Denver Business Journal - May 1, 2006 http://denver.bizjournals.com/denver/stories/2006/05/01/smallb6.html



Don't believe all the old sayings about doing your job

Denver Business Journal - by Garry Duncan

Traditional wisdom isn't what it used to be.

Here are five common sales beliefs that can hamper your sales:

• Traditional wisdom says always call as high as you can in any organization.

The rationale is, why waste weeks or months trying to reach the decision-maker if you can start there from the beginning?

Neil Rackham, author of "Rethinking the Sales Force," reports that many successful people don't always start at the top -- and there are good reasons why.

Rackham says that asking the CEO about situations and problem areas can reduce one's credibility. The CEO sees his/her time as too valuable to educate us on their industry and company challenges. They expect us to come in knowing about their business and ready to offer solutions when we meet with them.

Calling high in the organization is easier if the sales rep has an existing relationship with the CEO or other decision-makers. However, these reps fail more often than they succeed. While they can get the initial appointment at the top, they have no idea what the internal problems are or how to fix them. They aren't well-prepared, so these visits turn into social calls -- not sales opportunities.

Consider doing research first at different levels like this wise seller, who after setting the appointment with the company president, asked for a referral down to gather some basic information to be better prepared. He not only gained respect and credibility, he obtained information the competitors missed and closed the sale.

Finding the source of existing problems in the organization may be the easiest and fastest way to propel you into the top office.

Traditional wisdom says objections are buying signals. Statistics say otherwise.

In reality, top sellers generally get fewer objections because they do a better job establishing and clarifying needs. The customer develops objections by hearing too much about irrelevant

features and benefits too soon, and begins to think, "I don't need this. Why should I pay for this? There must be other offerings more specific to my needs."

When sales reps do talk, they should talk only about benefits directly related to individual customer problems and needs.

One sales rep I know received the same objection on three consecutive calls and didn't close one prospect. By changing his approach and giving less information initially, the objection went away on subsequent calls, and he was able to set three follow-up appointments.

Handling objections may be part of selling, but getting fewer objections is indicative of a skilled professional.

• Traditional wisdom says asking an open-ended question is better than asking a closed-end one.

Repeated observations and studies don't support this thinking. Research shows that 60 percent of the time, respondents reply to closed-end questions with open-ended answers, and there's no documentation linking open-ended questions with more sales.

This erroneous axiom may have its roots in Xerox's Professional Selling Skills program from the 1970s, which popularized the concept of asking probing, open-ended questions. The truth is, you need to ask multiple types of questions to be successful.

Sometimes a "yes" or "no" answer is desirable, especially at decision time. We have all experienced a talkative and distracted prospect that can answer questions only with long, wandering answers. Asking this prospect "What do you think?" generates an "I think I need to mull this over, talk this over, revisit other options" response.

Direct and closed-end questions are a valuable tool at the right time, in the right context and with the right prospect.

■ Traditional wisdom says it's all about the numbers. To sell more, you must make more calls. No doubt, many funnels are too thin, but more calls aren't always the answer.

One large organization increased its national sales force's gross profit margin by 64 percent per rep. Interestingly, the number of proposals decreased from an average of 3.5 to only 1.2 per rep per week.

How can this be? The reps actually were doing a better job of qualifying, developing need and giving proposals only to those who earned them. This resulted in improved productivity, so revenue and profits went up. Quality won over quantity. Frequency is important, but qualifying is crucial.

Traditional wisdom says it's all about the relationship.

Relationships are important, but they're not always enough in our competitive and cluttered market. As management comes under more scrutiny from the public microscope, pressure is

increasing to justify value and return on investment.

Every day, we see examples of failed business alliances because they needed more than a relationship. The wise seller knows to reinforce the relationship with value and solutions, and to keep problems from arising. Remember, when existing suppliers fail to look for new solutions, competitors get the sale because they found something you missed.

Begin each day by questioning your own traditional wisdom myths, and see if you can improve your skills and overall success.

Garry Duncan is principal of Denver-based Leadership Connections, a sales training company. Reach him at 303-462-1277 or garry@leadershipconnections.com.

All contents of this site @ American City Business Journals Inc. All rights reserved.