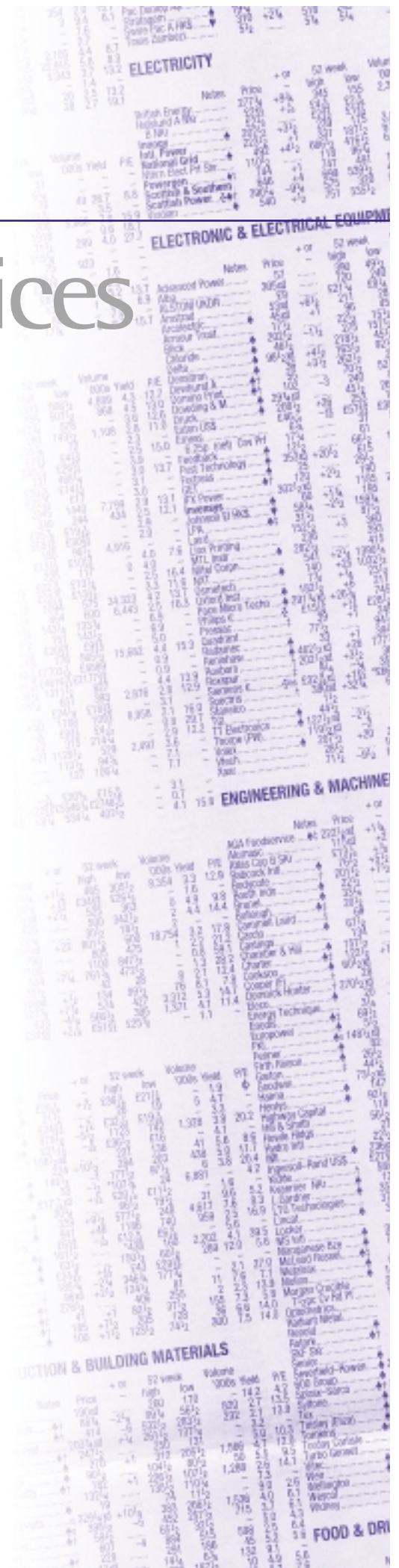


Creating major sales in Financial Services

Developing
SPIN[®] selling skills
– an overview



Science applied to major sales

Almost thirty years ago Huthwaite was approached by several major multinationals. They asked us to investigate the process of creating major sales, with a view to defining once and for all the skills used by the most effective sales professionals.

These multinationals came to Huthwaite because we had a unique research methodology which had already proven itself by providing revolutionary insights into interactive management skills.

Behaviour Analysis was pioneered by Huthwaite as a method for observing, categorising and quantifying objectively what people say to each other in interactive situations such as coaching sessions, job interviews, appraisals - or sales meetings.

The SPIN® research

The Huthwaite team initially implemented a modest programme of field accompaniments to conduct live Behaviour Analysis of sales transactions. But their early findings were so controversial in their contradiction of conventional sales theory that the scope of the study was expanded several times. Eventually the research results were statistically incontrovertible.

Does SPIN® work in Financial Services?

All market sectors like to think they're 'different', and to an extent they are - in the jargon they use and the products they sell. But the way customers make major buying decisions is universal.

A number of Financial Services clients have had Huthwaite conduct original research to validate that the SPIN® model is effective in their markets. On each occasion the research showed that:

- SPIN® behaviours are present in successful Financial Services sales
- Financial Services sellers can be trained and coached to change their behaviour to follow the SPIN® model
- when they do, the use of SPIN® skills results in an increase in the quantity and value of sales.

The case is proven. The word has spread. Any organisation can produce an impressive list of clients and we are no exception. Sometimes further investigation reveals that not all client lists are what they seem; some include every client who ever sent a single person on a public programme! The client list below gives a flavour of the financial services organisations we have worked with to deliver significant projects. Some projects span decades and continents.

When we have observed many interactions and analysed them statistically, we can isolate very accurately the pattern of behaviours which is most likely to produce a successful outcome in a coaching session, interview, appraisal, sales meeting, etc. We call this ideal pattern of behaviour the *Success Model*.

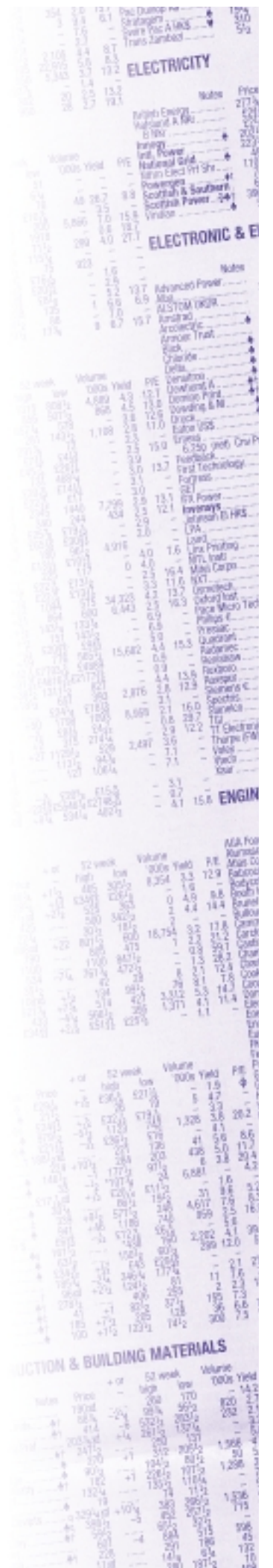
Once we have a Success Model for a particular skill we can train people to modify their behaviour to match the Success Model more closely, and so improve the probability of success. And that's what our multinational clients wanted: *the Success Model for creating major sales*.

The process is on-going. Up to the present day Huthwaite has analysed over 40,000 sales interviews in twenty-seven countries, and studied 116 factors which might play some part in improving sales performance. This remains the largest-ever investigation into sales success.

The nine key behaviours which lie at the heart of the SPIN® selling model are the distilled results of this research.

- Alliance and Leicester Commercial Bank
- Bank of America
- Bank Leu, Switzerland
- Citibank
- First National Bank, South Africa
- Flemings Bank (now part of Abbey)
- Mandatum Private Bank, Finland
- Prudential
- Royal Bank of Scotland
- Standard Life Healthcare
- Svenska Handelsbanken
- Swiss Re Life & Health
- Zurich Financial Services

On the next page is an overview of Huthwaite's training that will give your sellers the skills to create major sales – SPIN® selling skills, with typical objectives and content, and alternative design formats. This is followed by some of the SPIN® research highlights.



Activity	Close price	Day's change	Wednesday	Close price	Day's change
600	187	+7	Lib	85	
200	32	-8	Novest.com	14	
700	106	-11	Yocalis	27%	
250	347	+22%	Hunters Lela	47%	
1,150	49	+9	MoatFinance	23	
2,400	1%	+4	Downs	13%	
1,810	563	+12	Garcho Grill	80%	
0,990	90	+1%	Esperia	25%	
31,190	158	+1%	569		
51,150	778	+41%			

High	Low	Est. Vol.
28.0	+278.5	7937.0
15.0	-165.0	9200.0
75.00	+11.25	468.50
295.0	+36.0	6110.0
02.60	-4.50	410.50
24.00	-12.00	430.50

Oct 15	2001 High	2001 Low
186.75	227.87	23.6
324.86	515.08	13/2
1420.78	1991.26	31/1
122.96	124.14	3/10
6482.3	9666.20	21/5
1285.5	1362.70	8/10
6821.6	8720.40	30/1
513.90	632.05	25/5
746.19	963.90	1/2
7511.9	78432.00	25/1
489.54	477.27	12/10
202.13	292.72	25/1
209.99	303.88	31/1
5894.4	8116.90	3/1
4082.64	4082.97	5803.67
5712.82	6104.24	15/2
262.06	342.50	6/9
8577.10	12829.64	3/5
46307.11	96957.54	1/10
3410.94	4871.37	29/1
3293.82	4782.46	17/1
725.76	1087.32	31/1
796.55	1083.87	24/1
782.68	1082.03	24/1
4382.7	5583.60	30/1
1158.20	1548.54	25/1
2645.17	3548.02	25/1
263.61	602.69	19/1
960.9	1248.90	31/1
227.97	298.09	1/2
1107.20	1481.37	1/2
170.63	239.27	1/2
1025.91	1383.24	1/2
1161.94	1538.85	25/1
1240.50	1757.53	31/1

Typical programme overview - SPIN® Selling

Objectives

By the end of the programme each participant will:

- have analysed the strengths and weaknesses of their present selling style
- be able to describe the psychology of client needs
- be able to describe the key behaviours, or skills, used by effective salespeople in their interactions with clients
- have a framework for planning sales meetings in terms of these behaviours
- have frequently practised using the skills to develop customer needs in a way which greatly reduces the likelihood of objections
- have a strategy for dealing with difficult customers who raise objections, or have low reaction levels
- have measured objectively their performance compared with the Skill Model, and created an Action Plan for continued development of the skills after the programme.

Target audience

Any employees involved in the sale of Financial Services which are seen as high-value, important decisions by the client. In addition, this programme can be very beneficial to technical specialists or sales support staff who are involved in the selling process, or who may be exposed to selling opportunities in the course of their work with clients.

Programme content

- Basic principles of Behaviour Analysis - how it is used in research and skill development.
- Understanding your present selling style - are you a natural 'pusher' or 'puller'?
- The psychology of client needs - Implied and Explicit Needs defined - what they tell you about the customer's state of mind - which needs predict success in the sale.
- Preliminaries - the disciplines for starting a sales meeting off on the right foot - establishing the right to ask questions.
- The SPIN® model for developing needs
 - Situation Questions
 - Problem Questions
 - Implication Questions
 - Need-payoff Questions.
- Demonstrating your capability - making client-focused Benefit statements - dangers of Features and Advantage statements.
- Objections - how to prevent them - how to handle them.
- Low Reactors - how to identify them - why they are dangerous - how to handle them.
- Closing - how to gain an appropriate commitment to advance the sale.

Training designs and methodology

The objective of this programme is to teach skills, to change trainees' behaviour so that they perform more effectively. The training design is therefore based on the principle that *learning is doing*.

The Skill Model is introduced either by a trainer or by self-paced learning, using a CD-ROM. Skills are developed through a series of roleplays, facilitated by a Huthwaite trainer. Participants are not required to perform in front of the training group. Roleplays are conducted one-to-one and tape recorded. Trainees are also taught the rudiments of SPIN® behaviour analysis so that, aided by the trainer, they can analyse the recordings of their roleplays and give each other objective feedback on their actual performance compared to the SPIN® Success Model.

This repetitive cycle of plan—practice—feedback helps trainees match their behaviour ever closer to the SPIN® model as the training progresses, and equips them with the tools for continuing skill improvement post-course.

Materials

During the programme trainees receive a set of analytical tools to assist them in the structured preparation and planning of sales meetings.

There are comprehensive exercises and transcripts of meetings to test and refine trainees' understanding of the Skill Model, plus a library of user-friendly reference material giving detailed explanations of key concepts.

Roleplay scenarios and other exercises are normally customised to simulate the sale of the trainees' own Financial Services to typical clients in their own market.

Duration

Two to four days, depending on the choice of training delivery method and the amount of roleplay practice.

Huthwaite has a range of proven design formats which offer flexibility in learning styles and time off-the-job. See page 7 for more details.

Faculty and group size

The SPIN® programme is delivered by one or two senior Huthwaite consultants (depending upon the training design) experienced, whenever appropriate, in training clients in the Financial Sector. To ensure that each participant receives individual attention and feedback, training group size is limited to a maximum of twelve.

The image shows a collage of financial market data tables from a newspaper. The tables are organized into sections: 'ELECTRICITY', 'ELECTRONIC & E', and 'CONSTRUCTION & BUILDING MATERIALS'. Each table contains columns for 'Price', 'Volume', 'Yield', and 'P/E' ratios. The data is presented in a dense, multi-column format typical of financial newsprint. The tables are partially overlapping and show various company names and numerical values.

The image shows a collage of financial data from a newspaper. It includes several tables of stock price changes, market indices, and company news snippets. The tables are arranged in a grid-like fashion, with some overlapping. The data is presented in a clear, tabular format, typical of financial news reporting.

SPIN[®] research highlights

The full, fascinating story of the research studies and the development of the SPIN[®] Selling Skills model can be found in *Making Major Sales*, written by Neil Rackham, founder of Huthwaite. Here we have space to mention only a few of the research findings which gave the world a new insight into high-value selling skills.

All 'needs' are not the same

Conventional training treats all need statements as generic: "Find a need, meet it and you have a sale". Yet common sense says that there is a clear difference between a client who complains, "Their service has deteriorated" and one who says, "We're looking to change our broker/banker/provider." Huthwaite's research proved that there is a clear distinction between statements of dissatisfaction, called Implied Needs, and statements of desire for a solution, named Explicit Needs. In major sales Implied Needs have no statistical relationship with success, whereas Explicit Needs are key indicators of a successful outcome. Successful salespeople use a questioning technique to convert Implied Needs to Explicit.

Conventional 'probing' does not work

Probing (sales jargon for asking questions) is supposed to uncover customer needs. To achieve this, traditional training uses a seventy-year old theory that divides questions into two types.

- Closed questions, which can have yes/no answers, and
- Open questions which require a longer answer.

The research revealed two major problems with this approach: 60% of Closed questions actually receive long answers, because people like to talk; and, not surprisingly, there was no identifiable pattern of Open or Closed questions in successful sales meetings. Classifying questions by their form, Open or Closed, has no relevance in creating major sales!

Successful salespeople use a four-stage questioning model

Rather than classifying questions by their form, exceptional sales performers use four types of questions which are categorised by their purpose.

- **Situation Questions** - to gather background information and understand the factual detail of the sale.
- **Problem Questions** - to explore the customer's dissatisfactions and concerns.
- **Implication Questions** - which develop apparently isolated problems by examining their knock-on effect in other areas of the customer's business.
- **Need-payoff Questions** - which invite the customer to consider the benefits of solving his problems and, having done so, to express an Explicit Need for a solution.

'Benefit' statements are the major cause of objections

Generations of salespeople have been taught to make 'benefit' statements by explaining how their product is intended to help or be of advantage to the customer. Yet the Huthwaite studies showed that the easiest way to create an objection is to offer the customer an advantage that has not been asked for.

The true Benefit statement, the behaviour most closely associated with success, shows how your service satisfies an Explicit Need for which the customer has expressed a desire for a solution. Golden rule: no Explicit Need; don't talk about your solution!

Developing SPIN® Selling skills

Understanding the SPIN® Selling Skills Model is relatively easy. But, even for experienced salespeople who are already using SPIN® behaviours unconsciously, putting the model into practice at a consciously competent level is fiendishly difficult.

Huthwaite takes a proven, three-stage approach to skill development.

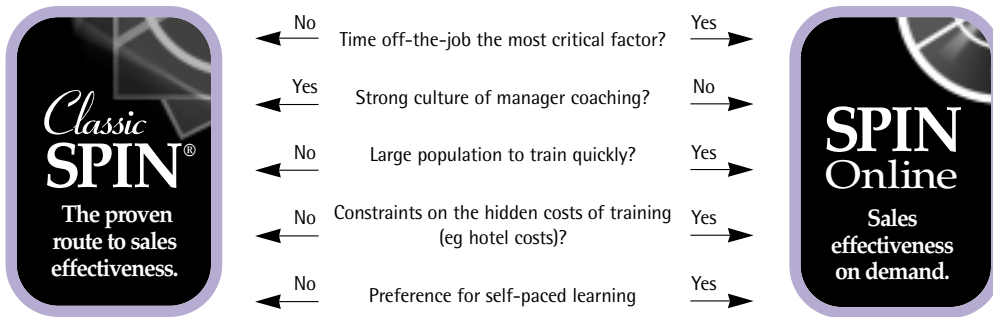
- Stage one - give knowledge and understanding of key concepts.

- Stage two - develop skills through repeated practice and constructive feedback.

- Stage three - reinforce and continue to develop skills on-the-job.

Using the three-stage principle, Huthwaite offers two basic routes to acquiring SPIN® skills.

Which option is right for you? Let's look at the most common decision criteria:



Decisions, decisions

These are only the most obvious solutions. You may benefit from combining elements from both Classic SPIN® and SPIN®-Online. We don't know.

The first decision you must take, however, is one

that every Huthwaite client has taken before you: talk to us. Together we'll build a sales effectiveness solution that's uniquely right for your company.

Your next step...

How to contact us



Call Huthwaite International on +44 (0)1709 710081



Send this form to:
Huthwaite International,
Hooper House, Wentworth,
South Yorkshire S62 7SA,
United Kingdom



E-mail us on fsinfo@huthwaite.co.uk

Personal details

Full Name (Mr/Miss/Ms/Mrs) _____

Job title _____

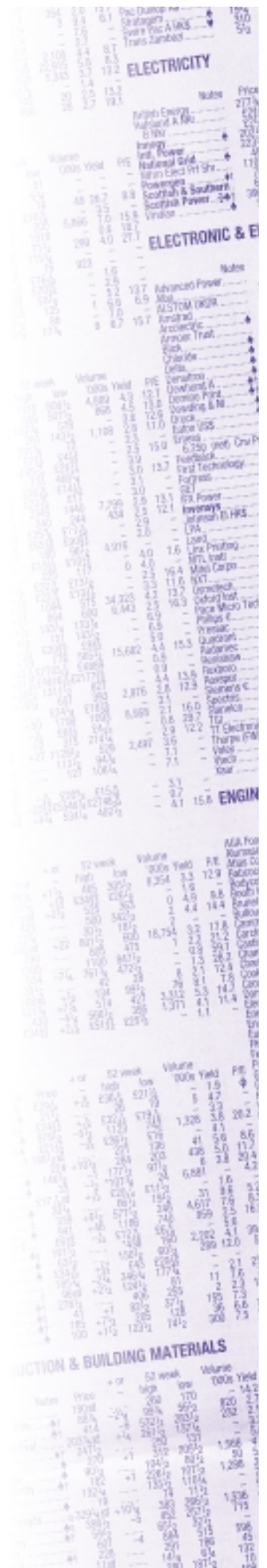
Company name _____

Address _____

Postcode _____

Direct tel _____ Fax _____

Mobile _____ E-mail _____



	Oct 16	Oct 15	2001 High	2001 Low	Share change
5882.5	5067.3	6354.50	4433.70	6690.20	
LSE Equity volume: 5.12					
CTIVITY					
BIGGEST MOVERS					
Close price	Day's change	Wednesday	Close price	Day's change	
100	+7	Ubs	95	+1	
200	-8	Nobest.com	14	-1	
700	-11	Vocalis	225	-1	
250	+22%	Hulbers Ltd	47%	+1	
150	+9	Coler	28	+1	
2400	+1%	Midlandshire	29	+1	
1870	+12	Downs	12%	+1	
7990	+1%	Garcho Ent	80%	+1	
1180	+1%	Esporta	25%	+1	
1150	+41%	S4S			
High	Low	Est. vol	High	Low	Est. vol
78.0	+275.5	7937.0	7135.0	30.0	
15.0	-165.0	9590.0	9210.0	18.0	
5.00	+11.25	468.60	458.45	27.0	
295.0	+36.0	6110.0	6012.0	17.0	
92.00	-4.50	410.50	402.60	2.0	
24.00	-12.00	439.50	424.00	2.0	
Oct 15	2001 High	2001 Low	Oct 15	2001 High	2001 Low
186.75	227.47	23.6	121.02	31	
0 correction gave way to revised optimism as US					
374	515.06	132	334.78	210	
1420.78	1961.28	317	1241.28	210	
broader market posted only modest gains					
122.90	124.14	310	61.89	20	
648.3	966.20	215	738.00	21	
1285.9	1382.70	810	658.80	21	
6821.6	8720.40	207	6185.00	21	
070.7 rises in luxury goods group Hiltendorf, and the					
513.90	632.05	295	608.78	21	
021.91 might performance of the world chipmaker Intel					
746.19	963.93	112	648.57	21	
7511.9	78132.00	251	6486.40	21	
158.20 helped by hopes of new measures that could					
202.13	292.72	251	177.40	21	
209.09	303.88	311	183.00	21	
210.14 year low as the construction group issued a					
5084.4	6116.90	31	5110	21	
4082.64	5803.67	41	3540	21	
3794.96 national investors were returning to the market					
3712.62	6104.24	152	344	21	
283.42 7hp bunchies, following strong rally in their					
282.06	342.56	69			
282.06 t in equities gave boost to market					
8577.10	12828.64	35			
6831.39 Turkcell led the hopes for additional foreign					
6999.50	8229.85	257			
6778.42					
46480.87	46307.11	96857.54	1178		
3436.13	3410.94	4871.37	291		
3450.27	3203.82	4787.46	1711		
737.04	725.76	1807.32	3111		
802.19	796.55	1063.67	241		
797.44	782.60	1082.03	241		
4410.86	4382.7	5683.66	307		
1987.88	1158.28	1545.64	297		
2665.73	2645.17	3546.02	297		
270.43	263.67	662.60	187		
568.7	960.9	1248.90	311		
228.72	227.97	288.08	112		
1117.70	1107.20	1484.37	112		
173.40	170.63	239.77	112		
1063.17	1055.91	1383.24	112		
1170.42	1161.34	1538.86	291		
1260.61	1240.50	1797.93	337		



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