

SPIN Selling Strategies

Based on the book: SPIN Selling by Neil Rackham

A. What is SPIN selling?

S=Situation: what is the buyer's situation? (*establish selling context and get to know your customer*)

P=Problem: what is your customers' problem? (*questions to determine customers problems, which reveals implied needs*)

I=Implications: what is the implication of the customers problems being solved (or not solved)? (*questions which make the buyer feel the problem more clearly and accurately*)

N=Need-Payoff: what does the buyer really need? What solutions does the buyer really need? What benefits would solution bring to buyer? (*questions which allow the buyer to state explicit needs, and the seller to state the benefits of the sales solution*)

B. Relationship Selling:

Selling products & services in the 1990's is more complex than selling simple, one-time sale items. A relationship between the seller and the buyer is critical, and is necessary due to the service and follow up required by the nature of complex transactions between buyers and sellers. The buyer needs to develop trust and confidence in the seller and their organization. Repeat orders are dependent on good buyer/seller relationships.

C. Outcomes as a result of a sales call or seller initiated activity:

1. **Order:** Where the customer makes a firm commitment to buy.

Evidence: purchase order, deposit check, signed order, letter of intent

2. **Advances:** Where an event takes place, either in during the sales call or after the call that moves the sale forward toward a decision.

Evidence: Customer demo, agreement to test product, willingness to look at product sample, access to another person in organization or preliminary budget approval.

3. **Continuations:** Where the sale will continue but where no specific action has been agreed upon by the customer to move it forward.

Evidence: "Thanks for coming" but no agreed upon action. Or "Nice presentation" but lack of future action. Or "Come back later", but lacking of evidence of any advance.

4. **No-Sales:** Where the customer actively refuses a buying commitment.

Evidence: The customer actively denies the seller their principal call objective, such as denying future access, blocking path to others in organization or refusing to purchase products/services.

D. Obtaining Commitment in the Selling Cycle

1. **Preliminaries:** The seller's goal is to not just "close a sale", but rather "open a relationship" with the buyer. You need to get to know the person and give them an opportunity to get to know you. People tend to be more willing to buy from people they know.
2. **Investigating:** This is where a successful salesperson puts their main efforts. The seller needs to really understand the buyer's business, organization and problems. Rather than force solutions, the investigation phase of the sales is one of gathering information, probing for answers, identifying the problems the buyer thinks they have and building a case for your sales solution. Inexperienced salespeople tend to skim over this.
3. **Demonstrating Capability:** Not just what the product or service can do, but what the seller can provide to the buyer. More than just showing the features, rather emphasis on advantages and benefits of your sales solution to the buyer, based on your investigation and Q&A. If seller gets to this step too soon, they may not get any commitment from the buyer, due to the seller's lack of understanding of the buyer.
4. **Obtaining Commitment:**
Giving Attention to Investigating & Demonstrating Capacity. Check to make sure that you have covered the buyer's key concerns. They may have objections or items of concern that should not be avoided or run through without satisfying the buyer's questions. Summarize the benefits (instead of features and advantages) in ways that the buyer can relate to or explain to his/her boss. Propose an appropriate level of buying commitment [sales contract, next year's budget, training, demo]

Outline courtesy of Jasper Welch, FCMS, Box 1405, Durango, CO 81302

Resource: SPIN Selling, Rackham, McGraw-Hill <http://neilrackham.com> 1988