

Free Range Salespeople – The Day of Reckoning

Why are 80% of enterprise sales delivered by 20% or less of enterprise salespeople? What do the most successful sellers *do* that the rest of us do not?

Consider these 2 research findings:

- "Only 13% of buyers believe that salespeople understand their needs." Source: The Brevet Group. 2021 Study of 110 companies across 10 industries.
- "68% of B2B buyers only involve the vendor's sales team at the last part of the sales process." Source: G2.com Research, 2022 Software Buyer Behavior Report.

These two statistics tell the whole story. They read as cause and effect: 87% of salespeople don't understand our prospects well enough to be of real value *and so* 68% of software buyers are avoiding salespeople until it's too late for us to influence the sale. That's a HUGE problem for sales organizations.



Free Range Salespeople

The elephant in the room is that enterprise sales has changed profoundly.

Providing the prospect with product information isn't where sellers create value any longer.

Yet, that continues to be the focus of enterprise sales organizations.

How should the enterprise sales change in response to today's dynamics?

ROOT CAUSE

Ask any of us salespeople, "What are the most valuable things you plan to learn in the meeting you're about to attend?" Do you know? Have you thought about it? Have you invested the time and the energy to figure it out, or are you just going to "wing it"? You could call us with this approach "Free Range Salespeople." For us Free Rangers, learning about the prospect and their needs is more of a happy coincidence than the intention of the meeting. So...is it any wonder that buyers are flying the coop?

WHAT'S AT STAKE?

The answer is "Relevance"... not just of an individual, but of a profession. If salespeople in general don't understand buyers' needs, why on earth would they talk to us before they have to...let alone trust us to help them make a purchase decision?

MISSING INFORMATION CAUSES NEGATIVE OUTCOMES

Missing information isn't just correlated with negative outcomes, it's the most frequent <u>cause</u> of them. "The deal went south." But did the deal "go south" or did we miss something critical which explains the negative outcome? The good news is that <u>if</u> we know what we need to ask, we can significantly reduce the occurrence of negative outcomes in enterprise sales, such as:

Stalled Opportunities

 Has the buyer decided that one of our competitors creates more value than we do in every interaction and so the buyer now allocates most of their time and attention to another seller? In this case, we've already lost the deal but don't know it yet.

Pushed Deals

 We didn't understand key dependencies, or unspoken concerns or newly added stakeholders or recent competitive tactics...any of which could negatively impact the forecast and the probability of winning.

Lost – No Decision

 We didn't recognize and respond to the level of risk the client perceived in moving forward or we didn't learn what we needed to know to motivate action.

• Lost – Competition

 We didn't understand what the stakeholders valued about our competitors; we didn't identify a key requirement that would have eliminated one or more competitors; or we lost a deal to a competitor that we never even knew about.

Customer Churn/Dissatisfaction

Many companies try to bolt customer success onto the existing go-to-market model...but nothing impacts customer success more negatively than the client buying a solution that doesn't meet one or more of their needs. The time to understand, and ensure the buyer understands, their full range of needs is as early as possible, not after the fact.
Customer satisfaction must be designed into the fabric of the customer journey.

RE-ESTABLISHING THE VALUE OF THE SALESPERSON

The future of enterprise sales is exclusively...complex solutions. Commoditized, run-rate, transactional sales will be handled by an intelligent chatbot or sold through hands-off methodologies like Product-Led Growth (PLG). [PLG is a business strategy where the product is designed to be the mechanism that causes customer acquisition, expansion and retention.] The remaining battleground will be the one where buyers need a seller's help in understanding their own needs at the level of depth and breadth necessary to deliver meet the customer's desired outcome. This is not the province of a Free Range Salesperson.

Unfortunately, asking the most valuable questions at the right time in the right context is the weakest link in the skill set of a typical enterprise salesperson. And it's reflected in the data. (If you aren't buying what the data is saying [it's telling 87% of us that we aren't as good at understanding the customer as we think we are], google the "Dunning-Kruger Effect.")

IT'S NOT ALL OUR FAULT

There are at least three factors that conspire to make understanding everything we need to know to win an enterprise sale the most difficult part of the job:

- Complexity: Every enterprise sales opportunity is unique, and that has a significant multiplicative effect on the universe of questions that a salesperson needs to able to ask in order to be of value to the buyer. The salesperson needs to understand the customer's: vision of their desired outcome, current technology environment, goals, functional requirements, technical requirements, constraints, stakeholders each with their varying priorities and requirements, etc. And those questions vary greatly given certain dimensions such as the prospect's industry, use case (business problem) and the product itself.
- <u>Training</u>: In large part, sales training and enablement have been focused on helping the rep convey information, not learn it. Retention is another challenge to training as a solution. Xerox determined that 87% of what reps learned in training was forgotten by week 12. Perhaps that explains why even with training, ramping a new hire can take 9 months or more in high tech sales.
- <u>Time</u>: Salespeople have so many competing priorities, and preparing for the next customer interaction is always at odds with some other "interrupt" such as the manager calling for an update on xyz; or being responsive to a customer or partner inquiry. The interrupts seem endless. Developing a new skill set takes time...time we salespeople don't have.

SPOTLOGIC CLOSES THE UNDERSTANDING GAP

SpotLogic is a very different approach to sales enablement. It changes the paradigm from Free Range Salespeople to Model-Driven Execution. SpotLogic delivers the real time guidance necessary to make understanding the needs of each customer <u>automatic</u>. SpotLogic turns the weakest aspect of our skill set into an advantage for us, and for our customers.

Our path to re-establishing our value as enterprise salespeople is to help buyers make the highest value purchase decisions possible. To do that we need to excel at understanding the breadth and depth of the customer's requirements. The good news is that if we do that, we will improve business outcomes for our customers, and ourselves.



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