THIRDSIDE

ARE BLINDSPOTS KILLING YOUR REVENUE?

5 REVEALING WIN-LOSS RESEARCH EXAMPLES

GET TO THE REAL NO

Blindspots in business are dangerous - they lead to fixing problems before the root causes are understood, essentially fixing the wrong things. **Blindspots in sales can be especially devastating**, as deal after deal slips away without understanding the real reasons why customers said "*no*."

Win-loss research is the most effective way to reveal blindspots, and to learn how to close more of the deals in your existing pipeline. Qualitative research interviews with people who have evaluated your solutions - whether they decided to buy or not - reveal actionable insights that CRM reports and surveys can't hope to match.

The answers to the questions of "why did you win" and "why did you lose" are often not the answers you expect.

Even in accounts where our clients think they know the answers, we regularly uncover blindspots that they didn't know existed.

This ebook contains 5 examples of game-changing blindspots we've uncovered for clients that changed the way they think of their business.

5 BLINDSPOTS

5 BLINDSPOT EXAMPLES

YOU NEVER LOSE ON PRICE ... EXCEPT WHEN YOU DO.

People often say that you don't really lose on price. But that isn't always true, at least not in the way you might think. Regardless of what your CRM loss-report says about price, **there is almost always more to the story**.

One of our clients came to us with such a scenario. According to the CRM loss reports, they were losing because of price, which management interpreted as being too expensive. But through a series of win-loss research interviews we conducted on their behalf, we found a different reality.

They were not losing because they were too expensive. They were losing because their pricing model was too complex. Too many variables in the price calculation

> *We didn't buy from them because* ***their pricing model was too complicated.*** *We would have had to adjust licensing based on the number of applications and then the number of users of each of those applications. That did not make sense to us. It would not have been manageable.*

prevented customers from forecasting what their cost would be in the second and third year of the contract. It was easier and less risky to choose a competitor with a simpler pricing model.

Insight provided by Thirdside's win-loss interviews, allowed them to adapt their pricing model to the needs of the market. Today, pricing is actually a competitive differentiator, with customers exclaiming how straightforward and reasonable their pricing is.

Perception: Losing because price was too high.

Reality: Losing because pricing model was too complicated.

Cost: 35% of lost deals, costing $331,000 in just one quarter.

2

SALES RE-ENABLEMENT

Sometimes technology companies become too focused on the what and the why of their solutions, but don't address the how. They fail to help customers visualize how the solution will work in their particular environment.

One of our AI software clients successfully brought deals into their pipeline by hitting all of the right value propositions (the ***"why"*** of their solution.)

They also did a fine job of explaining the "***what***," wowing audiences with demonstrations of their sophisticated AI-enabled solution.

*"**How** do you make it fit within your business process? They've got the generic pitch down, but they don't relate to how to make it work here very well."*

“They could use something to explain how it fits better. How does it fit into the existing workflows and KPIs of the company? If they explained it better, it might have made a difference.”

But they weren’t closing deals because they didn’t explain the ***“how.”*** Prospective customers could not see how to implement the solution in an environment that was already short of resources and long on interdependencies with other point solutions in the enterprise.

Lesson Learned:

Whatever you are selling, you are not selling it in a vacuum. Your buyers have an existing technology stack with interdependent applications from other vendors, and a set of organizational priorities competing for their attention.

Perception: They *really didn’t know* why customers were not buying.

Reality: They did not explain how their solution would fit in a crowded environment.

Cost: 30% of deals lost, costing over $200,000 in just one quarter.

DEEP DISCOUNTS DAMAGE CREDIBILITY

By discounting too much, a business process software vendor came across as desperate, insincere, and even illegitimate.

With the launch of a new automation module, which was viewed by some industry analysts as a leap ahead of the market, our client was anxious to use it as a point of differentiation to beat out the 900lb gorilla competitors.

Without being asked, they:

- Bundled the automation module with the existing core solution that customers were actually shopping for,
- Jacked up the price because of the “exclusive” new module addition.
- Immediately discounted the price by 50%-75%, provided that the customer signed within a couple of weeks.

“...(the) thing which sort of clinched it for me was when we got into pricing. They told us it is around $200,000 now, but if you sign on the dotted line in the next couple of weeks it’s only $50,000. So wait: ***you give me a price, but then say its really only worth a quarter of that?*** *How is that so-called discount even believable?”*

The bundle was not requested. The starting point was unreasonably high. The discount was unrealistically deep. Customers started to question the sincerity and even the stability of the company.

Perception: They thought the were offering a good deal.

Reality: The way in which it was delivered made customers question the credibility of the company.

Cost: 25% of deals lost, costing $221,000 identified within the first half of a pilot project.

4

IMPORTANCE OF RELATIONSHIPS

Damned if you do. Damned if you don't. Can't win for losing. It is a fine line between building relationships in an account and becoming a nuisance. Sales reps and account managers struggle to find the right balance on a daily basis.

A nationally recognized management consulting firm thought they were doing the right thing by limiting their interactions with the procurement departments of various energy companies. After all, that is what they had been instructed to do, and the rules were quite strict.

But even in a heavily regulated market such as this, our client still needed to be a partner in the business, and not just bystanders. They were missing out on non-RFP, single-sourced

"If they want to do a better job of being a vendor to us, they need to spend more time building relationships here in procurement and with the business leaders. Stop by and see us sometimes. Don't show up only when there is an active project."

opportunities because their competitors proceeded to build relationships with the business stakeholders who then worked to go around the procurement process entirely.

Our client had no idea that's why they were missing out. Only through our win-loss research did we learn what was going on: The procurement managers would have valued the opportunity to build a relationship and were even willing to make warm introductions to the business stakeholders.

They would have continued to miss opportunities if they had not engaged Thirdside for win-loss interviews.

Perception: Follow the rules because clients want to minimize impact of personal relationships.
Reality: Personal relationships are welcomed and are the way to avoid competitive RFPs.
Cost: 30% of deals lost, costing $277,000 in lost revenue during pilot project.

WRONG PERSONA. WRONG VALUE PROPOSITION.

Forget about sales-marketing alignment. This is a case of message-market alignment. Are you presenting the right message and value proposition to the right buying audience? How do you know?

A big data analytics and visualization company had not distinguished between the different personas that were involved in the buying process in their target accounts. In the world of Big Data, there are people who focus on visualizing the data (data analysts), and there is another set of people who focus on making sure that the data in the underlying infrastructure is accurate (data stewards).

With a solution whose core value proposition is normalizing data and making sure there is a single version of the truth across the Enterprise, it wast this data steward persona that they needed to target. Unfortunately, many of their marketing campaigns were bringing the wrong persona into the sales funnel.

Consequently, they were losing deals based on criteria they had no intention of competing on, essentially fighting all the wrong battles.

ONE PERSONA "GET'S IT":

- "Once you set Layer up properly, you can rapidly deploy dashboards across the enterprise. **Why didn't they emphasize that?**"
- "They are philosophically more aligned with how the data infrastructure should be managed in these companies. Tools like Tableau actually do a disservice by potentially connecting bad data to bad data. **Everybody can get different answers**."

THE OTHER PERSONA DOESN'T:

- "Charts are not polished. I can't make mouse-overs work. Won't export to PowerPoint."

Perception: "We're not getting the business decision makers to buy-in."

Reality: "You're selling to the wrong people, and setting yourselves up to compete on product features that are known to be your weakness."

Cost: 43% of losses in the pipeline were linked to calling on the wrong personas.

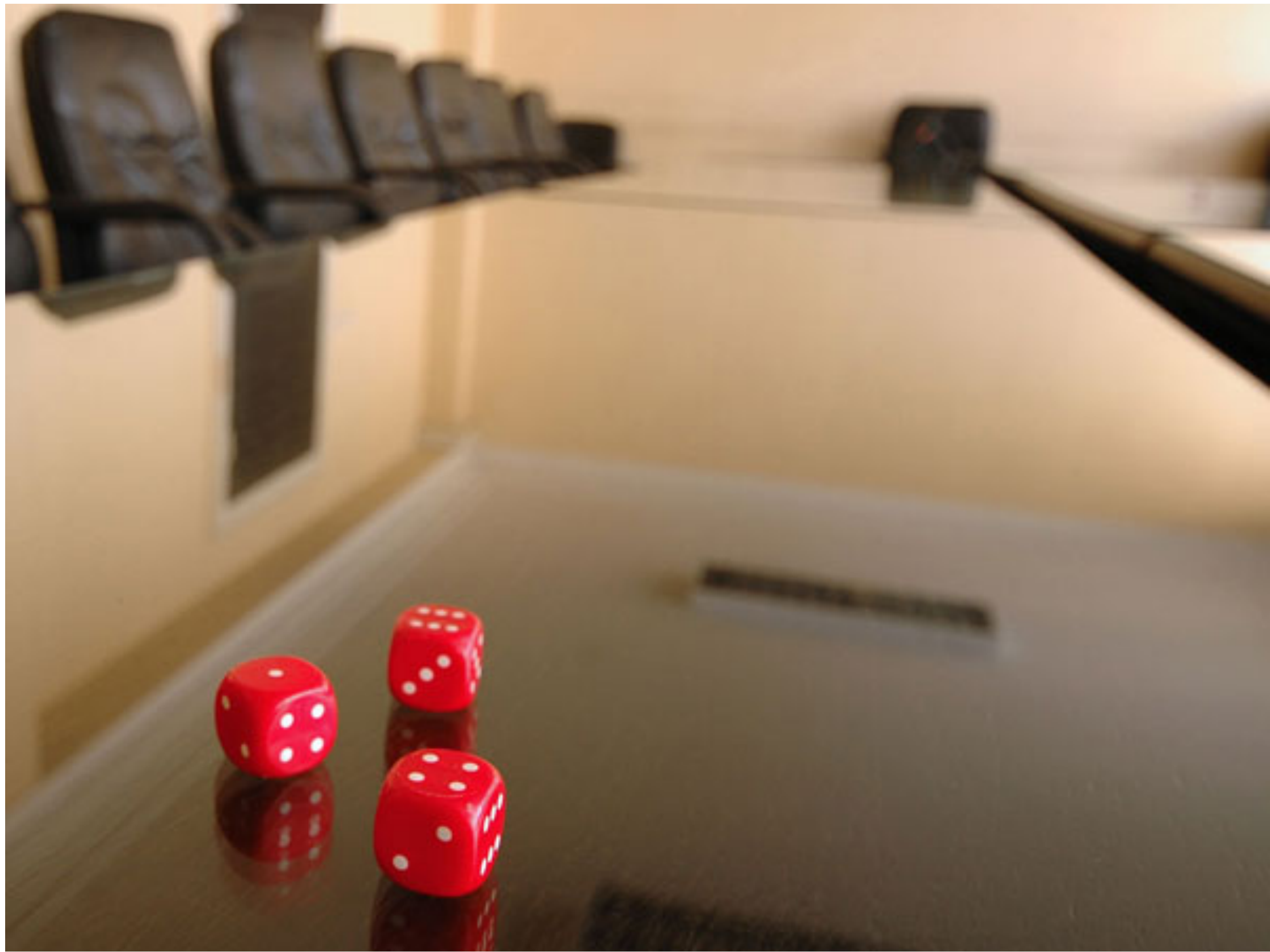
CONCLUSION

Win-loss research is the single best way to learn why you win and why you lose. There are always blindspots – reasons that you don’t even know exist.

Don't assume you know the problem and don't spend time trying to fix the wrong one. You risk wasting time and resources, and potentially missing out on huge revenue upside.

THIRDSIDE

CONTACT



hello@thirdsidesolutions.com

Thirdside Solutions, LLC.

thirdside.com