
SECTION 13

PROFESSIONAL'S SELLING
PROCESS

Minimizing Risk

- 63 Support Your Proposal with Solid Evidence**
- 64 Minimize Prospect Risk with a Service Guarantee**
- 65 Testimonials Minimize Perceived Risk**
- 66 Lost Proposal Evaluations**

TROY WAUGH

SUPPORT YOUR PROPOSAL WITH SOLID EVIDENCE

When selling to key decision influencers, you will help the buyers to minimize risk when you can support your proposal with solid evidence for each of your claims.

Comparing Your Services

For example, when your prospect is mentally comparing his present service provider with your service, you may make a complete comparison of the two. List the advantages and disadvantages of working with each firm. In fact, you can get the prospect to do this for you by asking the right questions and leading her through the analysis.

When making a service comparison, you want to be overly fair to your competitor so you don't appear to be heaping negativity on the other firm in a biased way. But, you certainly want to get your prospect to talk about and amplify the reasons for changing firms. By getting the prospect to articulate the reasons for the change, you will be able to help him remember those reasons and perhaps remind his associates of those reasons.

The Costs of Delayed Decisions

Many people have an aversion to change and may need some help in overcoming this fear.

You could demonstrate the cost of delaying. Many businesses use professionals for many years after the business has outgrown the usefulness of the professional. But they are reluctant to change. By reviewing the lost profits or lost satisfaction or hassle factor, you can support your proposal with solid financial reasons to make a change to you. However, you want to focus on nonfinancial (qualitative) as well as financial reasons for clients working with you.

Types of Evidence

By relating a case history or showing a testimonial letter, you offer solid evidence of a good result. You should develop several good stories around successful client applications of your service. Better yet, ask your client to call the prospect and relay the story in his own words.

A guarantee often removes resistance by reassuring the prospect that the engagement will not result in a loss. Guarantees must be meaningful and must provide for recourse on the part of the customer if the service does not live up to the guarantee.

Conclusion

Buyers make decisions on emotion, then justify the decisions with logic. By providing solid evidence, your claims will stand the test of logic.

MINIMIZE PROSPECT RISK WITH A SERVICE GUARANTEE

At the moment of making a decision to hire you, many would-be clients balk. At the last minute, the decision process focuses on risk. “What are we risking to make this change,” the CEO asks. Prospects fear change. The perceived risk of changing is often worse than staying with the known problems with their incumbent professional firm. I have witnessed many companies go out for bids, and then keep the same firm they are unhappy with.

How can you minimize fear and close the sale? By improving on the use of a tool you already have—the service guarantee.

Give a Guarantee Now!

Most advisors *essentially* give a guarantee now without reaping the benefits. Will you appease a complaining client? If your client is unhappy about his bill or your service, will you modify the bill or rework the service? If you stand behind your work, you are giving a service guarantee. But you are giving it after the fact, *not at a time when it will help you*.

You’re missing a powerful marketing and practice aid when you use guarantees after the fact, rather than up-front. Many professionals balk at the idea of giving a guarantee. Yet the word “guarantee” is one of the 12 most powerful in

the English language, according to linguist Dorothy Leeds. When you guarantee satisfaction you remove the risk inherent in the transaction. And, you employ an attractive marketing tool at a point in the business transaction when it can get you the client.

Use Guarantees to Your Advantage

Bruce Horovitz, writing in *USA Today* said, “There’s one marketing tactic that’s all but guaranteed to work every time: a guarantee.” In practice I have found that a service guarantee goes beyond mere words. When you communicate that you have a service guarantee, you and your staff approach your work differently. Work is done with more care when everyone knows the work is guaranteed and that the client is the sole judge of its value.

A major Chicago law firm, Coffield, Ungaretti & Harris, advertised their guarantee in the *Wall Street Journal*. Partners attribute much of their firm’s growth to the guarantee.

You’re Not at Big Risk

Naturally there are some caveats to implementing a service guarantee. No one can guarantee a result. If you have an unreasonable client or two, don’t offer it to them. You may want to implement a service guarantee over a period of three years, and you should phrase a written guarantee carefully.

Conclusion

Advisory, accounting, and law firms are using guarantees more. The Rainmaker Academy has used one for over ten years, guaranteeing satisfaction with everything we do. And, we have made good on the guarantee twice during that time. I hope you will consider it in your future marketing plans.

TESTIMONIALS MINIMIZE PERCEIVED RISK

Recceiving solid referrals from delighted clients is the best way to build your business. Your closing ratio will be very high with a referral, particularly if your referral source is a trusted friend of the prospect. The next strongest marketing tool is to utilize testimonials from great clients.

A third-party endorsement is one of the most persuasive marketing techniques around. Use testimonials in your advertising, in direct mail, in proposals, and in handout marketing materials. Clients love to do it for you and prospects are impressed.

How to Collect Testimonials

There are a variety of good ways to obtain good testimonials. You could simply ask your best and happiest clients to write testimonials for you. A better way is to send clients examples of what others have said or offer to write a testimonial for them. While written testimonials are the norm, there are more creative ways to collect and deliver them.

One firm hired a radio personality to perform live interviews of clients. The managing partner called about 10 clients and made appointments for the radio announcer. The announcer had a series of questions he asked each client. When he visited the clients, he took his time interviewing them. After each question, he asked the client, “Were you

comfortable with your answer? Do you want to rerecord it?” Some clients recorded several answers to the same question so the firm would have a good selection. These testimonials provided excellent spontaneous material from which to build a commercial.

Using Testimonials

The managing partner identified the best comments from the interviews. They edited the tapes until they achieved a very tight 60 seconds of clients saying positive things about the firm, its partners, and services. During meetings with decision makers they play the 60-second version of about 20 very positive comments. Such a creative way of delivering testimonials is powerful and memorable. Many decision makers ask for a copy of the tape to play for others in the business.

Another effective way to use testimonials is to ask your client to call the prospect before your meeting. Ask him to talk directly to the prospect or leave a detailed voice mail. The prospect will be much more receptive.

A third way you could use a strong client endorsement is to request your delighted client to be available during the time of your prospect interview. Then, at an appropriate time during the interview say, “Bill Jones, one of our clients, has agreed to stand by to talk to you. He is waiting for our call right now. Would you mind if we called Bill and let him tell you first hand his experiences in working with us?” When the prospect agrees to this approach, you may volunteer to leave the room after the phone call has been connected.

Conclusion

Finding creative ways to use testimonials is a powerful selling tool and a way to minimize the perceived risk of working with you.

LOST PROPOSAL EVALUATIONS

After you have invested time in the proposal process and have lost, it is crucial to learn why. This gives you something in return for your efforts. If you can meet with the key decision makers to ask questions, you most likely will be able to gather a strong sense of what really occurred. If you cannot meet, set up time to conference call the key decision makers (all of them, if possible).

In some cases, it may be better to ask a savvy marketing director, another partner or an outside consultant to make the contact. Some clients will be less reluctant to tell a third party potentially sensitive information about you or the process.

Look for Consistent Patterns

You need to look at your track record over a number of proposal processes to really obtain a clear picture of how you are doing. Also, you must use your best judgement when evaluating comments. For example, on the same proposal a CEO said it was too short and didn't fully address his issues and the CFO said it was too detailed. The real information we learned from a brief CEO interview was not about the length, but that the key issues of the CEO had not been addressed.

How to Analyze a Lost Proposal

Introduce yourself as follows: Mr./Ms. Client, I'm _____ of _____. As you may recall, we recently proposed to _____ for your company. We were disappointed that we weren't chosen, because we invested a great deal of time in the proposal. However, we are happy that you feel you have a good solution for your situation. After we have proposed, we like to learn from the process in order that we may get better the next time. Would you take about 5 or 10 minutes with me to candidly answer some questions about the proposal we submitted. Your answers would be most helpful and I would be most grateful for you responding. May I ask a few questions?

Conclusion

If you have lost a "beauty contest" for a new client, the biggest factor is usually that the prospect perceived lower risk in selecting your competitor. It is important that you evaluate the perceptions of the prospects and the risk perceptions they used to make the final selection.

(Appendix 4 contains an outline of a good lost proposal review.)