



THE GOOD PEANUT

“THE WAY WE BUY IS THE WAY WE SELL – IF WE PUSH ON PRICE WHEN BUYING, IS IT REALLY ANY SURPRISE THAT OUR PROSPECTS DO THE SAME?”

A report on professional selling by Julian Griffith

***“Success and procrastination are absolutely incompatible”
Og Mandino***

According to a 2009 survey conducted by the CEO Institute, the number one challenge for the rest of that year was *“maintaining sales”*.

Since then I have met with numerous business leaders and without question their biggest challenge now is *“maintaining margins”*. I wonder if the game plan set out then to keep the volume of sales up, may be at least in some part to blame for a few headaches now. The widespread frustration voiced is that their salespeople fail to defend value, instead caving in and offering discounts way too readily and yet all too often still walking away without the order.

***“You don’t win tournaments by playing well and thinking poorly.”
Lee Westwood***

A client was recently telling me that his clients always squeeze him on price and that to win their business he had no choice but to give in. I questioned him further as I know he is relentless in pushing his suppliers for their lowest price, playing one off against the other. Also when buying things for himself and his family he behaves the same way, going from store to store, website to website in search of the best deal. We discussed this and concluded that because of his buying behaviour he unwittingly expects his clients will do likewise – he’s going into sales meetings with the expectation of being asked for a discount.

We hope our salespeople have the outward selling skills and product knowledge they need, but if they’re *thinking poorly* they’ll forever be vulnerable.

Objective Management Group’s¹ CEO, Dave Kurlan identifies a *“Non Supportive Buy Cycle”* as the most powerful weakness our salespeople can have. He explains *“It is an extremely powerful weakness but very difficult to accept. While everyone will agree with the reporting of “how” they buy, it often takes some time before they understand and accept the impact that Buy Cycle has on the way they sell.”*

He goes on.... *“a non supportive buy cycle makes salespeople more vulnerable to stalls, put offs, lies, excuses, sob stories and other forms of “ I need to think it over”. The only solution to this problem is to change the way your salespeople make purchases.”*

¹ Objective Management Group – www.objectivemanagement.com

To pinpoint how widespread this issue is I selected data from four companies I have recently worked with, each operating in very different marketplaces. The test data comprised 68 sales managers and salespeople. Of this number 46 or 67.64% self evaluated as having a *non supportive buy cycle*.

Help! Two out of three of our salespeople need to think about it before they make a decision to buy something, merrily comparison shopping, gathering information and looking to get the best price. It's clear that until this weakness is identified and resolved they'll keep on giving our profits away.

Strong salespeople are impulse buyers. They see something they want and if they believe they can afford it, head straight in there and buy it. Sure they could get the same thing for a bit less if they shopped around but that's not the way they think, instead seeing the value of making the decision there and then.

How does this affect them when selling? Put simply, they go into a sales meeting assuming their prospect will buy. Because they don't quibble over a few dollars here or there, they don't expect their prospects to either.

I discussed this issue with my colleague Dr John Gora² and he pointed out that whilst the strong salesperson will believe the sale is going to happen or at least progress will be made toward that end, they *must not assume how the prospect will arrive at their decision to buy, the steps they need to go through*. When coaching salespeople around this weakness he advises there are usually issues of low self esteem playing a part and that getting the individual to focus on the qualifying process is an excellent way to neutralise the weakness.

So what steps can we take to firstly identify and then manage this weakness within ourselves and our sales teams?

- Look at the way you buy things, not the day to day stuff, instead more costly items. Are you hesitant? Do you seek out the best deal? Carry out extensive research? Go home and think about it? Squeeze suppliers for a lower price? If so you may well be vulnerable to giving a discount yourself and accepting put offs.
- Instead ask yourself "Why do I want this?", "What will it help me do?", "What problem will it solve?"
- Before setting out, establish your budget and stick to it and know where you want to buy from.
- Make a decision. If you're not ready to buy now don't go shopping, do something else. Don't go into a shop and have to answer "just browsing thanks".
- If you manage others in a sales team question how they buy things. Do some of your salespeople always drive a hard bargain? Are they the ones who struggle to maintain margins?
- When hiring new salespeople find out how they go about making decisions to buy. If they give a long winded tale of how they went from A to B, dealer to dealer etc be very wary, particularly if you're in need of a genuine new business generator.

"If it makes sense for us to do business, let's work together, have fun, and make some money. If not, let's find out quickly, shake hands, and part friends"
Mahan Khalsa

² Dr John Gora, Neural Networks Consulting - www.neuralnetworks.com.au

About

The

Author



Julian Griffith is the most sought after private advisor to CEOs specialising in sales force performance for three specific reasons. 1) He tells it like it is 2) He doesn't play politics and 3) He has an uncanny gift to uncover sales blockages that most CEOs don't always recognise on their own. Having held senior sales leadership positions both in the UK and Australia, Julian has seen the good, the bad and the ugly among sales leaders and why they innocently miss hidden performance blockages within their own sales teams.

Julian is the Managing Director and Founder of The Good Peanut. As a CEO Insider himself, he has witnessed firsthand the key ingredients needed to transform an underperforming sales team into a world-class sales organisation and he and his team work with CEOs intent on building high performance sales teams to drive growth for their companies.

In his book "The CEO Solution", Julian discusses the leverage that you need to optimise your sales organisation's ability to perform at a world-class level, he unmaskes the truth about what is really going on in your sales force and covers specifics such as how you can prevent your sales team from eroding margins in your business in order to "close the deal", together with the beliefs we hold and whether they support or hinder sales performance.

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