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Solution Selling Essentials

The Myth of Sales Qualification

A Sales Performance International Article

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The Myth of Sales Qualification

Should I Stay or Should I Go?

According to the latest survey of sales managers conducted by CSO Insights, almost half of salespeople (46.2%) need improvement in qualifying opportunities.

Although many managers believe their sales teams have a problem with qualifying new opportunities, we find that most salespeople have a bigger problem - They are increasingly reluctant to disqualify opportunities that they have been working on for a while. That is, many salespeople wait far too long to qualify themselves out of deals that are going sour, especially when their pipelines are lean. As a result, they waste their most precious resource - *their time* - in bad opportunities that they can't win.

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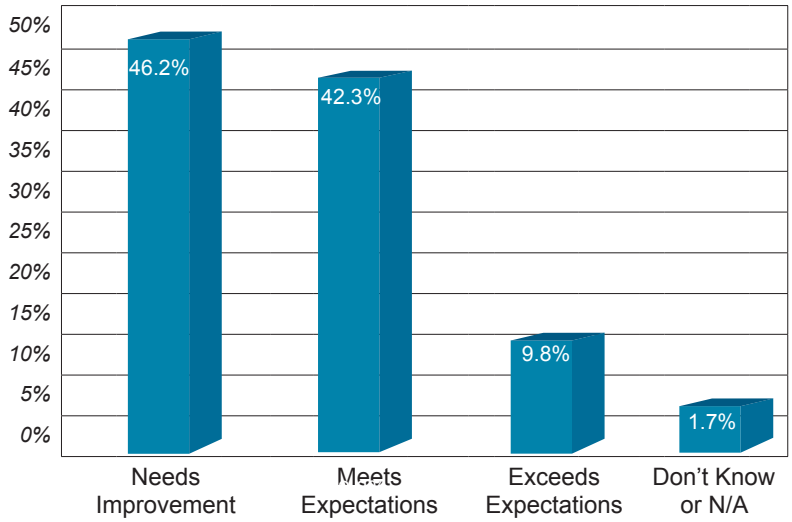
Salespeople's Ability to Qualify Opportunities



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Both qualification and disqualification are important skills for sales professionals to master. The skill of qualification is the ability to help bring an opportunity to an established standard - one where the salesperson has a good chance to win the business. Disqualification is the ability to disengage from an opportunity, if it does not meet the standard.

Why do too few salespeople disqualify out of bad deals? We have found that most salespeople don't understand what the standards should be to make a good decision to engage or disengage.

The Biggest Myth of Qualification

We often ask salespeople this question: "What elements make an opportunity qualified?" Without too much variance, the answers we hear most often are:

- Budget – the project is funded
- Authority – a decision maker is in place within the prospective buyer's organization
- Need / Fit – your offerings match the list of requirements
- Timeframe – the prospective buyer has identified a date that the purchase decision must be made

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Some people refer to these four elements simply as "BANT". This is useful information, to be sure – BANT elements are very important in any selling engagement. However, using BANT as your sole qualification method may cause you to stay in opportunities that are better qualified for someone else. If a buyer can give you answers to these four elements, then they probably can tell you the answer to the more important fifth question – who they have already decided to buy from. If they already have a clear idea of BANT elements in their head, they must be "down the road a bit" in their buying process, and you are arriving into the opportunity late.

In other words, if a prospect can clearly describe their BANT elements for you, then you are most likely not in first place. In fact, you are probably way behind. So, should salespeople automatically walk away from deals in which prospects can articulate BANT? Not necessarily. Important information around "BANT" is critical for a salesperson to discover during a sell cycle, but real opportunity qualification should include some additional criteria as well. BANT only provides some of the picture of a sales opportunity. To qualify in or disqualify out, we need some additional information.

The Successful Sales Formula

The formula below expands the basis for qualifying opportunities. In addition to BANT, if you don't have an affirmative answer to each variable, then the chance of a successful sale is zero.

Pain x Power x Vision x Value x Control = Sale

Let's examine each of these elements:

- **Pain** - The basic principle "no pain, no change" speaks volumes about why this element is so critical to the successful sales formula. High priority pain, which also includes potential missed opportunities, helps answer the question "Is the customer likely to take action?"
- **Power** - Simply defined, the person within the buying organization with the ability to make or influence the purchasing decision is power for this opportunity. The questions to ask about power are: "Do we know who Power is?" and "Are we aligned with the Power people?"
- **Vision** – The prospective buyer must understand what your offering will allow them to do, but also be able to visualize themselves doing something different in the future. The question to answer here is: "Does the buyer have a clear vision of how they can solve their problem with our solution?"

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- **Value** – Buyers must grasp the quantifiable value they'll be receiving by making an investment in your offering. The question to answer here is: "Can the customer articulate the value they will receive from our solution?"
- **Control** – The term Control might sound a bit heavy-handed, but it is really about guiding your buyer to a good decision, not manipulating them. The question to answer here is: "Can we influence the buying process?"

If you don't know the answers to any or all of these questions, then you don't know enough to qualify yourself into the opportunity, even if you know all of the BANT elements. Your decision to invest time and effort into the sales opportunity should depend on whether or not you can get these answers, and whether those answers favor you and your solution - or if you can influence the buyer enough to earn their favor before they make a buying decision.

Opportunity Assessment

Qualification does not happen just once – it is a continuous process. Every time you learn new information in an opportunity, reassess using the Successful Sales Formula. You may find a once-qualified opportunity become unqualified due to changes within the buying organization or other factors outside of your control. The only thing wrong about being wrong is staying wrong!

Good luck and good selling!

Parts of this article adapted from the Solution Selling Fieldbook (2005, McGraw-Hill, ISBN 978-0071456074) by Keith M. Eades, James N. Touchstone and Timothy T. Sullivan.

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Sales Performance International

4720 Piedmont Row Drive
Suite 400
Charlotte, NC USA 28210

info@spisales.com
t: +1.704.227.6500

www.solutionselling.com
www.spisales.com