

Who to Who Sales Toolkit

Essential Elements



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Essential Elements

You need to understand these essentials before you can develop your sales plan.

Essential #1 - Understand What You Do; Be Good At It

Fully understand your products and services, how they work, how they work together, and the solutions customers realize through their use. If you do not understand the full scope of your offerings, you will lose more deals than you will win. If you cannot describe your product in terms the customer understands and needs, you will lose more than you win.

Examples:

Carol was a sales rep in the telecommunications industry. She had developed a good relationship with a prospective new customer, and the process was at the demonstration stage. Carol did not do well when demonstrating the product. She was unable to show the features the customer was most interested in because she had not practiced. Carol lost the deal.

Bill sold advertising for a local business newspaper. Bill's company also offered events for customers and an online platform of local and regional business news. Bill was working with a bank on their advertising program. The bank expressed interest in more personalized marketing; getting closer to customers in a more interactive, 1:1 manner. Bill failed to understand how his events products could blend with his advertising products to provide the bank a more integrated and personalized marketing campaign. Bill

did not win the advertising sale, and also lost the untapped opportunity for an event sale.

6 words you never want to hear -

“I didn’t know you could do that.”

In each instance the sale was lost because the salesperson did not understand a basic fundamental - fully understand what you offer and what it provides for the customer. Carol did not understand how her product worked. She’s like a race car driver who just gets in the car and drives, without understanding the mechanics of the engine and the machine. The driver cannot provide informed feedback to the crew as to how the car is performing.

Bill focused on the sale of advertising instead of focusing on the customer’s desire to get closer to their customers. Bill had a solution. He just didn’t understand the solution; he didn’t connect the dots.

Customers can have a great relationship with you, but if you do not understand what you offer and the problems you solve, the relationship won’t save you. Be really good at what you do. Then when you add a strong relationship to that, competitors will not be able to effectively compete.

Products and services do not operate in a vacuum. They only have value when they are solving problems. That value translates to revenue when you fully understand not only product capabilities, but your customer’s problem as well. When your solution is a solid fit to the customer’s problem, you’re on the right track. But in order to fully understand the customer’s problem, you need a relationship that enables you to see it from the customer’s perspective.

Essential #2 - Be An Effective Communicator

We all communicate. We all have ideas we try to get across to others. We all have things we need to learn. We ask questions; we listen to responses. In traditional selling, an overriding objective of communication is to persuade. The goal is to bring someone around to your idea, and to get them to buy your product.

When an effective relationship is your goal, understanding supplants persuasion. The #1 objective for effective communication is to seek first to understand the other person's perspective; their point of view; their needs, goals and challenges.

Use the -

**How to Who
Communications
Toolkit.**

Reaching this level usually requires the communication skills and tools in How to Who's Communications Toolkit. Some people are natural super-communicators. But most of us benefit when we master the skills that develop understanding, authenticity, empathy, and trust.

Understanding the customer needs to be the key driver and motivator. Effective communication skills facilitate better understanding. Some skills will come more naturally than others; some may not work for you at all. Regardless, practice the ones that work until they become part of your normal personal style. You want to own these skills because authenticity is critical.

In a selling situation there is a natural feeling of stress, both for the customer and the salesperson. The customer is probably beginning from the natural defensive posture; "*I'm not buying what you're selling.*" The salesperson is stressed due to quotas and the desire to close a deal.

Example:

Jerry explains what his company is trying to accomplish, going into some detail about their goals and objectives. Frank responds: *“Jerry, thanks for sharing so much information. I appreciate it. Let me tell you about our latest software and what it can do.”*

Frank then proceeds through a presentation of the features and benefits of their software program. What Frank does not do is talk about the software from Jerry’s perspective. There is little if any integration of Jerry’s specific goals and objectives into the discussion; there is just a general discussion of how the software addresses broad goals and objectives.

In this situation Jerry is thinking, *“Frank didn’t hear a thing about what I said.”* Frank becomes stressed because he quickly picks up on Jerry’s defensiveness. He pushes onward with all the great things the software can do, thinking that the more benefits he describes, the more persuaded Jerry will be that this is the solution he needs. What Frank should do is incorporate some advanced communication skills and tools.

Let’s replay that conversation: Frank uses his communication skills:

Paraphrase: *“Jerry, thank you for sharing. What I heard you say was Did I get it right?”* This simple paraphrase lets Jerry know he was heard, and helps to avoid Jerry’s feeling discounted (not listened to).

Best Current Thinking: *“Jerry, in order to address your concerns, let me share some of my best current thinking on a solution that might work for you. From what I’ve learned from you, I’m thinking our*

software can address the first three objectives you mentioned. Can we take a few moments to go through it? I'd like to hear your thoughts and reactions."

Frank has set the stage for a collaboration in developing the solution. He's indicated that their software is a possible solution, and would like to get Jerry involved in developing the solution further.

There are several other skills and tools that would be as effective. Frank could employ savvy questions, credit-acknowledge, or even start, stop, continue. The key is that when we're feeling stressed, our natural inclination is to revert to our long standing persuasive sales communication style. When we possess advanced communication skills, we have more options for dealing with our stress.

Employ the enhanced communication skills and tools in the How to Who Communications Toolkit. Practice them, integrate them and be comfortable with them. If you do, they'll be there when you need them.

Essential #3 - Trust: Understand the Components

Trust is the feeling, reliance on, and confidence in someone or something. Trust is one of those elusive states that is both strong and fragile at the same time. Trust can engender action, even without supporting facts. Lack of trust engenders stasis. Trust, once held, then lost, engenders withdrawal. We know trust is earned and we've all experienced its sudden demise.

Trust is all about the customer's perception of risk.

We learn more about trust when we look at the elements of it:

Trust is a function of both expertise and quality communications, factored by another's perception of risk. It looks like this:

$$\text{Trust} = f \frac{\text{Expertise} + \text{Quality Communication} + \text{Time}}{\text{Perceived Risk}}$$

This tells us that not only do we need to know what we're talking about and have a solid solution/reputation (expertise); we also need to be able to communicate effectively. And we need to do both of these from the listener's point of view.

This is why trust is elusive – we aren't in control. Trust is a shared experience. The receiver needs to feel safe; the sender needs to be effective and clear.

There are many ways to build evidence of Expertise: shared contacts; shared connections and associations; shared interests, articles/books

we've written; case studies; stories about our work; testimonials, etc. Most of us are good at substantiating our Expertise.

Quality Communications are characterized by positive interaction, fully present listening, focus on the other person, and authenticity. When your communication skills are strong, trust comes more readily.

Risk is the key variable in the equation, and it is the variable most out of our control. What's critical here is to recognize that the Risk is in the perception of the person extending trust. As you know, the perceptions held by others are not always obvious to us.

The absence of Risk, e.g. feeling safe, manifests itself in low anxiety, which encourages action. Substantiating our expertise and using quality communication skills can help reduce risk and alleviate anxiety.

Effective communication skills help us understand how someone perceives a situation. Think about the sales example described earlier between Jerry and Frank. Without effective communication skills Frank established no basis for trust. He was trying persuade through solutions selling. *"Here's our product and why it is a good solution for you."*

When Frank uses advanced communication skills he demonstrates to Jerry that he first wants to understand. He's focused on understanding Jerry's current situation and the risks as Jerry perceives them. Frank's communication skills confirm his need to understand that risk. Jerry participates in building that solution, and has a sense of ownership of it. Jerry's less defensive.

When you demonstrate Expertise and Quality Communications, you create:

- A better, richer understanding of the customer's risk.
- An opportunity for exploring solutions.

- The potential to reduce the customer's risk.
- Increased trust and a stronger relationship.

The Time factor in Trust represents the length of the relationship. In longer relationships, because we know someone better, we are more forgiving of them.

Essential #4 - The Hierarchy of Business Relationships

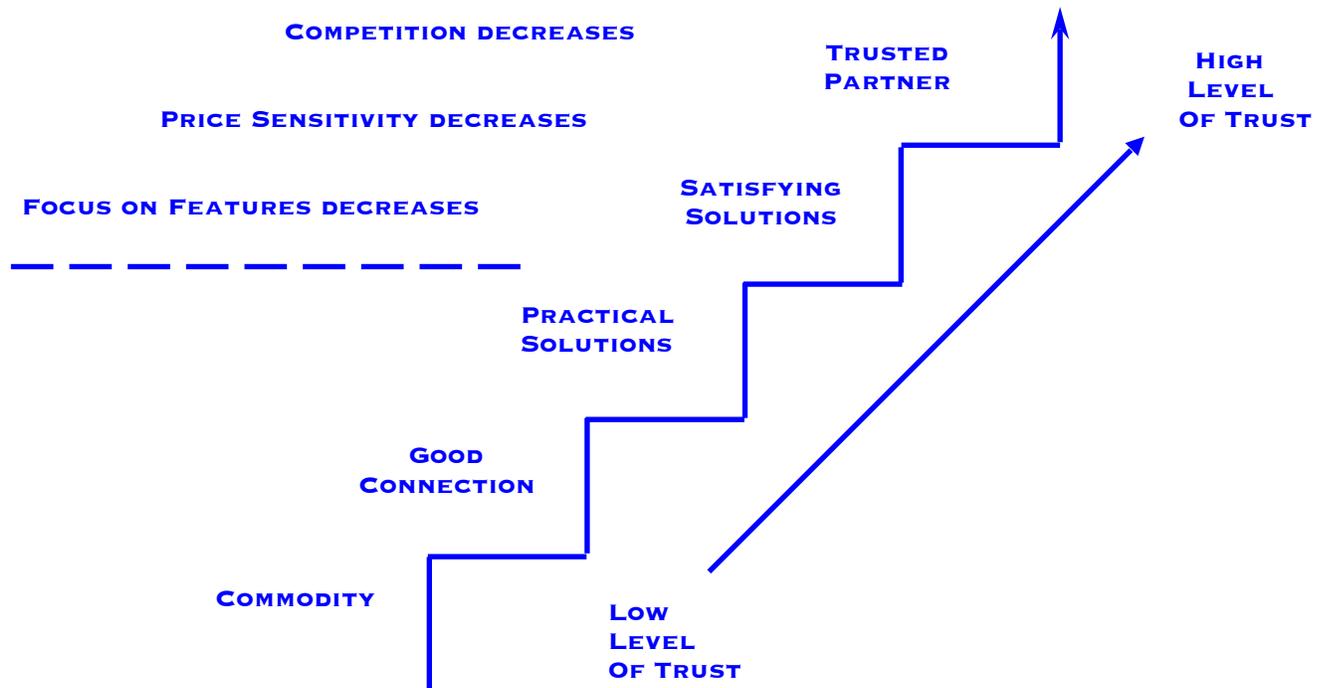
The Relationship Ladder illustrates how a business relationship evolves as the trust increases, and, as trust increases, opportunity for competitors decreases. Trust and competition are inversely related to each another. As you and your customer build trust, your customer is less and less receptive to your competitors. Competitors may be able to match your product, but they cannot match your relationship.

Your interactions need to be directed towards building a relationship, not a transaction. A transaction-focused approach is about a yes/no decision. It does not build a relationship, and certainly does not advance one.

On the Relationship Ladder:

1. The levels are a visual analogy of your position with a customer.
2. It is your customer, not you, who decides where you are in the climb.
3. The steps in the climb are not distinct shifts but rather, gradual changes.
4. You will not seek the Trusted Partner level in every relationship.

THE RELATIONSHIP LADDER



Level one: Commodity

The customer sees you as a supplier of products or services. The assignment of Commodity status is not a reflection of your product or service. It is a reflection of the customer's perception of you, not your product. (There are many sellers of commodity products who are not at the commodity level in terms of their relationship.)

In a commodity relationship the customer thinks you're the same, or relatively the same, as your competition; you are a commodity. The customer has not established in their mind a differentiated value for you nor have they

Commodity = Price

developed any particular level of trust with you. You are plain vanilla in the customer's eyes.

If you are at this level, your position is weak. You have no control over what happens, and without movement up the relationship ladder virtually no chance of growing a long-term relationship. Why? Because commodity buyers have a very simple rule – buy cheap. When you are indistinguishable from the competition, your customer buys on price.

Level two: Good Connection

You have established the beginnings of a good relationship with a customer. You have moved beyond merely interests, inquiring about the family, and then let's talk business. The customer feels some level of trust with you, but their natural anxiety probably outweighs the trust.

This is a critical juncture. Use your advanced communication skills and tools.

Get to know your customer as a person. Listen with full presence. Interact with awareness. Seek a collaborative tone; avoid discounts; work to align your intent and effect; paraphrase and check for understanding. Use questions to understand a customer's situation; state what's behind your questions. Tune in to learn the customer's risk factors and the source of their anxieties. Be generous, offering ideas and solutions that may help. The solution may or may not be your product or service; it might be a connection to a resource, or merely an appropriate article or book. Build a Good Connection.

Level three: Practical Solutions

Practical Solutions are product and service solutions -- practical answers to practical problems. Your customer sees you as good resource. You have delivered a solid solution as you said you would. Delivering on a promise is important because you dispel the all-too-common experience of vendors falling short. Moreover, when you deliver as promised your customer's less defensive; trust increases.

This is where custom solutions come into play. Provide the customer with a solution custom-tailored to their problem. The challenge is that most everyone else does this as well. Further, your customer may already have identified multiple solutions through their own research. It's thought that 65% of customers do online research before engaging with a sales person. More and more businesses today are differentiating on how they treat their customers, beyond what they sell to them. Industry leaders are known for their world-class service. A critical factor in world-class service is that the customer recognizes and credits you with delivering as promised. If customers have this experience with you, you move up the relationship ladder. Doing business with you provides value as promised, and delivers the assured return on investment.

Level four: Satisfying Solutions

Up to this level competitors are many and differentiation is tough. The customer has come to expect that your price is competitive, your solution fits needs, and your service is second to none. It's like jacks or better to open in a poker game. If you haven't got this stuff you can't compete.

The majority of salespeople do not reach Level Four.

However, the Satisfying Solution goes beyond the practical: It addresses your customer's emotional concerns. And you can only address these concerns if

you know what they are. Your relationship needs to be at the level where the customer is comfortable sharing their concerns with you, beyond sharing their business problems.

When you provide solutions that address concerns *and* business problems you know you are sharing a level of trust that is unique to your relationship. Achieving that level of trust depends on your communication skills and tools, and your understanding of the dynamics of a trusting relationship.

When you achieve the Satisfying Solutions level you are almost thinking as your customer would think. You demonstrate empathy. You demonstrate you value the relationship itself. You are no longer someone trying to sell something.

When you maintain most of your business relationships at this level, you will realize success. In some special situations, however, you may proceed to the next level.

Level five: Trusted Partner

At this level your recommendations expand beyond what you do and what you offer. Just as in Satisfying Solution, you thoughtfully consider issues the customer faces and offer help when you can, even if there is no immediate opportunity for you. The difference is at the Trusted Partner level your interactions are based upon your relationship, and less so on sales. You understand many of your customer's issues, both business and personal.

In this context the customer is a friend, not just a business associate. You are both enriched for knowing each other. Competitors cannot compete when they offer their practical or satisfying solutions.

Friendship evolves over time. Being a trusted partner is not attributable to any specific action or recommendation. This relationship is the culmination of all of your actions; you both share in the reward.

Relationships at this level require time and attention. We don't want to and probably can't take every relationship to this level; there is a practical limit to how many we can maintain at Trusted Partner. There's also a practical limit as to how many people will reciprocate friendship.

You will realize success when you work at the Satisfying Solutions level. We recommend that you carefully consider which relationships you want to cultivate to the Trusted Partner, knowing that once they are there, you will want to continue to nurture this friendship.

Essential #5 - What Mode of Selling Is Appropriate When

Some selling situations are straightforward – your solution is a perfect fit.

How you sell is a direct reflection of the type of relationship you have with the customer.

In other situations, you want to share a strong relationship such that you and your customer can work together to discover the optimum customer solution.

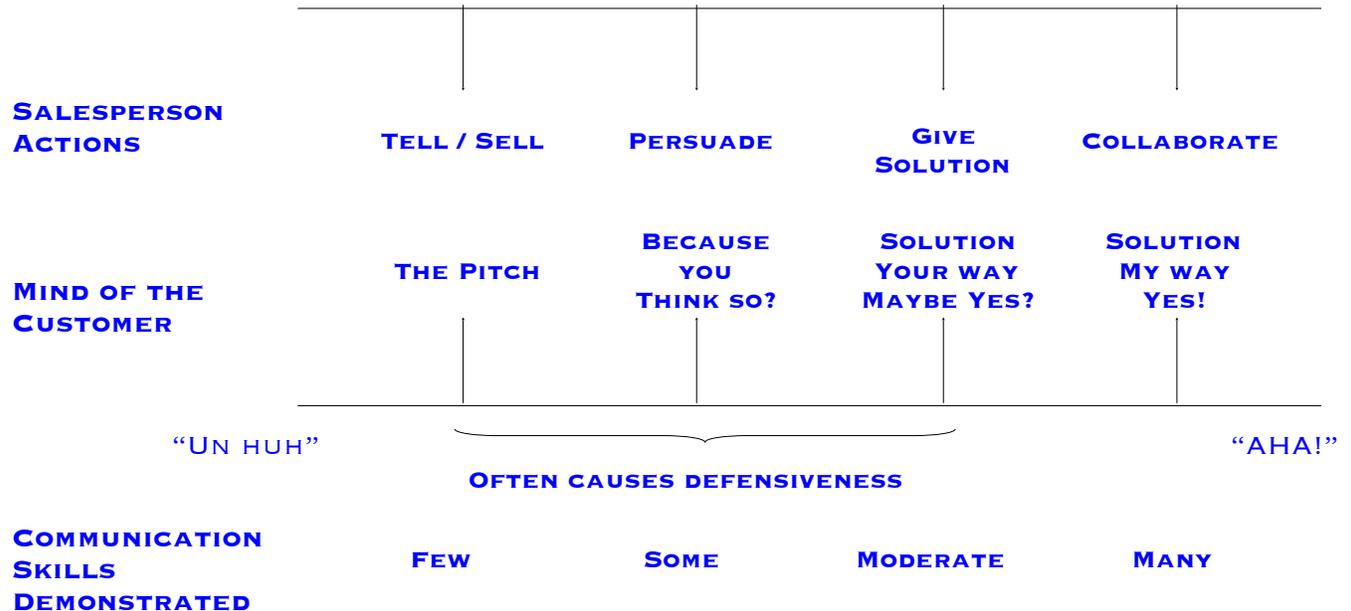
In these relationships there is trust and collaboration.

Collaboration supports the customer to make the solution his/her own. In simple terms, this is the difference between “AHA!” and “Un huh”.

To illustrate, take a look the diagram that follows. The top row is the type of selling that is occurring. The middle row is the mind of the customer in each of these modes. The bottom row reflects the degree of relationship skills demonstrated.

THE MODES OF SELLING

Tell/Sell



The Tell/Sell mode reflects on our uncertainty as much as anything else. We don't understand where we stand or know enough details, so we Tell and Sell, attempting to gain some control over the situation and outcome.

For those who unwittingly or knowingly operate this way, you know the customer's reaction is frequently contrarian or indifferent. We risk inherent discount because telling implies the other person doesn't know (isn't smart/well informed/up to date) and because it seldom leaves room for interacting with the customer.

Sometimes Telling is appropriate; it transfers information. Other times, we do it to show off our expertise – we can wax poetic without considering how much our listener (not listening for long) may already know. Look at the

middle row that illustrates the mindset of the listener. In Telling, the listener is getting “*the pitch*”. It’s very one-sided.

This is Selling in the traditional sense. We Tell and rattle off the features and benefits. This puts the listener on alert and feeling defensive as he listens to our pitch. For sure, he’ll find flaws and reasons to criticize even though he’s unlikely to share them with you. (Why should he? This kind of selling is a one-way relationship.) At the same time, the longer we talk, the less the customer hears – his mind is wandering everywhere (and you don’t know where).

Clearly, Tell/Sell requires few communication skills. Tell/Sell is most likely to generate a polite little, “*Un huh.*”

Persuade

Salespeople try to Persuade with convincing arguments, ROI calculations, and rationales that they hope resonate with the customer. They have to hope their rationales work because solutions may not satisfy needs. When we Persuade (“*ooh, pick me, pick me*”), the listener can get very closed and move into thinking this is the standard stuff that you offer everyone; one size fits many. She may start mentally nitpicking all the bits that don’t fit her needs. You are talking about your product, your rationales for buying; you are not operating in the buyer’s world of needs. Therefore, your material may not rationalize to anything the customer is dealing with. She may be thinking, “*I should buy because you think I should? I don’t think so.*”

Persuading invokes high defensiveness. The sales person is trying to impose their solution onto the buyer’s perspective. Typically, the less response a sales person gets from the buyer, the harder they push. Of course, this causes greater defensiveness (and possible revenge, like

ending the meeting). This is a tough way to sell, but it probably works pretty well when there's an immediate, obvious fit with the buyer's needs and there is little need for an ongoing relationship.

Persuade requires some degree of communication skills.

Offer Solution

What about when we offer our ideas for how the customer can buy and use our product/service? As you know this is Solutions selling, a very popular selling mode. You learn enough about the customer to show how your Solution fits his needs. It can be very effective. Sometime we go further, and custom-tailor the Solution to the customer's needs.

When you offer a Solution tailored to your customer's needs, it will be a

The majority of salespeople do not offer solutions; they offer products and services.

superior fit. But you still have the ownership issue to deal with. We most own that which we create ourselves. And ownership means commitment. Therefore, in this selling mode, there's little ownership for the customer because, as much as this fits, this is still *our* Solution. This makes it hugely more difficult for the buyer to implement into his organization. He may even ask you to sell it internally in his organization.

Importantly, because it is our Solution, even tailored as it is, the customer feels no ownership, no commitment. The buyer can agree to the ROI calculations all along, but when it comes time to say "I do" the delays can be unexpected and frequent. As salespeople experienced in this mode will tell you, it's a slippery slope.

Offer Solution requires a moderate degree of communication skills.

Collaborate

Collaborate is the mode of working together to figure out the best solution. Here, our customer is much more open and has little need to defend because our interactions are characterized by give and take, fully present listening, and skilled use of questions and how-to language.

The customer trusts the salesperson enough to work side by side with them as opposed to just talking with them. Working together toward a common goal reflects a relationship that separates a salesperson from the majority of the competition.

A focus on relationships builds trust, enabling a climate of interaction where you and the customer together discover a solution that is best for them. The customer buys the solution. You do not sell the solution in the traditional sense.

A common practice when Collaborating is to offer ideas that move the process along to a conclusion. A word of caution here: Ideas are valuable in Collaboration, but there is a fine line between offering ideas in order to control the outcome (get to the solution you had in mind all along) and offering ideas purely to Collaborate (get to the optimum solution for the customer). Here are guidelines for Collaborating with your customer:

- Use the Response Wizard from the Quick Results Program. This tool will help to parse through possible solutions. This approach will identify (and keep) the bits that work and provide means to adjust the bits that don't.
- When you contribute ideas, offer something that builds/modifies

something already in discussion. *“Let me build on what you just said.”*

- Try to always give ideas in multiples. *“Here are some options to consider.”*
- When you are close to the solution, use Best Current Thinking to test it out and bring it to life.

Bottom Line: The more we help the customer develop solutions; the more he will own them.

Collaborate requires a high degree of communication skills. Collaborating together generates a delighted, “Aha!” (and maybe a high five as well).