



Book

Mastering the Complex Sale

How to Compete and Win When The Stakes are High!

Jeff Thull

Wiley, 2003

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Very complex sales don't require a flashy personality or a big presentation — a tough, customer-focused method will do.

Recommendation

This excellent guide explains a methodology that can help anyone in sales. This sales approach depends essentially on seeing the sale through the customer's eyes, and involving the customer in designing a solution to his or her own problems. This approach goes against some standard practices in sales, but those standard practices antagonize customers and build distrust. Author Jeff Thull offers helpful reminders on the value of researching individual customers, picking the right entry point to an organization and other best practices. However, he sometimes seems over-enthusiastic and over-optimistic about his system's infallibility. After all, in some organizations, sales people who tried to follow this methodology would be criticized for failing to meet more conventional targets, such as number of calls per week. This detailed method for conquering many-level, multi-step sales is time and research-intensive, but highly effective. *getAbstract.com* applauds his emphasis on the value of asking and listening instead of speaking. Highly recommended.

In this summary, you will learn

- how to develop strategies for high-stakes, complicated sales

Take-Aways

- Selling is more challenging in this era of commoditization and complexity.
- Selling means managing decisions, change, expectations and relationships.
- Don't focus on transactions - focus on relationships.
- Sell with a system - an organized set of steps.
- Profile the ideal customer, and match real customers with the profile.
- Asking questions is more powerful than telling stories.
- Put yourself in the customer's shoes - would you do what you are proposing?
- Sales systems trump sales personalities.
- Analyze and measure performance.
- Learn from mistakes and be flexible when circumstances change.

Summary

Selling: The Eras

Within the past 50 to 60 years, selling has passed through three eras:

“Presentations that are too early in complex decisions are largely a waste of time.”

- The script era - During the 1950s, the salesperson worked on techniques to manipulate the customer into doing what the salesperson wanted done. Sales training focused on making the case, parrying the objections and going for the close. Except in telemarketing and used cars sales, this approach to selling is virtually extinct.
- The problem solver era - In the 1970s, sales training materials began to emphasize listening, building confidence and developing a relationship. Instead of a manipulative persuader, the salesperson became a problem solver. This approach to selling survived and laid the foundation of much of contemporary selling strategy. But it was only a beginning. Because many sales people now practice it, it isn't a differentiating approach in itself. Moreover, its emphasis on asking questions and listening for answers implicitly assumes that customers really know what they need. That isn't always true. Many problems are so complex that customers don't understand them.
- The consultant era - In this era, our contemporary era, the salesperson brings the customer business ideas and solutions that the customer would never have thought of without help. The sales representative solves problems both for the customer and for his or her own firm. The sales person has to think in terms of cost-benefit for the employer and for the customer.

“Customers attempt to make the complex understandable by weighing those elements that vendors' offerings have in common and eliminating those elements that do not fit neatly onto an over simplified comparison chart.”

Change with the Changing World

The world is changing. Business is getting more competitive. Products and services are losing their uniqueness and becoming commodities. Margins are shrinking. Companies attempt to compete by offering more complex customized or targeted products, thus increasing the complexity of the product market. The good news is that excellent salespeople have career security, since it takes excellent people to understand and explain complex new products and services. The bad news is twofold: 1) complexity confuses customers; and 2) even complex products and services suffer from commoditization.

Complex sales have several common characteristics. First, the customer is generally a business (B2B) or a government entity (B2G). The sales have multiplicity, that is, they involve many people, perspectives and geographies. They also require a major investment from the seller and a long sales cycle. For example, sales work began almost a decade before Lockheed Martin's \$200 billion defense contract was awarded in October, 2001. Selling involved the U.S. and the U.K air forces and other NATO allies. This sale's eventual top line might approach \$1 trillion. Perhaps such defense projects are immune from commoditization - perhaps. But elsewhere, commoditization and complexity continue to pressure business.

“You gain more credibility from the questions you ask than the stories you tell.”

Technology and communications advances put even complex products under commodity price pressure. Not long ago, a computer was a complex B2B or B2G product. Manufacturers had big, expert sales forces. But as computers became ubiquitous, they became commodities. Now, the computer sales model is Dell's - customers buy online, configuring their own systems and shopping for price.

Meanwhile, the business environment drives complexity. Flat, decentralized organizations make it harder to identify a prime decision-maker. Financial issues are often as important (and as complex) as technical issues. Globalization puts more countries and cultures in the mix. Customers are tightening supply chains

“Spectacular success is always preceded by un-spectacular preparation.”

“The complex sale requires salespeople who are experts in the problems customers face and their solutions.”

“Never put anything in the proposal that the customer has not already agreed to and confirmed.”

and demanding closer relationships, but don't seem to be willing to pay a premium price for relationships. Suppliers compete by innovating, but their innovations may go far beyond what customers actually need. The world is getting more complex and more competitive. Yet, many sales organizations remain mired in old ruts. In their hearts, many salespeople are nostalgic for the old "script era" of half a century ago. They want to find a prospect, make a pitch and close a sale. But that's not how life works any more. Using the old process to deal with today's complex sales runs you right into three traps:

- The trap of assumption - Conventional approaches assume that the salesperson can learn the customer's objectives, priorities, needs, criteria and so on, just by asking. This assumes further that the customer has a good, sound decision-making process. That may be far from true. Customers may not be able to analyze, evaluate and compare features and benefits on complex products and services they purchase infrequently. Some customers may, but many may not.
- The trap of presentation - Sales organizations focus on presenting. But presentations generally aren't very effective. They amount to one-sided lectures that put scant focus on the customer and usually look very much like each other.
- The trap of arguing with the customer - When customers raise objections, salespeople naturally try to counter them. Countering objections was a fundamental component of Script Era selling. But countering objections on a complex sale is a slippery slope that leads to an adversarial struggle with the customer. The frustration of complexity, misunderstanding and, inevitably, miscommunication sets up a dangerous dynamic.

Methodical Selling

The best sales people, the top performers, don't do things the same old, stale, ineffective way. Top performers have a sales methodology that consists of system, skill and discipline:

- System means an organized approach with steps and procedures.
- Skill is a combination of ability, knowledge, tools and techniques.
- Discipline is a mental and emotional attitude.

Of the three, discipline is the single most important component. The discipline is threefold:

1. Recognize you are asking customers to change - Every solution to every problem requires some change. Change requires a personal or organizational decision to do things differently. A sale isn't just a matter of looking at the features and benefits. It's about change, and change is hard and risky. To sell a customer on change, you have to help guide the customer through a series of psychological and emotional steps called "the progression to change." This progression is a spectrum ranging from very satisfied with the current situation to a state of crisis, when change is inevitable.
2. Focus on developing the customer's business - Invest time in learning all you can about your customer's finances, issues, challenges and opportunities. Then make an offer that builds the customer's business. If you don't have something that helps a customer, don't waste time trying to sell to that customer. Go where you're needed.
3. Build trust - Be a combination of doctor, best friend and detective. Doctors prescribe therapies based on the needs of the patient, and act as professionals, not as sellers of services. Be a professional. Best friends put your interests first. Detectives (TV's Columbo, for example) look closely and ask questions.

“Salespeople tend to forget that there are always conflicting objectives coexisting within organizations.”

After discipline, skill is critical. The top salesperson’s skill set also is threefold:

1. People - Sales success depends on getting to the right people, and bringing those people together. Customers may not have an effective decision-making process, and it’s the salesperson’s job to help them assemble one. Like a theatrical producer, an effective salesperson puts together a cast of characters. Include people from the customer organization who can help clarify the problem and specify the solution.
2. Questions - Effective questions are diagnostic. They reveal the customer’s frame of reference, concerns, evidence of problems, alternatives and assumptions.
3. Sequence - Complex sales require a series of decisions, not just one. Effective salespeople lead customers along the path of least resistance through the decision series. When customers object, it means that a step has been skipped. The process, called "the bridge to change," establishes your customer’s goals, responsibilities, criteria for success, specific concerns and the outcome if those worries materialize. You then offer an authentic expectation that your product will solve the customer’s problems.

“The individuals in the business who are adversely affected by a business problem or inefficiency are much more receptive to discussing it, and the impact, than the individuals who may be the cause of the problem.”

Finally, the system, called the "Prime Process," or "Diagnostic Business Development," puts discipline and skill to work:

1. Homework - Identify customers who are most likely to change. Not every prospect is a potential customer. Select the high-probability customers based on your research. Develop a strategy based on that customer’s unique needs and circumstances.
2. Detection - Lead customers through a self-examination to detect and diagnose their needs. Research shows that this is the most important part of the sale because customers make decisions while diagnosing their problems. Go at the customer’s pace. Don’t rush, don’t ask obviously leading or merely rhetorical questions.
3. Architecture - The salesperson and the customer cooperate to find the best solution to the problems identified during the detection phase. The best solution gives the customer the lowest risk and highest return possible.
4. Delivery - Since the customer helped design the solution, the delivery phase’s purpose is to increase the customer’s trust and appreciation of the salesperson.

Identifying and Engaging the Customer

The best sales people carefully budget their time and effort, focusing sales resources where the probability of return is highest. The following steps are critical:

“People change when they feel dissatisfied, fearful, and/or pressured by their current problems. Similarly, customers are more likely to buy in those circumstances.”

- Understand what you bring to the table - Know your value proposition. Your value proposition, what you offer, is fundamental to identifying the best prospects. Profile your ideal customer; develop a plan to call on "prime" customers that fit the profile.
- Research the prospect - Use web resources. Heed the customer’s financial, quality and competitive goals. Read the fiscal reports and the CEO’s letter. Learn the culture.
- Be atypical - Nobody trusts a salesman, so don’t look like a salesman. Don’t put your foot in the door until you get a "yes." Try to find reasons to disqualify the customer instead. Remember, you don’t want to waste your time. Find the best spot at which to enter a customer’s organization. The best spot is the person who is experiencing the problem. Learn as much about this person as you can - career background, responsibilities and concerns.

“The hard reality of the marketplace dictates that you are either part of your system or somebody else’s.”

- Give the customer information - Don't focus your first telephone call on getting an appointment. Instead, give the customer information you know the customer needs.
- Set the foundation for the detection phase - Agree to bring value by helping the customer get a better understanding of the problem that, together, you can work to solve. Effective salespeople get the customer's cooperation in identifying, analyzing, quantifying and seeking a solution to the problem.

Conclusion

At every phase of the sale, "go for the no." Let the customer know that you will walk away if the value you are bringing doesn't meet the customer's needs. Remember an order is not a relationship. Be consistent and trustworthy. After all, selling isn't a creative art. Results come consistently when the methodology is right.

About the Author

Jeff Thull is President, CEO and founder of Prime Resource Group, a consulting firm whose clients include 3M, Microsoft, Siemens, IBM, Citicorp, Georgia-Pacific and Centerpulse.

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