

LINK SOLUTIONS TO PAIN



by Rick Page

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Understanding the client's need is the heart of consultative selling. It changes the initial direction of information flow to problems in search of solutions, instead of the other way around.

What problem is the customer trying to solve? Although we use the term "pain," this could also be an opportunity. The art of consultative selling is to get the customer talking in a one-on-one environment, sharing who they are and what they want. Consultative salespeople learn early that the way to get the client talking is to use questions that begin with "who, what, why, where, or when."

This is a critical part of the sale when we begin listening and outcaring the competition, thus building bonds of rapport that will eventually lead to trust. Even if we know what the pains are, it's not enough. The client needs to *confess* them. Confession is the beginning of behavior modification, and, for a consultant, starts a sharing process that begins to build the bonds of trust. Then, when we do present, we can focus on the needs that have been expressed, in the client's terminology, with friends in the audience, without being set up by the competition.

Understanding the client's need is not always the same as understanding their requirements. Product salespeople too often wait until requirements are defined and the request for proposal lands on their desks. If the requirements have already been defined, you've missed the first step in the sales cycle. But it happens and it's part of the real world. The question is, how were the requirements defined and by whom?

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Experience has shown that this is a rather unscientific process on the part of the buyers. They have probably never bought a solution or product of this type, and there are several ways they can proceed to define their own requirements. They can send out a memo to all the end users, saying, “What would you like in this system or solution or product?” They can bring in a consultant. Eventually all the requirements are gathered and sorted into A’s, B’s, and C’s of things they must have and things they’d like to have.

The key question at this point is, “*In whose opinion?*” Every requirement either has a political sponsor or it doesn’t. Every requirement is either connected to a business problem or it’s not. Not all sponsors have equal power and not all business requirements have equal impact. Yet these are all thrown into the hopper and pushed out the door in the form of what is commonly known as a request for proposal (RFP), or tender. In some ways it’s like the way grandmother made sausage - throw in all the parts, grind it up, and package it. There’s an old saying that you really don’t want to be around to see sausage being made. But in this case, you need to know exactly how the requirements were made and where each element came from.

In the way that requirements are defined lie the seeds of discontent that will burst into a power struggle when clients can’t get everything they want from one vendor. You can’t assume that a committee made up of multiple buyers really speaks with one voice. The best business developers trace the connections of the requirements back to the sponsors and the business problem. Then they can either link or disconnect those requirements as it suits their strategy.



DORMANT vs. ACTIVE PAIN

Nobody asked for the VCR. Nobody put out a request for Windows software. But customers knew they wanted it when they saw it. These were dormant pains. Neil Rackham showed us that we can sell to expressed or latent pains.

Active pains are those business problems that have been acknowledged by the client and for which they are actively seeking a solution. This is indicated by money being budgeted, project teams being formed, requirements being defined, or vendors being contacted.

The best business developers can find dormant business problems, stimulate them to active pain, and thereby gain an advantage over the competition and perhaps an exclusive opportunity.

In return for finding and stimulating the need, the salesperson needs to gain early advantage, perhaps even an exclusive evaluation. By building preference early, shaping the issues, developing inside sources of information (to the legal extent), and influencing steps in the process, the business developer can accomplish a great deal before the evaluation, even if it must go out for bid.

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PERSONAL & PROFESSIONAL AGENDAS

One's professional agenda is made up of those goals that are a part of one's job. It is your part of the organizational agenda. Personal agendas are individual goals; sometimes they are aligned with the organizational agenda, and sometimes they are not. When both agendas are met, this has been defined as a "win-win." Those areas of personal agenda that are not aligned with the organizational agenda may or may not represent a conflict of interest.

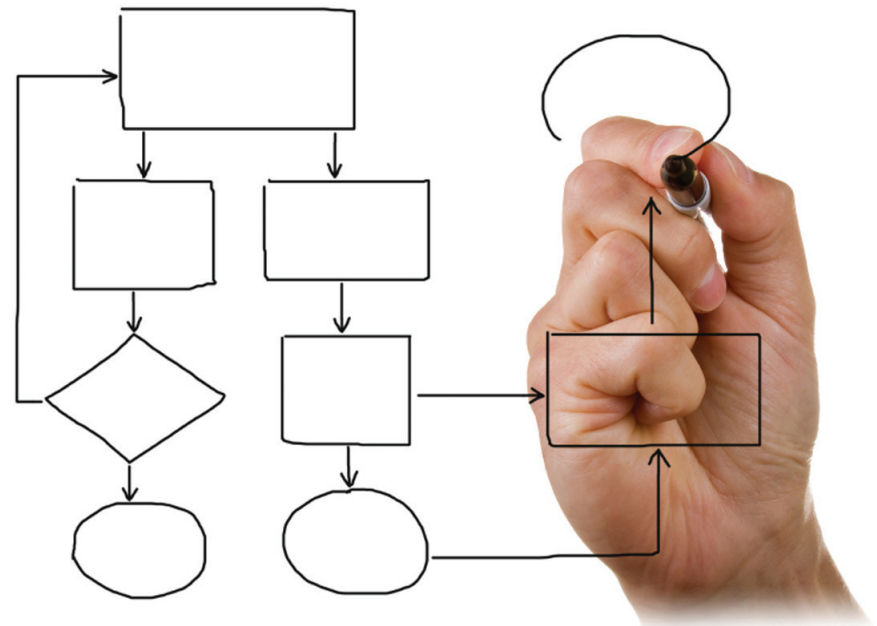
Personal agenda items are quite often hidden and emotional and cannot be discussed in a group. But they are nonetheless very powerful buying motives, and they must be uncovered. This is one reason we entertain clients outside the office. This is also why establishing rapport and early trust is important.

The speed with which someone will share his or her personal agenda is a function of how quickly you can build trust. This is why the one-on-one phase of selling is so critical. In different countries and cultures, it may take longer to get someone to share his or her personal agenda. In some countries, you must break bread for hours before even discussing business for fifteen minutes. In other countries or parts of countries, you need to establish your competence before you can begin building a relationship. *But each person is an individual and that must be the base level of your strategy.*

Personal agendas and pains are very powerful and not all of them are equal. Maslow and Herzberg showed us that personal needs form a hierarchy. At the base are lower-level satisfiers of safety and survival, and moving up the chain are social needs, and needs for self-esteem and self-actualization. Herzberg called the lower of these satisfiers and the upper of these motivators.

Maslow described it as the “hierarchy of needs.” And depending on where we are in life economically and chronologically, different needs take on different priorities at different times. Examples of personal agenda benefits include recognition, promotion, innovation, technical elegance, conformity, retirement, control, money, peer respect, or quality.

As not all personal pains are equal; not all business pains are equal. There is also a hierarchy of business pains, and the powerful ones override the lesser ones.



SO WHAT? - LINKING BENEFITS TO PAINS (OR GAINS)

Early in a sales career, you learn to connect a feature or capability with a benefit. The feature is what you can do or what product can do; the benefit is what it could do *for me*. People don't buy drills because they want drills; they buy them because they want holes.

People with technical backgrounds who are new to sales tend to present in terms of features, and early in their sales career they must learn to connect those to benefits. Two words will help them do that on a consistent basis, because they are the words the clients are asking themselves as you are talking. Those few words are, "*So what?*"

The simple "so what" test should be recycling inside a salesperson's head whenever he or she is talking to a prospect. When salespeople don't provide the answer to that question, the linkage between your offering and the client's need is left up to the client - or even worse, to the competitor or to some outside consultant - or perhaps it doesn't happen at all. In any event, lack of linking means loss of control and value.

"We have over one thousand employees."

"So what?" the client thinks.

"We have offices in forty cities."

"So what?"

"We have this technical capability."

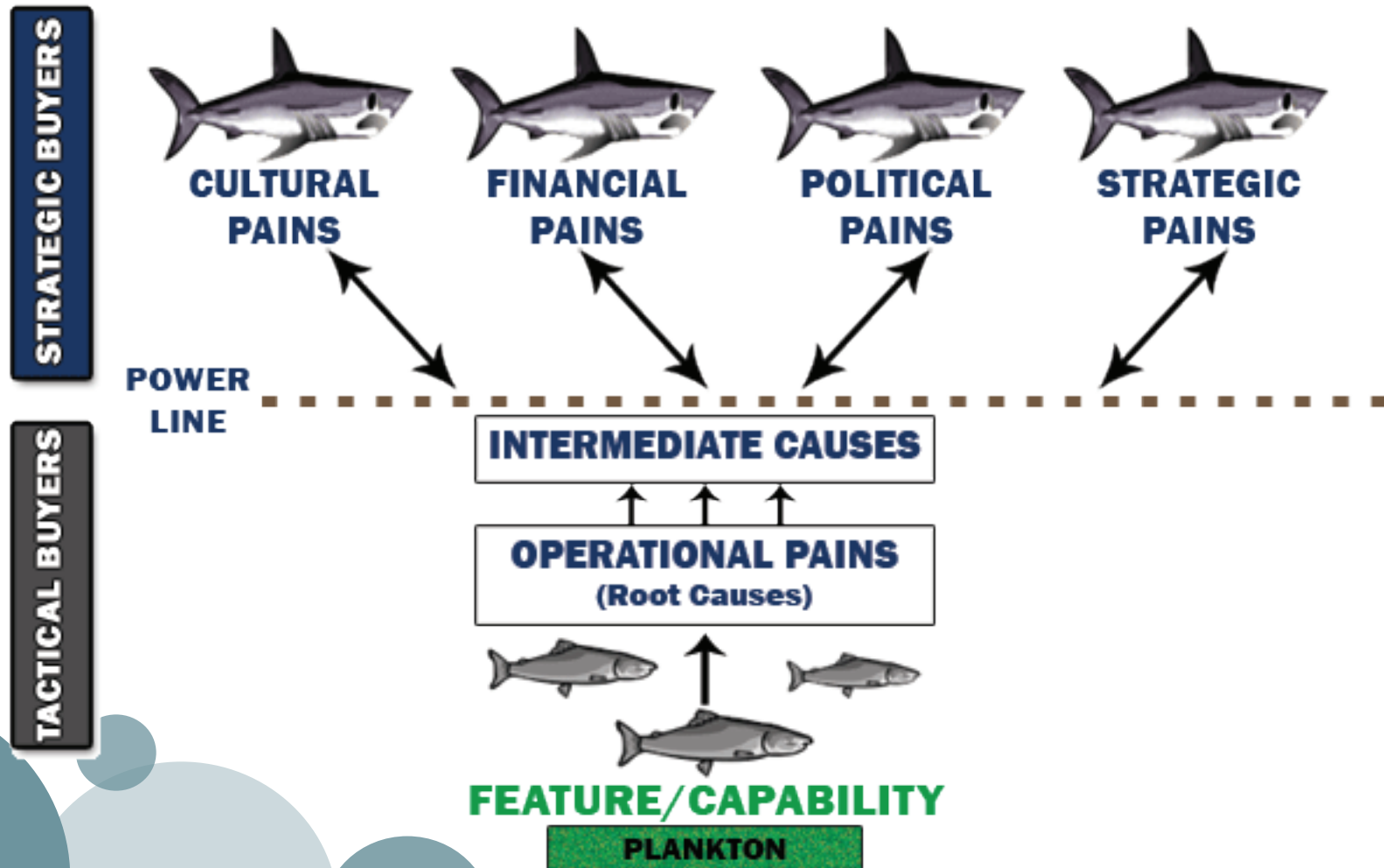
"So what?" the client says to themselves.

In simple sales this linkage is obvious enough that the customer can do it themselves. These products can be sold over the Internet. But with complex or intangible solutions and multiple buyers, the seller who can best help the client make the connections, face to face and early in the cycle, will usually prevail.



FOOD CHAIN OF VALUE - “THE SHARK CHART”

This is what we call the “food chain of value,” or our well-known “shark chart,” named for the phenomenon that bigger issues tend to eat up smaller ones. Examples of each type follow in this chapter. Executive-level benefits, the ones above the dotted “power line,” usually override operational level issues - if the power sponsors are involved. Searching upward for the strategic pain gives reasons for “why” the client needs your operational capabilities. Executives search down for capabilities to answer “how” they will achieve strategic objectives.



OPERATIONAL BENEFITS

If the decision-making process to select a vendor and to buy is now at the operational level, then operational benefits may be all you need to win an order. Solutions that don't affect multiple departments or strategic issues are often bought at this level, although at commodity prices, since linkage has not been made to higher value benefits. However, this type of sale can be flanked by a competitor with an expanded scope of solution that introduces political, interdepartmental, or strategic issues.

Operational needs are important to the people who actually do the work. They include ease-of-use, efficiency, technical purity, throughput, integration, and functionality. Because tactical buyers often don't see the big picture, sometimes their requirements solve relatively small business problems, or aren't connected to any business problem at all. And if operational needs are at odds with strategic needs (and their sponsors) because they are not available from the same vendor, you can guess which will prevail.

CULTURAL BENEFITS

"We weren't selling what they were buying," said Steve Anderson, my district manager explaining why we had lost a sale (he didn't lose many).

"That sounds backwards," I said. "You mean they weren't *buying* what we were *selling*?"

"No, it wasn't a matter of credibility. We didn't sell to the right values of the organization. We misread the culture."

Cultural benefits are extremely important to chief executives who are trying to change or maintain the value systems of their organizations. Companies have personalities, which are defined at the very top. Values and culture are important to executives because that is how they guide employees to do the right things independently when managers aren't there.

Establishing culture is not easy, especially when it means aligning personal values of thousands of people with that of the organization. Examples of cultural benefits include empowerment, employee morale, teamwork, flexibility, innovation, global awareness, competitiveness, risk taking, accountability, and quality, to name a few.

In some organizations there is a very cohesive culture throughout, such as in Coca-Cola, Shell Oil, and Federal Express. Some organizations, however, have very divisive and fractional cultures. Each business unit has a separate personality and, quite often, not only do they not get along, but there is also infighting.

Culture starts at the top. If you can demonstrate how your solution can help a chief officer enable culture change, you can get their attention. Two of our largest pieces of business came from chief operating officers who wanted culture change. One was a product company that wanted to become more consultative, and one was a consulting company that wanted to become more competitive while staying on the high ethical plane.

FINANCIAL BENEFITS

Financial benefits include return on investment, cost reductions, revenue gains, productivity, cash flow, reduced inventories, and earnings per share. There are methodologies that focus exclusively on financial value propositions. These don't always result in

buying action because financial pain doesn't always translate into political pain or action.

Pain doesn't come from the business problem; pain comes from the political embarrassment of the problem. The client will only change when their personal pain of not changing exceeds the pain of changing.

Pain doesn't come from the business problem; pain comes from the political embarrassment of the business problem. Many things are not measured separately in accounting systems. They don't measure customer satisfaction or lost sales opportunities, many types of product quality or inefficiency or lost productivity, and employee morale. And they don't measure employee turnover in terms of writing off assets walking out the door. *If the pain or lost opportunity is not visible, then it's not embarrassing and it will not drive business buying activity to a close.*

If we are to create urgency to generate or close business, we must creatively take the invisible costs and make them visible and politically painful. We must put a price tag on procrastination.

The client will only change when the cost of not changing exceeds the cost of changing. There must be a source of urgency, and political costs trump economic costs.

POLITICAL BENEFITS

While financial justifications are important as proof statements, risk reduction, and pain creators, quite often they ignore the impact of selling to emotional, political, cultural, and strategic benefits. We have found that where the issues are emotional or political issues of the top executives, cost justification can often go out the window.

Although significant cost reduction can be strategic, political, strategic, and emotional issues usually override cost justifications. Do we think that the merger activity between telephone companies, cellular companies, cable companies, and entertainment companies is being calculated to the fourth decimal place of return on investment out to the year 2050?

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If bulk steel is a dollar a pound, when it's made into automobile parts it's five dollars a pound, when it's made into surgical scalpels it's a thousand dollars a pound. It is based on perceived value.

Strategic solutions yield better prices than operational or commodity solutions; emotional and political problems drive buying activity more than logical ones.

Only after gaining a greater understanding of the client's problems and process can we decide whether they are a qualified prospect - the next step in the R.A.D.A.R.[®] process.

SUMMARY: LINK SOLUTIONS TO PAIN (OR GAIN)

- Gaining confession of the client's need is the heart of consultative selling.
- Get the client talking by using questions that begin with “who, what, why, where and when.”
- Understanding client needs is not the same as understanding client requirements.
- Don't assume that a committee made up of multiple buyers really speaks with one voice.
- Personal agenda items must be uncovered.
- The simple “so what” test is critical to linking your benefits to the client's needs.
- Identify operational, cultural, financial, political, and strategic pain.
- Sell strategic benefits to strategic buyers, tactical benefits to technical buyers.
- Strategic benefits trump technical and tactical benefits.
- The deeper you cut to the strategic business problem, the higher you will rise on the value chain, along with your pricing.

This eBook, based on excerpts from Rick Page's acclaimed best-selling book, *Hope Is Not A Strategy: The 6 Keys to Winning the Complex Sale*, provides you with valuable insights on how to sell smarter than ever before and win the sales you can't afford to lose. Rick is the founder and CEO of The Complex Sale, Inc. in Atlanta, Georgia.

The Complex Sale, Inc. is a sales methodology and consulting company that helps you win the sales you can't afford to lose - from speeches and tools to training and coaching to total sales force transformation. We help leading companies create pipeline, win opportunities, and dominate accounts in the complex selling environment. Founded in 1994 by Rick Page, author of the sales best-seller *Hope Is Not A Strategy - The 6 Keys To Winning The Complex Sale* and *Make Winning A Habit - 20 Best Practices Of The World's Greatest Sale Forces*, The Complex Sale delivers programs taught by executives who know the environment firsthand. We provide the skills and processes you need to make winning a habit in your organization.

For more information on how The Complex Sale, Inc. can help you and your organization, contact us today at info@complexsale.com or call us at 770-360-9299.

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