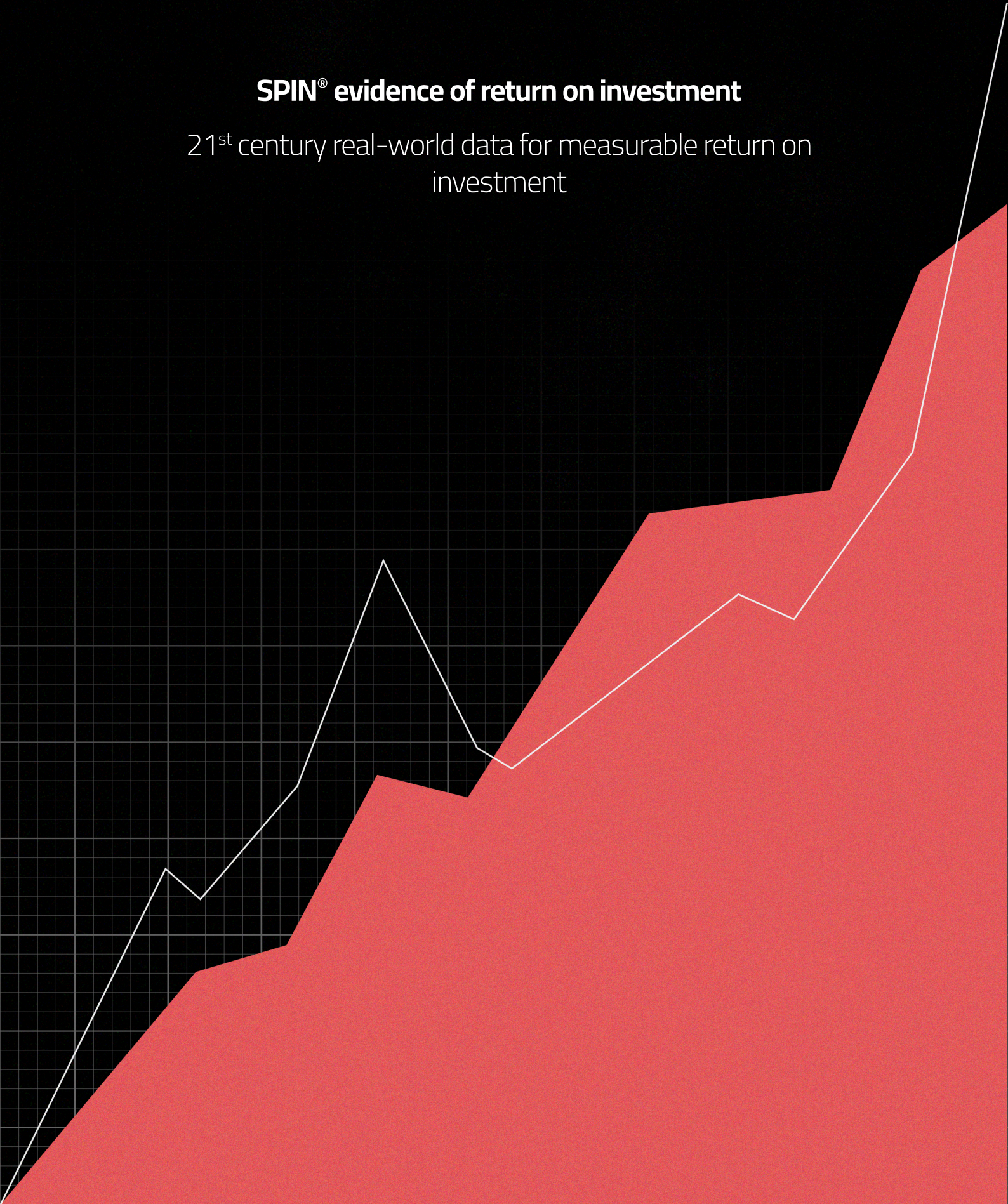


SPIN[®] evidence of return on investment

21st century real-world data for measurable return on investment



The evidence is **all** **around us**

Clients invest in sales training because they want their salespeople to improve. There is no other plausible reason. If you buy SPIN® Suite from Huthwaite International, you need to know that you are not only feeling the performance improvement, but that you can see it and – if necessary – report on it quantitatively.

Our ability to present those measurements in the shape of objective, unequivocal data has been a differentiator for us in a crowded market-place for many years. Since the turn of the 21st century we have run a number of productivity projects to prove the point.

Our aim? To demonstrate the change in behaviour and sales call outcomes that are directly attributable to SPIN® so that our clients can see – as clearly as we do – the return on investment (RoI) from the

work they do with us. We can always present those findings in the form of change of behaviour and improved sales meeting outcomes compared with a base benchmark.

Sometimes the companies we work with are also content to share the impact on their financial results; and where they have done so, we have published them in this document.

In this report you'll see, first of all (Part 1), a detailed report on a 2014/15 project with the UK sales force of Urgo Medical, a €214 million international wound care company with the stated aim of doubling that turnover within 5 years.

Part 1 therefore contains the key terms we use for describing the behaviours SPIN®-trained salespeople use well (the various kinds of questions and statements they use at the right time); the responses they get from customers (which show how ready they are to talk about the product or service being offered); and the yardsticks we use for assessing the success of the sales calls themselves.

Part 2 has brief descriptions of a number of companies from different business sectors, and the impact that SPIN® Selling and coaching have had on their sales performance from the year 2000 to the present day.

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Part

01

The case of Urgo Medical

Highlights

- A fully pre-planned and successfully executed study to measure the impact of SPIN® Suite training and coaching on the sales and marketing outcomes of an industry leader.
- Improved engagement with the science of professional selling and its inter-relation with marketing.
- Widespread adoption and improvement of new behavioural skills supported by a sustained internal coaching and communications team.
- Measurably better behavioural outcomes in sales conversations, resulting in improvements in customer call outcomes.
- Impact on the sales results of the company, as a direct result of improved skill and a commitment to re-enforcing the learning.


The 2014/15 project

The true test of training effectiveness is the success it brings to the organisation paying for it. No other measure really matters. Interesting content, enjoyable events and engaging trainers are all very well – but if the training project doesn't change anything, it isn't worth much.

We at Huthwaite International, and our client Urgo Medical, a leading wound care and dressings company, were of one mind about this when we began talking about a selling skills improvement project in 2013. They didn't just want their entire UK sales force trained in the best consultative, persuasive skills model available; they also wanted to know how, where and when it was starting to change both the behaviour and the results of the team. And for our part, we are always on the look-out for clients who are prepared to undertake a thorough productivity exercise as part of a project such as this.

In the UK health service these days, many patient care professionals are reeling from constant change and stress wrought by financial cuts, policy changes and bureaucratic requirements of one sort or another – to say nothing of an ageing, care-hungry population. Sellers in the wound care products industry face overworked district nurses, tissue viability specialists and prescribing pharmacists. So, as long as products are cost effective and of proven efficacy, familiar and on the Formulary, they are used.

The additional merits of a specific patient solution, in terms of long-term outcomes and consequent savings of time, money and discomfort, are often overshadowed by the initial economic strengths. Unless, that is, the skills of the sellers can do something about it.

 *The true test of training effectiveness is the success it brings to the organisation paying for it.*




Value-based **clinical healthcare sales training**

The Urgo Medical sales team have a good technical understanding of their products and how to use them; but more than that, they have the potential to engage in a meaningful, peer-to-peer conversation with customers about long-term efficacy and payoffs of the solutions. To do that involves moving the existing good relationships forward to new levels of value-based purposefulness and decision making.

Learning and practising the very specific consultative skills that produce such conversations – based on a real analysis of needs – has been the central aim of the SPIN® project. SPIN® Selling is all about helping people to make persuasive cases for their products and services, based on proving that they understand, and can meet, their customers' needs

better than the competition. In short, the model uses a questioning framework to enable sellers to identify a true opportunity, extract the vital information, build a customer proposition, and get the customer to articulate the value of the product or solution.

The introduction of a common language to identify and classify types of customer need, and to plan and chart where each sales call has led them within the overall sales process, gives sellers the practical skills to build a simple but effective framework for new business.

 *SPIN® Selling is all about helping people to make persuasive cases for their products and services...*

Clinical healthcare sales training camp


So, we held an intensive week-long training camp in early spring 2014, during which we trained the teams in the relevant elements of the SPIN® Suite: that is to say, the sales team in SPIN® Selling; the marketing team in SPIN® Marketing; and the managers in SPIN® Selling and SPIN® Coaching – to make sure that everyone had the skills they'd need, and many of the reinforcement tools too. To these skills we added tablet-based technology to record the coaching interventions, detail the real sales activity in terms of observed behaviours, and monitor how the changes in sales behaviour produces a better impact with customers.

Unlike other sales training providers, most Huthwaite interventions involve observable success models linked to recordable behaviours, and because changes in those behaviours can be directly linked to business improvement, we can fairly say that Huthwaite is able to answer the question: *“Does it work?”*

“Does it work?”

We have shown that by running a model SPIN® Suite project with a finite group of sales and marketing staff, we can change their behaviour for the better, and that such behaviour change has a positive effect on the business that cannot be attributed to any other cause than expert training and coaching in a powerful methodology.

Fortunately, the team that carried out the original research on which SPIN® Selling is based, drew up some very specific categories to produce hard evidence of the correlation between certain verbal behaviours and progress through a successful sale. Two of the key indicators that things are going well are greater use of Benefit Statements and more evidence of Successful Calls versus Unsuccessful Calls. What do we mean by those terms?

 *Behaviour change has a positive effect on the business that cannot be attributed to any other cause than expert training and coaching in a powerful methodology.*



Descriptors of **verbal behaviour change**

They are part of the Huthwaite lexicon and denote various aspects of success in applying the SPIN® model to real life business development opportunities.

Benefit Statements

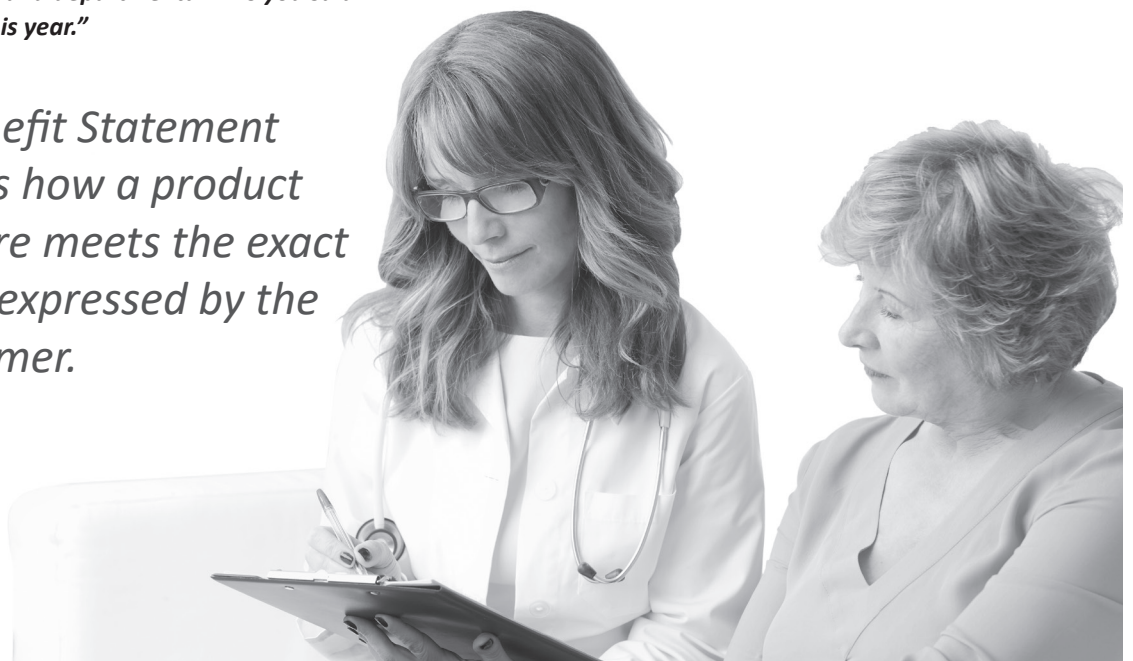
A Benefit Statement is something that the best salespeople are able to make often. It presents the seller's product or service not in terms of its inherent technical or functional capability (that would be what we call a Feature Statement); nor in terms of its generic capacity to help customers in the market (we'd call that an Advantage Statement). No, a Benefit Statement precisely describes how the product or service will help the particular customer you are talking to, in solving the specific problem he or she faces, and what the payoffs will be.

Imagine a wound care salesperson ending a meeting with this:

"You need to see a significant reduction in recovery times which you said would reduce care costs to meet your tough targets. Well, with this dressing, studies have shown that 41% of patients' wounds are completely healed by week 12 compared to only 23% with the product that you are using. This will greatly reduce your overall wound care costs, ease the growing burden on your department, and allow you to see more patients – which will help you to meet the financial and departmental KPIs you said you've been set this year."

A Benefit Statement shows how a product feature meets the exact need expressed by the customer.

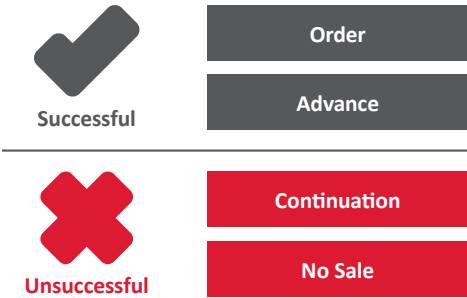
If we unpack that, we see that Features become Benefits once they are closely linked to valued solutions of the various business and care problems that the seller has explored. The payoffs are clearly stated, and the sale is much more likely. But to have got to that point in the conversation, the seller will have had to probe the clinician on a variety of subjects: budget, pressure from the Trust, worries about what medicines management would do if the supplies budget were exceeded, concerns over nursing staff pressure; the consequences for the Trust of adding to them; how the practice will fund other purchases if all the capital expenditure is spent; what that failure would feel like at a personal level; and, critically, the value of finding a solution that resolved all those difficulties and cleared the whole matter away for another year.



SPIN® training and its payoffs

That probing requires skill, and that skill is wrapped up in the use of SPIN® questions, which is what we trained Urgo Medical people to do.

We analysed a benchmark group of sellers from the client before we trained anyone, and at that stage they averaged 1.5 Benefit Statements per call. In August 2014 we looked at the 48 most recent calls where sellers had been coached during at least three sales calls, and the number had risen to over 2 Benefit Statements per call. A small increase, you might think (although not small in percentage terms, actually). However, the important change is not just in the behaviour, but in the business impact.



We need to define what we mean by a successful call

A client telling us that they liked what we had to say and want to see a proposal, or to hold another meeting. Anyone can say those things to get you out of their office. It’s called a Continuation. Most people in most organisations deliberately or unwittingly mistake a Continuation for an Advance most of the time.

It is only Successful if the client commits important people’s time, some resources, or some serious credibility to you. Being asked to present to the board is an Advance. Getting the head of a GP practice to meet other users of the product is an Advance. Obtaining agreement to take a trial pack and report back on their efficacy by an agreed date is an Advance. Having them commit to placing an order is an Advance. Meeting your contact for lunch may be pleasant; but it’s a Continuation.

Ultimate call outcomes

The key to producing those Advances and Sales as ultimate call outcomes is being able to make Benefit Statements. Indeed, we often say that one aim of SPIN® training is *“To significantly increase the number of Benefit Statements made by sellers”*. To do this, of course, sellers will need to increase the number of Explicit Needs* they uncover by a similar proportion.

Why use this as a stated aim? Well, because of the number of variables it is very difficult to measure the outcomes of any training intervention in terms of the bottom line. However, we do know that if sellers are matching clear, well developed Explicit Needs with strong Benefit Statements then the likelihood is that Orders and Advances will rise. The relationship

though is unlikely to be linear and, depending on the business, may take some time. As it happens in this case, the results in business terms are already visible.

The behavioural and commercial improvement isn’t owed to the training phase alone. Coaching is important to making sure that the post-training behaviour change is sustained. Urgo Medical would admit that they were busier with other priorities in the early weeks after training, and that it took a while for the coaching effort to get up to full speed. But once they did, the sustained outcomes of the trained-and-coached populations are noticeable.

* Explicit Needs are statements by the customer that they definitely and actively want and value a specific solution to a problem that, through SPIN® questioning, you have been able to identify, amplify, and have them articulate.

How are **Urgo Medical** doing?

Among the UK salesforce, the group with the improved ratio of Benefit Statements showed a massive improvement in Successful Calls. Less than a quarter of the benchmark cohort were achieving this in sales calls pre-training. After the training, and just a few weeks into the world of SPIN® as an everyday sales tool, with improved scores for Benefit Statements, the people in the latest sample were getting Successful Calls over 70% of the time. This is all data, by the way, that the team can capture and review using the tablet-based SMART tool for recording and measuring the impact of the training.

Farida Sollitt, Urgo Medical UK Training Manager also saw a discernible change:

“As the sales team gradually gain confidence in the use of SPIN® we are starting to see a positive change in the call quality and also in engagement from the customer. The desire of the sales person to rush in and excitedly talk ‘product’ before understanding and acknowledging the real problems and needs of our customer is now something we see less of... a change is definitely taking place.”

That’s an initial impact we’re pleased with and Urgo Medical is pleased with. More importantly, (because the product’s Benefits are real) the change has pleased Urgo Medical’s customers – and ultimately their patients – too.

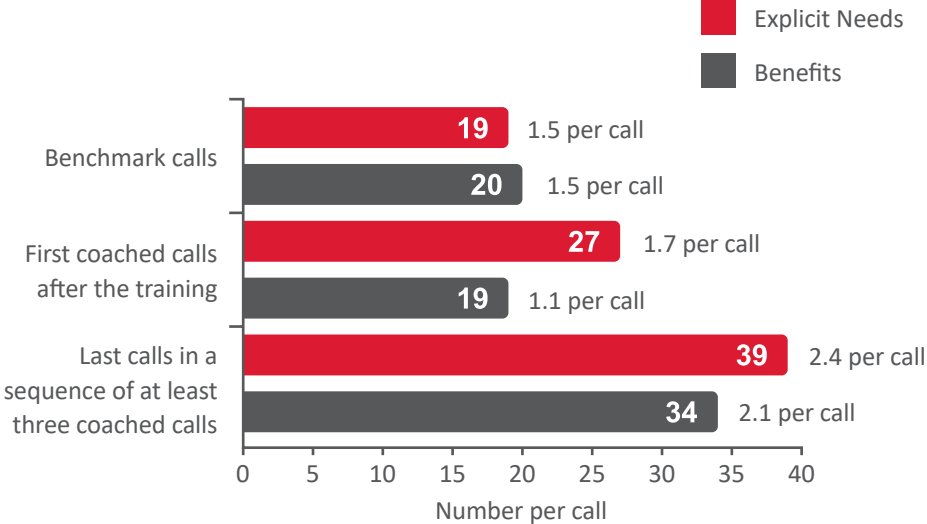
More time having now elapsed, we can look back at the trained-and-coached cohort over six months (well into 2015), and now we start to see some real changes for the better. In short, a 60% increase of Explicit Needs and a 40% increase in Benefits gives a fourfold increase in Successful Calls. That has had an impact on the bottom line that UK Managing Director Justin Cole is unequivocal about.

“Huthwaite are cautious about over-claiming revenue and profit outcomes, because their key measure is the behaviour change; so maybe it’s for Urgo Medical to declare the bottom-line impact. Well, from where I sit, the best SPIN® practitioners we have here are the people producing the best sales results, in terms of bigger deals, more orders and satisfied customers.”

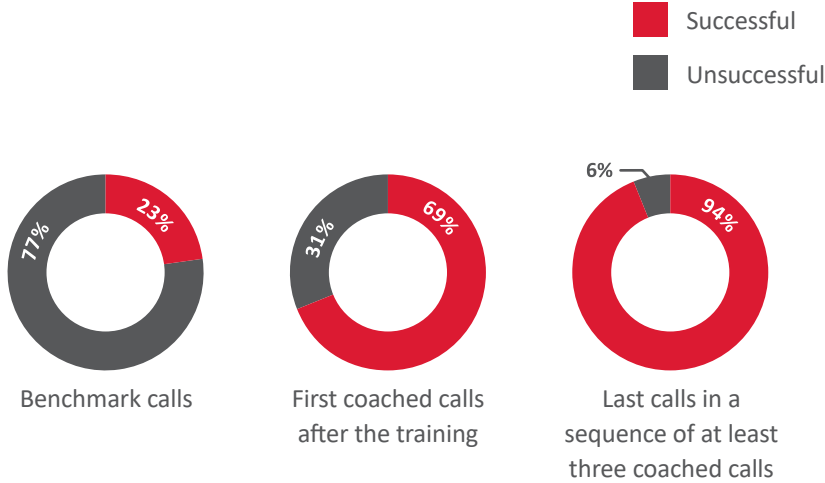
During the time period monitored, managers and coaches recorded 104 mid-cycle coaching calls with 16 sales people - an average of 6.5 calls per sales person.



Explicit Needs matched with Benefits:



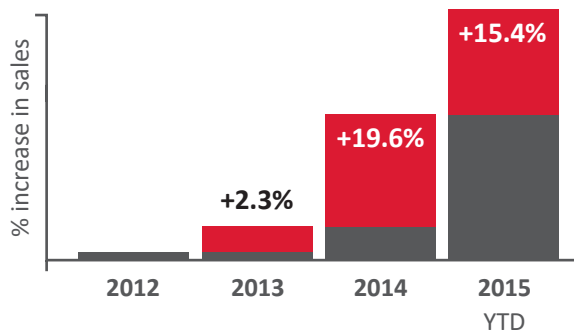
Outcomes:



Among the UK salesforce, the group with the improved ratio of Benefit Statements showed a massive improvement in Advances.

The sales data **all points one way**

The significant uplift of Explicit Needs and Benefits (60% and 40% respectively) following the coaching is positive and the numbers are well on the way to the overall 'doubling Benefits' target. This has also increased the number of Advances achieved by a factor of 5.



In the dressings division, the sales trend is unmistakably upwards in 2015, because *“of the clarity of the commitment they ask for at the end of each call”*.

Both the data, and the reflections of people inside Urgo Medical for whom these skills are critical, point in one, extremely satisfying, direction. For Farida there has been a *“complete culture change”* occasioned by the training, the coaching and the slew of innovative activities that SPIN® brought in its wake.

Farida and Urgo Medical’s two dedicated SPIN® coaches, Tricia Richardson and Sarah Summerson, freely admit that some people were more enthusiastic than others about adopting the new sales methodology, but the early sceptics have been won over. How could it be otherwise when so many specific improvements have been demonstrated?

“Sales people are coming back from calls and telling us that the conversation with the customer has gone to a completely different level, enabling a less transactional, more strategic, consultative relationship, from which bigger sales are the inevitable result,” says Sarah.

The coaches go further, explaining how SPIN® has touched every aspect of the sales culture. *“We have a monthly SPIN® Doctor newsletter where the frontline team share their experiences, triumphs and challenges and pool their knowledge,”* Tricia points out. *“We’ve incorporated discussions of where SPIN® can help, and is helping, into the Chatter areas of the Salesforce CRM system; and there’s a steady flow of killer SPIN® questions circulated through those media around the UK sales team.”* They add that having Justin, as MD, take personal ownership of the process has set the tone for the entire company – encouraging regional managers to get on board with SPIN®, and do the coaching themselves and have Tricia and Sarah coach all field sales reps at least one day per month.

“Sales people are coming back from calls and telling us that the conversation with the customer has gone to a completely different level, enabling a less transactional, more strategic, consultative relationship, from which bigger sales are the inevitable result.”

Marketing **wins too**

But in any organisation, if the sales people are saying one thing to individual customers, and the marketing team don't echo those messages in the wider buyer community, much of the impact is lost. Urgo Medical and Huthwaite were determined to avoid that outcome, right from the start. At the original training camp, the marketing communications team went through a specialist workshop, looking at how the core SPIN® framework, and use of persuasive language, should be applied in their world – from social media to promotional literature, and from briefing agencies to dealing with the press.

Marketing Manager Robin Nicholson summed it up nicely:

“This has been helpful in everything from briefing agencies to produce material and public messages that accord with our sales messages, to giving the entire UK business a sales infrastructure we’ve never had. It’s a virtuous circle. The ‘users and choosers’ of products like ours are amenable to new ideas if we can be persuasive about them. This has helped us to be persuasive in all customer-facing parts of the business.”



“Where there are advances, orders are never far behind.”

But the really concrete example comes from Urgo Medical's product marketing expert Kirsty Dyson's revolutionary approach to the content of the detailing collateral that supports the UrgoTul Absorb Border product. There's a stark comparison of before-SPIN® and after-SPIN®. Before Kirsty and the team got to grips with SPIN® through the SPIN® Marketing workshop, the leave-behind literature, slide presentation and web copy were a well-illustrated list of features, and initial advantages statements. *“Absorbent polyurethane foam pad and highly absorbent layer”*; *“Also available in Sacral version”*; *“Clinically proven in over 36,000 patients”* assailed the reader on page one.

By contrast, after the SPIN® workshop, the technical information was all still there, but within a narrative that stressed the value of the Urgo Medical solution by reference to the clinical and personal impacts that inadequate dressings can have, and the gains that a better solution – incorporating those technical attributes – could bring.

Now, the focus was different: *“Exudate production... can be very difficult to manage effectively resulting in a variety of practical and psychological problems” and, the soft silicone border “limits pain and trauma to surrounding skin at dressing change.”* The product features are all still there, and clearly illustrated throughout with copious clinical references – but as part of a story about how the product solves the wider problems of patient care, and brings quantifiable benefits to patients and their carers.

This didn't happen by accident. In January 2015, the sales and marketing teams sat down together and talked about which Situation, Problem and Implication Questions they should focus on as a means of understanding the challenges facing the typical reader of the product literature or visitor to

the website. As Kirsty says,

“It was a great opportunity for us to focus the training the reps had received, and the experiences they had in the field, completely around the product launch; and we’ll be doing the same again in April with the launch of new UrgoClean marketing materials.”

Kirsty points to another level of efficiency promoted by SPIN® Selling Skills – perhaps an unexpected one.

“It has made my dialogue with the salesforce a great deal more productive – using the Pull-style questioning behaviours that we learned to help me examine the underlying probability of sales opportunities and hence prioritise and refine my work in producing the right support documentation for my colleagues.”

Conclusion

All the links in the chain help Urgo Medical's business development community pull together. The marketing team use their new behavioural skill to improve the content and to offer pin-point support to the sales team. The sales team deploy SPIN® Selling skills in the field to conduct more engaging and purposeful calls with their busy customers.

The sales leadership team, and the coaches, support the change so that it continues to embed itself in the organisation over time. The executive team see the change that is spreading over the business, and are delighted with the positive impact it has on results.

In summary, Huthwaite International and the Urgo Medical management team have rolled out a project whose positive impact on the business is evident today, and will still be paying dividends in the years ahead.



Part

02

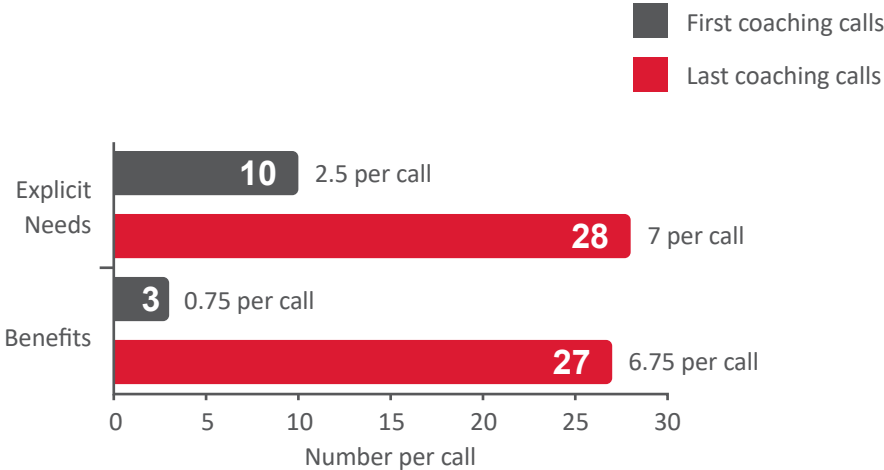
21st century stories

Anti Fraud Software

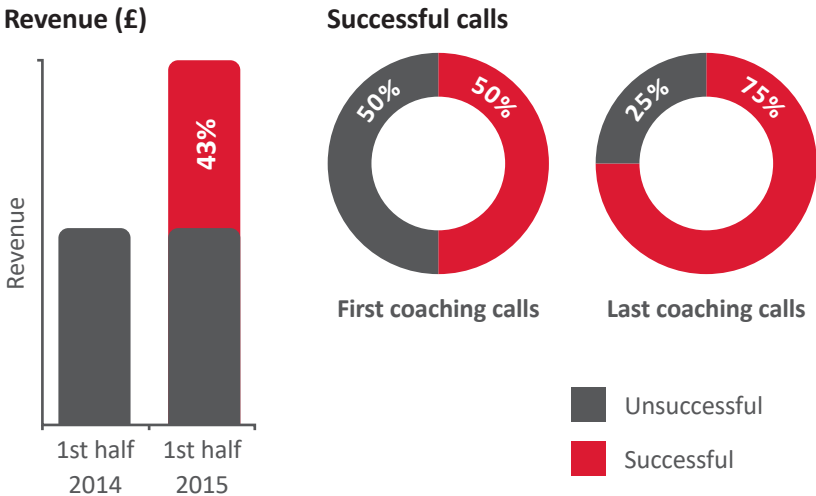
October 2014 to June 2015

The results of this SPIN® implementation saw the sales team reach 123% of target compared with 80% before the project. Close involvement of senior management as participants and coaches helped to embed best practice. Staff secured bigger deals, and the rate of deal progress sped up. 900% increase in Benefit Statements produced 50% increase in successful sales and 43% jump in revenue in six months.

Explicit Needs matched with Benefits



Outcomes

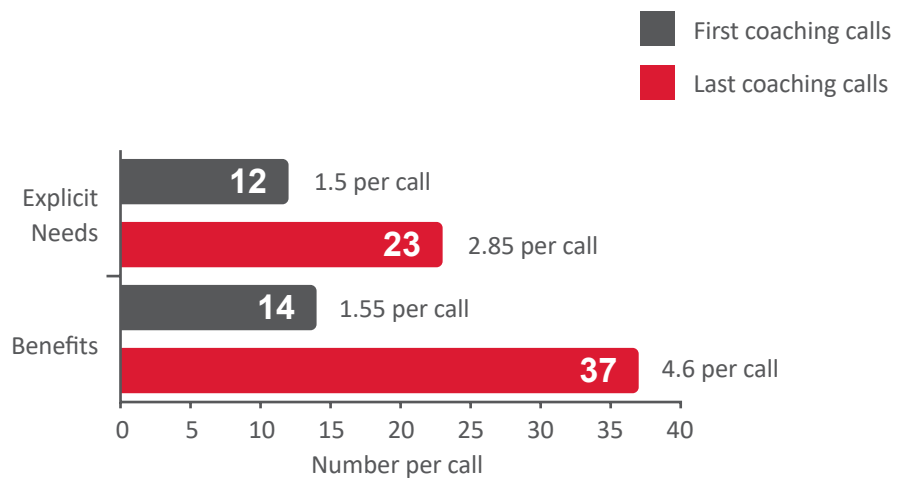


Medical devices

March to September 2013

This global leader, providing vital equipment and supplies to medical institutions around the world, witnessed a 92% increase in Explicit Needs and 164% increase in Benefits. And it is these Benefit Statements that are leading the way to commitments from the customer in what is often a medium-term buying cycle.

Explicit Needs matched with Benefits

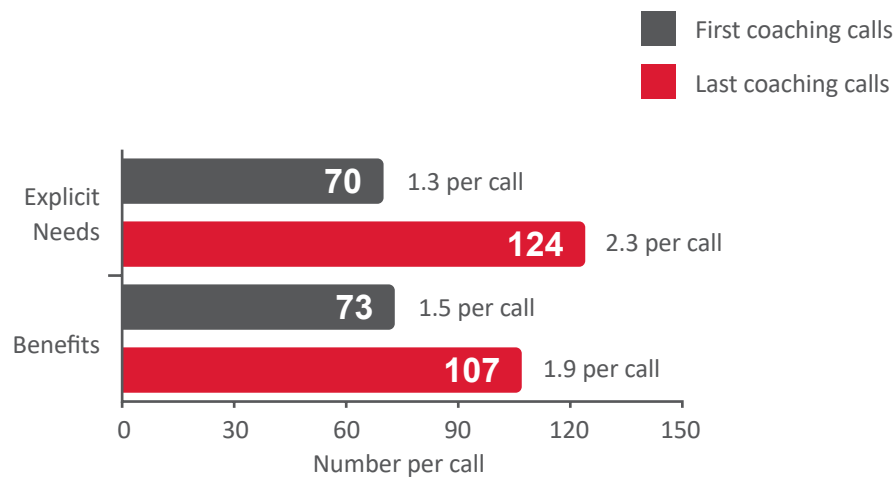


Power generators

February 2005 to September 2007

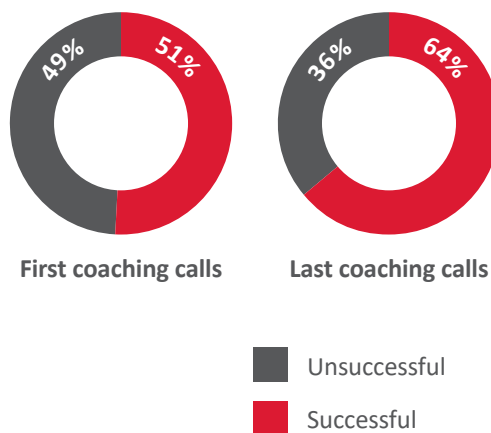
A leading supplier of temporary power systems to everyone from major building projects to emergency rescue situations. In this project, managers and coaches worked with salespeople to improve call outcomes at a particular point in the buyers' decision making process: the sellers were dealing with buyers who were at the point of having a clear requirement for power equipment, but were choosing between numerous competitors.

Explicit Needs matched with Benefits



Outcomes

The coaching has increased the number of Explicit Needs by 75% and has increased Benefits by 47%. This improvement has produced an increase in Successful calls by 25% and a decrease in Unsuccessful calls, also by 25%.

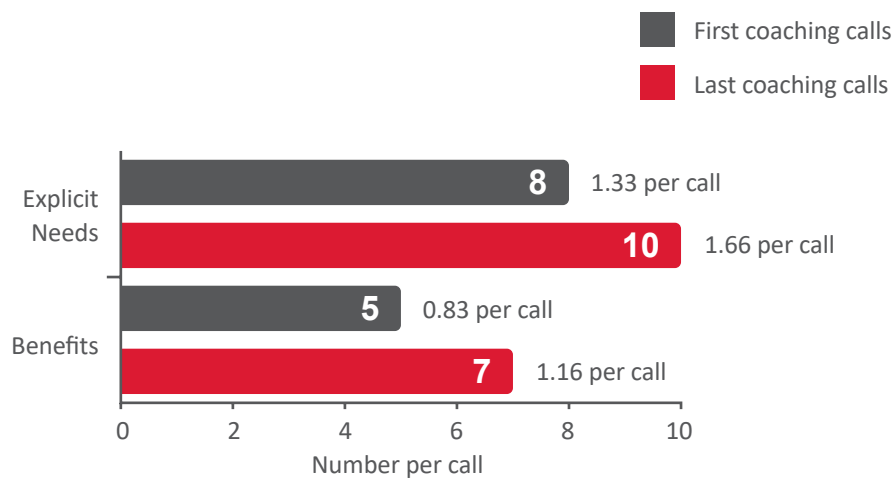


Healthcare

August 2003 to April 2004

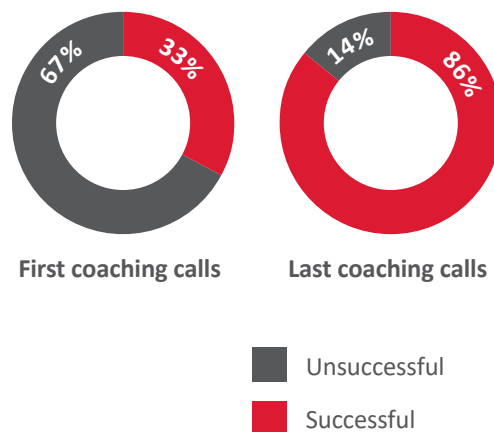
This is a diverse global healthcare company, specialising in devices, drugs and biotechnological advances that provide care and therapies for chronic and acute patients. This is a smaller test sample, where managers and coaches all had three or more field coaching visits and recorded the 32 SPIN® interactions with 6 salespeople.

Explicit Needs matched with Benefits



Outcomes

Here, we have a 25% increase in Explicit Needs and a 40% increase in Benefits. This translated into a 150% increase in Successful calls and related drop in Unsuccessful calls.

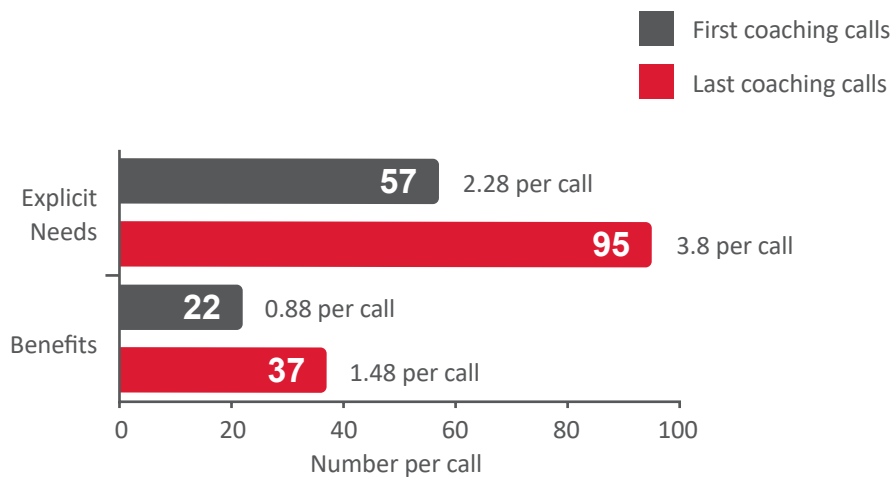


Life Sciences

January to December 2003

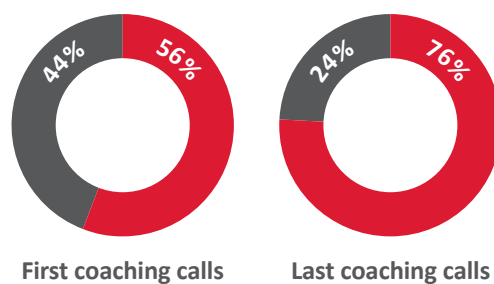
We carried out a substantial study with this €40 billion chemicals, healthcare and agrosience multinational. Managers conducted 146 coaching calls with 25 salespeople, with an average of 5.8 coaching visits per sales person during a year-long study. That illustrated good commitment from the coaches and salespeople – always an encouraging sign.

Explicit Needs matched with Benefits



Outcomes

The salespeople achieved a 66% increase in Explicit Needs and a 68% increase in Benefits. This translated into a 38% increase in Successful calls with a related drop in Unsuccessful calls.



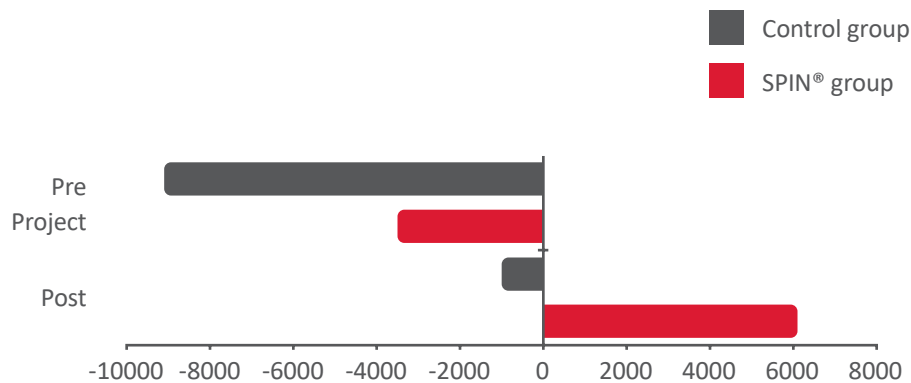
Electrical **wholesale**

2001

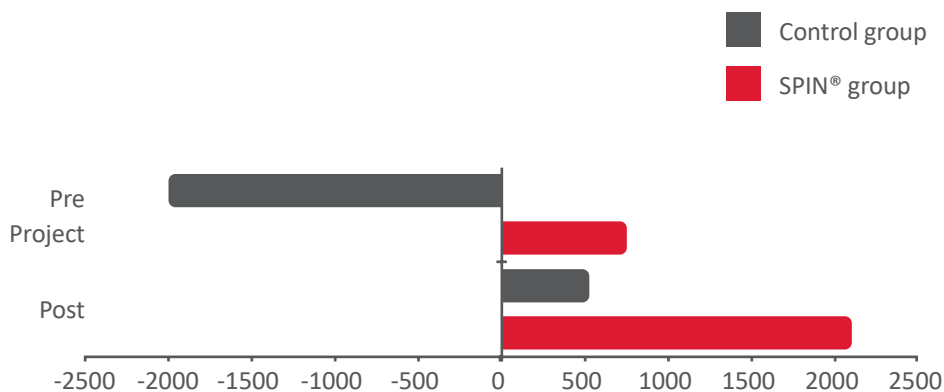
This study provided perhaps the fullest and most carefully constructed (and audited) RoI project of the 21st century so far. It is written up in full detail elsewhere, but in essence we had a control group who received no training or coaching, and a test group who received full SPIN® training and a thorough timetable of in-house coaching by Huthwaite-trained coaches. The project took a year from start to finish. It involved the study of 233 sales meetings, with each seller receiving 5 accompanied coaching field visits over a critical 18 week reinforcement period.

The level of successful outcomes increased by more than 30% during the coaching period; and the number of Explicit Needs and Benefit Statements more than doubled. Moreover, revenue improved by 6.6% during the project and was sustained to 9.3% after it, with a demonstrable increase in profit of 9.6% during the project, sustained at 13.2% after it.

Improvements in Revenue (£) - Pre and post training



Improvements in Profit (£) - Pre and post training



Summary

It's rare that performance improvement consultancies in any discipline can demonstrate, in facts and figures, the change in skills that they are achieving with their clients, and the impact that is having on sales cycles. Because SPIN® is an observable and objectively measurable set of verbal behaviours we can assess the change in skill change and its use in the field. And because some of our clients have been happy to co-operate with us to take benchmark measurements in advance of training, and to conduct these controlled experiments, we have been able to analyse reported business improvements to show that our help has been instrumental in producing them.

We're happy to have helped these (and many other organisations) in recent years, and to have demonstrated the power of the SPIN® Suite. If you would like your behaviour change project to be measured in this way, so that you know you have made the right choice, we'd be even happier to discuss it.

Huthwaite[®]
International

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