

*Consultative Selling:
Applying the Science to
the Art by Understanding
the New Dynamics
of Customer Buying*

*White
Paper*



INTRODUCTION

To the non-sales professional, sales people are typically viewed as unique, cut from a different cloth from most people. Often described, as “outgoing”, “extroverted” and “people oriented” - successful sales people generally have one trait in common: conversational intuitiveness. This key skill is that “unique” ability to quickly demonstrate honesty, trust worthiness and credibility (or lack of it) in an quick and seamless manner.

Conversational intuitiveness allows the sales person to ask those powerful open-ended questions in such a manner as to help the customer self-discover, or articulate his or her highest needs. When a customer’s needs are understood, validated and clearly articulated, that prospective buyer becomes interested in listening to the sales professionals’s solution. Debate on whether to label these skills as an art form or a teachable science really depends on your personal perspective. Regardless of your opinion, creating a team of sales professionals who can consistently identify needs and package your organizations’s products and / or services in a “solutions” based manner is at the heart of the game in today’s highly competitive business environment. Unfortunately, it’s not as simple as hiring intuitive people and teaching them to sell. It also requires taking an introspective look at the sales team and aligning our strategies and tactics to that of our buyers.

THE NEW DYNAMICS OF SELLING

In any sales organization there will be a wide range of skills sets, experiences and communication styles. This sales diversity is often a root cause in fluctuating sales results, especially in times of change. Conventional wisdom says that the “seasoned” more experienced sales force will be better suited to challenging economic times. More important the tenure of the sales team, is the mind set of the sales force. If the sales team thinks their individual and collective “value” to the organization is to:

- ✓ provide the customer with “more information” to make an informed purchase
- ✓ “work” for the customer to insure the best deal or price possible
- ✓ “persuade” the customer through his / her emotional appeal

the organization and the management team are fighting an uphill battle from the start.

To best understand how to match customers with the right offering, one must first realize that today's buyers have:

- ✓ more products / services and vendor choices today than ever before
- ✓ a more demanding expectation and attitude regarding the product / service or vendor
- ✓ less patience for service gaps and therefore have become less loyal to a product / service or vendor
- ✓ and has access to more information and channels of information than every before

For sales organizations that have an effective marketing department, this key point can not be emphasized enough. A good marketing department skilled in effective lead generation can actually cause the sales team to fall prey to organization dysfunctional performance. The common optimistic mentality of:

“... it's okay I lost this customer, there's more out there, I'll just get the next one”

is a major stumbling block to the overall growth and development of the sales function.

CHANGE IN THE DECISION MAKING PROCESS

The fundamental issue, especially in the digital age, is this - today's customers' decision making processes have changed! In fact, it's changed so substantially that most organizations and their sales approach has not kept up.

With a multitude of choices available, combined with the ease of research now available using the Internet, customers are more knowledgeable and tend to scrutinize each purchase in a different light. A typical customer is no longer just receiving marketing materials, asking a friend or tow and then impulsively talking to your sales department hoping that they will help them make a decision. Customers today are barraged with multiple marketing offerings that typically address their basic needs or intent. To truly discover their “highest needs”, customer's are now “going deep” in determining not only their immediate buying criteria but also future needs. Some of these n have never even been thought about until the prospect read the review from a professional critic or independent buyer!

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Depending on the product or service being evaluated, this journey could now include delving into detailed technical information, on-line forums or third party consumer reports. With access to such a wide variety of information, **the sales person who mistakenly thinks his/her value proposition is providing the customer with even “more information”** doesn't stand a chance against these educated buyers. The real value comes when the sales team realizes our prospective customer's have more than enough “information” and their role is to assemble all the pieces of the customer's puzzle into a coherent solution.

In addition to the sales force needing a solid understanding of the customer's buying process, a working knowledge of the customer's discernment cycle is also mission critical. For most prospective buyers, the discernment cycle involves:

- familiarizing themselves with information (or mis-information) prior to engaging with the company.
- asking pointed or “loaded” questions of the sales team to test their honesty, trust and credibility before making the final decision to engage in a customer conversation
- making quick decisions and judgements as whether to continue investing time and effort or to cut their losses.

Educated customers can potentially impact the sales process by increasing or decreasing the length of the sale based on their judgements of the representative they interact with. In a call center environment, actual talk time metrics expand but are often disguised by the off-setting effective of customer's who quickly identify that core needs are not being met and thus hang up quicker.

DIFFERENTIATION

Customers desire an interaction with a representative who is not only knowledgeable but one who can succinctly demonstrate both product and company differentiation. The best, most effective manner in which to do this comes from asking more direct, intelligent questions. Questions that are both timely and topical.

If the sales force is not familiar with the dynamics of today's more sophisticated customer, it's easy to send both an unrealistic and possibly unfair view of the company, and it's products and services to our customers. If done individually, this is not catastrophic for the organization, however, if done collectively through poor training and ineffective sales leadership, this can be damaging to the organizations reputation over the course of time. Especially if a customer's perspective or opinion is shared through a large public medium or social networking mechanism.

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To further complicate the challenge, today’s sales force is constantly engaging with jaded and skeptical customers, who are not looking to form an opinion of the organization but rather validate an opinion, perspective or gut feel regarding the company. Marketing is investing heavily to generate leads and the operations team has a myriad of tools to measure results of generated leads. However the sales force typically has less sophistication in its measuring tools and is often left to be scrutinized and measured against unrealistic and un-calibrated numbers. As the pressure to generate revenue grows, sales management will often deviate from the time-tested and field proven processes that appear either cumbersome or don’t deliver immediate results.

Deviation from proven sales methodologies and best practices may in the short-term bolster some results but can prove fatal to the organization if prolonged. With all the combination of pressures facing a sales team, it’s not uncommon to see sales representatives always looking to cut corners, re-invent product features and mislead prospective customers with bravado and hyperbole. Left unchecked, the sales atmosphere can become toxic and lead to high levels of turnover, poor morale and burned out employees.

APPLYING THE SCIENCE TO THE ART

What if you could leverage your existing sales process but align it to the new dynamics of the customer buying process? What if you could apply some science to the art of customer interactions?

In management’s quest to stay relevant in this ever volatile marketplace, a sales process must be used not only to increase revenues, convert inquiries into high margin customers, but to provide product and company differentiation. Another words, organizations must learn both the art and science of the consultative sales process. Strengthening customer relationships and enhancing customer satisfaction is no longer a luxury, it’s mission critical. This evolution of the sales process must combine the art of building trust, with the science of the consultative sales process.

OVERCOMING HURDLES, BUILD TRUST

Establishing trust with a prospective customer is key. As outlined, it's becoming increasingly difficult as today's prospects are both skeptical and loaded with information. One approach to establishing trust and making a lasting, positive impression is to first understand what you are really selling. Unfortunately, most sales representatives think they are just selling their product or service and miss the key to building trust. What they don't truly grasp is how their proposed "solution" will **positively and personally impact the prospective buyer.**

Knowing the potential benefits of your product or service is important, however knowing these benefits in light of your customer's situation is where the advantage begins. Before you can assemble all the pieces of the customer's puzzle into a beautiful picture, it's important to first gather all the pieces. When we know all the buyer's needs we can then start to overcome the prospect's skepticism and often negative pre-conceived ideas that they bring into the conversation.

Most sales organizations focus too quickly on prescribing a solution before the sales representative first demonstrates a willingness to understand the customer's true purpose of the call. By slightly slowing down and focusing on communications that first demonstrate honesty, trust and credibility, the sales representative can begin to "earn the right" to ask the tough questions that are required to truly determine the customer's highest needs. The customer's needs represent the individual parts of the puzzle.

Conversely, ignoring listening to your prospect's "story" not only starts the relationship off on the wrong note, it quickly erodes trust and validates many of the customer's potentially negative pre-conceived notions about the representative and / or organization.

By focusing on both the "what" and more importantly the "why" of what your prospect is saying, or trying to say, you'll have one component of building credibility with your prospect while ensuring a higher level of trust. Without all the puzzle parts, the probability of successfully completing the picture goes down!

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OVERCOMING HURDLES, KNOW BUYER TYPES

Another way to overcome customer hurdles and demonstrate honesty, trust and credibility is to listen to your prospect not only to hear what they're saying but to learn what type of prospective buyer type you're dealing with. There are five (5) primary buyer types:

1. People looking for a deal.
2. Those who want to validate their own knowledge base.
3. Those individuals who want to either solve or prevent a problem .
4. Those who need more information in order to justify a competitive leaning / decision.
5. Those who really are not in a position to buy now but need more information to justify or validate information for another buyer.

Infusing your sales force with the knowledge, tools and language to quickly identify customer types through statement based recognition (SBR) techniques will not only accelerate the process of demonstrating honesty, trust and credibility, it will help your sales team assemble all of the customer's puzzle pieces together more accurately.

WHAT IF?

What if your company could leverage the talents of your organization and create positive customer experiences that differentiated you from your competitors? What if every interaction would end in a pleasant, memorable experience that positively impacted every prospect?

To do this requires strategic planning, effective training and on-going discipline. Most organizations attempt to enable sales teams by providing an overwhelming array of product facts, company information and competitive analysis. Unfortunately this approach often leads to turning a sales representative into a carnival barker, the guy with the headset and a well rehearsed staccato based pitch preying on the emotions of anyone willing to listen. Unlike the carnival attendee, business spend millions of dollars getting potential target customers in the queue. Image the prospect's disappointment, when the sales person spews various bits of product knowledge hoping to hit upon some type of emotional response.

“ ...As the prospective buyer becomes confused, his / her natural tendency is to retreat and avoid making any rash or emotional decisions. Not only does the organization lose the sale, the marketing dollars that were spent bringing the customer to the “door” now becomes the verbal, negative fodder that abounds in chat rooms and word-of-mouth discussions.”

This common approach often leaves this “targeted” customer with more questions, doubts and / or confusion. As the prospective buyer becomes confused, his / her natural tendency is to retreat and avoid making any rash or emotional decisions. Not only does the organization lose the sale, the marketing dollars that were spent bringing the customer to the “door” now becomes the verbal, negative fodder that abounds in chat rooms and word-of-mouth discussions. In the digital age, when a customer takes the time to speak to a sales representative, via the phone or in person, listening is the art that needs to be applied to the science.

As mentioned, understanding the customer buying process is a common breakdown in most organizations. Sales strategies built from the first customer interaction with your company are not enough anymore. Recognizing the discernment cycle and actual customer buying process prior to ever sending out marketing material are keys for increasing sales effectiveness. Understanding how your customers think, recognizing the buying process and understanding how your sales organization can impact those processes are the differentiators between success and failure.

THE CONSULTATIVE SALES PROCESS

With customer’s already knowing a wealth of information about your company prior to ever interacting with you, making a great first impression is no longer a “nice thing to do” but rather a imperative necessity. Part of being able to make a stellar impression involves planning the interaction, before it occurs. As with attaining most goals successfully, a solid plan involves anticipating key questions and definitively answering them prior to the interaction. While there can be some success with the improvisation, sustained results are better attained by following and working a well orchestrated plan. Part of your plan anticipates customer based questions, but what intelligent / difference-making questions does your company have in place for the prospective customer?

Asking effective questions is a great way to help an prospective customer form a favorable first impression. In addition, asking intelligent questions helps in leading the conversation in a productive manner. Being able to ask effective question and listening to the responses helps not only identify what type of buyer you’re working with, it also let’s you uncover the prospect’s “highest needs”. Remember, without identifying and understanding these needs, the customer’s puzzle will never be complete. As you leverage your targeted questions to your buyers, you begin a process of reducing the frequency and intensity of future objections your prospect will have.

MEASURABLE RESULTS

Another piece of sage advice says; “if you’re not improving, you’re losing.” - Closing the loop with your customers is necessary not only to know where to improve, but to provide feedback in terms of how well you’ve done. Typical business measurements often include statistics on measurements on:

- ✓ reducing customer churn statistic or improving customer retention rates
- ✓ increasing subscriber / user / customer base
- ✓ improving or maintaining gross profits, margins and overall revenues

while important, these metrics only measure specific parts of the process. By utilizing a holistic process like the consultative sales process, management has the ability to evaluate the entire sales approach. The ability to measure and improve the entire customer experience provides both marketplace differentiation and sustainable competitive advantage. Using tangible measurements, a common language and a proven process, provides a mechanism and a means that automatically feeds continuous, incremental improvement.

CONCLUSION

Despite challenging economic times and changes in customer expectations, sales occur everyday through a variety of interactions and processes. However, as the digital age buyer continues to evolve, proactive organizations are realizing the need to improve their sales processes to better align with their more sophisticated buyers. Organization intuitiveness, like personal conversational intuitiveness, is the ability to quickly align the sales force to the customer’s buying process in a seamless, integrated manner. The consultative sales process is the foundation for not only increasing new sales, it’s the methodology for establishing those long term, win/win relationships that differentiate your organization from the pack regardless of what’s happening in the economy.

While some sales pundits consider improving sales an art form only for the gifted, others know that a simple “adjustment” of applying the science of the consultative sales process will grow the business towards unlimited heights.

White Paper

ABOUT RESULTS UNLIMITED, INC.

Within the training and development industry, there are a spectrum of choices and approaches. Many training companies rely on the “standard” solution approach. The “one-size-fits-all” mentality. Unwilling to invest in understanding the client’s culture and uniqueness, these organizations rely on generic applications and hope the client gets something in return. On the other side of the training spectrum, custom training companies often takes months and millions to design applications.

Results Unlimited, Inc., headquartered in Denver, Colorado, is an internationally recognized leader in the design, development and delivery of turnkey training solutions. Results Unlimited has 20 years of proven experience, processes and curriculum that is delivered to your specific needs, industry and culture. Specializing in consultative and strategic sales training, customer retention applications and sales management development.

The organization is committed to driving measurable, sustainable results. As a partner, the organization has a solid track record of providing both competitive advantage and market place differentiation to clients. Companies who need to enhance profits, gain market share and create long term employee development have counted on Results Unlimited since 1990.