Huthwaite
Focus on the Buyer

The SPIN® Model

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The SPIN® Model

Introduction

This booklet provides an overview of the SPIN® model.

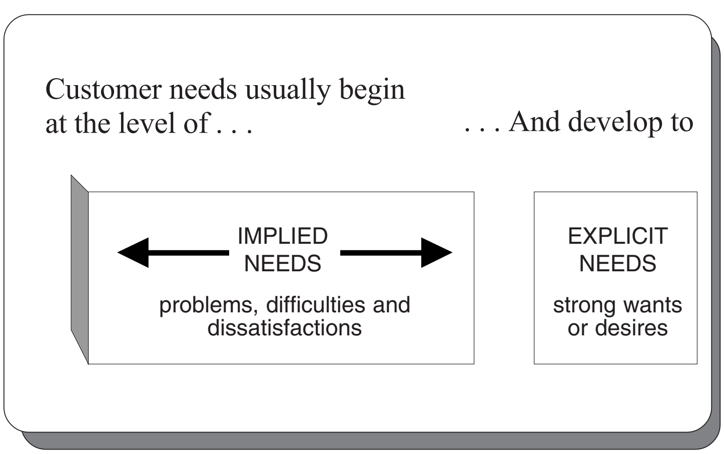
The SPIN® model is a questioning strategy used to uncover and develop customer needs. In the booklet each of the four SPIN® questioning behaviors is described.

Lastly, this booklet covers how to most effectively provide the customer with information about your service.

Needs

A need is any statement made by the customer which expresses a concern or a want. Uncovering and developing customer needs are essential steps in successful selling. A customer who is completely satisfied with the present situation doesn't feel any need.

In the SPIN® Model, needs which are at the problem, difficulty, dissatisfaction level are *Implied Needs.*

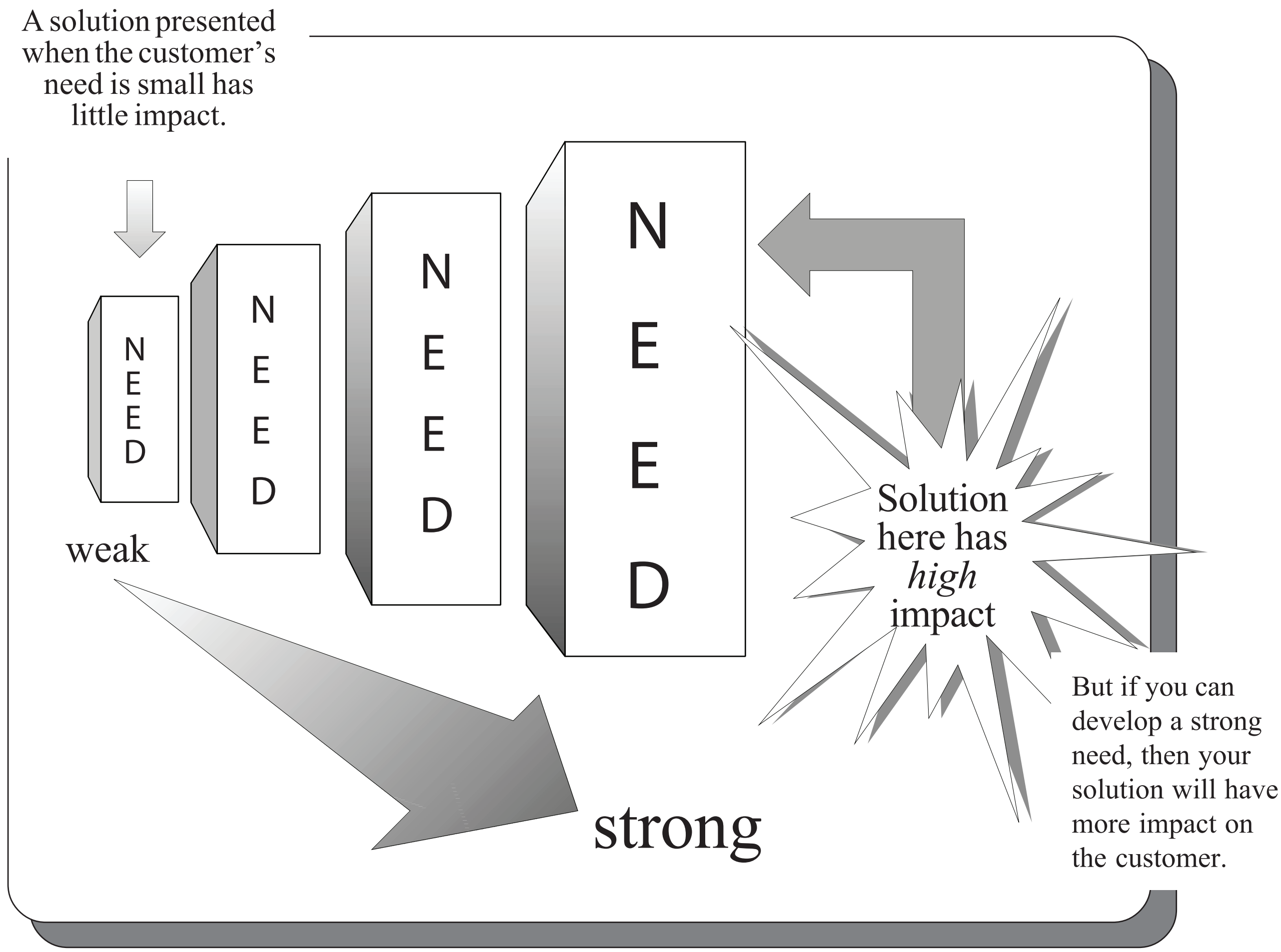


e.g., *"I'm concerned about..."*
"We are not happy with..."

Needs which are clear statements of strong wants or desires are *Explicit Needs*.

e.g., *"We must have a solution to..."*
"What I want is..."

The point where you introduce your solution determines its impact.



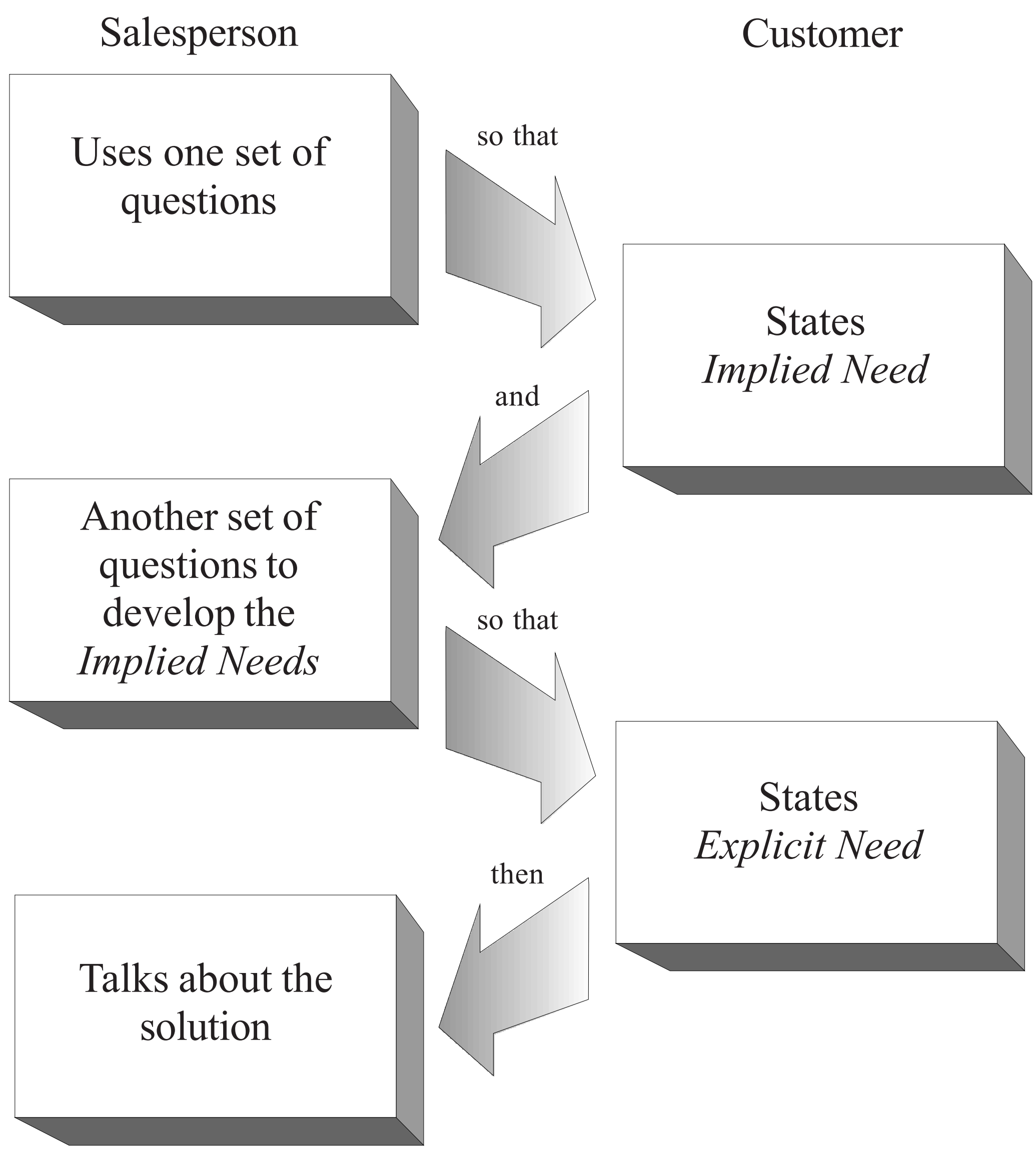
In the Huthwaite research, the single biggest difference between average and outstanding salespeople was the approach they used for handling need development.

The average salesperson treated both types of needs the same way.

On the other hand, outstanding salespeople handled Implied Needs and Explicit Needs differently. That is, they used one set of questions to uncover Implied Needs and a different type of questioning behavior to move the customer from the Implied to the Explicit Need level.

The SPIN® Strategy

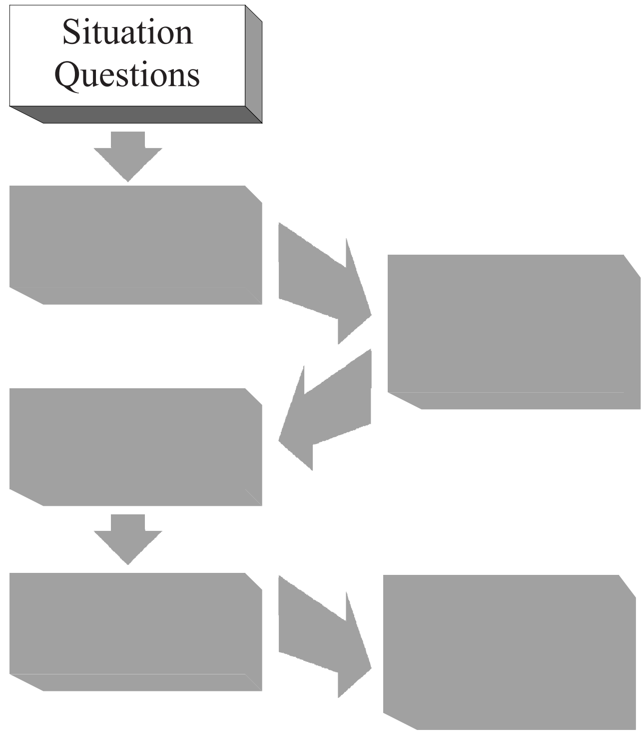
As we have just noted, successful and unsuccessful salespeople handle needs differently. And, as we have also seen, needs don't begin in a fully developed, explicit form. They usually start as dissatisfactions or problems—as Implied Needs. Therefore, a picture of how to sell successfully would look something like this:



This raises two major questions:

- Which type of questions are effective for uncovering *Implied Needs*?
- Which type of questions can be used to develop *Implied Needs* into *Explicit Needs?*

Situation Questions



Finding out information about the customer's existing situation is the first step in uncovering Implied Needs. After all, it is very difficult to investigate a customer's problems (Implied Needs) unless you understand the present situation.

Situation Questions reveal the basic facts about what's happening now and provide the background detail which lets you proceed to the next step. Some typical Situation Questions might be:

> "*Could you tell me about your company's growth plans?*"
>
> "*How long have you had your present equipment?*"

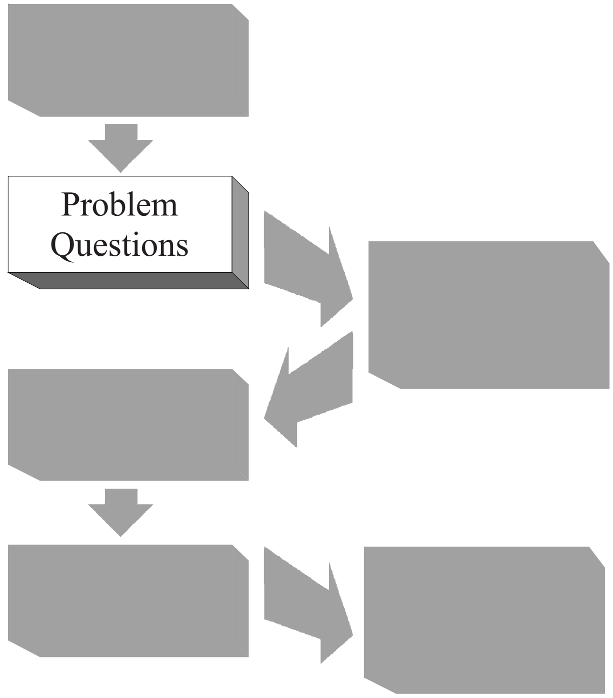
Skilled salespeople ask Situation Questions economically—they obtain the required information using a minimum number of questions.

It is important that the customer views Situation Questions as an attempt on your part to better understand his or her business, not as a demand for information.

In regard to achieving that business perspective, several techniques are useful:

- Link the Situation Question to a previous customer statement.
- Link to a personal observation.
- Link to an outside person or organization.

Problem Questions



After you have developed an understanding of the customer's existing situation, it is useful to move to questions which directly probe for Implied Needs.

Problem Questions are about the customer's problems, difficulties, or dissatisfactions with the present situation.

Some typical Problem Questions might be:

> "*Is this operation difficult to perform?*"
>
> "*Are you worried about the quality you get from your old equipment?*"

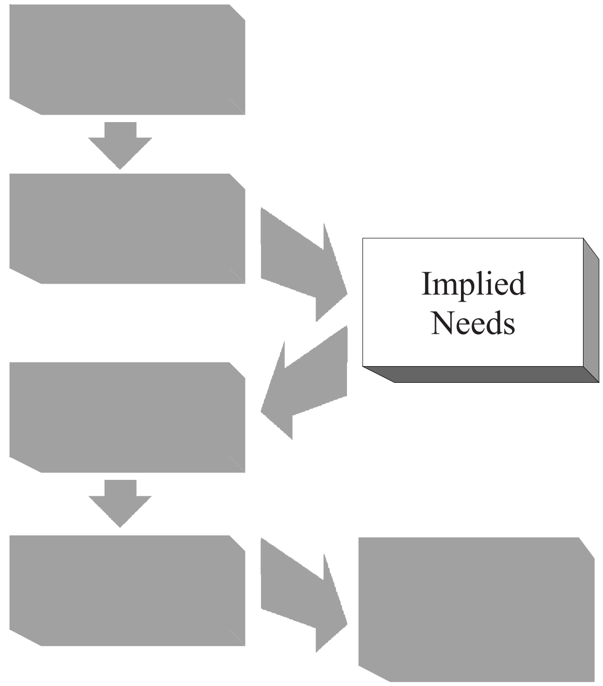
The better your pre-call planning and Situation Questioning have been, the more likely you'll be able to formulate effective Problem Questions—ones which uncover Implied Needs.

Asking Problem Questions is an important skill. The Huthwaite research showed significantly more Problem Questions were asked in successful calls than in unsuccessful calls.

Two techniques which are helpful for developing Problem Questioning skills are as follows:

- **Use Linking Phrases**. Problem Questions sound more natural if you relate them to a previous customer comment.
- **Use a Follow-up Strategy**. Problem Questions can be used not only to identify whether a problem exists but also to clarify the problem. Useful areas for asking follow-up Problem Questions are Which? When? Who?

Implied Needs



So, summarizing the behaviors needed to reveal *Implied Needs*—

Situation Questions are useful to:

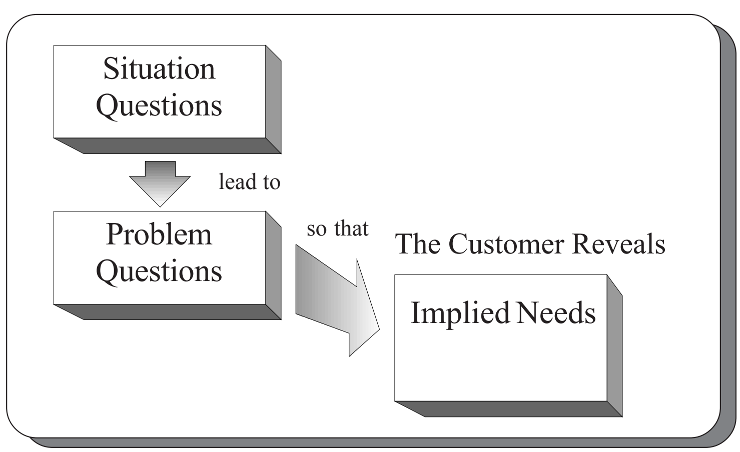
- Initiate a discussion with the customer.
- Obtain background information about the customer's business.
- Reveal areas which could lead into high potential Problem Questions.

The second step in uncovering Implied Needs is to probe for customer problems, difficulties and dissatisfactions.

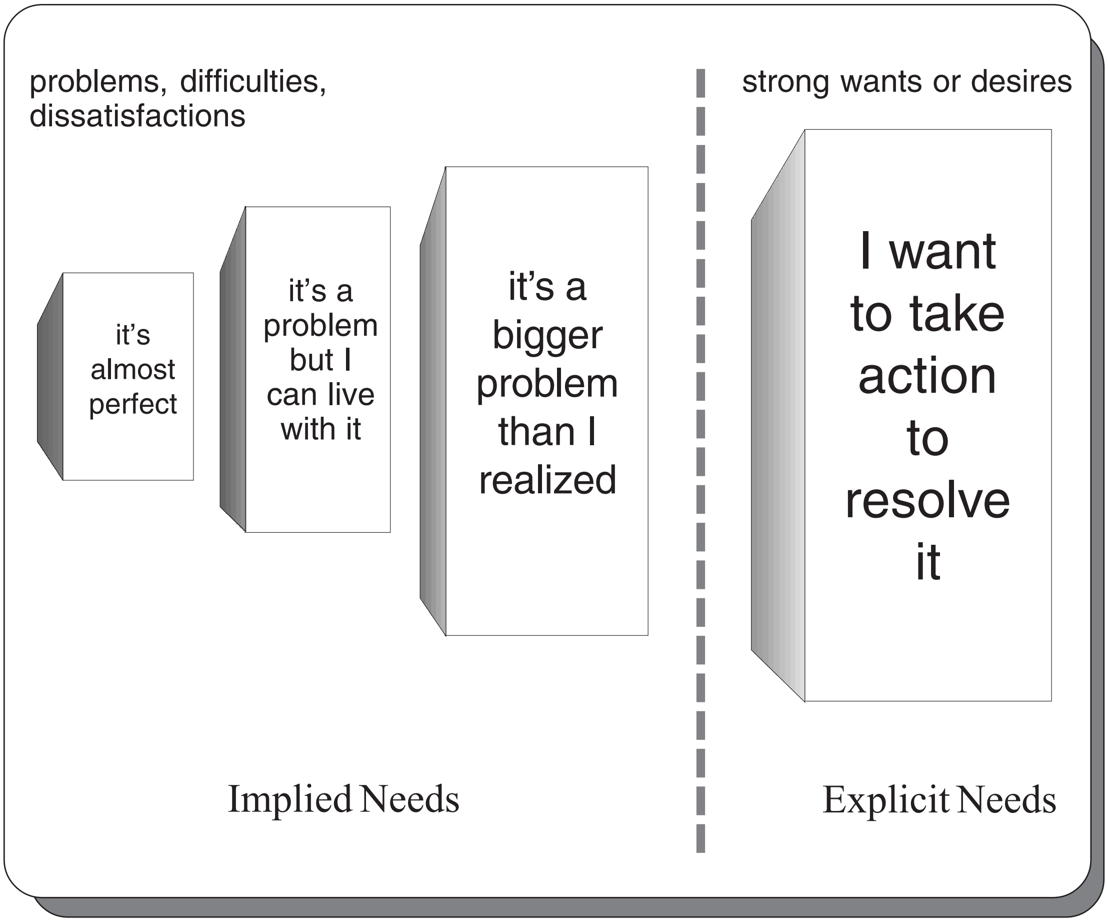
Problem Questions are essential for uncovering Implied Needs. They enable the salesperson to:

- Uncover areas of customer concern.
- Develop a detailed understanding of the customer's problem—*Who? When?* and *Which?*
- Determine those needs which should be developed further.

A picture of the SPIN® strategy discussed so far would look as follows:

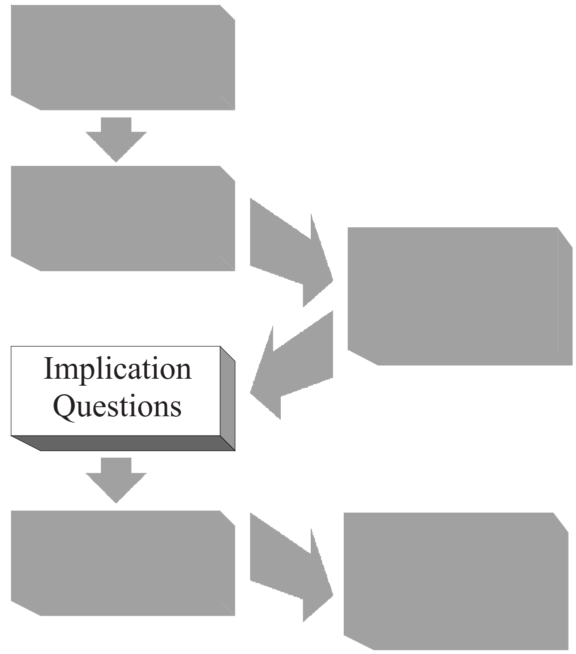


However, Implied Needs are not powerful buying signals. Explicit Needs, on the other hand, are strongly related to sales success. So how do successful salespeople develop Explicit Needs? The following diagram helps explain.



The customer must understand the problem, feel it is significant, and want to solve it before he or she will take action. The successful salesperson uses one type of behavior to expand and clarify the problem and a second type of behavior to create a desire for a solution.

Implication Questions



In order to expand and clarify a problem, it is important to assist the customer to develop a better understanding of the consequences of that problem. *Implication Questions* explore and expand the effect of a customer's concern by linking an existing problem to other potential problems.

Implication Questions probe for the effect and consequences of a problem. Some typical Implication Questions might be:

> "*How will this problem affect your future profitability?*"

> "*What effect does this reject rate have on customer satisfaction?*"

As a result of well-focused Implication Questions, the customer sees the problem as more important and hence becomes more committed to finding a solution.

Implication Questions are, however, difficult to ask. To ask them effectively, you need knowledge of your products' and services' applications and a good understanding of your marketplace, as well as good questioning skills.

Two techniques which are helpful for improving your skill in using Implication Questions are as follows:

1. **Make Implication Questions sound natural.**

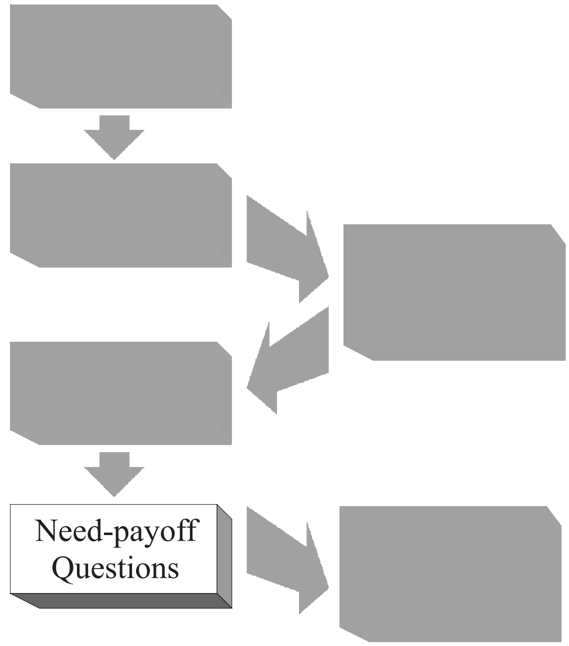
   So, rather than repeating the same phrase— "What are the implications of your problem with..." —use a variety.

2. **Take advantage of pre-call planning.**

   Part of the difficulty with asking Implication Questions rests with understanding what are the real consequences of the customer's problems. So, it is beneficial to outline potential customer problems and possible consequences of those problems during pre-call planning.

Need-payoff Questions

In order to develop an Explicit Need, successful salespersons not only help the customer understand the importance of the problem (Implication Questions) but also help create a desire for a solution.



Need-payoff Questions provide a strategy for directing the customers to think and talk about the value of solving their problems. Huthwaite research has shown that *questioning* is a more persuasive approach for introducing the value of what you're selling than *telling* the customer the value of your service.

Some typical Need-payoff Questions might be:

> "*Would it be useful to increase the speed of this operation by 10 percent?*"

> "*If we could improve the quality of this operation, how would that help you?*"

Need-payoff Questions are an effective probing strategy. They are beneficial for two major reasons.

First, a fundamental notion from the psychology of decision making tells us that the size of a problem does not necessarily relate to the willingness of the individual to solve it. The additional need ingredient is a desire for a solution.

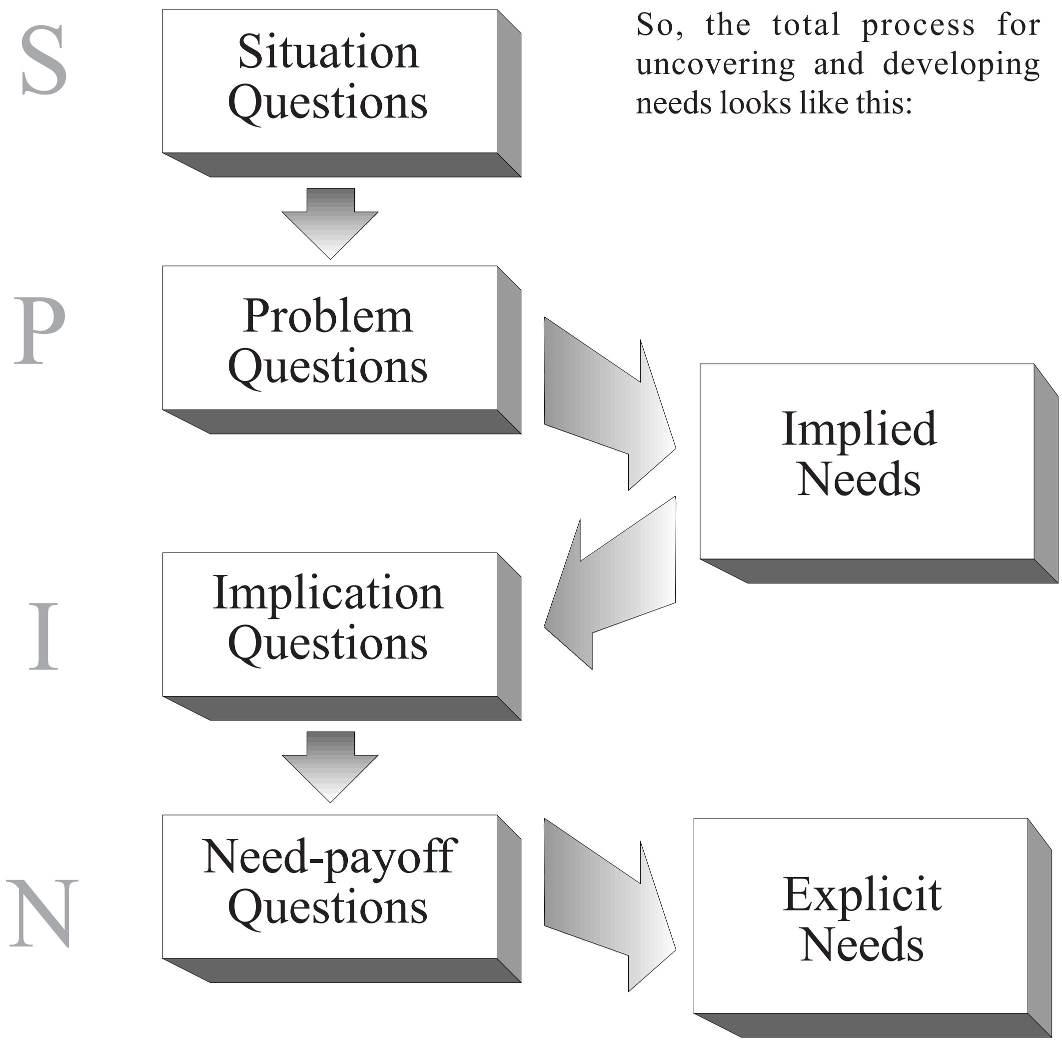
Second, seeking information is more persuasive than giving information.

Need-payoff Questions can be used to achieve three major purposes:

- To help identify whether or not a problem is at the Explicit Need level; that is, one that the customer really wants to solve.
- To clarify an Explicit Need—unless the need is clear in the buyer's mind, it is unlikely that any solution will hold high value.
- To help the customer think about additional reasons why addressing the expressed Explicit Need would be beneficial.

A Summary

So, the total process for uncovering and developing needs looks like this:



- *Situation* and *Problem Questions* are used to uncover *Implied Needs*.
- To move from an *Implied* to an *Explicit Need* level, a probing strategy is employed that helps expand the problem and create a desire for a solution.
- *Implication Questions* uncover the business effects and consequences caused by the problem. Hence, they are effective for expanding and clarifying the difficulties, concerns, and dissatisfactions (Implied Needs) revealed by the customer.
- *Need-payoff Questions* create the second ingredient needed to move to a point where the customer is willing to make a purchasing decision. They help the customer understand the worth or utility of solving the problem.

Key Points

SPIN® was developed by investigating how successful salespeople uncover and develop customer needs.

SPIN® is a logical framework, not a rigid sequence.

- Therefore, there is no single answer to the question, "How many of each type of the SPIN® question should I ask?" No magic number exists; it depends on the situation.
- There is not a single "correct" order in which to ask the SPIN® Questions. In reference to sequencing, the successful salesperson's SPIN® questioning is characterized by flexibility, not rigidity.

The SPIN® strategy is based on the powerful notion that seeking information is more persuasive than giving information.

SPIN® recognizes that a major barrier to improving sales productivity is the salesperson's jumping in too early with a solution—the model provides an approach for developing the customer's need to a level where a discussion of solutions will have a greater impact.

Features, Advantages, and Benefits

However skilled the salesperson is in uncovering and developing needs, the customer will be unlikely to make a purchasing decision until an adequate amount of information about your products and services is presented.

There are, however, various ways of describing an organization's products and services, and some ways are more persuasive than others.

A Feature describes some characteristic of the product or service. Some examples of Feature statements are:

> "*Our consultants have a background in educational psychology.*"

> "*There is a five-week delivery period for this equipment.*"

An Advantage describes how a feature can help the customer; some examples are:

> "*...which means it's less expensive to operate.*"

> "*The automatic feed will save you time.*"

But, customers buy because they have needs, and if the salesperson can directly relate the product or service to those needs, then the probability of making the sale is increased.

Statements which show how an Explicit Need of the customer can be met by a product or service are called Benefits.

Examples:

> "*You've emphasized to us that the time has come to redefine your approach to data management, which our proprietary data model will let you do.*"

> "*This will give you the faster speed you're looking for.*"

Benefits are the most powerful way in which a salesperson can describe a product or service.

Getting results from SPIN®

- No magic—just hard work
- Work to improve—or skills will get rusty and decline
- Practice one skill at a time
- Choose easy accounts to try new SPIN® skills

Huthwaite is the world's leading sales performance improvement organization. Founded on scientifically validated behavioral research, our methodologies, which include the internationally renowned ***SPIN® Selling***, guarantee sales success. Huthwaite assesses your organization's needs and develops customized sales performance improvement and coaching programs that drive real business results.

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