

Sales Process: How to Deliver Effective Product Demonstrations - Part 1

by Alan Rigg

Do you invest a lot of time and resources in delivering product demonstrations, only to see **very few of them ever produce sales**? Are you sick and tired of watching **opportunities stall** in your pipeline after the demonstration has been completed?

Why do so many demonstrations fail to produce orders?

There are two primary reasons why so many product demonstrations fail to produce orders:

1. The opportunity was never properly QUALIFIED.

Many salespeople are in such a rush to schedule product demonstrations that they never **qualify** the opportunity! They don't have a clue whether the prospect has any of the **business problems** their company's products or services can solve, or whether the **quantified impacts** of these problems are **substantial enough** to motivate the prospect to invest time and money to fix them.

2. The demonstration gives the prospect WAY TOO MUCH information.

If a prospect sits through a comprehensive demonstration of all of the capabilities of your product, how much information will they receive? Do you think this amount of information might cause the prospect to go into **information overload**?

What happens when we go into information overload? Are we in a big hurry to make a buying decision? **No!** We want to take time to review the information. Far too often the end result is **analysis paralysis**, and a buying decision **never** gets made!

Let's face it, product demonstrations are expensive to deliver!

At minimum they consume your (and possibly an expert resource's) **time**. If it is your company's policy to travel to prospects' facilities to deliver demonstrations, you also have all of the **travel-related costs** such as airline tickets, hotels, meals, entertainment, rental cars, parking, etc.

There is also an **opportunity cost** involved in delivering product demonstrations: any time and resources that are invested in demonstrations to prospects that **can't** or **won't** buy are no longer available to invest in demonstrations to prospects that **can** and **will** buy!

What's the solution?

The solution is for you to complete the following two activities **before** you schedule a product demonstration:

1. The opportunity must be THOROUGHLY qualified.

Hold yourself accountable for doing a thorough job of sales opportunity qualification. This includes:

- **Business Problem Qualification:** Does the prospect have any of the *business problems* your product or service can solve?
- **Business Problem Quantification:** How *significant* is the *impact* of the business problems? Is the prospect willing to attach dollar figures or percentages to these impacts?
- **MAIN-BP Qualification:** Is the prospect *worthy* of time and resource investments by your company?

2. A PROPOSAL must be delivered to (and reviewed with) the prospect.

Why should you deliver a proposal to a prospect **prior to** scheduling a product demonstration? Because it doesn't make sense to invest the time and resources required to deliver a product demonstration if the prospect doesn't first agree there is **a compelling business case for buying your product!**

Let's examine what happens in a well-written proposal:

- The prospect is reminded of their **business problems** and the **quantified impacts** of these problems. This **engages** the prospect's **emotions**.
- The prospect is shown **which specific features** of your company's product will **solve** each of their specific business problems.
- The prospect is shown **how the price** for your company's product **compares favorably to the quantified impacts** of their business problems.

If the prospect agrees the information in the proposal makes sense, all that remains is to **prove** to them that **selected features** of your product can indeed do what the proposal says they can do! Now that's **a worthwhile reason** for scheduling a product demonstration!

In **Part 2** of this article we will discuss **how to structure product demonstrations to maximize the number of sales that are closed** at the end of or shortly following the demonstration.