

# The Sales Formula:

## Your Key to Successful Selling



## Does This Sound Familiar:

Jane felt increasingly confident as the sales call progressed. She presented clearly and with passion. She hit all the most important elements of her company's offering.

The prospect seemed attentive to what she was saying. She presented an offer that was fair and clear.

So, she was jaw-droppingly stunned when the prospect said he'd "think about it."

2 days later, when she followed up, he said they decided not to proceed.

She asked herself...

## How could that happen...again?

The answer is pretty simple. It's because, like so many other sales people, she didn't fully understand the psychological and emotional journey that prospects go through on the way to their yes or no decision.

She didn't know the Sales Formula.

### To Buy Is to Change



In the 1960's, a man named David Gleicher articulated what was known as the Formula for Change. It originated as a formula that helped predict the likelihood of success of organizational change programs. As it turns out, it's applicable to all kinds of changes that humans go through or attempt to go through.

The original formula (as refined for regular folks by Kathie Dannemiller in the 1980's) is:

$$D \times V \times F > R$$

I'll explain each of these in a moment. But first, consider what happens when

someone is deciding whether to buy or not:

A decision to buy is a decision to change something about her circumstances. A decision not to buy is a choice to maintain the status quo. Therefore, in sales, you are attempting to help someone see that a change in their circumstances is in their best interests.

However, because of a unique aspect of the buying process, the change formula requires one additional element to successfully convince someone that the changed circumstances will help them. Applied to the sales context, the formula looks like this:

$$D \times V \times F \times S > R$$

### *Use Your Powers For Good*



Before we dive into the formula, it's worth having a short discussion about the role of salespeople. We aren't discussing the stereotypical salesperson here. You know them. The slimy, manipulative pushy salesperson who will do or say anything to get the deal. In the hands of such a person, any sales techniques can be used

inappropriately for self-gain and to the detriment of others.

That's not who this paper is for.

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When done properly, Sales is actually a very honorable human activity. Why?

Because sales is nothing more and nothing less than professionally helping people to solve problems. What is more rewarding than to be paid by helping people achieve a goal or overcome a problem?

I remember teaching a client some sales skills and, in doing so, I referenced our sales meeting. She looked at me quizzically and asked “What sales meeting?” I replied, “Remember. Our first meeting together?”

*“Sales is professionally helping people to solve problems”*

Somewhat confused, she answered “That was a sales meeting? I thought you were just there to help me?” I then explained “I was. And at the end of the meeting, you wanted me to keep helping you.”

She raised her eyebrows and pointed a finger at me saying “Ohhh you!”

That’s what sales should be. Helping people so they want to keep working with you. So, as you learn how to apply the Sales Formula, please commit to using your powers for good. It’s not meant to be a technique for “landing the sale” but, instead, is to be used to help you identify and solve problems for people you are in a position to help.

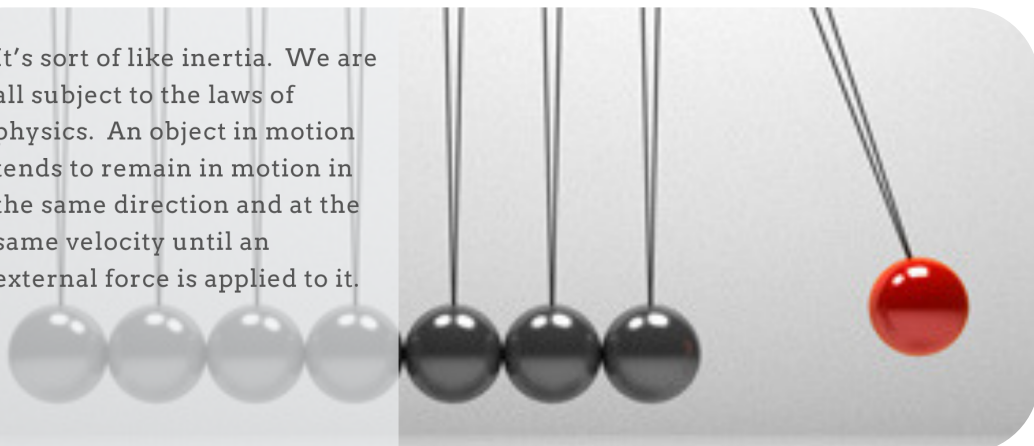
### *The Sales Formula Described*

‘R’

This is how it works. We begin with the R. R stands for Resistance.

Most people like to buy. Most people do not like to be sold to. Therefore, in any sales conversation, there is some level of resistance. It may be small; it may be large...but it is there.

It’s sort of like inertia. We are all subject to the laws of physics. An object in motion tends to remain in motion in the same direction and at the same velocity until an external force is applied to it.



If you want to help buyers overcome their natural resistance to change – to being sold to – you have to find a way to overcome that natural resistance. As it happens, the other elements of the formula are what will help you and the buyer overcome the R.

# ‘D’

Let’s start at the beginning. Generally, to make a change, there is something about the current circumstances or anticipation of future circumstances that motivates a change. In other words there is some level of Dissatisfaction.

That is the D.

If one is perfectly content with the way things are, they have no motivation or need to change. Therefore, your job as a salesperson is to help the prospect become clear on what dissatisfies them. In traditional sales language, this often framed as “What’s their pain?”

The problem I often see, though, is that people don’t go further than the surface level pain. In reality, there are a few categories of dissatisfaction. Let’s use someone selling fitness programs as an easy and clear example.

Why does the person want to exercise? Because they’re out of shape. “Great, our program can get you into shape.” Problem. Solution. It should be an easy sale, right? Wrong. The person hasn’t been staying in shape, so there is an R that might be stronger than their pain.

As the salesperson, you’d want to review these various types of pain or Dissatisfaction:

The Stated Pain. This is the first problem that people will share with you. In a Business to Business sale, this will be the initial business problem. In our fitness example, it’s the simple statement that “I’m out of shape.”



The Emotional Pain. There is usually a level of dissatisfaction deeper than that. What might the person be feeling about being out of shape? Embarrassment at not being able to keep up with their peers. Disappointment at not being able to play with their child in the park as they’d like. Shame at their appearance. (It’s a shame that people feel

shame about something as superficial as appearance, but it is real nonetheless.)

All of these are much stronger drivers than just wanting to be in shape. They motivate change.

Future Pain. Sometimes, their levels of dissatisfaction with their present circumstances aren't that high. But when current trends are forecast into the future, there is the potential for enormous dissatisfaction. "Maybe I'm not that bothered by being out of shape right now. I can do my job.



My spouse and kids still love me. I have an active social life. " However, if their own Dad died of an early heart attack after struggling to get around because of weak legs and overweight, they might have concerns. If they stay on the same path, they might end up in the same place. I doubt they want that. Therefore, there is a motivation to change.



Process Pain. This is slightly different. It's a type of dissatisfaction that discourages change. However, it's critical that you surface this type of concern or it can sabotage the whole process. It's a fear of how painful, irritating or unpleasant working with you could be. It works like this. Maybe I've tried to get into shape in the past. I

even hired a fitness professional to guide me. She pushed me too hard and I got injured. And the meals she recommended were like eating cardboard. I'd like to feel better but not if the process of getting there is going to make me feel terrible.

Once you understand this fear, you're able to address it.

The Pain Chain. In some selling situations, there are multiple people or departments affected. Not all of those people will be in the meeting, but their concerns will determine the outcome. For instance, in a corporate sale, the



boss may have to report in to an executive team. Her concern about meeting budget targets may well be different from the direct concerns of the person you're dealing with. In the fitness example, the desire of the spouse and the kids to have your prospect around for dinnertime may affect how you craft your solution. So, it's important to surface the concerns of those in the chain if you

hope to propose an acceptable solution.

‘V’

Being clear on the source of one’s dissatisfaction, now and in the future, is great to motivate a desire for change. But if they don’t have a picture of how things can be different, all you’ve done is make them miserable. And that’s no help at all.

We have to go a step further. We must help the prospect see and be excited about a Vision for a better future.

If they don’t articulate a Vision, accept a Vision or believe that the future state is achievable, they won’t move to make the change.

Similar to the D, there are a few types of Visions to help your prospect work through.



**First**, there is the Vision for a future in which those pains and fears have been addressed. “You’re in shape, you have energy to play with your kids, you fit into your favorite clothes again and your spouse thinks you’re “hot” again. “

**Second** is a Vision for the process, so you address the concern about the experience of working with you. The fitness consultant can help them imagine eating healthy food that is both



delicious and easy to make. They can help them anticipate workouts that are safe, geared to their specific body type and scheduled in a way that’s convenient for them.



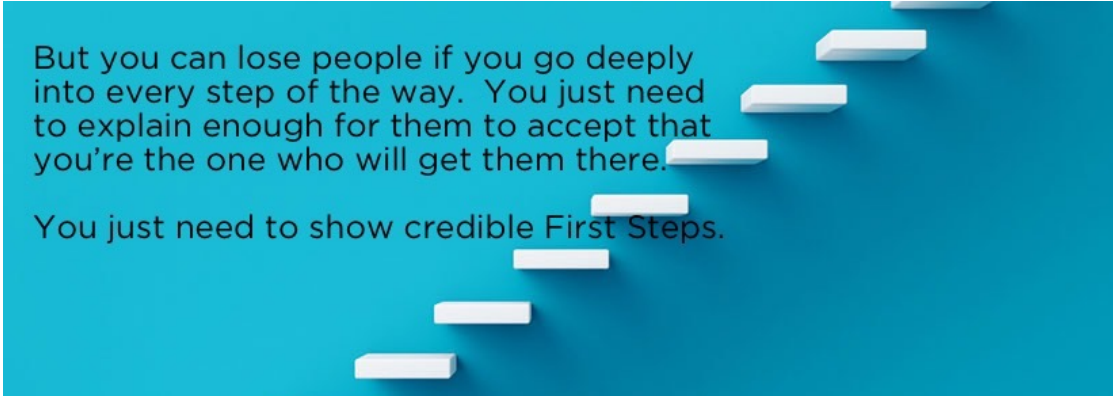
**Third** is the Vision for those in the pain chain. If the prospect sees how the concerns of those others will be addressed, she will be more likely to proceed.

# ‘F’

This F has two meanings. First Steps or Features.

I can drive for 3 hours in the dark of night by only seeing a few hundred feet ahead of me at a time with headlights. The point? You don't need to see the entire route to confidently get to your destination. You just need to be confident about the next steps.

At this stage, you're explaining to the prospect how you're going to resolve their Dissatisfaction and help them realize their Vision.



But you can lose people if you go deeply into every step of the way. You just need to explain enough for them to accept that you're the one who will get them there.

You just need to show credible First Steps.

For instance, I have a group-coaching program that helps entrepreneurs develop and implement strategic plans that are distilled down to 90-day tactical actionable plans. The program also teaches them to execute those plans successfully so the objectives set out in the plan are realized. Most entrepreneurs do strategic planning quite poorly and when they do create strategic plans, they fail because of poor execution. The program also includes a 40 video online business-training portal.

The Dissatisfaction this program addresses? Long hours, slow growth, underperforming team members, high stress, feelings of being out of control, lack of focus and lack of understanding of the skills needed at any given stage of growth.

The Vision or better future it offers? Clear focus, massive control, a motivated team that is clear on expectations and deliverables, high levels of accountability, accelerated growth, higher certainty, superior decision making and higher profitability. Clients have enjoyed 8 figure exits, 7 figure salaries, high performance cultures and trusted second tier management that allows the owner to be free of daily operational involvement.



Nice, right?

However, to explain every step of the program and the process it involves would put you to sleep. But, I created a tool that automates the normally arduous first stage of the strategic planning process. When I just show that to people and explain what my role is to help them through it, they don't need any further explanation. Those first steps demonstrate that the outcomes they are looking for are more likely to be realized through this program than going it alone.

*The program offers: Clear focus, massive control, a motivated team that is clear on expectations and deliverables, high levels of accountability, accelerated growth, higher certainty, superior decision making and higher profitability.*

You don't have to kill them with details. You just have to give them enough to be comfortable with their decision.

"F" can also mean "Features". You'll hear people, quite properly, say that you must focus on benefits rather than features in your marketing. It's quite true that when you are attracting people and opening up conversations, you will likely be more successful when focusing on benefits. However, before someone buys, they are likely going to wonder, to some degree how it all works.

As in "First Steps", avoid overdoing it. You don't need to describe every single feature. Focus only on those that are necessary to demonstrate to the prospect that you can deliver on the Vision.

'S'

This is the addition to the change formula. It's based on the emotional journey that buyers go through in their decision-making. The change formula basically follows this journey. First, people are bothered by or are uncomfortable with something. (The "D") That motivates them to consider change. Then they see that there is actually a better situation within their grasp. (The "V") That gets them excited about making the change. Then they see they can make the change by starting with the First Steps. (The "F")

The next stage of the emotional journey is missed by a LOT of salespeople, just like Jane as described at the beginning of this paper. It's revealed in statements such as "I don't know what happened. I was sure I had them. They seemed so keen and excited." What they miss is that after the excitement, prospects get nervous about making a bad decision.



They go into a risk evaluation phase. They start asking themselves:  
“What if this doesn’t work?” “What if I can’t rely on these folks?”  
“How can I trust them?”

This is where the “S” comes in. “S” means “Support” or “Safety”. You must demonstrate to the prospect that you will be there for them in the case of any challenges. This can be done by outlining the post-purchase or post-contract process. It can be done with guarantees and it can be illustrated through testimonials or case studies or, sometimes, through persuasion based on years of successful experience. (There’s an old joke that “No one was ever fired for hiring IBM.” The point of the joke is that IBM’s reputation is so solid, that everyone assumes IBM would always be there to support them.)

If they feel that the decision is a safe one, that you will be with them in the case of a tough period, they will be willing to do business with you.

### *Using The Sales Formula*

The Sales Formula is an incredibly powerful sales planning tool; if you use it. Plan your sales ahead of time using the formula. What questions do you ask to elicit the pain and get them to articulate their vision? How do you present enough of your solution to demonstrate that you’re the right answer? What will you show them or tell them to give them the reassurance they require to decide to proceed.

It’s also a powerful post-call checklist for self-analysis. When you leave a sales call, whether successful or unsuccessful, pull out the formula and evaluate your own performance. Did you successfully draw out *all* the relevant kinds of Dissatisfaction the prospect is experiencing or worries about experiencing? Did they express a Vision with emotion behind it? Do they believe that Vision is attainable and desirable? Do they desire it more than they fear the cost of achieving it? Were they convinced that the First Steps or the Features will take them to that Vision? Did you convincingly reassure them that the decision is a safe one?

If not, then you’ll know how to improve next time. If so, it may be that you’ve underestimated the force of their “R”. Perhaps they don’t have budget, authority, time or resources. Or perhaps there is another problem that has greater dissatisfaction attached to it or a bigger vision and they can’t take on both at a time. If so, you can then consider how you might have drawn out that information earlier.

When you consistently use the Sales Formula as a checklist for evaluating your own performance, there's only one thing that can happen.

Your performance will improve.

*Warren Coughlin has been coaching entrepreneurs to success and freedom since 2002. He's also a recovering lawyer, a serial entrepreneur, a college professor and actor/theatre director. If you'd like to experience the growth and control that comes from his "Business That Matters Playbook" coaching program, email him at [warren@warrencoughlin.com](mailto:warren@warrencoughlin.com)*