

Best of Miller Heiman Sales Performance Tips

Create a Competitive Edge: Differentiate

CONTENTS

Introduction.....	2
Part 1. Differentiate Yourself: Real World Advice.....	3
Part 2. Using the customer... to set goals.....	4
Part 3. Competition? What Competition	5
About Miller Heiman	6

Introduction

The value of differentiation cannot be overemphasized. A successful differentiation strategy can help you overcome price competition and sell on value.

In this issue, we feature tips that provide actionable advice for differentiating yourself to meet the needs and motivations of your prospects.

Part 1. Differentiate Yourself: Real World Advice.

Customers are finding it more difficult than ever to tell the difference between you and your competition. As industries become increasingly commoditized, competitors simply look more and more the same.

Part 2. Using the customer... to set goals! It may be a matter of semantics but the way you state your goals – by thinking with your customer’s mind – helps you achieve more than if you express your goals with an outsider’s perspective.

Part 3. Competition? What competition? There’s nothing wrong with knowing your competitors personally. In fact, any information you can gather about the sales situation, from whatever source, can be a benefit to you in solidifying your position. But focusing on it might lead you to neglect other information that would be far more valuable in drafting an effective position

Part 1. Differentiate Yourself: Real World Advice

Customers are finding it more difficult than ever to tell the difference between you and your competition. As industries are increasingly commoditized, competitors simply look more and more the same.

Miller Heiman's Sales Performance Tips subscribers share their own real-world strategies for standing apart from their competition. Here's what they have to say:

Meet with the Key Buying Influences

In complex selling situations, there are multiple decision makers and influencers. If you're not meeting with all the key people, you can bet your competition is.

Faisal Salman of HydroAire recommends meeting with each of the key buying influences in the sale as well as the ultimate decision maker, or Economic Buyer. This way you are able to understand what each person wants in the sale so you can show him or her how your solution will add the most value.

Help the Customer Understand Their Needs

Sometimes, customers are so inundated with their own daily issues that their real needs are often shortsighted. At times they can't see out of the box to identify what they really need. The salesperson who can shine the light on this will stand out.

Bertie Stevenson of Red Eye International recommends identifying what the prospect is trying to achieve in the sale, why they need a change, and what wasn't working before. Then highlight how your company meets those needs.

Kory Harman tells us she develops a pre-call strategy focusing on everything she knows about a person before she even picks up the phone or walks in the room. She recommends finding this information on the company website in the management bios section.

Don't Forget the Personal Win

Most salespeople understand the importance of tying their solution to a prospect's business objectives. But what about the personal wins? Find out what the decision makers want to gain personally and professionally, and highlight how your solution will achieve it.

Gerard Byrne of Roche Diagnostics tells us he uncovers his customer's personal and professional goals so he is able to tie those goals to his solution and set himself apart from the competition. He says, "Customers today are looking for sales professionals to understand their business while providing the right solution to address their personal and professional needs."

We couldn't agree more. At Miller Heiman, we speak with customers every day, and we undertake extensive research on the subject. When buyers are evaluating several proposals, it is often impossible to

differentiate one proposal from the next. They tell us the effectiveness of the salesperson, not the proposal, is what buyers remember most.

What makes a salesperson effective? David Pearson, Miller Heiman Vice President of Channel Operations says, “You must understand your customer better than anyone else. In the eyes of the customer, you must be viewed a business consultant, not a transactional vendor.”

Part 2. Using the customer... to set goals!

Read the following two Goals closely.

Goal: To provide the client greater quality control reliability by replacing their patchwork in-house system with our unified system approach.

Goal: To be seen by the Aerospace Division as the company that brought them greater reliability by upgrading their patchwork in-house system with our unified systems approach.

At first glance, these two goals appear to be virtually identical. They certainly seem to convey the same objectives. But there are differences, substantial ones that shouldn't be overlooked.

Even though the differences in wording between the two are “minor,” there is a critical shift in perspective, moving the focus subtly away from the seller's

contribution to the way the customer would see that contribution. The value-added “reliability” was important, sure. But improved positioning doesn't come from “reliability” in the abstract. It comes from the customer's perception of this supplier as the provider of that business result.

Semantics? Don't believe it. We've worked with hundreds of Fortune 500 revenue leaders. Many of them accuse us of playing with words when we insist on the “Be seen as” phrase that is included in the second goal -- until they realize how this “merely semantic” device helps them see themselves as the account is seeing them. And how such “thinking with the customer's mind” provides leverage in the account that you can never achieve with the more typical “outside” perspective.

Here are further examples of qualitative long-term Goals stated from the account's point of view:

1. Be known as the firm that helped this account break into the competitive West Coast market.
2. Be seen as providing the best follow-up service of any company in our industry.
3. Have the account recognize our expertise as the provider of unique solutions to his banking problems.
4. Be seen as delivering more than we promise.

Notice two things about these sample Goals. First, although none of them gets down to measurable nuts and bolts, none of them is vague either. When we say that true goals are qualitative, we don't mean they're wishy-washy or abstract. In the examples given here, there are clearly defined business elements: "service," "West Coast market," "banking problems." Goals should define specific ends that relate to your business, your customer's business, and your relationships.

Second, notice that the companies' end results all relate to the customer's biggest end result – the bottom line. Each of your Goals should fulfill the implied promise to help the customer run his or her business better. It should help the customer reduce costs, boost sales revenue, improve productivity, or raise profit. A Goal that doesn't do one of these things -- either directly or indirectly -- is probably not a Goal worth pursuing.

We realize that's a pretty strong statement. It's also a very good guideline. If you can't show a positive impact on your customer's costs, sales, revenues, productivity, or profits, why would he or she want to do business with you?

Part 3. Competition? What competition?

Be aware of the competition; never obsess about it.

There are some sales experts who advise that, in pitting yourself against a tough competitor, it's smart to get to know that competitor personally. You should go out of your way to meet the rival company's salespeople at exhibitions and trade shows, to play golf with them, to get into their heads on a one-to-one basis. Knowing your opposite numbers personally, they suggest, will help you deal more effectively with them in the field. It will defuse the mystery of why they're a threat to your business, and it will enable you to use "inside information" in countering that threat.

There's nothing wrong with knowing your competitors personally. In fact, any information you can gather about the sales situation, from whatever source, can be a benefit to you in solidifying your position. The problem with this approach is that it's misdirected. It can easily turn the Strength of personal knowledge into a Red Flag indicating unidirectional thinking. When you spend all that energy getting to know your competitors personally, you're very likely to end up with a selling approach that is inordinately focused on the information that they give you. Not only will that information be suspect (consider the source), but focusing on it might lead you to neglect other information that would be far more valuable in drafting an effective position.

For example, you could spend weekend after weekend schmoozing your opposite number George the Gadget Seller, only to discover, some months down the line, that the major customer that both of your companies are targeting has decided to replace its gadget system with widgets -- leaving the two of you equally out in the cold. The moral: picking the brains of the people who sell against you is even less valuable, eventually, than picking your own. The head that you need to get into is your customer's.

If you think of yourself as focusing on the goal, training hard (through strategic analysis), and running the best race you know how to, you'll have a good idea of what we believe competition is about. The point is to look straight ahead and offer the customer your best performance, not to be distracted by what's going on in the next lane. As any competitive runner will tell you, one sure way to stumble is to look to your side.

These tips reference the principles learned in Miller Heiman's Conceptual Selling® workshop. You may visit www.millerheiman.com/publications and subscribe to receive Sales Performance Tips each month via email. You may also call us at 877-678-0391 to discuss the results you want to improve, and we'll recommend the workshop that will best address your immediate needs.

About Miller Heiman

Miller Heiman has been a thought leader and innovator in the sales arena for almost thirty years, helping clients worldwide win high-value complex deals, grow key accounts and build winning sales organizations.

The company is headquartered in Reno, Nevada and has offices around the world. More information can be obtained by visiting the company's website at: www.millerheiman.com.