

## USING CUSTOMER RESEARCH TO PROSPECT FOR SALES LEADS

*There are nine steps in an effective, research-driven lead development process. Eight of them are typically ignored. The following white paper discusses the value of incorporating qualitative, third-party customer research into the lead development process.*

### 1. Develop Lists of the Three Types of “Customers”

While most people generically refer to “customers,” it is more appropriate to be specific; there are lost accounts (that we would like to win back), prospects (that we are actively working to win over) and current accounts (which we will ignore for the purposes of this white paper). As we proceed through the ten sections of this white paper, it will be helpful to bear in mind that these three different types of customers exist. It is efficacious to break customers into these segments (and even further segment customers), to identify clusters where there are opportunities for quick wins.

### 2. Ask about Pain Points and Unmet Needs

The research should commence with an investigation into “pain points.” Forget about your current product or service offerings. Instead, we are looking for open-ended, stream of consciousness thoughts from the prospects or lost accounts on what keeps them up at night. What are the areas in their organization that need improvement? Not necessarily in terms of relationships with their vendors, ask them to describe their pain points. It will also make sense to talk about strategic visions, ambitions, or intentions for the future. Then, after hearing where they want to go, and what may be holding them back, ask what their unmet needs are in terms of their relationship with suppliers like you.

### 3. Discover Opportunities to Get Your Foot in the Door

By thinking about their pain points, try to determine how to begin developing a business relationship with the prospect or lost account. For example, would a free trial be a motivator, or an “audit” of their current operation? What would cause the prospect or lost account to pull back the kimono and reveal specifics about their business

relationship with current suppliers?  
Considering their pain points, unmet needs, and strategic visions, is there something you could offer to help ameliorate current pain? Is there a product, service, or an intermediate step in that direction that could help them get closer to their vision of the future?

#### **4. Learn about Obstacles to Overcome**

There are likely to be a number of barriers and obstacles obstructing your path toward winning a new sale. Typical objections can take the form of skepticism (doubt of a feature or benefit), misunderstanding (customer believes a feature or benefit cannot be provided), drawback (customer is dissatisfied with presence or absence of a feature or benefit), or indifference (customer is satisfied with circumstances). Any of these can lead to the acknowledgment of a need. But the specific mix of unmet needs and objections vary, of course, from prospect to prospect and lost account to lost account. They even vary among two purchase decision-makers within the same organization. So, it is important to recognize that there are not three or four generic concerns that customers have about developing a relationship with your company. Research is required on every prospect and

every lost account to learn about the hurdles that you must overcome on a case-by-case basis. That research may be most objective when it comes from a third-party research firm.

#### **5. Determine Their Budget**

The most common hurdles to overcome concern price or long-term cost. But before we even get there, it is important to understand some basic aspects of their budget for your particular product or service. Do they even have a budget? How many companies take up what percentage of this budget? What exactly is the size of their budget for this product or service? These can be difficult questions for a vendor to ask. However, a third-party market intelligence firm should be able to address these issues with the prospects and lost accounts.

#### **6. Rate and Rank their Other Suppliers**

In section five of this white paper, we learned that it is important to understand who the other, competitive, vendors are, and how much the prospect or lost account is purchasing from them. It is also critical to assess the prospects' and lost accounts' degree of satisfaction with these vendors.

How well do they like each? Where are the vulnerabilities? Which suppliers have a very solid foothold on the customer? Many customers are reluctant to convey pain points to a vendor because they do not perceive issues, are not comfortable in sharing, or prefer to keep issues close to their chest. However, they may open up to a third party, especially when asked, "What one thing would you do different if you were the vendor?"

## **7. Assess their Purchase Decision Criteria**

When the lost customers and prospects choose a vendor, they make a decision (either by design or by default) based upon several factors, or criteria. While they may say that it boils down to price, quality and service, you will need to ascertain their definitions. What do they mean by "quality," exactly? Additionally, you will need to assign a weighting to each criterion or factor. How much more important is service than quality, for example? Of course, it is awkward for a prospective vendor to ask these questions. And it is unlikely that they will give you candid, objective responses. They may not want you to know, for example, that price is relatively unimportant aspect of their decision process. Again, third-party research can be valuable.

## **8. Make the Offer**

The offer to help needs to be clear, concise, and compelling; but it obviously needs to be custom-tailored to that specific buyer. This step is the culmination of all the research conducted to date. Based on all of your research, what are the needs, wants, problems, or opportunities for improvement with which your company can assist? For this specific lost account or prospect in particular, what solution can you tailor?

## **9. Ask for the Sale?**

For most companies, the process typically begins at this stage. But as you can see, there are actually eight steps that occur before we get to this point in the lead development cycle. When you "ask for the sale," be sure to demonstrate your superior knowledge of the lost account's or prospect's pain points (section 2). Think about the opportunities to get your foot in the door (section 3), and be sure to tie those steps into your overall solution. Be prepared to overcome specific obstacles (section 4). Mention that you have done your homework and that you are aware that they have a budget (section 5), but that they may not be satisfied with all vendors they are currently using (section 6). Try to demonstrate

superior strengths in areas that are most important to this customer (section 7). And finally, be sure the specific offer (section 8) is a solution to a problem or a step forward toward a strategic goal.

*Christopher "Kit" Lisle is Managing Partner of Acclaro Growth Partners, a research-based management advisory firm. He can be reached at [kit@acclaropartners.com](mailto:kit@acclaropartners.com) or 703.434.3597.*