


INSIGHT SELLING



Sell Value &
Differentiate Your
Product With Insight Scenarios

MICHAEL HARRIS
CEO Insight Demand

Praise for
**Insight Selling—Sell Value & Differentiate Your Product
With Insight Scenarios**

“In 18-months, our pipeline tripled. Thanks largely to the improved conversations with clients by applying the principals in this book.”

Gord Smith, Director of Sales - Hitachi Canada.

“Insight Scenarios are critical to selling value in today’s customer-centric economy. This book delivers on how to challenge our customers thinking without challenging the customer – which helps us deliver an exceptional customer experience.”

**Jeff Everton, Sales Enablement and Productivity -
Epicor Software**

“Michael has done an outstanding job of providing not only the rationale but also practical ideas on winning in complex sales scenarios. Insight Selling is a blueprint for excelling in a world where we are increasingly seeing the commoditization of sales. The techniques in this book work - I use them every day to help sellers create interest with their prospects and customers, position unique benefits and unexpected sources of value, and create a sense of urgency to act. I highly recommend this book. ”

**Anthony Wallace, Dir. Sales Readiness &
Channel Execution APJ - CA Technologies**

INTRODUCTION

Selling value to B2B buyers today can feel like trying to stop a freight train that's hurtling towards the sales graveyard of commoditization and discounting. Today, an empowered buyer has done research, has a clear idea of his or her firm's needs, and how much the firm is willing to pay. This type of buyer does not want a salesperson to talk about features and deliver a series of open-ended questions that delivers no value. What this buyer wants is insight. So, how does a salesperson deliver insight so that it challenges the customer's thinking without challenging the customer?

That's the question that this book will answer.

In Part One of this book, we will examine why "Insight Selling" will help you sell value and differentiate your product to empowered buyers.

In Part Two, we will provide six reasons why Insight Scenarios™ trump verbal persuasion at delivering insight to your customers. These reasons are backed by solid research: eight neuroscience studies and 20 research footnotes. The research is then followed by social proof on how SAP, Microsoft & Oracle are doing it.

Finally, in Part Three, we will show you how to create Insight Scenarios, so that you can not only arm your

salespeople with insights, but so that you can also show them the most effective way to deliver them.

Once you have created your own insight scenarios, your salespeople will be more effective in two ways:

1. They will be able to deliver insights without upsetting the buyer, and;
2. They will be able to let the customer take your product out for a virtual test drive, so customers will discover for themselves the unique value of your product.

Part One

Why Insight Selling

CHAPTER ONE

INSIGHT SELLING

Complex selling has changed, because buying has changed. In the past, buyers had to approach sellers early in the sales process, because salespeople held the keys to the information kingdom. Today, however, the days of the walking brochure salesman are dead. With the proliferation of information and advice on the Internet, buyers no longer need information from salespeople. What they need is insight. According to recent research, buyers are now 60% of the way through a sales cycle before they engage a salesperson. Why? Because they prefer to do their own research on-line.¹

In simple sales, these empowered buyers now approach sellers with a clear buying vision of their needs, the solution they want, and what they are willing to pay.

¹ A Corporate Executive Board (CEB) study of more than 1,400 B2B customers across industries revealed that 57% of a typical purchase decision is made before customer even talks to a supplier.

Because they are able to form an accurate buying vision on their own, these buyers can be successful at buying the right solution.

In complex sales, however, this new buying paradigm is often not successful for either the buyer or the seller. Buyers are not successful because they do not have the time or expertise to form an accurate buying vision on their own. They find it difficult, for example, to figure out how the generic value of the seller's product will apply to their specific business and job function. With a limited understanding of the value of the seller's product, buyers either decide not to buy and live with the problem, or they buy on price, ending up with a suboptimal solution. Similarly, sellers are not successful because they achieve lower win rates and reduced margins.

To better understand how the Internet has changed complex sales, just ask yourself what you do when you are a buyer of health care? When you get sick, for instance, do you go onto WebMD before you visit the Doctor? And when you show up at the doctor's office, do you not want him to just write you a prescription for what you feel you need? If the market for buying prescription medicine was truly competitive, would you not also be looking for a better price? Your customers do the same thing before they speak with a salesperson.

Now, if customers and patients could go on-line and buy the right solution, they would not need experts. Doctors and salespeople will tell you, however, that customers and patients do not make good decisions on their own. Imagine a doctor, for example, asking a

patient, “what’s wrong?” And the patient says, “I was bitten by a mosquito, and with the West Nile virus in the area, I’m concerned. According to WebMD, I believe that I have the identical symptoms, and the recommended treatment is penicillin.” “I see,” says the doctor, “let me write you a prescription right away.” Of course, this would never happen. The doctor’s job is not to provide patients with what they think they need. Doctors must provide the optimal solution, and this often requires doctors to challenge their patients’ self-diagnoses. Doctors, for instance, have to re-teach what their patients have learned on-line so that their patients end up with the right treatment.

It is the same with complex sales. Today, buyers are more empowered. They use the Internet and social media to research opportunities, and potential solutions. Once they are armed with this information, they attempt to self-diagnose and prescribe. But with the wealth of information available, buyers quickly become flooded by too much information. Once overwhelmed, buyers tend to underestimate the cost of their current behavior, or the potential of future alternatives. With these challenges, it is not surprising that these empowered buyers form an inaccurate buying vision.

So, if salespeople want to sell value and differentiate their product, they have to deliver insight that will reframe the buying vision so buyers end up with the solution that helps them overcome their challenges and achieve their goals.

But how do salespeople do this?

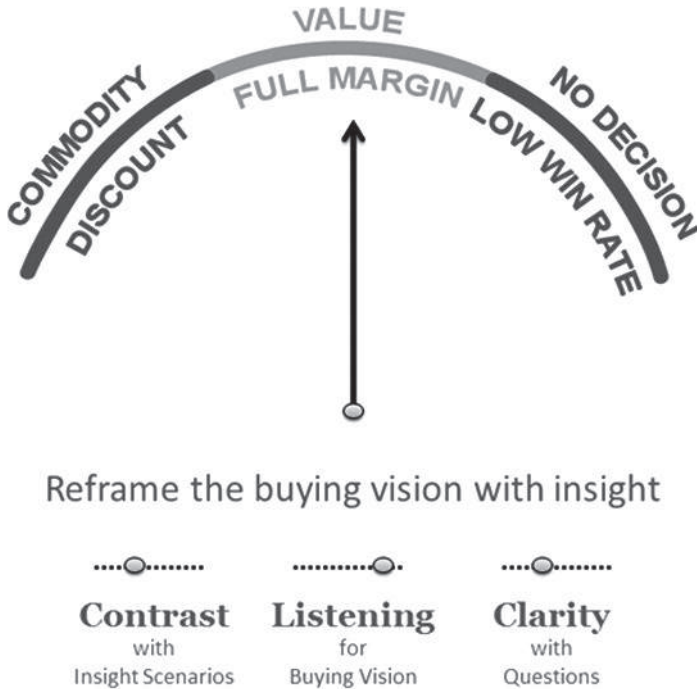


Figure 1. Insight selling model

By adjusting what we call the three insight dials of contrast, listening, and clarity, we will show in this book how salespeople can reframe the customers' buying vision so that it more accurately reflects their current situation.

1. **Contrast:** Through the use of insight scenarios, the seller is able to increase the contrast between the "before" and "after" pictures associated with owning the seller's product. As sellers increase the

contrast, they increase the value of their product. Think of the before and after photos exercise vendors use.

2. **Listening:** Because the buying vision is like a movie that plays in the buyer's head, the only way a seller can see this image is to listen.
3. **Clarity:** After buyers have shared an image of the before and after picture, sellers can then ask questions to help the buyers to tailor this picture to their particular business and job function.

When the customer's buying vision becomes crystal clear, it is almost as if it becomes a buying simulator® that the buyer can step into so that they are able to take your product out for a virtual test drive. As a result, buyers do not merely think your product is right, but for them, it also feels right because they've been able to internalize why your product is the right fit for their needs.

Leading to Value versus Leading With

In simple sales, salespeople can make sales by leading with their value proposition, because customers are able to form an accurate buying vision on their own.

In complex sales, however, salespeople cannot lead with their value proposition, because the buyer has neither the time nor the expertise to figure out how the seller's generic value will apply to the buyer's specific business and job function. If a salesperson leads the buyer to their value proposition, then the buyer is able to discover the value of the salesperson's product on their own terms.

Historically, sellers have tried to do this by asking questions that lead customers to the type of problems that the sellers' value propositions solve. With the right questions, the belief is that customers will be able to understand the problems that they need to solve and the solutions that are required to solve them.

The problem with this approach is that it assumes that the answers are there within the buyer waiting to be unlocked through the salesperson's questioning skills. By analogy, however, without a doctor's insights, would not a patient question the value that the doctor adds when patients can do this today on-line through sites like WebMD? Likewise, without a salesperson's insights, would not customers question the value that the seller adds when the questions the salesperson asks are no more valuable than what the customers can discover on-line?

If your product helps the buyer to do something new, for instance, how can this buyer answer your questions without a frame of reference? Thus, in complex sales, customers do not want a salesperson to "show up and throw up," and talk about features and benefits. They also do not want the salesperson to show up and deliver a series of open ended questions, death by interrogation, because that also offers no value. What the buyer wants is for the salesperson to be able to deliver insight that will help the buyer form an accurate buying vision.

In conclusion, by not leading the buyer to the seller's value propositions with insights, the seller will experience compressed margins or low win rates, and the buyer will, at best, receive a watered down solution.

What are insights?

When Insight Sellers deliver insights, they shock customers by breaking the customers' thought patterns, and then they rescue customers by replacing the broken pattern with one that is new and improved. That is the "Aha!" experience, and this is how a salesperson reframes the customer's buying vision.

The reason why breaking the customer's thought pattern is so effective at re-framing the customer's thinking is that it is hard wired into our DNA. Our survival has depended on it. Imagine, for example, if Lucy, a hominid living three million years ago on the plains of Africa mistakenly sees a tiger in the grass and runs for cover. No big loss, right? Imagine, however, that she failed to see the pattern of the tiger until it was too late. What happens? She is taken out of the gene pool. So, our survival is contingent on correctly identifying patterns. We are always seeking the meaning that underlies patterns, because uncertainty and chaos terrifies us. Thus, when we see a new pattern, we tell ourselves a cause and effect story to try to predict its outcome so that it cannot hurt us. But when we see an established pattern, we discount it as common sense, because without such a filter, we would drown in information.

The response a salesperson is looking for from the customer when they deliver insight is not "Yes, that's exactly what I was thinking," because this would mean that the salesperson had not broken the customer's thought pattern. The response the salesperson seeks is "Hmm, I had not considered that," because we're wired to not ignore new patterns.

By delivering insights that expands the customer's thinking, the customer will start to tell themselves a new story where new choices makes more sense. To reframe the customer's thinking, however, the salesperson must have insight to deliver. So how do you find and create insight?

Finding insights

Salespeople find insight by figuring out what is counterintuitive about their core sales message? Where is the gap between what the customer believes today, and what they need to believe to buy your product?

A marketing company, for example, could present its client with research that shows that B2B companies on average win 24% of sales opportunities, lose 16% to their competition, and see 60% of sales opportunities lost to a no decision outcome. Based on this research, the marketing company could reframe its client's thinking that their greatest competition comes not from another company, but rather from customers who have decided not to buy. With this insight, the marketing company could help improve their customer's marketing message by focussing more on "why change" instead of just showing "why us."

Unfortunately, you may discover that you find insight only a small percent of the time. Most of the time, you will have to work at trying to create insights.

Creating Insights

We suggest you try to create insight by simply increasing the contrast between hell if the customer remains with

their current broken pattern, and heaven if they adopt your new and improved pattern. Then ask questions to help the customer fill in the picture with personal details so that the customer's image has achieved clarity with respect to the customer's title/job function and company.

With this approach, you are betting that the customer does not yet have the insight to see this image at its maximum contrast and clarity. This is generally a good bet, because customers lack both the time and expertise to see this image on their own. As a result, the customer's buying vision is narrow and vague.

This approach is also a good bet because other salespeople are often only able to paint a superficial picture of the problem, for example, the customer's current system is prone to error or lacks timeliness. Because they lack the knowledge of the customer needed to help the customer complete the picture, the salesperson is unable to help improve the buying vision. This in turn means that the buyer will see little value in the seller's product.

According to a recent McKinsey report, "While insight conjures up visions of research, data crunching, and "aha" moments, real strategic insight also rests on a seemingly mundane and easy-to-overlook factor: a thorough understanding of how and why a company, its competitors, and others in the industry value chain make money. Absent dumb luck, a strategy that does not tap directly into such an understanding will under-perform."²

² McKinsey Insights & Publications, "Mastering the building blocks of strategy," Oct 13, 2013.

A salesperson has to be sure, however, not to provide “free consulting,” and then have the customer buy the product cheaper from a competitor. To avoid free consulting, the salesperson has to try to insert a few unique capabilities into the insights that they deliver.

Delivering Insights Can Be Difficult

We may think it is easy for a doctor to challenge what a patient may learn online, but a family doctor recently complained to me how patients come into her office demanding antibiotics because they have gone onto WebMD and became convinced they have an infection. Even though she is wearing the white coat and the stethoscope, she is generally not successful at convincing them that they just have a virus.

Another friend of mine is a chiropractor, and he laments: “In the time it takes to drive to my clinic, my patients could have done the exercises at home that I recommended. But instead, they show-up at my clinic, and insist on an adjustment.”

So, in both cases, the patients did not want to do the work to heal themselves, because they would rather get the magic quick fix of a pill or an adjustment.

Are customers any different? Constrained by time and expertise, do customers want to do the work needed to fully diagnose their problem, and then appreciate all of the suppliers’ unique capabilities so that they can then decide on the optimal solution? Or will they become overwhelmed, and then boil everything down to the lowest common denominator, and buy on price?

If doctors struggle to reframe their patients' thinking, imagine how hard it is to reframe a high powered executive's thinking, especially when you have "salesperson" written on your business card?

So how can a salesperson challenge the customer's thinking, without challenging the customer?

If you thought that Insight Selling was simply using data, facts, and your brilliance to shock and awe buyers about the errors of their ways, then you may want to rethink this approach, because how you deliver the insight will determine if you are perceived as provocative or arrogant.

There are four ways to challenge customers with insights, but we will show that insight scenarios are the best way to deliver insights.

1. **Directly:** This can come across as an attack. Since the customer is both judge and jury, this is an argument that the salesperson will rarely win. Under such circumstances, the customer may feel attacked, become defensive, and shut down.
2. **Questions:** They work best at firming up an established belief. It is difficult, however, to lead customers to insights with questions, because they have no frame of reference that they can turn to for the answers.
3. **Research:** Because research is objective, customers do not usually feel attacked. Unfortunately, research is scarce and seldom available.
4. **Insight Scenario:** Because an insight scenario is about someone else, the customer does not feel

attacked. It simply presents a scenario that allows the customer to draw their own conclusions. Without feeling pressured, the customer can now relax and listen to your story, and possibly gain enough insight to start telling themselves a new story, where new choices make more sense.

So through a combination of insight scenarios, listening, and questions, we will show how salespeople can effectively deliver insights that will reframe their customer's buying vision, so that they can sell value and differentiate their product.

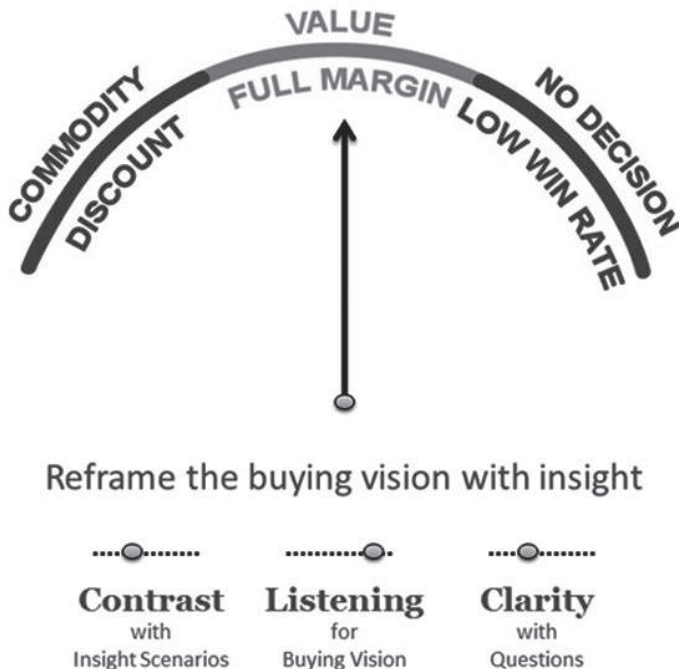


Figure 2. Insight Selling model

If you enjoyed this document, please click to share

https://twitter.com/intent/tweet?text=Insight+Selling-+how+to+sell+value+%26+differentiate+your+product.+Download+Ch.+1+http%3A%2F%2Fctt.ec%2F_a6Vh%2B&source=clicktotweet

<https://www.linkedin.com/shareArticle?mini=true&url=http://insightdemand.com/insight-selling-chapter-one/>