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What Can We Learn by Analyzing 67,439 Software Demos?

Some Surprising New Insights

What can we learn by analyzing 67,439 software demos? A great deal…!

Surprising Insight Number 1: Traditional linear and end-to-end demos are NOT a strategy for success.

Surprising Insight Number 2: The early portions of the demo should NOT be about the vendor or the vendor's offering.

(Not) Surprising Insight Number 3: The longer the vendor talks without a break, the less likely a successful outcome will be achieved – 76 seconds is the surprising maximum.

Bonus Insight: Simply changing the dominant pronoun from "we" to "you" will increase your success substantially – and is a recurring theme across all of the results!

A Bit of Background

The fine folks at Gong.io analyzed 67,439 demo recordings and matched the results to closed or progressed business (from CRM system data), presenting their results here. This translates to over 3 million minutes of demos across a broad range of B-to-B software companies, offerings and verticals – that's a LOT of data!

Their analysis identified four "acts" in successful demos:

Act 1: The Contextual Overview
Act 2: The Upside Down Demo
Act 3: Accelerated Interaction
Act 4: The Wrap Up

Let's examine each in order…

Act 1: The Contextual Overview – and Surprising Insight Number 2

Most traditional, comparatively unsuccessful demos consume the first Act with corporate overviews, product introductions and overviews, and architecture presentations.

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Conversely, the most successful demos included a "contextual overview" that ran no longer than *two* minutes. No corporate overview. No product overview. No architecture slides. Just a crisp review of the customer's specific situation.

In Great Demo! we use a Situation Slide to begin the demo – aligning delightfully with the findings. Situation Slides concisely summarize the vendor's understanding of the customer's situation – their overarching goals, their pain and problems, the specific capabilities the customer is looking for, the value desired, and the required timeline.

Bonus Insight: Situation Slides are all about the <u>customer</u> – nothing about the vendor – and are presented using the pronoun "you"…

Act 2: The Upside Down Demo – and Surprising Insight Number 1

Traditional demos typically follow a seemingly-logical linear, often end-to-end path from set-up, through a series of workflows, to finally getting to end results and reporting. The Gong data shows this as an *unsuccessful* approach.

The problems with this traditional approach are numerous:

-   High ranking people leave the meeting before the vendor gets to the "best stuff".
-   Those who remain find their brains have turned to mush after 30 or more minutes of talk-and-mouse, mouse-and-talk…
-   Vendors often run *out of time* before they *get* to the "best stuff"…!

Additionally, vendor presenters who say, "I've saved the best for last" are tacitly telling their audience that everything up to that point has been relatively unimportant!

The Gong results clearly show that beginning Act 2 with the most valuable part of the vendor's offering yields the highest demo success rates. As the Gong folks said, "They *start* with the conclusion…"

In Great Demo! we teach how to "Do the Last Thing First" – a concept specifically validated in the study.

But wait, there's more…! Gong stated:

> *"The research revealed that successful demos are most commonly conducted in an 'upside down pyramid' manner."*

This maps wonderfully to Great Demo! methodology – and specifically to the use of the "Inverted Pyramid" approach for demos (borrowed from newspapers and journalism). This technique is a core Great Demo! idea and is put into practice in our Workshops.

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Bonus Insight: Doing the Last Thing First and applying the Inverted Pyramid structure gently forces the vendor to move from "we" (the vendor) to "you" (the customer). In fact, Inverted Pyramid requires the presenter to constantly be testing how deep the customer wants to go in the demo. As a result, you'll find yourself saying phrases such as:

"Is that sufficient or would you like to explore further?"
"Are you interested in seeing how you can ____?"
"So, in conclusion, what you just saw is how easily you'll be able to ___. Any other questions on this portion?"

Note that each of these *only* uses the pronoun, "you"…!

Act 3: Accelerated Interaction – and (Not) Surprising Insight Number 3

I've been on the receiving end of numerous demos (particularly delivered remotely, over the web), where the vendor presented for 6, 8 or 10 minutes (or longer!) and then finally asked, "Any questions so far?".

The response often heard from customers at this point is, "Nope, we're good…" This is *not* a good sign!

Gong found the following potentially surprising result:

> *"We didn't find a single demo that lead to a closed deal in the analysis that involved more than 76 seconds of uninterrupted pitching."*

Wow. That should cause some vendors some concern…!

So, the question then becomes: How do we turn the demo from the traditional firehose delivery into a two-way, bidirectional conversation?

The answer is: By not pre-answering questions.

Traditionally, when we hear a question three times from different audiences, we think, "Well, they always seem to ask that question, so I should include it in my demo…" The resulting demo delivery *presumes* that the customer will ask that question and the presenter pre-answers it his or her talk-track. The result? The presenter is *eliminating* the possibility of a conversation.

Frightening Bonus Insight: Your "best" demo presenters may, in fact, be your worst!

In Great Demo! we teach how to have the answers to expected questions ready to go, but put those answers behind your back (in a virtual sense). Let the customer *ask* those

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typical questions. This approach *encourages* the conversation and enables the "speaker switches" that Gong's study shows result in more successful demos.

In a great demo, you'll know the demo is going *perfectly* when the customer is asking the questions you *want* them to ask at that point…!

Bonus Insight: A conversation, by definition, must have at least two participants. If one person dominates and removes the opportunity for the second person to contribute or ask questions, it ceases to be a conversation – that's what happens in traditional demos.

Conversely, using "you", offering frequent small summaries and asking the customer, "Would you like to explore further or move on?" turns off the firehose and enables the conversation to take place.

Act 4: The Wrap Up – and Nothing Particularly Surprising, Mostly…

Gong identifies the final part of the demo as the Wrap Up and comments that this is the most appropriate time for pricing and next steps discussions. Makes sense.

However, the concept of "next steps" is broad and is an opportunity to differentiate. In traditional demos, vendors focus on "next steps" that proceed to the sale. This is adequate behavior, but not exceptional.

Truly great sales teams interpret part of "next steps" to include a discussion of how the customer can move from their current painful state, through deployment, all the way to the point in time where the customer is beginning to get tangible value from the offering.

This establishes a "Transition Vision" in the customer's mind – and the vendor that invests a few minutes of the Wrap Up with this dialog will be in a competitively advantageous position vs. traditional vendors. We teach this process in Great Demo! Workshops and identify (at least) two key entities:

1. A Critical Date or Event that drives the customer's go-live date, and
2. A Value Realization Event that defines an early win or small ROI, post go-live.

Bonus Insight: The process of building a Transition Vision with the customer involves substantial use of our highly valued pronoun – "you" (not surprisingly!). For example:

- Is there a date or event by when you need to have a solution in place?
- What would you consider to be a small win or first small piece of your ROI?

This demonstrates to the customer that the vendor is not just interested in getting the order, but has a genuine and tangible interest in the customer's success.

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Thoughts About Change – and a Shameless Self-Promotion Alert

Some of you who are reading this may be thinking, "Well, this all makes sense, but it's not the way we do our demos now… How can we adopt these approaches? After all, change is *hard*…!"

Thanks for asking – terrific question! You might contemplate one or more of the following:

Increase Demo Success Rates: Consider organizing a Great Demo! Workshop for your team. This is the most effective way to realize substantive, ongoing improvements – often with increased revenues within the quarter.

Initiate Change: Include an insightful-rich Great Demo! Seminar in your next sales or marketing event to stimulate critical thinking and initiate change. "I had an epiphany!" is a likely outcome…

Stimulate Thinking: Get a copy of *Great Demo!* for yourself or copies for your team. The book presents how to achieve surprisingly improved demos. The book is available on Amazon.com in hardcopy, Kindle and Audiobook formats.

   "If everyone just read and practiced chapter 1, the world would be a better place."
   – Guy Kawasaki, author *The Art of the Start*.

Ongoing Interest: Head to our website to explore other Great Demo! articles and our blog for tips, thoughts, techniques, practices, and the occasional rant on demos – and you are also welcome to join the Great Demo! Group on LinkedIn.

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