

# Huthwaite International

## Open courses



**Maximising marketing messages**

*Overview – SPIN<sup>®</sup> marketing*



# Maximising marketing messages

You're marketing high-value products and services, probably business-to-business. Your bottom-line mission is to maximise sales. You have two resources to help you do this: a salesforce and a range of marketing communications tools (sometimes referred to as marcoms, for short). The salesforce is probably not directly under your control. The marcoms programme – including advertisements, mailers, brochures, presentation materials, press releases and your website – probably is.

## The effectiveness equation

The first and arguably most important milestone in a sale is when a potential customer recognises that they have a need or opportunity and starts talking to you constructively because they believe your offering may be able to help them. You can try to bring this about in one of two ways: you can approach them with a live seller, which is expensive, or you can hit the customer one or more times with your various marketing communications in the hope that they will talk to you.

The key equation that determines the relative effectiveness of these different sales approaches is the ratio between the number of hits on potential customers and the number of sales cycles initiated. These ratios vary according to the industry sector, the skill of the seller and the design of the marketing instruments. But as a rough estimate, based on thirty years of research in the field, we would expect a trained salesperson to initiate a new sales cycle with one call in five – and many are much more successful. A direct response mailer, by contrast, would be considered very successful by most companies if two percent of recipients said, "*Come and talk to me*".

So we could say that a live seller is at least ten times more effective than the most measurable promotional device. But *why*?

## Is the problem the medium or the message?

It's easy to say a salesperson is live, warm, responsive, whereas marketing materials are inert and two dimensional, so 'live' will always be more effective. But is the *medium* the only variable? Think about how your sellers and your marcoms present your product or service.

Most promotional materials are *product-focused*. They say, "*Here it is. It's bigger, faster, more powerful, more flexible, more exciting. Don't you just want to own it?*"

The problem is that the vast majority of target customers have not considered the issue, have no clearly formed need, and so see nothing but a request for a large amount of money. Unsurprisingly, their response is, "*No, thanks!*".

Skilled sellers today are *customer-focused*. They *don't* present the product. They ask questions to understand their customers' situation, what problems or concerns they may have and the possible consequences. Then they explore improvements the customer is seeking and the payoffs they want to achieve. Only then does the seller show how their product can meet customers' needs by solving problems and exploiting opportunities.

Could it be that the effectiveness of your marcoms is equally determined by whether the *message* they send is one of 'feature-dumping' or one of 'problem identification and exploration; need-understanding and need-satisfying'? Could it be that the opposite of a 'live' seller is 'dead' marketing messages?

## The implications of dead marcoms

Consider the knock-on effects of sending dead, feature-based marketing messages:

- Poor response rate to ads and mailings
- High cost per response
- Too few leads for salesforce
- Conflict between sales and marketing
- Press less likely to publish releases or interviews
- Little return for PR investment
- Corporate and product presentations are boring and unconvincing
- Website gets lots of hits, but few enquiries
- Brochures are feature-led
- Brochures don't support the need-satisfying style of sellers
- Sales fail after the seller leaves the customer
- Products are launched as a bundle of new features, not problem-solvers and need-satisfiers
- Salesforce has long learning curve to sell new products
- Launches give initially disappointing results and threaten revenue forecasts.

## Why aren't your marketing communications as effective as your salesforce?

Not a pretty picture; and of course no one, including you, is committing all these errors. But maybe you have some untrained or inexperienced people in your company who are creating 'dead' marcoms. Have you inherited some feature-laden brochures? Is there an entrenched corporate style that puts product before customer, because "*we've always done it like that*"? Does your advertising agency care more about clever graphics than developing needs for your offerings?

## More power and payoff for 'living marcoms'

What would cure these problems? Think simple. If 'dead' is bad, then 'live' is good.

Isn't what you need a way of creating marketing messages that replicate as closely as possible what a skilled live seller does with a live customer?

Wouldn't that give you better direct response, more effective PR, stronger sales reinforcement through brochures, more powerful presentations – and a happier salesforce?

And wouldn't you enjoy the personal payoffs: less stress and hassle, greater job satisfaction and recognition for maximising your marketing opportunities?

If we may assume for a moment that you'd like to go down that route, we can probably help.

# Help? Yes. But from Huthwaite?

So, you think it might be a good idea to look at the marketing messages you're sending, to see if you could maximise their impact by making them more customer-focused. But it would be entirely reasonable for you to ask if Huthwaite are the right people to help you. Don't you need a marketing consultant?

No.

If you want help with market research and product definition, pricing policy or distribution strategy, go to a marketing consultant. But it was marketing theorists who brought your marcoms to the dead, product-centred state that's worrying you now.

Remember that what we're going to try to do is create marketing messages that replicate as closely as possible what a skilled live seller does with a live customer. You need a consultant who has a definitive understanding of:

- the face-to-face skills used by the most effective sellers of high-value products and services
- the psychological phases of buyer decision making in complex, high-value purchases with competing suppliers.

Does Huthwaite meet these criteria?

## Huthwaite – leaders in 'live' selling

If we've done a good job so far we've first helped you recognise a need and then set some guidelines to help you select a supplier. Now we can talk about us and how our solution will maximise your marketing messages.

For thirty years Huthwaite has had only one major objective: to identify, through research, what the most effective sales performers *do differently* that makes them more successful than their merely average colleagues.

- More than 35,000 live sales calls, in twenty-seven countries, have been subjected to *Behaviour Analysis*, a technique for observing and quantifying interactions between customer and seller. This project, the largest ever investigation into sales success, studied 116 factors that might play some role in sales performance. The SPIN<sup>®</sup> model and the skills training programme that resulted from the research remain the benchmark for high-value selling and are used globally by the world's top salesforces.
- For another project, Huthwaite researchers carried out hundreds of interviews with experienced salespeople and, more importantly, *customers*, involved in long, complex, competitive sales. This study yielded the Buying Cycle model that underpins the Huthwaite training programme (and best-selling book) *Account Strategy for Major Sales*. The unique strength of the Buying Cycle is that it describes a major sale in terms of the customer's decision making process.

These two bodies of research have been harnessed into a new, two-day workshop for creators of marketing communications. SPIN<sup>®</sup> Marketing will equip you to analyse and develop your customers' needs and offer your solutions using the same tools and language as your most effective salespeople. It's a simple concept: 'live' marcoms supporting 'live' sellers. Synergy will maximise your marketing messages.

# Overview – SPIN<sup>®</sup> marketing workshop

## Objectives

By the end of the programme participants will:

- be able to explain the customer team's decision making process in complex, high-value sales and have applied it to their own sales cycle
- understand the behavioural skills used by effective salespeople and how they create and develop customer perceptions of need
- have a framework for analysing their competitive situation in terms of their target market's decision criteria in order to identify their strongest differentiators
- be able to build a comprehensive persuasive case around their strongest differentiators
- recognise the conditions under which certain groups of target customers may have concerns about the risk of buying their product or service, and the need to address these concerns in marketing communications
- understand the importance of making credible statements to show how their offering meets the customers' needs and pre-handle customer concerns
- have evaluated some of their existing marcoms materials and begun to redraft them to include more 'live', customer-focused, selling messages
- understand the most common reasons for disappointing or 'stalled' product launches and be able to construct a more effective plan to ensure the salesforce maximises its opportunities in the product launch phase
- have a template for planning, executing and measuring the payoff from corporate hospitality events.

## Business outcomes

- More effective and persuasive marketing messages, tailored to address the customer's main interests at each stage of the decision-making process.
- Higher returns and lower cost per response from lead-generating promotions.
- Brochures and proposals that use the language of customer problems, concerns and needs for solutions – to give an improved enquiry-to-order ratio.
- Better competitive positioning through a thorough understanding of the target market's decision criteria.
- Product launches that 'hit the ground running', to maximise early return on investment.
- More effective corporate hospitality, producing planned and measured marketing outcomes.
- In summary: 'more bang for your marketing buck'.

## Target audience

Anyone tasked with the creation or briefing of marketing communications, whether internally or externally focused, written or spoken.

The workshop is relevant to all areas of above- and below-the-line marketing promotion, including media advertising, direct mail, product information/brochures, PR, product launches and corporate event management.

- Companies will achieve synergy benefits and greater consistency in their marketing messages if members of the marketing team with different functions – direct mail and product brochures, for example – attend the workshop together

## Content

- The Buying Cycle – the psychological phases of complex, comparative buying behaviour.
- The SPIN<sup>®</sup> questioning model – the consultative selling technique used by the most effective sellers.
- Decision Guideline analysis – a methodology to evaluate the customer's buying criteria and optimise your competitive position around your key differentiators.
- Persuasive Case Analysis – using SPIN<sup>®</sup> to analyse the full spectrum of problems and implications your product or service can solve, and the payoffs the customer will gain from your solution.
- Customer Concerns – why they arise, how they block sales, and how the right marketing messages can pre-handle and neutralise them.
- Using Problems, Payoffs and Proof statements to stimulate interest, eliminate concerns and show the value of your offering.
- Product launches – how marketing can position new products as 'problem solvers', to minimise the learning curve and help the salesforce make full and immediate use of their SPIN<sup>®</sup> selling skills.
- Corporate hospitality – setting objectives, planning purposeful messages and discussions, and measuring success.

## Training design and methodology

This programme has been designed to give the marketing function the same language, analysis techniques and need satisfaction skills as an effective sales team. Participants will be taught the strategic concepts in 'bite-size chunks' before being asked to apply them to their real world through a series of tasks and exercises.

The overriding objectives of this course are therefore to:

- ensure that the marketing function understands how the salesforce operates
- provide support for the salesforce by creating marketing messages in a common, shared, customer-focused language.

Participants should approach the event as a facilitated workshop in which their own discussions around the important concepts will be a key success factor.

## Materials

Delegates will receive two booklets: one for pre-course reading and one containing the reference materials for the workshop. In addition they will be asked to carry out a number of structured exercises which will help them to transfer their learning from the workshop back into the real world of their marketplace.

## Duration

The workshop itself is run over two days. The pre-course reading should be done shortly before the workshop and will require no more than an hour of the delegate's time.

## Faculty and group size

The SPIN<sup>®</sup> Marketing workshop is delivered by one of our consultants. To ensure that each participant receives individual attention and feedback, training group size is limited to a maximum of twelve.

# SPIN<sup>®</sup> marketing – brief highlights

## Reasons to be cheerful – PCA

Think about why you buy things, not just cheap, impulse buys, but expensive things. Usually the purchase is to solve a problem or to take advantage of an opportunity that you're currently missing out on. The strength of Huthwaite's SPIN<sup>®</sup> Selling model is that it gets sellers to ask a series of questions that make the customer consider whether they have a problem, think about the full implications of the problem and then explore all the positive payoffs if the problem is solved or eliminated.

So SPIN<sup>®</sup> is a pain and pleasure model. It says 'things are pretty bad, aren't they, and they could get a lot worse; but, hey, cheer up, there's a solution, and think how good things will be when you own it!'

Good sellers understand this concept, which is why so many of them use SPIN<sup>®</sup>. But too many marketers don't. They focus on their product or service and what it will do, but don't make obvious links to the problems the product solves or the payoffs the customer will gain from ownership. The result? Dead, feature-based marketing messages.

Persuasive Case Analysis is a technique that helps marketers apply SPIN<sup>®</sup> psychology to the creation of their marcoms. It takes each major product capability, starting with the strongest differentiators, and systematically examines all the problems that capability addresses and all the consequences the customer could be suffering. Then it examines the upside: the payoffs from a solution. Why? Simple. The more pain you're suffering, the more reasons you have to be cheerful when it's taken away – and the more reasons you have to want to buy the product or service.

Thorough PCA is the foundation for live, SPIN<sup>®</sup> based, customer-focused marketing messages.

## Product launch problems

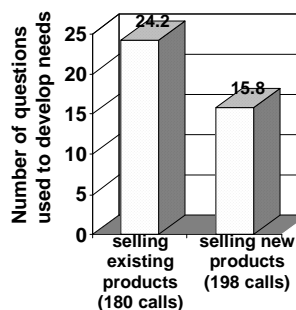
A depressingly high proportion of business-to-business product launches are disappointing.

The salesforce is enthusiastic, pre-launch market research gets a positive response from target customers, and then, after the big fanfare and the launch party, comes the hangover: orders are well below forecast and the future of the product hangs in the balance.

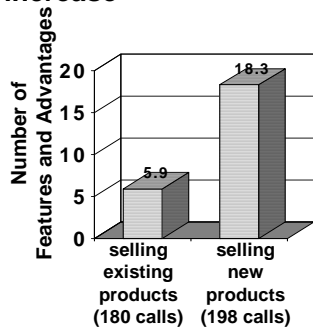
Marketers (it was, after all, their forecast that was wrong) usually have two excuses: first, the customers are more conservative than research suggested and, second, the salesforce has a longer learning curve than we anticipated. But is this really credible? Our target market has systematically lied to us, and, given a technically superior new product, the salesforce has become incompetent overnight.

Huthwaite's own research shows that the second 'excuse' is, in fact, true. The data below clearly show that sellers in the 'new toy' stage of a product launch *do* become incompetent, in that they stop asking questions and simply 'feature-dump' instead. This blatant pitching of the new product turns off customers who had initially been quite enthusiastic about it.

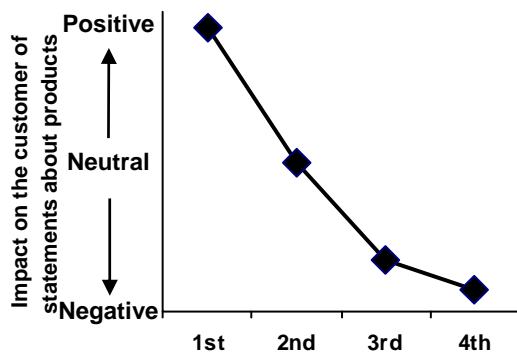
**Figure1: How questions decrease when selling new products**



**Figure 2: ... and product details increase**



**Figure 3: How pitching the product becomes less effective over time**



Why do sellers do that? Because that's probably how the product was launched to them: *as a bundle of new features and competitive advantages.*

How do you, as marketers, avoid disappointing product launches. Easy. Don't launch products. Launch new and better ways of solving customer problems. We'll show you how.

## Concerns: the silent sale-killers

Think again about how you make major purchases.

Have you ever seen an advertisement or a brochure for a product and thought, *"That looks interesting. Higher specification than the others I've seen. Could be just what I'm looking for."*

But then you go further. *"Who makes it? Never heard of them. Wonder what their service is like. And if they'd honour a warranty claim."* So in the end you buy a technically inferior but better known and 'safer' competitor.

Your second thoughts are not objections, in strict terms of selling theory, because objections usually take the form: *"I don't have a need for your product"*, or *"Your product doesn't meet my need."* In this case you did have a need, and the product seemed to meet it very well. What killed the sale were your *concerns about the risk* of doing business with a company about which you knew little.

For the face-to-face seller the problem with Concerns is that, because they are often about integrity or trustworthiness, the buyer won't voice them. The seller loses the sale, but never knows why.

For those creating marketing materials the problem with Concerns is different, but equally serious. Direct response marcoms, for example, may do a good job of creating initial interest, but because they also generate Concerns the actual response rate is disappointingly low. Unless the marketers understand the syndrome of Concerns they will be incapable of solving the problem.

Marketers need to be able to anticipate what aspects of their offering could possibly stimulate customer Concerns and have a strategy to pre-handle them in their marketing messages. How? Sorry, looks like we're out of space. We'll show you on the SPIN<sup>®</sup> Marketing workshop.

# The acid test

Thank you for coming this far with us. This has been a challenging brochure. Challenging for you, because it asked you to think critically about your marketing messages. Challenging for Huthwaite, because it is a brochure that claims we can help you create more effective marketing messages – including brochures!

Have we succeeded? It's time for the acid test. A few last questions:

- Looking at your current Marcomms, do you have concerns that some of them are too focused on your product or your company, rather than on customer needs?
- Could this be reducing their effectiveness in generating leads, creating awareness and supporting the efforts of your salesforce?
- Is it important to you that the return on your marketing budget is optimised?
- Since your marketing communications are a key part of your selling process, do you believe they are likely to have the greatest impact if they use the same persuasion techniques as a skilled salesperson?
- What would be the payoffs if your marketing shared a common set of analysis tools and processes that would help you maximise your differentiation with customer-centred, 'live' Marcomms that communicate with your customers in the same language as your best salespeople?
- From the evidence we have presented, do you believe that Huthwaite has the definitive research and the track record in improving sales effectiveness to give you the marketing skills you need?

If you answered 'yes' to the majority of these questions, and particularly the last one, may we suggest a way forward? Talk to us. Arrange an exploratory meeting to discuss your needs with a consultant. It's the first step towards maximising your marketing messages – and it's the only way that we can be sure this little brochure has done its job. You can reach us by telephone: (+44) (0) 1709 710081 or by Email: [open@huthwaite.co.uk](mailto:open@huthwaite.co.uk)



Find out more today.

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**Change Behaviour. Change Results.**

