Denver Business Journal - January 14, 2008 http://denver.bizjournals.com/denver/stories/2008/01/14/smallb5.html



Be clear when explaining your consulting services

Denver Business Journal - by Garry Duncan

If you sell consulting services, you may be part of the majority that agrees selling intangibles (or services) can be more difficult than selling tangible items.

There are three major challenges in selling services.

First, it's difficult for the buyer to know or visualize exactly what they're buying. Second, it's usually difficult to clarify the buyer's need. And third, selling and providing services requires completely different skill sets.

Let's examine each of these challenges in detail.

(1) When selling intangibles, you have to communicate the invisible.

Involve and resolve is a good tool to use when helping others visualize an outcome. Ask the prospect about their vision of a solution and help them paint their own picture of success.

Use stories of past successes to augment and clarify the picture they're painting. If possible, let them hold and review written reports and outcomes you provided for others.

Analogies are an excellent way to convey what you can do, especially in complex situations. Don't forget: Prospects consider buying consulting projects riskier than tangible products. It's hard for them to equate cost and value with something they can't see.

(2) Many business leaders know they have a problem but can't define it. Or if they do define it, they may not do it correctly or clearly.

Buyers frequently describe issues in vague and complex ways. Without a clear understanding of the problem, the chance of success is minimal.

Asking presumptive questions is a great way to engage buyers and tactfully share expertise. For example, asking "What happened when you tried [possible solution]?" It shows your knowledge and demonstrates your thinking outside the box.

Think in terms of problem questions, implication questions, and result or vision questions. Decision makers expect you to know about their industry and company before they meet with you. So do your homework; after all, we're in the information age.

If necessary, meet with others in the organization to understand the company's business, what they do, how they do it and who they do it with. Review industry trends and have some idea of the company's market position and common industry challenges.

(3) As a seller and provider of the service, you require different skill sets.

You need to be a seller (a relationship and people-oriented person), and you need to provide services (detailed and task-oriented).

Buyers buy more than just expertise. They buy you, your skills, your character, and their perceptions about your credibility and reliability. Because the results of a consulting project or service are impossible to see beforehand, a buyer will have to make a decision based on trust.

It's easy for consultants and service providers to acquire an unbalanced emphasis on content, knowledge, expertise and process, and underestimate the relationship piece. Consulting projects are notoriously hard to define in true outcomes or measurable results, so absolute trust, credibility, reliability and customer intimacy are critical.

Take extra care to build trust and the relationship, and don't confuse having trust with the need to be liked. Start by learning the different communication styles. There are several good models available, such as the DISC or NLP ones.

DISC teaches how to communicate with the dominant, expressive, amiable and analytical buyer. NLP teaches how the buyer likes to receive and process information with their senses. For example, some people prefer getting information visually, others would rather hear it and some process information through their feelings.

A word of caution: Every consultant has heard someone say, "We are a little unique here because ... " It may be tempting to nod your head knowingly and to cut them off with a "I deal with this all the time" type of response. Don't do it. Listen anyway, even though you know.

It's important that the customer be heard, and they feel you understand completely. One of the most common fears buyers have in hiring a consultant is that the consultant won't understand their business.

A wise mentor once said there's a difference between showing your knowledge and using your knowledge. He meant it's better to ask smart questions than tell someone what you know. This is especially true in the consultative sales process.

The risk-benefit ratio is difficult to define. Help them by assessing the risk of doing nothing and the risk of fixing the problem. In short, help them sort through a best-case and worst-case scenario. Like any large-dollar sale, it's best if they come to their own conclusions about the consequences and impacts of their situation.

Remember that helping them reach a decision about best-case worst case is important because their data is the most credible. Avoid misunderstandings by being clear about expected outcomes and the results you'll provide. Build your proposal around outcomes and not tasks, and bill according to value to the customer, not on a cost-plus basis.

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

All contents of this site ${\Bbb C}$ American City Business Journals Inc. All rights reserved.