



Digital Article

Sales and Marketing

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Based on a new study of B2B buyers. by Steve W. Martin

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Pretend that you're an experienced buyer who has met with hundreds of business-to-business salespeople. What percentage of them would you say are excellent, good, average, or poor?

According to a new <u>study</u> of more than 230 buyers, 12% of salespeople are excellent, 23% good, 38% average, and 27% poor.

The bad news is that the underperforming salespeople lack the self-awareness to know that buyers don't value them, nor do they understand why. They don't take the time to figure out why they lost a deal or longtime client. They either don't know why they weren't selected or they reflexively blame it on factors out of their control.

Interviews with buyers illustrate seven important lessons about the mistakes salespeople make and why they lose business.

1. They are not trusted or respected. Customers can think of a salesperson as someone who is trying to sell something, a supplier with whom they do business, a strategic partner who is important to their business, or a trusted adviser whose advice is followed. Obviously, a trusted adviser enjoys significant advantages over the competing salespeople. However, just 18% of the salespeople buyers met over the past year would be classified as trusted advisers whom they respect.

- **2.** They can't converse effectively with the senior executives. While salespeople frequently meet with lower-level and midlevel personnel at a client company, the rare conversations they have with C-level decision makers directly determine whether they win or lose the deal. Therefore, it is critical for salespeople to understand how C-level executives think and to communicate with them in the language they use. Unfortunately, buyers report that fewer than one out of three salespeople can hold an effective conversation with senior executives.
- **3.** They can't clearly explain how their solution helps the buyer's business. Buyers amass information that helps them justify their strategic decisions. In other words, a product's strategic value comprises the reasons and arguments that buyers provide to senior management and others in the company about why they should purchase a product. Different strategic values include increasing revenues, decreasing costs, gaining a competitive advantage, and standardizing operations in order to reduce risk. However, buyers say only 54% of salespeople they meet with can clearly explain how their solution impacts the buyer's business.
- **4. They are too self-centered.** Study participants were asked to choose the primary reason they don't like meeting with salespeople. Their answers reveal that they feel pressured by self-centered salespeople. Forty-four percent believed salespeople are only serving their own agenda, while 25% indicated salespeople only care about making the sale. Twenty-three percent were uncomfortable because it is difficult to say no to them, and 8% said salespeople are not the type of person they typically associate with. The lesson is clear. Instead of focusing solely on revenue, salespeople should concentrate more on helping buyers accomplish their goals.

- **5. They use the wrong closing strategy.** Study participants were presented with different closing techniques in order to understand how they would respond. Overall, hard close techniques such as "This is the last time we'll be able to extend this offer and we need an answer now" were rated least effective. A hard close creates a binary "yes or no" response from the buyer and is associated with a "take it or leave it" mentality. Soft close techniques such as "If you spend another \$100,000, you will receive an additional 10% off the entire order" were rated most effective. A soft close is based on a suggestion that leads buyers to believe they are acting of their own free will, when in fact they have been directed to follow an action.
- **6. They don't alleviate the risk of buying their solution.** Business-to-business buyers are fixated on risk mitigation because past interactions with salespeople have conditioned them to be skeptical. Therefore, they make vendors respond to immense requests for proposals, complete laborious evaluation spreadsheets, and document each product feature to prove it exists. Still, one of the primary reasons a purchase isn't made after a lengthy evaluation is because the salesperson hasn't alleviated the risk of buying.

Tolerance for risk fluctuates by function and by industry. Not surprisingly, IT and accounting have less risk tolerance than marketing; dynamic, creative fields such as fashion and media have more risk tolerance than government or health care. Salespeople should understand these dynamics as they seek to assuage buyers' concerns about risk.

7. They can't establish a personal connection with the buyer. There is an equilibrium point where the buyer respects the salesperson's conviction and is not offended by their persistence, which enables the

relationship to develop. Buyers cited five key reasons why there isn't "chemistry" or a personal connection with a particular salesperson:

- The salesperson was too pushy.
- There was a difference in communication styles.
- The salesperson's personality was much different from mine.
- The salesperson was too eager to befriend me.
- There was a difference in age.

Most salespeople are very comfortable selling to certain types of people. However, they're far less likely to establish rapport with someone who is wired far differently than themselves. Since they're not exactly sure how to behave, they act in a way the buyer considers too pushy, or they overcompensate by being overly friendly.

It's not surprising that 81% of buyers indicated they would rather talk with someone who shares their same mannerisms. As a result, buyers will choose the salesperson who develops rapport over those who don't. Ultimately, a salesperson wants to become a communication chameleon. Just as the chameleon changes colors to match its surroundings, the salesperson's goal is speak the buyer's language (industry, technical, and job function) in order to change a skeptic into a believer.

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