



Breakthrough Ideas

Are you focusing on the Best Market?

Have you ever seen an organization wasting time selling to a market segment that was not the best fit for their offering?

I recently worked with a client organization that experienced that problem. Their offering that was mid-range product in their market space. However, many of their very seasoned sales people felt it was close enough to a top-of-the-line product that they could sell it as one. (Most of them had sold top-of-the-line products in the past.)

The problem was that prospects who really were going to buy the high-end product, had the money to buy the high-end and needed certain features that this product did not have. Have you ever had sales people say, I could win a big order if I just had these features? The problem is that changing the product spec too often on an ad hoc basis creates a very inefficient product development effort and hurts sales over time.

Even senior sales people spent lots of time pursuing deals that went to the top-of-the-line products. When I spoke to the buyers after the dust had settled, it was clear that, these people were going to buy a top-of-the-line product. How could experienced sales people miss something like this? They felt they could change the buyer's criteria and convince them to buy a mid-range product.

How can you forestall this kind of problem?

1. Keep an eye on lost or stalled deals. Review these opportunities with your sales people. In addition, talk with the key decision makers in these deals and find out why they did not buy or have stalled the process. It's amazing how illuminating this can be. Consider using a third party to get more candid feedback.
2. Identify the characteristics of the customers that love your product, what results they are producing with your product and which capabilities are enabling them to produce those results.
3. Based on the difference between the two segments, clarify the best target market for your offering. Identify the value they are buying and craft that into a clear value proposition free of hype.
4. Create clear qualifying criteria for the target market.
5. Work with your sales and marketing teams to focus on this segment with the value proposition. This includes managing the process so they don't go back to pursuing marginal prospects in their funnel.

The time wasted on the wrong prospects takes away from time on the right ones! Please feel free to contact me if you would like to discuss this further.

Ron