



## The Second Derivative

1538 Winding Way

Belmont, CA 94002

Phone: +1 650 631 3694

[PCohan@SecondDerivative.com](mailto:PCohan@SecondDerivative.com)

[www.SecondDerivative.com](http://www.SecondDerivative.com)

[www.DemoGurus.com](http://www.DemoGurus.com)

Peter E. Cohan, Principal

### Auto-Demo Hell

We've all experienced some sort of software demo hell, either as a member of the audience, or, more painfully, as the presenter. But the days of live demo hell are slowly beginning to disappear. Presenters are more savvy and strategic in how and what they present, and as a result audiences are being spared the torture. But unfortunately, we are now entering the era of auto-demo hell.

With the advent of Software-as-a-Service – designed for easier access (no installation), a lower price-point (single users), and a global reach (multiple languages), the opportunity, or more importantly the business case cannot justify the personnel needed to perform live demos – either in person, or over the web. Hence the rise of the automated demo.

Online automated demos have traditionally fallen into the *marketing* strategy, but they're quickly becoming a significant, if not the primary component of the sales strategy. Like it or not, automated online demos are making or breaking the sale, and unless companies trying to sell their software services can justify a highly skilled sales force (or the ever-popular, but risky sales channel), sales are destined to mediocrity.

“Our demos are excellent, we only get positive feedback” you say? Of course, because you're only hearing from people who've purchased – the lowest possible hanging fruit. How many people drop-off before the end of the demo? One of the beauties of automated demos is the ability to track their success, especially when they incorporate a “Buy Now” button. But the objective of course is to *maximize* the crop. Consider these current challenges:

- Online automated demos are often produced by the marketing department, and are designed to present the entire product in one fell swoop. Not to 'dis the marketing team, but in the live demo world this would be considered the “shotgun” approach (aka “harbor tour” or “show-up and throw-up”), and is likely to result in a significant and rapid viewer drop-off rates.
- Again, as one of marketing's key objectives, automated demos are often a presentation of features. Sure, features are great, but features don't *sell*.
- Automated demos are usually dry, un-engaging and difficult to relate to. But remember, low-cost SaaS solutions often get purchased by end-users (=emotional).
- Automated demos cover a plethora of features all at once – the majority of which might not matter to the viewer. And if the most important feature (reason for buying) is buried at the end of the demo...*goodbye*.

- When the demo ends, what's the call-to-action? Most likely it's "here's our number/email... pleeeeee call us", and if there hasn't been a required preregistration process (burdensome to most viewers), how can you possibly follow-up?

So, we can now agree – automated demos are critical for sales and without a more strategic approach, online demos are only cherry-picking. Here are a few best practices you may want to consider when preparing the online automated demo.

- ✓ Gear the demo to the benefits, not the features – it's the benefits that *sell*.
- ✓ Know your audience, and customize individual demos or content that can be easily navigated to for the majority of decision-makers. Pin-pointing specific benefits to the appropriate viewers will keep them engaged.
- ✓ Know the business issues you're addressing, and let 'em know you know –right at the beginning. "Hey, they're sharing *my* pain!"
- ✓ Tell a story – specifically a story each viewer role can relate to. Again, it will keep them engaged, and will help them visualize using, and benefiting from the product themselves.
- ✓ Make sure the story presents compelling reasons for them to change from what they're doing now... "Wow, how have I lived without this!"
- ✓ Show the conclusion at the beginning. Sure, the conclusion is usually the payoff at the end of the story, but the worst case will be that someone discovers they're looking at the wrong demo, and can re-direct themselves. The best and most common result will be a hooked viewer. They'll see the final result and will want to know how the heck they can get there. As Michael Bosworth (sales methodology expert) describes it, it will fill them with *hope* and *curiosity* - hope that it will work for them, and curiosity about how.
- ✓ Close, and close early - make sure there's a "Buy Now" button on every page. Give every customer the ability to close the sale when *they're* ready – not when the demo ends.

These are but a few, albeit critical components to making the most out of automated demos. And keep in mind, they only become increasingly important as the entry cost lowers, and the audience widens (other languages, industries, business processes...). The one key fundamental rule to remember – demo to your audience and their specific needs – and let the demo do some selling.

This article was contributed by Doug Nugent, writing on behalf of The Second Derivative. Copyright © 2008 The Second Derivative – All Rights Reserved.

For more articles on demonstration effectiveness skills and methods, visit our website at [www.SecondDerivative.com](http://www.SecondDerivative.com). For demo tips, best practices, tools and techniques, join the DemoGurus Community Website at [www.DemoGurus.com](http://www.DemoGurus.com). For more information go to [www.SecondDerivative.com](http://www.SecondDerivative.com) or register at [www.DemoGurus.com](http://www.DemoGurus.com).