

**WHAT'S
WORKING
IN**

Sales Management™

The leading single source on what top sales executives are doing, in a fast-read format, twice a month

July 29, 2005

ROUTING

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Following through with prospects

Why 60% of prospects don't buy – and how to get 'em

■ Close more sales when prospects resist change

Consider this: 60% of business isn't lost to a competitor, but to the *status quo*.

What happens? Even if your salespeople do a great job of identifying a prospect's pain and offer viable solutions, prospects simply decide they can tolerate the pain.

But if you use that first problem the prospect reveals to dig deeper, you can turn some of that 60% into sales.

So before making a proposal, find out these four things. Ask:

- what problems they have (*all of them*)

QUALIFY PROSPECTS

But will they buy?

- Qualify top prospects by:
- digging beyond the first pain that's discovered
 - assessing other problems seen as a priority, and
 - answering *all* questions before making proposals.

- the consequences of those problems if they aren't solved
- what their tolerance for living with those problems is, and
- what actions they're willing to take – or not take.

Time to bail?

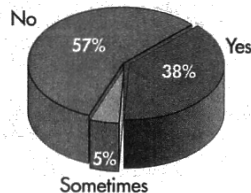
Sound familiar? A pain is uncovered, and your solution is perfect. Yet the prospect has a high threshold for pain

(Please see *Get 'em ...* on p. 2)

Dig deeper

One problem alone is often not enough to motivate the prospect to buy.

DO YOU USE NONCOMPETE AGREEMENTS FOR SALESPEOPLE?



© PBP 2005 (Survey of 478 sales managers)

Sales 'free agents'

Good news for sales managers looking to expand their staff! With only one-third of salespeople locked into a noncompete, there's a good chance the sales candidate you like best won't arrive on your staff with strings attached.

Get 'em ...

(Continued from p. 1)

and resists making a change.

Time to bail? Many salespeople do.

But often, it just means the prospect has another pain somewhere else that salespeople aren't seeing.

To find out if a prospect is wrestling with a problem that's more pressing, try asking this:

"Based on other initiatives in your organization, how does this problem

How does this problem stack up as a priority?

stack up as a priority that you'd want to spend your time and energy on?"

The answer should give you a clear idea if your main competition is an altogether different problem.

Get bumped up the list

Even if there's another situation higher on a prospect's priority list, it isn't necessarily a lost cause.

The problem you can solve may actually have a bigger – or more immediate – impact that they haven't seen yet.

To bump yourself up that list:

1. determine what the other problem is and its business impact

2. ask more questions about the problem you *can* solve to further commit in their minds that it's the more pressing problem, and
3. show the benefits and minimum disruption they'll experience by making your change.

Once a prospect articulates the problem and a solution's value, he or she may realize it can be solved first or at the same time as another problem ... even if it isn't their biggest headache.

When a buyer continues to resist, this process leads them to "no" more quickly, so salespeople can spend time with more qualified prospects.

Determine buying potential

The instinct to pounce on a pain will always be there. Creating a list of details needed before proposals and demos are presented helps salespeople avoid jumping the gun.

Answer all questions that determine a prospect's buying potential.

Examples: What's their pain? What's it costing them? Are they in a position to make a move? Do they have the authority to buy?

Once salespeople see that the end result is a boost in sales, they'll stay on track.

Source: Rick Farrell is president of Selling Dynamics, LLC, a national sales development company that specializes in the evaluation of salespeople, screening of candidates, sales training and sales management, based in Arlington Heights, IL, 847-439-8808, www.sellingdynamics.com

■ Why majority of sales execs lack confidence in sales staff

About 53% of all sales managers lack confidence in the selling skills of their salespeople.

Why? Most say they need to dig deeper when hiring new salespeople, says a new survey of sales executives.

The top reasons salespeople fail – lack of selling skills and motivation – can be assessed during hiring.

One solution: Add a sales simulation to the interview. It can help assess a candidate's ability to communicate and sell, plus his or her motivation.

Info: "Sales Leader Survey," Development Dimensions International, www.ddiworld.com

■ Oil socks small business, but sales can still prevail

High energy costs are taking their toll on small businesses.

The biggest problem: They aren't able to pass along their higher costs as easily as bigger businesses. They end up taking a hit in profit margins.

It can make some prospects wary about making an investment.

But uncover just how big of a hit the prospect is taking, and a salesperson can compare it to the money he or she will save or earn by buying now.

Info: "Oil: Small Biz Takes a Big Hit," 4/28/05, www.businessweek.com



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The Purpose of *What's Working in Sales Management*

What's Working in Sales Management is the fast-read source of actionable information to help sales executives and their staffs grow sales and increase profitability of their companies.

Twice monthly, *What's Working in Sales Management* delivers real-world examples of how other sales executives are meeting the pressures of today's businesses.

In addition, it reviews the best ideas from top sales authorities. Instead of theories, we provide information you can use – every day.