



Mastering Technical Sales

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The Limits Of ROI

Why You Need Logic And Emotion To Get The Sale

"Money makes the world go around, the world go around.."

- Liza Minnelli as Sally Bowles in Cabaret

"All you need is love .. love is all you need"

- The Beatles , All You Need Is Love

Although neither Liza Minnelli nor John, Paul, George and Ringo were talking about complex technology sales - they all make a valid point. Let's face it- making a decision between your solution and your competitors is rarely clear-cut and simple for the customer. You both have advantages and you both have disadvantages (no matter what marketing tells you). Some sales studies suggest that the margin between winning and losing is often less than a 2% difference in .. what?

As Pre-Sales Engineers, we are taught to determine what the customers key business issues are, how to translate those into the universal currency of money, and then how to uniquely match our technical solution to those needs to maximize returns for everyone. We do this because we have learnt that just talking about technology will usually lose us the sale, and because we know that our customers have to justify the purchase to someone in the organization.

Have you ever worked on a deal where:

- a) You are making an economic case to replace an incumbent vendor?
- b) Your solution is 20% cheaper than the competition?
- c) The ROI for your proposal is measured in weeks instead of months?

.. and NOTHING HAPPENS!!

That's because buyers don't always make logical decisions, especially when there is an aspect of risk involved. There are entire books dedicated to this subject (like Dan Ariely's [Predictably Irrational](#)) and I wrote about it in "[Pain And The Sales Engineer](#)" earlier in the year. I'm sure that you can think of some personal and business decisions of your own (pause for a minute here..) that were not 100% driven by economics and numbers in a spreadsheet.

Sure - your customer needs a rational business case to make a purchase decision (money makes the world go around), but they need something else as well:

They need to remember what they're going to buy from you and why they are going to buy it from you (that's the love)

The What?

Customers buy results. Which means specifically understanding what the results are and how they are going to get them. Classic sales methodologies talk about creating a bridge from current state to future state, or from "A" to "B". Extending that bridge analogy - a ROI is the foundation and infrastructure of the bridge. However, to get the customer to start the journey they need to know:

1. It is safe to step on the bridge.
2. Others have crossed it before them. (Unless seeking a leading-edge advantage)
3. It's a great view!
4. The pain and gain of getting to the other end.

So on the basis of "if they can't repeat it, they don't get it, and if they don't get it, they won't buy it" you need something memorable that the customer associates with you. It can be a word, a phrase, a diagram, or in marketing terminology, "a hook" - but it's that memorable moment. Here is an example:

My customer was competing with their #1 competitor for business from a large strategic account. One of their mission-critical systems had terrible performance and it was affecting revenue and customer satisfaction. There was practically nothing to distinguish the two proposed solutions in terms of price, capability or relationship. In a workshop, we came up with a **50-50-50** plan. The lead SE stated at the start of his presentation: "In **50 hours**, we'll speed up your systems by **50%** and save you **\$50k** a week." The executives in the meeting remembered **50-50-50** more than anything else they heard during the day

and the contract was awarded to my client. Was the **50-50-50** a little gimmicky and even completely accurate? Maybe - yet it gave my customer the edge they needed.

The Why?

"People buy from people they like." That is a mantra of sales managers. Yet customers **really** buy from people they respect. You earn that respect by being credible, reliable, personable, and by focusing on the right thing for the customer, not for you.

As an independent third-party consultant, I often conduct win-loss debriefs on behalf of the sales/presales teams at technology companies. Well over 70% of the time that a sales team lost a deal they expected to win - it was not about price or product or performance. It was about professionalism and personality. I have heard variations of *"I went with the #2 vendor on our list because I felt that they knew more about my business and had my interests at heart"* more times than you possibly imagine.

In Summary..

A business case and ROI is a requirement. It is the infrastructure and strong foundation of the sales opportunity. It is not everything - and a fantastic ROI will not guarantee you the win. The customer needs to understand what he is buying from you, why he is buying it, and (trusted advisor alert) why you are selling it to him.

"Money doesn't make you happy. I now have \$50 million but I was just as happy when I had \$48 million."

-Arnold Schwarzenegger – Actor & Politician

Talking Points is a monthly column authored by John Care, Managing Director of Mastering Technical Sales. For more information on this and other Sales Engineering topics visit the website at www.masteringtechnicalsales.com.

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