



LET'S TALK SELLING

Selling in an Environment of Uncertainty...and Fear

Dear Friends:

So it's official. We are in a recession, and we've been here since December of 2007 according to The National Bureau of Economic Research. It's finally being expressed by everybody.

Most of us knew this or at least were aware of the possibility for quite some time. Whether we saw the numbers or not, we would have to be on another planet not to realize that things have slowed down.

But there are still lots of opportunities out there. People are buying. They're just not buying as much. So we need to do what we can to make sure that we get our share, if not more, of the potential business in the marketplace.

One thing to think about is how worried, even scared people are. With that in mind, this newsletter investigates how to sell in an environment of uncertainty and fear. It's not a fun topic, and the expression isn't very comfortable to hear (or say) but unfortunately it is relevant at this moment in time.

From all of us at The Baron Group, we wish you a wonderful Holiday Season and a happy, healthy, and productive 2009.

Yes, there are lots of scared people out there. People are worried about their business, their people, their jobs, their future and their well-being. Sales professionals must be sensitive to this and, with that in mind, be particularly careful in the way they deal with their buyers, customers and clients.

For decades, we have encouraged salespeople to look at the different types of needs people have:

- Organizational Needs
- Job Related Needs
- Personal Needs

As indicated in Insert #1, (page 3) organizational needs focus primarily on Return on Investment. Job needs focus on the individual's ability to do his or her job more professionally. Personal needs focus on the individual.

Personal needs have always carried enormous weight in buying decisions. But today they carry even more. Job security is critical and many people are terribly worried every day they enter the office about keeping their jobs. The professional salesperson must take this into account throughout the sales process.

It's all about Risk. Risk is often the culprit. Buying decisions are always impacted by the risk factor; the higher the risk, the harder it is to make the decision to go with a particular vendor.

That is why the old adage: "nobody ever got fired for hiring IBM" is a reborn mantra. Historically, it was never risky to hire IBM. Big Blue was dependable. If things didn't go well, the buyer would probably not take too much heat. It was a safe choice.

So every sales professional has to manage risk in this environment more than in the past. The lower the risk, the easier it will be to trust you (see Insert #2). In this "lean and mean" environment in which we find ourselves, we must directly confront what scares us and our customers—head on. With this in mind, here are some things to think about:

Be Visible—You have heard us say this in previous newsletters. Visibility is critical, and you have to be out there. If you can't get the appointment, make the phone call. If you don't connect, leave a voicemail. Follow up the voicemail with an email. But keep yourself and your company in the customer's mind. All the time. Remember, they don't think about you as much as you think about them.

Talk about the Risk—Any presentation, formal or informal, should include a discussion of the risk involved. The more a customer knows, the safer they will feel. Let them know what the downside risk is. Share with them what could happen. Let them know what you will do if problems occur.

(continued...)

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By all means, talk about exit strategies and share contingency plans. Not putting it all on the table is a miss.

Knowledge is power and you will empower your customers when you let them know what the risk is, and more importantly, what you will do about it if the worst happens.

Document Everything—We all have too much to do, and most of us are adverse to paperwork. Writing letters or sending emails is not our favorite activity. But we need to do it... over and over and over again.

Summarize discussions, even phone calls. Send updates. Create project plans with deliverables. Review commitments. Explain changes. Highlight areas of importance. Get the information on record.

When you keep people informed they will not only be appreciative, but will feel safer, respect and trust you more and present you with opportunities as they arise.

Be Willing to Start Small—This is not a time to be overly ambitious or as some people suggest, opportunistic or even greedy. Instead, it is a time to lower your sights... just a bit. When you propose new business or attempt to grow existing business, think in terms of starting small.

Ask the customer for a piece of the business; not all of it. This will reduce their risk while demonstrating the confidence you have in your product. It also positions you as someone who cares about the customer and is not self-serving. If the performance of the product is good, you will eventually increase your share—even in this challenging environment.

Involve the Client—A well known phrase that Synectics® Inc. developed is that “involvement is the prerequisite to commitment.” When people are involved in the process, they are more committed to the results.

With that in mind, we encourage you to consistently involve the customer throughout the entire sales process.

From the time you establish an agenda, determine who will be invited to the meeting, and ask questions to uncover needs, make sure the customer is an active participant.

Whether you develop implementation plans, arrange for pilot programs, set up demonstrations, install equipment or conduct training programs, involve the client.

Make them a key part of the process and be sure to include them in every phase. Never surprise them. Bottom line—let them know before anyone else how things are progressing—good or bad—so they are the first know what is happening.

Again, involvement leads to commitment. Involve your clients early and often in these difficult times and good things will happen.

Push Back—That’s right, push back when necessary. Nobody wants a “yes person.” They want resources who take positions. That doesn’t mean you come across as inflexible, recalcitrant or even combative. But it does mean that you stand up for what you believe in. It’s not a nice expression, but sometimes the role of the salesperson is to “protect the customer from him or herself.”

- **Be Visible**
- **Talk about the Risk**
- **Document Everything**
- **Be Willing to Start Small**
- **Involve the Client**
- **Push Back (when appropriate)**

These are a half dozen ways to deal with your customers in this environment. Of course, you have others in mind. Use them all. There is business to be had out there; you can be the person to win it. But to do that, you need to be sensitive to the customer’s business environment and act accordingly. It’s in your hands...

Three concepts to remember when selling in a lean and mean environment

1. The Customer's Needs Drive Everything

Our customers have different kinds of needs. We must always think about them, but even more at this time.

Organizational/Business

Clients who buy strictly as a function of how the product or service offered will positively impact the return on investment for their organization. ROI drives everything.

Job Related

Clients who make their decisions primarily based upon how they help them perform their jobs more effectively or how it will impact their job security. These play a more significant role today as so many people are worried about their jobs.

Personal

Clients who make their decisions for personal reasons (how it makes them feel about themselves.) As the business world becomes less predictable, and as companies find themselves challenged to reach their goals, more and more people make their decisions based on their personal needs.

2. Synectics® Inc. Trust Formula

You have heard us discuss this model before.

$$\text{TRUST} = \frac{\text{CREDIBILITY} \times \text{INTIMACY}}{\text{RISK}}$$

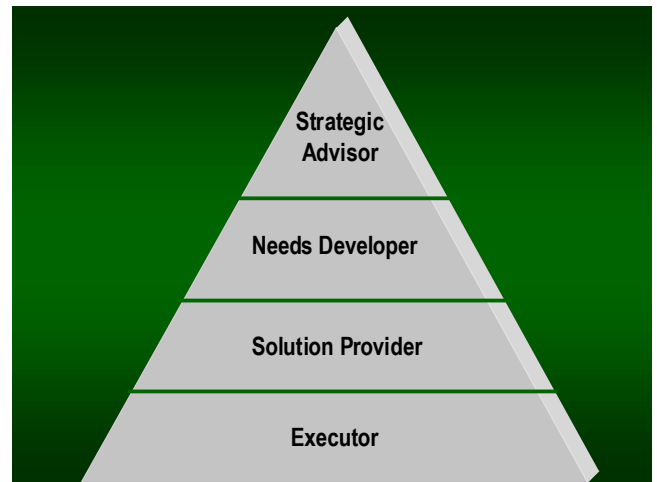
To allow you to participate in their decision-making, your credibility and the intimacy between you and them has to be substantial enough to mitigate their perceived risk in making the decision. Intimacy is comprised of behaviors like empathy, sensitivity and likeability.

The formula highlights how trust is dependent upon three variables—credibility, intimacy and risk.

To increase trust, sales professionals must consistently demonstrate that they know their stuff (credibility), they must illustrate how safe it is to work with them (intimacy) and that they will constantly do whatever they can to minimize the risk in doing business with them.

3. The Value Pyramid

Again, this is a model we have included in previous newsletters.



In this environment we must do whatever we can to get up that pyramid and add value. Simply executing what the customer asked (Level One) or providing solutions to their needs (Level Two) isn't good enough. We have to help our clients truly understand their needs, (Level Three)—even those they don't know they have—in order to become more of an advisor (Level Four).

To get to those higher levels we must take positions and push back when necessary. And we must do it in a way that demonstrates how it's all about the customer.

NEW

“Tip of the Month”

Visit our Website

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consultative selling
with creative
problem-solving
skills,
elevating your
relationships from
vendor to trusted
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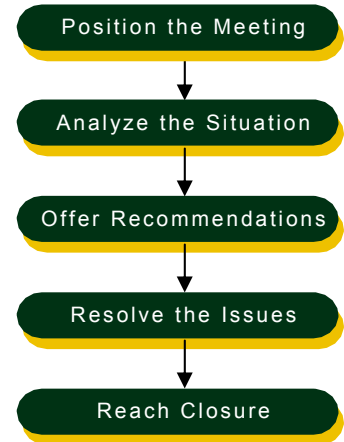
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Consultative Selling Skills

At the conclusion of this two-day course, participants will be able to:

- Understand the connections and similarities between problem-solving and selling in order to transform the sales call into a problem solving opportunity.
- Determine both the obvious and not so obvious needs of their customers.
- Use state-of-the-art skills to determine needs, including: questioning, listening, reframing, interpreting understanding non-verbals and paraphrasing.
- Provide recommendations with benefits linked to specific client needs.
- Present ideas in addition to products and services as answers to customer needs and add value.
- Resolve objections using a problem solving approach and mentality.
- Apply facilitation techniques in selling situations.
- Plan and follow-up their sales calls in a professional manner.



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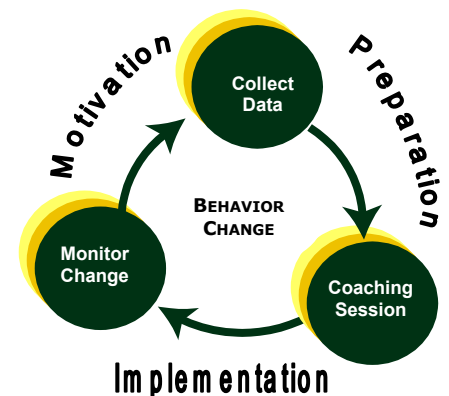
2009 Schedule

February 5-6 ♦ May 7-8 ♦ August 6-7 ♦ November 5-6

Coaching for Improved Sales Performance

At the conclusion of this two-day course, participants will be able to:

- Observe their salespeople in selling situations with an understanding of what to look for and how to capture key points.
- Give feedback in a balanced, helpful, and non-threatening way.
- Offer a salesperson ideas as to how to be more effective in the selling role.
- Manage the resistance salespeople demonstrate when a manager suggests changing or modifying their sales approach.
- Gain commitment by getting the salesperson to develop an action plan at the conclusion of the session.
- Apply the process in other situations to help people grow in their jobs.
- Deal effectively with coaching problems and issues.



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2009 Schedule

March 5-6 ♦ June 4-5 ♦ October 22-23 ♦ December 3-4