



## **The Second Derivative**

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### **Competitive Demo Situations – Biasing Towards Your Strengths**

The end of the quarter is only a few weeks away – and you are in competition for business you really need to make your numbers. The customer has organized a final round of demos from the vendors who have made it this far – a “bake-off” – and you are preparing for the event. As far as the customer is concerned, all remaining vendors are perceived as equivalent with respect to their offerings.

What can you do to differentiate from your competition and increase your chances for success?

#### **Too Much... Is a Recipe For Disaster**

Clearly, you want to alert your customer to your particular strengths. But how do you accomplish this without flogging your customer with capabilities they don't want, services they aren't interested in, and information that is not relevant for their situation? Introducing these will only hurt your cause:

- Customer Management: “I'm not interested in all of those features – and I don't want to have to pay for them...”
- Customer End-user: “Ouch – all those different tools and functions make their software look really hard to use. It is far too complicated, for me...”
- Customer IT: “Oh-oh – they list a pile of training and support services, so their software much be really hard to implement and keep running. I'll bet I'm going to end up with a huge support problem on my hands...!”

Not a good situation...! So how *do* you introduce capabilities that can help your cause?

#### **Whole Product Analysis**

The first step is to understand your strengths in relation to your customer's specific situation. A terrific tool to accomplish this is called Whole Product Analysis – a method of outlining *all* possible areas of strength (and weakness). This goes far beyond lists of features and functions, embracing other areas of potential importance for your customer.

Is implementation a concern? What about referencable existing customers? How about a Users' Group in their geography? Response times and resolution effectiveness from your

Customer Support Team? Product Roadmap and plans for future releases? Professional Services resources and experience with custom implementations? Many of these may be important, even critical, to your customer, and could tip the business in your favor.

How can you assemble this list? One effective mechanism is to gather a small team into a conference room and invest an hour brainstorming your potential strengths (this is a *great* task for marketing – product managers, in particular). List everything that might be relevant – go *far* beyond what’s in the code...:

- ✓ Company years in business
- ✓ Company size
- ✓ Number of customers
- ✓ Number of users
- ✓ Geographic location of offices
- ✓ Reference customers
- ✓ Users’ Groups
- ✓ Advisory Forums
- ✓ Product maturity (releases)
- ✓ Product key capabilities
- ✓ Additional modules
- ✓ Complementary products
- ✓ Product roadmaps
- ✓ 3<sup>rd</sup> party complementary offerings
- ✓ Partners and resellers
- ✓ Customer Support team
- ✓ Professional Services
  - Training
  - Consulting
  - Implementation experience
- ✓ Implementation roadmaps and timelines
- ✓ Implementation tips and guidelines
  - Example “Early Wins”
- ✓ Typical time to production use
- ✓ Typical “footprint and growth” information
- ✓ Formal Success Stories and Case Studies
- ✓ Informal Success Stories
- ✓ Staff experience and longevity:
  - Sales
  - Presales
  - Marketing
  - Professional Services
  - Customer Support
  - Development
  - Management
- ✓ Corporate “Green” position and implementation status
- ✓ Etc. Etc. Etc.

Your objective is to be as broad as possible in this exercise to create a list that can be used for multiple customer situations.

Next, select those items that are relevant and potentially important for the *specific* customer at hand. Now you are almost ready...

### **The Biased Question**

You now have a list of product capabilities and broader items that *may* be interesting, important, or even vitally critical for your customer. How do you test – how do you introduce these *without* incurring the risk of presenting too much?

The use of the Biased Question is a delightful and highly effective method. Here’s an example:

Let's assume that you can provide a SaaS (Software as a Service) version of your offering, in addition to your standard offering, and your competition can only provide a "behind the firewall" installation. Up until this point there had only been discussion of the traditional "behind the firewall" version. During your demo, you introduce the SaaS possibility using a Biased Question.

You say,

"Many of our *other* customers, in very similar situations to yours, have found significant advantages in using a SaaS version of our software. They were able to reduce the consumption of their internal IT support resources significantly, enable an earlier implementation and initial roll-out, gain significant "early wins" and enjoy a faster return on their investment.

In addition to our 'behind your firewall' offering, we also offer a SaaS version. Is this something that might also be useful for you?"

There are two possible answers – "yes" or "no". If your customer says, "Yes", then you respond,

"We have that capability – would you like to see it...?"

This is terrific! You've now established a key competitive advantage over your competition and confirmed that this is interesting or important for your customer. You've effectively added a "row" to the customer's evaluation table that is biased in your favor.

A key to the success of this method is the use of an Informal Success Story to help introduce the capability. In the example above, one or more Informal Success Stories were used to provide the customer with examples of the rewards *other* customers enjoyed as a result of consuming the capability in question. This is the strong *bias* that makes the introduction of the capability so compelling.

### **What If They Say No?**

If the customer says, "No..." then you simply drop it and move on. No need to show the capability or discuss it further.

The key here is that you are introducing a capability in the form of a question first – as opposed to blindly demonstrating it or discussing it on a PowerPoint slide. Your Biased Question enables a customer to respond, "No, I'm not interested in that..." without *you* incurring the risk of demonstrating or presenting too many features or non-relevant corporate capabilities.

If your customer says "No" then don't show it or talk about it further! It is clearly not important to them.

## **It's as Simple as ABC**

The moral here is to Ask Before (presenting the) Capability – simple ABC. [OK, I know that acronym is a stretch, but go with me on this...!]

The use of the Biased Question is a wonderfully effective way to introduce capabilities that you hope or believe may be competitively advantageous for you. Give it a try and look forward to securing a few more orders this year!

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