

How to ensure failure in selling

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You see it all the time...salespeople proudly go out into the marketplace and do their level best to blow the sale as soon as they open their mouths! And whatsmore, this behaviour often follows rigorous, long and arduous training programs that can do more harm than good.

How can this be? How can so many salespeople continually get it wrong, day in, day out? **I believe the answer lies in the *three pillars of failure in selling*.**

These are the pillars upon which salespeople are told to depend, for their selling success. They are continually told to depend on these pillars by their bosses, their sales trainers, their colleagues, their friends, even their competitors who commit the same errors.

This continual reinforcement of outdated methodologies almost guarantees that salespeople continue to follow these pillars, lemming like, over the sales failure precipice.

What are these three pillars of failure? They are extraordinarily simple and powerful in terms of generating poor selling results. They are:

1. Relying on product feature/benefit excellence.
2. Relying on high levels of intrinsic product quality.
3. Relying on the lowest price.

All three pillars are fearlessly aimed at either boring customers who are increasingly savvy or in insulting their intelligence, neither of which is particularly conducive to getting the sale!

It seems incredible doesn't it-here I am suggesting that all our cherished beliefs about how to sell, should be thrown out the window. Before we jettison these paradigms of virtue though, I need to define them more clearly and explain why in most cases, they simply do not help.

Firstly, let's talk about product excellence. Product excellence can really only help in one circumstance-if the salesperson's company is in a monopolistic market with very little, if any competition. In this case then, arguably, salespeople can prattle on ad infinitum about product features and benefits because customers have nothing else to choose from anyway. Fine, but I don't think that you'll find too many monopolists these days.

In the real non-academic world, salespeople exist in a fiercely competitive environment, characterised by product proliferation, product sameness and a lack of perceived differences from one product offering to another.

In this environment in which, by definition, essentially no, or very little product differences exist, it is simply suicidal for sales people to expound on the product feature virtues of their offers-to do so either bores customers or patronises them.

A related concept to product feature irrelevancy is *Price Pointing*. In today's world, there isn't a product or service which does not exist in its own Price Point. For example:

Cars under \$20,000

TV's at \$999

Consultants at \$100 per hour

Holiday packages to, say, Bali for \$999

Men's suits at \$400

After shave under \$5

DVD players under \$200

etc etc etc etc.....

The point is this-once a selling organisation locks itself into its chosen price point, it automatically takes on the minimum feature set that is necessary for a customer to make the purchase. If the feature set is substantially lower, the organisation is essentially forced to compete in a lower price point and of course, if the feature set is considerably higher, it can compete in a higher price point.

Ideally then, sales people should not make "a big deal" of their product feature set when competing "intra- price point" (i.e. competing within a price point) as, by definition, that feature set is essentially the same as their competitor's offering.

It also follows then, that the whole notion of "inter- price point" (i.e. competing between price points) sales strategies is illogical. After all, Daewoo would never compete with Mercedes and Dimmy's would never compete with David Jones-it simply doesn't make sense.

In my view, acceptable product feature set excellence is defined by the market, not the selling organisation and **having that product excellence only gives that organisation a license to be in business**; no different to a medical doctor needing a degree in medicine to practice.

Indeed, there are times when product excellence isn't even relevant to getting an order. If we take the example of the fast food industry, one would not be too brave in stating that McDonalds is immensely successful in its field.

However, one would need to be very brave indeed to say that McDonalds is very successful because it makes the best and most tasty hamburger in the world! I doubt that even the CEO of McDonalds would make that claim!

Clearly, McDonalds is successful for other reasons. Those reasons are simply that McDonalds have a highly successful business formula related to their process excellence which results in their solving a chronic problem that consumers have-a lack of time and a lack of consistency and reliability in their lives-areas in which McDonalds excels. It is in these areas, that McDonalds derive their points of difference, not in their intrinsic product superiority.

Handy Tip

Your sales people should not be obsessed with products. They should be obsessed with solutions. Products are merely a means to an end and that end is solving a customer problem.

So having discussed the first pillar of failure, let's investigate the second one-depending on high levels of intrinsic quality.

The above discussion on price points gives us a strong hint about why "quality" excellence doesn't help in the real world of fierce competition. It gets back to "inter-price point" and "intra-price point" sales strategies again.

Product quality levels, like product feature sets, are highly related to price points and as in the case of product feature sets, acceptable product quality is defined by the market, not the selling organisation and **having that product quality excellence only gives an organisation a license to be in business.**

If I can exemplify, if two car manufacturers both sell cars in the \$20,000 price point, they will have essentially similar quality levels commensurate with that price point so neither company can realistically boast a quality advantage over the other.

If two other car manufactures both sell cars in the \$100,000 price point, they too, will have essentially similar quality levels commensurate with their price point and similarly, neither of these companies can boast a significant quality advantage over the other.

It is interesting to note how many car companies have, in the past "temporarily lost the plot" on quality levels thereby *losing their license to be in business*, so to speak, and have had their market share savaged by an unrelenting consumer response, as a result.

So, we're making progress here. We can now see why, in the real world, product excellence and product quality don't work. Now let's see why that third great pillar of selling failure-having the lowest price doesn't work.

When an organisation chooses a price point to compete in, it automatically chooses its competitors, who, as we have seen above, will offer similar products at similar prices, thereby rendering any long-term price advantage to zero. And as for the notion of being the cheapest in a given market segment, that is simply not sustainable, there will always be someone who will come in cheaper at some stage.

Clearly then, if these three great pillars continually let salespeople down, what can be done to help? The answer is to not rely purely on product, price and quality and consider instead, these new paradigms below, all of which are explained in this book:

1. A true understanding of both the rational and emotional needs of the customer. This was discussed in Chapter 4.
2. Highly developed, consistent and focussed branding strategies that open the door for salespeople. This was discussed in Chapter 2.
3. A thorough analysis of an organisation/product's points of difference (POD) which should preferably not be product based, because they are very likely to be copied. This will be discussed in Chapter 7.
4. A thorough understanding of an organisation/products unique selling proposition (USP)-also to be discussed in Chapter 7.
5. Sales people developing a problem solving approach rather than a selling approach-to be discussed in Chapter 10.
6. Highly refined business processes and procedures that add value to customers, particularly in customer service. This will be discussed in Chapter 8.

You can copy a product easily, but the above six points are extremely difficult to copy. Read on, and let's see just how effective we can be as sales people, if we take on board these new paradigms of selling.

Remember, it's not what you sell, it's how you sell it.

