

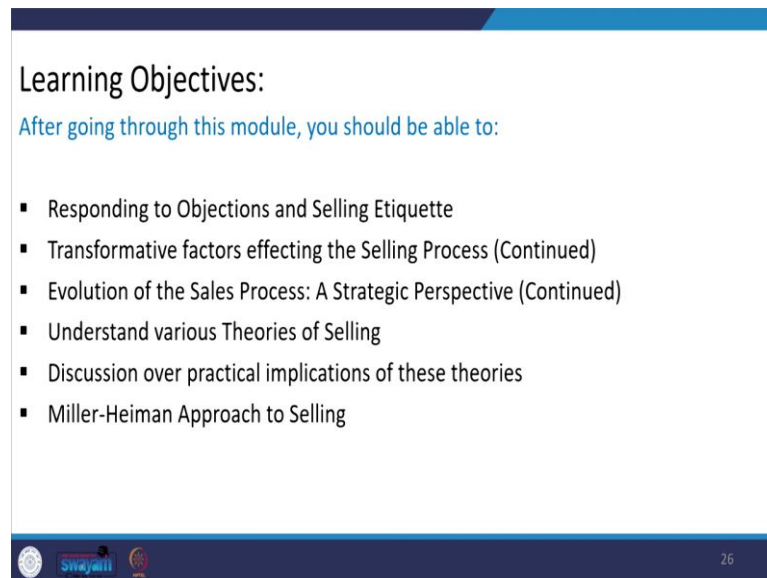
Strategic Sales Management
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Lecture - 14
Transformative Factors and Evolved Selling Process and Theories
Understanding Selling from a Strategic Perspective

Welcome back everyone. As far as the last session was concerned, I really hope that you were stimulated to think about the various facets of the selling process, whether it was you know various strategies that could be adopted in various stages. And also, I hope you must have also thought how all these are transformed or maybe evolved as a part of the selling process because this is what we will be talking today.

But, before that I think I will make you understand what this module is going to be all about. Firstly, there is some extra further for thought elements in which I will be providing you some links of the articles which where you will be able to read more about how we can respond to objections and also about selling a ticket.

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Learning Objectives:

After going through this module, you should be able to:

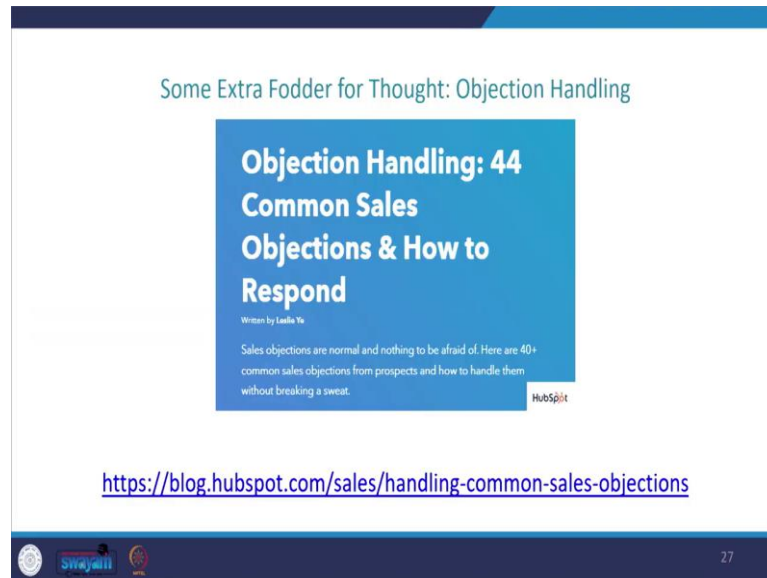
- Responding to Objections and Selling Etiquette
- Transformative factors effecting the Selling Process (Continued)
- Evolution of the Sales Process: A Strategic Perspective (Continued)
- Understand various Theories of Selling
- Discussion over practical implications of these theories
- Miller-Heiman Approach to Selling

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Apart from that we will get to the core of discussing about the transformative factors effecting the selling process, an evolution of the selling process from a strategic perspective. And afterwards we will move to understanding various theories of selling,

discussion over their implications as far as today scenario is concerned, and then we will get to the Miller-Heiman approach to selling.

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But, before we move further and dig deep into the transformative and evolution factors, this is what I have extra for you objection handling, 44 common sales objections and how to respond. This is one of the articles which I have actually taken from HubSpot. I would request you to go and read about it, you will find a lot of intriguing information from this article.

Apart from that I have one more article for you which is about do's and do not's of selling a ticket. And this has been derived from the official website of Kraus International.

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Some Extra Fodder for Thought: Do's and Don'ts of Selling Etiquette



https://www.carew.com/sales-training-blog/the-dos-and-donts-of-selling-etiquette?utm_content=212658818&utm_medium=social&utm_source=twitter&utm_channel=tw-36655097/EmilyBloemer

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I would request you to go and read this as well because see the whole objective of the course is not just to transmit or maybe share with you, or maybe I would say have a collaboration about the selling concepts, but also make sure that you learn things which are going to make a lot of practical difference as far as the sales job is concerned. That is why both these articles. I hope you will definitely enjoy reading these.

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Transformative Factors Affecting the Selling Process and Evolved Selling Process

The evolution of the seven steps of selling		
Traditional seven steps of selling	Transformative factors	Evolved selling process
(1) Prospecting	Telmarketing Internet selling Organizational prospecting	(1) Customer retention and deletion
(2) Preapproach	Laptop account data Support staff	(2) Database and knowledge management
(3) Approach	Build a foundation	(3) Nurturing the relationship (relationship selling)
(4) Presentation	PowerPoint/ multimedia Listening Team selling Multiple calls Value-added Buying centers	(4) Marketing the product
(5) Overcoming objections	Predetermining needs	(5) Problem solving
(6) Close	Identifying mutual goals	(6) Adding value/satisfying needs
(7) Follow-up	Increased effectiveness of communication through technology	(7) Customer relationship maintenance

Source: Moncrief, W.C. and Marshall, G.W., 2005. The evolution of the seven steps of selling. *Industrial Marketing Management*, 34(1), pp.16.

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Now, let us get to the important part or an important aspect of how all these facets whether you talk about prospecting, pre-approach, approach, presentation, overcoming objections, close and follow up, how these have entirely changed as the time passed.

Now, let us talk first about prospecting. See, if you talk about completely traditional approach, right, it was all about you know salesman doing everything. He was doing prospecting, he was kind of checking out directories and calling people, he was trying to kind of you know visit various maybe let us say was in the out in the market to find out from the distributors who could be his prospects.

But if you talk about the present days, this is entirely changed because see it would be completely nonsensical. If you have a very smart salesman who can definitely bring in a lot of business, and when we are talking about smart, we are definitely talking about those two important elements apart from the other factors that he has a very good ego drive, high ego drive as well as he is has that element of empathy. Because this works best in conjunction with other sales qualities or maybe you can say the skill set that might be required to be successful in a selling profession.

Now, just imagine if such kind of people are wasting majority of their time in prospecting. So, what has happened as a transformative step is now this is being done by the telemarketing team or maybe you can say internet selling, which means you might have a team in the organization which sits on the back end or maybe telemarketing team who will try to do prospecting for the sales people.

And once they find out a qualified lead, they will find forward it to the sales people or will share it with them. Then, they will be investing their quality time in converting those leads to actual consumers, then kind of you know spending majority of their time in just figuring out who their prospect could be.

See, when we talk about organizational prospecting, what we are trying to say is that the organization is kind of developed a team, has provided support staff to the people who will be doing all these services. And this also indicates that they might be using a very high advanced customer relationship management software for that, right.

If it has enriched data about various kinds of customers, then you go ahead and use that and then you figure out who is going, who fits best in your buyer person. I think maybe

we can put it like this. But if you look at it from a very evolved perspective, it has now become a game of customer retention and deletion. It is not just about finding out, you know figuring out the people who fit your buyer persona. It is also important to decide whether they are going to be profitable for you or not. It is more about asking shall we retain them or shall we delete them.

So, this in a way also indicates that you might also shuffle or you know keep monitoring your existing accounts to find out whether they are profitable for you or not, right. If you are dealing with someone who has not been profitable for you, or maybe even somehow closing one deal with someone who is not going to be profitable for you, this in a very simplistic way or logically can be called as bad business.

So, the whole idea of evolved selling process and prospecting is go for the process of figuring out customer retention and deletion. Which means you should definitely try to see your existing you know customers or even the prospects that you are trying to target from 80-20 rule which means just focus on those people who bring in 80 percentage of your revenues, keep them satisfied.

But, you can definitely focus on a lower chunk provided they bring in break even or at least they bring in that quantity to decrease the cost. Now, if you have someone who is taking majority of your resources and is not even contributing to profitability, it will definitely is going to be a bad deal.

Now, the other part is when you talk about pre-approach. You know in earlier days they used to use index cards, which used to have 3 by 5 size or something like that. In which the sales people would manually record the name of the prospect or the customer or some important information about them, what business they are in, or the people who have been dealing with them earlier, or some key important points that they passed on to regarding this particular prospect. But all these things have changed now.

So, the transformative factor was now they can use, as in sales people can use laptops in which they have all the data. They also get the support of staff which you know can kind of analyze that data and bring or kind of churn out or maybe say draw insights or important information from them which can be used with them.

As far as the evolved selling process is concerned we have got to the stage of database and knowledge management, where you have huge databases of customers with respect to their past, buying history. There, you know even preferences could be recorded on the basis of predictive analytics.

Or, you go for predictive segmentation where you try to segment consumers on the basis of their past behavior or how they you know purchase baskets look like or also with respect to how much turnover they have because this might in a way indicate their financial credibility or things like that.

So, database and knowledge management is all about maintaining and using a you know high database of customers to draw the best of insights for them and then make sure that this customer is going to work for you or is going to be an asset with respect to the long term orientation that you might have.

Now, when you get to the third stage which is about approach or the stage where you are meeting the prospect, earlier the focus was always about you know somehow make sure that you know you talk to them or get the required information or get what is important to close the deal. But it is not the case today.

As far as transformative factors are concerned, the whole approach is all about building a foundation, which means you try to kind of you know develop may be a bond with them, right. You know you will ask them questions because the key lies in asking questions, it will help you understand their needs better and then you can pinpoint, ok this is the product which I can offer it to them. As I was telling you earlier also, this is how your presentation can be designed.

So, this stage as a transformative factor was all about building a foundation. Just kind of trying to build that bond and maybe you can say you know getting friendly with them, showing care things like that. But now it is all about nurturing those relationships.

See, whenever you talk about nurturing those relationships you start reading the other party as your own, which means you will try to act as their consultant. The motive is not just going to be about the profits or closing that deal. You will actually might even go ahead and invest your resources and see, you know what is it that is going to be more

beneficial or fruitful for them in long term. That is why we call this as relationship selling.

Where you actually get into that consultative or maybe a consultant mode, you invest in understanding their functions, processes, and other facets which are important for them. And then, you see where the problem lies or maybe if there is no problem how you can improve their production efficiency, their overall performance as an organization, and things like that.

Now, when you get to presentation earlier in traditional approach, it was just given to one person. Now, as a transformative factors one thing is it is given to buying centers which we all know is a kind of a team who actually takes the buying decision and you might have different people, whether it is an initiator or maybe you know gatekeeper or the influencer or the buyer or other players which we discussed in the last module.

One way is this. Now, it is not the case that you are only presenting it to one person. Now, in this case it gets more complicated, right. Because what you are doing is you need to satisfy all these people then just focusing on one person.

Other thing is as far as the presentation is phase phases concerned, now technology gives you a larger as with respect to using power point media, using audio visual mediums, right, doing some calls virtually in which you first develop a better understanding, and then going ahead with the physical meetings and all that.

But now again as a part of evolved selling process, it is all about marketing the product. Which means you are not just focused on selling, you do everything to make them realize how you are focused on creating, communicating, and delivering value to them. It is all about making sure that whatever you are providing it to them is well aligned with their needs, and their requirement as far as this particular organization is concerned.

In a way, I think if it might look repetitive, but it is all about squashing that you are not bothered about one day deal. Rather, you are focused about the long term relationship and the benefits that it might bring in.

Now, if you get to the next stage and you talk about overcoming objections, in the traditional approach it was all about you know as I told you, as an hurdle just crossed it

and closed the deal. But now objections are a means to understand in the transformative setup. It is a means to understand you know the needs of the prospect of the customer, right.

And again the key lies in asking more questions, and once you are thorough with what they are looking for, you can definitely provide them that product. But in evolved selling process, it is all about solving their problems, partnering with them, creating long term value for them, right. In a way, it is more like you collaborate with them to figure out what their problems are and how the products or solutions that you are offering are going to solve it for them.

Now, when you get to the next stage which is again closing, earlier it used to be a somehow get that deal and close it, right because the ideology was I do not think I will be seeing you again, in a way though, it is on a funny note. Whereas, in transformative it is all about identifying mutual goals, how you can kind of be beneficial to each other or may be how you can create a win-win situation.

Whereas, in evolved selling process, it is all about adding value and satisfying needs. See, why we are talking about the concept of adding value is because this will definitely require an investment from your side also. You might be required to change some part of your product or modify them. You might be required to change the raw materials or ingredients which you were using. You might even be required to invest in R and D or research and development more to understand the markets or needs of the customers and how you can add value for them.

It might even require you to come up with new technology or buy new technology, so that you can manufacture better quality products for your customers or clients or maybe if you want to pitch new products in which the cost is keeps on going less or maybe cost is decreased to a little, but the quality is not compromised at all.

Now, when you get to the last part, follow up was all about sales is done, my job is over, you might even make one call that too very very you know on a very superficial level just for the name sake. Whereas, in transformative selling, it is all about using the technology. You can send them emails, use audio visual, you know those creative messages and things like that to make it more appealing and more enriching for your customer or someone who has already brought the products from you.

Whereas, involved selling process, it is all going to be about customer relationship maintenance. Which means you keep in regular touch with them, and you try to figure out if they are happy with the product, if any kinds of repairs are required or if there is any problems which they are facing.

Because this information can also be utilized for other customers and when you know maybe the existing customer has raised some concerns, which are very crucial with respect to the future business. The CRM will keep reminding you to check for that or maybe we will set up a follow up call or follow up reminders to check if you have called them again or not.

See, the power of customer relationship maintenance cannot be you know undermined at all because as far as today's scenario is concerned the key insights that you derive from predictive analytics or on the basis of actual behavior of the customers is of very high value as far as the sales processes are selling in future as concerned.

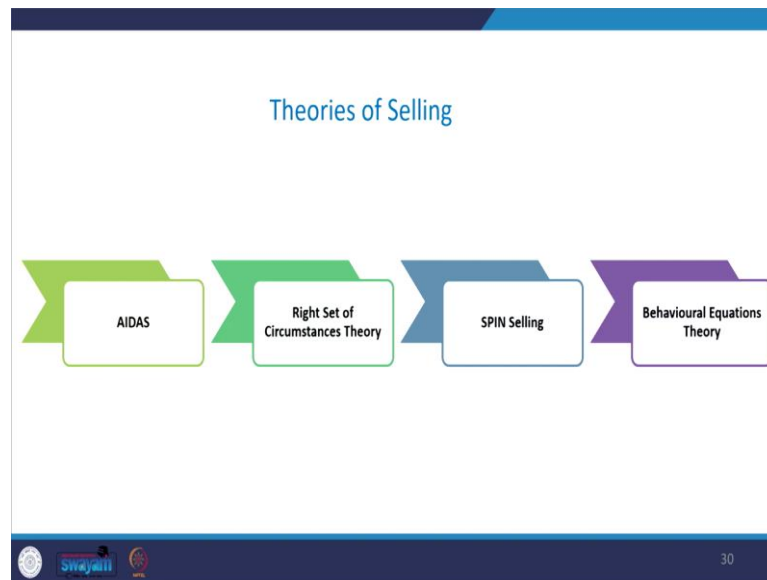
So, the whole idea of talking about the transformative factors and evolved selling process was to give you a perspective how things have changed all these years, and how technology is making very important with respect to what sales people are doing.

I think if you remember, at one stage we also talked about sales automation, where we discussed in very brief you know how various jobs which were earlier done manually by sales people are now being done electronically or through computer systems or software or maybe you can say through ERP systems.

Because see, the whole idea is to make sure that such menial tasks which are not very important, could be done in other ways, and the sales people can be allowed to actually invest more of their resources in nurturing the relationship or closing deals, which again becomes very important for an organization to survive, to grow, and to be profitable.

And definitely, we cannot miss the element of sustainable, because you are not just focusing on that day deal. You are focusing on the overall future relationship. So, now, as you have understood the various transformative and evolved facets of selling process, we will discuss in brief about various theories of selling.

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So, we will be precisely talking about 4 key theories. First one is AIDAS, which is Attention, Interest, Desire, Action, and Satisfaction model. We will be talking about the Right Set of Circumstances Theory, SPIN Selling, and finally, we will be moving to the Behavioural Equations Theory.

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The slide is titled "AIDAS: Attention – Interest – Desire- Action- Satisfaction". It provides support for the theory, stating it is based on William James' writings and is used for training new salesmen. It also includes a section on "Securing Attention" and examples of opening remarks.

AIDAS: Attention – Interest – Desire- Action- Satisfaction

Support for this theory is found in the writings of William James. As per the AIDAS theory, a prospects mind traverses through the AIDAS stages in any selling process. The model has been extensively used as a guide for training new salesman.

Securing Attention: The key objective is to bring the prospect or the customer to 'receptive' or 'open' state.

Opening remarks and conversation openers are crucial, *A salesperson's goal is to move from "Hello, How are you doing?" to "Lets sign the buying agreement today?"*

The slide also includes a footer with logos and the number 31.

Now, first let us start with AIDAS. I think I already spoke about AIDA in brief, but what we have is an added element which comes as S, which means satisfaction. And which

again talks about the fact once the action is done or the sale has been made, you should always focus on satisfaction or the follow up process.

Now, let us first you know talk about the one who contributed to this, William James for sure. Support of this theory is found in his writings. Now, as per this theory maybe you can say a prospects mind will pass through all these stages. Like, the first way would be you need to get his attention, then kind of you know generate an interest, foster it to desire, leading to an action, and finally, fostering or stimulating a satisfaction with the product or service that you have given, right.

So, in a way, this model let us say if you are giving a training to a new salesman or if there is a new salesman, this can actually works as a skeletal system for them to kind of devise how they would be going ahead with the discussion or how would they pitch. Or you know maybe in the sense like working towards deciding you are on blueprint, how would you take this presentation forward, or how would you like to interact with the prospect. Because see when whenever a salesman is new they do not have that much experience to understand how things will work. So, these models usually provide them some support system to keep things going.

Now, first is securing attention. Now, as far as the stage of securing attention is concerned, the key objective is to bring the prospect or the customer to receptive state. It is more about that they become open to hearing you out. See, until unless the other person does not seems open or is not very receptive to what you are saying, things might not work.

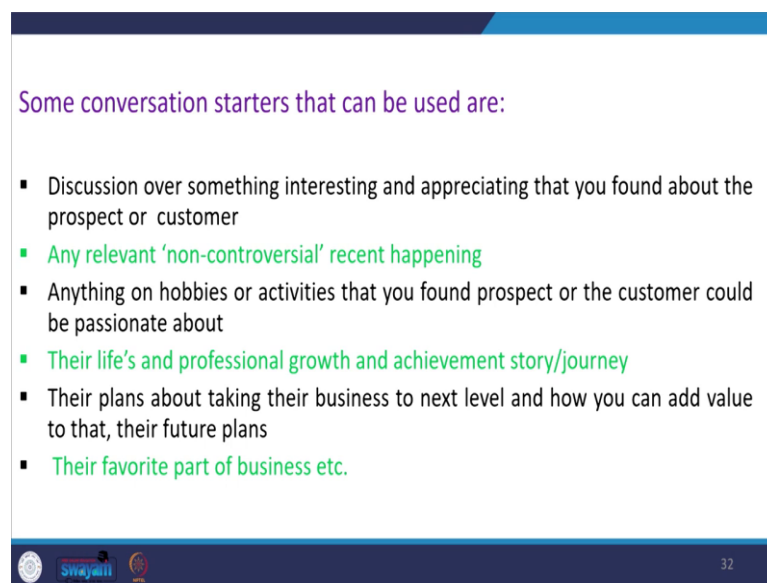
Like, I will give you one example. See, many times when you receive this tele-marketing calls and the other person simply says, I am calling from this and this insurance agency, I am calling from this and this bank to offer you a credit card, many times you do not even say anything and you cut the call. Or many times you might say I do not want this, and you will simply cut the call because you might not be interested in hearing more. So, that is why securing attention becomes important.

So, even today even in telemarketing it becomes important what they say, how they say should be something which holds on the other person to the call. And in this case, the key point is opening remarks or conversation starters or maybe you can say opener.

See, why this becomes important is now if you look at the entire sales process, the goal is to kind of take the prospect from the stage of, hello, how are you doing or hello, I am so and so, this too let us sign the buying agreement today or maybe you know them responding to it, please hand over the buying agreement to us or let us close this deal.

So, it might seem two sentences. But definitely the journey is very hard. It can be easy if you follow or adapt to the right principles in the best possible ways. Now, I thought why do not we talk about some of the starters, right.

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Some conversation starters that can be used are:

- Discussion over something interesting and appreciating that you found about the prospect or customer
- Any relevant 'non-controversial' recent happening
- Anything on hobbies or activities that you found prospect or the customer could be passionate about
- Their life's and professional growth and achievement story/journey
- Their plans about taking their business to next level and how you can add value to that, their future plans
- Their favorite part of business etc.

So, first could be discuss over something interesting and worth appreciating that you find out why you are doing the research on the prospect of the customer. Let us say you found out you know this particular owner or organization has been winning awards from maybe let us say any sales agency or any reputed organization who is giving awards and they have been winning it over a few years.

Now, that can be a good conversation, starter. It will not only make them comfortable, it will also make them bring in that feel good factor. Other thing is you can start the conversation with any relevant, but non-controversial recent happenings.

In this case, what becomes important is that you somehow should gauge their interest. Now, this is only going to work if you have done some bit of research earlier, maybe got

some idea through great gatekeepers, or any of the important partners to the buying center. But make sure that you know it is non-controversial.

Let us understand it through one example. Let us say India recently won one of the important cricket matches against any other team, right. So, the important would be if the other person is very much interested in cricket, he will definitely enjoy that conversation and it might you know bring that comfort level between two people. Other way would be if you kind of you know adjust, he is not that interested, then there will be no point in talking about it or you figure out that this is not something an area of interest and things like that.

And see sometimes you also might get cues from the place you are sitting. Let us say if you see a lot of paintings which are some kind of modern art or some wall hangings, then that could also be a conversation starters. Now, it all becomes on the smartness or sensitivity of the salesman what he observes and how he takes things forward.

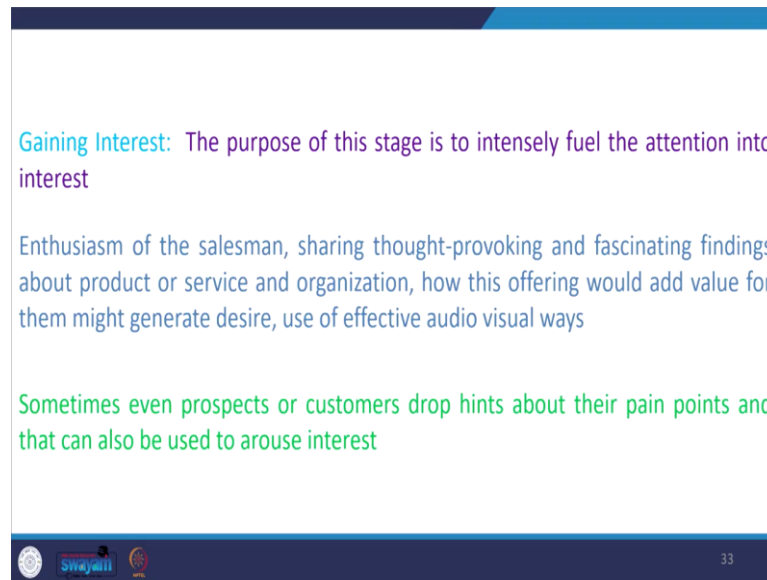
Other thing could be hobbies and activities which I just explained. Other way could be you talk about their life or professional, and growth and achievement, stories or journey, because that can also be one of the connecting points. Let us say you figured that out you know through your research that earlier you know this person was not in a very good financial state, and with all his hard work, he took that organization to a very high level which is now known as one of the best organizations.

So, definitely talking about that is not only going to make him feel you know a little empowered or maybe you can say feel good about them, or will light up you know the environment or bring in those positive energies. It might work in that way. So, this is another thing which you can use.

Other thing is once you are done with initial conversation starters and you hit the tone right, you can now get further about how they would like to take their business to the next level, or how. Then, you can also plug in how your organization can add value for that or maybe other things could be what is their favorite part of business and things like that.

See, these indeed are very very important because which this in a way lay down the foundation of how the conversations are going to be. Now, when you get to the next stage after you have secured their attention, it is all about gaining their interest, right.

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This stage is more about intensely fueling the attention into interest. Now, interest means they are more you know fuel to know more about your product or maybe say your organization or whatever you have come to offer them.

Now, in a way, this also works on account of the enthusiasm of the salesman, or this can also work if you share some thought provoking or maybe say fascinating findings about the product or service. Let us say if the product has been regarded as the best product for the last 5 years or from the last 2 years or even for 1 year, or if the organization has been regarded as the best organization for making some contributions to the society.

Now, these things might stimulate more of interest, but you should also see how much that aligns with the business or needs of the prospect. Because if you know what the fascinating part about the product you are sharing is very much aligned with the needs of the prospect. It is definitely going to bring in a lot of synergies or will maybe you can say escalate their interest a lot more, right.

So, this is one thing which you can do. Otherwise, for gaining interest you might even show them a small video which could be very very you know stimulating with respect to emotional aspects, cognitive aspects, and eventually kind of bringing their behavior in line with what you are looking for at least on the initial level.

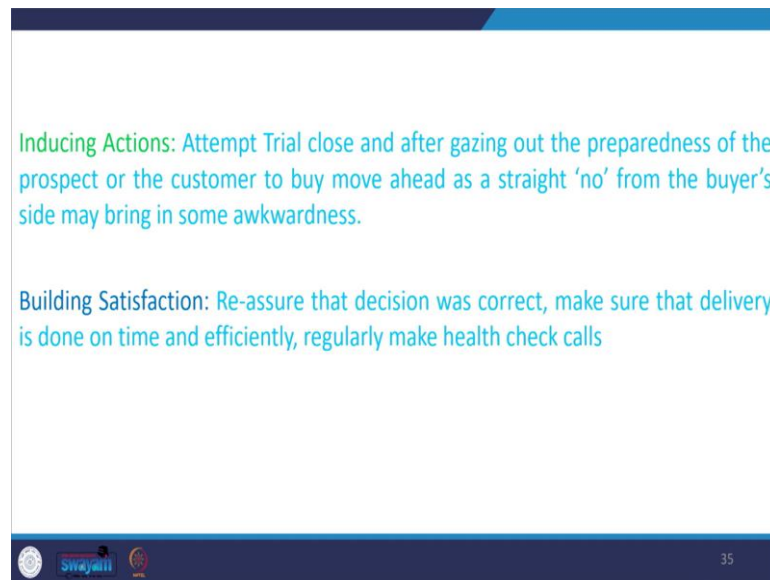
So, sometimes what happens is even the prospects might drop some hints about their pain points. Like, he might start talking about he is not happy with the competitor's product because of the quality or cost and things like that. Then, you can thrive on these things to gain their interest and take things forward.

Now, once you have kind of garnered their interest, it is all about kindling their desire. Now, desire, you know in a research dynamics, it means the state of mind where an individual or the prospect has the motivation to perform and next or achieve a goal which means you bring them closer to finally, placing an order. You can say when they are mentally prepared, or they are moving in that direction where they have made calculations about the pros and cons of the product and then you take them forward.

Now, when we talk about the pros and cons, it is also very much aligned with making sure that all the objections, whether they are hidden or expressed, have been handled very well. Because see these are the apprehensions in a way or objections can be synonymous to apprehensions which the prospect or customer might have with respect to finally, placing an order.

So, it becomes important at this stage that you make sure you ask right questions, probe gently, and find out the hidden and expressed objections and then you take them forward by keeping the value driven approach in mind.

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Now, once you have rekindled the desire in the prospect or the customer, now you should induce the action because eventually your object is to take that order, right. But again keep in mind that you should not focus on closing this first deal have a relationship orientation, right.

So, first, attempt trial close, and you should try to gauge out how much prepared they are for the sale. Because I told you I think in the last session only that if they say direct no, it might bring in some kind of awkwardness, right. So, a trial close solves that purpose.

Once the action has been induced and they have let us say, they bought the product or maybe they placed the order, then also keep in touch with them and make sure everything happens on time which again becomes a part of building satisfaction. You assure them that they made the right choice, delivery is done on time, training is done on time, you go for health check calls.

But if he says no or the actions required action is not induced, then what? Then, also you should keep in touch, work on that relationship, and try your best to make the prospect or customer realize; how your product will work best for them. Just work on nurturing that relationship.

Even you have to visit them without any purpose. And many times every meeting should not be about sales or closing that deal. If it becomes more about how they are doing or

other things or you know indicating that care, it can definitely bring in more positive results in future.

Now, as a part of this, I have come up with some extra sort of a thought for you which is all about sales openers. So, I have kind of provided or maybe you can say assembled links of two fantastic articles which talks about 21 sales openers to improve your purchase and boost sales, and the other one is 15 perfect sales conversation starters.

While, one of them has been derived from indeed dot com which is one of very very popular you know online recruitment platforms, and the other one is from Inc com. So, I would definitely request and urge you to go through these and then definitely share what you think about this.

Or the best way would be why do not you come up with your own sales openers, imagining yourself to be in one of these positions of you know meeting the prospect or customer for the first time. And then, we will see who comes up with the best sales opening line or maybe the sales opening pickup line.

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Extra Fodder for Thought: Sales Openers

21 Sales Openers To Improve Your Pitches and Boost Sales

15 Perfect Sales Conversation Starters Use these 15 questions to discover whether a prospect will buy from you before you waste time on the opportunity.

<https://www.indeed.com/career-advice/career-development/sales-openers>

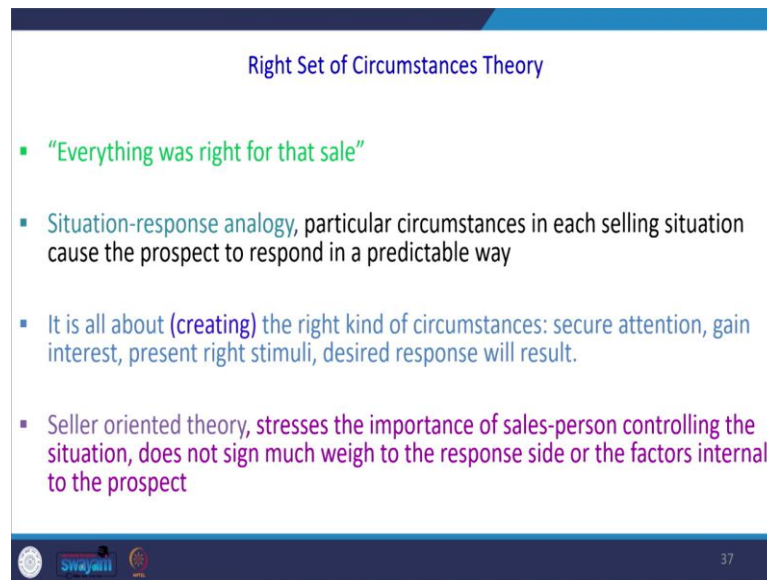
<https://www.inc.com/geoffrey-james/15-perfect-sales-conversation-starters.html>

Source: Indeed.com and Inc.com

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We will be happy to read about these in the forum. Once you are done with this session you can definitely go and share your opinion.

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Right Set of Circumstances Theory

- "Everything was right for that sale"
- Situation-response analogy, particular circumstances in each selling situation cause the prospect to respond in a predictable way
- It is all about (creating) the right kind of circumstances: secure attention, gain interest, present right stimuli, desired response will result.
- Seller oriented theory, stresses the importance of sales-person controlling the situation, does not sign much weigh to the response side or the factors internal to the prospect

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Now, the second theory which we are going to discuss today is right set of circumstances theory, which means everything was right for the sale. I think one way of maybe analyzing right set of circumstances theory would be just imagine you know if someone wants to propose someone. They will do everything right, get the flowers, you know book a table or do some special things to make sure that it works out well. So, this is what right set of circumstances theory is all about.

You do everything or you try to create an environment or an ambience, so that the other person says yes. This is more like situation response analogy, which means that you know you create those circumstances in which the prospect will respond in a predictable or a particular way, right.

And this particular theory can also be combined with you know you do things to secure their attention, gain interest, present right stimuli, in the hope of getting the desired response, right from the prospect or the customer. But one thing which is prominent about this theory is that it has two factors, one is internal the other one is external.

Now, the sales person has complete control over external factors, in the sense like you might give a gift to the prospect, you might take them out for a lunch or a dinner or something or you try to create that environment where you can make them a little more receptive or you do extra things for them to kind of get that response from them which is obviously, you want them to say yes with respect to giving you the opportunity to sell.

But, it also captures the facets of internal factors which are more in a way aligned to the prospect. In the sense, like I might invite the prospect for lunch, but it is his thing whether he wants to come or not, whether he is he or she is interested or not, whether he or she is interested in going with the sales person or not, or things like that.

And the problem with this theory is, this theory only gives more weightage or importance to the factors which are very external or kinds of gives complete control to the salesperson of commanding the situation and externally controlling it. Whereas, it undermines the factors which are very internal to the prospect.

But, in another ways, I would say still doing right things, in the right way after making the prospect or customer very comfortable, this can work well. If not the deal, at least you will have the opportunity to present what you want and kind of work on the relationship which you always wanted to establish with the client. But I want you to think you know how this can be modified to suit the present sales circumstances.

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SPIN (Neil Rackham)

- The theory specifies the importance of asking right kind of questions.
- Situation Questions: Buyer's existing situation, Starting point of discussion
- Problem Questions: Buyer's pain point, Discover problems or dissatisfaction
- Implications Questions: Discuss implications for highlighting the seriousness of the problem
- Need Payoff: Create problem solving environment, offer your product

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Now, we are getting to the another important aspect of I would say strategic selling, SPIN selling, a concept which was proposed by Neil Rackham. Again, one of the stalwarts who contributed a lot to the evolution of sales I would say, and is also one of the bestselling authors with respect to the books that he has written.

Now, as far as this particular theory is concerned this specifies or maybe highlights the importance of asking right kind of questions. I think all this while maybe if you talk about the second week or the beginning of the third week, we all have been you know trying to foster that in sales, it is very important that you ask the right kind of questions. Because they not only make you analyze you know go for a deeper needs analysis. They also help you in a way to kind of fine tune your presentations with respect to what the prospect or the customer is looking for.

Now, this has 4 facets, S stands for situation questions, P for problem questions, I for implication questions and N for need payoff. Now, situation questions are more about you try to analyze or you ask questions that make you understand the buyers existing situation. Now, this could be the starting point of discussion, right.

Now, once you have analyzed you know their existing situation or you ask them a lot of questions, then you get to the problem questions. Because from their situation you will be able to figure out the buyer's pain point. And then you make them realize, ok this is the problem that you could be facing on. And you have a discussion about maybe let us say any means of dissatisfaction or any I would say hassle that they might be facing.

Now, once the problems have been highlighted you get to the implication questions, in which you eventually make them realize, you know how if this problem is not solved, how costly this is going to be for you. In the sense, like you are trying to build a base to tell them, ok, see you have this problem I understand if this is not solved, this is the cost that you will be bearing it and then you get to need payoff. But I have a solution for you which eventually is your product.

Now, if you look at all these facets which is about understanding their situation, trying to find out problems in that, and showing the implications that these problems can have, and then pitching your product. See, it follows a very logical I would say a sequence. So, this anyway again can be a very very good I would say a blueprint for a new salesman to kind of pitch or maybe you know have a thought process based on SPIN when they meet the prospect or the clients.

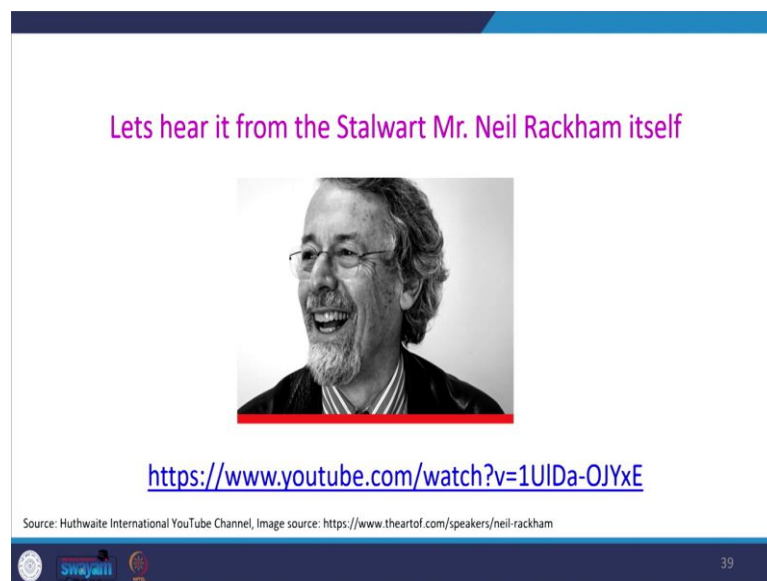
And this is definitely, definitely going to work when you have done your homework. And you are trying to find out that with respect to let us say the efficiency, you got to know through one of the gatekeepers that the product which they are using now, if it is a

let us say B2B selling or some technical product that their production efficiency is gone very down and the cost is very very high.


Just imagine how beautifully you can align all this with respect to SPIN selling whether it is you know situation questions that can be your conversation starters after initial greetings. Then, getting to the part of problem questions where you actually get empathetic with them and make them realize, ok, if these are the things that you are facing and you bring an element of care.

And then, getting to the implication questions which again will foster care, and your concern for them and will lay the foundation of relationship building also. And then finally, getting to the need payoff. But see no matter how hard I try, no matter how hard I explain, it can never be you know best than hearing from the horse's mouth.

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Lets hear it from the Stalwart Mr. Neil Rackham itself



<https://www.youtube.com/watch?v=1UIDa-OJYxE>

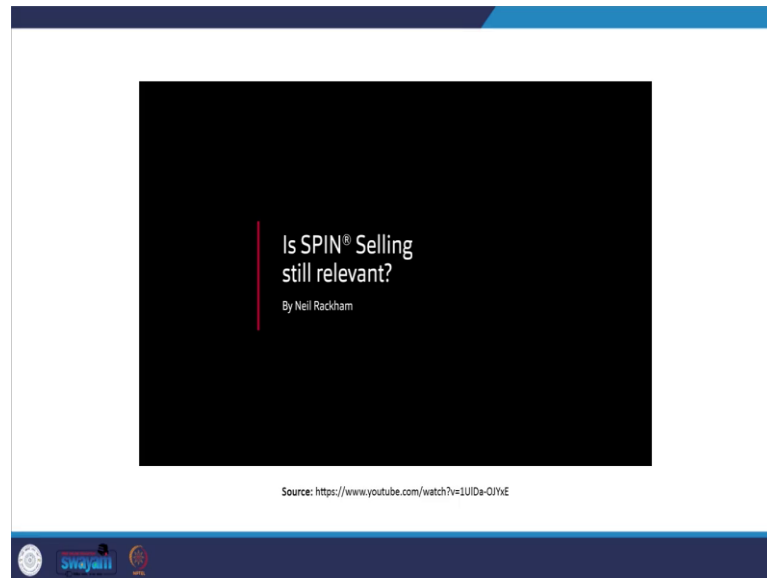
Source: Huthwaite International YouTube Channel, Image source: <https://www.theartof.com/speakers/neil-rackham>

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So, we will do one thing, we will now here or maybe we will have you know look at this video by the Neil Rackham itself where he is talking about the SPIN selling or how you know or maybe I would say the relevance that it holds today itself.

So, this is the thing we will be doing now. So, please have a look at this video. And when we will be meeting in the next session, we will talk about it a little and then we will move forward to the last theory part. And we will talk about their practical implications before finally, getting into the Miller Heiman's approach of strategic selling.

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The SPIN model is about understanding. I suppose the breakthrough with SPIN was it is no longer about persuading customers, people persuade themselves. It is about really understanding them and their needs, so that you can do a good job of creating value. That has not changed. But some other things have changed, which make the SPIN model probably more relevant today than it was 30 years ago.

One of those things is that the products have become commodities, so that sales people are the differentiator. If sales people the differentiator, then how do they differentiate? They differentiate by really understanding the customer much more deeply than the competition, by being able to create new creative solutions, by being able to bring value. And the SPIN models are a very helpful way to do that.

But we are in the 21st century and the SPIN models got to change. Way back when we did the original SPIN research we found that situation questions, questions about fact, were slightly negatively correlated with success. You could ask too many of them. Today, they are actively, positively, negatively correlated, that is you ask a lot of situation questions and the customer will come really impatient. They will say you should have done your homework.

You should have known that. Because a lot of the things that you found out with a SPIN model 30 years ago, you found out face to face with the customer because there was no

other way to do it. Today, you can research that. You do not have to ask as many situation questions. So, situation questions change.

Problem questions change too. One of the things which we found 30 years ago was if you ask customers about problems, you find out their needs, you find out information which helps you sell which helps them understand their own problems, you get into areas where they have energy and where they have interest.

But in those days, it was enough to ask problems about how things are now. You can ask problem questions like are you happy with your present supplier, are you getting the right kind of performance out of the equipment you are using, do get the right service levels 24 7 from your present way of doing things. You are trying to uncover problems that way.

Now, what is happened is this, those problem questions are not quite as easy to ask and sure fire as they used to be. If you say do you have problems with your present equipment, no, most people say no, it is working, ok. Whereas, 30 years ago when things were much less reliable, you could be pretty sure there would be an answer there that you could use. So, that is one change.

But another change is this is a curious one, research done in the last 3 or 4 years shows that customers rate the added value of salespeople as highest when salespeople ask about future problems, not just about problems. I remember I interviewed one buyer in this research and he said to me, if I fall into a pit there is 50 salespeople who can sell me a ladder to help me climb out, there is only 1 in 50 who can stop me from falling into the pit in the first place.

That is a way of saying, I am interested in people who can help me with the problems that have not yet occurred, not just the problems that have occurred. So, that is how problem questions change in this new world of selling SPIN in the 21st century.

Implication questions are even more important now than they were when we first did it. Implication questions proved to be most powerful in the original research when people were selling complex solutions. Well, the solutions today compared with 30 years ago are even more complex. It is even more important to ask implication questions.

And finally, need payoff questions, questions about value. We live in a world driven by value. Almost the definition of selling today is creating customer value, and how can you create it if you do not ask about it. So, need payoff questions are as powerful or more powerful today in the 21st century than they were back in the 20th century when we discovered the SPIN bottle.

So, I thank you for attending this session. And I hope you found it very enriching. And I am very sure, you definitely learnt the new things with respect to talking about the stalwart Mister Neil Rackham and the scholarly work that he has done, as a part of this contribution to the sales world. And definitely this video is going to make it much more thrilling for you.

So, I thank you for now. We will be meeting soon in the next session. Have a good day.