmetic formulas required to calculate your dollarized value. The actual data needed to populate those formulas must be developed separately.

2. Data development. Develop the data required to calculate the dollarized value you deliver to customers. This step enables you to complete the equations developed in the discovery phase with real numbers.

3. Strategy integration. Determine how to use your dollarized story to shape your marketing and sales approaches. This is where dollarization is put to work to improve your business.

Discovery and Data Development

The strategy integration opportunities offered by dollarization were covered in the previous pages of this summary. The remainder of this article looks more closely at how to implement the discovery and development phases of the dollarization process.

Whenever you start identifying and quantifying the value you create for a single customer or an entire population of customers, it is important that you methodically review all the potential impacts. Leave no stone unturned. Whatever sources you use to develop your understanding of the value created, the following steps will guide you:

1. Determine who is your competition. You must know what you are selling against before you can begin to dollarize. Often, you will need to dollarize against multiple enemies.

2. Articulate your differentiating features. When compared to the competition you are facing, what are the specific differentiating elements of your offering? Consider every element of your total offering, from the product itself, to the service package that comes with it, to your overall company picture. You must be precise and comprehensive in this assessment.

3. State your benefits. Next, you must identify all the ways your differentiating features benefit your customer. It is helpful to ask yourself the following questions, and to try to answer them from the customer's perspective: How does this feature help the customer? Why should the customer care about this feature? What customer problems does this solve? What are the consequences if the customer *does not* get this feature?

4. Quantify your benefit. The next step is to determine how to quantify each benefit delivered by your product or service. This is where you convert benefit words into numbers. For example, improved productivity becomes eight more units per hour, and better performance becomes a 3 percent gain in market share for the customer.

5. Dollarize. Finally, you must determine how the quantified benefit results in dollars-and-cents savings for the customer.

After you have worked through this five-step process, you will have drawn the connection between your offering and exactly how it creates value for your customer. Also, you must always probe beyond the obvious benefit of your solution. This requires knowing your customer's business, knowing contacts throughout the organization, and asking excellent needs-analysis questions. Identify the real value and you will be rewarded for it.

Developing Dollarization Data

Once the marketer has developed an understanding of the *mechanisms* by which his or her offering creates value for customers, the marketer is faced with the challenge of actually quantifying and dollarizing that value.

The two key areas of information requiring development are:

1. Data that *quantifies* the performance advantage.

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Three Steps in One Meeting

In some cases — especially when the marketer's offering is engineered or tailored for each customer — the "needs analysis" phase of face-to-face consultative selling might encompass all three steps.

For example, a salesperson might enter a conversation with an existing or prospective customer with a dollarization mind-set and proceed to probe for customer problems for which the seller's offering provides potential cures. In the course of that probing, the seller might discover the economic consequences of those problems (discovery), and if prepared and alert, might also discover the building-block data required to calculate the actual dollarized values (data development). Additionally, during the same visit, the salesperson might learn about the decision-making process at the target customer, and thereby gain insight as to how to use his or her dollarized story to shape his or her selling strategy (strategy integration).

For additional information on soft costs,
go to: http://my.summary.com

Customer Buy-In Is a Must

Dollarization without customer buy-in will not succeed. If a customer views your analysis as a self-serving tool to coax the customer into paying for your solution, that customer will likely be reticent in sharing information, will discount your claimed outcomes, and will undermine your efforts with other colleagues. An important early selling step is to help the customer understand that, as a consultative seller, you are sincerely interested in helping improve the customer's business situation. Dollarization is your tool to make sure the economic returns to the customer are acceptable.

Dollarization Techniques

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2. Data that *dollarizes* the quantified performance advantage.

Often, both of these discovery steps can be accomplished in the course of routine interactions with the customer, or the marketer will find that the required data can be developed quite fully through internal means, with just a few bits of data needed from external sources. But in many cases the data appear elusive, so the marketer must develop creative means to collect the necessary information.

Direct Interviews With the Customer

When a company is selling products that are custom-engineered, services that are specifically tailored, or other offerings that are unique to each buying customer, the only feasible approach for developing applicable dollarization data is to pursue a direct, preferably collaborative approach with the target customer. Because much of this work is done face to face (or by phone) with the customer, it requires careful training, practice and diligent planning.

Indirect Customer Research

When a product or service offering is expected to impact the way your customer's *customers* benefit from enhancements to your customer's offering, it is useful to seek the perspective of the end market when assessing your value. Your customer's sales and marketing organization can be a good source for intelligence here. You might ask them, for example, how a specific enhancement to their product would be received in their marketplace. You also might ask them how certain aspects of your product or service offering might help them to raise prices, attract more customers, or both. ■

For additional information on hybrid approaches, go to: http://my.summary.com

The Dollarization Doctrine

Here are 10 rules to successful dollarization:

1. Always remember "price" and "cost" are not the same thing. Price is one of many costs. When convenient, buyers will discuss price as if it were the only cost. They will use the words interchangeably. Don't succumb!

2. Ask "So what?" Don't let your sales and marketing people talk about features and benefits without answering "So what?" How do those features and benefits translate to money in your customer's pocket? What are the consequences if they do not buy from you?

3. Let dollarization guide you. A key criterion in your new product development process should be the value a product can deliver to customers. If your current offering lacks meaningful value, look for enhancements that will fill the void.

4. Use numbers. Resist the temptation to use words when numbers can do the job so much better. "Twenty-five percent faster" is more compelling than "much faster."

5. Sell the concept first. A great dollarization story will fall on deaf ears if the customer does not first understand that the analysis is meant to help the customer and his or her organization. Worse yet, it will be viewed as a selling ploy and discounted accordingly.

6. Show your calculations. Show every step in the math to make your dollarization work. Otherwise, a customer might be unable to recreate the math in your absence, which will prevent him or her from sharing it with peers, which is a critical step in the commitment process.

7. Do your homework. Before sitting down with a customer to work through your dollarization math, you will need two things: a set of calculations that will dollarize the value points you have identified (with the numbers left blank) and a set of pro forma numbers based on your homework. These numbers will be your fallback if your customer is unable to provide a piece of data.

8. Use customer numbers. Whenever possible, ask your customer for the pieces of information required to build your dollarization analysis. In selling, customer participation begets persuasion. Any number you provide will be discounted. The customer's own numbers are indisputable.

9. Competition will always be a downward force on your prices. This downward force of competition will never go away, so you need opposing forces on your side. The dollarized value you create and document will counter the negative pull of competition.

10. Don't forget to dollarize defensively. If you have a customer you can't afford to lose, be sure to periodically report the dollarized value you deliver as part of your day-to-day relationship. Don't let an information vacuum allow your customer to be tempted by the lure of a low-priced competitor. ■

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The Human Sales Factor

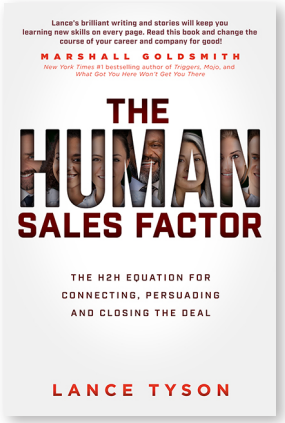
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The Human Sales Factor

The Human-to-Human Equation for Connecting, Persuading, and Closing the Deal

by **Lance Tyson**



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THE SUMMARY IN BRIEF

Every interaction we have with others and how skillful we are at utilizing our relationships determines the overall quality of our lives. Whether at work, in the home, or a rehab group, how well we understand the rudiments of human nature will make it easy to sell ourselves (as a brand) or a product to almost any prospect.

Because he's a businessman, Lance Tyson's ***The Human Factor: The Human-to-Human Equation for Connecting, Persuading, and Closing the Deal*** is a concentration of insights for anyone who wants to learn the skill of selling about anything. This book will change the way you sell and connect with your clients — not through fake gimmicks to trick people into believing something you don't believe in yourself, but through a curation of the enthusiasm, credibility, and reason you already possess for a product or service you're passionate about.

IN THIS SUMMARY, YOU WILL LEARN:

- How to become an effective salesperson and influence people.
- The basics of making people see things from your perspective and helping them take a desirable action.
- How to persuasively and effectively communicate your message to potential clients.
- That the Human Sales Factor applies to every aspect of our lives, not just business.

Introduction

With over 30 years of mastering the skills of connecting and influencing, I have learned the art of selling and understand the intricacies of why people buy from others. Selling always has and always will be done human-to-human (H2H). It all comes down to utilizing the H2H equation to identify how people think and process information. Also, H2H selling involves adding in the environment and context, multiplying by the person(s) involved, and closing the deal.

Whatever cadre you find yourself on the selling proficiency scale, the H2H Equation for Connecting, Persuading, and Closing the Deal is for you. It will help you open doors and increase the chances of getting anything you want or need. Selling is 50 percent art, 50 percent science, and 100 percent H2H.

Part 1: Unleash The Salesperson In You With A Proven Formula

Selling From The Inside Out

When attempting to persuade and influence others, you really need to understand your goals and the mindset of whomever you hope to motivate. If you don't master the process of connecting with others and influencing their behavior by looking within yourself first, then success will be fleeting.

Unfortunately, like any other tool, persuasion and influence are morally indifferent and can yield to whatever force motivates them. However, someone whose character is fundamentally flawed will never be successful. They will eventually be seen as conniving and deceitful.

Consequently, H2H selling, at its heart, means first connecting with the human inside the mirror before you can connect with any human outside your window. The metaphorical mirror is the back alley of your mind. Hence, fixing the person in the mirror — the inner man — is reasonable if you will effectively execute the powers of persuasion and influence.

The Greek Mirror

Enthusiasm is your essence and being and should be the first thing you seek out in your mind's mirror. Developing sincere enthusiasm for whatever you do or sell is essential because before you can ever get someone else to buy your ware, service, or activity, you must be sold on it first.

Once you've worked up your appetite for success, you can then use your mirror to reflect on the three pillars of influence, as postulated by the Greek philosopher — Aristotle. In his work, The "Art" of Rhetoric, Aristotle recommends five devices for mastering the art of influence. The pillars of influence are:

1. Ethos (Character)
2. Logos (Reason)
3. Pathos (Emotion)

The first thing you ever sell to people is your ethos—who you are. Credibility is made or broken based on your character. Aristotle believed that a person's actions need to back up what they say, or else they lose credibility. After establishing credibility, you need to make your appeal using logic; that's where logos come in. Finally, to gain a competitive edge in all you do, personally and professionally, it is vital to learn how to rouse people's emotions. Knowing how to control people's pathos is perhaps the most significant skill because people evaluate logically but buy emotionally.

Rudiments Of The H2H = EQ5 Equation

Too often, I watch salespeople try to sell with only one gear—maximum overdrive. As a result, they don't have the tactical empathy required to succeed. But the key to unlocking the door to a buyer's mind is a secret weapon called Emotional Quotient (EQ).

EQ is "the capacity for recognizing our own feelings and those of others, motivating ourselves, and managing emotions well in ourselves and our relationships." Therefore, it is a non-negotiable prerequisite for effective and sustainable relationships. However, there's more to EQ than being friendly and amenable to others. I like to think of EQ as a three-legged stool upon which H2H connections are built. The three legs of EQ are self-control, interpersonal skills, and communication.

As I mentioned earlier, selling is 50% science; necessitating us to look at an EQ equation that helps us understand the 5 Major Strategies for EQ. Before mastering the Human Sales Factor, you need to understand, embrace, and practice the following strategies of EQ:

1. Maintain a positive mindset
2. Turn self-deception into self-awarenes
3. Turn self-focus into other-focus

4. Become a more rewarding person to deal with
5. Control your temper tantrums

When you start seeing the Human Sales Factor as simply connecting with another human being, filtered through the lens of EQ, you will reach your goals to persuade and influence.

Part 2: How To Become A Master Of Influence And Persuasion

The Read-Offense Mindset

If EQ is the heartbeat of the Human Sales Factor, then The Read-Offense Mindset is the blood. This formula can be applied to any market condition, across any industry, and with any landscape. Read-Offense is the new mindset that aligns with the Human Sales Factor and fosters adaptability. If you want to be able to sell anything to anyone at any time, a single sales strategy won't work for every sales scenario. Having a Read-Offense Mindset will prepare you for the challenges and uncertainty so you can handle any H2H situation with confidence.

A Black Swan is an event that is both unpredictable and devastating, like 9-11 and COVID-19. There will always be conditions, like Black Swans, that drive markets to switch, products to become more or less popular, influencing the way people buy. Even in the absence of an economic disaster, the market is constantly in flux. However, the fact is that everybody wants or needs something, irrespective of prevalent conditions. Hence, combining the Read-Offense mindset and EQ skillset will help you adjust to any surprising development in your sales journey.

The Rules Of Persuasion And Influence

When it comes to selling H2H, your job exists for one of two reasons: 1) to persuade or influence someone at the moment, or 2) to connect so you can later compel someone to think or behave differently. At the sales game, it's impossible to win without understanding the rules. Therefore, it's time to understand the rules of persuasion and influence.

1. Always maintain a good balance between understanding, credibility, and rapport in your new and existing relationships.
2. Selling is not about relationships, it's about how likable you are, and likability is a function of EQ.
3. Always have a winning attitude by actively seeking out opportunities to persuade and influence; since they won't come falling into your laps.
4. Know your buyers, understand the motives behind their decisions, and soak in the full context of the realities they're dealing with. Only then would you be able to convince them to listen to your pitch.

The Window: The Power Of Opinions

After discussing the seller looking in the hypothetical mirror extensively, we need to consider what lies outside the window. Social proof is one of the cornerstones of influence and persuasion. Social proof is so powerful that you will likely deny logic to be part of the crowd. Social proof can be a powerful tool for influencing people to gravitate towards your corporate or personal brand. Social proof works the other way around, too. It's a potent tool to influence someone to give you something you want or need. With the advent of technology, social proof has taken an innovative dimension — online reviews.

Many individuals and organizations have repeatedly adopted the Shock and Awe method of persuasion to blow their prospects' minds. In a bid to hack the Human Sales Factor, brands have been known to adopt the following tactics:

1. Exploit positive reviews;
2. Flaunt customer testimonials;
3. Fraternize with popular influencers; and
4. Show off their awards and recognitions.

Part 3: Preparation And Presentation Of Persuasive Communication

Presence And Presentation

Most investors would say that when deciding which start-ups to back, they focus on interesting ideas, talented founders, and substantive business plans. However, many studies have revealed otherwise — visuals influence judgment more than words or other forms of information. Likability and enthusiasm go a long way in communicating H2H.

Likability falls under the soft skills category, while enthusiasm is a visual attribute that boosts the impression we make on a prospect during a pitch or presentation. Also, developing an impression — especially an excellent first impression — gives the message momentum and credibility.

Message And Momentum

You only have 7 seconds to get favorable attention — and 7 seconds goes a lot quicker than you'd think. The estimate is that short because your prospect is deciding in a nano-second if you are worth their time; 7 seconds is all you have to get lucky. The most effective trick to get the attention you need is to start with something interesting, and nothing is so interesting to people as themselves. So, make it a habit always to mention your prospect's name in your first sentence.

Now that you have their attention, the next step is to focus on the outcomes that matter most in the next 21 seconds. Your listening skills need to be off the charts; by implication, you must learn the art of empathetic listening. However, even after initiating rapport, selling points can get clogged up quickly if the right filter isn't applied to the right person in the right situation. Think of your filter as your assumptions, viewpoints, biases, the context of the situation, your relationship to the person you hope to influence — all the variables that threaten to impact your message.

The Language Of Persuasion

The language of persuasion involves a combination of body language (including facial expressions), voice tone and word intonation, volume and speed of speech, and sentence syntax — the arrangement of the words in the sentence. However, studies have established that visual messages have a more significant impact. So, while you may not be able to pitch with visual aids, you can exploit the metaphor hack. Rework your pitch into a story, and lace it with metaphors.

If you want to master the art of persuasion, master the metaphor. Metaphors help you paint a vivid image on the canvas of your prospect's mind. But as Aristotle recommended, keep it brief. In this fast-paced world of sound bites, tweets, and five-second ads, brevity is a critical skill in the Human Sales Factor.

The chief goal of persuasion is to influence another party with the right blend of engagement and stimulation, delivered with a dose of emotional intelligence.

Conclusion

The Human Sales Factor is your ability to connect human-to-human. But remember, we are not creatures of logic; we're creatures of emotion. Once you deal with your own emotions, only then can you deal with the emotions of other people. And sometimes, the rational argument doesn't always win. Appealing to and understanding people's emotions is not a one-size-fits-most. Furthermore, sometimes those motivations to do something might not align precisely with what you want. That's why you need to see the world through your prospect's eyes, and before you know it, they're dancing to your tunes.



Over the past two decades, Lance Tyson has followed his passion for developing strong business leaders and their salespeople by tapping into his natural ability to connect with people and foster an environment for learning and coaching. As owner, President, and CEO of Tyson Group, Lance facilitates, trains, and conducts over one hundred workshops annually in areas such as performance management, leadership, sales, sales management, customer service, and team building.

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The Innovative Sale

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The Innovative Sale

Unleash Your Creativity for Better Customer Solutions and Extraordinary Results



by Mark Donnolo

THE SUMMARY IN BRIEF

Why do sales teams tend to repeat the same approaches and offer customer solutions that lack new ideas? Why do sales leaders gravitate to "the way we've always done it," leaving the organization vulnerable to competition? Regardless of whether you think of yourself as a "creative person," your job as a sales professional demands creativity and innovation. If you want to join the top echelon of performers, you (and your team) need to blend both left-brain and right-brain thinking to develop better answers for your customers or market that differentiate you from the competition.

In *The Innovative Sale*, sales and creativity expert Mark Donnolo provides a fresh, dynamic approach for addressing your customers' needs while expanding your entire way of thinking. *The Innovative Sale* arms you with everyday tools you can use to push your thinking and develop better ideas, create winning strategies and grow revenue.

Most salespeople veer toward one of two extremes: operating analytically ... or by the seats of their pants. This groundbreaking guide equips you with the proven, results-oriented techniques you need to incorporate creativity into your sales practices, better understand your customers, and develop stronger value propositions. Prepare yourself for a sales innovation breakthrough!

IN THIS SUMMARY, YOU WILL LEARN:

- How to recognize and use functional creativity in sales.
- The six Innovative Sale principles and their practical applications in business.
- How to define sales challenges, destroy false constraints, and mine parallel situations for fresh solutions.
- Apply Innovative Sale principles to create better value propositions and assess your team's Creative Quotient for Sales.

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Concentrated Knowledge™ for the Busy Executive • www.summary.com
Vol. 36, No. 8 (3 parts), Part 2, August 2014 • Order #36-20

THE COMPLETE SUMMARY: **THE INNOVATIVE SALE**

by Mark Donnolo

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The Innovative Sale: Unleash Your Creativity for Better Customer Solutions and Extraordinary Results by Mark Donnolo.
Copyright © 2014 by Mark Donnolo. Summarized by permission of the publisher, AMACOM.
288 pages, $25.00, ISBN: 978-0814433478. To purchase this book, go to www.amazon.com or www.bn.com.

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The Sales Innovation Dilemma

Almost everyone has perceptions about what creativity is and how innovation is born, based on their own experiences. Teresa Amabile is the Edsel Bryant Ford professor of business administration in the entrepreneurial management unit at Harvard Business School and a director of research there. According to Amabile, creativity is not necessarily the result of an eccentric personality or of art, or even a sign of intelligence. Neither, she wrote, is creativity inherently good.

This insight highlights an important point: Misperception about creativity and innovation are common and may lead the sales organization in the wrong direction or prevent you from incorporating creativity into your sales practices altogether.

There are some surprising ways creativity can be applied to the sales environment. But first, let's look at a few perceptions and realities.

Perception: You have to be born with creativity.
Reality: Most creators and innovators have learned how to be creative.
Perception: Creative ideas come from eureka moments.
Reality: Creative moments are usually the culmination of a creative problem-solving progression.
Perception: You have to work in a heralded innovative organization in order to be creative.
Reality: Any organization can adopt innovative practices, and any individual can use creative methods independently.
Perception: Innovation doesn't apply to sales.
Reality: Innovation wins deals.
Perception: Creativity is creativity; it's all the same.
Reality: All creativity is not created equal.

When you think about creativity and innovation, names like Jackson Pollack or Walt Whitman may come to mind. These talented people were famous for their artistic creativity.

Artistic creativity has limited application in a sales environment, which is marked by goals, expectations and objectivity. Sales organizations demand a different type of creativity. Functional creativity is defined by its objective outcomes. With functional creativity, there *is* a right answer. In art school, everyone in a class can feel something different about a project's end result; but in a sales environment, you want everyone to see the same picture.

The Dilemma of Constraints

To solve the sales innovation dilemma, it's also necessary to make peace with the many constraints and limitations in the work of a sales organization, such as customer requirements, organization limitations, supplier capabilities, time, price, quota, competitive environment and cost.

Constraints enable creativity. It sounds like a paradox, but think about it. Without constraints, options are unlimited. For example, if your customer needs a new customer relationship management (CRM) system and has no budget or time constraints, it would be easy to sell them a product. It's more likely your customer has a tight budget, a three-month time frame, and must get approval from the CFO, who may or may not be a fan of your product. It will take creativity to devise a sales strategy

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Rebecca S. Clement, Publisher; **Sarah T. Dayton**, Editor in Chief; **Ashleigh Imus**, Senior Editor; **Amanda Langen**, Graphic Designer; **Melissa Ward,** Contributing Editor

to close the deal. When a team is faced with constraints, it often pushes a little harder to come up with something more creative that it might not have otherwise developed.

The Dilemma of Personality

Innovative ideas for sales organizations require the best of both brains: the left brain's ability to work within the constraints of a process and sales context and the right brain's inclination to think freely. But salespeople often overemphasize the pipeline and analytics or work too intuitively, shooting from the hip. Or, a sales organization over-rotates, bringing the right-brain artistic ideas to the forefront and promptly confusing everyone.

Finding equilibrium is an important step in solving the sales innovation dilemma. The truth is, salespeople usually lean either toward analytical or intuitive thinking. Some are hybrids. These lucky few do an impressive job of balancing both kinds of qualities in their work. But for the most part, salespeople, sales teams and sales executives tend to operate either analytically, reproducing the same answers and working the numbers, or intuitively, selling without a methodology they can use consistently.

The Innovative Sale Principles

There are six Innovative Sale principles — inspired by principles of art — and each one has three imperatives that explain how the principle applies to developing solutions in a sales environment.

Principle 1: Pattern

In sales, pattern refers to our instinct to find related ideas in any given situation. Faced with a problem, our minds first begin flipping through our own portfolio of experiences; finding no suitable solution, we may jump to stories we've heard from those around us or examples from the past. We are seeking a match, preferably one that carries an answer we can apply to our current situation.

The following three imperatives offer some specifics on how a sales organization can use pattern as a foundation for innovative thinking:

1. Get Comfortable with Feeling Lost: In challenging customer situations that demand something different to keep the business or win it in a competitive situation, sales teams typically lock in on an answer from a menu of choices they've used before. If they temporarily step off the map of their expertise, they quickly retreat. Don't retreat too early. When you've exhausted your first round of typical solutions, tally up the hours spent. Then take an additional 20 percent of those hours, and commit to working beyond where you stopped. Being temporarily lost is often part of innovative thinking.

2. Combine Unrelated Ideas: There are countless examples throughout history of new inventions that are the combination of two previously unrelated ideas, such as Johannes Gutenberg's combination of a coin punch and a wine press to create the first moveable-type printing press. Combining ideas and significant accomplishments from another industry, culture or even period in history and retrofitting them to your unique sales problem can spark original answers.

3. Become a Student of History: This can give you a rich inventory to source those unrelated idea combinations. History builds the hooks upon which you can hang new ideas and quickly create new associations. Without this knowledge, you'll operate with limited vision. Know the history of your business and sales model. Understand how your customers' businesses evolved. Look for patterns and trends that may continue ahead and give you additional insight.

Principle 2: Variety

Variety describes the dissimilarities or contrast in design, and the same idea naturally applies to innovative thinking in sales. You are more likely to have the elements of the right solution for your customer if you work with abundance. Variety also offers diversity. Innovation is born in the diversity of ideas that sometimes can only be produced within the safety of quantity. This is true not only when you're pitching new ideas to a customer but when you're brainstorming new ideas with your team. The following three imperatives offer ways to work with variety in your sales innovation practices:

1. Produce an Abundance of Ideas: Idea generation is critical early in the creative process. At the beginning of your sales innovation process, focus on creating numerous ideas rather than trying to generate the perfect idea. Don't self-edit your ideas or narrow your options too soon.

2. Think in Divergent Directions: After you've generated your initial idea options, lay them out in an array from left to right either on a whiteboard, spreadsheet or paper. Put them in any order. Then select and reposition the ideas you think are the most likely answers in the middle. Place the most conservative ideas to the right and the unique ideas to the left. Assess the divergence of your ideas. Based on the most important factors you're trying to address for your customer, are the ideas on the left at least

50 percent different from the ideas in the middle? If not, continue broadening your range of options.

3. Know That Less Is More: As you begin to converge on your answer, subtract the nonessential elements. Test how much you can remove to increase the clarity of your solution while still retaining the core ideas. At what point of subtraction does your solution no longer work? Creativity does not mean complexity.

Principle 3: Unity

In sales innovation, unity refers to how all of the elements work together to make a whole. With a sales innovation team, the collaboration of diverse individuals creates energy and output that's greater than a single point of view.

The following three imperatives of unity explain how a sales organization can work as a whole while valuing its individual parts:

1. Assemble the Right Team: A team where members are well prepared and focused on a single objective can have an exponential effect on developing a great creative solution. As you pull your team together, avoid going for the comfortable arrangement of friends with similar views. Leverage roles, personality types, and the right level of familiarity to create a dynamic team.

2. Collaborate as an Individual: It's important to find ways for everyone to integrate their own thoughts while working together. Healthy working teams avoid groupthink by encouraging productive disagreement. Establish a team culture of valuing ideas regardless of organizational role.

3. Understand Other Perspectives: It's natural to have a bias toward your ideas. When a customer or team member describes an idea, you may find yourself comparing it to your idea, listening for points to counter or support. Instead, try suspending ownership of your current idea in an effort to understand other perspectives and extend your range of thought.

Principle 4: Contrast

Contrast invites the sales team to critically question and push back against established practices. With contrast, teams also get comfortable with divergent opinions and the initial criticism that almost invariably accompanies new ideas.

The following three imperatives of contrast explain how testing boundaries and accepting criticism can lead to innovative ideas:

1. Break Rules: Look for two types of rules: operating and procedural. Operating rules are core to the survival and operations of the business. For the sales innovator, these aren't the rules to break. Procedural rules govern the supporting processes of the business. While these rules are essential, they also can be broken carefully if breaking them improves the company's capabilities. Know your internal and customer rules, classify them, and then break them to see what possibilities are revealed.

2. Don't Accept the Accepted: Accepted truths are habits and practices a company has "because that's the way it's always been done" regardless of whether there is logic to support it. These practices are legacies: pseudo-rules created informally over time. Disrupting such legacies presents great opportunities for differentiation.

3. Get Comfortable with Criticism: If you're breaking procedural rules or accepted legacies, don't be surprised if your new idea runs into rejection from colleagues or customers. Try to get over the surprise and learn to be attracted to rejection.

Principle 5: Movement

Movement refers to the natural progression of ideas as we proceed through the problem-solving process. Unfortunately, innovative ideas rarely occur in a flash, and we have to be disciplined in our approach to development.

The following three imperatives offer ways to include movement in your innovative thinking:

1. Ask the Right Questions: Questions are more powerful than statements and are the fuel for divergent thinking. Effective questions follow a model of testing the objective, the constraints and the possibilities for direction. Use an effective questioning model as you begin your thinking, and keep questioning the customer and the team throughout the process.

2. Grow with the Flow: When your team finds that its rhythm and ideas are beginning to flow, the process becomes easier, and the work of thinking ceases to become work. Flow can happen at a personal or team level.

3. Walk Away from the Problem: Taking time away from the problem can be as valuable as the time focusing on it. The best ideas often come after a period of incubation. Let your subconscious chew on the problem for awhile.

Principle 6: Harmony

Harmony is achieved when there are several different but related elements in a composition. Sales teams can use the principle of harmony like a checklist to make sure what they've designed can be implemented by the organization. Do the elements of the idea work together in a cohesive way? How can we implement the new idea so it *works* for the customer?

The three imperatives of the harmony principle that follow will help you implement your innovative sales ideas:

1. Keep Perspective: Context is critical in sales innovation to maintain a connection to reality and to other related sales disciplines. Remember to look at the big picture as well as its parts to keep your ideas in context.

2. Check Degrees of Change: Once you converge your thinking and finalize your solutions, you'll need to evaluate the degree of change your customers, partners and sales organization can handle. Before you implement, understand the magnitude of your proposed solutions, the relative value of the customer or segments with which you'll propose the change, and the risk you're willing to take relative to the positive outcome you expect.

3. Be Persistent: In most creative sales-solution situations, roadblocks and barriers appear. While innovation is marked with exploration, another critical characteristic of functional creativity is completion. Push the team during the process with an eye toward converging on t he solution.

What's Your Problem?

The Innovative Sale process is a left-brained thinking process that helps to generate right-brained innovation. Sales organizations need the structure of such a method to address the range of variables that define sales challenges and constraints.

The Four-Phase Innovative Sale Process

The Innovative Sale process consists of four phases, and there are eight steps within the four phases. The six principles discussed above are at the center of the Innovative Sale process.

Phase 1 - Conditions: The salesperson defines the challenge through a challenge question, such as, "How do we defend shelf space and potentially increase it to grow revenue?" In this phase, any constraints or conditions that are important to consider are defined, including time, price or product specifications that the customer has requested.

Phase 2 - Known Approaches: Almost all of the brainstorming in sales organizations consists of this phase. Sales executives list their known approaches and then immediately jump to application to begin implementing their solution, but this can lead to a missed opportunity for discovery, or Phase 3.

Phase 3 - Discovery: This is where innovation happens. A sure sign you've hit the discovery phase is when your team starts to complain about feeling lost. Sales organizations tend to resist discovery because it's uncomfortable, it's new, and because it takes work.

Phase 4 - Application: This is where we bring sales innovation in for a landing and make the solution work, check that the idea makes sense, and collaborate with the customer to implement it.

Step 1 of Phase 1: Define the Challenge and Constraints

When defining the challenge, the real mission is to redefine that challenge. We may end up confirming or validating it. Or, we may find we can understand the problem in another way, in a broader context, and open up new possibilities for a solution. Most challenges come with constraints, which are a vital part of functional creativity. The parameters are usually limitations within which we must work. Here are some examples:

- Our channel partners have always worked with this business model.
- We have to maintain the current territory structures.
- The solution has to be cost neutral.

In this first phase, we lay out the constraints but will come back to them later in the discovery phase, when it's time to test boundaries and see which if any of these rules we can break.

Step 2 of Phase 1: Gather Insight

The second part of understanding conditions is to gather insight about the larger context in which the challenge lies. This insight will typically come from sources that include the direct voice of the customer, input from the team, information from the market, and data from the organization. Central to this insight are the questions we ask.

There are three important questions to ask about a project's challenges, causes and its precedents to help gather important insight:

1. Customer Challenges: This set of questions gathers insight about the customer's challenges in terms of financial performance, its markets, its products and its resources. These questions deal with the business's priorities.

2. Causes: This set of questions addresses the causes behind the customer challenge. While the objective may appear to stand on its own, usually there are other drivers below the surface. Casual questions that ask "what" and "why" are one way to get to the root cause. If we start with the apparent objectives and work backward, we can often redefine the challenge.

3. Precedents: This category includes questions such as, "How has it been done before, either in our industry, in

similar business models, or even totally different situations with some of the same characteristics?"

Breaking Down Barriers

Typically, when we refer to brainstorming we're talking about the initial flood of ideas, which often turn out to be our known approaches. In the Innovative Sale process, real innovation doesn't come until the next phase, discovery, when we begin to think beyond the known approaches.

Step 3 of Phase 2: Create Initial Approaches

In step 3 of the process, we list all the current, obvious and tried-and-true solutions. All you're looking for in this type of brainstorming is to flush out what you've done before. It may be that one of these initial ideas turns out to be the answer. But you won't know that until you get through the process. Listing everything you've done before and picking one of those ideas is not innovation; it's just coming up with a quick answer.

Step 4 of Phase 3: Destroy False Constraints

Now we enter the discovery phase where we will depart from typical brainstorming into the next stage of sales innovation. In this step, we look back to the constraints identified in our first step and test the boundaries to see which constraints are solid and which might bend a little. In fact, we see if we can blow any of these up.

We can apply the Innovative Sale principle of contrast to take a look at the three major types of constraints: operating rules, procedural rules and accepted truths. Remember that operating rules are usually critical to the mission of the business, procedural rules are about how the business functions through various processes, and accepted truths are those legacy constraints that have beome well worn and believed by many over time. Ask the following questions:

1. What constraint did we encounter?
2. What type is it? (operating rule, procedural rule, accepted truth)
3. What would happen if we destroyed this constraint?
4. Is there an alternative to this constraint?
5. What action might we take?

While it is usually risky to break an operating rule, many procedural rules and accepted truths are ripe for destruction. The team could identify a range of these constraints and then categorize them; estimate what might happen if each constraint were eliminated; identify alternatives or compromises to that constraint; and then determine whether or not to destroy it.

Where Are All the New Ideas?

One of the challenges in sales innovation is the belief that a good, creative strategy or customer solution has to be completely new. But with sales innovation, there is an abundant source of opportunity by combining parallels.

Step 5 of Phase 3: Combine Parallels

Parallels are situations analogous to ours. They can come from a different company or industry. Parallels may not even come from business, but from other life situations. To combine parallels in the Innovative Sale process means to put different ideas together, like pieces of a puzzle.

Combining parallels is an exercise in gathering more raw materials for idea development. There are four steps to combine parallel ideas:

• **Look to the Generations:** Looking beyond your immediate environment can be the greatest source of parallels. Because each step moves progressively further away from your company and market, we refer to these steps as "generations." The first generation contains parallels within your company — these can be surprisingly diverse, especially if you have other divisions, regions and functions. The second generation contains parallels within your industry, including what your competitors have done or are doing.

The third generation of parallels looks at businesses outside your direct competitors that have a similar way of generating revenue. The fourth generation involves parallels in companies with dissimilar business models. These parallels force a sales organization to look to solutions it may never have considered. The fifth generation contains parallels outside of business; examples may include sports teams and nonprofit organizations.

• **Deconstruct Your Challenge Question:** Now that we have an inventory of possible parallels from the five generations, we can break the original challenge question into parts to begin matching and combining. The idea is to find potential parallels for each part of the challenge.

• **Find Matches That Address Just 25 Percent of Your Challenge:** By looking at the pieces of the deconstructed challenge, we can look for parallels that might match just one part of the challenge. Odds go way up that we're going to find some innovation components that will change our thinking.

• **Put the Pieces Together:** Now it's time to take the ideas generated by examining parallels and put them together to test their logic and potential application. Lay out the parallels, and see what new solutions come to mind. Combining parallels is the start of horizontal generation, which is part of the next step of the Innovative Sale process.

Step 6 of Phase 3: Explore Horizontally

Horizontal thinking creates an abundance of ideas across a divergent range of options. As the ideas come together through combining parallels, we can begin to evaluate them on a right (conservative) to left (radical) scale that ranges from the modest to the moderate to the most far-out ideas. Your options should move from the conservative to the far-reaching. While your ideas on the right might feel common, the ones on the left might be completely unrealistic, beyond the scope of what your customer would do. If the ideas don't feel that way, you're not pushing far enough. Once you've generated a good range and abundance of divergent ideas, it's time to go into vertical development.

The Attraction of Rejection

In horizontal-idea development you sketch your ideas. You're not worried about how the final solution will look. But when it's time to develop vertically, it's time to get serious about your solution, the practical ways it can work, and the details that can make or break it in the end.

Step 7 of Phase 3: Develop Vertically

Vertical development entails selecting the best ideas and then digging deep down to build out the solution. Pick the finalists from the list of horizontal ideas that will fit the customer situation. To help narrow down the pool, you can return to the customer challenge dimensions — financial, market, product and resources — to assess each of your solutions. Now you'll see which of your ideas have potential and which should be filed away for later use.

Many of your best ideas can be met with rejection. Not only is it important to accept and work with rejection from teammates, but also it's vital to expect and accept the rejection of your ideas from the customer. Rejection is just part of the creative process.

If the customer's company has an innovative leader, the customer will likely be open to innovation. If belief in innovation doesn't come from the top, the sales rep's job is that much harder. Determine whether you're going to press on if you think your ideas are defensible or if you're going to accept what they've said and modify your ideas based on their input. As you commit to a solution, you have to make sure it will align with what the customer will need.

Step 8 of Phase 4: Implement and Communicate

The final step of the Innovative Sale process is to implement and communicate. Implementing and communicating the final solution inevitably requires managing change. Recognize the level of change your solution will require for your customer, and predict his reaction to that potential change. Is the customer change averse or change ready?

The longer your customer is involved in the solution development, the greater the customer's buy-in will be. As you implement and communicate, consider and manage these important components:

Understand the degrees of change: Each different component of the final solution options represents a degree of change. Each of these degrees of change represents risk and a communications opportunity.

Develop your positioning: There was a reason you went on this change journey for this particular strategy or customer in the first place. As part of your communication, you need to recapture that reason and position your overall thinking about why you took this approach and, most important, why it will benefit the organization or the customer.

Operate your communications campaign: You need to communicate not in sound bites but in a campaign. We know from observing effective advertising that a great campaign is comprised of target audiences, pointed messages, communications vehicles, proof sources and message repetition on a schedule.

Manage resistance and push through: In any change initiative, you need to understand the change environment, the potential risks and resistance to change, and your team's tolerance for pushing through a challenging process to make the change work. As you embark, get a reading on your current situation, and know what it will take, where you can be flexible, and how your team can creatively lead through the implementation for a successful outcome.

Delivering a Better Value Proposition

One way to apply the Innovative Sale is by creating or improving a company's value proposition. Value propositions are not simple. How you convey your company's

value depends on who you're speaking to, their specific needs, and your ability to meet those needs. A value proposition is a business or marketing statement that does the following:

- Addresses the needs that the customer knows and the needs they are not aware of.
- Demonstrates a clear benefit of working with your company.
- Illustrates how you can fulfill your value.
- Differentiates you from competitors.
- Is flexible enough to apply to the evolving needs of customer segments and situations.
- Convinces a potential customer that one particular product or service will add more value or better solve problems than other offerings.
- Helps maintain an economic moat around the organization.
- Is concise and appeals to the customer's strongest decision-making drivers.

Often, people mistake value proposition for an elevator speech, which involves the rep *telling* something rather than showing it or listening to the prospect. A better way to develop a value proposition is to match your capabilities with what the customer needs. A value proposition has two sides: what your company can do as a business and what the customer needs. Understanding your capabilities as related to your customer's needs offers direction on how to build a better value proposition.

Value Proposition Message Checkpoints

As you construct your value proposition, test it on the following six checkpoints:

1. We understand your business.
2. We understand your issues.
3. We're different.
4. We can execute.
5. We can help financially.
6. We know you personally.

The value proposition is not a statement of cherished corporate ideals that lives in the boardroom. Nor is it a declaration made by a rep at the introductory customer meeting and then forgotten. The value proposition is what you are selling and why the customer will buy from you.

The Innovative Sale Assessment

Assessing an organization's team is another way to apply the Innovative Sale principles. The Innovative Sale assessment follows six dimensions of functional creativity and their corresponding imperatives. The assessment provides a score on each person's Creative Quotient for Sales for each Innovative Sale principle and imperative. The criteria for the scores are as follows:

Pattern identifies the team's creative context. Are its members oriented toward creative problem solving, or do they tend to simply move straight to a solution?

Variety tracks the ability to generate an abundance of diverse solutions for the customer. Is the team narrowly focused with relatively few options, or do they think broadly with a healthy quantity of ideas?

Unity considers how the team members work together to solve problems. Are they part of a cohesive unit?

Contrast evaluates how well the team pushes its thinking rather than settles for the status quo. Is there an aversion to new ideas?

Movement measures the team's ability to follow a natural progression of idea development. Does it get bogged down in linear thinking, or does it simplify the complexities of the problem?

Harmony considers the team's propensity to implement a new solution and manage change in a practical way. Do team members push a solution through that is disruptive and not likely to work, or do they consider the finer points of change management?

Once you understand your team's Creative Quotient for Sales and where your team and individual members can become stronger, use a stepwise approach to build your Innovative Sale capabilities.

By injecting The Innovative Sale into the way you solve problems, you can develop a natural method to unleash your creative orientation. With practice, the returns can be significant. Sales creativity is within you. The Innovative Sale will show you the way.

RECOMMENDED READING LIST

If you liked *The Innovative Sale*, you'll also like:

1. ***Rainmaking Conversations* by John E. Doerr, Mike Schultz.** The authors provide a proven system for leading masterful conversations that fill the pipeline, secure new deals, and maximize the potential of your accounts.

2. ***Snap Selling* by Jill Konrath.** Konrath offers four SNAP rules to win more sales, and she teaches us that sales is an outcome not a goal.

3. ***The Perfect Salesforce* by Derek Gatehouse.** The Perfect Salesforce is a return to people — different types of people who excel naturally in different types of sales jobs.

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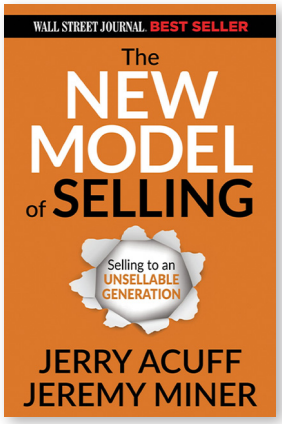
The New Model of Selling

Jerry Acuff, Jeremy Miner

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The New Model of Selling

Selling to an Unsellable Generation



by **Jerry Acuff and Jeremy Miner**

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THE SUMMARY IN BRIEF

The world continues to change at an unimaginable pace. The sales landscape today is filled with buyers who are armed with excessive amounts of information. So, what happens when you enter the sales battlefield armed with ancient methods of selling? You simply don't survive.

Success in sales today demands fresh ideas, approaches, and techniques. ***The New Model of Selling: Selling to an Unsellable Generation*** revolutionizes sales from the lens of behavioral science and human psychology. The book explores the most pressing problems in the world of sales and uncovers the major "aha moments" related to successful sales conversations.

Authors Jeremy Miner and Jerry Acuff offer a goldmine of sales strategies and techniques that prove highly relevant when dealing with the buyers of today. *The New Model of Selling* kills off the traditional and more aggressive methods of selling and shifts the focus toward striking a connection with the customers instead. The lessons enclosed in the book help you become a problem finder and problem solver, not a product pusher.

IN THIS SUMMARY, YOU WILL LEARN:

- What the biggest problems in sales are and how to solve them.
- How to get customer-focused and ask the right questions.
- How to sell a solution instead of selling a product.
- The three stages of selling.

Introduction

The buyer of today will no longer be fooled by old-school sales tricks. Selling today is not about focusing on your need to sell. It is about focusing on your prospect's needs, understanding their problems, and helping them find a solution by using innovative sales methods. It is about interacting with them in a way that enables them to persuade themselves.

Chapter 1: The Biggest Problem in Sales

The biggest problem in sales is the problem you don't know you have.

In other words, the problem is not a lack of great leads or not being enthusiastic enough. Instead, the problem here is a lack of self-awareness! Think about it, if you don't know what the problem is, how will you fix it? On the other hand, if you're able to identify the problem, you can and will change your situation.

That said, here are seven of the biggest general problems in sales to help you better understand why most of your sales strategies are outdated in today's era. These include:

- Having an inconsistent definition of sales and not being able to determine whether a sale must be made to a potential customer or not.
- Using outdated sales models that are not very persuasive to today's sophisticated, information-aged buyers.
- Pressuring prospects into buying a product by using brutal boiler-room methods of manipulation and posturing.
- Selling the product instead of selling the solution.
- Not using the right questions to help prospects with problems they don't know they have.
- Triggering unwanted resistance by using aggressive old methods instead of letting customers think for themselves.
- Not getting your prospects to trust you first.

Times have changed. Salespeople of today must unlearn most of the traditional selling methods. The DELTA acronym from Jerry's company Delta Point encapsulates the New Model of great sales processes.

- Develop perspective's interest so they want to hear you out.
- Engage customers in a meaningful dialogue
- Learn the prospect's situation/challenge/problem.
- Tell your story only after you clearly understand that your product is a fit for your prospect's problem.
- Ask for a commitment.

Chapter 2: Sales Myths vs. Sales Realities

To gain a deeper insight into which sales methods work the best today, let's look at the myths and realities of sales.

Myth: Selling is a numbers game.

Reality: Selling today is no longer about the quantity of calls you make or how many contacts you reach. It is about the quality of your conversations and your ability to bring out your prospective customers' emotions by asking deep questions and creating trust.

Myth: Rejection is just a part of sales.

Reality: Being overly aggressive with your sales process and using mind games and tricks are what trigger rejections in the first place. Pinpointing the cause of rejections and mastering the New Model sales techniques can help diffuse the cause and arrive at solutions.

Myth: You need to be enthusiastic about your product/service.

Reality: Your customer will not get excited just because they see you get excited about your product. On the contrary, they will either withdraw because you've overwhelmed them or get defensive and flat-out reject what you're offering.

Myth: The sale is lost at the end of the sale.

Reality: The sale is lost in the beginning if you start your cold call with a "Hello" because your prospects can smell a sales call.

Myth: If you assume the sale, they will buy.

Reality: Asking questions like, "In whose name should the contract be? What are your details? What is your phone number?" is the biggest red flag you can wave at the end of your sales presentation.

Myth: Always be closing – the ABCs of closing the sale.

Reality: Being neutral instead of being one-sided puts the focus on your potential customer, helps build trust, and makes

them feel encouraged about considering your product.

Chapter 3: Unlocking the Gatekeeper

A gatekeeper is someone who can either allow or not allow you to reach your prospective customer. For instance, the receptionist sitting at the desk in a company you want to pitch your product to is the first gatekeeper you'll likely come in contact with. Getting past the gatekeeper is often one most challenging situations salespeople face. But it is the gatekeepers who can also help you out with the most valuable information to boost your pitch.

The goal here is to build a friendly relationship with them. Instead of boasting about your product, give them a personalized introduction that touches on the company's pain points. A great personalized intro focuses on three parts – problem, solution, and question.

Start with the phrase, "You know how…" and add two or three of the biggest generic problems your prospect would identify. Extend the conversation into the solution stage by starting your next phrase with, "Well, what I do is help people/companies [insert what you've deemed to be their specific problems here]. Finally, progress to the question stage to turn the focus back onto the other person. For instance, if you're selling a financial service product, ask something like, "What does your portfolio look like?"

Chapter 4: Getting Customer-Focused

The most common words associated with salespeople include pushy, slick, manipulative, cheat, slimy, and sleazy. In fact, a survey by HubSpot Research found that a mere 3% of people consider salespeople to be trustworthy. The biggest reason behind it is most salespeople simply try to sell their product instead of helping customers solve their problems.

Replace your expectations of making the sale with determining whether the sale must be made in the first place. Remove biased and agenda-heavy conversations to make customers feel understood. Show them your honest intent is to figure out whether you can actually help them.

While rational factors such as pricing and features affect purchase decisions, the buyer and seller ultimately rely on triggers that appeal to their emotions. Salespeople with high emotional intelligence and often very patience and don't pressure prospects into buying. Instead, they first earn the prospect's trust, make them feel heard, discern the customers' emotional state, and finally increase the chances of sales.

Chapter 5: Using the Power of Your Voice

Your voice is the greatest weapon that will help you achieve your sales victory. Make sure you speak with the right pausing to send a clear message. Use verbal cues like "Right!", "Uh-huh," "tell me more…", "Is that right?" and more to keep the prospect engaged and present.

Adopt a natural and neutral tonality with words you use to foster a more trusting connection. Remember, surprises get our attention but mysteries keep it. If you decide to target your prospect's curiosity, make sure you offer them the right answers to satisfy their curiosity. Remember, words matter. Your ability to create a low-pressure, safe environment with words and language that fuse logic and emotion into a comforting cocktail is crucial to smashing sales!

Chapter 6: Listen and Learn

You might be a great talker but are you a good listener? Do you know how to ask the right questions? Do you truly understand the point your prospect is trying to make? Successful salespeople spend as much as 70 percent of their day listening! Leave your sales agenda and judgment behind when you listen to a prospect. Know what to listen to by putting yourself in the shoes of a CEO. Detect the clues, essence, and opportunities.

A customer may say, "It is critical that these patients get to a goal." A good listener would hear the clue word "critical" and ask a follow-up question to understand why the customer chose that specific word. A great salesperson will also grasp the "essence" or true meaning behind the words their customers use. Finally, every conversation with your prospect is filled with opportunities of all shapes and sizes. For example, if your prospect mentions they're going to a meeting next month in Boston, a savvy salesperson will find the city's highly coveted hotpots and name-drop some of them to the physician. This will ultimately send a powerful message that the salesperson put in their efforts to offer information that could prove useful to the prospect

Chapter 7: Sequence of Questions

Aside from using your voice and listening efficiently, it's important to know what to ask. The questions you ask start

with the opening of your sales conversation. Research the best ways to open the dialogue. Create a safe environment by asking how you may be able to help your prospect.

To spark curiosity and retain engagement, create a step-by-step architecture of questions. Some of the most important types of questions to ask include:

- Connecting questions that take the focus away from you and put it on the customer.
- Situation questions to help you understand the present situation.
- Problem awareness questions to know what problems your prospect may have, what caused them, and how these problems are affecting them.
- Solution awareness questions involve your prospect and their idea and get them to emotionally attach themselves to solving their problem with you.
- Consequence Questions help them question their way of thinking and explore the consequences of not changing their situation.
- Qualifying Questions to confirm how important it is for them to change their situation.
- Transition Questions to help you naturally transition into going over how your sales solution can solve their problem.

Chapter 8: The Three Stages in A Sales Process

The engagement, Transitional, and Commitment stages are three of the most important stages in every sales process.

The Engagement Stage occupies 85 percent of the process. Here, you'll notice how your customers will buy from you based on your listening, being understanding, and asking the right questions.

Ask problem awareness questions to understand your prospect's challenges and how those problems are impacting them. Instead of making statements, compose your statements into questions. Once your prospect reveals their problems to you, ask them probing, consequence, and clarifying questions to help them relive their experience with what the problem has done to them. Finally, ask them solution-awareness questions to discover how they feel about solving their problems and moving forward.

The Transitional Stage starts once you receive comprehensive information on your potential customer. This is the point where you piece together all their needs and match your offerings to what they're looking for.

The Commitment Stage is where you finally close the sale. People are far more likely to change their behavior if you ask for commitment than if you don't. However, it's also important to make sure the commitment questions you ask don't put you or your prospect in an uncomfortable situation.

Chapter 9: Taking the Business Relationship to the Next Level

In sales both who and what you know matters. Networking and building productive business relationships are crucial to your success. But to be liked isn't enough in the sales biz. You need to be trusted, respected, and valued. Following the New Sales Model system with precision can help you help your customer and close a majority of your deals. When it comes to constantly developing your business, make sure you maintain the customer base you already have. Always try and increase opportunities within the base you've created and leverage this base for future business. Aside from creating new customers, make sure you constantly train to retain them!

Conclusion: The End is Really Just Your Beginning

Knowing not to sell is as important as learning how to sell. Great salespeople are crystal clear about their intent. Before they pick up a phone or walk into an office, their intention is always to do what is in the best interest of the customer. They focus on customers and not themselves and their products. With every sales call you make, remember that the words you use can make or break the deal. Identify the words that trigger resistance and stick to things that will make your customer feel heard. Finally, remember that in sales, you're dealing with human beings and not numbers.





Jerry Acuff is the CEO and founder of Delta Point, Inc., an Arizona-based-company that transforms under-performing sales teams into sales titans. He has consulted and spoken extensively on sales and marketing excellence issues for over 30 years.

Jeremy Miner pioneered 7th Level, an international sales training company that's helped more than 393,000 salespeople in 37 countries achieve exceptional results. What made the difference was developing and mastering persuasion skills that work with human behavior, not against it.

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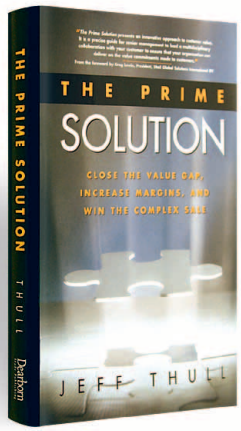
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The Prime Solution

Jeff Thull

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FILE: SALES



By Jeff Thull

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Close the Value Gap, Increase Margins, and Win the Complex Sale

THE PRIME SOLUTION

THE SUMMARY IN BRIEF

In his previous book, Mastering the Complex Sale*, sales strategist and adviser Jeff Thull wrote, "Spectacular success is always preceded by unspectacular preparation." Achieving and sustaining profitable growth in a highly competitive global market requires this kind of extensive, yet unspectacular preparation, in order for you to harness the full range and depth of expertise in your organization, and to use that expertise to provide value to customers — value that will help you create and sustain crucial, long-term customer relationships.*

To succeed in this value creation, you must have technical expertise in service and support, you must know how to sell your wares to needy customers, and you must be able to position your company as a "sole source" to customers over time. These are the essential tenets of this summary: a detailed explanation of how businesses can close the value gap that separates the value that is promised to customers from the actual value achieved. Many fine companies have disappeared into that gap: Don't let yours be one of them.

What You'll Learn In This Summary

✓ **The three eras of value dilution.** The evolution of the value gap has been driven by an ever-shifting definition of value. Noting the history of this evolution is helpful when preparing for value strategies today.

✓ **The barriers to keeping value promises.** There are five essential barriers that keep sellers from delivering promised value: relevancy, inflation, comprehension, dilution and implementation.

✓ **You can't solve a nonexistent problem.** Every solution must help a customer solve a problem or otherwise meet an urgent need.

✓ **You're selling solutions, not products.** Closing a sale is not the end of a transaction, but the beginning of a long-term relationship — one of mutual trust and benefit, as well as constant, consistent communication.

✓ **Complex sales demand a solid process.** To sell a prime solution, you must be able to find the customer, diagnose the customer's problem, design the appropriate solution, and implement it with efficiency and flexibility.

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THE PRIME SOLUTION

by Jeff Thull

— THE *COMPLETE* SUMMARY

PART ONE: SWALLOWED UP IN THE VALUE GAP

The Elusive Prime Solution

When Lou Gerstner was hired as IBM's CEO in 1993, most of IBM's managers and employees saw their company as what Gerstner describes as a "piece part" manufacturer. From his firsthand experience as a business-to-business buyer of IT systems, Gerstner knew that customers in IBM's markets had little or no interest in the hardware and software of information technology. Just like any business-to-business buyer, IBM's customers wanted solutions to their business problems and challenges, solutions that delivered on the value promised.

Accordingly, that is where Gerstner focused his attention. He took a subsidiary unit of IBM's sales force, Integrated Systems Services Corp., and transformed it into IBM Global Services. The expanded aim of the new business unit was to deliver integrated IT services to customers — whole solutions that ranged from system definition and construction to providing fully outsourced operations. Global Services quickly became the driver of IBM's recovery and the company's fastest growing business, contributing 80 percent of total revenue growth during Gerstner's tenure.

Create and Capture Value

Creating and capturing value is a strategic cornerstone of most organizations in today's business-to-business marketplace. Your company works to create value-laden solutions, you strive to ensure customers can comprehend the value that your solutions deliver, and you have customers willing to compensate you for that value. This is challenging work, particularly in a competitive market in which it is difficult for customers to differentiate solutions, because all of the players in the market are using the same words to describe their value propositions.

Customers increasingly demand solutions that come with something more concrete than just a promise of value. They want solutions that are capable of leveraging value to the highest level of the customer's business; are a result of the careful identification of needs and present the best answers to their problems; and can, through proper implementation and value enhancement, help them achieve the return on investment they anticipated. ■

Three Eras of Value Dilution

Radical changes jolt us out of complacency and demand attention, but slow changes creep up, pass us by and often leave us behind. The "value gap" was created by a steady escalation of capabilities, requirements and expectations — a slow change whose underlying causes are not well understood or articulated. The evolution of the value gap has been driven by the ever-changing definition of *value*. The development pattern of value promises (both stated and understood) over the last 20 to 30 years is usually characterized by the term *added value*. Through innovation and advances in technology, business-to-business solution sellers strive to add value to their products and services in their race to gain competitive advantage.

It is useful to approach the complexity challenge associated with business-to-business solutions in terms of three eras of evolutionary change. These three eras offer an accessible, accurate means of understanding today's paradoxical situation, in which the expansion of the value promise by the seller can dilute value achievement for the buyer.

Era One: Obvious Value

In the 1950s — Era One — business-to-business sellers created products and sent them off to "hungry" consumers. Prospective customers were shown the product and decided whether to buy it. This sounds overly simple, but it is a

(continued on page 3)

The author: Jeff Thull is a leading-edge strategist and adviser to executive teams of major companies worldwide. As president and CEO of Prime Resource Group, he has designed and implemented business transformation and professional development programs for companies such as Shell Global Solutions, 3M, Microsoft, IBM and Citicorp.

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For additional information on the author, go to: http://my.summary.com

Published by Soundview Executive Book Summaries (ISSN 0747-2196), P.O. Box 1053, Concordville, PA 19331 USA, a division of Concentrated Knowledge Corp. Published monthly. Subscriptions: $195 per year in the United States, Canada and Mexico, and $275 to all other countries. Periodicals postage paid at Concordville, Pa., and additional offices.

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Three Eras of Value Dilution

(continued from page 2)

generally accurate reflection of that time. If a company provided a product that customers truly wanted, it only needed to notify them of the product's availability. The customer would clearly see the value and write a check.

Salespeople in this era were seen as persuaders who were focused almost exclusively on presentation, closing and the manipulation of the customer. In Era One, buyers easily understood their own problems and the seller's products, and could achieve value on their own, willingly accepting responsibility for achieving that value.

Era Two: Augmented Value

From the mid-1970s to the mid-1990s —Era Two — business-to-business transactions became more sophisticated: a sophistication embodied in a changing view of the value inherent in products and services, and how that value should be presented and delivered to customers. Products had a "range of possibilities" — they were generic (the thing itself with no added value), expected (added value was limited to the expectations of the customer), augmented (the seller added value to the product beyond the customer's expectations) or potential (it encompassed all of the value possibilities that could be imagined).

Sellers responded by revamping their marketing and sales efforts to reflect the customer's need for assistance. The consultative approach to sales emerged, emphasizing questioning, collaboration and trust. The salesperson thus acted as a problem solver. In Era Two, buyers could still understand their own problems, but they needed help to understand the augmented products being offered.

Era Three: Complex Value Networks

In the mid-1990s, the business-to-business sector moved into Era Three when the speed of change and the complexity of problems began to expand beyond the buyer's easy comprehension. Other forces, such as environmental, safety and workplace regulations, began to play a critical part in changing products and systems, making decisions far more complex.

Technological advances created much of this change. Complex developments make it more difficult for buyers to understand their own situations, needs and problems. They may know what their end goals are, but they find themselves in the dark when they are trying to understand which components are most important and how existing systems impose unique restraints.

Sellers are concurrently using the same technological advances to develop ever more complex and expensive solutions. No wonder then, that the customers in Era Three have difficulty understanding their problems, the proposed solutions and the solution implementation process. Under those conditions, how can they be expected to choose, implement and successfully achieve the value from "best" offerings? They cannot.

In Era Three, value complexity is the primary feature of the business-to-business landscape. Customers need more help than ever in diagnosing their problems and in designing, evaluating and implementing solutions, and achieving the complex, customized and unique value they promise.

In Era One, business-to-business sellers were persuaders. In Era Two, they became problem solvers. In Era Three, they must become sources of business advantage for their customers. This is a tall order. It requires your company to work hard at getting beyond the limiting construct of value promises and into a new world in which you ensure sustainable value achievement. ■

Prime Solutions Over the Years

The characteristics of an Era Three organization are by no means unique to the 21st century. Think about the major innovations that might not have been accepted had certain forward-looking organizations not provided a Prime Solution: the first computers sold by IBM, the first cash registers sold by NCR, or the first Western Union fax machines. All required a unique knowledge of their customer's business and the ability to support the customer as it implemented the many changes required by the new technology. The Prime Solution is not unique to the 21st century, but it is quickly becoming the price of admission.

Five Barriers to Keeping Value Promises

There are real barriers to a company moving into Era Three, one of which is a dependence on outmoded processes and techniques. Others are the defense mechanisms that buyers have adopted to protect themselves from the residual effects of the Era One and Era Two sellers, and current methodologies that continue to reflect those bygone eras. These barriers must be defined and addressed before the value gap can be closed. Five barriers that must be addressed by a Prime Solution seller are:

1. Relevancy. Sellers unilaterally define the solution and, thus, are unable to create value that is meaningful to customers. Iridium LLC, a company formed in the late 1980s when cell phones were rare, ran into this barrier in 1999 because the value of its solution — a global wireless telephone network — had shrunk until there was not enough demand to support the business. The result was bankruptcy.

2. Inflation. Sellers focus on benefits and features, sidestepping their duty to inform customers of the hurdles and risks to value achievement.

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Five Barriers to Keeping Value Promises

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3. Comprehension. Sellers incorrectly assume that customers are capable of understanding their own complex problems and the complex solutions to those problems.

4. Dilution. Sellers accept the widely used, price-based commodity approach to buying decisions and allow customers to unknowingly strip the value out of their solutions.

5. Implementation. Sellers avoid accountability and blame customers for solution failures.

Bringing Down the Barriers

Three considerations lead us to believe that these barriers must be treated as a monolithic set of obstacles.

First, while it is critical to understand the causes of the barriers, the purpose of that understanding is not to assign blame. The seller is identified as the guilty party in each barrier because the seller must overcome the barriers to create successful sales and strong relationships with buyers. In reality, buyers sometimes act as a catalyst behind a barrier. When they do this — acting contrary to their own self-interest — sellers need to uncover and address the reasons.

Second, one barrier often supports and reinforces another. Because the barriers tend to be interrelated, sellers need to be prepared to recognize and address all five. Further, as they create strategies to overcome one barrier, sellers must also ensure that the consequences of those strategies do not turn other barriers into insurmountable obstacles.

Third, the point at which the consequences of a barrier manifest is often not where the collision actually takes place. While the consequences of the barriers tend to appear toward the end of the value process, those barriers often crop up throughout the process. Preventing them involves a range of functions across the seller's organization. ■

PART TWO: PRIME SOLUTIONS AND THEIR PROTOCOLS

Value Leverage for Business Performance

Prime Solutions come in an infinite number of forms and are created for a wide variety of business-to-business markets, but they all encompass these three protocols:

1. Value maximization. In developing Prime Solutions, we must identify the business drivers that critically impact our customers, address the absence of value, and link our solutions to customers' business strategies and goals. It is through this value maximization that a Prime Solution leverages your organization's value capabilities or your "sources of value" to positively impact your customer's organization at the highest possible level. We cannot leverage our complex solutions and organizational capabilities unless we can define, address and connect with value *on our customer's terms*.

2. Decision acuity. In the marketing and selling of Prime Solutions, we need to provide a collaborative decision process that enables customers to diagnose and quantify the absence of our value, design a solution that will deliver optimal value impact, establish selection criteria, and verify and select the solution that best fits their criteria. Decision acuity begins by recognizing the multiple dimensions of a high-quality decision about priorities, change, investment, commitment and risk. This decision creates a secure foundation for predictable value achievement.

3. Implementation optimization. In the delivery of Prime Solutions, we play an integral role in the management of implementation risks; the optimization of the value achieved; and the provision of value measurement, sustainability and enhancement. ■

PART THREE: IN PURSUIT OF PRIME SOLUTIONS

Creating the Prime Solution

Prime Solutions emerge from a holistic approach capable of overcoming cross-functional dysfunction, isolationism and adversarial selling practices, as well as the incomplete value accountability that often separates businesses from their customers. A Prime Solution enables your company to do the following:

- Discover and engage the markets and individual customers who are most likely to be experiencing the absence of the value that your company provides.
- Diagnose and quantify the problems, inefficiencies and performance gaps experienced by your customers, and stimulate their incentive to change.
- Design and produce solutions that minimize the risk of change, maximize your customers' return on investment, and provide them with the confidence to invest.
- Deliver, measure and improve on the value promises that you make to customers.

If We Build It, They May Not Come

The concept of selling solutions, which has been widely embraced by today's businesses, only works if you have solutions to sell. Many self-proclaimed solution sellers, however, only sell as if they were offering solutions to their customers. They accomplish this artifice by relabeling existing products and services as "solutions" and instructing their salespeople to act as if it were so. These companies concentrate on solution selling, not solution success.

Delivering solutions that offer customers maximized

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Creating the Prime Solution

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value, decision acuity, and optimal return must start at the beginning of the value chain by developing a solution that encompasses those three characteristics.

IBM tells its salespeople to talk to customers about their biggest business problems and to try to figure out how IBM might be able to help solve them. By linking with a customer as early as possible in the development process, IBM ensures that its solutions have the only essential form of value relevance — value on the customer's terms.

No Problem, No Solution

The frequency of new product failures is astounding. New products fail for many reasons, such as poorly conceived market segmentation strategies or a flimsy connection to a quantifiable problem. The magnitude of the losses that result from these and other problems is a function of time. The longer it takes to discover that the customer's value assumptions are not shared by the "solution" provider, the greater the potential loss of investment.

There is no such thing as a solution without a problem. Customers do not need to be aware of the problem the solution addresses, but there must be an actual problem. A solution without a problem is a disaster in the making.

A Broader Context for Solution Development

Prime Solution development requires a broader context than normal in the product development process. This context encompasses the complete consideration of the following:

- **Value outcomes that the solution will generate.**
- **Decisions that will underlie its purchase.**
- **Challenges of implementation and usage.**

Product development projects often mistakenly focus their full attention on a too-narrow definition of the problem. The problem is "solved," but only in a limited sense of features and benefits. The broader context of Prime Solution development must encompass solving the problem, but in this context, the process is framed in terms of the customer's desired outcomes. A broader context also expands the development focus to include the decision process that the customer must undertake in purchasing the solution.

Full consideration of the customer's decision path inevitably leads to one of two outcomes. Either the seller thinks it through, discovers that a viable path to the sale exists, and proceeds with the solution's development, or the seller discovers barriers to a positive decision and terminates or reframes the project before investing more money.

A broader context also expands the development focus to include the implementation and usage of the purchase solution, since barriers to these can be substantial. An early understanding or visioning of implementation and usage factors can inform and add value to solutions.

Boeing's Outsourced Dreamliner

The Boeing Co.'s strategy for the design of its new 7E7 Dreamliner jet is an explicit acknowledgement of the critical contribution that suppliers can make in the development process. The company plans to design the plane at half the cost of its last flagship plane and cut final assembly from the current standard of 13 to 17 days, to only three days.

Boeing intends to accomplish this by outsourcing 70 percent of the plane to suppliers, ensuring integration of supplier perspective into all aspects of design and development by mandating the use of a single software system by all suppliers and designers. The software, created by Dassault Systèmes of Paris, will provide a single data-set and life-cycle simulation tool from which all involved parties will work. The Dreamliner will be the first Boeing model that relies on its suppliers for this much of its design and production.

An Inclusive Development Team

A sound connection to customer problems and a broader context for development requires an inclusive solution development team — a cross-functional team, including the following constituencies:

- **The Customer Constituency.** Customers are the most indispensable part of the development process. Most companies solicit their views and opinions. However, their role continues to be limited to traditional forms of participation, such as focus groups. Customers must be offered a more active and integral role in issue identification and solution development. They must control the primary source of information about the problem to be solved. Their cooperation is also essential to understanding the decision, implementation and usage considerations inherent to the solution. Their participation is particularly important for solutions that require changes in existing processes and employee behavior to deliver all of their potential value.
- **The Employee Constituency.** The internal membership of the development team must be expanded beyond the R&D department. Experts in all affected areas — marketing, sales, service, support and others — play a critical role in development efforts.
- **The Supplier Constituency.** The seller's suppliers provide the final perspective essential to complex solution development. Suppliers should be treated like collaborators instead of commodity sellers, so they can contribute to solution development in as many ways as possible. For example, they can add value to the solution through the application of their own existing and emerging technological capabilities. They can also identify poorly conceived design elements before losses occur. ■

Marketing the Prime Solution

Regardless of how well you plan and/or execute your solution differentiation strategy, that strategy could end up becoming a one-way ticket to the value gap and result in a painful no-sale scenario. Twenty years ago, Harvard Business School emeritus Theodore Levitt foresaw such scenarios when he said: "The search for meaningful distinction is a central part of the marketing effort. If marketing is about anything, it is about achieving customer-getting distinction by differentiating what you do and how you operate. All else is derivative of that and only that."

Salespeople en masse have subscribed to this perspective. They first focused on the most obvious element of Levitt's distinction formula and attempted to differentiate based on the what-you-do part of the equation. They also created ever more complex bundles of products and services. This focus on solution benefits was legitimate, but two things eventually rendered it ineffective:

1. The competition quickly imitated the features that proved popular with customers, so the distinction between solutions disappeared.

2. A race to add features ensued, and feature-based distinctions soon exceeded customer requirements and saturation points. When customers cannot use or recognize benefits, differentiation schemes that depend on them become meaningless.

Companies then turned their differentiation efforts toward the how-you-operate part of Levitt's formula for customer-getting distinction.

The Problem With Solution-Based Differentiation

New business models, if properly connected to customer problems, can be a rich source of profit. The ability to create a distinctive position in the customer's mind using a new business model is usually a longer-lived advantage than a features-based distinction. Competitors will, however, tend to adopt similar value-delivery models, lessening those models' differentiation power.

Indeed, solution-based differentiation is predisposed to failure. Solution-based differentiation of any kind is an Era One and Era Two marketing strategy in an Era Three environment. In complex products and services markets, the majority of customers don't care how cool your solution is.

Diagnostic Marketing

What customers do care about are their strategies and how to execute them, as well as their problems and how to solve them. This is why problem-oriented differentiation, or diagnostic marketing, is the most effective way to bring complex solutions to market. The goal in diagnostic marketing is to craft targeted messages that engage customers and move them along the progression to change — measured by physical and objective characteristics, identifying a customer's propensity to solve a problem.

As individuals advance along the progression to change, they also move through the dimension of time, progressing from the present to the future. As they consider changes, they mentally journey into the future, which undoubtedly holds their greatest desires along with their greatest fears.

The fundamental principle guiding behavior change is that people will not change unless the pain experienced by staying the same is greater than the pain to be experienced by changing. Recognizing the tangible nature of this progression so as to craft marketing materials and messages to connect with customers precisely where they are — and be in sync with their progression to change — creates the powerful effectiveness of diagnostic marketing.

Speaking in the Proper Tense

There are two fundamental prerequisites of diagnostic marketing. The first is that all marketing communication must be centered on the customer's reality, situation, problems and the physical symptoms that bring those problems to reality. The second prerequisite suggests that, in complex markets, addressing customers in the negative-present tense is the most effective path to constructive engagement, even though this might feel counterintuitive to optimists.

Marketing messages can be crafted in these four tenses:

- **Positive-present.** When solution sellers craft marketing messages in the positive-present tense, they are describing the customer's current situation in positive terms, reinforcing benefits they've already provided to the customer.
- **Positive-future.** Solution sellers use this tense to build messages around the customer's need to create a better future. Unless the message reaches a customer who has already decided to change, however, it stands a sizable chance of falling into the "so what?" category.
- **Negative-future.** When sellers craft messages in this tense, they are speaking to dangers that the customer does not yet face but someday might.
- **Negative-present.** Sellers use this tense to create messages that speak to customers' current problems and their tangible symptoms.

Because complex solutions require extensive change efforts, and the decisions to buy them are fundamentally decisions to undertake change, marketing messages that speak in the negative-present tense are the most effective. ■

For additional information on a Value Translation Questionnaire, go to: http://my.summary.com

Selling the Prime Solution

As a primary objective, closing a sale leaves much to be desired. A finalized sale is presumed to be a "win" for the seller, but in reality, the quality of that "win"

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Selling the Prime Solution

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depends largely on the terms of the deal and the performance of the solution. From the customer's perspective, the signed deal is just another expense, and it is a loss if the promised value is not achieved.

A High-Quality Decision

Because a Prime Solution is designed to align sales professionals and their customers in a mutually agreed objective, the true goal of a sale is a high-quality decision — a sound decision based on an honest, thorough and rational evaluation of the correlation between the customer's problem and the seller's solution. A customer's decision not to buy is also a valid outcome. Not every customer is in a position or situation that requires action.

The most effective sales approach is not the one that artificially prolongs a customer engagement when the solution is not required or effective. Salespeople must "go for the no" — a process that facilitates the efficient diagnosis of a negative correlation between the customer's problem and the seller's solution and, as quickly as possible, redeploys the team in pursuit of other possibilities.

The decision to purchase does not mean the end of the seller's work with the customer. The solution provider's journey to create the full value of which the solution is capable, and the customer's journey to achieve that value, continue through the successful implementation of the solution. While there is nothing wrong with closing deals, the outcome is more effectively accomplished when salespeople are seriously engaging customers who can achieve the highest level of value from the solutions being offered.

Diagnostic Business Development

This Era-Three revision of the sales process is called Diagnostic Business Development (DBD) — a four-stage process that recognizes the critical importance of customers and their problems in the diagnostic engagement. It also recognizes that transaction-based strategies are inappropriate and ineffective in the world of complex sales.

The DBD process encompasses the decision-making process that is required in the successful sale of Prime Solutions. Its stages — discover, diagnose, design and deliver — serve as a path that sales professionals can follow from the identification of customer opportunities, through the intricacies of the sales engagement, to the establishment of ongoing, long-term customer relationships.

Aside from being a considerable differentiator in competitive markets, the ability to provide customers with and guide them through a sound decision process such as DBD can also create new profit streams for an organization. Clients of Shell Global Solutions, for example, regularly contract for the firm's "opportunity confirmation process."

The core elements of the process are extensive diagnosis and design. Shell identifies key areas for improvement, sets measurable improvement targets and creates a comprehensive business improvement plan. The process is an effective way of establishing an independent review of a client's operations and of developing with the client a realistic and practical plan to realize its potential.

Stage One: Discover

The first phase of selling Prime Solutions — discover — focuses on identifying customers with the highest probability of experiencing, or who are already experiencing, the greatest negative impact in the absence of the value provided by your solutions. These high-probability customers are the most qualified prospects to purchase your solutions.

In DBD, sales professionals qualify customers within the dimensions of value. In a "Prime Solution Cycle," the marketing effort provides the sales force with a value proposition, or a generic statement that defines the value drivers in the markets addressed by the solution, the indicators that demonstrate the absence of value, and the value potential inherent in the solution. Salespeople then identify prospects that fit that proposition and establish a value assumption. This is an initial, informal verbal agreement between the solution provider and the prospect that establishes the relevancy of the decision process and provides the impetus to proceed with it. This agreement is the result of pre-contact research and initial customer conversations that confirm the validity of the initial findings.

Stage Two: Diagnose

The mutual acceptance of a value assumption is the foundation for the diagnose phase of DBD. The process of diagnosis is a continuation of the customer qualification process in greater detail — a hyperqualification. The full extent of the customer's problem is explored, measured, evaluated and communicated. The goals of this phase are to raise customers' awareness of the problems they are experiencing and create the incentive to change.

While it is natural for customers to want to self-diagnose, it is imperative that this self-diagnosis not be accepted as complete until the solution provider confirms it and digs even deeper. Self-diagnosis, while understandable, is one of the most significant contributors to the value gap for a number of reasons, including:

- Customers often misdiagnose their problems before and during the sales process.
- Self-diagnosis represents a missed opportunity for sellers to demonstrate their expertise by taking the diagnosis to depths the customer would never have considered.
- Self-diagnosis represents a missed opportunity for customers to get an outside view from professionals.
- Because self-diagnosis is often a less-than-comprehensive process, the total cost of the problem is not established.

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Selling the Prime Solution

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In terms of value, the diagnose phase is complete when value has been detected, the physical symptoms are verified, and your team and your customer reach a verbal value agreement about the dimensions of a problem. The value agreement is an informal statement specifying the scope of the customer's problem. More importantly, it serves as a mutual agreement regarding the cost of the problem and how it is prioritized in the customer's business. By the end of the diagnose phase, your team will have established exceptional credibility with your customer.

Sun Microsystems recognizes the problems inherent to poor diagnosis. In the past, when a prospective customer was searching for a storage solution, a salesperson would ask the customer how much storage was required, then work up a price and proposal. This process proved ineffective, because the sales force never got to the root needs of its prospects. Sun now uses a relationship management software product that enables its 100-member field representative team and its customers to identify and share the parameters of a given problem and create a solution based on those requirements.

Stage Three: Design

The goal of the design phase of DBD is to define the parameters of a high-quality solution in reference to the customer's problem. Your team identifies the optimal solution as a series of product and service parameters designed to minimize the customer's risk of change and maximize the value to be achieved. Your team also identifies and confirms the customer's desired outcomes and how to achieve them. Sellers of Prime Solutions use the design phase to focus the customer's search on the best solution.

In the design phase, your company has the opportunity to address competing alternatives head-on, reinforcing the cooperative partnership between your team and your customer's team, and enabling your team to reinforce its position. You can ensure that the customer properly recognizes and weighs the inherent value advantages of a design that matches your solutions.

In value terms, the design phase of DBD is completed when your team and your customer establish and specify the dimensions of the solution. Another informal statement, the value agreement, defines the customer's solution expectations and the criteria that will determine the solution's features. It also serves as the basis for the discussion document — a written statement confirming the findings of the decision process and ensuring all parties are in accord.

By the end of the design phase, your team has demonstrated its integrity to your customer and created a solution framework based on mutually agreed-upon facts. ■

Delivering on the Value Promise

The final phase of the Prime Solution Cycle — value promise delivery — encompasses solution implementation, reporting results, and ongoing enhancement of returns. These can all be centers of high potential profit for you and your customers. When poorly executed, they can easily become centers of significant loss in both financial and relationship capital.

Your ability to manage and facilitate change is the core competency in Prime Solution implementation. Successful organizations are accountable for guiding and ensuring the success of the changes which customers must make throughout the cycle. In this phase, sellers serve as change navigators for their customers. As such, they bring customers a process that can carry them from their current state to the future state promised by the solution.

Every successful change management process must fulfill two conditions: It must be adaptable and it must account for technology, processes and people.

- **Adaptability.** The implementation/change process must respond to differences between and within customers. It must assess existing systems and design customized strategies for change. It must also solicit customer input and transform that input into process terms.
- **Technology.** The change management process must identify potential technology conflicts, resolve them before installation, test to ensure compatibility, and plan for unexpected problems. Sellers must be able to plug in their solutions without disrupting the customer's existing technology.
- **Process.** The change management process must identify the processes that the solution will affect, both upstream and downstream, and redesign the work flow as needed to ensure a smooth implementation.
- **People.** Solution providers must identify and address the impact of their solutions on people. An effective change management process must identify and provide the physical skills and the behavioral and belief sets that are required to accept and use the situation. ■

SOUNDVIEW RECOMMENDED READING LIST

If you liked *The Prime Solution*, you'll also like:

1. ***Mastering the Complex Sale*** **by Jeff Thull.** Thull describes the best ways sales and marketing executives can transform their sales organizations.
2. ***The Dollarization Discipline*** **by Jeffrey J. Fox and Richard C. Gregory.** The authors describe how organizations can measure and explain the financial impact of their offerings.
3. ***CustomerCentric Selling*** **by Michael T. Bosworth and John R. Holland.** Bosworth and Holland lay out an approach to sales in which sellers listen to buyers' needs and goals.
4. ***The New Era of Salesmanship*** **by Thomas A. Freese.** Freese focuses on the larger opportunity of "culturizing" the Question Based Selling Methodology across the entire sales organization.
5. ***Strategies That Win Sales*** **by Mark Marone and Seleste Lunsford.** Marone and Lunsford present the results of their research from 17 top companies.

For additional information on technologies and broken promises, go to: http://my.summary.com

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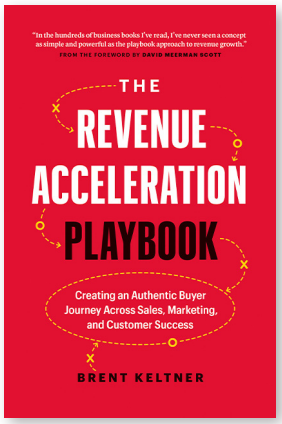
The Revenue Acceleration Playbook

Brent Keltner

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The Revenue Acceleration Playbook

Creating an Authentic Buyer Journey Across Sales, Marketing, and Customer Success



by **Brent Keltner**

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THE SUMMARY IN BRIEF

Want to accelerate your sales? Stop selling and start connecting. Today's buyers are inundated with sales pitches coming at them from websites, peer reviews, social media, and email blasts. Is it any wonder they're overloaded, overwhelmed, and tuned out?

The fact is, product-centered pitching simply doesn't cut it anymore. Buyers don't want to hear about your product's features—they want to hear about how it can solve their problems or help them reach their goals. Sales and marketing expert Brent Keltner wrote ***The Revenue Acceleration Playbook: Creating an Authentic Buyer Journey Across Sales, Marketing, and Customer Success*** to introduce a proven, go-to-market framework that can increase personalization and authenticity across every step of the buyer journey—from initial buyer engagement and prospecting to closing new deals and expanding customer relationships, to growing target market segments.

IN THIS SUMMARY, YOU WILL LEARN:

- A proven framework to increase personalization and authenticity across the buyer journey.
- How to generate more opportunities, higher account values, and faster segment growth.
- How to build a high-growth organization.
- The revenue impact of an authentic buyer and customer journey.
- Team-based skills development.

Introduction

The authentic buyer journey starts, progresses, and ends anchored in what the buyer really values. It works for a simple reason: it keeps the buyer at the center of every interaction in a buying environment saturated with information and distractions. An authentic buyer journey will lead to improved revenue outcomes across the buyer and customer journey: more new opportunities, more won opportunities, higher account values, and deeper market segment growth.

Building an authentic buyer journey does not just happen on its own. It takes three key investments of time and attention from go-to-market and revenue leaders: Identifying clear buyer goals and targeted impacts to support the shift from product-driven to authentic buyer and customer conversations. Building the company-wide value playbook and then team-based playbooks to bring an authentic buyer journey into action. Investing in the processes, measurements, and skills development needed to sustain cross-team execution of an authentic buyer journey. The reward for these investments is higher performance and higher revenue growth.

In this book, you will learn how to accelerate your revenue growth by moving from a product-driven pitch to an authentic buyer journey at every single phase, from initial buyer engagement, through prospecting, early sales discovery, and first meetings, and on to closing new buyers, expanding buyer and customer relationships, and identifying the fastest way to grow in target market segments.

Drawing on more than twenty successful company examples, Keltner shows you, step by step, how to build an authentic buyer journey that will generate more opportunities, higher account values, and faster segment growth. An essential handbook for CEOs, revenue leaders, go-to-market team members, and everyone in between, *The Revenue Acceleration Playbook* is your guide to building a high-growth organization, from the sales floor to the executive suite.

Part 1: A Value Playbook and an Authentic Buyer and Customer Journey

Value Discovery as the Foundation

Many revenue leaders think of "buyer discovery" as a sales activity, but top-performing companies do continual discovery on buyer value across sales, marketing, and customer success. The real goal of buyer discovery is to identify a specific buyer impact—financial, organizational, or emotional—that will motivate the buyer to invest the time, internal political capital, and funding to do something new.

Good discovery goes beyond high-level questions on goals and priorities. It uses several levels of questions to help you and your buyer identify a specific impact that could motivate a purchase. You can quickly focus a buyer or customer conversation by offering a "menu" of business goals you can address together. Alternatively, you can share a short overview of your product and then pivot to the menu of goals.

The highest momentum in your buyer and customer conversations comes from connecting all buyer personas to the same goal area while offering impact statements tailored to what each persona values most.

Value Mapping and Value Confirmation

Value narratives map buyer and customer goals to your product in a consistent way, which frees up your team's mental energy to hear and respond to each buyer in a personalized and creative way. The best product discussions are organized into short presentations, one goal area at a time. They use capability talk tracks and peer success stories to show how you can help your buyer's goal achievement.

Don't think of content as individual content assets. Organize it into content pathways that align with specific goals and can lead step-by-step through each phase of the buyer or customer journey toward a purchase decision. Accelerate collaboration between marketing, sales, and customer success by mapping your content and product capability to specific buyer goals and phases of the buyer journey.

If your sales and account management teams do not consistently ask buyers to confirm perceived value, they will waste a lot of time chasing unqualified deals. Don't focus on closing before you have direct confirmation on fit. At the end of each buyer or customer upsell conversation, you need to intentionally pause and let the buyer confirm where they see value in your partnership. Only then does it make sense to take any steps toward closing.

A Value Playbook and Team-Level Playbooks

Top customer success teams use a handful of metrics to measure renewal and expansion potential. These metrics help segment customers into promoter, utilization, and detractor accounts.

You can use value narratives to engage your buyer personas

in a consistent way across marketing outreach, sales, and customer success conversations. A value narrative playbook supports an authentic buyer journey across go-to-market teams. It creates consistency in messaging buyer goals, discovery questions, product talk tracks, and client success stories.

You can use a content strategy playbook to align marketing content with buyer goal areas and buyer personas. This makes content more valuable for your buyers and more actionable for your go-to-market teams.

The best sales playbooks focus not on your product, but on the process of continually confirming and refining the buyer goals and target impacts. Deal velocity is at its highest when a buyer co-develops a specific success statement. The most successful prospecting playbooks invite buyers into an authentic, value-added conversation. They also connect buyer personas to shared goals to set up a stronger sales conversation.

Part 2: An Authentic Buyer Journey and Revenue Outcomes

Prospecting as a Trusted Advisor

Authentic prospecting campaigns tell a story about buyer goal achievement. The first touches describe a common buyer goal or challenge. Later, touches share proof you can help with that goal and then invite a conversation. Your buyers are much more likely to commit to a first call if they believe they will learn something of value about their goals and challenges. The last thing your buyers want is to sit through a product pitch.

The best prospecting playbooks treat each prospecting campaign as an opportunity for persona-message testing. Each campaign provides evidence on the areas of highest value by buyer persona. Your persona-messaging tests can focus on identifying the messages and touch-types with the highest impact by persona. Or, alternatively, you can test for the highest impact messages by buyer personas in different market segments.

Selling into Buyer-Defined Value

Asking buyers to directly confirm and define value from your product or service is key to a successful sales effort. Asking them to take specific action to secure that value is even better. Ask your team to start every sales conversation with discovery, further discovery, or confirmation on a buyer's goal and target impacts. Things change, new goals emerge, and additional buyer personas need to be engaged.

Your team's skills to run three-part meetings will develop faster if each team member creates their own cheat sheet of questions, has planned verbal transitions across all three parts, and sends follow-up emails recapping each meeting section. The best sales meetings leave five to ten minutes at the end to ask the buyer to confirm where they see the most value in a partnership and what action they plan to take next to secure that value.

The pullback to product pitching is strong throughout the sales process. To stay focused on an authentic buyer journey, revise your email templates, sales presentations, and proposals to anchor on buyer goals and committed buyer actions. You can differentiate your selling by starting each follow-up email by recapping the buyer's success statement and ending the email with the buyer's next committed actions. Most follow-up emails miss both elements.

Closing and Expanding on Value

Until your buyer has defined a specific goal and targeted impacts, pricing should be presented with a ballpark low-to-high range. This allows your team to qualify out budget-constrained buyers while also leaving flexibility to finalize the price later.

When you lead your pricing discussions with a restatement of the buyer's value and ROI case, you remind the buyer that they are investing in something they really care about and not just adding another budget expenditure. Your strategic price discounts should be linked to something of significant value to your company. Examples could include a product bundle, a high-volume purchase, a multi-year contract, early payments, or a premium customer brand.

Mutual success requires a good planning process to align your buyer, sales team, and account management or customer success team around identifying and prioritizing all of your buyer's goal areas. If you get good at executing a mutual success plan that focuses on immediate needs while not losing sight of other goals, you will close more deals and expand accounts faster.

A traditional account plan considers a buyer's goals as one of several elements to identify expansion opportunities. In an authentic account plan, by contrast, the buyer's goals anchor all other elements.

Customer Success as a Revenue Driver

Customer renewals or repeat sales are the lifeblood of any business. The rise of the subscription economy has driven

the growth of customer success teams as a third go-to-market team on equal footing with marketing and sales. When you introduce a customer to new goal areas that have delivered value for peers, it is the highest form of customer advocacy: it brings customer care and account expansion into alignment.

Your customer success team has the best vantage point on expansion opportunities. Beginning each business review call with rediscovery on key customer goals and initiatives makes identifying new expansion opportunities feel customer-centric.

Building a customer voice by segment with peer success stories in language specific to that market creates familiarity and leads to faster new buyer engagement. Peer referencing is your easiest strategy to engage new buyers in any target market segment. In each market segment, you can partner with your top customers to build your customer voice. Use your top customers' words and language to make small adjustments to help your message really land with their peers.

Part 3: Organizational Supports for an Authentic Buyer Journey

Three Revenue Teams, One Revenue Organization

Value narratives create a common story and language about buyer value across sales, marketing, and customer success departments, but for an authentic buyer journey to take hold, you need to have cross-team processes and performance measures.

Traditional department-level activity measures are important, but it is cross-team measures that build deeper collaboration to keep the buyer at the center as they transition from marketing to sales to customer success.

Prospecting velocity measures the connection between campaign leads and new opportunity generation. It is the only way your marketing team really knows which campaigns are effectively engaging buyers around their goals.

Account velocity links the initial close to expansion closes and the twelve-month value of an account. It encourages your sales and customer success teams to think broadly about customer value and goals.

Segment velocity measures the pace that current customers evangelize to segment peers. It encourages your customer success and marketing teams to partner in building a segment voice and references that engage new peer buyers.

Team-Based Skills Development

If your team is going to be successful in creating an authentic buyer journey, you need to create a team-based learning model that supports the continuous identification and sharing of top team practices. If you build playbooks to guide authentic buyer interactions, you also need to practice the plays.

If you want high levels of execution around an authentic buyer journey, you need to create opportunities for individual and team practice. It is the repetition in practicing playbooks that supports mastery.

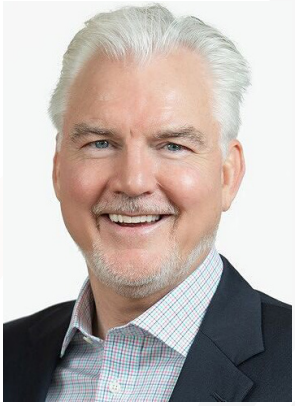
Team-based learning that captures and shares best team practices for playbook execution is a key driver of improved performance. It allows the entire team to benefit from the practices of the top 20 percent of performers.

Individual coaching can focus on role-play, call reviews, or document reviews. Your teams will experience more successful coaching if you identify two to three consistent coaching formats and use them repetitively.

Conclusion

Are we all messaging our buyer and customer value in the same way? Would that be obvious if we each gave our short elevator pitch? How are we connecting our buyer experience across marketing, sales, and customer success? Do we have playbooks that bring an authentic buyer journey into the day-to-day work of our go-to-market teams?

Start by letting your buyer tell you what they care about most and where your product might make a difference. Using an authentic buyer journey can make selling more effective for anything—even when you're selling a complete commodity like paint!



Brent Keltner, Ph.D. is President of Winalytics LLC and created Winalytics' revenue acceleration and sales growth methodology. Winalytics works with growth-stage to enterprise customers in a range of industries, including the education, human capital, SaaS, business operations, retail and marketing communications sectors. Before starting Winalytics, Brent was a revenue leader in both early-stage and enterprise companies where he successfully scaled growth. He began his career as a Ph.D. social scientist and qualitative researcher at Stanford University and the RAND Corporation.

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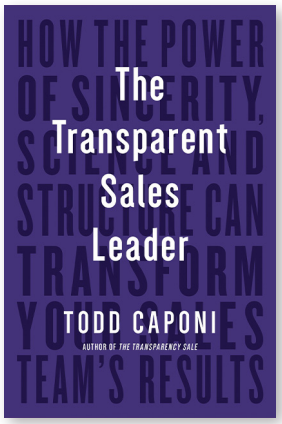
The Transparent Sales Leader

Todd Caponi

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The Transparent Sales Leader

How The Power of Sincerity, Science & Structure Can Transform Your Sales Team's Results



by **Todd Caponi**

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THE SUMMARY IN BRIEF

Sales leadership does not have to be hard. To maximize sales team and organizational performance, we need to optimize five core areas required to build, maximize, and maintain revenue capacity. There is a set of core responsibilities that can quickly become your structure to achieve those desired results. There is also a core set of drivers to intrinsic inspiration–the science of why your team continues to show up each day, perform at their best, stay, and advocate for the future of the organization.

In ***The Transparent Sales Leader: How The Power of Sincerity, Science & Structure Can Transform Your Sales Team's Results***, author and accomplished sales leader Todd Caponi challenges long-held sales leadership standards, providing a modern, cards-faceup, science-backed, easy-to-implement framework for today's sales leaders. This book will become the foundation for new sales managers, a reference guide of ideas and refreshers for seasoned managers, and a vessel to maximize sales capacity of entire organizations. Transparent sales leadership is for those who believe that hitting revenue targets isn't the job, it's the outcome.

IN THIS SUMMARY, YOU WILL LEARN:

- The values of transparency in sales leadership
- The five F's of transparent sales leadership
- Five buyer-centric perspectives on deal qualification
- Six primary categories of intrinsic inspiration

Part 1: The Transparent Sales Leader Framework

Transparency Defined

At even a subconscious level, we know that perfection isn't probable. This is why a product with an average review score of 4.2 will sell at a higher conversion rate than a product with nothing but glowing 5-star reviews.

When assessing an investment in our time, resources, or dollars in something new, our brain goes on a journey, filtering the good news until it has assessed the trade-off, which could be the price, what elements or features are not included, and what experiences others have had–especially the negative.

The negatives act as a disarming mechanism. It is almost as though a malarkey filter has been removed, where the positives and benefits of this decision can now flow freely. It works online. It works in human-to-human selling. It works in leadership.

Transparency sells better than perfection, retains better, upsells and cross-sells better, creates advocates better, and leads better. As a sales leader, transparency starts with an understanding that you are flawed, but still awesome. As Tyra Banks coined, you are "flawsome." You are worth following but you are human, too.

Traditionally, sales organizations have kept their team members on a need-to-know basis. This underestimates their sales team members' ability to see through a muddling of the facts. The result is disengagement and likely turnover.

Transparent leadership is living the following values every single moment, consistently:

- Taking a cards-faceup approach to leadership.
- Setting proper expectations, consistently meeting them, and embracing the idea that those expectations are not always just rainbows and cotton candy.
- Embracing the idea that you do not have all the answers.
- Embracing the idea that you have weaknesses, and it's ok for others to know that.
- Embracing the idea that you are no more important than anyone else on the team, you just have different responsibilities.

It's not difficult for you to become a transparent sales leader. There is almost zero cost to being transparent as a leader. In the end, the more transparency you give, the more you'll get in terms of reciprocal transparency, engagement, performance, tenure, and advocacy.

The Five F's Framework

Confidence can be defined in two ways. Both firmly define confidence as a feeling but the interesting difference between the two is that for one, confidence is something you possess within yourself and in the other, it is something recognized by others.

Confidence begins with an "appreciation of one's own abilities." Knowing your job, with a predictable structure, a plan, and a way to communicate it will set you apart from others with similar responsibilities. You'll have confidence. That structure, created and used in a transparent way, will create the confidence your sellers need through "the feeling or belief that one can rely on someone or something."

What is that needed structure? It's the Five F's of Maximizing Revenue Capacity. The Five F's are the scope of your role. Every responsibility you have fits into it. Everything you do as a sales leader falls into one of these five categories: focus, field, fundamentals, forecast, and fun.

1. Focus

From the beginning of your tenure as a sales leader, ensuring your team is working on the right opportunities in the right places at the right time is a core responsibility. This is centered on the realization that your sales organization's most finite resource is their time.

Not all customers are created equally desirable. Who will you say yes to? Who will you say no to? What criteria will you use for the gray areas in between to make that determination? This must be well defined, frequently reviewed, and adjusted as required.

Our natural inclination seems to be toward selling to anyone interested in buying. However, the focus, when done correctly, optimizes your return on time in such a dramatic way. It can be the difference between success or failure for a leader and, ultimately, for an organization. Focusing on the wrong opportunities can have catastrophic consequences.

At the rep level, the collection of times we are focused on the wrong opportunities at the wrong time adds up, and without even noticing, can have catastrophic consequences on your team's performance, too. The primary asset you have in your inventory is time. Focusing that time on the

The best way to make a customer believe we truly care about their outcomes is to truly care about their outcomes.

right opportunities and the right individuals within those opportunities is the first step to optimizing that inventory.

2. Field

Based on your focus, your next responsibility is in building, maintaining, and growing the field organization, which is putting the right people in the right roles in the right places with the right tools and the right resources.

Just like salespeople need to always be on the lookout for great prospects, as a sales leader, it's likely you will always be recruiting. In hiring, determine the key attributes that make a successful team member, based on the required focus. Think about the solution, the industries, and their ability to acquire and maintain confidence with your customers and prospects.

Tools and technology have been used to scale, prioritizing volume over quality, relationships, and focus. The great gifts of technology were sullied by our forgetting that we're selling to human beings. We stopped seeing our customer's eyes, and instead focused our sight on our own metrics. Respect for salespeople has been ruined through scale.

How do we regain respect? You must be trusted to be respected. Trust and respect require a shift back to humanness in our profession. It requires a shift back to ensuring our customers and prospects truly believe we care about their outcomes, not just our bank accounts.

The best way to make a customer believe we truly care about their outcomes is to truly care about their outcomes. The decisions you make as a sales leader around what tools and technology to invest in must come from a customer-outcome perspective. Build, maintain, and grow your field organization to best serve the focus, not the other way around.

3. Fundamentals

Your third ongoing sales leadership function is to drive the fundamentals that maximize the field's effectiveness. Now they must execute, and you must ensure that execution is aligned around the right *fundamentals*, imparted in the most efficient and effective way possible.

The word fundamentals is used on purpose. These are the central principles of which consistent execution is founded. You have a responsibility to ensure that your team members are executing consistently, the right execution in the right situations. On a regular basis, spend the time to break down each of the fundamental elements of a consistent performer.

The fundamentals are the simple things we must get consistently right. At a high level, it's categories like:

Messaging: Are we consistently messaging to prospects and customers correctly?

Prospecting: How effective are we at inspiring the interest and engagement of our focus targets?

Discovery/Qualification: How good are we at identifying the fit for both the potential customer and the organization?

Presenting: In the more formal engagements with prospects and customers, how are we at maximizing audience engagement, driving action, telling stories, and leading *to* our solution instead of *with* it?

Negotiating: Do we over discount? Do we erode trust at the goal line of our deals using techniques taught in hostage negotiation classes? Are we exuding price integrity?

Start with the basics. As a sales leader, just going through a simple self-scoring of your team is a good place to start. Periodically assess and then prioritize the investments you make in the fundamentals.

4. Forecast

The fourth category of responsibility is the requirement of a sales leader to be able to harness the team's ability to predict the future through an accurate forecast. Sales forecasting is traditionally fraught with inaccuracy. Yet, tradition reigns. Tradition subconsciously leads to deception, ultimately resulting in the quarterly surprise against anticipated performance.

There are five ways to buck traditional approaches to driving a forecast, which, when put together, can't help but drive forecasting breakthroughs. One of those is to rethink traditional forecast stages and milestones.

Tradition has created a systemic focus for sellers on the achievement of their own milestones. Each stage, such as qualifying, presenting, and sending proposals, is rewarding a sales person's subconscious dopamine system based on what that seller is doing. While those selling activities may align to a process, can you replace existing stage names with the correlating buyer behaviors that drive buyer decision-making progression?

When we focus our salespeople on recognizing *buyer behavior* instead of focusing on what salespeople should be doing, our ability to predict when the customer will act changes immediately. This mindset shift could result in the following five buyer-centric perspectives on deal qualification, easily remembered with the acronym, TEMPT:

- **T**rigger: Does the buyer see that their status quo is no longer sustainable?
- **E**ngagement: The buyer is willing to put you on their calendar.
- **M**obilizer: Is the buyer capable of mobilizing change in their organization.
- **P**lan: The engaged buyer is willing to chart a path, discuss, and collaborate to take the journey forward.
- **T**ransparency: Are they okay with what we don't do? Will the truth sell it?

Buyer-behavior focused versus seller-activity focused will always win in your sales forecasting. Coupling that with the culture you create that embraces transparency, and you have the recipe for a more accurate forecast.

5. Fun

Finally, and potentially most importantly, to create a magnetic, engaged workplace, we must create an environment where your team has fun every day, loving what they do, who they do it with, and who they do it for. The oft-used work is engagement.

Engagement comes from you, the leader, and is key to performance, the mental health of both yourself and your team, predictability, reduced turnover, and even speed to hire.

When we are engaged, we're motivated to engage in the work and develop meaningful relationships with co-workers up and down. The fun factor correlates with your state of mind and, thus, your intrinsic inspiration. Intrinsic inspiration is your actions being driven without any tangible reward for doing so. You are engaging in behavior driven by something inside of you, versus an external motivation provided outside of you.

In an optimal selling environment, compensation is a positive, secondary reinforcement–in other words, a *reward* for successful outcomes in performing the work versus the *motivator*. The key to having reps who show up every day, do their best, stay, and tell their friends is in creating an environment where they are rewarded for doing work they are intrinsically motivated to do.

Where does that intrinsic inspiration come from? It's time to talk about our feelings.

Part 2: The Behavioral Science of Intrinsic Inspiration

In their nebulous context, feelings can seem like we're talking about love, hate, anger, and fear. When used as a part of your sales leadership framework for considering, monitoring, and driving intrinsic inspiration, they become a powerful tool for performance, stability, joy, and success.

There are six primary categories of feelings that drive us intrinsically. This framework will change the way you listen, but more importantly, it will change the way you consider culture development and decision-making.

You as an individual and those on your team are subconsciously engaged by these six categories of feelings that, when maximized, result in low voluntary turnover and maximized team revenue potential. Balance these six. Use them as a guide to monitor and discuss the engagement of your teams. See the holes they form. They happen to spell out the word *praise*.

Predictability

We do our best work when we can predict the future. When we go to bed at night, we sleep best and perform best the next day when we know what we'll be waking up to on the next day. Are you a consistent leader? Does the team know where you are all headed? Does each rep know what their day, week, month, and year might look like? Consistency and expectation drive engagement, unlike the inconsistent, moody, cards-hidden sales leader.

When we are in an uncertain environment, it is taxing on the brain. Our IQ goes down, as our energy-burning brains seek to make sense of the information it is taking in. Human beings are driven to situations or environments where

As a sales leader, establishing regular opportunities to recognize, validate, and give status win out over the old-school "you're lucky you have a job" sales leader.

there is a predictable expectation. Individuals tend to be less productive when they have feelings of uncertainty, inconsistency, and instability.

Consistent leadership does not have to mean being consistently warm, gracious, or engaging. Being consistently grumpy and distant is better than being inconsistent. Your team's ability to predict what you will bring each day is a key component of their intrinsic inspiration–even if you are consistently a jerk. Avoid forcing the individuals on your team to spend unnecessary time and energy seeking predictable ground.

You are setting the prediction in the minds of your team from your first interaction, which is often during the interview process. In a market where the demand for great sales people far exceeds the supply, you may be thinking you have to sell the role aggressively to a candidate you perceive as ideal. The downstream from overselling and overpromising has massive repercussions.

In the context of intrinsic inspiration, predictability is our human drive to desire certainty. Your responsibility is to help your team forecast what their day, month, and future may look like and it begins before your team member's day one and never ends. Embrace the truth and set accurate expectations to attract the right individual who will stay, perform, and advocate.

Recognition

We do our best work when we are recognized for our efforts, validated for the impact, given status in front of others, and provided regular feedback. As individuals, we tend to work less and for shorter periods when we feel our efforts are not acknowledged or validated. As a sales leader, establishing regular opportunities to recognize, validate, and give status win out over the old-school "you're lucky you have a job" sales leader.

Beyond achieving personal satisfaction, the visibility of doing so is a core driver of intrinsic inspiration. In other words, people want to be noticed. We are driven both consciously and subconsciously toward optimizing the attention we receive and the perception others have of us. We buy fancy cars that are beyond our budget to be recognized for our successes. We will take a more impressive sounding job title to acquire a label we can tell our friends.

As individuals, this "recognition" category is broad in that it encompasses the overall coaching we seek to drive ourselves toward a goal. It also includes the simple need for validation, which shows appreciation for effort and should be considered daily. On a weekly basis, leaders need to seek out opportunities to recognize the efforts of their team members. Recognition is a public calling-out of both the positive contributions and a celebration of the effort for even the losses.

As a team leader, delivering feedback often drives intrinsic inspiration, too. To drive an individual to want to improve, avoid the list. Begin with a single positive, then deliver just one constructive opportunity to improve. Then stop. Now is not the time to move onto a second in each category. Wait a week, two weeks, a month, or some gap in time where feedback can marinate, adjustments can be made, and the individual is ready for the next opportunity to improve.

Aim

We as human beings are driven in purpose, mission, helping others, or making an impact beyond just themselves. Individuals are less likely to do their best work when they feel their aim at work does not matter. There are three core questions to ask yourself:

1. Do the individuals on your sales team know what their work truly means to you, both professionally and personally?
2. To your organization and your customers?
3. To the customers of your customers?

Salespeople on a mission, with a true purpose beyond just striving to hit a number, making an impact daily that is a benefit to society will achieve more. They will stay longer. They will advocate.

Your team's work matters beyond their number, but do

they know how? Make it your aim to align the work of your team to the outcomes of your customer's customers, and if it really matters, you'll find intrinsic inspiration for their job rise.

Independence

We do our best work when we have control, autonomy, and the trust of others. Our personal freedoms drive the intrinsic inspiration to do our best work. When the opposite is true, when others control or observe most of our work, we become less engaged in our efforts.

One could argue that *independence* is the top of Maslow's hierarchy of needs. Self actualization is summarized through the achievement of our full potential. Having control over ourselves, our ability to experiment, be creative, and control our environment is intrinsically invigorating. As a sales leader, you may totally agree with this, but when combined with the *predictability* element, a conundrum is created.

Before the pandemic of 2020, the technology to execute a remote sales organization existed. From a behavioral perspective, there's a reason it was never more pervasive. We are driven toward control, autonomy, and the trust of others. Remote work maximizes that feeling of control.

However, as a sales leader, we are also driven to predict. We are driven toward certainty. Our struggle to predict and gain certainty is multiplied when we cannot oversee those who control our destiny–our sales teams. Remote sales environments are great for sales people but inherently not great for organizational and sales leadership.

Whose subconscious desire wins? That's up to you as a sales leader. That's part of being transparent with your team. That is creating an environment where there is alignment between the environment and culture you create while gaining alignment with your team around their role in ensuring that environment and culture can exist.

As a sales leader, you will feel a need for your own level of comfort, which, without self-actualization as to your approach, can drive disengagement and a tendency to micromanage. Be aware of your own approaches to how you monitor your team's activity, encourage your team to take mind breaks, and create a culture where the mindset of luck thrives. Provide the freedom for your team members to optimize each day. We all have pockets of time each day when we feel most productive, and times we don't. As a sales leader, don't steal those productive times.

Security

We do our best work when we are part of a team. Packs outperform individuals. It is your role as a leader to foster the team, foster security, and ensure each individual feels like someone has their back–versus the disconnected, you-against-everyone-else sales leader.

As a sales leader, fostering security and safety and being part of a team directly correlates to higher performance, lower turnover, and faster time to hire. In a remote or hybrid environment, achieving this connection becomes even harder. There are three ways to build and maximize the feeling of security between your team members.

Hanging out: Think of the bond you have with your spouse, kids, or best friends. You could literally sit on a couch doing nothing and have a blast together. Taking that to the work environment is much the same. Spending time in the trenches together, talking about our weekends, chats in the office kitchen area, or going out together after work creates bonds. Those opportunities to create bonds are much more difficult in a virtual environment. Provide virtual opportunities for your team to hang out, keeping in mind that the best way to foster team connectivity is to encourage these interactions to take place *without you*, the sales leader, involved in every one of them.

Shared experiences: Bonds become stronger through shared experiences, such as going through onboarding together, attending conferences, or partnering on strategic projects. Seek opportunities to create experiences for your team. In a virtual environment, do small team-building exercises. In an in-person setting, consider doing offsite charitable work or attending a sporting event.

Shared goals: Rally your team around hitting certain targets, with a special reward for hitting stretch goals. Think beyond the individual. Shared goals galvanize teams together as the third most effective way to build security.

Feeling alone or out on your own drives us to seek safety and security–a security only found by being part of a pack where we stay and thrive. Environments with the strongest teams, where everyone feels as though someone has their back and they have a connection with one another, directly correlates with higher performance and lower turnover.

Equitability

Our brain's radar is wired to be aware of the perceived equitability of everything. Our equitability radar con-

stantly assesses whether the juice is worth the squeeze, and whether everyone around us is receiving the same reward for the same output. When either is out of whack, intrinsic motivation drops.

Equitability comes about through the fairness of monetary rewards balanced with the intrinsic inspiration categories such as predictability, recognition, aim, independence, and security. The effort and output are what we give up in order to get all that *rewardy goodness*. The second we feel like there are politics, favorites, or others receiving a larger reward for an equal or less effort or output, our brains start to go a bit crazy.

The office brownnoser gets all the recognition. The boss's buddy is first in line for the promotion. A peer is making more money than you with the same job and experience. When the effort is no longer worth the reward, we quickly find it difficult to turn on our brains for the task at hand.

The answer to the problem of perceived unfairness becomes an issue of transparency. What you perceive to be equitable may not be how others perceive it. And when it comes as a surprise and missing expectations, disengagement occurs, where our inspiration to keep going dissipates. Sharing your approach, decision criteria, and process early and often settles the perceptions.

Throughout history, the importance of sales leadership depended on the importance of the salesperson to an organization's success. Whether the economy is booming or not, embracing a structure for sales leadership allows you to extend your lead in the good times and continue to grow in the bad.



Todd Caponi fell into sales, then fell in love with the decision science surrounding it. He turned that into a career encompassing multiple sales leadership roles, including building the revenue capacity of one tech company from the ground-up into Chicago's fastest-growing, another where his efforts helped drive the organization to a successful IPO followed by an acquisition worth almost $3B, and another where his turnaround efforts were rewarded with the American Business "Stevie" Award for Worldwide Vice President of Sales of the Year.

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The Ultimate Sales Manager Playbook

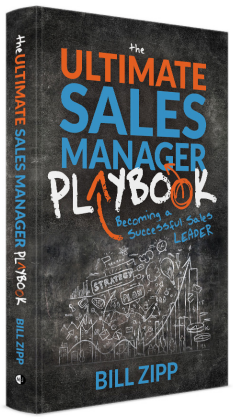
Bill Zipp

Leadership

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The Ultimate Sales Manager Playbook

Becoming a Successful Sales Leader



by **Bill Zipp**

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THE SUMMARY IN BRIEF

If you're responsible for the direct management of salespeople in your company, your ability to do well is the difference between the success and failure of those salespeople, and ultimately, the company.

From motivation—connecting with your salespeople in a way that lights a fire in their souls—to mobilization, you can coach your salespeople to execute at the highest levels of excellence. Bill Zipp, author of ***The Ultimate Sales Manager Playbook***, doesn't bring snake oil or useless fluff. He shares information forged in the fires of decades of sales leadership.

As a salesperson, all you had to think about was your own number, something you could control. Successful sales leadership rejects sales management by force and leads from the inside out. It lights a spark in a salesperson's soul, fans the flame of that fire, and watches it burn. Sales leadership from the inside out follows three essentials, each flowing from one to the other—motivating people to unleash their passion, mobilizing their efforts through coaching, and multiplying their success through careful hiring.

IN THIS SUMMARY, YOU WILL LEARN:

- Why motivating sellers from the inside out brings success.
- Culture creation must be a priority to grow an effective team.
- Process goals and performance goals are not the same.
- Coaching sellers is more effective than cheerleading.

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Meghan P. Kozak, Editor-in-Chief • Kylie Waytuck, Graphic Designer

Introduction

Motivate your sellers by connecting deeply as a sales leader with the salespeople who work for you, so they trust you completely and let you unleash the power of their unique passion. You've heard the expression, "start with why." However, Zipp contends you can't start with why; you must start with who.

Motivation

You can't motivate someone who doesn't trust you. So, we begin with trust. And that means we begin with you. A you, that is, who is worthy of your salespeople's trust. How do you become that kind of leader? Three things are crucial: character, competence, and chemistry—the Trust Triad.

Character is the starting point for successful sales leadership. Remove the foundation from under a house, and the building collapses. Remove the engine from a car, and it cannot be driven down the road. Remove oxygen from the air, and people stop breathing. Pick your metaphor, and you'll be spot on about character. Remove it from leadership, and all is lost.

Competence has to do with your professional responsibilities and how fully you execute them.

If you're choosing a doctor to perform open-heart surgery, you want someone who won't advise a drastic procedure like this unless it is absolutely necessary and won't add expensive extras to pad profit. But you also want a doctor who won't accidentally nick an artery and leave you dying on the operating table. In other words, you want a surgeon you can trust, both in their personal character and their professional competence. People want both in their leaders as well.

Finally, chemistry is the ability of a leader to connect with people and spark a meaningful relationship. A warm smile, a firm handshake, eye contact, and a genuine compliment combine to forge a powerful chemical compound: humanity.

Passion

There's nothing more painful than meaningless work. When asked to push a big rock up a tall mountain day after day, people stop caring and simply give up. This is no more true than in the world of sales. Daily call sessions, outbound email, repeated rejection, and the constant pressure to sell, sell, sell become old quickly, if there's no meaning at the top of that mountain, no reason for pushing a big rock up there.

Most people choose sales as a career for four distinct reasons: fortune, fame, freedom, and family. Know what drives the passion of your sellers. Here's the bottom line: the how of sales is hard. The daily grind of prospecting, presentations, proposals, and rejections can deplete even the most dedicated rep. So, the how of sales needs a why, a very personal why that lights a fire within the soul of the people who sell for you.

Praise

Sales is like riding a bicycle … uphill … with the wind in your face … all day, every day. It's hard work. Positive praise is like having a sales leader riding beside you and cheering you on. It's what gives you the inspiration to get up the hill and win the race.

A sales leader should act more like a coach than a cop. A good coach looks for what is going well and then affirms the heck out of it. In doing so, they get more of the good they want.

Don't just say, "Great job," but say, "Great job getting an appointment with that prospect. He's been impossible to nail down, and you did it. Terrific work!" Don't just say, "Thank you," but say, "Thank you for being willing to jump in and help with implementation on the new account. I know that was above and beyond the call of duty, but it saved the day for us." Don't just say, "Congratulations," but say, "Congratulations on making club for the third year in a row. Few salespeople have that kind of consistency and tenacity. I'm proud to have you on my team." The second part of each of the statements above requires more time and attention, but the return you'll get from each is more than worth it. Much more!

Culture

You may have the best product at the best price. You may have the most brilliant sales strategy being executed by the most talented sales staff. You may have the latest cutting-edge technology and the slickest social media presence, but if your culture is broken, all of that stuff—every bit of it—is dead on arrival.

Culture is the combination of beliefs and behaviors any group of people embraces, from businesses to churches, families to nations. It's the way these people think and the way they act in these groups consistently over time. Culture drives the way we work as a team, the way we treat our customers, the way we pursue our goals, and the way we respond to adversity.

Mobilization

The best way to mobilize your salespeople is through coaching them in the specific skills they need to execute the steps in your sales process at the highest levels of excellence. This goes beyond reaching quotas.

Goals

Here is where most sales leaders get goals all wrong. They beat the drum of quota over and over again. They put that number on three-by-five cards, or their digital equivalent, and post it everywhere. Then they wonder why people don't hit it. That would be like me preparing for the half marathon by repeating aloud, "2:15 … 2:15 … 2:15."

However, all performance goals need process goals, so they become reality. That means, like a running coach might prepare a runner to run a half-marathon in 2:15, sitting down with each of your reps, understanding their sales development history, creating a weekly sales workout plan, checking in on that plan every Monday morning, and adjusting it accordingly. This, and only this, is how sales goals work—including the why and the how.

Coaching

While not easy, coaching salespeople has a simple two-part process to it (not an intricate ten-step model). These two parts are best captured in the sport of whitewater rafting. First, read the river. Pay close attention to the flow of your reps' development, for, like a river, it bends and twists and turns all over the place. Then adjust, adapting to these bends and twists and turns with the most effective coaching response. This is what it means to coach and coach well: read and respond, read and respond, read and respond.

Situational sales leaders first assess the sales development of a rep before one word leaves their mouths, their responses being determined by the read of the river. Having assessed development, Situational Sales Coaching then selects the response that best matches the needs at hand. When this process is repeated over and over again, reps grow and sales soar because managers are providing the coaching the reps need when they need it.

One-on-Ones

Reading and responding in your coaching come together in one powerful practice: conducting regular one-on-ones with your salespeople. Regular one-on-one meetings between a sales representative and their sales manager should focus on one thing and one thing only: goals. This meeting is not a time for deal reviews, which are best done with the entire team so everyone can learn from the review, pipeline management, forecasting, or strategic account development—all best done with the entire team as well (or the occasional one-off). Neither is this a time for corrective action. When corrective action needs to take place, as it sometimes does, it should be done outside of the regular one-on-one, so a sales rep knows what to expect whenever they meet with you. No surprises! Check on progress. Talk about plans. Connect personally. Consider any problems.

This should be a conversation in which the seller does at least seventy percent of the talking. Keep a weekly cadence and maintain consistent follow-through. Doing so will yield the rich reward of above goal performance year after year and team members who'll be completely loyal to your leadership.

Team Meetings

Meetings, meetings, meetings, meetings. You're probably sick of sitting in meetings. I'm sure your salespeople are as well. Some estimates put sales meeting attendance as high as forty hours every month. That's an entire workweek spent in meetings every thirty days. The answer to this dilemma is not fewer meetings, but better meetings (okay, maybe a few less meetings) and shorter meetings. Meetings that deliver value every time. Meetings that help your salespeople make more money.

Multiplication

Multiplication is essential. Duplicate success in others by hiring and promoting the very best salespeople and sales managers while keeping them from derailing in their roles.

Hiring

Most candidates for an open sales position, being salespeople, present well in an interview. Any interview. Because that's what salespeople do. Give them a stage, and they're ready to perform. Make sure the interview reveals what you're after in a candidate.

Zipp recounts a science activity on a beach as his metaphor for hiring. The students poured a bucket of dirt from the beachfront campground through a series of screen grates, analyzing the results. The screens on the grates became smaller and smaller until only the finest sand could sift through. Then they studied the contents of each grate to determine the geological developments that brought these contents to the shore. This is exactly how to hire the very

best salespeople for your firm, screening and screening, narrowing the grid of each screen in each step until all but the finest is left. Your first set of screens is the resume, the Career History Form®, and The Phone Screen Interview. Then you conduct a Chronological Interview, Round Robin Interviews, Reference Interviews, and request the completion of a project, a real-world field-work assignment.

Promoting

Birds fly. Fish swim. Rabbits run. It's not just what they do; it's what they love. Ask a bird to swim, a fish to run, and a rabbit to fly, and, well, you've got a problem. The key to multiplying sales success year after year is first, hiring well and promoting wisely. Don't just look at your best salesperson and assume he or she will be a great sales leader. Allow time for self-evaluation on the part of the candidate. A promotion from individual sales contributor to sales manager is not always the right move. It works for some, and it's a total disaster for others. Make sure this position is a good fit for you or the person you're considering for management—what you love, what you loathe, and what's your lifestyle—before moving forward.

Derailing

It is impossible to predict all that can happen in a sales leader's life. Everything is going along fine until some problem occurs. An unexpected turnover, the loss of a major client, or missed quota for the quarter. You name it, and the pressure starts to build. Like a plunger forcing water through the pipes of your life, something blows and there's a mess everywhere. These meltdowns are entirely preventable. How? By making sure the joints, the most vulnerable areas of leadership, are strong and secure. In other words, you can hire and promote the right people, placing them in the perfect role. But those same people, including you, can blow out of that role—making a big fat mess for everyone to clean up.

Conclusion

Here's the ultimate bottom line: Successful sales leadership flows from the springs of successful self-leadership. Your outer world needs your inner world to be healthy and strong. Refusing to be driven by the urgency of manic mornings, the myth of multitasking, and working on the weekend is not just a nice suggestion for having a happier life. It's much, much more than that. It's critical instruction for a long, rich, and rewarding leadership career, untouched by the derailment that so many of your peers will experience. Follow this path without fail. Your future self, and those who love you, will thank you for doing so. And that's the point, isn't it?



Bill Zipp helps busy CEOs, heads of sales, and frontline managers become better leaders, grow their people, and hit their number. He has over 20 years of experience with high-growth companies and agile startups, as well as established businesses stuck on a sales plateau. He's worked with hundreds of sales leaders around the world, from ADP to Avalara, Businessolver to SAP Concur. Many of these companies experienced dramatic revenue growth while working with him, some doubling and tripling annual sales. Eventually he became President and General Manager of the station group, and together, his team achieved repeated annual growth in the face of intense competition due to industry deregulation.

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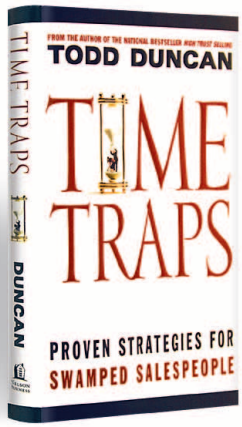
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Time Traps

Todd Duncan

SOUNDVIEW Executive Book Summaries®

FILE: SUCCESS/CAREER TECHNIQUES



By Todd Duncan

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TIME TRAPS

THE SUMMARY IN BRIEF

Time traps can rob you of your success. As much as 75 percent of the time you spend at work or in your sales career is probably a waste of time. *There is a difference between being busy and being productive. At the heart of the many challenges you face — in your sales career, your health, your spirituality and your most important relationships — is how you spend your time.*

If you're a salesperson, or any other harried worker, then you have to understand that the solution isn't that you don't have enough time to do your work. The solution is realizing how to best use your time.

In this summary, sales expert Todd Duncan explains all the traps that steal your time, and shows why you should abandon the pointless pursuit of time *management and, instead, adopt a far more actionable approach:* task *management. He explains that by focusing your time better you can make more money and have more free time — at the same time.*

The summary also asks you to rethink your values as a person while making the case that your work isn't your life: Life is why you work.

In Time Traps, *Duncan challenges you to invest your time in the areas that will truly deliver dividends: your health, your financial fitness, your relationships, your knowledge and your purpose.*

What You'll Learn In This Summary

✓ How to extricate yourself from the biggest time traps in order to become more productive.
- **The Yes Trap**: You lose time by saying "yes" too much.
- **The Control Trap**: In order to save time, you must delegate responsibility.
- **The Technology Trap**: As you may have noticed, e-mail, cell phones and computers don't always translate into more productivity.
- **The Quota Trap**: Quotas can create more problems than they solve.
- **The Failure Trap**: Learn not to be afraid of failure.
- **The Party Trap**: Don't let success get to your head.

✓ How to rethink what you think is important. After all, if you gained more free time and wealth, what would you do with it?

Published by Soundview Executive Book Summaries, P.O. Box 1053, Concordville, Pennsylvania 19331 USA
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Chasing the Wind

The concept of time management is flawed. As a worker, you can't manage or tame or control time any more than you can lasso the wind and tie it to a fence post. You can only manage your thoughts and actions.

We have the know-how and capacity to make time matter. The problem lies in the obstacles that keep us from doing it more often. These obstacles are the *time traps*, and the lives of salespeople are full of them.

Traps exist to steal your energy and time. Education and avoidance are your best defenses against the time traps.

Since we measure the value of time by how we spend it, task management is the real solution to our overly busy lives. It's the only way to get yourself out of the swamped state in which you find yourself so often.

The Toughest Challenge in Sales

Selling is a profession where time can be a very frustrating thing. Time is the most pervasive and repetitive problem salespeople face. Details vary, but the struggle is constant. Salespeople incorrectly accept this as their lot in life: to never have enough hours in the day to accomplish what they want. But they are wrong. There are immediate and specific actions that you can take in order to shift your business and life into a place where most of your time is well spent — a world of time freedom. ■

The Identity Trap

When your time is monopolized by your work — and/or recovering from work — the only thing that forms your identity is work. You are known to yourself and to others solely by what you sell, how you sell and how well you sell. You become lost in your job.

Work has permeated so much of our identity in American culture that we consistently work more hours per year than any other country — leapfrogging the notorious workhorse Japan in 2000 by 37 hours a year.

There are negative consequences to that which include guilt, restlessness, growing frustration, an urge to justify their schedules and fear or regret. The all-work identity simply doesn't feel right and was never meant to. Author Joe Robinson described it as the "workplace without end." Salespeople, in order to keep this one-dimensional identity viable, trade multilateral satisfaction for unilateral success, trade family fitness for financial potential and trade childhood dreams for corporate visions. When you think about it, those really aren't good choices.

There's an obvious problem with an identity founded entirely on work. Not only does an identity wrapped up in work sap your identity, it keeps you from realizing your dreams. In essence, it changes who you are now and who you will become in the future.

Rethinking Your Time

Salespeople who are not swamped by their work usually had a breakthrough point where they gained a new perspective on time. They reached common conclusions about time before they were able to make a change in how they used their time. These six conclusions are the foundation for everything else discussed in this summary:

1. **Life will never settle down until I choose to settle it down.**
2. **Working is not living.**
3. **Time is life first, then money.**
4. **More work usually means less life; less work, more productivity and efficiency, usually means more life.**
5. **How I use my time deeply impacts my self-esteem, my identity and my fulfillment.**

(continued on page 3)

The author: Todd Duncan is the CEO and founder of the Duncan Group in Atlanta, Ga. He is a motivational speaker specializing in helping people build maps for personal success and significance. His tapes, seminars and books, including *High Trust Selling* and *Killing the Sale*, have helped millions worldwide tap into their potential.

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For additional information on the author, go to: http://my.summary.com

Published by Soundview Executive Book Summaries (ISSN 0747-2196), P.O. Box 1053, Concordville, PA 19331 USA, a division of Concentrated Knowledge Corporation. Published monthly. Subscriptions: $195 per year in the United States, Canada and Mexico, and $275 to all other countries. Periodicals postage paid at Concordville, PA and additional offices.

Postmaster: Send address changes to Soundview, P.O. Box 1053, Concordville, PA 19331. Copyright © 2005 by Soundview Executive Book Summaries.

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The Identity Trap

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6. I can't control time, but I can control how I use and respond to time.

To reclaim your identity and set the stage for regaining control in your days, *you must first understand what is currently defining your identity. Who you are* and *who you are becoming* is foundationally a function of how you are using your waking hours. Most salespeople overlook this in their pursuit of success and become something they never intended to be. What you invest your time in defines who you are.

Time Trap Swamp

The only thing that will get you out of your time trap swamp is changing what you spend your time on. In other words, while you *cannot* manage or tame or recapture time, you *can* manage, prevent and change most of the events that fill it up.

In order to capture your true identity you must accomplish two things:

1. Determine how you are wasting your time.

2. Determine how to spend more time on the things that produce the life you desire.

Your true identity will be shaped and your path to freedom will become clear as you accomplish these objectives. ■

The Organization Trap

The responsibilities a salesperson faces are much like a raging river. There are times when the river flows predictably and you can handle your tasks in an efficient manner. Such days are a rare exception.

On most days your river of responsibilities rages like a flood-high current that threatens to drown you. The more tasks that rain down, the more disorganized and out of control you become. Even if you see obstacles, you rarely have the time or the energy to avoid them. This is a circumstance that most salespeople have to continually work to avoid.

You Have an Excuse … Sort of

Most salespeople say they are disorganized and lack the time to catch up. As a result, they scramble to get work done every day, but often at the expense of great inefficiencies and gross errors. Once you are in the middle of the river and the current is sweeping you along, stopping to get organized only compounds the problem.

According to one recent study, most salespeople test out in the highly driven or highly relational personality categories. Not surprisingly, these two personality types have the most difficulty when it comes to achieving organization. Both types have traits that make it difficult to multitask or commit to detail and follow through. As a result, salespeople must make special efforts to get their days under control.

Here are two lessons from the world of a professional river guide that can help you construct a mental foundation for cleaning up your days:

1. Acknowledge the power of the river. Early on in a sales career, it might seem like a fun challenge to take on everything that comes your way. But the longer you sell, the sooner you realize that the pace of a sales career doesn't slow down involuntarily. You must first acknowledge the life-sapping power of your river of responsibilities if you are ever to muster the courage to overcome its unforgiving current.

2. When the river is high and fast, you must scout what's ahead. If you are sick of working so much, now is an ideal time to pull off this raging river we call a sales career, if only for a few moments, and survey the scene to determine how you can make it through in one piece.

Damming Your Workload

When you get out of the chaotic current of your career long enough to give it an honest look, you realize there are only two ways to manage your responsibilities: You can either learn to guide yourself through the rapids and attempt to avoid the obstacles as best as you can or you can build a dam. Most salespeople opt for navigation first, but that's very difficult to do when you're in the middle of a raging river. You can only slow the pace of the river by building a dam.

The Blueprint of Your Dam

You have to put boundaries on your business, or you won't have balance in your life. Since you cannot manage your time, the only way to organize your day is by managing your daily tasks. Task management — not time management — is the foundation of organization. The only way to free yourself from the traps that steal your time is to manage the things that occupy your time: *tasks*.

Four phases make up the construction of your dam. Each phase represents different boundaries that you must build in order to slow down the rapid pace of the tasks that fill up your river of responsibilities. The four phases are: accumulation, admission, action and assessment.

- **Accumulation.** In this phase you must learn to stop all *unnecessary* tasks before they require your attention and sap your time. The primary goal of this phase is to stop all distractions and interruptions from entering your work stream.

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The Organization Trap

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● **Admission.** Learn how to *admit* legitimate tasks into your schedule in the most efficient manner possible. Once you've stopped unnecessary tasks from sapping your time, you must then set up boundaries to help you prioritize and schedule tasks that still require your attention. Decipher the difference between *necessary* and *productive* tasks and then set up boundaries that will allow you to maximize your time each day for what is most productive.

● **Action.** Begin to carry out the tasks that are either *necessary* or *productive*, based on the boundaries you have set. Learn to increase your overall productivity. Upon completion of the Action Phase, you will have constructed your entire dam.

● **Assessment.** When you get to this phase, you will have a solid system of boundaries — a dam — in place that will provide you at least four hours a day to sell. The Assessment Phase helps you avoid obstacles and teaches you how to remain focused on the tasks that are not only the most productive in your business but also the most productive in your life.

Damming Tasks

The Accumulation Phase and the Admission Phase are the foundation of your dam and represent steps you will take to either eliminate or regulate tasks from entering your river of responsibilities. Placing boundaries in these two phases, before you take action, is the key to organization.

There are five things you can do to construct boundaries that regulate or eliminate the most common unnecessary tasks that clutter your days:

1. Don't give your personal digits to your customers. Personal digits are your personal cell phone number, home phone number and your personal e-mail address. While you want to serve your customers well, if you don't put limits on when they can contact you, then you will never be able to get out of your personal time swamp. Ask yourself this: Would I rather be known as easily accessible or worth waiting for?

2. Don't give your work digits to friends. This may seem radical as well, but it is quite necessary if you intend to gain control of your time. Keep in mind that your friends and family will find a way to reach you during an emergency. The plan here is to avoid all the nonemergency calls and e-mails from friends that make up 99.9 percent of what you're getting.

3. Turn off the e-mail alert and instant message functions on your computer. You shouldn't need to be told this, but many salespeople have one or both of these functions turned on. Your strategy should be to set a certain time for when you can check and receive your e-mails.

4. Don't answer the phone unless it is someone you are expecting. As a salesperson, you very rarely make money on unexpected phone calls. Unless you're in retail or you're expecting the call, the ringer shouldn't even be on. That sounds antisocial, especially if you work in a bigger office, but unless it's a prospect, you shouldn't be on the phone.

5. Don't check your personal e-mail during work hours. Although most people ignore company rules that prohibit this, it still adds to your personal river of responsibilities. If you can succeed at either not looking at your e-mail while you work or setting up specific times when you can respond to either e-mails or instant messaging, then you will probably be able to save several hours a week.

Work Without Interruptions

There are scores of endless unnecessary tasks that can saturate our days, including surfing the Web, needless meetings, reading the paper, snacking, checking sports scores, etc. You'll be surprised by how much time is freed up by simply constructing boundaries that keep such tasks from ever entering your river of responsibilities — beginning with the five most prevalent. ■

The Yes Trap

Most salespeople say yes too often. As a result they end up starting more work than they can finish, and the tasks they do complete are often riddled with errors or inconsistencies.

We are evolving into a nation of yes-people for whom no task is too much to ask and every task is commenced with "Consider it done." Salespeople are the leaders of this movement.

In sales it is easy to fall into the Yes Trap. If you serve customers you are granting requests. This translates into taking on many tasks in order to gain rapport and close sales. This kind of mind-set forces you to become an "ideal worker" who becomes a hostage to his or her job. It's the kind of world where parents can't make a living and be an effective parent at the same time.

Scaling Back Without Losing Sales

There are only two ways to scale back your busy workload and free up more time: (1) sacrifice sales, or (2) say no more often.

According to one survey, the average American salesperson sells for only 90 minutes a day. Another study reveals that salespeople spend 80 percent of their time doing tasks that simply don't affect their bottom lines.

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The Yes Trap

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More than likely you are spending three-fourths of your time each day on tasks that don't affect your bottom line. A salesperson's inability to spend the majority of his or her time carrying out the most productive, bottom-line tasks is the Yes Trap, and it is rooted in a salesperson's inability to say no.

The Value of Saying No

To best exploit your time, you have to figure out what you're spending most of your time on. There are three categories of tasks that we carry out on any given day: unnecessary tasks, necessary tasks and productive tasks.

- **Unnecessary tasks.** These are activities that prohibit your business from moving forward, and therefore waste your time. These kinds of tasks include e-mailing friends, answering random phone calls, chatting with co-workers, instant messaging, making personal phone calls, Web surfing and playing computer games. These are the tasks you need to stop.
- **Necessary tasks.** These tasks might move your efforts in a positive way, but at a less productive pace than other activities. These activities are a good use of your time, but for strategic direction only. They include goal setting and planning, qualifying prospects, dealing with necessary paperwork, observation and evaluation. These are tasks for which you need to regulate your time investment.
- **Productive tasks.** These activities represent the work that most effectively moves your business in a positive direction and are the best use of your time. They are often actions that reflect the discoveries you have made completing *necessary* tasks. The top two activities in this category are strategic prospecting and selling. No other tasks add more to your bottom line.

Necessary Tasks

The goal with necessary tasks is to spend high-quality time on them but not a high quantity of time. The following are the main tasks in this category and the boundaries we must construct for them:

- **Paperwork:** Paperwork can become a major time killer if there are no boundaries in place. Don't spend more than 30 minutes every other hour on paperwork. Delegate your *necessary* paperwork to an assistant or team member. If you don't have an assistant, a good tactic is to block out at least 30 minutes every other hour for doing paperwork.
- **Planning and Goal Setting.** Spend one or two days planning once a year. If you isolate yourself during your annual planning sessions and are careful to set realistic, value-centered goals, you will not have to spend time amending your plan throughout the year.
- **Surveying Customers.** Don't let this build up. Design a strategic survey that elicits the information you desire from your customers, and then ask for their feedback before you close the sale so that errors are quickly pinpointed and addressed. One restaurant does this between the time you finish your entree and before dessert and coffee are served. These surveys provide great material for evaluating your progress during your observation and evaluation time.
- **Observing and Evaluating.** Spend one hour on the last workday of every month observing and evaluating your progress against the goals you've recorded in your planning session. Record your observations and necessary improvements and file them each month.
- **Communication.** Most voice mail and e-mail messages can wait. Don't continuously respond to calls and e-mails. Pick two to four specific times a day to answer e-mails or particular phone calls. One salesperson spent 25 hours a week listening to and returning calls and e-mails. After she put in some boundaries, her business boomed by nearly 200 percent because she had more time to be productive. ■

For additional information on a sample feedback survey form, go to: http://my.summary.com

The Control Trap

What begins as an ambitious act of taking ownership often ends up as an unexpected burden that weighs us down, a lid that keeps us from rising higher in our endeavors and realizing our potential. It's a frequent mistake in the sales profession because sales professionals are self-starters. But we can take it too far. And when we do, we end up trapped by the very things we try to control.

Letting Go

There are four basic reasons we maintain control even when it hurts our chances for success. They are:

1. **Ego — No one can do it better than me.**
2. **Insecurity — If someone does it better than me, I will look bad.**
3. **Naiveté — I'm fine by myself; I don't need anyone else.**
4. **Temperament — Working with others is too complicated.**

Success in any endeavor is a result of focused time. In order for you to realize your true potential, you have to focus on two tasks the most: building trust with the right prospects and adding value to your existing customers. One is too small a number to achieve greatness

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The Control Trap

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in sales.

There are three steps you need to take in order to delegate essential tasks and grow your business:

- **Answer the 100 percent question.** Your goal should be to spend the entire day, every day you work, on your top two productive tasks.
- **Assume a CEO mind-set.** This means looking at your sales job as if you were the owner of a company and then determining what decisions need to be made to grow and to ensure future stability. A CEO invests time in the fertile ground of productive customer relationships and productive business relationships.
- **Delegate in increments.** Salespeople must accept that they have two choices: work more hours or let sales and customer service slide. Yet there is a third option: Seek help from other people.

Delegation Steps

Here are four delegation steps you should utilize:

1. Hire yourself. You've already done this by blocking off four hours to work on your most productive tasks. This can make a tremendous difference, but it is only a start.

2. Utilize the help your company provides. You should get your manager involved. Your company might already have the means in place to help you complete your necessary tasks.

3. Hire a part-time assistant. Think of this as an investment that could improve your productivity, perhaps even doubling it or tripling it.

4. Begin building a team. A salesman named Harry used to hoard all the responsibilities for himself. After attending a seminar, Harry sat down and decided what jobs he could delegate to his staff. Today, Harry's team runs the company. Harry's income has increased by four times ever since he freed himself to concentrate on what's most productive for the company.

Team Building

When you are ready to build a team, keep in mind that a team needs a purpose to keep everyone excited. Just like professional sports teams, work teams also need an opportunity to gel. A team also needs a coach to empower them. Finally, a team needs intimacy, honesty and accountability to unite them.

You have to take the first step to make these approaches work. Don't quit halfway. Rewards will kick in. If you have a dream and don't have a team, your dream will die. But with a team, your dream will fly. ■

For additional information on a 30 percent increase in your income, go to: http://my.summary.com

The Technology Trap

The Technology Trap is made up of many things: the computer, the laptop, the Internet, the PDA, the cell phone, e-mail, etc. The many time-saving devices we laud as efficient may be stealing the very thing they were designed to save.

Technology Traps are everywhere, and we fall into them every day. They not only keep us constantly connected to our jobs, making us slaves to others' schedules; they cut deeply into our time. Too often, technology is a hindrance instead of a help.

Regain Control of Technology

Nevertheless, technology can be a good thing — as long as you know how to keep it from impeding your progress. Here are five ways to accomplish this:

1. Shorten the leash. If you're a firefighter, a doctor or police officer you probably need a cell phone on you at all times. That's not the case for the salesperson. In fact, it's probably detrimental. Phones and beepers simply cause too many interruptions.

2. Substitute, don't stockpile. Don't hoard your old technology. If you have to buy a new piece of equipment, get rid of your old one; don't try to use both. Try to use only what saves you time and discard or give away the rest.

3. Ask directions. Don't try to figure out every function on your cell phone or PDA on your own. That can waste hours. Ask someone for help so you can figure out what you need right away and get started. We make the assumption that technology can save us time, but the truth is that technology can only save us time if we know how to use it.

4. Test your tools' efficiency. Four years ago, the author bought the nicest laptop he could find. Three months later, he discovered he wasn't using half of what the laptop offered and it turned out to be a 10-pound burden he was forced to carry around. After awhile, he bought a smaller laptop and gave away the heavy laptop to a friend who used it as his home office machine.

Evaluate the efficiency of your technological tools. Be honest about what you discover. Don't keep something that just looks good but that gives you all kinds of trouble or has many useless functions. It's wasting your time. Research and test out the tool you feel will give you the biggest boost in time. Don't rule out the old-fashioned way. Technology is not always more efficient than you.

5. Go backward to go forward. Sometimes technology isn't better. It's just prettier. If you can accomplish something more efficiently without a tool, don't get a gadget because everyone else has one. If you can use a pencil and paper to do something, do it. It will save you time and money. ■

The Quota Trap

Most salespeople trade their time far too cheaply. This is primarily the result of one thing: the quota.

Years ago, the traveling salesman was a respected individual. Quotas were used more as goals than requirements, but they weren't necessary. Steady competition, personal dignity and family responsibility set the standards that inspired traveling salesmen to trade their time well and succeed.

Nowadays, with competition, greed and the fear of job loss, quotas can be used like whips on our backs, driving us to produce a certain quantity of sales but fooling us into ignoring the quality of our time. As a result, selling standards hit the dirt. In fact, the pressure of quotas can force salespeople to act dishonestly. One recent survey revealed that 47 percent of sales managers suspect their salespeople lie during sales transactions. High quotas can actually force salespeople to serve their customers less instead of more.

The Quota Quandary

Since quotas tempt salespeople toward speedy (and even seedy) selling tactics, they often make salespeople counterproductive over the long run. For example:

- Quotas may speed your pace, but they decrease your focus.
- Quotas may increase your action, but they decrease your assessment.
- Quotas may increase your exposure, but they decrease your effectiveness.
- Quotas may increase your short-term turnover, but they decrease your long-term trust.
- Quotas may increase your short-term production, but they decrease your long-term profitability.

Quotas fool you into thinking that *quantity* of sales is the most important factor in success. Your true value as a salesperson isn't in the number of small sales that you stack up, but the investment you receive from your time. Some sales managers hire reps who are less money-driven and more relationship oriented.

Your goal as a salesperson, once you've eliminated the time wasters and the extraneous technology, is to use your newfound time as efficiently as you possibly can. Ideally, you should trade your time for only high-value customers. If you work the most with these customers, then you will get the most out of your efforts.

Trading Time for Top Customers

There are four general categories that describe all customers that apply to all industries. To begin trading your time for the highest return, you must understand who the best customers are — because not everyone is worth your time:

1. High-Maintenance/Low-Profit. These are the nightmare customers. You end up spending too much time on them and they usually don't buy very much, or they lower your profit to pennies. It is in your best interest to avoid trading your time with such customers. Don't waste your time: It's more valuable than that.

2. High-Maintenance/High-Profit. Customers fitting this description can produce a lot of business, but they are very difficult to serve. These customers expect more than you can give them and they don't relent until they get what they want. Avoid this kind of customer. Instead, invest time in the next two types of customers.

3. Low-Maintenance/Low-Profit. These customers probably won't produce great profits, but they are likely to produce greater profits over time as your relationship grows. They are easier to serve because they're more professional. This makes them a wise investment. The goal with these customers is to move them over time into the final category.

4. Low-Maintenance/High-Profit. Invest the majority of your time with these customers. They will trade you the most business for the smallest investment of your time. You will have to groom these kinds of customers, but once you have their business, your goal is to hold onto them for life. That's where your time trade-off becomes a highly lucrative deal.

Getting the Full Value for Your Time

Once you understand who is worth your time and then begin to pursue only those types of customers, there are four strategies you need to maintain in order to maximize the value of your prospecting time:

1. Prequalify prospects before you pursue them. You need to determine whether the people you call on are fit for an investment of your time before you call on them. To begin a list of qualified prospects, ask the question, *whom do I know who knows who I need to know?* Remember that current customers and friends are often the best resource for new prospects.

2. Never call on a prospect unexpectedly. You're not going to be able to sell to anyone who doesn't expect your call or who isn't excited to talk to you. Try these three approaches to warm up prospects before calling on them: Send a value-added letter that evokes a sense of curiosity and makes you memorable, have a common friend or a colleague introduce you over the phone or in person, or have a common friend or colleague arrange a meeting.

3. Cut ties with time-consuming customers. This includes high-maintenance customers. Cut ties professionally and with integrity. You can even write them a business version of a Dear John letter. It is not easy to terminate an unproductive sales relationship, but if

(continued on page 8)

The Quota Trap

(continued from page 7)

you're serious about maximizing your time then you need to free up your time for your best customers. Fewer deep relationships are more valuable and less time-consuming than many shallow ones.

4. Transition relationships into partnerships. The greatest time you can trade is not in constantly seeking new business but in deepening your current customer relationships. Do this by figuring out who your best customers are. Then divide your time among your most valuable customers. Set up an annual contact plan for the customers you determine to be the most valuable.

The values of these actions are threefold:

- You will have fewer customers but more income.
- You will be more productive in less time.
- Quotas will never scare you. ■

For additional information on a sample script for cutting customer ties, go to: http://my.summary.com

Reclaiming Your Heart and Time

"The heart," said Blaise Pascal, "has reasons which reason cannot understand." So don't be surprised if there are moments when what your heart is saying doesn't seem attainable or even practical. The battle between head and heart is lifelong. But you must learn to trust that it's the heart, as Thomas Carlyle said, "that sees before the head can see." It is only your heart, in other words, that holds the answers to the life you truly desire. It is your heart that reveals what makes time matter to you. It is your heart that shows you the way to true time freedom.

The Failure Trap

Those who are brave enough to face their failures understand that to be successful, you have to risk failure. The risk taker pursues dreams, aspires for greater success, is courageous, thinks about succeeding, is a pioneer, is resilient and is tenacious. The risk maker pacifies dreams, aspires for greater security, is cautious, thinks about not failing, is a plodder, is resistant and is timid.

The risk taker risks because he or she understands it is the only way to create greater productivity. The risk maker makes risks by avoiding failure and this remains unproductive and increases the likelihood of regret.

Three Risks Worth Taking

With the right perspective, you won't ever go back to the unproductive salesperson you were. Here are the top three risks worth taking in your sales career:

1. Develop an impossible vision. If you want more time to sell — and live — than you've ever had before, you must stick your neck out. You must dare to have an impossible vision for your business that includes these three parameters: You can't accomplish it alone, it breeds excitement and fear simultaneously, and it requires risk. Take a chance and really dream here.

2. Become accountable to others. This is the best way to maximize your potential. Use your personal leverage, associate leverage and professional leverage to stretch your potential.

3. Set exceedingly high standards so that failing to meet them will not have major consequences. It takes guts. You'll need to stick to your guns in some potentially difficult situations. This particular risk isn't just about having high integrity; it's about leaving your office every day when you tell your family you will. It's about paying attention to your health despite the work you need to get done. It's about maintaining one face to every customer. It's about saying no when you must — even when saying yes is more lucrative. ■

The Party Trap

To truly understand failure, we must have a deeper understanding of what constitutes success. Success should appreciate the value of your time; it should give you more time to spend on the things in your life that you value outside your job. However, if you're caught in the Party Trap like so many professionals, success will actually depreciate the value of your time. Unchanged, this pattern will eventually take back the time it once freed up. Over the long term, the Party Trap will kill you.

Don't use your success just to buy more things. If you decisively invest the time your success creates in the things you value most, sales achievement will truly breed life satisfaction. The five most important investments of your free time should be your health (stop smoking and drink moderately), financial fitness (spend less than you make), relationships (find and be a mentor), knowledge (read and travel more, and take up new hobbies), and a higher purpose (discover why you are here).

True Freedom

Remember: You work to live and don't live to work. The point of getting more benefit from your work is so you can concentrate on the really important parts of your life. Take an honest inventory of your life. Is there a voice deep inside you telling you that there is something more? If it is, then there is still time to do something about it. This is the time to act. This is the time to live. Realize the power you have to change the course of your own history. Your future is not some faraway place. Your future is the result of how you most frequently spend your time. Spend it wisely today and every day hereafter. This alone will lead to freedom. ■

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What the Customer Wants

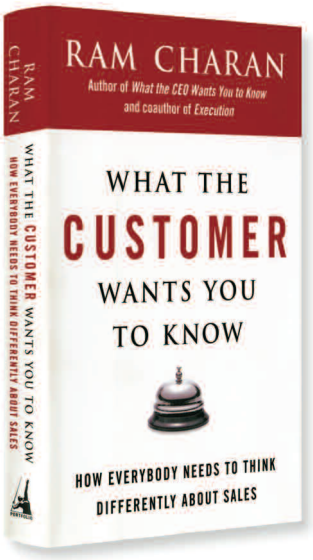
October 2009

SOUNDVIEW Executive Book Summaries®
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Sales: Strategies

What the Customer Wants You to Know

How Everybody Needs to Think Differently About Sales



by Ram Charan

THE SUMMARY IN BRIEF

More than ever these days, the sales process tends to be a war about price — a frustrating, unpleasant war that takes all the fun out of selling. But there's a better way to think about sales, says best-selling author Ram Charan, who is famous for clarifying and simplifying difficult business problems. What the customer wants you to know is how his or her business works so you can help make it work better. It sounds simple, but there's a catch: you won't be able to do that with your traditional sales approach.

Instead of starting with your product or service, start with your customer's problems. Focus on becoming your customer's trusted partner, someone he or she can turn to for creative, cost-effective solutions that are based on your deep knowledge of his or her values, goals, problems and customers.

Charan defines this new approach to selling as *value creation selling* (VCS), which he says is radical but nonetheless practical. VCS differentiates you from the competition, paving the way to better pricing, better margins and higher revenue growth built on win-win relationships that deepen over time.

IN THIS SUMMARY, YOU WILL LEARN:

- How to intensely focus on the prosperity of your customers.
- Why value creation selling entails profound changes in the sales force itself.
- How to establish multiple contacts between your company and your customer so that functional people know one another and can come together quickly and easily to solve problems or clear roadblocks.
- If the customer accepts your value proposition, you have to be sure that it is delivered on time and as described, and that it fulfills the promises you made.

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THE COMPLETE SUMMARY: **WHAT THE CUSTOMER WANTS YOU TO KNOW**

by Ram Charan

The author: Ram Charan is a highly acclaimed business adviser, speaker, teacher and the author or co-author of many best-selling business books, including *What the CEO Wants You to Know* and *Execution*. For more than 35 years, he has worked behind the scenes at Fortune 100 companies like GE, Bank of America, DuPont, Thomson Financial, Honeywell and Verizon to help senior executives develop and implement strategic plans.

What the Customer Wants You to Know by Ram Charan. Copyright © 2007 by Ram Charan. Summarized by arrangement with Portfolio, a member of Penguin Group (USA). 178 pages. $21.95. ISBN: 978-1-59184-165-4.

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For additional information on the author, go to http://www.summary.com.

The Problem with Sales

The telephone rang. Charlie Baldwin knew he was about to get the news he had been waiting for since Monday. He had spent three months working on the sale, and if he got it he would make quota, get his bonus, and finally be able to take his wife Michelle on that trip to Europe he had promised her for years.

Charlie had no reason to doubt his good fortune. He was an experienced salesman for Sturgis Corporation, and had known Greg Lanterman, the customer's purchasing agent, for most of a decade. When they had met last Thursday for drinks, Greg did everything but promise Charlie the order — it was in the bag.

"Charlie, I did everything I could," explained Greg sheepishly, "and until about four days ago I was sure that my recommendation to give you the order was a shoo-in. But the CFO and the executive vice president of marketing intervened and decided that the sale should go to Progis Corporation. Your price was better, but the sales rep at Progis, Mark Logan, showed us how his approach would increase our cash flow and revenue growth. Mark also had some good ideas that our executive vice president of marketing said would help us to differentiate our brand. I'm really disappointed."

For the past 12 months Charlie has been on the receiving end of four similarly disappointing telephone calls. And these calls came from people he relied on the most — people like Greg, whom he had known and trusted the longest. He doubted himself in a way that he hadn't for a very long time. He knew he had just lost his quota, his bonus, and he would be forced to break his promise to Michelle about that long-overdue vacation. What he didn't know was whether or not he would still have his job this time next year.

Turn Selling Around

The heart of the new approach to selling is an intense focus on the prosperity of your customers. This is a radical departure from what most salespeople and selling organizations do. The entire psychological orientation is shifted 180 degrees. No longer do you measure your own success first. Instead, you measure success by how well your customers are doing with your help.

You're not focused on selling a specific product or service; you're focused on how your company can help the customer succeed in all the ways that are important to that customer. By tapping the many resources you have at your disposal to help customers meet their business goals and priorities, you are adding value.

This new approach, value creation selling (VCS), is sweepingly different from how most companies sell today in these ways:

- First, you and your organization devote large amounts of time and energy — much more than you do today — to learning about your customers' businesses in great detail.
- Second, you use capabilities and tools that you've never used before to understand how your customers do business and how you can help them improve that business.
- Third, you're going to make it your business to know not only your customers but also your customers' customers. To devise unique offerings for your customer, your company must use its capabilities to work backward from the needs of the end

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Published by Soundview Executive Book Summaries (ISSN 0747-2196), P.O. Box 1053, Concordville, PA 19331 USA, a division of Concentrated Knowledge Corp. Published monthly. Subscriptions: $209 per year in the United States, Canada and Mexico, and $295 to all other countries. Periodicals postage paid at Concordville, Pa., and additional offices.

Postmaster: Send address changes to Soundview, P.O. Box 1053, Concordville, PA 19331. Copyright © 2009 by Soundview Executive Book Summaries.

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Rebecca S. Clement, Publisher; **Sarah T. Dayton**, Editor in Chief; **Andrew Clancy**, Senior Editor; **Edward O'Neill**, Graphic Designer; **Paula Ezop**, Contributing Editor

consumer to the needs of your customer. This is the *customer value chain*.

- Fourth, you have to recognize that the execution of this new approach will require much longer cycle times to produce an order and generate revenue.
- Finally, top management in your company will have to reengineer its recognition and reward system to make sure that the organization as a whole is fostering the behaviors that will make the new sales approach effective.

What the Sales Force Will Need to Know

Value creation selling entails profound changes in the sales force itself. Salespeople are no longer solo operators. Rather, they are team leaders, responsible for organizing and directing groups of experts from such diverse areas as finance, legal and manufacturing in their own organization. Your company's support functions will need to work in earnest with the sales leaders, synchronizing their priorities with the needs the sales leaders lay out.

This is a role salespeople are unaccustomed to and, at first, many will be uncertain about their leadership abilities. But most salespeople have good interpersonal skills. Many will excel in coordinating their colleagues' efforts and will enjoy doing it. ●

Fixing the Broken Sales Process

Remember how depressed Charlie became when he got the bad news about losing the sale to Mark Logan's company? Unfortunately for him, that was not his last telephone call of the day. He had to call Susan Kipp, the executive vice president of sales, to report that the business they had been counting on had fallen through. And Susan had to make that same phone call to Jack Garrett, the company's CEO.

The next morning's executive meeting was one of sober reflection. The leadership team agreed that Charlie's call was not an exception: the sales force as a whole seemed to be performing worse than the competition. The company was not getting the number of orders and the pricing it deserved for its cutting-edge technology and top-shelf customer service. Yet no one could explain why that was.

It occurred to Charlie that while they had streamlined and modernized other areas of the business in recent years, the selling process itself had remained untouched. Maybe it was time for some fresh thinking.

Is Your Sales Process Out of Date?

You know your sales process is out of date when these things are true:

What You're Leaving on the Table

Fixing the broken sales process requires knowing precisely what the customer values: why the customer will prefer you over rivals and why that customer will continue to rely on you and sustain a trusting organizational relationship with you.

Lou Eccleston, the former president of global sales, marketing and services at Thomson Financial and now CEO of Pivot Inc., argues that "making a sale is not the objective, it's just a symptom of a successful communication. It's a symptom that indicates you understand the customer and are measuring your success by your customer's success. Your success is governed by how well you understand what you can do to create value for the customer. If you can't impact the customer's performance in a positive way, then you're going to be a commodity product and you're going to get commodity prices."

- Your sales force interacts mostly with your customer's purchasing department.
- The entire discussion about a possible sale revolves around price.
- Sales training consists mostly of highly focused, exercise-based training that shows salespeople how to not take no for an answer, how to not knuckle under to pressure, and how to bring home the bacon without compromising on price.
- Top management is constantly fiddling with the incentive schemes for the sales force to toughen them to get better pricing and better margins.
- The sales force that seems spread too thin is reorganized to bring a more intense focus on customers.
- Salespeople are not included in the design of the company's offering.
- Little thought and even less interaction is given to your customers' customers.
- Your salespeople are internally focused.
- Sales management is convinced it's doing a good job. ●

How to Become Your Customer's Trusted Partner

The night following the depressing executive meeting, CEO Jack Garrett was having drinks with Philip Hayward, Sturgis Corporation's newest director. Not yet familiar with either the company or the industry, Phil

had a lot to learn about the business and was prepared to pepper Jack with a whole host of questions as he tried to understand how Sturgis operates. One of his first questions was about revenue growth. Phil wanted to know why the company's top line wasn't improving.

"What's the competition doing differently to win share away from Sturgis?" Phil asked. "And what are we doing to counter that, besides trying to keep prices down?" Those two simple questions galvanized Jack to suddenly reframe his thinking.

"We have lots of talented people and great technology, but maybe we're not delivering what our customers really need," said Jack."If that's the case, then we're going to have to learn a lot more about them — their goals and priorities, their competitive challenges. We can do that, but we'll have to create a dialogue with them and earn their trust."

As he drove home, Jack's mind was bubbling with all the things that would have to change — roles, responsibilities, rewards, relationships. The plan he was conceiving would have salespeople take the lead in gathering information about what was really important to a customer's business. They would enlist the help of their colleagues at Sturgis to brainstorm ideas to create value for the customer.

Information: The Heart of VCS

Information — lots of detailed information, both facts and impressions — is at the heart of value creation selling. The concept is simple: The more you know about your customer, the better you and your company will be at identifying his or her concerns and devising products and services that will help address them. In the broadest sense you want to learn about your customer's opportunities and the competitive dynamics confronting his company. The key here is to analyze the customer's market growth and positioning.

How to Communicate with the Customer

While you're searching for answers to your growing lists of questions about the customer, you also need to begin establishing a way for your company and your customer to communicate. You need to establish multiple contacts between your company and your customer so that functional people know one another and can come together quickly and easily to solve problems or clear roadblocks.

Finally, you must always remember your responsibility to protect the knowledge a customer-partner is sharing with you. Information flow is the key to trust. Don't abuse it. ●

The Value Account Plan

Several months into the change effort, Charlie, who had lost that all-important sale to Progis Corporation, had another chance with another large client, TriNet Inc. Charlie was the team leader on the project. He was in the midst of preparing the guts of the presentation, which was slated for a week from Wednesday. But as he got deeper into it, he realized that he was missing some vital pieces of information.

For example, while he had a good deal of data on the company's industry, its competitive dynamics and its sales growth pattern, he realized that he did not really know which manager in TriNet would make the final buying decision.

In addition, while Charlie felt that he had a pretty good idea about what the final offering would look like, he realized that he had no idea what to charge for it.

He now saw that he had a long way to go before he and the team would be ready to present anything, and he had scheduled a run-through for Friday. He also realized he wasn't in it alone. He had lots of people in the company he could call on to plug the holes, many of whom had been talking regularly with people at the customer's shop. His nerves calmed as he picked up the phone to assemble the team for some last minute analysis and clarification.

The last thing a salesperson needs is more paperwork. But here's a document no company should be without: *a value account plan* (VAP). A VAP is the document that defines the value proposition and the business benefits the customer can expect to get from it.

Every VAP should include three elements: a concise description or snapshot of the customer, a value proposition and the benefits the value proposition gives to the customer expressed in physical terms, such as "*improving cycle time by X minutes*" or "*cutting inventories by X dollars*" — and in business terms, such as cost, revenue, profit margin, cash, ROI, market share and brand equity.

Customer Snapshot: VAP Element #1

The first of three major components of a VAP is a concise description of the customer. You should begin by recording the basics: the company's name, line or lines of business, information about the location of headquarters and subsidiaries, and names of senior executives.

The salesperson takes the lead by enlisting the help of colleagues to sift out the important facts to create a clear, concise picture of the customer's total business.

You can capture this snapshot as a set of bullet

points or paragraphs — whatever form works best for you — keeping in mind that businesses are in constant flux. You will have to keep this updated by watching for changes in people, relationships and organizational structure at the purchasing level and throughout the organization.

The Value Proposition: VAP Element #2

The second part of the VAP is the value proposition. Here you define the customer need you will meet, the mix of offerings customized to that customer, its pricing, and its implications for your own company's revenues, cost, cash, capital investment and profitability. Creating a value proposition may seem like familiar ground. What's different here is that the VAP forces you to think about your customer's total business and to tap the best thinking of people from many parts of your company to come up with a value proposition that provides benefits to the customer beyond the usual cost savings.

One of the greatest hurdles for salespeople new to value creation selling is reaching people other than their traditional contacts in purchasing and getting their attention right away. It is often a matter of brainstorming who at your company might have a social or professional connection with someone in the customer's business and being aggressive in connecting with that person. You increase the odds when you network with multiple functions and hierarchical levels at your company.

As salespeople and their colleagues find ways to engage in frequent dialogue with the customer, they can use those contacts to create a value proposition that addresses needs and priorities beyond the purchasing department.

Formulating a successful solution for a customer requires involvement of more than one silo. People have to share and debate, particularly horizontally, what is available or possible, and then commit to it. If you are just bundling together existing products you probably won't produce a real value-creating solution.

For the value proposition to be unique, the sales leader has to demand that his or her team figure out how to integrate the package in a customized way that creates value and differentiates the solution from what the competition can offer.

The Business Benefits: VAP Element #3

The third part of the VAP defines the benefits of the value proposition. This part is built to determine the total value of ownership (TVO). TVO is an estimate of the benefits the customer stands to gain as well as what might be lost if he or she chooses to go another way.

You must first state the physical benefits of your value proposition, then you define and quantify all the business benefits of the solution. Some will be quantitative. Other benefits, like brand enhancement, will be qualitative but have real value to customers. You have to think through the benefits of your value proposition and be comfortable making judgments about them.

MeadWestvaco used its research to demonstrate that it understood their customer's business problem — lost revenue from damaged packages — and then solved it. It created a package using a specific kind of paperboard called Coated Natural Kraft,® which could take on high-impact graphics and still had the structural integrity to prevent package damage.

They had to get the customer to look beyond the unit price of its product by presenting the panoply of business benefits, which included increased revenues, improved cash flow by reducing inventories for the retailer, reduced unsaleables and returns, protected market position and sales level, protected brand equity and sustained consumer loyalty. MeadWestvaco won the sale and, ultimately more important, the customer's trust and respect. ●

Developing the Value Creation Sales Force

Three months after an off-site meeting, Rob Morris, the western district regional manager for Sturgis, ran into Jack Garrett, the CEO, in the company cafeteria. Jack invited Rob to join him for lunch. "So how are things going?" Jack asked enthusiastically.

Rob knew how important the initiative was to Jack and to the company. He avoided eye contact when he replied that the transformation wasn't going all that well. "My reps are having a hard time pulling together all of the information we talked about at the off-site. One of their biggest complaints is that they can't reach the people they need to reach in the customer's shop. Their primary contacts are fighting them tooth and nail, trying to keep control of the buying process.

"To be honest, Jack," Rob said, "some of our reps don't like working as part of a team. They're not accustomed to reaching out to other departments, and they don't like sharing everything with people in other parts of the company.

"But most of them are coming around," Rob continued, "in part because they're realizing they can't complete a VAP without help. Getting past the physical product and translating the benefits into something

beyond cost reduction is a challenge."

Make no mistake about it, a concerted effort to create a value creation sales force simply cannot succeed without two critical elements: buy-in and extensive training. An individual salesperson who "gets it" can make headway by personally reshaping relationships with customers and throughout his or her own organization. But senior leaders who want to adopt value creation selling companywide should approach it at a deliberate pace and realize that it is not an overnight process.

The Right Stuff

Value creation selling does indeed require a new breed of salesperson, and you should take the time to clarify what traits and skills the new breed should have. While no one person will embody all of them, anyone in the role of sales team leader should exhibit at least some of the fundamentals.

The following list of skills and traits may help you develop your own methods for determining people's suitability, strengths and weaknesses:

1. **Affability.** The salesperson must be a great communicator who listens and distills what he or she hears and can jointly explore the issues.
2. **Ability to Conceptualize Problems and Solutions.** This is the ability to sift through large amounts of seemingly unrelated data to generate alternative ideas about offerings that work for both the customer and the seller.
3. **Leadership.** Not to be confused with personal charisma or heroic efforts, the kind of leadership the salesperson needs to demonstrate is the ability to manage a team of people over whom he or she has little or no hierarchical authority.
4. **Tenacity.** The type and depth of customer information necessary for VCS is not easy to obtain. Salespeople must have the patience and tenacity to keep driving the team and the process.
5. **Business Acumen.** The most difficult aspect of VCS is understanding the customer's business and its processes, all expressed in the language of business.

The Building Blocks of Training

Ideally, training the sales force will start at the top, beginning with the executive vice president of sales or whoever has the equivalent title. He or she must demonstrate the ability to extract information, complete a VAP and formulate a solution. After that, training proceeds down to the level of regional sales managers, who have to gain expertise as well.

Training for VCS must make salespeople aware of the new skills they need and help them practice those skills. PowerPoint presentations, the basis of most training today, is not sufficient. VCS is such a major change for experienced salespeople, who have been conditioned to think and act in certain ways, that it takes tremendous rigor to rearrange the synapses in the brain.

Case studies and intense practice are more effective. Discussing real cases, sharing insights from them and role playing go further in helping people change their thinking. Class study should be 80 percent real practice and 20 percent content delivery.

What to Teach

The content for teaching value creation selling will evolve over time as instructors learn which techniques, examples and exercises are most effective and as the abilities of the participants develop. Over time, as VAPs are formulated and presented to customers, there will be a pipeline of real-life examples that have not yet been accepted by the customer. They should form an important part of classroom exercises. In any case, everyone should come away from the training course with the following knowledge and skills:

1. What information they need from the customer, and how to get it, to create a VAP.
2. How to prepare a VAP from seemingly unconnected information from the customer and others.
3. How to collaborate with and foster collaboration among various people in your own company.
4. The language of business.
5. The ability to foster an atmosphere of trust between the customer and the seller's own company.
6. The concept of TVO.

Learning VCS requires repetitive practice with hands-on exercises in which the data is incomplete, messy and sometimes confusing — just like the real world. As part of a cross-functional team, participants can instruct one another in their various specialties, creating bonds that will be useful later when a sales team has to work together. Through practice they also get more comfortable dealing with ambiguity and doing multiple iterations of the customer information and value proposition.

If you've trained the right salespeople and chosen the right customers to start with, you will likely have some early successes. It's important to let people know about them. Success begets success by raising morale and persuading skeptics that the new approach really will work. And, of course, it's always beneficial to see success rewarded by promotions, pay and other forms of recognition.

Measuring Progress

You have to realize that implementing value creation selling is a lengthy, arduous, and expensive undertaking with obstacles along the way. Reorienting the sales force is likely to be the first and biggest obstacle. A conscientious effort to foresee problems and correct them before they spin out of control will ease the path considerably.

What follows are some suggested mechanisms for tracking the progress and success of a VCS strategy:

- **Share of the customer's wallet.** Increased revenue is a key statistic but so is improved margin, which will show whether you are able to get premium pricing.
- **Customer benefits.** This is a clear delineation in specific terms, for each account, of how the customer realizes the benefits promised.
- **Customer trust.** This survey, done in the customer's shop, measures on a scale of 1 to 10 the degree of trust the customer's executives have for the sales leader and the team serving the account.
- **Customer-initiated contact.** This measures how frequently the customer initiates a request to the sales leader and team for advice about existing or future opportunities.
- **Internal collaboration.** This survey of sales leaders seeks their evaluation on a scale of 1 to 10 of how various functional silos are collaborating for a given customer.
- **Sales force certification.** This is a simple measure of what percentage of the sales force has received the required training and been certified.
- **Idea generation.** This survey of various functional areas seeks to measure the number of ideas fed to the functions by the sales team for future development (for example, product development, service development, changes in pricing approach, productivity improvements or technology development).
- **Customer perception.** This survey asks the customer to evaluate on a scale of 1 to 10 how well the sales team really understands the customer's business, including the decision process and priorities.

Making the Sale

After a sales team has used the VAP to craft what they believe to be the best response to a customer's needs and priorities, it's time to make the sales pitch. But *presenting a value creation proposition* to the customer is nothing like the typical sales call that most salespeople are used to.

In value creation selling much more work goes into preparation, in part because the sales call now involves a team of people whose presentations and responses to customer questions must be planned and coordinated. And because the sales call incorporates more background information and analysis, the value creation proposition itself is more complex than a simple "Here's my product, what price will you pay?" presentation.

While the call must concisely convey the fact that you understand the customer's business and have a specific offering that provides a broad range of benefits, you have to allow that you might have missed something. The call is, above all, an opportunity for further questioning and observation of the customer's organization.

The Pitch: The Dynamics of Dialogue

The big day finally arrives. Dress rehearsals are over. This is the real thing. The formal presentation to the customer is perhaps the most important milestone in the entire development of the value creation proposition. It tests how good a job the sales leader has done in collecting the information that went into the VAP, how effectively the team has worked together to craft the proposition, and how astute the sales leader has been in making the right trade offs among the various interests within his or her own company and the customer's.

The point is to establish that your company has the necessary expertise and deep interest in solving the customer's problems or helping him or her seize an opportunity. It is important to understand, however, that the formal presentation is not necessarily the day of reckoning. While you may leave the meeting with an agreement, it is just as likely that you will leave without one.

It's your choice how to present the value proposition, but don't assume it has to be a flashy PowerPoint presentation. Paper often works better. Given sufficient practice, the actual presentation of the value creation proposition should go smoothly. The real work begins when the formal presentation ends.

The key lesson is to listen, don't tell. A list of every objection raised during the presentation provides the framework for follow-up work that keeps your team in close contact with the customer.

Unspoken Questions

Although the customer may not articulate his or her deepest concerns, underlying the entire dialogue, three critical questions will be very much on the customer's mind:

1. Is the value proposition realistic?
2. Are the proposed benefits exaggerated or realistic?

3. Can the value proposition be executed in the customer's shop?

After the Pitch

In value creation selling the sales pitch is just another beginning, whether or not it succeeds. If the customer accepts your value proposition, perhaps with some modification, you have to be sure that it is not only delivered on time and as described, but that it fulfills the promises you made.

Chances are, however, that you'll leave the pitch meeting with a new list of objections, suggestions and impressions.

The first thing to do is let the customer know you heard his or her objections and suggestions. This communication should also set a specific date and time to meet again. In following up with the customer, you can change the scope of the value proposition, narrowing or expanding it as appropriate and resetting the customer's expectations.

But not all sales pitches will end in success. If, at the second or third sales meetings, the customer is raising new objections or finding excuses for not reaching a final agreement, the sales team should begin to question the customer's sincerity. The unfortunate truth is that some customers are not worth keeping. ●

Sustaining the Process

Unless top management makes value creation selling its top priority, the process will simply become another fad of the day. Top management must integrate the value creation selling initiative into virtually all management decisions: the selection and promotion of people, the choice of businesses, the targeting of market segments and customers, resource allocation, operating reviews and budget preparation. Senior management must have the energy and tenacity to drive the change.

Build Organizational Support

Value creation selling is team selling. The sales force cannot do its job unless the rest of the organization provides the quality, skill mix and responsiveness to support their efforts. Senior leaders must create linkages between the various functions of the business.

Each silo within the organization must reconsider its role with an eye toward identifying and eliminating bottlenecks to the formulation and delivery of a value proposition.

Focus on Both Revenue and Cost

Cost reduction is familiar ground, but it ultimately impinges on growth. Value creation selling is aimed at revenues, but you must be willing to spend some money to achieve that growth. Before trying to adopt it, you should analyze your businesses and markets to determine where the investment makes most sense. That will minimize the risk and boost your revenue productivity. ●

Taking Value Creation Selling to the Next Level

Transforming a sales force from transactional selling to one that creates value for the customer is a long journey. It requires a huge change in the way a company thinks and operates. Every part of the company has to put the customer first. As you set off on your journey, you'll no doubt encounter obstacles along the way:

- Senior management will be challenged to find the right compensation system to properly reward such sales support functions as legal, finance, product development and human resources.
- Sales leaders will have to find ways to develop relationships with people other than the gatekeepers in the customer's shop.
- Your company will have to pinpoint the customers who are willing to develop a trusting relationship and find alternative ways to serve other customers.
- You will have to create and sustain an environment that encourages creativity and imagination in formulating value propositions.

The good news is that the journey is difficult and requires persistence and tenacity. That's good news because it means not everyone can or will make that journey, and those who do will be amply rewarded. Every company will have customers who are progressive and fully understand the value of collaborating with suppliers to the mutual benefit of both. Start there and don't turn back. It is the path to a prosperous future. ●

RECOMMENDED READING LIST

If you liked *What the Customer Wants You to Know*, you'll also like:

1. ***Exceptional Selling* by Jeff Thull.** Learn powerful diagnostic principles to reframe the typical sales conversation.
2. ***The Perfect Salesforce* by Derek Gatehouse.** This title discusses different types of people who excel naturally in different types of sales jobs.
3. ***Execution* by Larry Bossidy and Ram Charan.** The authors give a five-step process for getting successful results. Leaders must get involved in the details of execution if they want to get the job done.