

**SPIN<sup>®</sup> productivity project**

*A Huthwaite International report*

March 1999

# SPIN<sup>®</sup> coaching project review

## Introduction

This report summarizes the data collected during 150 coaching calls made by the client managers with their people over the period July 98 to March 99. Full details of changes produced by the SPIN<sup>®</sup> coaching project are shown in a series of graphs with commentaries in the following report.

The report addresses the questions:

- 1 Is there a link between using SPIN<sup>®</sup> behaviours and successful call outcomes?
- 2 Has the coaching changed the sellers skill levels so they are using more SPIN<sup>®</sup> questions with customers?
- 3 If the coaching has produced a change in skills, has this resulted in more successful call outcomes?

## Is there a link between using SPIN<sup>®</sup> and call success?

We know from research in other pharmaceutical organisations that the SPIN<sup>®</sup> behaviours are related to sales success. Does this hold true for the client? How do those calls that lead to an order or an advance towards the buying decision differ from those that fail?

To answer this question we have divided the calls into two categories:

- Successful calls**  
 Those that resulted in a signed order or in an advance. We define an advance as a call where an action is agreed which will take place before the next call and which moves the sale forward.
- Unsuccessful calls**  
 Those that resulted in either a refusal to use the product from the buyer or a failure to agree on any action to move the sale forward towards the buying decision.

### Success profile based on 157 calls

As can be seen in the chart there are some significant differences between the successful and unsuccessful calls in terms of the behavioural profiles. Overall the profile shows that the use of SPIN<sup>®</sup> questions correlates with success in the client sales calls. In particular the following behaviours seem to be very important::

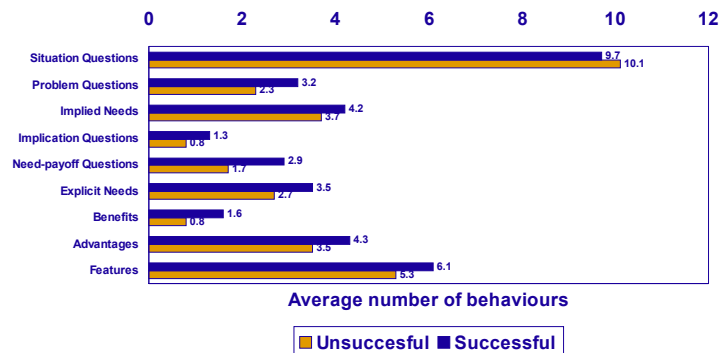
- Problem Questions**  
 Questions which explore the difficulties in treating a condition or in using the existing treatment, are linked to success.

- Implication Questions**  
 Questions that explore the impact or knock on effects of a problem are strongly linked to success. Statistical tests show the difference between successful and unsuccessful calls is a significant, rather than a chance, difference.

- Need-payoff Questions**  
 Questions that explore the value or importance of solving a problem and what the best solution would be are also strongly linked to success. These are the questions that convert Implied Needs (customer statements of dissatisfaction with the present treatment) into Explicit Needs for a solution.

- Benefits**  
 Statements that show how the product can meet the Explicit Needs are consistently associated with success in all research studies Huthwaite has conducted. The client project is no exception. The whole purpose of the SPIN<sup>®</sup> approach is to develop Explicit Needs that allow the seller to make Benefits.

A comparison of successful and unsuccessful calls



## Conversion of Needs to Benefits

A key aspect of selling skills is what your salespeople make of the needs they obtain.

Ideally most of the Implied Needs they obtain will be converted to Explicit Needs, and then they will make Benefits to most of the Explicit Needs.

The table below shows how effective salespeople are doing this in the client sales calls.

### Ratio of Implied Needs to Explicit Needs to Benefits

	Successful calls	Unsuccessful calls	Diff
Implied Needs	4.2	3.7	
Explicit Needs	3.1	2.7	
Benefits	1.6	0.8	
% conversion			
Implied Needs to Explicit	85%	73%	12%
Explicit Needs to Benefits	45%	30%	15%
Implied Needs to Benefits	38%	21%	17%

It would seem from this data that salespeople could increase their effectiveness considerably by:

- using Implication and Need-payoff Questions to convert more Implied Needs to Explicit Needs
- ensuring they always clearly show how their product meets the Explicit Needs uncovered i.e. make Benefit Statements.

We can conclude from these findings that asking SPIN<sup>®</sup> questions should help the client salespeople to be more effective.

The next question to be examined is, has the coaching resulted in more SPIN<sup>®</sup> questions being asked in the sales call?

## Has the coaching project produced a change in skills?

It needs at least five joint visits with each person, using SPIN<sup>®</sup> feedback and coaching to bring about a lasting improvement in skills.

Ideally, the comparison should be between data collected before any training or coaching has taken place and data from the fifth coaching visit. At the time of producing this report the full sequence of five calls had not been completed by all managers so the data comparison is based on the benchmark data (taken before coaching commenced) and coaching calls 1, 2 and 3+ (which includes all calls 3, 4 and 5 completed at the time of the report).

It gives an indication of which behaviours have changed as a result of the SPIN<sup>®</sup> Project and what remains to be done. The report will now take a more detailed look at change by analysing each behaviour, call by call.

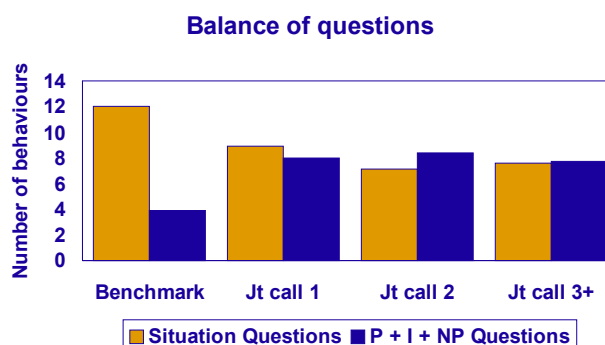
First let's look at how people's overall questioning behaviour has changed during the SPIN<sup>®</sup> Project. A useful starting point is to compare Situation Questions with the other types of questioning behaviour.

### Changes in questioning behaviour

In this chart we have combined Problem, Implication and Need-payoff Questions. This is because, in our research, we found these three types of questions were consistently associated with success. As we have already seen this is also the case with the client success profile.

As you can see, the level of Implication and Need-payoff Questions has risen during the Project.

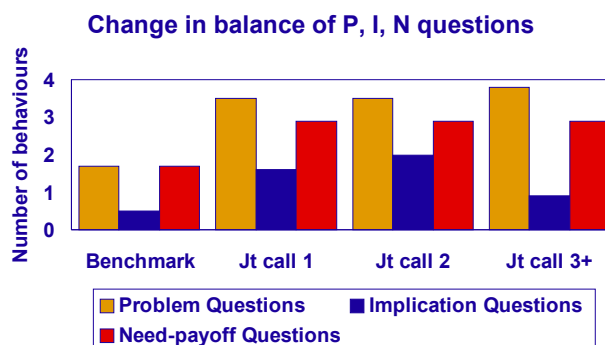
Situation Questions have fallen which is usual when people begin to focus on the questions that are more strongly linked with sales success. The next chart considers changes in these three behaviours in greater detail.



### Changes in Problem, Implication and Need-payoff Questions

The number of Problem Questions people ask has risen during the Project. We have carried out statistical tests that show that this increase is so large that it is unlikely to be a result of chance factors. So we have succeeded in increasing the level of a key behaviour associated with sales success.

Turning to Implication Questions, our earlier findings showed that they were higher in successful calls. Their function, to develop and extend the implications of a customer's problems, makes them particularly important in selling.



As the chart shows, the level of Implication Questions has increased significantly during the Project. Of all behaviours, Implication Questions are the hardest for the average salesperson to develop. In order to ask Implication Questions the seller has to hold back from jumping in with solutions – which many people find difficult. However as the chart shows, the level of Implication questions is beginning to drop from the third call onwards. This is often because the coaching has moved on too quickly to Need-payoff Questions before the ability to ask Implication Questions has been fully developed.

Finally, let's look at Need-payoff Questions. We found in our studies that they were positively related to sales success, with more in successful calls. The purpose of Need-payoff Questions is to move the customer's attention away from the problem and towards the payoff or value from solving it.

The client success profile also shows significantly more Need-payoff Questions in successful calls.

During the Project there has been a significant increase in the use of Need-payoff Questions – so we have succeeded in developing a behaviour generally associated with success.

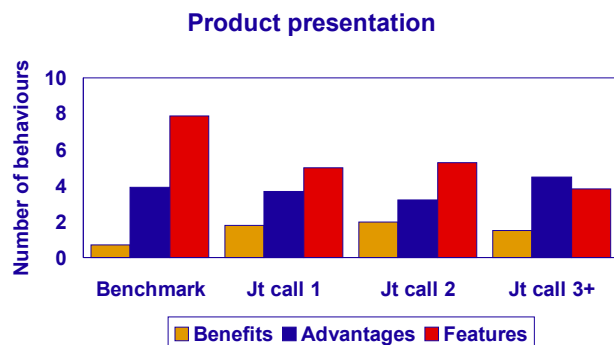
## Presenting the client's products and services persuasively

Next, we will examine changes in the level of Features, Advantages and Benefits. Because these terms are in common use, but have a variety of meanings and interpretations, it is worth defining the way we have been using them in the SPIN<sup>®</sup> Project.

- **Features** – statements describing some characteristics of a product or service
- **Advantages** – statements showing how a product or product features can be used or can help the buyer
- **Benefits** – statements showing how the product, product features or advantages meets an Explicit Need expressed by the buyer

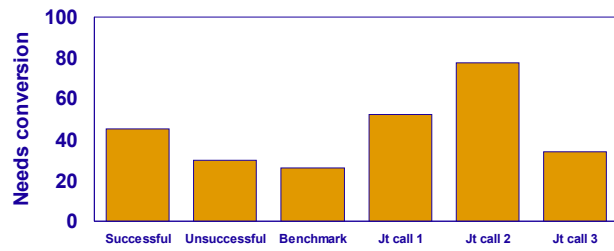
## Changes in Features, Advantages and Benefits

- Features, being neutral data about the product, have little effect on the customer. Features were not associated with success in the client calls and so the significant fall in Features during the project, (from 42% to 28% of the seller's speaking time) means people are spending proportionately more time using behaviours more closely associated with success.
- Advantages are somewhat more persuasive than Features, especially during early calls in the selling cycle. The level of Advantages has increased significantly and is now the same as the average level in successful calls.
- Of all behaviours, Benefits have been the most strongly associated with success in our investigations – the more Benefits, the greater the probability of a sale. The client results are no exception, with more Benefits in successful calls. The number of Benefits has increased during the Project and the increase, according to our statistical tests, is large enough to be significant.



However, as this chart shows, this level seems to be dropping off again, and the behaviour will need further reinforcement.

**Percentage conversion of Explicit Needs to Benefits**



## Conclusion

The data reveals that the coaching has produced a change in the sellers skill levels and that salespeople are asking more of the questions which lead to sale success.

However, the drop off in some skills in calls three onwards suggests there is a need for coaching to continue until the skills are entrenched. Our past experience shows a minimum of five coaching visits are needed to produce lasting skill change.

## Has the change in skill levels resulted in more successful call outcomes?

While we can't record details of the actual sales results achieved by the clients salespeople during the project, we can show the success levels recorded by managers on accompanied calls. As the following graph shows there has been a very satisfying increase in the proportion of successful outcomes recorded.

From this we can conclude:

- there is a link between using SPIN<sup>®</sup> and success in the client sales calls
- the SPIN<sup>®</sup> training and coaching project has produced a change in skill levels and these skills are being applied in sales calls
- the change in skills has increased the number of successful call outcomes.

