

**Management of Field Sales**  
**Prof. Jayanta Chatterjee**  
**Department of Industrial & Management Engineering**  
**Indian Institute of Technology, Kanpur**

**Lecture – 13**  
**Consultative Questioning Strategy**

Hello, I am Jayanta Chatterjee from IIT, Kanpur. We are discussing Management of Field Sales. This is our third week and we are focusing today on a topic that I mentioned in the closing part of the last session which is called spin selling. It is actually a very effective way of using the question based selling which is a foundation approach for consultative selling that we have been discussing in this course right from the beginning.

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**The Six-Step Presentation Plan: Focus on Step 2—Need Discovery**

1. Approach
2. **Need discovery**
3. Presentation
4. Negotiation
5. Close
6. Servicing the sale

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The approach is a six-step, it is part of the six-step presentation plan that I offered to you in the last session. So, as you remember we had approach, need discovery, presentation, negotiation, close and servicing the sale. I discussed in detail about the presentation part in the last session, but I am today going back to the need discovery, because if you remember the two more complex types of sales presentation which is need satisfaction and problem solution, those need a good understanding of the customers need.

So, most of the high value sales complex product or system sales demand that you have deep understanding of the customer's needs, because that is the only way you can structure your FAB, that means, you can create your presentation on advantages and

benefits through the features of your goods and services if you understand customers needs very well. How do you discover customer needs that is the point of today's discussion.

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**Consultative Sales Process and Value**

- Increased customer satisfaction
- More sales closed
- Fewer order cancellations
- Fewer returns
- Increased repeat business
- Increased referrals

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The consultative sales or process that we are highlighting in this whole course, obviously, is very important because it increases customer satisfaction, more sales are closed and it is generally found to be more in tune with the 21st century where the customers have a more power and the information asymmetry as now is now in favor of the customer. The customer has lot more information about your products, your customer's products about the situation about the industry, then you have to start with. So, therefore, the need discovery has to be a humble process. It has to start with the assumption that the customer knows more and the customer is the king or the queen.

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### How Much Time on Need Discovery?

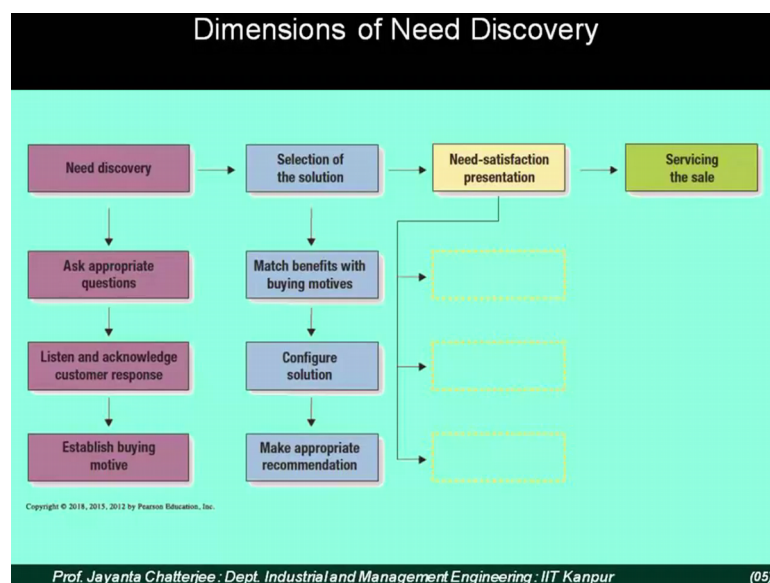
**Need discovery time varies based on:**

- Sophistication of product
- Selling price
- Customer's knowledge
- Product applications
- Time available

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And depending on the sophistication of the product, the selling price that means, higher price needs higher investment in need finding, customer knowledge, product application, time available, all of these are inputs to determine that how much time you spend on the initial part of the sales process. So, higher the sophistication, higher the selling price, more is the requirement of customer knowledge, more complex are the application situations of the product, you need to spend more time on the inquiry part, on the questioning part, on the need finding part.

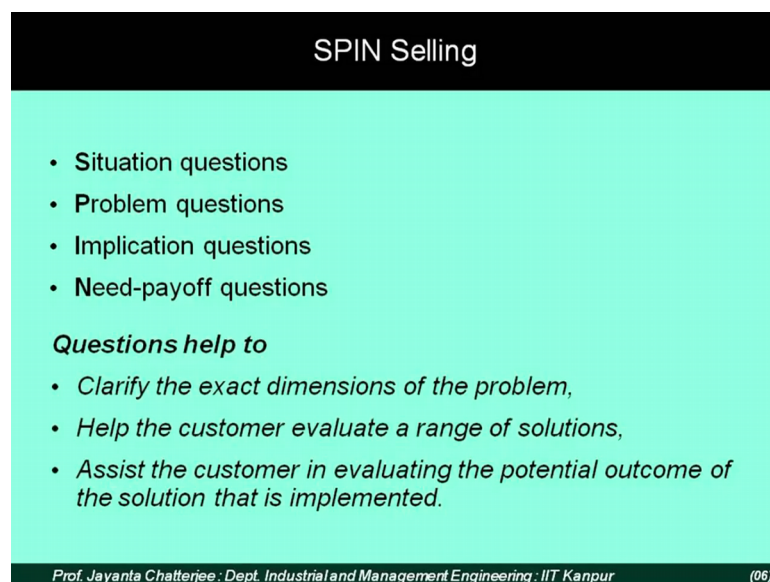
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And this discussion is about dimensions of need discovery. So, as you see on the left hand side, it shows the general flow, need discovery, ask appropriate questions, listen and acknowledge customer responses and establish buying motive. And this is by the way taken from Manning and the chapter on this need finding. And please do refer to the whole the book for a more detail understanding beyond what we are going to discuss in today's session.

So, need discovery leads to the selection of the solution which needs to the need satisfaction presentation. So, therefore, the need discovery is the fundamental starting point for the need satisfaction type of sales presentation to succeed.

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The slide is titled "SPIN Selling" in a black header. The main content is on a light blue background and lists four types of questions: Situation questions, Problem questions, Implication questions, and Need-payoff questions. Below this list, it states "Questions help to" and lists three benefits: clarifying the exact dimensions of the problem, helping the customer evaluate a range of solutions, and assisting the customer in evaluating the potential outcome of the solution that is implemented. At the bottom, there is a footer with the text "Prof. Jayanta Chatterjee : Dept. Industrial and Management Engineering : IIT Kanpur" and a small number "(06)".

**SPIN Selling**

- Situation questions
- Problem questions
- Implication questions
- Need-payoff questions

**Questions help to**

- Clarify the exact dimensions of the problem,
- Help the customer evaluate a range of solutions,
- Assist the customer in evaluating the potential outcome of the solution that is implemented.

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So, now we come to what is known as spin selling, which says that there are four types of questions which sales person should use effectively in making a good sales process. So, there are the S stands for situation, so there a situation questions. P stands for problem, so there a problem questions. I stands for the implication, so there are implication questions. And lastly N stands for need-payoff, so there are need-payoff questions. So, questions help to clarify the exact dimension of the whole problem gives you detail inside. So, question based selling is in a way another name of introducing the need satisfaction or the problem solution type of a sales presentation.

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Types of Questions:			
TYPE OF QUESTION	DEFINITION	WHEN USED	EXAMPLES
Survey	<i>Discovers basic facts about the buyer's problem and existing situation</i>	Usually at the beginning of a sale	"Can you describe the problems you experience....."
Probing	<i>Designed to uncover pain, and clarify the circumstances and implications surrounding the customer's problem</i>	When you feel the need to obtain more specific information to fully understand the <i>problem</i>	"Are the logistic problems affecting your concentration when you are preparing for the event?"

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The types of questions are survey type of questions. These are for discovering basic facts about the buyer's problem and existing situation. Usually, it is used at the beginning of the sale and normally the way you will express is can you please describe the problems that you experience with respect to the say electrical contactor's burning out in your hoist application. I am just giving real example.

This type of general survey or an overall fact finding questions should lead to the next level which is probing question. These are designed to uncover specific pain points, clarify the circumstances and implications surrounding the customer problem and this is used when you feel the need to obtain more specific information to fully understand. So, continuing with our example about this contactors or actuators used in the electrical circuit of a hoist or crane, they normally are prone to continuous servicing because of the type of hoist or crane duty the contactors starters burnout quite quickly. So, they need replacement on a regular basis. The contacts need to be replaced.

Now, in the earlier types of design often the whole contactor used to burn out. So, you needed to replace the whole contactor. Some improvement in designs I have come in, and therefore, that has actually come because of these understanding through the spin method of finding specific. So, the customer's pain point was that the placing a whole contactor was very time consuming, sometimes a whole starter caught fire, it was therefore, a hazardous situation.

All of these lead to solutions which are now more modular where a certain defective part or contact can be quickly taken out and can be replaced. And this modular approach to the problem solving can be applied actually this is a problem relating to an electrical starter in a hoist or crane, but this kind of modular approach can be applied to many other types of problem.

So, probing stage are often used to address a specific customer specific situation. So, like other logistics problem, suppose somebody is organizing a large event, and therefore, for that exhibition or for that conference or for that ah large multiday seminar, if you talk about logistics problem, it is actually your probing a very specific area.

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Types of Questions:			
Confirmation	<i>Used throughout the sales process to verify the accuracy and assure a mutual understanding of information exchanged by the salesperson and the buyer</i>	After important information has been exchanged	"So you think the uncertainty associated with travel is having some effect on your performance?"
Need Satisfaction	<i>Designed to move the sales process toward commitment and action; focuses on the pleasure or payoff achieved from the proposed solution</i>	When you change the focus from the problem to a discussion of the solution	"With your own travel bus what personal benefits would this bring to your performance?"

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Then you have the confirmation type of questions where actually what you have understood through the probing about the specific nature of the problem you will see confirmation, so that you are in the same page with the customer. So, it is used throughout the sales process to get this customer's feedback and confirmation that they are perceptions, match your supposition, your hypothesis that is why you.

So, you there for say this kind of statements, so you think the uncertainty associated with travel is affecting your performance you know. So, this is actually yes, no, no, but this type of response from the customer will help you further tune your thinking with the customers perception. And then you say ok, oh, therefore, if there is your own travel bus,

and you have a pickup service for your personal, then perhaps you will solve logistics problem and you will reduce uncertainty.

So, you see here we are using this technique to prepare the ground for say a industrial transporter, transport equipment, some kind of a van or traveler type of multi-seat car. So, the if you, again I will repeat, so you have survey type of questions, you have probing questions, you have confirmation questions, and you have need satisfaction orientated questions.

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**Need Discovery Questions**

- Survey questions reveal customer problems.
- Probing questions reveal customer pain.
- Confirmation questions reveal mutual understanding.
- Need-satisfaction questions reveal pleasure.

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So, survey questions reveal customer problems, probing questions reveal customers pain, confirmation questions reveal mutual understanding and need satisfaction questions reveal potential pleasure or customers delight. So, ultimately you want to go to the delight, but to do that you have to go through the stages the survey, the probing, the confirmation that is the way you have to uncover.

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Need Discovery Worksheet	
PREPLANNED QUESTIONS TO DISCOVER BUYING MOTIVES	CUSTOMER RESPONSE
"Are you aware that with the system you are currently using, your Med Reps may have to keep their laptop 'on' in order to make and receive Internet calls?" (Closed/Specific Survey/Problem)	

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You can get to that need satisfaction situation, the delight creator straightaway you have to go through this process to discover uncover the core of the problem where you can delight the customer. So, here in the initial part you know it is better to some prepared questions, some preplanned questions can be used.

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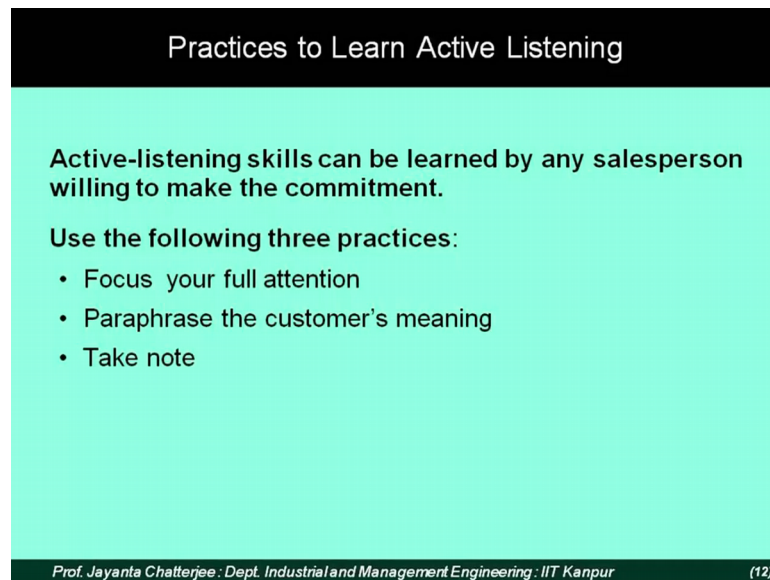
Need Discovery Worksheet	
"What if we could develop a communications system for you that included I.M. and met the slow net limitations? What positive impact could that have on your situation?" (Open/Need Satisfaction/Pleasure)	

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Note the customers response and then you proceed to the need discovery worksheet. The need discovery worksheet is often actually based on some preliminary understanding of the problem, some preliminary description of the solutions that you can offer.



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**Practices to Learn Active Listening**

**Active-listening skills can be learned by any salesperson willing to make the commitment.**

**Use the following three practices:**

- Focus your full attention
- Paraphrase the customer's meaning
- Take note

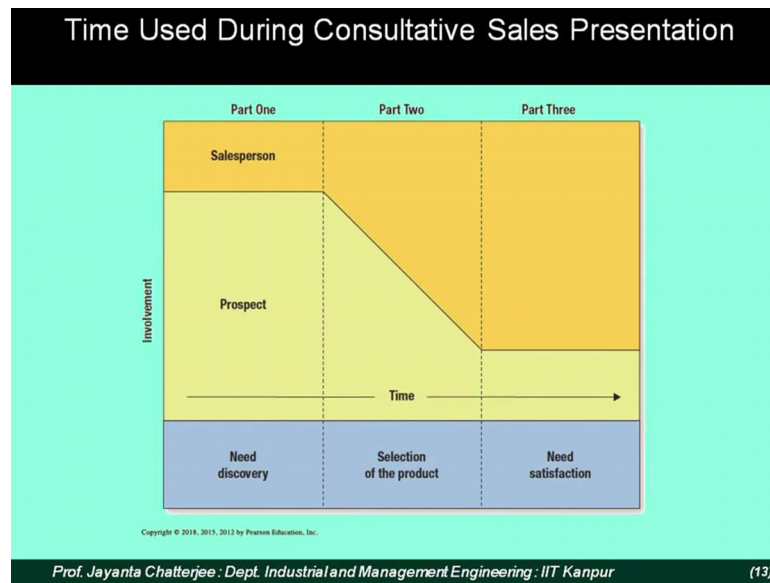
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And then it should not be a close-ended presentation, but it should be an open-ended presentation that stimulates more conversation. So, do not show that what is the solution that you are offering, but rather look at various kinds of options that you have in your range in your product range, in your solution techniques and so that you can get more specific.

So, use a funnel approach here that start from a very generic survey type of situation, then get to more specifics of the problem they are also stimulate conversation and narrow, narrow, narrow. So, start from a distinct and narrow down into very specific two or three points where the customer will be just delighted with some superior solution that you can offer. So, the spin selling, therefore, you use a less of the situational type of questions try to find those more from your prior research.

So, that you do not spend too much time on S, that shows you are not prepare that shows you have not studied your customer, but spend more time on the P and the I that means, the core nature of the problem and the implications of your solution. So, the therefore, the narrowing down, the more quickly you can actually progress from the preliminary opening gambits to the more specific discussion and you can have more times spent at that stage you will be operating more effectively.

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So, the time spent is during the consultative sales presentation, somebody who is using the spin technique is shown on this diagram. So, you can see here that in the need discovery stage on the extreme left hand column, the prospect, the buyer is talking a lot more than the sales person. The sales person is only facilitating the conversation, only stimulating the conversation, allowing the customer to talk more and more, getting more and more data, so that your offerings become very targeted, immediately attractive.

So, the more time you give to the customer to talk, and you may careful notes, will create a much better situation in the next stage which is selection of the product. So, here this is selection of the product of proposing of the solution. So, here the more time that you spend will be effectively spent, will not bother the customer, but will attract the customer, if you have allowed the customer to talk a lot more in the first part.

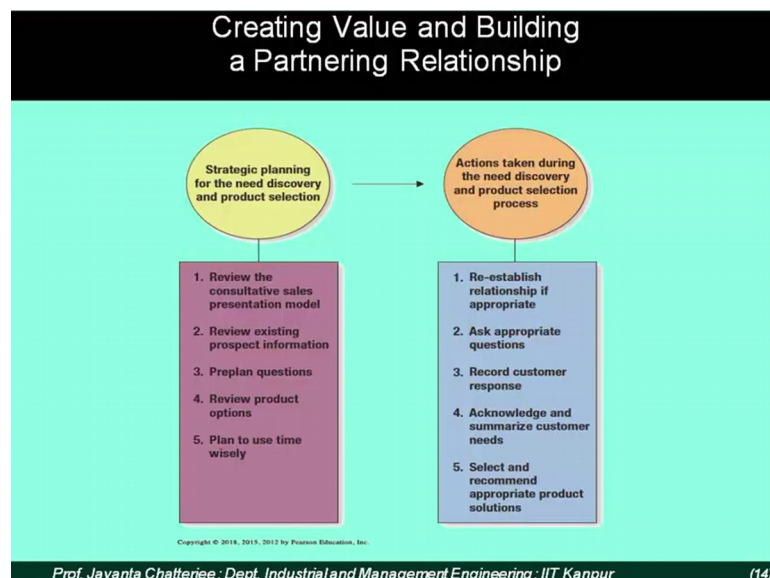
Because you have to cut your coat according to the cloth available as well as according to your buyer's deep and deeper needs, the express needs as well as your buyer's latent needs. So, when you make your presentation in the second part, it will create lots of interests if you are fact finding has been good, if your prior research has been good, if you have spent more times on the S type of questions, not in the do not waste the time in the encounter with the S type of questions, but even the P type of question should be limited. So, get to the implications get to the benefits and advantages offered by your

solution, and that should all the hit the bulls eye if you have done your prior research well.

And then of course, you should in the need satisfaction stage, the more you talk, the more you enquiry when after the sale the more conversations you keep going even after the sale even though that is not needing to an order booking, and I know it is for a sales person the temptation is very high to focus on the new sale, and forget about the sale already made, but that is a very short term approach that will not work in today's relational selling consultative type of type of selling situation.

So, keep the conversation going even after the sale has happened, get feedback about how the product or service is actually solving customer's problems. Find the way the wait is meeting the promise or if it is not meeting the promise, then where is the gap. The more you spend time on that your next sales presentation will be much more successful. And you will possibly get a referral which will warm up the process as we discussed in an earlier that initial stage opening part of the sales presentation can become better if there is a social context, if there is some kind of a referral at that stage that will you know make your target much more attainable.

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And last slide for the day is the value and building the partnering relationship will happen if you actually have a good strategic plan, the things that we have discussed in this week session. And the actions that you take as in response to that strategy as an

execution of that strategy. So, with that, I will end today's session, this was the session on.

Thank you.