

How to Reduce the Selling Cycle

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The selling cycle is a salesperson's time frame measure that begins with the initial prospect or client contact and finishes with confirmation of the business. Focusing only on the selling cycle is common practice and is a flawed strategy because as salespeople we have control only over our sales activities and not the sale per se. Believing we have control over the sale creates relationship and credibility issues as well as problems in closing the sale. Why? Put simply, the prospect or client feels pushed into acting within the sales person's selling time frame rather than their own buying time frame.

When a prospect or client is in the market for a product or service they go through a buying process and whilst it is different from the selling process it still is a process. The answer is to align these two processes. This process is easier to write about than to implement. Aligning these processes will reduce the time it takes to get business confirmed and make your job and the client experience more enjoyable.

Before we look at how to create '*process synergy*' it's important we understand what the common problems are that affect buying and selling cycles.

Factors that can extend the buying cycle time frame are:

- No previous dealings with your company and/or unfamiliarity with your products or services. Research has shown the buying cycle can take up to 40% longer in a tough economic climate. More people get involved in the decision-making process, slowing things down and making the outcome uncertain. There is a 1 in 14 chance of closing the sale yet the odds of your selling more to a current client are 1 in 2
- If the decision requires a substantial financial commitment
- Cross organisational functions are involved in the decision-making process
- Competitors including the prospect or client's internal resources such as a training and development department bidding for the same business
- Other client needs competing for the same funding
- Fear of a personal backlash if the wrong decision or recommendation is made so nothing is done because it is perceived as being the safest option

The sales funnel or *Sales Stack is used to manage sales opportunities and has a direct impact on the selling cycle. Problems that prevent the proper functioning of the Sales Stack are:

- Non standardisation or noncompliance with Sales Stack process management. This also makes accurate sales forecasting impossible. With different interpretations and in some cases limited information entered, chaos reigns. When the salesperson leaves the company so does the prospect and the client intelligence
 - Poorly qualified sales opportunities are left in the Sales Stack to make it appear full. This happens because the salesperson either doesn't know how to qualify properly or he/she wants to impress management by showing potential business volume. Management won't be impressed for long
 - Not focussing on what can be closed now. This can also be a time management issue related to loss of sales
 - Too much reliance on existing client's business and failure to regularly prospect
 - Lack of prioritising low from high probability sales opportunities
 - Too much time spent on sales opportunities that feel comfortable
- So what can you do to align the buying and selling processes?

The buying cycle goes through 4 stages where multiple people are involved in the decision-making process.

1. Concealed

This means the prospect or client isn't aware a problem exists or they choose to ignore it. Sometimes problems are hidden from the decision-maker, particularly in larger organisations. Until it becomes obvious that the problem really needs to be addressed - if there are cost issues or a job is on the line - the status quo remains.

2. Awareness

This is when the prospect or client is conscious of a problem or new possibilities and realises that innovation could provide measured gain. If it's a problem their response will depend on whether it's only an annoyance in which case no action will be taken. However, through your questioning, you can help the prospect or client realise the full extent of the problem. Then the next step is imminent.

3. Analysis

Analysis involves the prospect or client looking at all options available to them including their internal alternatives and other potential suppliers. This is a natural part of the buying process and one that some salespeople find annoying and so become impatient. Stay close and show your support by informing and answering questions for those involved in the decision-making process. Don't fall into the trap of over-selling.

4. Decision

If you have a good existing client relationship where trust and credibility have been well established you will more than likely get the business confirmed. In a slow economy clients tend to stay with suppliers they have a track record with.

Decision is the home run in the buying process so be attentive to any last minute concerns that may need to be addressed. Any complacency on your part could risk the business' going to a competitor. The Sales Stack is used to manage current sales opportunities in the selling cycle. Four building tiers are used to measure the selling activities at each tier. The traditional weighted funnel that consists of percentages based on probability is ineffective because it is too subjective and there are no measured activities to move the sales opportunity through to confirmation.

Tier 0 Uncover

The activity required for this tier is to implement a range of prospecting initiatives such as networking and asking for referred leads to uncover potential new sales. This is in line with the Concealed phase of the buying process.

Tier 1 Sales Opportunity

This requires qualification of the sales opportunity by interviewing the prospect or client and identify if other people are involved in the decision-making process. The prospect or client is in the Awareness stage.

Tier 2 - Advance

This tier's requirements are to build your influence and knowledge within the prospect or client organisation and with the key people involved. This also requires you to find out what the selection criteria are for your product or service. Advance in the Sales Stack is parallel to Analysis in the buying cycle.

Tier 3 – Confirm

This is the final tier and the activity is to finalise the sale by getting it confirmed. A formal proposal would have been presented in Tier 2 to all those involved in the decision-making process. Confirm is when the prospect or client is in the conclusive phase - Decision.

When you align your selling cycle with the prospect's or client's buying cycle you will automatically reduce the time involved to get a sale confirmed. Your credibility will also be enhanced because you will be seen as someone who is in step with prospects and clients.

The *Sales Stack is a proprietary system developed by Sales Consultants and can be adapted for use in CRM and Sales Force Automation. This article covered the very basics of the system. For more information or if you have any questions please call 02 9453 9288 or 0412 252 236 or email kurt@salesconsultants.com.au.



Kurt's expertise is in sales strategy, sales management development; group structured sales training and infield sales coaching. As a sales person he has successfully sold products and services in 4 major market/product segments: new product sales, consultative sales, relationship sales and retail. During his selling career he created sales records for three companies in two industries and won many other sales awards for outstanding performance.