

Why Information Technology Sales Fail to Close

Picture this if you can. It's the middle of the month and you are sitting at your desk reviewing the preliminary monthly sales forecasts submitted to you by your sales representatives. You note that for about the eighth month in a row you see the same prospect you've seen lingering, month after month, again, forecast to close. This is the same prospect that you authorized the multiple "four legged" sales calls, prototyped the "must have, or we won't buy" reports, and for who you recently hosted a full day visit at your corporate headquarters. Your company has put a lot of time and expense into selling this account. You are under increasing pressure to close this sale. Having considered all of these things, you decide to place a telephone call to your sales representative to determine what else needs to be done in order to insure that this prospect closes this month, as forecast. Upon reaching your sales rep he informs you that he has just spoken with the prospect and they have decided to continue to do business as usual; they have simply elected to do nothing. He tells you they've asked him to give them a call in about three months. The opportunity has been lost to 'No Decision'.

Have you experienced this lately? If you have, you are not alone. One of the chief concerns that we are hearing from the other senior sales executives with whom we have worked, is their frustration with the large number of qualified sales opportunities that are lost to 'No Decision' after long and expensive sales cycles. Our research has shown that between 60% and 80% of all losses are due to 'No Decision.' That's more losses to 'No Decision' than to any single named competitor, making your #1 competitor...**No Decision, Inc.!!!**

Why do your prospects elect to do nothing, despite you and your sales representative's best efforts? We see primarily four major reasons.

#1. No Goal

Despite what some sales people might think, business executives don't authorize the spending of large sums of money just to be the proud owners of your stuff. In CustomerCentric Selling™ we use the term *pain* to describe the critical business or personal issue that has prompted the buyer to initiate the buy cycle and begin to search for search for a solution. They want to fix the problem; they have a Goal. We have a saying, "No goal, no prospect." At the very minimum, the prospect must be unhappy with some aspect of their business, and want to fix it, in order for them to initiate a 'buy cycle' with a sales person.

Sales people who fail to take the time to diagnose and understand their buyer's goal, and the critical business(s) that are preventing them from achieving it, either lose the sale to no decision or, get outsold by the sales representative who does.

#2. No Solution

Despite the best efforts of your salesperson, the technical staff, and you (the four legged sales calls, the "must have, or we won't buy" reports, corporate visit, etc.) the buyer still does not have a clear understanding of how they will achieve their Goal(s) by purchasing your product or service. Again, this is a result of the sales person more than likely leading with product feature and function, before first taking the time to diagnose and understand the prospect's pain, the goal that they want to attain, and then relating how the *capabilities* of your product or service could be used to eliminate the contributing reasons, so that a clear 'Solution' exists in the mind of your prospect.

#3. No Power

How many times have you or your salespeople spent months selling to someone (the self-appointed project leader, the analyst responding to your latest press release, etc.) who told you early in the sales cycle that the decision to buy your product was their decision, only to find out that they couldn't purchase ten sharp pencils without someone else's approval? While end-users and recommenders are fun to sell to, their needs and requirements may be all together different than the ultimate decision maker...*the person with the power and authority to buy*. If they don't have the authority, or power, to purchase your products and services, your not selling...your simply providing this person with a free (and expensive) education.

Senior executives are charged with identifying and solving problems. Gaining access to the decision maker(s) early in the sales cycle can help eliminate the risk of no decision, protect your expensive corporate resources, and dramatically shorten the sales cycle.

#4. No Value

We've already established that for a company to change how they are currently doing business there has to be a 'Goal'; remember, 'No Goal, not prospect'. That Goal has to be related back to dollars; reduced cost, avoided cost, increased revenue, etc. If you are asking a company to pay \$100k for your product, the value of the achieving the Goal(s) better be at least \$200K. It makes sense doesn't it? Would you spend \$100K to solve a \$50K problem?

I'm amazed at the number of sales people who don't understand the value of their products and services to their prospects and, more importantly, don't actively participate in helping their prospect "cost justify" their purchase. Just think of the tactical advantage a seller has going into negotiations when he knows exactly how much his prospect will save and when they will achieve a return on their investment!

Eliminate "No Decision, Inc."

In our *CustomerCentric Selling*TM workshops we give sales people, sales managers and entire sales and marketing organizations the sales skills and processes they need in order to reduce or eliminate "No Decisions." We teach attendees techniques for:

- gaining credibility with their prospects to cause them to admit specific Goals that can be addressed by their product and/or service;
- diagnosing their prospects Goals with a bias toward their product and/or service;
- helping their prospects "see themselves" using their product to achieve their Goals, maybe for the first time, thereby increasing the prospect's urgency to take action;
- identifying and gaining access to the decision maker(s) early in the buy cycle; and
- placing actual value on the capabilities that they helped their prospect visualize and how to calculate a return on investment.

Now let me ask you a question. Think about all the opportunities that have been lost to "No Decision". What would it be worth to you and your organization if your sales people could reduce their losses to 'No Decision' by twenty, fifty, or even seventy-five percent? Think about it. Isn't it time that you evaluate *CustomerCentric Selling*TM?