

Is it Real (or is it Memorex?)

“The 7 Diagnostic Questions that Insure You Get a Real Opportunity”

If you've been in the sales business long enough, you've had this experience:

➡ You go in and present your stuff to a customer. The customer seems very interested. They tell you that they really want to do business with you. You send them literature or samples. Or you do a demo. You send them a quote. And you wait. And you wait. And then you wait some more until finally---nothing happens.

So you look back over your brilliant sales process to try and understand what happened. What was it that they said that got you all excited? Why didn't they buy?

The reason is that you never had a “real” opportunity. Ok, so what could you have done to define this earlier?

The answer is that you could have asked seven (count'em) questions that I call “diagnostic” questions. The purpose of these questions is to help define the “reality” of an opportunity. I've even got some data that you might find interesting. A few years ago—more than I wish to recall—I put together an opportunity database and tracked 10,000 pieces of business—in almost every industry in the country—at every level—distribution, reps and manufacturer. I found out the following:

If you could get all seven of these questions answered (coherently), you would ultimately book about 90% of those opportunities. Getting answers to 4-6 of these questions meant a success rate of about 10% and 3 or less gave you an ultimate success rate of about 1%.

(So if you have answers to 3 and you go to 4, you just increased your chances of success by 1000%. Go from 6 to 7 “coherent” answers and you increased your chances by another 900%.) Neat, huh?

OK, so here are the questions:

- 1. Is this expenditure budgeted or approved?**
- 2. What is the application?**
- 3. Exactly how much of it do you want?**
- 4. Who is your current supplier or who is the competition?**

5. What is the target price range?

6. When do you need it?

7. Why would you consider buying it from us?

Is this expenditure budgeted or approved? What does it tell you if your contact cannot answer this question?

What is the application? If they cannot tell you how it will be used, are you really dealing with the right person? Is this what they really need?

Exactly how much of it do you want? If they give you a range—say 50-500 widgets, does that sound real? How many Purchase Orders come to your company that say—send us any number from 50-500—your option?

Who is your current supplier or who is the competition? If they are really considering working with you—won't they tell you who else is being considered?

What is the target price range? If they are really considering you, won't they at least give you a target? Don't you need it to compare the questions on volume/application to know if we are talking apples to apples?

When do you need it? The more 'real' it is the better answer they can give you to this question.

Why would you consider buying it from us? If the customer can't answer this question (and you may have to create the need here), they probably won't buy—from you.

Next time, before you run off and invest a lot of time in an opportunity, stop and ask these questions and see what they tell you about the time you need to invest...

Good Selling!

Joe

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