# **CHAPTER 1**

# **EVERYONE'S A WINNER**

# *'WIN-WIN IS A BELIEF IN THE THIRD ALTERNATIVE. IT'S NOT YOUR WAY OR MY WAY; IT'S A BETTER WAY, A HIGHER WAY.'*

#### **DR STEPHEN COVEY**

My wife was flicking through the TV channels as we lounged on the couch late on a Saturday afternoon, after a strenuous but fruitful day in the garden. Of course, the flicking stopped when it landed on a reality TV show about wedding dresses. At this point, I mentally switched off and buried my head in the iPad. Now, normally, when I'm reading or surfing on the iPad I go into the zone, into my own little world where all other sensory input hits an invisible but impenetrable barrier. A barrier that's particularly strong when the TV is tuned in to a reality programme

However, this time one word broke through. The word? 'Discount!' Now I was interested, and the iPad was tossed aside. The bride on the TV screen was twirling about in her dream wedding dress, a look of pure joy on her face, and telling the women standing around admiring her that this was 'The Dress'. The salesperson was clucking around, ooh-ing and aah-ing, and bestowing glowing compliments on the bride such as 'stunning', 'beautiful' and 'it was made for you'.

Meanwhile, the mother-in-law said, 'I'm going to ask for a discount.' The other women exclaimed, 'You can't, they won't give you one!' But the mother-in-law's reply, delivered after taking a rather large gulp of champagne, was, 'One thing I've learned in this life is if you don't ask, you don't get.' The salesperson could see the bride really liked how she felt in this dress, and as a final clincher said, 'We happen to have the shop owner here at the moment. She also designed the dress and would love to see you in it. Would you like to meet her?' Of course, the answer was yes.

The designer came over and once again kicked off with a series of oohs! and aahs! and a comment about how this dress was just perfect for the glowing bride-to-be, who was still twirling about in front of the mirror and giving out all the right buying signals. You could tell that she was already visualising the look of rapture on her partner's face when he saw her in this dress for the first time as she walked down the aisle to meet him. At this point the motherin- law said to the owner, 'We would like a discount, because the dress has a mark on it.' The mother-in-law claimed the mark was on the back of the dress, but the shop owner could not see anything.

Despite this, the mother-in-law insisted that the bride should be given a discount. Without any further challenge, without even trying to handle the objection, the owner said, 'I will give you a twenty per cent discount.' The mother-in-law's jaw dropped. The bride said quickly, 'I'll take it.' And while all the women were smiling and seemed happy for the bride, the mother-in-law blurted out, 'I'm not happy, we should've asked for a bigger discount!'

What do you think the women talked about after the wedding dress was purchased? I think I can give you a pretty accurate guess.

They probably said something like, 'They must be making a lot of money on the dresses to discount them by twenty per cent when a customer just asks,' or 'If we'd held out, maybe we would've got fifty per cent off.' You'd think they'd be over the moon at finding 'The Dress' and receiving a substantial discount, but in fact the whole wedding party experienced something called 'buyer's remorse'. Buyer's remorse is a feeling of regret after a purchase – usually an expensive purchase. In this case, the buyer's remorse was based on thinking they could have got the dress cheaper and that maybe they had been 'ripped off'. Ironically, the shop owner contributed to this feeling by quickly discounting the dress and failing to negotiate, which reinforced the mother-in-law's belief that they had paid too much. For both customer and supplier, it was a lose-lose scenario.

Why a lose-lose scenario? The owner lost profit by discounting the wedding dress when she didn't need to. The mother-in-law felt cheated because she thought she could have achieved a bigger discount. And the bride felt that the dress was cheapened, and therefore felt a little less special, because it was discounted.

But it didn't have to be this way. Let's imagine an alternative...

When the shop owner, who also designed the dress, was asked for a discount, instead of instantly capitulating, she could have chosen a different approach. She could have talked about where her inspiration for the design came from, about how many hours she had put into making the dress, about the very special fabric she used and how this bride-to-be was just like the bride she pictured when designing the dress. If she had taken this approach, she probably could have charged more than full price for the dress. If somebody had said the dress was too expensive, or asked for a discount, the shop owner could have said, 'If this dress is not within your budget, I do have another one you could try on in a similar design but made from a less expensive fabric. Would you like me to get it?'

But the bride had already told herself that this was 'The Dress', so would probably have said, 'No, we'll take this one.' The discussion on the way home would have been about how beautiful the dress was and how special it was because of the quality of the material and all the thought and passion that was put into designing and making it. In other words, the bridal party would have perceived the dress's value as far greater, and the owner wouldn't have had to cut her margin. A true win-win outcome.

Our journey of understanding ourselves starts with challenging biases and beliefs that have become the basis of many salespeople's perspective on selling and their view of the customer. We need to understand that, by shifting our perspective, all sorts of new opportunities to engage, build trust and sell open up to us. This is the start of breaking through those brick walls.

One of these beliefs is: 'For me to win, the customer has to lose. I have to hold on to as much as I can and not give too much away to the customer.' Or, from a customers' perspective: 'For me to win, I have to screw the supplier down.' We have all held these views, and been victims of their consequences, on our selling journey.

These viewpoints are based on a belief that winning is a zero-sum game: 'For me to win, someone has to lose.'

I want to challenge this belief and introduce you to win-win outcomes.

# **IT'S NOT A COMPROMISE**

# A WIN-WIN OUTCOME IS WHERE BOTH PARTIES GET WHAT THEY WANT AND ARE VERY HAPPY WITH THE OUTCOME. THEIR EXPECTATIONS ARE MET.

In my selling career, the following question and answer have helped me understand why win/win outcomes are so important. So, I would like you to take a minute to think about this:

## IN THE HIERARCHY OF SELLING, ARE SALES NUMBER ONE AND PROFIT SECONDARY OR IS PROFIT NUMBER ONE AND SALES SECONDARY?

What is your answer?

This question always generates vigorous discussion and people have strong opinions on whether sales are number one or whether profit is number one. The answers and views expressed always go something like this: 'You can't have profit unless you have sales, so sales are number one.' And conversely: 'It's no use making a sale without profit, so profit is number one.' Or a bet each way: 'It depends on the situation,' or 'It depends on the customer.'

The answer? Profitable sales are number one!

I have often been accused of asking trick questions, but if I put this answer up as an option everyone would choose it. And everyone would choose it not because they believe it, but because it is the right answer. We know profitable sales are what we should be focused and delivering on every time, yet our beliefs and actions tell a different story. To highlight this, I want you to reflect on these statements: 'If you want me to grow my sales, we will have to drop the prices.' 'If you want more profit, we will have to be prepared to walk away from business.' If you have ever used, thought or supported comments like this, then you fundamentally believe there is a choice. But you're wrong...

# THERE IS NO CHOICE. THERE NEVER HAS BEEN. IT HAS ALWAYS BEEN PROFITABLE SALES.

So, why do we continue to believe there is a choice? Because believing there is a choice gives us a 'get out clause' when the selling becomes too hard. But the very minute you give yourself this choice, you have stopped working on the sale and have also stopped learning. You have made it all about yourself, not the customer. Anyone can make sales without profit. You don't even need to know much about the customer – just that they might buy your product.

## TO MAKE PROFITABLE SALES, FIRST YOU NEED TO KNOW EVERYTHING ABOUT THE CUSTOMER.

When I say 'know the customer', I mean really know the customer, not think we know the customer based on what we believe and assume. You need to know what the customer believes, and what their values and their pain points are. You need to know what makes them tick and what is important for them and their business. You also need to know everything about what you do.

You need to know what the customer believes, and what their values and their pain points are. You need to know what makes them tick and what is important for them and their business. You also need to know everything about what you do. When you know the customer and understand what you do, you can use this knowledge to solve the customer's current or future problems – real or perceived. This is a win/win outcome.

## A WIN/WIN MINDSET CREATES SALES WHERE BOTH PARTIES PROFIT FROM THE OUTCOME.

'IF YOU KNOW THE ENEMY AND KNOW YOURSELF, YOU NEED NOT FEAR THE RESULT OF 100 BATTLES. IF YOU KNOW YOURSELF BUT NOT THE ENEMY, FOR EVERY VICTORY GAINED YOU WILL ALSO SUFFER A DEFEAT. IF YOU KNOW NEITHER THE ENEMY NOR YOURSELF, YOU WILL SUCCUMB IN EVERY BATTLE. THE OPPORTUNITY TO SECURE OURSELVES AGAINST DEFEAT LIES IN OUR OWN HANDS, BUT THE OPPORTUNITY TO DEFEAT THE ENEMY IS PROVIDED BY THE ENEMY HIMSELF.'

### SUN TZU

Why is it that a win-win mindset is hard for salespeople to understand, believe in and work towards? Maybe because it's reinforced every day by what we read, hear and experience. Politics is almost always a win-lose scenario. Trade agreements, foreign policy and embargos are all based on compromise and negotiation to ensure they reduce one country's loss against another. The position each stakeholder takes is to win as much as they can while giving away as little as possible. Sport is a constant reminder that in life there are winners and losers, and gets our competitive juices flowing. Sport is often used as a metaphor for business – 'finding the winning edge and keeping it', 'leaving your competition to stew in their own losing juices'. Then there's the business and self-help section of the bookstore, where books that spout rhetoric about 'the success of winning' and 'how to win in business' line the shelves. Many of these books have an undertone that suggests that to win, somebody has to lose. Then there is the not-so-subtle rhetoric such as 'There are winners and there are losers. Which do you want to be?'

IT'S NO WONDER THAT, AS SALESPEOPLE, WE HAVE THIS VERY COMPETITIVE SLANT TOWARDS WINNING AND LOSING THAT FEEDS OUR BELIEFS AND BEHAVIOURS WHEN ENGAGING WITH CUSTOMERS. IF WE DON'T WIN THIS CUSTOMER, OUR COMPETITORS WILL.

We believe that the skills we need to develop are those of negotiating and closing. But negotiation is a compromise. Hence, when we find ourselves in a negotiation, we feed that continuous belief loop that a compromise is the best we can achieve.

# WHEN WIN-WIN OUTCOMES ARE DISCUSSED, MANY SALESPEOPLE THINK 'COMPROMISE'.

A compromise is: I get a bit of what I want, the customer gets a bit of what they want, and neither of us feels fully satisfied. A compromise is a lose-lose outcome. A compromise does not foster long-term, healthy relationships.

I have had negotiations with tough customers in which I had to work hard at crunching numbers and capitulated to their demands just to make a sale. Only to have to do it all over again when the customer won their next project. It's demoralising, and sometimes I have walked out of meetings with a commitment, an order or a sale, but feeling deflated and abused and saying to myself, 'I don't know if I even want this sale or customer now.' I also know the customer felt drained as well. I knew I wanted more 'better' selling days, and so I had to find the right things to do to make this happen. If I knew the right things to do, I could influence and control the outcomes I wanted. This started with embracing a win-win mindset. But doing that wasn't easy.

When I was first introduced to the concept of win-win outcomes in selling, I was sceptical. I also believed that compromise was the best outcome I could expect. If I could get a sale through to a negotiation and work hard (drop my prices) to secure it, then that was a win-win – or close enough. I thought true win-win outcomes were great in theory, but in practice, in the real world – in my world – they were a fantasy, a pipe dream. The problem was my mindset; I was focused on the end outcome, the sale. All of my efforts were based on closing the sale as quickly as I could, with objections being argued, ignored and, often, given into to make the sale. Based on this, I thought that all I needed to learn was how to handle objections better and negotiate better. I didn't realise it, but in fact I was looking at the wrong problems, which led to asking the wrong questions and hence looking for the wrong solutions. What I found out later was the problem I needed to solve and the question I needed to ask was:

#### 'HOW DO I SELL SUCCESSFULLY WITH FEWER OBJECTIONS AND NO NEGOTIATIONS?'

Once I understood this, win-win outcomes became possible. When selling, it is not always clear, in the early stages of engagement, what both parties want. Initially it might seem like the customer wants the cheapest price and that the salesperson wants to get the highest price. If the salesperson fails to understand the customer, and understand what it is they really want, the process will inevitably end up in some sort of negotiation and a compromise. The key to a win-win outcome is finding the answer to the question: 'What does the customer really want?'

# *'UNLESS BOTH SIDES WIN, NO AGREEMENT CAN BE PERMANENT.'*

## JIMMY CARTER

# WHAT DO THEY REALLY WANT?

To give you a better understanding of win-win outcomes, I want to share this story with you...

I was meeting with the sales team in a business I was leading a few years ago. The sales team had finished putting their yearly plans together for each of their top three customers, and was taking me through the key activities and outcomes for one of these customers. I asked if the team had shared their plan and outcomes with the customer and asked for the customer's input. The team collectively answered, 'No.' Many of them had a look on their face that said, 'Are you for real? We don't share our internal plans with our customers.' I suggested that their first activity, which was not on their initial list, should be: 'To make a time to share plans and outcomes with the customer to gain buy-in or hear objections.' The team needed to either get the customer's buy-in or understand their objections if they were going to be able to move forward successfully with their plans.

Next, I asked the team: 'What if the customer has other plans this year, which you're not aware of, that may be contrary to your plans? How then will you achieve the outcomes you want?' This question created a lot of searching discussion. The team realised that without understanding the customer's plans and gaining the customer's thoughts and ideas, the targets they put down were purely their hopes based on what they wanted, and had nothing to do with understanding what the customer wanted.

The team agreed to share their plans, which were sent to the customer along with an agenda for the joint discussions we wanted to have at an upcoming meeting. When we arrived at the meeting, we found that the customer had key people from each of their functions in attendance. Sending the agenda, with its strategic intent, ahead of time had allowed the customer to carefully select who they wanted at this meeting.

At the meeting, we shared our thoughts and ideas for the year, and the customer shared the outcomes and activities they were working on for the year. Through the course of the discussion, we were able to align our outcomes with the customer's and find shared activities that helped both companies meet their objectives. For example, the customer was just starting out with their social media program, while we were looking for content and trying to develop a better understanding of the power of social media.

We were already doing some great things in this space, so we were able to get both teams together to initiate joint content and branding social media plans. The customer commented at the end of the session that it was one of the most open, honest and rewarding meetings they had ever had with a supplier. This was a win-win outcome that strengthened the base of trust and generated successful outcomes for both businesses. When we discussed the meeting later in the morning, the sales team was ecstatic. They got more out of this meeting than they had in all of the previous meetings with this customer. They felt good about themselves and good about the customer. They felt they had made a real difference – and they had. And they wanted to do it again with other customers. A win-win mindset shift was taking place.

## SHIFT YOUR PERSPECTIVE

When we view a relationship as a win-lose (zero-sum) outcome, our perceptions, beliefs and behaviours reflect this. Until I challenged them to engage with the customer by sharing their plans, the sales team in the story above had a preconceived view on the customer- supplier relationship. This view was reinforced by an underlying belief that suppliers want to make the most profit they can out of a relationship and the customer wants to buy at the cheapest price. On the surface, it looks like these 'facts' make it impossible to achieve a win-win outcome.

The sales team believed that they shouldn't share plans with the customer because, in some way, they might give away their negotiating position. They believed that a sales team should never share anything with 'the other side'. With this perspective, a win-win outcome is about as possible as flying to the moon without a spaceship. To achieve a win-win outcome, it's essential to shift this perspective.

And I've witnessed this shift. Many, many times I have seen a big change in the way salespeople look when they work with the customer to find a win-win outcome before closing the sale. These salespeople stand taller and prouder. They feel like they have made a real difference. And they want to experience this feeling again.

I have listened to customers and seen how engaged they become in meetings when trust starts to develop and they can see the benefits of a win-win outcome. I hear them tell themselves that this is what they want, and this is the supplier they want to work with. It's powerful and brings out the best of being human. The shift moves all involved from engaging in an adversarial power play to a process of working together for everyone's benefit.

## THE SHIFT TO FINDING WIN-WIN OUTCOMES IN SELLING GIVES US LONG-TERM, SUSTAINABLE GROWTH; ADVERSARIAL INTERACTIONS DO NOT.

To start the shift, we need to understand that the sale is just the outcome of everything we do through the engagement. How we engage determines whether we win or lose the sale and what it looks and feels like.

## WE HAVE TO SHIFT OUR GOAL FROM 'WINNING THE SALE' TO 'WINNING THE CUSTOMER'.

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When we shift our mindset to winning the customer, our engagement has to start earlier because it takes thinking, planning, listening and understanding to develop win-wins. At the earliest possible stage, we need to say to ourselves, 'What is the win for the customer in what I am proposing? What will the customer get from this that makes their world better?' We need to answer these questions before we engage further.

# ENGAGING EARLY IS FUNDAMENTAL TO CREATING AN ENVIRONMENT FOR WIN-WIN OUTCOMES.

We will dive deeper into how to answer these questions in later chapters. All I need you to do right now is ask yourself, 'What would a win-win mindset do for my relationship selling success? Do I want more days of feeling like I'm making a difference and fewer days of grind, objections and negotiations? Do I want to be able to control and influence these outcomes?'

## YOU HAVE A CHOICE – YOU CAN CHOOSE TO EXPLORE, OR YOU CAN CHOOSE TO IGNORE AND CONTINUE AS YOU CURRENTLY ARE. YOU ALWAYS HAVE CHOICES – MY ADVICE IS TO CHOOSE WISELY.

When we shift our mindset to always look for win-win outcomes, understanding our customer on a deeper level is a must. We need to open ourselves up to being more empathetic, listening and understanding in order to find solutions that create win-win outcomes. To do this we have to challenge our existing beliefs and biases.

A key belief that we have to challenge is that price is all-important in the buying decision. This belief leads to outcomes such as unnecessary discounting, reduced margins and buyer's remorse. These are all lose-lose outcomes – the very opposite of a win-win mindset. And it's what we're going to talk about in the next chapter.

# **CHAPTER 1 'SOUND BITES'**

- Profitable sales are number one there is no choice.
- Relationship selling is based on believing in and striving for win-win outcomes, always.
- Win-win outcomes are where both parties get what they want and are happy with the outcome.
- Compromises are not win-win outcomes.
- Moving from being a transactional salesperson to a relationship salesperson requires us to always be focused on win-win outcomes.
- Win-win outcomes require us to deeply understand our customer and their business.
- Win-win outcomes make a real difference to our customers' lives and our own. They strive for a purpose beyond just the sale.
- Negotiations are greatly diminished when we focus on win-win outcomes.