KiteDesk™


NOTE
(Need) (Opportunity) (Team) (Effect)
LTE
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95%
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2 ABC
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SEAN BURKE

KiteDesk |
Chief Executive Officer

Sean's focus at KiteDesk is leading the effort to deliver a sales platform that is not only irresistible but also one that delivers results. He balances his time between providing product leadership and feedback, working closely with the sales and marketing teams on delivering value, learning from and listening to clients, working with the investor community and writing thought leadership pieces for the KiteDesk blog.

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Take NOTE - BANT is DEAD

At KiteDesk, we were recently working on finalizing our Sales Playbook for our entire sales team. Like most sales leaders, as part of that process, I investigated the current best practices on how to run an effective Discovery Call. During my research, I found approaches like **BANT, ANUM, CHAMP** and even **GPCT.** All these approaches have their strengths and weaknesses, but unfortunately, none of them met the needs of our clients.

Yes, I said **clients**.

Why? When I dug into these discovery processes I found one glaring error - they were foundationally built based on the needs of the seller vs. the buyer. Buyers aren't interested in helping you understand if they are a good fit for you - they want to know if you are a good fit for them. So, it is for this primary reason, that I decided to build our own discovery process that starts with what is important to the client.

Think about **BANT** for a minute, it stands for:

- **Budget** - do you have budget for OUR services (self-serving)
- **Authority** - are you a person that has the authority to make a decision (self-serving)
- **Need** - do you have a need for our offering (buyer-serving)
- **Timing** - what is your timeline for making a decision (self-serving)

See the issues with this approach? It's all about WIIFM (what's in in it for me - the seller) vs. **WIIFY** (what's in it for you - the buyer).

Once I had my research concluded, I decided to start with the buyers' needs first, and then see how we could quickly determine if we could add enough value to even start a sales process with them. The criteria that I used in coming up with our approach was based on the following requirements:

- **It had to be fast**. My goal was to determine in the first 5-minutes of a call with a prospect if we could help them or not. If we find out there is no fit, then the best thing we can do as sales professionals is not waste the buyer's time.
- **It had to be buyer focused**. If we start a relationship with a client by focusing 100% of our early sales efforts on them – then, they know we are focused on their needs vs. ours.

- **It had to be easy to remember**. With so many terms being used in sales today, it is easy for reps to forget their own sales process and get off the rails right from the start.
- **It had to be effective**. At the end of our discovery call, I wanted to ensure that the client and our reps knew, without a doubt, that KiteDesk could deliver value to them, and that it was worth their time to proceed with the buying journey.

Enter **NOTE**. Note is an acronym that stands for:

- **Need (buyer-focused)** - when we think about need, we want to make sure that the results our clients arelooking to achieve is something that KiteDesk is well-suited to deliver. If their needs do not align with the value we deliver, we stop the call. This process takes 5 minutes.
- **Opportunity (buyer-focused)** - if there is a need, next we try to determine if that need is significant enough for the client to take action on it. Having a need is not enough of a reason to enter a sales process, if the opportunity that is created by addressing that need is not worth the effort. Just look at the stats related to the number of sales opportunities that result in “no sale.” In my experience, these deals die because the impact of addressing the client’s issues are not significant to either justify the cost or resources required.
- **Team (buyer-focused)** - tied directly to opportunity is the team that is involved. The larger the impact of addressing a client’s issue, the higher the number of people that will need to be involved to determine if addressing it is worth it. Big opportunities almost always equate to a large number of cross-functional team members that must be part of the buying process. When we talk to our future clients about their team, we ask questions like: “What is important to each of the team members and why?” “What is the personal outcome each team member wants to achieve?” “What involvement will each team member, not only have in making a decision, but also, what role will they play once we get started?”
- **Effect (buyer-focused)** - effect is directly tied to the opportunity. In this section of our discovery call, we try to answer this simple question, “Ok, let’s say we move forward and you become a client - what effect/impact do you expect us to achieve?” Where opportunity helps us determine the scope of the decision, effect helps us focus on the specific measureable results of our work together.

That's NOTE, but I'm guessing you can see there are some big items missing from our qualification process. I've purposely excluded several industry standard qualification questions. Below is a list of them and why we chose to remove them from our process:

- **Budget/Money** - If you think about BANT, this is the first question you are supposed to ask - so why are we neglecting it completely? Here is why. We know that if the opportunity and the effect is great enough - there will be money available to address it. We also feel strongly that our solution must be compelling enough to allow our buyers to justify the purchase based on the results they will get in return for the money and time invested.

- **Timing** - this goes hand-in-hand with budget and money. If the impact of our solution is powerful and compelling enough, then our clients will make a decision. By digging into our client's needs and the scope of the opportunity we typically find out very quickly if pursuing a purchase decision is worth it. If we do our job well, it should be evident that moving quickly to a decision is the right course of action.

Once we get beyond the initial determination of mutual fit, items like investment and timing come up, so we let that happen naturally.

NOTE was designed for the modern buyer-seller interaction, as a replacement for the outdated BANT. Now, let's take a deeper look at each step of NOTE and the best practices for implementing this new call discovery process with your sales team.

“Sean Burke has taken a much more client focused approach to determining if a prospect is qualified or not. Instead of using failed approaches like BANT, the memorable NOTE is a useful, collaborative approach to mutually determine to work together or not.”

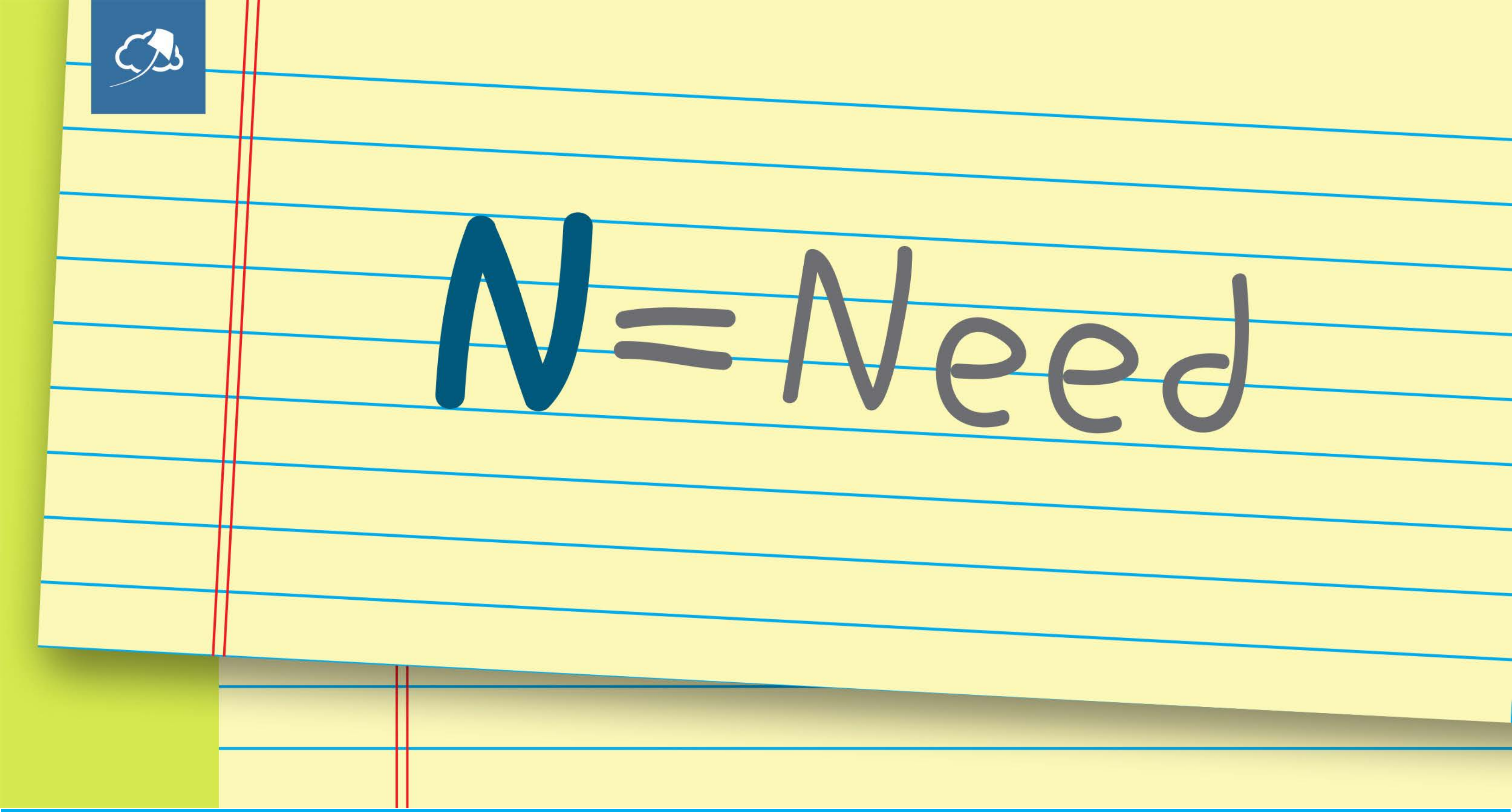
-Brian Burns, Author - The Maverick Selling Method and Host of The Brutal Truth About Sales & Selling Podcast

“NOTE is a better way to qualify. It’s a modern buyer-centric approach to qualification that’s a welcome and necessary successor to outdated seller-focused qualification approaches such as BANT. NOTE is an efficient, thoughtful and collaborative way to help buyers qualify themselves for your product or service.”

-Andy Paul, Author - Zero-Time Selling and Host of the ACCELERATE! Podcast

“NOTE is as simple as it is effective. Most discovery and qualification questions were only for the benefit of sellers-- which doesn’t work anymore. Having a buyer-focused approach like NOTE benefits both the buyer and the seller, as your sales organization can be mutually aligned with those they serve.”

-Eric Quanstrom, CMO @KiteDesk



NOTE: How to assist clients in understanding their **NEED** for your solution

NOTE was designed for the modern buyer-seller interaction, and is a replacement for the outdated BANT. The first step in NOTE is **NEED**. In this step, your role as a salesperson is to help the prospect uncover if they truly need the product or service you provide.

?!

How to prepare yourself to complete the NEED Stage of Qualification

You should clear your mind of any selfish thoughts about "selling them something" or "convincing them they need your product." Instead, focus all your attention on one thing: trying to truly understand if what you sell can help the person with whom you are speaking. During this stage, you shouldn't even mention your product. Instead, simply listen, learn and remove any judgement you may be tempted to place on the buyers answers.

What you are looking to learn from the prospect during the NEED Stage

Since the discovery call is usually the first conversation you have with a prospect, often they haven't thought through their challenges completely. This is very common, but doesn't mean that you immediately have to end the call and reschedule it when they are better prepared. What you want to do is guide them through thinking about "the WHY" in "Why are we talking today?" What I mean by this is, 1) they agreed to schedule the call, so something is on their mind; 2) they might not know exactly what isn't going quite the way it should, but typically they have a hunch that things could be better; 3) it's your job to find that "what could be better piece."

i.e

To assist you in pinpointing a NEED, here are some general examples

1. A goal that they are trying to attain
2. A problem they are trying to solve
3. A frustration that they have - where they know there is a better way
4. In some cases, you may have to help them see a need that they didn't know existed (this situation usually occurs when you are selling for an innovative company)

Often in the NEED Stage, salespeople mistakenly think that an interest is a need - it is not. You can identify an interest when the prospect says something like, "I'm looking for a widget that does this" or "I am looking for software that has these features." Neither of those are NEEDs and when you hear them it's a red flag that you need to dig deeper.

Here are some examples of Red Flags, you will encounter in this process:

1. We are looking for a product or service that does x
2. I've been asked to investigate this
3. When the person can't articulate a specific challenge that they are trying to solve
4. Everything is great. I was just curious as to what you do

When you encounter prospects that seem to be looking for something but can't quite make sense of why - that is when you can add real value to them. I call this part "DOES FOR" - what this means is - instead of talking with them about what your product or services does - you need to get them thinking what THEY want the product to "DO FOR" them. What results should it produce? What changes should it make? How will their team get better, through using it? The answers to these questions are all NEEDs.

Here are some specific examples of NEEDs:

- The need to grow sales pipeline
- The need to decrease their time to hire new employees
- The need to reduce their IT security risks
- The need to increase the quality of their leads
- The need to reduce their accounts receivable
- The need to increase their Net Promoter Score

Why is establishing a NEED so important?

CSO Insights research tells us that roughly 24% of all deals are lost to "No Decision." As a salesperson, that number should horrify you. You should see it as a huge warning sign that something is broken in the buyer-seller equation. My experience tells me that many deals die, because there really wasn't any need in the first place - or at least not enough need to switch from the status quo.

So it is in your best interest to find this out, right out of the gate, to avoid wasting both your time and the buyer's. In addition to the "No Decision" reasoning - as a rep, one of your goals should ultimately be to help buyers make an informed decision as quickly as possible - which is something I learned from **Andy Paul**.

Here are my TOP 5 reasons as to why establishing NEED is so important:

1. Without a need there is no reason for anyone to buy
2. A need helps you quickly determine if there is a fit
3. A need provides justification for a purchase
4. A need puts buyer and seller on the same side of the table
5. Helping prospects think through if a need exists - is valuable to them and will help differentiate you from the pack

How to establish need

To help my team at KiteDesk learn how to run a NOTE call, I personally role-play with them. I show them how, no matter what a prospect says to you, you can turn their answers towards a NEED to keep focused. This is an important skill to learn since every call you have is different, and being able to think on the fly about how to drive towards a need takes some time.

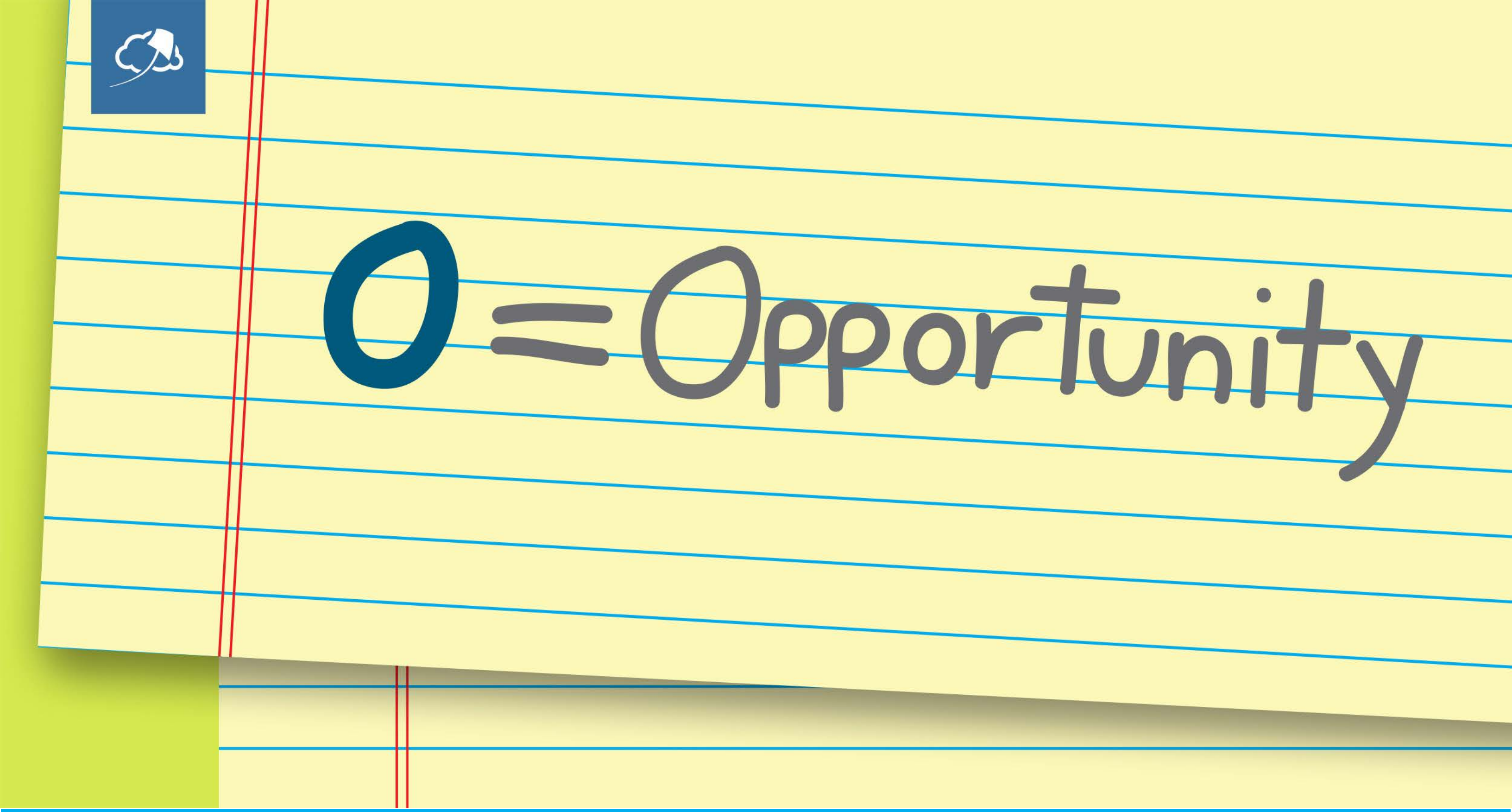
To make it easier for you, here are some example questions, you can use to determine a NEED:

1. When you think about your business in relationship to our product, what measureable impact do you expect?
2. Say you buy our product - how will you measure if it generates the results you expect?
3. Instead of thinking about what our product does - what do you expect our product will do for you - what results do you expect?
4. What's the personal impact you'd like to see from our work together?

Typically, our clients get the following results from our product (list them out). Based on these descriptions what, if any, seem to fit the needs you have and why?

Once you have a defined need, then we suggest you tell the client just that. Tell them point blank with no hesitation, "we can help you."

See if they are in agreement. And, if they are, then it's time for the next step…understanding if the NEED is a large enough Opportunity (Stage 2) to pursue.



NOTE: *O* is for Opportunity - it's time to get specific

The next step in the NOTE discovery call process focuses on scoping the **OPPORTUNITY** of the outcomes your prospect is looking to achieve.Having a NEED is not enough reason to enter into a buying journey. Along with NEED, the OPPORTUNITY itself must be significant enough that the buyer is willing to put resources behind solving it.

What is an OPPORTUNITY?

In the NOTE qualification process, an OPPORTUNITY represents the scope of a NEED within a company. For example, let's say that your need is to grow pipeline. That could be a very powerful need, especially if career advancement, compensation and organizational health is tied to it. However, that NEED could be insignificant given all of the other challenges your company faces.

Here is the end result of an OPPORTUNITY scoping process:

?	!
What is the NEED?	*To grow pipeline*
How much more pipeline do you need?	*30%/month*
How much are you currently generating/month?	*$200,000*
So then the need is…?	*($200,000*.30) or $60,000 - correct?*
Is that need large enough to pursue?	*Yes, the result would be an extra $720,000 in pipeline over 12 months*

The $720,000 in new pipeline is what the salesperson and the buyer must work on together in order to fulfill the need. Being able to scope it, measure it, track it and make adjustments over time is what the two parties need to focus their energies on.

This isn't about your product or service

I want to take a minute here to emphasize that sales isn't about selling a product or service. Sales is about aligning with your clients to solve business problems. So few people do this, and because of that millions of dollars are wasted on purchases that fail to deliver their intended results.

Buyers make decisions emotionally and justify them logically - this is a known fact. However, when buyers and sellers unite and work together to solve problems - the logic and results should back the emotion of the decision. As a professional salesperson, your goal should never be to sell to someone. Your goal should be to help them make a buying decision that drives results - period.

Tips on how to execute an OPPORTUNITY scoping exercise

Below is a list of tips that will help you effectively guide your buyers through this process:

1. The person with whom you are speaking must know the goals of their department. Without this information, or at least a "range of results" they are expecting, makes the scoping the opportunity nearly impossible.

2. They have to trust you. Since this part of the buying process is positioned very early, you need to make sure that you have enough trust from the buyer so they are willing to share this information.

3. Sometimes you have to go with best guesses vs. actual goals. Very few companies are sophisticated enough to have results expectations prepared as they begin the journey to solve them. In these situations, you should try to get assumptions on results first, then make sure to come back to those assumptions later in the process to refine them.

4. BUYERS WILL RESIST. Many people (not necessarily buyers) will come to you with something they want already in mind. They may want sales software, marketing automation, networking hardware, etc. They might not want to talk to you about goals, results and business KPIs, and that is OK. We've had companies tell us - just show me a demo. And, our natural inclination is to do just that…make them happy. However, your probably not helping the company in the least. If they don't know WHY they may need your product, then no demo in the world will help them make a smart decision. I recommend salespeople start all of their relationships by saying something like this:

   > *"At, (insert your company name), we do things differently. We work hard not to sell you anything. Rather, we feel our role is to help you make informed buying decisions. Based on human nature, people love to buy and hate to be sold to - would you agree?" Then, continuing with, "Because your time is important and in order to help you make smart decisions quickly, we focus our conversations on solving business problems vs. features and functionality. In our experience, getting results are more than anything else."*

   This opening helps set the stage for the rest of the conversation(s). If you are talking to someone who doesn't make the decision, but is merely being tasked with investigating options, this approach to helping them make a decision likely will not work. Why? Because the person you are talking to isn't trying to make a decision. They are checking off boxes for the decision maker. Sound familiar?

5. Have a calculator with you at all times. When you are trying to scope out an OPPORTUNITY, you usually have to do some math. When I have these types of calls, I take them at my whiteboard so I can do the calculations right there.

6. You may need to have them do some research and get back to you. That's ok. This process is foreign to just about every buyer, so you'll need to meet them where they are.

7. MANAGERS - you need to role play these discussions - A LOT. Your team needs to learn how to run a business conversation vs. a sales conversation, and it may take some time to get used to a new process. Please call me with any questions.

Wrapping it up

Every step in the NOTE process provides you and the Buyer the option to abandon the process. When you finalize the OPPORTUNITY stage, it is important to ask, "Is this OPPORTUNITY large enough in scale to put the time, energy and resources into solving it?" The buyer will not know all that is involved, so they may ask you (which is a great sign - it means that they are thoughtfully considering it). This will make for a great conversation where they are visualizing all that needs to be done to bring these goals to fruition. Take the time to help them think it through.

Only after they say, "Yes, this is a large enough OPPORUNITY" should you move on to step 3.

T = Team

The third stage in the note qualification process is **TEAM**. With our opportunity scope in hand, the team step is focused on determining who within the buyer's company is impacted by the decision to address the need that has been uncovered.

Even if there is a massive opportunity facing the company, it still may take some internal selling to get all the players onboard to drive the results. Let's look at how to do that:

1. Together with the buyer, you must fully identify the people involved in, not only making the decision, but also, making sure that the implementation is a success.

2. You need to uncover what each of their personal wins are.

3. You need to find out what priorities they may have that are in conflict with your project.

4. In this stage, it's important that you test the commitment of the buyer to rally the team together to review your solution. If they try to guard your access to key decision makers it is a warning sign that there isn't universal commitment to solving this problem.

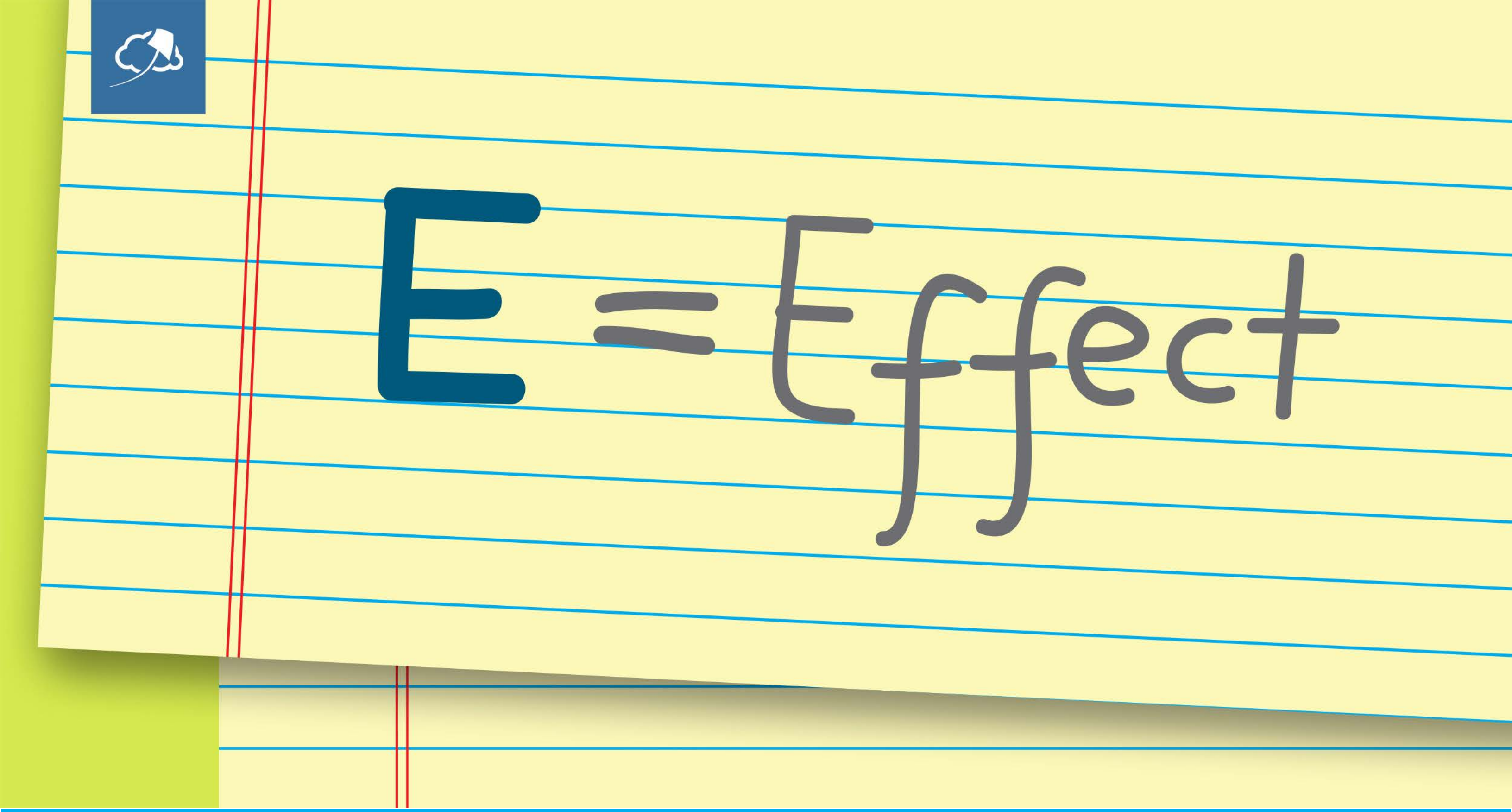
Rallying a prospect's entire team around your product won't likely happen on a first call. There is too much risk facing your contact(s) to open the gates to all of the buying team without a bit of vetting first. Don't try to push too hard on gaining access during the first meeting, as it may be viewed as disrespectful to the person with whom you are speaking.

Tips you can use during this phase:

1. Prompt your contact to talk you through how've they made decisions like this before. Have them detail out how the process unfolded, who was involved, how long it took, what surprises occurred, what you both can learn from that.
2. You may have to plant some "thought seeds" with them. Here's an example, "Given the scope of this project, wouldn't x-person need to be involved?" Or another one is, "what does your contract review process look like?"
3. If you get push back from your point of contact it's a good practice to retreat in order to go for ward. Here's an example "Joe, I sense some hesitation from you in giving me access to others on your team. Is that correct? Since we have already established this is an opportunity worth the effort to rally your team - help me understand how we can work together to make that happen?"
4. When you feel that they have given you the entire list ask this question just to make sure, "Ok, this list looks good, did we miss anyone?"
5. As soon as your leads get created, take the extra step to research other contacts within the account that will likely be a part of the decision. Add these connections to the opportunity within your CRM so your account executives can contact each of them to try to get them onboard with the buying process. This additional step will help you ensure that no one inadvertently gets missed in the process.
6. Have your sales operations team review each of your opportunities to check and make sure you have identified multiple buying contacts in each account with whom you are selling. This will help your Account Executives ensure they are multi-threaded in every account you are engaged in selling.

In my experience working with B2B reps, this is the step that is hardest to fully complete. What I see is that salespeople are afraid to offend the person with whom they are engaged in discussion. Or, they believe what the prospect tells them about the decision process, when they know for sure that there are people missing. As a sales leader, you must help coach your team to incorporate this into your process, it will have the direct effect of decreasing the deals that are lost due to no decision which based on research can be as high as 24%(from CSO Insights 2016 Sales Performance Optimization Study).

It is in your best interest to see this step through to completion. In deals that are in the late stages I've witnessed countless opportunities that die because the rep neglects to get the entire buyers team involved.



Effect - Helping Buyers Drive Results

The final phase in NOTE is **EFFECT**. The outcome of this stage is the documentation of what the clients expect will happen if they move forward and buy from you. This is a business conversation vs. a features & benefit discussion - it provides the measurable results that the client needs to justify their decision.

Who needs to be a part of this discussion

Since the EFFECT stage is, in essence the ROI of your projected work together, you will need to make sure that you are talking with someone who knows: 1) what resources are involved, 2) how they will measure the impact, 3) the timeline of the implementation, and 4) the impact of the timeline on the results that are to be obtained.

The typical buyer roles involved in this discussion are:

1. The top-ranking Sales Leader
2. The top-ranking Marketing Leader
3. The person responsible for managing the financial outcomes of the business
4. The head of HR
5. Possibly the CEO
6. The head of IT, or the project lead from IT
7. The top ranking Customer Support Person
8. In general - the person ultimately responsible for driving the results from the decision that they are about to make

Questions you should ask during this stage:

1. Let's say that you decide to move forward with this solution - how will you measure the results over time?
2. How do you currently measure your results in this area? Then,
3. What changes, over what periods of time, are you expecting?
4. What happens if you do nothing? Then,
5. What impact to your business will that have?
6. From the day we start, how long are you projecting it will take to gain the advantages we have previously discussed?
7. How to you see this project unfolding? Walk me through your thought process.

How EFFECT is different than OPPORTUNITY

In the OPPORTUNITY stage, your goal is to develop the scope of working together. Or, in other words, what the total opportunity is, if you work together. In the EFFECT stage, you need to break that scope into pieces.

Here is an example:

In the OPPORTUNITY post (insert link to that post), I shared the following Opportunity Scope results:

What is the NEED	*To grow pipeline*
How much more pipeline do you need?	*30%/month*
How much are you currently generating/month	*$200,000*
So then the need is	*($200,000*.30) or $60,000 - correct?*
Well then, is that need large enough to pursue?	*Yes, the result would be an extra $720,000 in pipeline over 12 months*

In this case, we discovered that the entire opportunity is $720,000/year. However, it is unlikely that all of that benefit is obtained on Day 1. With that information in hand, you can now dig into the specifics related to how that value will be captured over time. Here is an example of how you do that:

You:
We previously discussed that you expect to gain an additional **$720,000** in pipeline from our work together - how long do you expect that to take?

Buyer:
We expect that process to take 12 months.

You:
Ok - and if that process takes 12 months, how do you see that ramping by quarter? For example, do you expect to get a 10% lift in the first quarter, then 5% the next two quarters, then 10% at the end? I know we are in the weeds here, but your thoughts on this will help me guide our Customer Success team to assist you in each phase.

Buyer:
Yes, this is very detailed but I think we'd be looking at a 15% increase in Q1 - then 5% each quarter for the remainder of the year.

You:
That's helpful - thank you. What happens if you do nothing?

Buyer:
That's not an option for us - we have to get this addressed.

You:
That's good to know, would you mind walking me through how you plan to roll this out to ensure those numbers are met?

Buyer:
Q1 - we would get everybody up, trained, and using your product. Then, we would measure and tweak our results based on the analytics we receive from your software. This will make sure we are always getting better.

You:
Thank you.

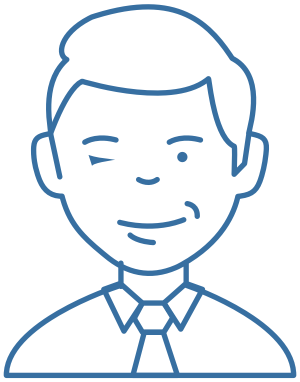
By now, you should be able to tell that the NOTE process should only be used on deals of a certain size. If you sell B2C or small, transactional deals, this process is way too complex for that size opportunity. As a general rule, NOTE should be used for deals above $20,000 in revenue to your company. These size opportunities usually have at least 3 people involved in the decision, and require that the buyer justify the business case for buying your solution. To learn more about deal complexity, David Skok has written a great article on this topic called: "**How sales complexity impacts your start-ups viability.**"

Why is the EFFECT Stage Important?

The EFFECT stage is important because it provides the buyer the business justification to make a decision. Now I didn't say that the decision would be "yes," which is important. When we started this discussion, I shared with you that the role of sales is to help buyers make an informed decision. Helping them make a "no" decision is important too. Why? There is an old sales quote that goes something like this, "The second best decision a buyer can make is a fast no." There are several benefits to helping a non-committed buyer reach a no quickly:

1. both of you save time
2. the buyer recognizes the value in not pursuing a product that doesn't fit their needs
3. you maintain your reputation as a buyer-focused salesperson – someone more concerned with making sure your product is a good fit for the prospect than on closing business.

With the results of the NOTE process behind you, you can now focus on driving your work with the buyer to attain the EFFECT they have uncovered. All of your future discussions, should begin and end with keeping alignment around the obtainment of the EFFECT they desire. Don't let the sale devolve into a features and benefits conversation from this point on. Keep the process focused on results and both you and the buyer will be on the path of mutual success.



Until next time…

KiteDesk™

CONTACT US ON:

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NOTE CHECKLIST

Need

- [ ] The buyer has defined need that can be measured
- [ ] You have uncovered what they personally gain from addressing this need
- [ ] You have communicated that you can solve their need (or not)

Opportunity

- [ ] You have quantified the need with the client (total scope)
- [ ] You have verbally confirmed the scope with the buyer - they agree with it
- [ ] The buyer has agreed that the scope is worth pursuing

Team

- [ ] The buyer has outlined the Team who is impacted by this decision
- [ ] The buyer has outlined the Team who is involed in the decision
- [ ] You have addressed the possible conflicts that you may encounter
- [ ] The buyer has agreed to get the entire buying team engaged in the process

Effect

- [ ] You have confirmed the timeline of generating the EFFECT of their decision
- [ ] You have specific outcomes established that you will measure together
- [ ] You have confirmed that the EFFECT is worth pursuing
- [ ] You have outlined the Sequence of Events to finalizing the decision