

# Insider information

Early research on prospective clients pays off

## Question:

**We sell high-end software, and at the end of a product demonstration, my prospective client stood up and said, "This product will resolve a host of difficult issues which will streamline our systems and communications. Call me next week." After many unreturned phone calls, we finally spoke. He told me they decided not to buy our product. What should I have done differently?**

## Response:

Even when you are able to satisfy your prospect's interests, today's business climate requires more than one person to be involved in the decision-making process. That person may be the stakeholders who will be directly impacted by the change, the chief financial officer or another executive.

Sales professionals prosper when they gather the right information to qualify or disqualify a prospective client early in the engagement process. By identifying high ROEI (return on energy investment) prospects, top performers fill their pipeline with high-probability opportunities. This helps them generate the highest return on their time and energy.

They accomplish this by gathering insid-

er information on the first or second call. They ask strategic questions and then listen, really listen. Beyond identifying the needs and wants, they dig deeper to verify if the prospect is in a position to take action now. Some common questions they ask include:

1. What outcomes do you want to achieve?
2. If you achieve these outcomes, how will this improve your organization?
3. How will you measure success?
4. What is your timing?
5. Whose budget will support this initiative?
6. Has a budget been allocated for this initiative? If not, what does that process look like?
7. Who will be impacted by this change?
8. How will they react when you tell them about the capability of the new software?
9. How will they react when they realize this involves change?
10. Who do you anticipate will support the initiative?
11. Who do you anticipate will roadblock the initiative?
12. Considering those who will challenge this project, what do you anticipate their concerns to be? Can these be resolved?
13. How do you recommend we proceed?

By envisioning how news of the software will be received by the key stakeholders, the salesperson conducts a dress rehearsal of sorts with the prospect. He learns upfront who will support and reject the idea of the project and therefore walks away having some idea of the probability of his success. He then can decide to pursue the project, put it in a holding pattern, or walk away.

Dan Bosworth, author of *"Solution Selling,"* identified four factors that influence a prospect's decision to say yes. These include:

need, solution, risk and price.

Need is the first stage, and it is when the prospect determines if the situation warrants investing additional resources (time, money or energy), or if they can continue to live with the existing situation. You clearly identified the prospect's need – which was confirmed by his statement in your demo presentation.

The second stage is the solution step, which is when the prospect gathers information about the variety of options available and then selects the one or two or even sometimes three best options.

After the solution is identified, the prospect fast forwards into risk mode. This is when the prospect meets with the key stakeholders, gathering their input about how each solution will impact their productivity and efficiency. If the solution adds value, he will receive support. If the solution is perceived to interrupt their business or represents a significant change in how they do things, he will be met with resistance, sometimes in a highly emotional manner. He must decide if it is in his best interest to overcome these issues, or simply surrender to their opposition.

This step is the one I believe you skipped. You're not alone. Most sales professionals neglect to qualify for risk.

Clearly, your contact was excited about the value of your product offering. His bold statement at the demo is a testament to his excitement. However, I suspect when he went back to the office to work through the implementation step with the key stakeholders, he was met with strong resistance. If you had conducted a dress rehearsal upfront, he would have been prepared to respond to their challenges.

To reduce your time, effort and emotional energy pursuing low probability opportunities, qualify your prospect's risk tolerance early in the process. Ask questions such as: "Jack, before we get too far into this project, can we take a minute to consider who will

be impacted by this new software? What might their reaction be when they learn that they will have to migrate their team to a new program? Is it feasible to overcome their resistance, or should we close the file on this project?" The answers to those questions will determine upfront if there will be an uphill battle, and if so, if it is one worth fighting.

The last stage is all about price. Once a prospect has secured the approval to advance the project, they want to know that they got the best value for the money.

Experienced negotiators will challenge your initial offer. This strategy is used to instill fear in that you will forfeit the project unless you succumb to their demands. They don't want to leave anything on the table – it's what they get paid to do.

If you give into their concession demands, especially on price, without asking for something in return, you have lost credibility. This will cause them to wonder, "What else are you holding back from me?" resulting in more pressure and concession demands.

This will haunt you in the future.

At this point, my advice is to call the prospect and verify what happened so you will have the knowledge to help you learn and grow. The approach that has worked well for me is to ask, "Jack now that the sale is over, I am wondering if you would be open to me asking you some marketing questions?"

More than likely, he will say, "Sure." Then ask, "From a marketing standpoint, I'm always interested in learning what worked well and what didn't. I thought we hit the key points you were interested in during the demo, yet the tide turned quickly in the opposite direction. Did the company decide to put the project on hold, select another supplier, or to nix the project altogether?"

Based on his response, I would ask, "Can you help me to understand where we dropped the ball?"

When having this discussion, you don't want to come across as an interrogator, nor do you want to be defensive. You are simply following up to learn information that will help you be more effective in the future.

After having this conversation, you will know if his "no" meant, "No, not right now," or "No, never ever."

There's a big difference between these two. Knowing the forces behind the decision will better equip you to offer different ideas that might help him, or to cut your losses and move on to greener pastures.



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