

“Are you going to sell to me the way you want to sell or the way I want to buy?” by Linda Lybert

Introduction

Every day I work with people who are frustrated that their business is not growing the way they had planned. The new product or service they entered the market with is not selling, or the products that they have been successful with in the past have taken a downward turn. “Times are tough, people are cutting back” and “our products and services have become a commodity because competition is tough. Our focus needs to be on lowering prices.” All of these things may be true, but does this mean everyone will eventually close their doors and move on? I don’t think so. My experience has been that business people who understand the industry they are

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working in, understand their specific customer needs and understand how their customers want to buy have developed strong and trusting relationships that will serve them well into the future. Understanding how these relationships are developed is a key to achieving longevity in any business partnership.

Key Recommendations

Here I provide my observations and recommendations for business development and partnership, along with real world examples of my own successes applying these principles.

Understand the industry and your customer *in that industry*

Get to know the intricate things that really matter to your customer. I worked with a nonprofit trade organization wanting to reinvent itself. This organization was very specific to Facility Managers and faithfully held monthly lunch meetings. The meetings were well attended by vendors, but only a few Facility Managers typically participated. The vendors gave presentations about the products they sold. This was great for the vendors who would get in front of a few Facility Managers, but not so great for the Facility Managers. As a result, these meetings were not well attended by Facility Managers, even though they would get a free lunch. (You know what they say about free lunches.)

When I was approached about this issue, my first question was “Why don’t they attend?” The obvious answer was “They’re too busy.” This was interesting because most of the large facilities were paying dues and supporting the trade organization financially. There was a reason they were paying membership dues. They must perceive some value or believe in the concept of such an organization. My second question was, “Have you called any Facility Managers to ask them what they think of these lunch meetings?” The answer was no. The biggest problem in business development is that we don’t ask the very people we want to market to what they want and

need. If you don't know what is important to them, how can you sell to them? What would they like to get out of the organization? A committee was formed to go out and hold several focus group meetings, as well as have several face-to-face meetings to gather this information from Facility Managers. A key discovery was that the Facility Managers were thrilled to be consulted and a lot of important information was gathered from them:

1. Meetings were not being held at a good time for a Facility Manager. It was very difficult for them to leave during the lunch hour, since this was typically a busy time for them. They preferred to have the meetings later in the day, from 3:00 to 5:00, with a social hour after the presentation for networking and discussion of the topic. This way they could finish their work at the office and leave for the day, attending the meetings on their way home.
2. Topics were not addressing their immediate issues and concerns. They wanted to hear what their peers had to say and how they were dealing with various issues, since they all struggle with many of the same aggravations.
3. This was a group that was extremely dependent on each other for information and support. They very much appreciated networking time. A single hour during a busy part of their day did not foster the interaction they wanted with each other.

The trade organization restructured their meetings, created a Board of Directors made up entirely of Facility Managers, and created educational programs that addressed the issues of their constituents. After these changes, the organization's membership grew four percent in one year. In addition, they found that many of the sessions were of interest to non-members. This allowed them to create a new revenue stream by charging a premium to those who were not members for attending the educational sessions.

The vendors who attended were given an opportunity to hear first-hand what issues and concerns their customers were having, which in turn allowed them to become part of a solution instead of simply selling a product.

Understand how the customer sees your product being used

If you have what you think is a great idea for a product, ask the people to whom you think you want to sell it. We all have products or services in which we take great pride. We have done our research. We recognize a great market. Customers will want to have our product because it does something for them. This may be true, but be careful! You may be closing yourself out of an opportunity you didn't even realize existed.

I used to sell DuPont Corian®, in the early years working for distributors and eventually directly for DuPont. When I first got into the business I had an aggressive sales goal and a great product, so I headed for the healthcare market. They need a lot of countertops right? Well, had I walked into the door selling Corian countertops I would have had a single focus and a mission to sell as many countertops as possible? Instead, while I sold the first countertops, learned everything I could about healthcare surfaces. What I didn't know when I put together my original plan and marketing strategy was that hospitals would also welcome an opportunity to use Corian material for walls. Operating Room walls typically were covered with ceramic tile. While this was an inexpensive material, it was extremely hard to disinfect properly due to the porous nature of

both the tile and the grout. In addition, these walls needed nearly constant repair. Once I developed an understanding of the infection control issues in hospital environments, I was able to form true partnerships with my customers, offering value-add solutions for their real world problems using Corian. As a result, I developed an entirely new market for an existing product and exceeded my sales goal by a huge margin.

During this same period in time, another business was introducing acoustic sound panels to help with sound mitigation in healthcare settings. They had a great product in terms of how well it attenuated unwanted sounds and noise in any environment, but found it did not have all of the features that were needed. Originally they had failed to identify and address a crucial customer question: How do you clean them? This company was ready to go into production and only when they met with the very people they wanted to sell to did they realize that they did not have an acceptable way to clean and disinfect the panels in a hospital environment.

The biggest issue in healthcare is infection control. It was a great product that definitely filled a need, but you absolutely needed to be able to clean it – to the point of being bacteria-free. Had they not taken the product out to a variety of people who would work around or with this product they would not have even thought of this issue. Had this not been discovered can you imagine the disaster? Great sales people could have sold the product and, yes, there would have been customers who probably would have bought it. However, the issue of infection control is very real.

What are the chances of your company getting repeat business if you sold to them and they could not address the number one issue in healthcare? Let's put it this way: it does not build trust, which is what it takes to sustain a relationship. Companies often release new products and go to market with high hopes, only to find they missed a critical customer requirement.

Develop long term business relationships with your existing clients

When you first enter into a relationship with a new company, often times it has nothing to do with being the very best marketer or sales person. Maybe you “buy the business” with the lowest bid on a project, hoping to increase sales over time once you get your foot in the door. Or maybe you pursue a particular job, win it, and go to great lengths to exceed the customer's expectations, hoping you will be considered for future opportunities. Business is often lost by not gaining a better understanding of your customer. What are their business goals? What would it take for them to reach their goals? As their business grows, so can yours if you develop a trusting relationship and open the door for growth.

Customer needs and issues change constantly. Staying on top of the changes and understanding the issues builds relationships. Creating a strategy that includes gaining new customers is important. You can start by looking at the customers you do have and have had. Spend some time talking with them. Understand their businesses and their business needs. What do they look at when making buying decisions? What is the process they go through to buy?

Recently I met with a very elite private club who is nationally known and has received numerous awards. The issue was that membership was dropping and they needed to bring in new business. During our first meeting, I was interested in understanding everything I could about

their current customers. How did they use the club? Were they currently using all of the facilities? What communication methods were used in order to understand their needs and wants? There were many more questions and I was not terribly surprised when they couldn't answer those questions. The success they had experienced for years was no longer being realized. Customer needs had changed and other clubs had entered the market and were meeting those needs. My client had not built relationships with its existing members. They were losing them to clubs that were. If they simply connected with current members, there was potential to generate significant incremental revenue without having to look outside the current business.

Summary

Create a market and maintain market share by developing long term relationships. Your goal should be to become part of **their** team for business growth and to build the additional partner relationships you may need to continue **their** growth.

Initial steps to developing a long term business partnership:

1. Identify the market
2. Research and understand the target market
3. Identify your customer within the market
 - Who is responsible for making the decision to do business with you?
 - Are they part of a team of people that evaluate the product or service?
 - Where are they in the corporate or business structure?
 - Who are the influencers of their decision to do business with you?
4. Research and understand your customer within their market
 - What are their responsibilities?
 - What are their greatest accomplishments?
 - What keeps them awake at night?
 - Who are their customers?

Companies and organizations often overlook key information when planning their business development strategies. They can expand through existing business if they have a clear understanding of to whom they are selling. With this basic understanding and some creative thinking, it is a straightforward process to develop long term partnerships and join your customers in their successes.

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Linda specializes in strategic planning, business development and business solutions for large companies. These companies usually have untapped resources that appeal to emerging markets. The end result is significant growth and solid positioning as a leader in the market place.