

Strategies for Hard Times II

Successful Selling in a Turbulent Economy

Crisis and Opportunity

In times of trouble and crisis, many sales organizations stumble. They mandate that sellers work harder, when what they really need to do is work smarter. While occupying themselves with flurried activity for the sake of “working harder”, their established accounts and customers become vulnerable to competitors who adopt strategies better suited to the needs of the times.

As an ancient Chinese proverb says, “Crisis and opportunity are the same thing.” The turbulence of today's economy does indeed represent a genuine crisis-but it also offers a genuine opportunity.

The ideal strategy for dealing with hard times is to sell better than the competition. To maintain and increase market share, even as the market shrinks or stagnates, your sales organization will need an overwhelming competitive advantage in one critical area ... selling skills. The best approach is to begin by getting back to basics. Focus on the three selling fundamentals that will help you outsell the competition in both good times and bad:

- Prospecting
- Face-to-Face Selling Skills
- Practice, practice, practice-with feedback (coaching)

If you focus on these three basics, you will win more deals at better margins.

Prospecting

Ask any salesperson what part of selling they most dislike and they will almost universally answer with one word: prospecting. No matter how capably trained as consultative, customer-focused sellers, no matter how expertly they have mastered their products and services, no matter how experienced or how naive they may be, nearly every salesperson hates prospecting.

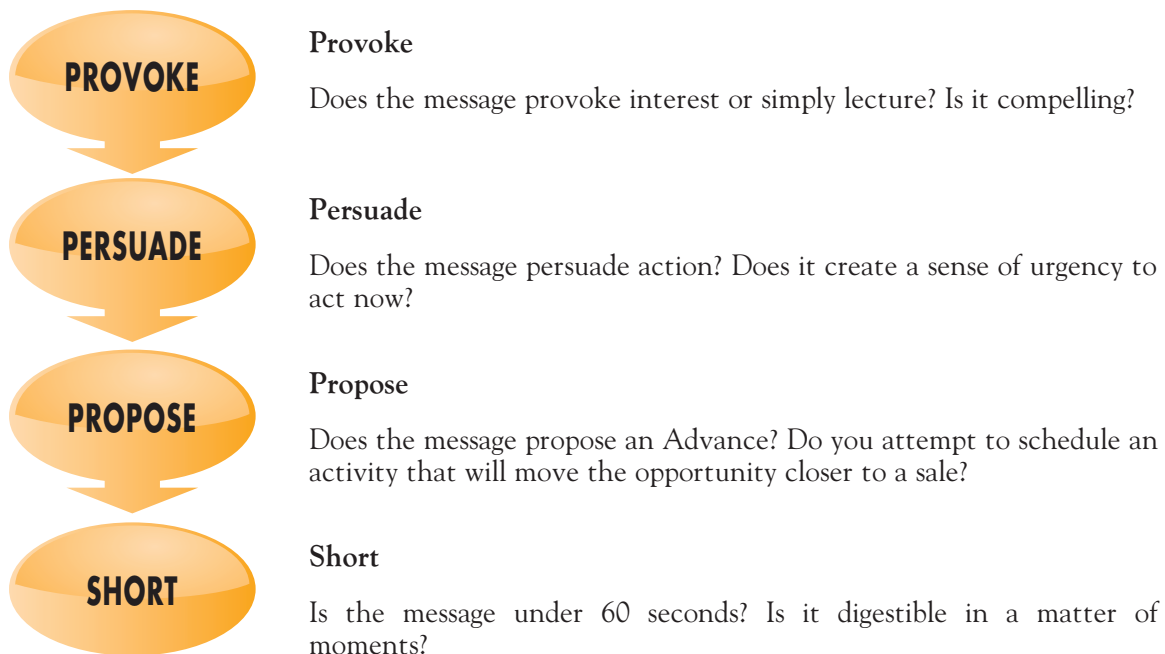
This distaste reflects (or perhaps causes) one of the most troubling problems in business: despite spending time, effort and money encouraging and demanding that salespeople maintain a pipeline of “suspects-to-prospects,” these efforts produce low returns and poor morale, particularly in a difficult economy.

Prospecting is never easy, and given current economic conditions, it will not be getting any easier. Many salespeople will see the recession as a reason to stop prospecting: “With the economy so bad, what's the point?”

And yet not many businesses can survive by waiting for customers to call. Prospecting is therefore an imperative. You might as well do it right. Effective prospecting is not that different from effective selling. Specifically, good prospecting requires a customer-centric, consultative approach. When done right, these efforts can be highly productive and invigorating to a salesperson, credentialing to the selling organization and establishing a powerful link between marketing and sales. Further, a sales professional can acquire effective prospecting skills relatively quickly and easily. Improvements in prospecting often lead to immediate returns on investment, perhaps more so than progress in any other part of the sales effort.

Effective prospecting involves understanding the issues, problems or needs of potential clients and generating their interest in exploring how your capabilities address those business concerns; it involves finding a target-rich prospecting audience, then crafting a compelling message that propels the value creation process.

One way to create very compelling messages is the PPPS model. By practicing the following messaging model, you will give yourself an edge over the competition:



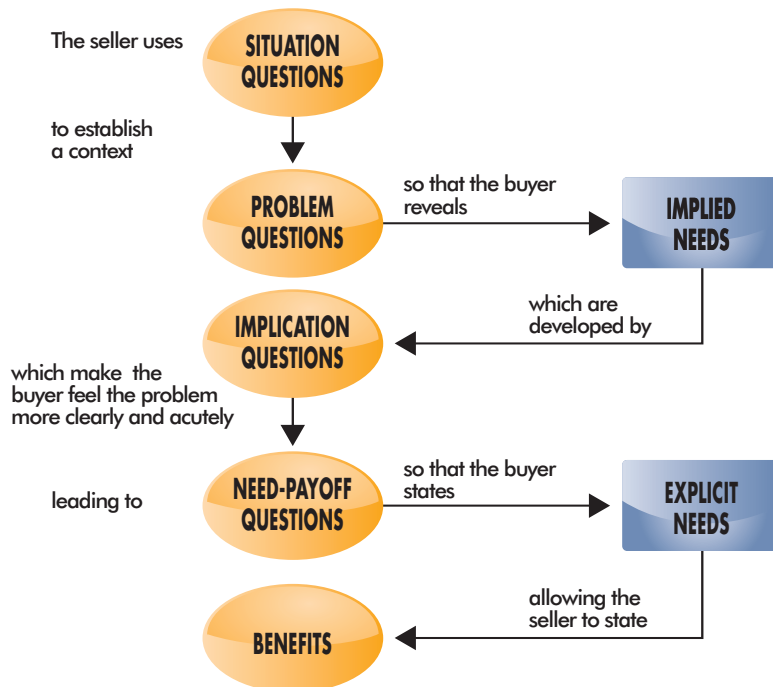
Face-to-Face Selling Skills

The next selling fundamental is also vital to beating the competition in tough times: focus on mastering face-to-face selling skills. Focus on the skills and behaviors that lead to sales success. Huthwaite's groundbreaking research into effective selling produced perhaps the most famous sales skills model ever created: SPIN®.

Let's briefly review the SPIN Model and make a few observations about its use. Most importantly, please don't see SPIN as a rigid formula. It's not. Selling by a fixed formula is a sure recipe for failure in larger sales. Instead, see the model as a broad description of how successful salespeople probe. Treat it as a guideline, not a formula.

In summary, Huthwaite's research on questioning skills shows that successful salespeople use the following general model:

1. Initially, they ask **Situation Questions** to establish background facts. But they don't ask too many, because situation questions can bore or irritate the buyer.
2. Next, they move quickly to **Problem Questions** to explore problems, difficulties, and dissatisfactions. By asking problem questions, they uncover the customer's implied needs.
3. Upon identification of Implied Needs, the seller asks **Implication Questions** to help the customer understand the severity of the need in a new or different way. They make the implied needs larger and more urgent.
4. Then, once the buyer agrees that the problem is serious enough to justify action, successful salespeople ask **Need-payoff Questions** to encourage the buyer to focus on solutions and to describe the benefits that the solution would bring.



The more you are able to master these basic questioning skills, the more you will win business against tough competition, especially in hard times.

Practice, practice, practice—with feedback (coaching)

And now the heart of getting back to basics: Practice, practice, practice-with feedback. The most important word in that sentence is feedback. It's no good practicing something if you're doing it wrong. You'll just get very good at doing the wrong thing. You need feedback to keep you on the right track. You need coaching.

We humans are notoriously bad at self-analysis. Many top performers haven't a clue what it is they do that is so successful. In fact, Huthwaite's research actually reveals that there is very little relation between what top salespeople say is effective and what they do in the field. We need another with a critical eye to see our strengths and help us build on them; to recognize our weaknesses and help us compensate for or control them. Gallup research shows a significant link between great salespeople and their managers. Wherever they found a great salesperson, a great manager was not far behind. Indeed, the Gallup research shows that salespeople with the right managers can improve their performance up to 20 percent.

So get your manager-or even a peer-to observe you in the field, and to give you feedback. When you are confident that you are practicing the right behaviors, keep practicing.

Conclusion

Huthwaite's research shows that many sales organizations push their teams to work harder in troubled economic times. Of course it's never a bad thing to work harder; but the great thing is to work smarter. In today's economy, working hard is not a differentiator; everyone is working hard. Effort is a given. Skill must be attained. Figure out the basics and practice them relentlessly. Focus on the fundamentals.

The ingredients of success are not new, and they are not difficult to understand. The difficulty lies in performance. Organizations that foster and encourage a skills improvement approach to sales performance will be using an existing resource-their sales force-to create a powerful competitive differentiator.

Even in the worst of times, some companies prosper.

About Huthwaite

Huthwaite is the world's leading sales performance improvement organization. Founded on scientifically validated behavioral research, our methodologies which include the internationally renowned SPIN® Selling, guarantee sales success. Huthwaite assesses your organization's needs and develops customized sales performance improvement and coaching programs that drive real business results.

Huthwaite...Creators of SPIN® Selling.

For more information about SPIN® Selling and other Huthwaite products, call 703-467-3800 or visit www.Huthwaite.com.