

Spin selling in B2B situations

Abstract: This article deals with SPIN selling techniques in corporate sales. B2B sales are quite complex owing to knowledge of customers and huge monetary transactions involved. Hence, it is very important to handle each situation carefully. As per SPIN technique, there are four stages which aid a sales person while questioning and understanding the needs and requirements of concerned party.

“People do not buy from salespeople because they understand their products but because they felt the salesperson understood their problems.”- Neil Rackham

Corporate sales unlike B2C is very complex. Since the products in B2B market are highly intricate with knowledgeable customers and as it requires high level of personalized selling, it becomes essential to ask the right kind of questions at the right time to turn a lead into a customer and ultimately into a partner. Business relationships are one of the most valuable assets for an organization and this can be established by delivering superior value for the clients. Value creation happens when the client's '**pain-point**' or a significant improvement to the existing system is addressed. This can only be achieved by thoroughly understanding and analyzing the client's business model, its processes, its products/services, etc. **SPIN** selling plays a crucial role in understand such requirements and helps organizations reach their desired state from their existing one. It involves asking questions in a sequential manner to discover the veiled issues or challenges faced by businesses with the aim of providing solutions for them.

Salespersons following conventional selling, pitch in their product after asking problem questions which in most cases, results in lost sales. A good salesperson moves his/her customer from a static position to one in which they take actionable measures. To achieve this, a salesperson must understand the customer's implicit needs and convert them into his explicit needs which are needs which make him take action. This can be achieved by asking questions which have a logical flow.

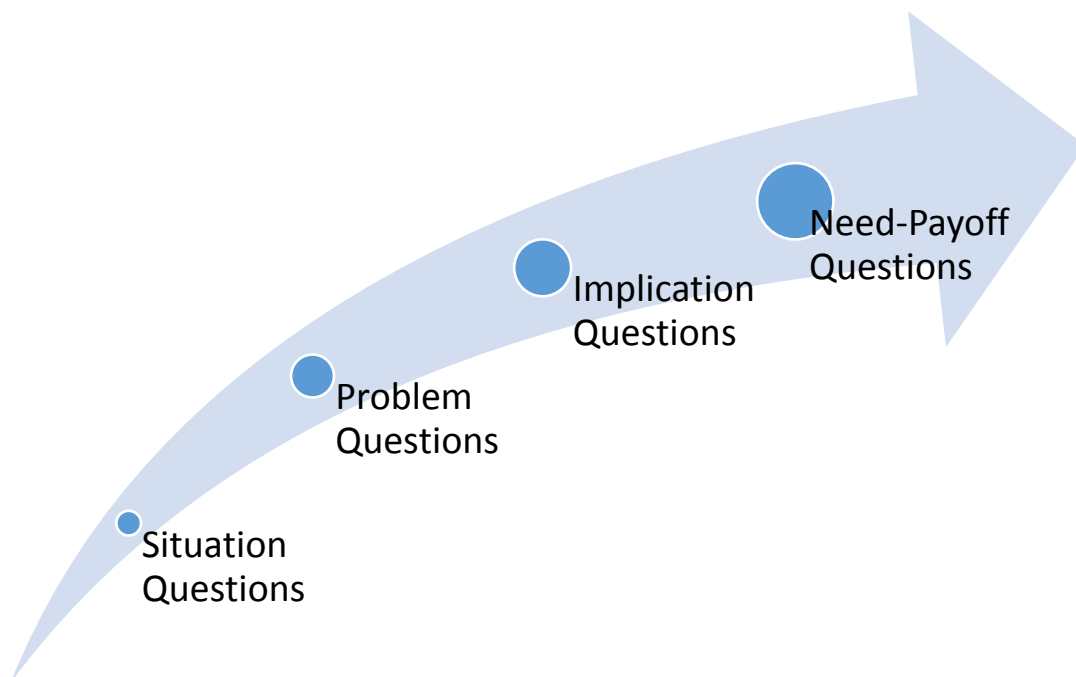
Neil Rackham and his company Huthwaite introduced SPIN selling in 1988 after extensive research and analysis of around 35,000 sales calls from different industries and different countries. So, what SPIN selling is all about? SPIN selling is a sequence of queries which a salesman must follow to make a successful sale. But, unlike conventional selling, salesperson must have extensive knowledge about their leads or prospects. The sequence of questions must focus on the following areas. First, **Situation** based questions which are facts-based and also gather data. A few situation centered questions are adequate, since the salesman is expected to do his homework. Situation based questions help create a base for the conversation.

Most sales involves selling a solution for a problem faced by the prospect. So, in order to understand the problems, Rackham suggests that the next set of questions should focus on the **Problems** of the prospect. Here, the salesman gets to investigate the challenges faced by the prospect. During this stage, ample number of questions need to be asked by the salesperson.

Through these questions, they get to know the core needs of the prospect. This is an important step as it helps to understand and analyze how to match their product/service with the issue being faced and present a solution for it.

Every prospect may have a few potential problems. But Rackham's next step is to show the **Implications** of the problem. Here, the salesperson must enlarge the scope of buyer's problems. Prior homework and on-the-spot analysis helps in identifying implication questions. Through this step, the customer gets to know the larger consequences of their current problems. This is a crucial step as it helps the salesman to '*hit the nail on its head*' and strike a chord with the client to make them aware of the implications of the current issues.

The final step involves questions surrounding the value which the salesman can offer through his product or service. This step is called **Need pay-off**. Here, the salesman uncovers the core need of the prospect and understands the benefits the prospect is looking for. The buyer must find value in the product or service being offered by the salesman.



In the real-estate industry, consider a situation where a salesperson has approached a real estate firm for offering consultancy services. Here, situation questions may focus on the firm's past investments, their areas of interest and an approximate estimate of their investments. The next set of questions may focus on the core need of the customer which in this case, is the return on investment. The firm expects a certain rate of return on their investments but the problem arises when it comes to selecting the site where they have to invest. Therefore, problem questions must be focused on finding the rate of returns and the sites where they want to invest. Implication questions will enlarge their core problem and uncovers their implicit needs. Need pay-off

questions will address how the new investments proposed by the salesperson in different sites pay-off in the longer run. The firm then can choose the best option indicated by the salesperson.

Hence, it can be concluded by saying that spin selling unlike traditional selling which focuses only on the needs of the seller, focuses on understanding the customer needs and provides effective and efficient solutions for the critical issues faced by them. It also goes beyond traditional selling in the sense that it is a long term relational approach rather than a transactional one.

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