Sandler Training®

Five Mistakes in Tech Sales that could be Costing You Millions

There's a truism that every sales professional knows all too well:

The longer the sales cycle, the bigger the risk. That's especially true for the massive cycle in technology sales.

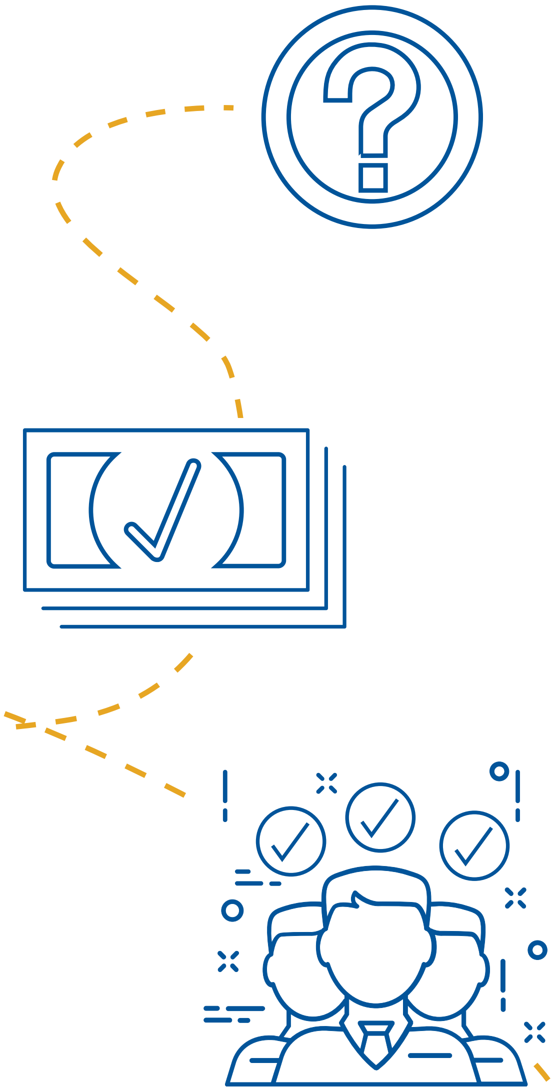
When the process goes on for too long, tech salespeople usually lose to the most formidable competitor of all: the status quo. The company they're pitching decides to stay with things as they are, even though a new technology could provide amazing benefits.

Here are five mistakes you may be making that drag out the sales cycle, cost your employer millions, and deprive you of healthy commission checks.

1. You don’t really know who controls the budget

Ever experienced the frustration of getting to the end of a sales cycle and realizing you were never talking to people in a position to release the budget? You had incomplete, inaccurate or missing information, and it cost you in a big way.

The solution? Don’t rush to the fulfillment stage. Instead, take time to do an effective budget check. Thoroughly understand the budgeting process, the people who control the budget and how it gets released. It all goes back to the Sandler® principle of avoiding standing on your own foot by making sure you cover, in meticulous detail, every part of a sale. That includes who holds the dollars.



2. You don’t discover the criteria the buyer is using to make the decision

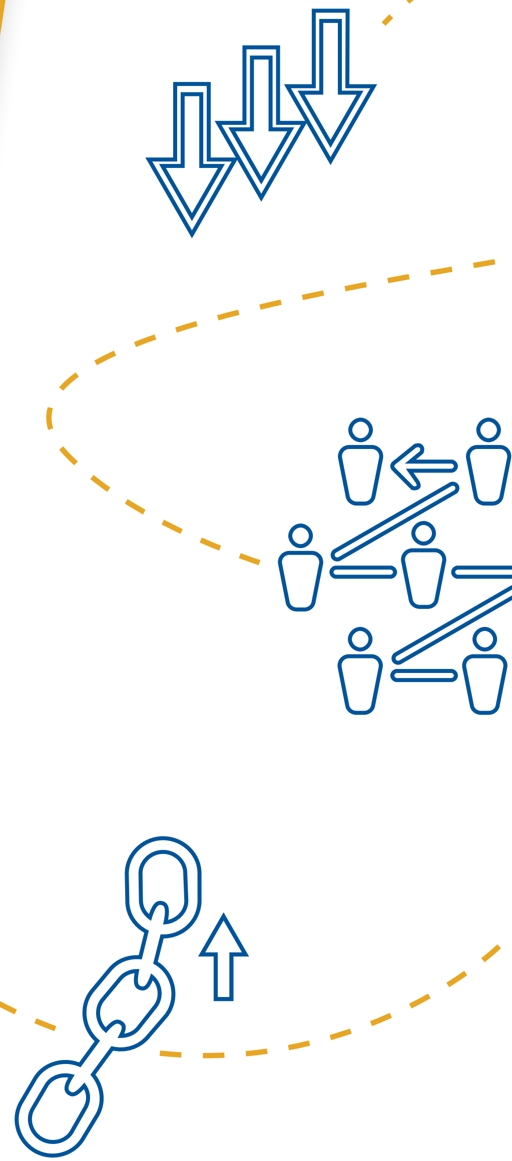
Salespeople typically go rushing down the path, quickly submitting million-dollar proposals and losing the deal. When they find out why they lost, it’s almost always a surprise to them. Let’s say, for example, that you’re pitching new software to a major manufacturer. A key stipulation is that the software must be integrated into Europe someday. Unfortunately, you lose out because somebody else had a better strategy for making that happen. (The thing is, the “Europe” stipulation was never even raised.)

The solution? In a sales cycle as complex as the tech sector’s, it’s critical to understand that different buyers use different sets of requirements. Dig deep to unearth the criteria all parties are using to qualify or disqualify you.

3. You start out calling too low in an organization

There are lots of reasons why salespeople do this, including a lack of confidence. Instead of calling on the CIO or supply chain VP, they start too low in the prospect company. They invest time building a champion, then get hit with a deal breaker: What the champion wants isn't a strategic initiative for the organization. The proposal gets shot down handily when it gets to the decision-making executive.

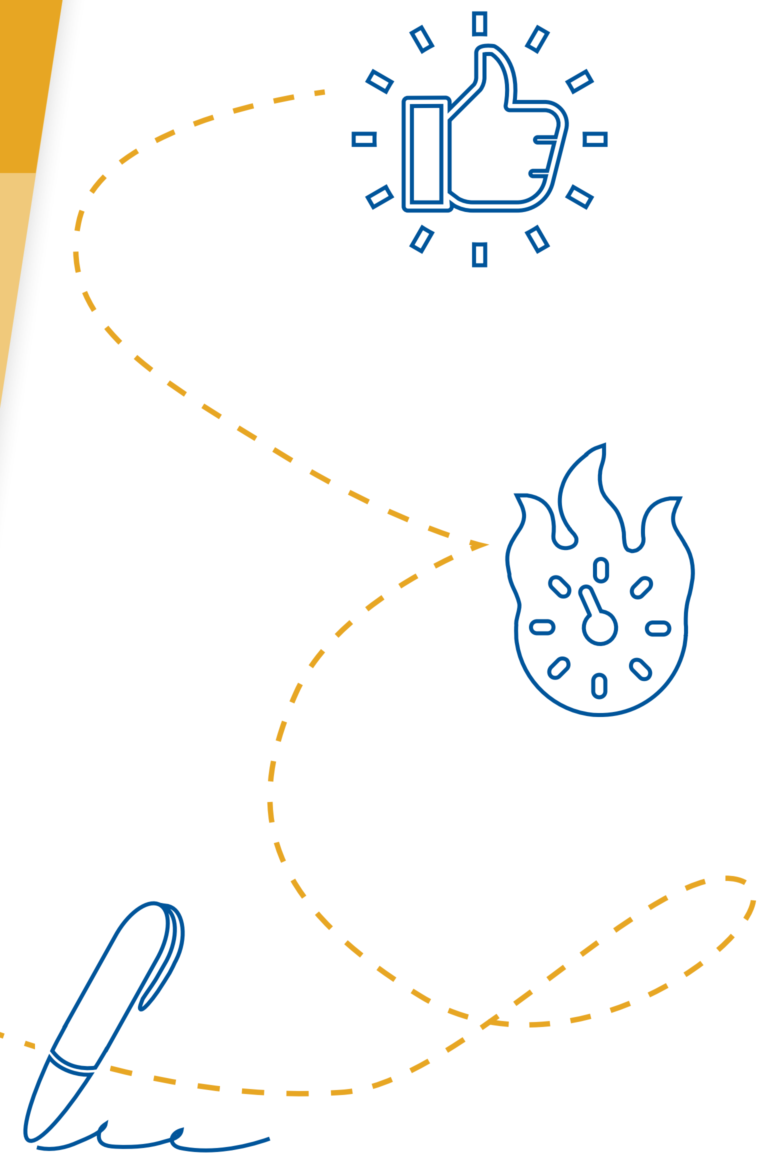
The solution? Start calling high up the chain. Don't worry that you're aiming too high. It's easier to be kicked down than it is to be kicked up.



4. You leave the sales call without clearly defined next steps to advance your progress

You've left a sales call and there are good feelings all around, but the buyer hasn't fully committed. They say they're going to take some time and process what they've heard, but time kills deals, even good ones. Before you know it, your champion gets promoted, fired or jumps ship and you end up starting over.

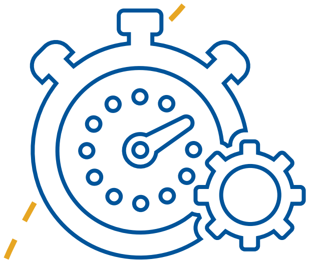
The solution? There's a Sandler technique designed to help you avoid this problem: The Up-Front Contract. Ensure that everybody's on the same page by setting a date and time for your next meeting with an agreed-upon agenda, list of participants and definition of what success would look like.

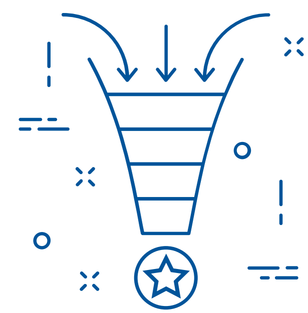


5. You have too many unanswered questions about a buyer’s willingness to make the appropriate investments

Is the buyer willing to invest in risk by changing a supplier? Are they willing to invest their time? If they’re not the decision maker, are they willing to invest relationship capital to champion you to executive sponsors? Are they willing to invest in key philosophies crucial to the success of implementation?

The solution? You need to thoroughly qualify every opportunity before going after it. Don’t just hope that your contacts will be willing to invest in all the ways you need them to. Know for sure.





Because the tech sales cycle can be so long, salespeople tend to rush the proposal stage without doing due diligence along the way to ensure success.

What they need is a systematized approach such as the Sandler Selling System® methodology, which offers an effective, proven and measurable way to increase sales performance. It creates sustainable success over time with real-world tactics for prospecting, qualifying, making the deal, closing the sale and generating referrals.

Learn more about increasing sales and success with a proven, systematic approach to selling.

About Sandler Training

With over 250 local training centers around the globe, Sandler is the worldwide leader for sales, management, and customer service training. We help individuals and teams from Fortune 500 companies to independent producers dramatically improve sales, while reducing operational and leadership friction.

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