

Sales Process: How to Avoid Wasting Time on Prospects Who CAN'T or WON'T Buy

by Alan Rigg

Do you have blind faith that, if you can somehow convince a prospect to engage in a sales cycle, you will eventually make a sale? If you do, watch out! This belief can **waste your time, effort, and company resources**.

Unfortunately, time and resource investments do not inevitably produce sales. How many of the opportunities in your pipeline have been stalled at the same step in the sales cycle for weeks or months? In how many opportunities have you and your company invested enormous amounts of time, energy and resources (conducting product demonstrations, writing lengthy proposals, providing product evaluations, etc.), only to have the prospect decide they don't **want** to buy, or prove **incapable** of funding the purchase? Even when you make sales, how many turn out to be "nightmare" customers who are always dissatisfied and consume huge amounts of post-sale resources?

All Prospects Are NOT Created Equal

You **DO** need to help your prospects explore whether their business problems are substantial enough to justify investing time in a sales cycle. However, you also need to figure out whether each prospect is **worthy** of your time and resource investments! If a prospect is not a good fit, gracefully exit from the opportunity. (Why not refer them to a competitor and let the competitor burn some cycles?)

How can you determine whether a prospect is worthy of your time and resource investments? Many sales skills training courses teach an acronym, **M-A-N**, that stands for **Money, Authority, and Need**. The basic idea is to determine whether:

1. The prospect is willing to commit enough budget dollars (Money) to pay for the product or service
2. The key decision makers and influencers (Authority) have been identified; and
3. The prospect's pain (Need) is severe enough to justify investing in a solution

Unfortunately, even when you do a good job of M-A-N qualification, you can be "blindsided" by issues that delay sales cycles or destroy opportunities outright

For example:

- Some prospects prove incapable of securing financing. They may have a budget, but they are **not "credit worthy"**, so they can't **FUND** the budget.
- Some decision makers need to have specific information provided in a specific format before they can authorize a buying decision.
- Sometimes you invest considerable time and effort in troubleshooting complex problems and designing solutions, only to be informed that the prospect must **take the proposed solution out to bid**. This can lead to the opportunity being lost to a low bidder or the profitability of the opportunity being pummeled.

To avoid these issues, add additional questions to the M-A-N qualification process. The acronym that I have assigned to this revised process is **M-A-I-N BP**, which stands for **Money, Authority, Information, Need, and Buying Process**. Here are sample M-A-I-N BP questions:

Money

- How will your prospect pay for the product or service?
- Has a budget been established?

- Are they credit worthy?

Authority

- Who (in the prospect's organization) needs to approve an acquisition of this nature?

Information

- What information do the decision makers require before they can make a decision?
- What format does this information need to be in?

Need

- What are the prospect's business problems?
- How compelling are they? In other words, can you quantify (associate dollars, percentages, and time frames with) the pain the prospect is feeling?
- Are the quantified business impacts substantial enough to warrant investment by the prospect's organization (and YOUR company) in identifying and fixing the problem(s)?

Buying Process

- What is the prospect's buying (procurement) process?
- What impact might this process have on the profitability of the transaction?
- What competitive advantage will you receive if you invest your time and resources in designing a solution that goes out to bid?

If you decide to add M-A-I-N BP qualification to your sales opportunity qualification process, here are some final thoughts to keep in mind

- If you don't know the answers to **all** of the M-A-I-N BP questions, it is highly likely you are **wasting your time and resources!**
- Opportunity qualification is **not a one-time event**. As an opportunity advances through the sales cycle, you should frequently ask whether any of the answers to the qualification questions have changed. If an answer changes, it could impact the length of the sales cycle and even destroy the viability of the opportunity. At minimum, an answer change will probably require a change in focus and/or a reprioritization of planned activities.
- **Never feel bad about disqualifying an "opportunity"**. The amount of opportunity in most sales territories is virtually unlimited. If you carefully qualify and re-qualify each opportunity, and only invest time and resources in qualified opportunities, you will maximize your return on time and resources invested.