



Whitepaper

Developing long term profitable relationships





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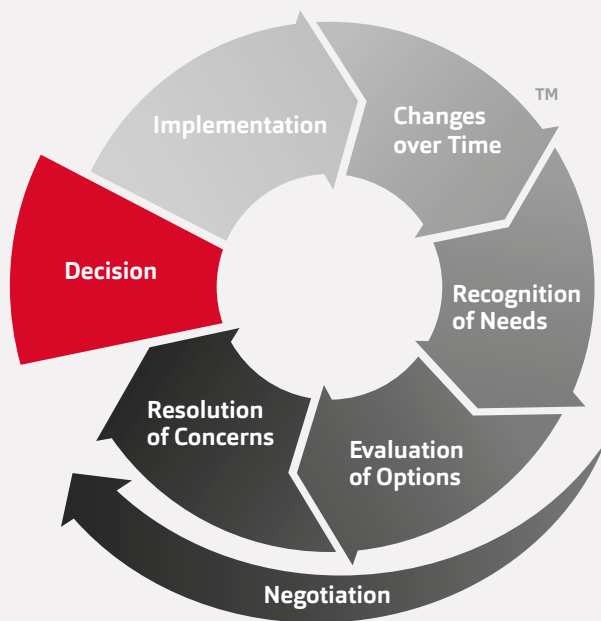
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Stay involved during implementation

In many organisations the seller moves on to the next sale once the business is won, leaving the implementation team to manage the delivery and installation of the solution. This can be a mistake since the seller will have built up knowledge of the account, it's influencers and decision-makers that no new team can have, no matter how good the hand over briefing might be.

Knowledge of the account can be invaluable in planning a strategy for developing a long-term customer relationship. The accumulation of such knowledge may have taken many months, so it is a shame to waste it.

Where the seller does stay involved in the account it's natural to enjoy the moment of success. But, this is not a time to be complacent, as the effort put in during the implementation phase can pay rich dividends later.



Successful implementation opens the door to long-term business

While we might enjoy an excellent reputation and the customers may have been very impressed with us during the sales process, their experience during the implementation of our solution will shape their future attitude towards us. Implementation is when they find out what we can really deliver as an organisation and whether the reality lives up to their expectations.

Make sure there are no surprises

Joint implementation planning is a good way to prepare the customer and should help to identify any likely obstacles before they have a chance to impact on the implementation. It is also a good way of defining exactly who is responsible for taking care of the problems identified. There may well be issues that are the customer's responsibility and it is wise to gain clarity about this before implementation begins.

Once implementation gets under way it is useful to remind customers of the plan at each stage of the process and to prepare them for any problems likely to arise.

Make sure all the key people in the customer account are well briefed about what is going to happen, who is responsible for particular elements of the plan, how long each phase will take and any particular issues that will need to be addressed. The strategy is to try to ensure there are no surprises and that everyone knows exactly what problems may be encountered because it is all in the plan.

Remember, implementation is a critical time for decision-makers; they have put their reputations on the line and are bound to be apprehensive if they are making a large investment. The last thing we want is to have unexpected difficulties arising, that will increase their concerns.

Don't neglect the rank and file

We have probably all heard people talking about new systems or equipment being installed in their organisation who have concluded early in the process that it is a waste of money and won't work. Change is often seen as a threat and people quickly latch onto setbacks, or problems, as proof that it isn't going to work. Make sure all the people affected by the change understand the plan and how problems will be overcome, to stop the build up of negative feelings. Remember negative feelings from the workforce will filter up to senior management, raising their concerns about the wisdom of the decision.

Be there when critical stages are reached

Don't abandon the customer during implementation, even if you have warned them about what will happen in the next stage. Keeping regular contact with the full range of decision makers at critical times will show your concern for the project and is far better than having to respond to an unhappy customer on the end of the telephone, if things go wrong. It is especially important to meet with your sponsors regularly to discuss progress and provide reassurance. They have put a lot of trust in you during the sale so don't leave them 'holding the baby' during implementation.

Providing regular support is particularly important with long, complex implementations where the customer has to put in a lot of effort, over a considerable time, before results appear. In these circumstances there may be times when the customer begins to worry if it will ever work out. These are exactly the critical times when a review of the implementation plan, showing that agreed milestones have been reached and that things are progressing as planned, can be reassuring. Don't forget the decision-makers will be feeling the pressure as their investment grows and there are few results to show for it.

The performance of your own implementation team is, of course, crucial to success. It is critical to ensure they understand the promises made during the sale and are taking the necessary steps to meet them. Regular meetings with your own team to plan the next steps and to resolve problems are essential to ensure trouble free implementation.

Show early success

Nothing reassures people more than seeing results. So anything you can do to show success early in the installation phase will help. Make sure that the widest possible audience knows about these small successes. Use communication to draw attention to the role that the customer's internal implementation team have played in the success. You need their commitment to ensure your success so share credit for results with them. Be generous with your praise, it costs you nothing and can win you friends.

Tackle problems early

Many implementations get into difficulties because the customer doesn't honour their side of the bargain in terms of committing the resources or effort agreed. It is important to try to prevent this problem by clarifying areas of responsibility at the briefing stage. If the promised resources, or effort, do not seem to be materialising, raise the issue as early as possible. This should ensure damage is minimal and the opportunity to take action, or revise the plan, is maximised. With any meetings to address these issues or any other problems, focus on actions not on allocating blame. Trying to pin the blame on the customer is always a risky approach even if it is justified; it always looks defensive and almost always damages relationships.

Under promise and over perform

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Document the good news

During the sale we will have set out the benefits we expect the solution to bring. It is essential that our solution not only delivers those benefits but also is seen to do so. It is unlikely the customer will make much comment about the benefits gained; all too often they simply take them for granted. So check out exactly what benefits are being obtained and document these to all the key decision-makers and influencers, so they can see the return they are getting for their money.

Remember too that it can often take time before the full benefits are obtained, as people need to adapt to new systems or equipment, so check progress from time to time and summarise the improvements being gained. Many salespeople complain that customers don't appreciate the value they deliver; perhaps part of the problem is they fail to draw the customer's attention to it. Finally, documenting good news can help to offset any negative images that may have built up during implementation. With any complex project there are bound to be some problems, it's rare that everything goes according to plan. Project implementation meetings often have agendas full of issues that need to be resolved and the minutes of those meetings often summarise the problems and the agreed actions, so everyone knows about the difficulties because they are well documented. It's important to counter balance this perception by documenting the things that are going well.

Our objective through these activities is not just to ensure we have a trouble free implementation, but to ensure everyone knows we have done so. We want to be seen as a competent, trustworthy and reliable supplier who is genuinely interested in the customer not just their money. We want to be the kind of supplier they are happy to do business with and to ensure our name will be the first to spring to mind when future opportunities arise.

More than that, we want to be the kind of supplier they will be happy to recommend to other parts of their own organisation, customers, suppliers and perhaps even competitors. Our aim must be to gain permission for the good news to be spread to a wider audience through, for example, newspaper or trade magazine articles. People will only allow that when they know they have a supplier who will live up to their recommendation. So spending time ensuring implementation goes well will be time well spent.

Celebrate success

Once implementation is complete, celebrate success with all those involved. This serves the purposes of saying 'thank you' to all the internal implementation team for their help and support, while raising their profile within their own organisation and drawing the attention of senior management to the successful conclusion of the project.

Keep the momentum going

Once the implementation process is complete we need to focus our efforts on account development. We use the word development deliberately because it is essential to be proactive throughout; lack of activity is one of the biggest reasons people lose accounts. So let's explore some of the actions that can deliver long-term customer relationships.

Make a plan

Don't just leave things to chance, document what you know about the account and plan how you can expand your business. Add to the record after every significant client contact. Review both what you have learned and what you plan to do regularly, so that your plan becomes a real business tool to help you progress. Most salespeople dislike planning, yet it can be the key to unlocking your account's potential.

Keep contact with as wide a range of decision makers as possible

Documenting good news provides a perfect excuse to talk to senior people and to maintain the contact established during the sale. All too often we find that once implementation begins, client contact narrows and may be reduced to just the person managing implementation from the customer's side.

We need to remember that times and people change and a narrow range of contacts can make us vulnerable if those people change jobs or move to other organisations. It is worth planning a strategy for involving other people from your organisation with appropriate contacts in the customer account.

The more angles you have covered, the greater the chances you have of finding out about changes and new developments, as early as possible. It also helps to ensure you maintain good client contacts even if people change.

Seek leads and references early

Many salespeople wait until implementation is complete before they ask the customer for help in contacting other people within the organisation, who might have similar needs. One of the best times to ask is immediately after the decision has been made, when the customer is feeling happy they made the right decision and before the problems of implementation begin.

Try to gain agreement to wider publicity for the project, perhaps through an in-house magazine, or by allowing you to use them as a reference site, or even in your own publicity material. Most organisations are happy to talk about success so don't be frightened to ask if you can publicise your relationship.

Explore up stream and down stream opportunities

Implementing something new in one department may have knock-on effects in others. This can create opportunities for further business. For example, speeding up a process by introducing new equipment may increase demand on another process supplying materials or components. Or the increased output could put more pressure on inspection, quality assurance or the next process. All of which could provide opportunities for further sales.

Explore opportunities in other divisions or suppliers

If you have done an excellent job of implementing your solution and developed the kind of relationship we discussed earlier, you should be in a good position to ask your contacts about other areas of potential business. If people know and trust you, they are usually willing to pass on names and contact details. Some may even be willing to introduce you to possible customers, so don't be afraid to ask. At Huthwaite, despite all our marketing efforts, 70% of our new client business still comes through referrals or through people moving to new organisations and taking us with them.

Look out for signs of change

If we go back to the very beginning of the buying cycle, we can see that change is the agent that activates a new business opportunity. Always be on the look out for change and consider what each change may mean for your customer and for you. Remember to consider both internal and external change. A change of senior management for example, may mean a change in strategy; that could open up new possibilities for you. Changes in the external environment through, for example, legislation or new competition, may have knock-on effects that could bring business your way.

Keeping lots of client contacts allows you to explore what is changing with a wide range of people. You should be in a position to spot likely needs arising from those changes early on and possibly even before the customer does. This gives you the opportunity to work on these issues long before the competition gets involved and to put yourself in pole position for the sale ahead.

If you have high-level contacts, who know and trust you, it might even be possible to discuss future business strategy and the impact it will have on the business. This gives you a chance to explore how you might be able to help implement that strategy long before the business needs have filtered down through the organisation and the need for new products, systems or services have been recognised.

Don't be complacent

The biggest risk to any incumbent supplier is complacency. The longer we have worked with a customer, the more we feel we know them and their business and consequently there is a risk we stop paying enough attention to what is happening. There is no such thing as a safe account; things can change very quickly. If your meetings have become routine and your contacts are the same cosy few, beware, you could be in for a rude awakening. Always be looking for potential business and if none is immediately available, spend time exploring future plans and potential changes or, at the very least, reinforcing the value you deliver.

Final remarks

Winning new client business is usually a long and expensive process, so once we have succeeded it is good business to capitalise on our position. Successful account development begins with excellent implementation and ongoing service. It then relies on an active strategy of development rather than a passive account maintenance stance. We hope the strategies outlined above will help you to develop long-term profitable relationships.

Further reading



Why bad things happen to good new products

The following report looks closely at three examples of fine innovative products, from Xerox, Honeywell and Kodak, whose initial sales were so slow that corporate executives were convinced they had a major disaster on their hands.

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<https://huthwaiteinternational.com/horizons/why-bad-things-happen-to-good-new-products/>



Are your people negotiating or concession making?

This whitepaper explores some of the common traps negotiators fall into and the skills and strategies that can be employed to avoid these traps. In particular it will focus on planning for the negotiation and some of the skills needed for effective face-to-face negotiations. The information is based on both our research into negotiation skills and our experience of working with clients to help them achieve successful outcomes with real negotiations.

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