


Introduction to Business Development (Sales)


March 20, 2024

Advice
With a Slice




**SELL PRODUCTS,
SERVICES, AND
YOURSELF!**

PROFESSOR DYKE



Wednesday, March 20 4:30-5:30 PM
Vandy Pass Credit
Wilson 126


VANDERBILT
Hoogland Undergraduate
Business Program

A Game to Begin

Who are these people and what do these people have in common?



A Game to Begin - Answers

Who are these people and what do these people have in common?



Howard Schultz
Former CEO of Starbucks
Sold: Xerox products



Daymond John
CEO, SharkGroup
Sold: personalized pencils in 5th grade,
then clothing



Sara Blakely
Founder of Spanx
Sold: door to door fax machines



Mark Cuban
Owner of the Dallas Mavericks, Investor
Sold: software

Plan for our Session

4:30 - 4:45: Introduction: What is sales anyway?

4:45 - 5:00: The Basics: Is sales really marketing?

5:00 - 5:15: Applications: When will I need to sell?

5:15 - 6:30: Open Discussion // Questions

Introduction

1. Why do I need to worry about sales? I'm going to be a _____

- Engineer
- Consultant
- Lawyer
- Banker
- Teacher
- Professional Athlete
- Professor?

Group Exercise

Task: Pitch yourself to your neighbor - 3 minutes or less

- **what are your strengths?**
- **what do you want to do after college?**
- **what do you need to improve and how will you improve?**
- **what do you do for fun?**
- **are you a good listener?**
- **You are interested in sales because _____**

What is “sales” anyway?

A transaction that includes an exchange of services or goods for a certain amount of money is known as a sale. In other words, any activity that involves transferring the ownership of a good or commodity to the buyer in exchange for a monetary price is known as a sale.

“Business Development” and “Sales” can be interchangeable depending on the industry.



History of Sales

1. EK Strong - Stanford Professor; started in our neighborhood
2. Developed the “Strong Interest Inventory” Career Assessment
3. Book on Selling, 1925: “The Psychology of Selling and Advertising”
4. Frustrated with sales outcomes — “80/20 rule”
5. Focus on process and simplification

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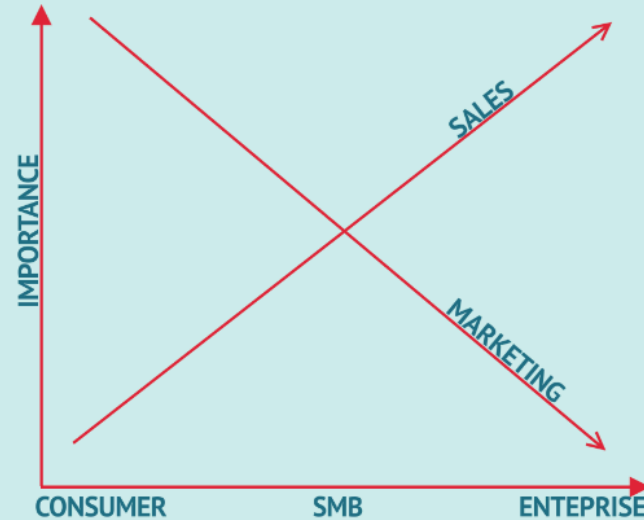
Marketing vs. Sales

Marketing vs. Sales

The more you move from consumers to enterprise clients, the more you'll need a sales force able to manage complex sales. As a rule of thumb, a more expensive product, in B2B or Enterprise, will require an organizational structure around sales. An inexpensive product to be offered to consumers will leverage on marketing.

When it comes to marketing vs. sales, it is critical to start the assessment from your target customer. In general, there are three kinds of customers:

- Consumer
- Small and medium business
- Enterprise

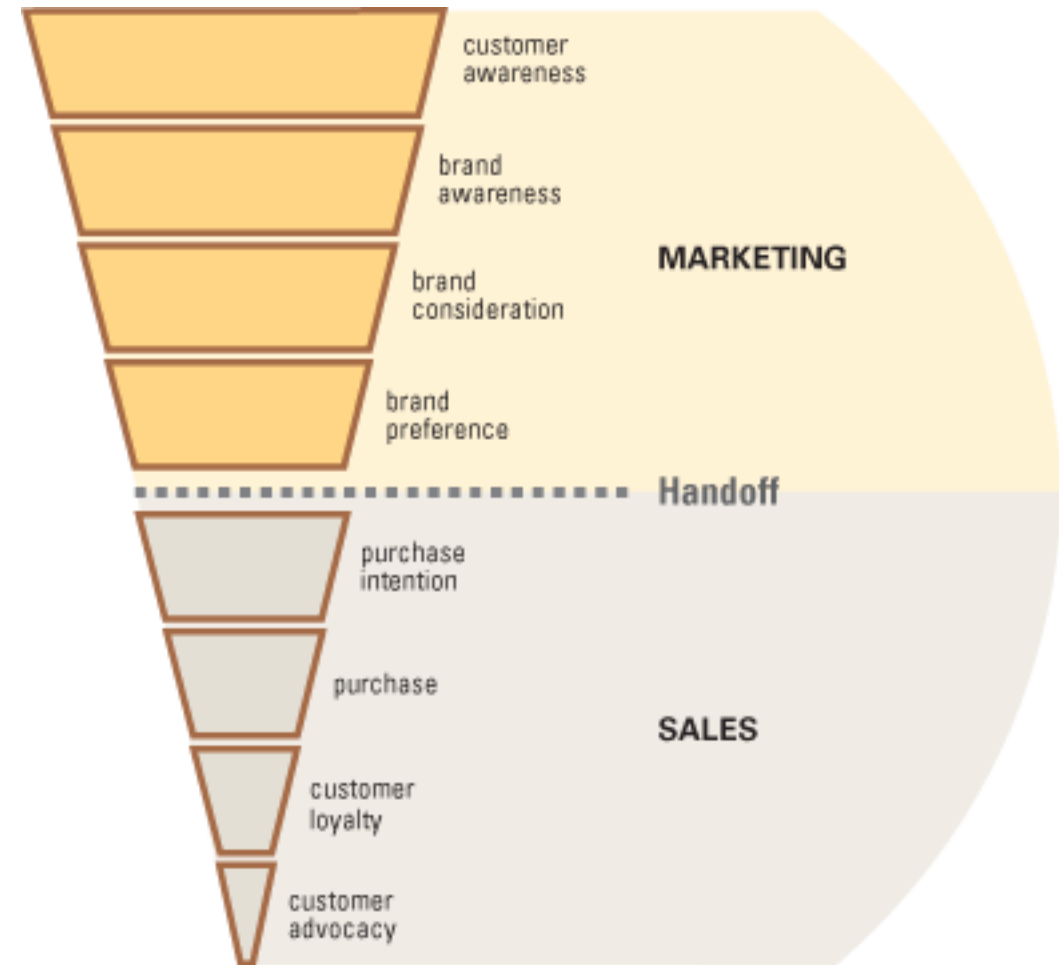


With a less expensive product that is targeting consumers, marketing will be a critical aspect.

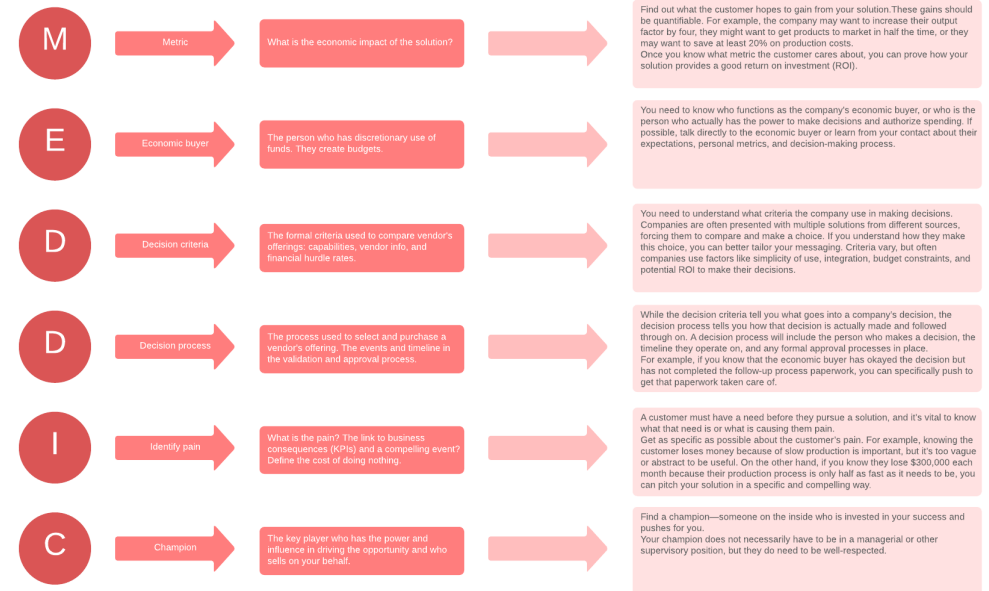
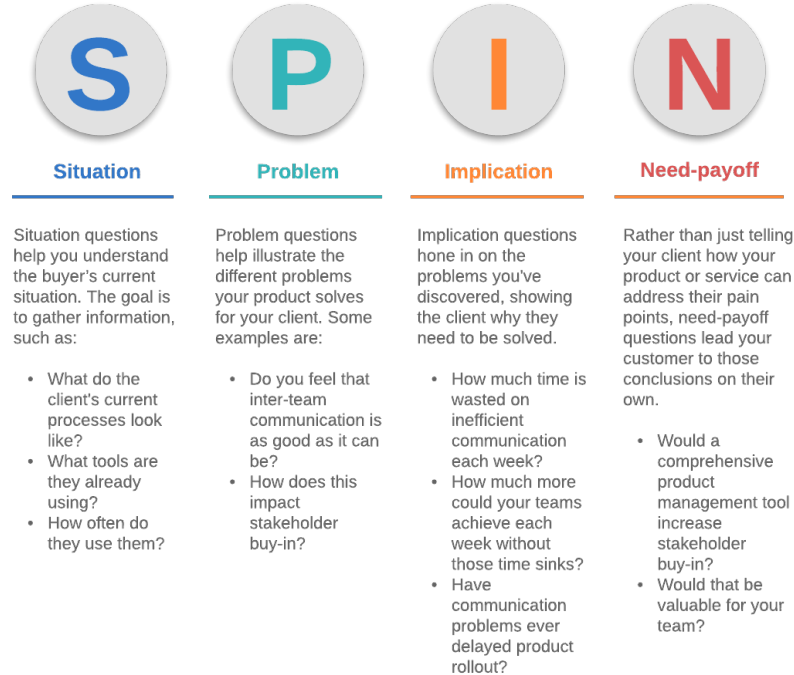
With a more expensive and complex product, which targets small and medium businesses and enterprise clients, sales will become the most relevant aspect of your business.

Marketing and Sales: Working Together

- 1. Aligned communication**
- 2. Aligned incentives/rewards**
- 3. Aligned leadership - chief commercial officer**



Sales Methodologies - SPIN and MEDDIC



Inspired by <https://www.salesmedic.com/blog>

"The best selling isn't at all about your products and what you can offer. It's very much about the customers and their need."
—Neil Rackham

Sales Methodologies - Challenger

Top salespeople don't focus on building relationships (pleasing clients and being likeable). They challenge clients using 3 main skills to create constructive tension.

WHY THE CHALLENGER APPROACH WORKS



Leveraging Constructive Tension with 3 Key Skills

Complex solutions usually require a **change** in client behavior.



Challengers give insights to **reframe** how clients think about their business.

C-level execs are no longer the sole decision-makers for big purchases; they go for **consensus-buying**.



Challengers tailor their pitch to specific stakeholders, allowing them to win over **multiple stakeholders**.

Clients **demand** customized solutions for the same (or lower) price.



Challengers **stand firm** and push back on client requests in a non-aggressive way.

Clients prefer a **simple buying process** to a complex diagnosis.



Challengers offer insights & hypotheses to address client risk-aversion and **move them forward**.

Sales Methodologies - JOLT

- **The JOLT method:**

- **(J)udging the indecision:** While it's long been known that high performers qualify opportunities based on externally observable criteria (e.g., use case fit, industry attractiveness, company dynamics), our research reveals that they also qualify opportunities based on less observable but nonetheless critical criteria based on the customer's own ability to make decisions. Put another way, they qualify not just on ability to buy but also on ability to decide.
- **(O)ffer your recommendation:** The approach most salespeople take is to rely on needs diagnosis. High performers know that customers who are indecisive are looking for guidance, not more choice. Rather than asking confused customers what they want, they instead tell them what they should buy.
- **(L)imiting the exploration:** Where average performers see themselves as purveyors of information for customers — indulging every request they have for more information, be that an additional white paper, another demo, or one more reference call — high performers seem to know that no amount of additional information will ever satisfy the customer's desire for more and that it is ultimately impossible for customers to consume all of the information out there to inform a purchase decision. High performers limit the exploration by controlling the flow of information, anticipating needs and addressing unstated objections, and practicing radical candor when customers dig in and insist on superfluous amounts of information.
- **(T)ake risk off the table:** When faced with customers who start to fret about outcome uncertainty — whether they will get the benefits they hope for — our data shows that average performers tend to counter this concern by directing the customers' attention away from what they might lose by making the purchase and back toward what they stand to lose by not making the purchase. To overcome the customer's outcome uncertainty, high performers focus not on scaring the customer into buying but on coming up with creative solutions that limit downside risk (e.g., opt-outs, refund and change clauses, additional professional services support, contract carve-outs).



Technology Inside Companies - CRM

Figure 1. Magic Quadrant for Sales Force Automation



Source: Gartner (June 2019)

When will I need to sell?

- **Consulting - new and existing business**
- **Investment Banking - buy/sell side**
- **Law Firms**
- **Technology SaaS - Product management**
- **Early Stage Companies**
- **Non-profit Organizations**

Where else are you selling?

Selling Yourself

- **Build and manage your linkedIn profile - everyday**
- **Manage your social media diligently**
- **Develop an “about you” pitch for networking; practice, practice, practice**
- **Create a plan for networking - target Vandy alums in /geographies/ industries/companies of interest**

What else can you do...?

Free Advice: What to do at your first job?

- **Learn about sales in your organization - who they are, their priorities, etc**
- **Make friends with sales people**
- **Talk to your manager about how you can support sales**
- **Explore job rotations through the sales organization**

Questions

&

Thank You

Resources

<https://blog.hubspot.com/sales/challenger-sale-summary>

<https://www.jolteffect.com/>

<https://hbr.org/2016/05/learn-to-love-networking>