

A GUIDE DESIGNED TO HELP B2B STARTUPS

HOW TO SELL

Building and scaling a repeatable sales process



ENTREPID
PARTNERS



About Entrepid Partners

Entrepid Partners helps early-stage B2B tech startups achieve rapid, sustainable growth. We work closely with founders and early sales teams to bring a level of focus to the go-to-market approach through aggressive goal setting and proven sales frameworks.

We provide a third-party evaluation of the go-to-market efforts, formulate a strategic growth plan, and help teams execute through our series of frameworks and methodologies. Some of the topics we tackle are around sales process, overall go-to-market strategy, messaging, sales hiring, lead generation, sales training, content marketing, and customer development. We have successfully worked with and advised more than 25 venture-backed companies such as Castle.io, Ironclad, Legion Technologies, AngelList, and Plaid, and we advise several First Round Capital portfolio companies.



Have specific sales or go-to-market questions for your business?

Reach out to team@entrepidpartners.com



About our team



TYLER GAFFNEY, FOUNDER AND CEO

Tyler founded Entrepid to help entrepreneurs build and scale their companies. He served as the VP of Sales at WePay, which was acquired for \$400 million by J.P. Morgan Chase, successfully leading sales, business development, marketing, support, and recruiting to grow the startup from \$0 to more than \$1 billion in payments volume. Prior to WePay, he worked at GE Healthcare, where he also completed GE's rigorous commercial leadership program. A graduate of Boston College, he is currently the Sales Expert in Residence at First Round Capital.



BRYAN HARRIS

Bryan was one of Tyler's early sales hires at WePay. He was consistently WePay's #1 sales rep and helped hire, train, and build the sales team from 5 to 30 people during his four-year tenure there. At Entrepid, he has worked with several companies, including Castle.io, Legion, Ironclad, 42 Technologies, Binti, and Tesorio. Bryan is an expert at cold email campaigns and helping companies recruit their first sales hire. He has made seven first sales hire placements over the last 12 months. He graduated from the University of Southern California with a degree in Business.



CHELSEA ALLISON

Chelsea specializes in helping early-stage businesses find product-market fit through customer development, create compelling brands, and drive demand. Chelsea previously was Head of Marketing and Communications at financial technology infrastructure company Plaid, where she built the brand and marketing strategies, and at SaaS security startup Sookasa, where she helped reposition the company for acquisition by Barracuda Networks. Before focusing on marketing, she worked in Features at Vogue and in investment banking at Wachovia/Wells Fargo. She graduated from Duke University, where she was editor-in-chief of the student newspaper.

About this guide

We created this guide to help B2B startups understand how to build and scale a repeatable sales process. This is an approach we've used in coaching over 25 Silicon Valley SaaS startups in the last three years.

We'll establish a foundation for great sales and will walk you through specific tactics to help you navigate the process. Throughout this guide, we'll also flag common mistakes we see and give tips on how to avoid them.

We've organized this guide to follow common sales trajectories. (But not all sales processes are the same, so your approach should adapt based on your business.)

After you read this guide, you'll understand how to:

- Map your sales process
- Understand the different types of sales calls
- Plan and prepare for calls
- Run the perfect call
- Qualify a deal
- Ask elegant questions
- Craft a demo and presentation
- Handle objections
- Deliver pricing
- Reach a deal

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Defining your sales process

Start at the beginning and map out what a sales process should actually look like.

One of the most common mistakes we see is founders and sales reps trying to rush the sales process by moving the prospect to the demo and pricing stages far too quickly. This is flawed. Your goal should not be to close the deal at the early stage of the sales process, but instead to move the deal through the sales process systematically.

So let's start at the beginning and map out what a sales process should actually look like.

WHAT IS A SALES PROCESS?

A sales process is a repeatable series of steps that allows a salesperson to take a prospect from a lead to a closed deal. The key word here is repeatable, because that's what makes your sales process predictable and scalable.

HOW DOES THE SALES PROCESS WORK?

The goal is simply to move the prospect from one step to the next. For each step, it's important to define a single sales objective (SSO) for that particular stage. SSOs are specific and defined before you get on a call.

EXAMPLES OF SINGLE SALES OBJECTIVES

- Qualify the deal to understand the customer's current process and challenges
- Deliver pricing and get feedback from the customer
- Demo the product and get agreement for the team to introduce it to the COO for next steps

WHY IS A SALES PROCESS IMPORTANT?

At the end of the day, it's meant to take the guesswork (and inefficiency) out of selling. The sales process makes it possible to repeatedly close deals and give a salesperson clear next steps to take with a prospect.

Remember that not every prospect will move to the next stage—and not every prospect should. Deals that successfully move to the later stages of the sales process should have a higher likelihood of closing. You want your salespeople spending more time on these deals, not spinning their wheels on opportunities that aren't actually real.

EXAMPLE SALES PROCESS

A sales process should be no more than seven stages, even though each step might span several activities. More than seven steps will be too complex (and too hard to keep updated in a CRM).

Here's an example sales process. Each stage is outlined briefly on this page and in more detail throughout the guide. A sales process might contain the following stages:



LEAD STAGE

SSO: Build a pipeline of prospective customers to target

Define your market. Be specific—this will make it easier to find the prospects that fit your ideal customer profile.

Find the right targets. To find the right leads (defined here as Marketing Qualified Leads, or MQLs), you should focus on industries, specific companies, and then potential decision makers within those companies.

Example: The CTO or VP of Engineering at companies in the USA that have 100-500 employees and at least 10 outsourced software developers.

Source contact info. You're looking for things like email, LinkedIn, and phone number. Use tools like the company's website, Clearbit, LinkedIn, and Rapportive.



QUALIFICATION STAGE

SSO: Determine if this prospect is a qualified opportunity by having one or more phone calls. Often, you will get 75 percent of what you need to learn the first time around but may have some follow-up questions on the next call.

Run a successful discovery call. Identify all of your prospect's pain points using the CONSULT method (see pp. 16–19).

Schedule next steps. Before you hang up, agree on and schedule concrete next steps.



DEMO STAGE

SSO: Demonstrate your solution to all decision makers and confirm their interest.

Focus on pains and needs. Your demo should emphasize the needs you uncovered during the qualification process. Don't oversell or focus on pieces of your product that aren't interesting to the prospect.

Develop a demo deck. Keep it simple and brief, and make the demo interactive. Remember, this is a time to drive home your value prop and show off your product, but it's also a time to fill in the gaps on info you may have missed during qualification. The deck should facilitate that.

Handle any objections. A key part of preparing to handle objections is knowing what to expect. See more on this in the section on objection handling (pp. 30–33).

Ask for the business. You should continue to (soft) close throughout the sales process by asking questions like “Based on this demo, do you think this will be a good fit for your team?” or “Do you think this will solve some of the challenges you are having with X?”



PROPOSAL STAGE

SSO: Find and reach the win-win.

Prepare. Determine your dealbreakers, the things you can be flexible on, and other key details. Do the same for your prospect.

Hash things out in person or by phone. You never want to do a negotiation over email, because you'll never reach the understanding needed for a win-win that way.

Move to close. Try to create compelling events to drive the other side to close.



NEGOTIATION STAGE

SSO: Get the contract signed.

Present the proposal. Get the prospect to verbally agree that your solution will work.

Finalize. Get the contract signed and collect payment.



If you need help building out a great prospect list or cleaning up your existing database, email team@entrepidpartners.com

If you're a B2B SaaS company, chances are you already have some version of a sales process. If there are some unique aspects to your business, they should be reflected in your process. For example, if you deliver a SaaS solution for schools, and you have to do an onsite technology review to understand whether the customer has the infrastructure to work with your solution, you might want to add that step to the process.

WORKSHOP: DEFINE YOUR SALES PROCESS.

Now that you understand what a sales process is and why it's important, define and record yours. Include the major categories and specific activities under each category. Be as specific as possible.

In the next section, we'll show you how to execute on a sales process, starting with preparing for the various sales calls.



Common mistakes made by salespeople and founders

- Thinking their goal is to close a prospect on the first call
- Giving a full demo and presenting pricing on the first call
- Not defining their sales process (even if the early sales process is pretty basic)
- Not determining criteria for prospects to move to the next step in the sales process
- Prematurely trying to shorten the sales process
- Not preparing for each stage of the process before each call
- Not asking a closing question to gauge interest and likelihood of closing
- Sending pricing via email rather than discussing it live
- Failing to set clear next steps
- Not practicing using your conferencing/screen share tool. Nothing is worse than fumbling and looking like a joke before you even start.



“By failing to prepare, you are preparing to fail.”

-Benjamin Franklin

Call types and preparation

Now that you’ve outlined your sales process, you can actually start executing on it.

A key component to the entire sales process is running a successful call/meeting, which includes the most important step in the process, qualification. We’ll unpack the various types of calls (and how to run them successfully) in this section. Preparation prior to all calls with customers is an absolute must.

THE CALL PLAN

In order to properly plan for any type of call, it’s important to set clear goals, understand likely outcomes, and prepare for how to pull it all together. A good general rule is that for an hour-long call, you must do at least an hour of preparation. The best salespeople always prepare. Period.

TYPES OF CALLS

Each stage of your sales process will likely merit its own call. While each of these calls is different in content and approach, it’s equally important to prepare for all of them. In the

next pages, we'll go over pre-call, call, and post-call details for each of the following types of calls:

- Qualification
- Pitch/Demo
- Pricing
- Negotiation

THE QUALIFICATION CALL

If you've read anything about B2B sales, you've probably heard of the concept of qualification, or discovery.

In its simplest form, sales qualification is the act of understanding the customer's needs based on a series of criteria to determine whether a lead is a good fit for your product or service. Typically, you'll have a qualification call with a potential prospect, where you'll ask a series of questions to better understand their company, challenges, goals, decision-making process and timelines.

Sales qualification is the most important part of the sales process. There are several reasons for this:

- It's your opportunity to understand the customer's needs and ask any questions
- Qualification makes it clear whether the potential prospect is a good fit for your product
- Great qualification lets you spend time on opportunities with the highest likelihood of closing
- Effective qualification gives you the guidance you need to relevantly position your product

Most salespeople are not great at qualifying, and most founders are awful at it. All too often, people approach qualifying as a shoot-from-the-hip, pleasant conversation rather than the process that it should be. Or they treat this element of the sales process as an annoying step that they rush through to get to their pitch.

The fact is that most salespeople don't use a framework or methodology to qualify, they don't approach each call in a uniform way, they don't prepare before the call, they don't ask elegant open-ended questions, they don't focus on listening to the customer, and they don't drill down on topics or process that could really help them position their product. A rushed

qualification process leads salespeople to prematurely consider deals qualified that are not. This approach wastes both time and money.

But you set the standards for the way your prospect interacts with you from your very first touchpoint: the qualification call. Reps who prepare for the call, send out agendas prior to the meeting, have clear goals, and determine concrete next steps on the call make it clear that they are running the call.

To run the process from the very beginning, you need to be extremely organized, knowledgeable, and direct. Anyone can do it with the right preparation. This section gives you the framework you need. (Note that this qualification section has the most detail about how to structure and prepare for its call, because it's the most important. You can always feel free to borrow from this structure when planning for other types of calls and stages, too.)

We'll break the qualification call down into its three key components:

- Pre-call
- Call
- Post-call

“ **Preparation prior to all calls with customers is an absolute must.**

QUALIFICATION: PRE-CALL

First, make a call plan. The call plan should include background info, key learnings from research, questions you are going to ask, questions the customer may ask, things that must be known, and unknowns that could derail the sale. Specifically, think about the following:

- **Call goal:** What is your single sales objective (SSO) for this call?
- **Outcomes:** Best, worst, and most likely outcome from the call
- **Background:** How the lead came in, company info, current situation
 - What type of company are they?
 - How many employees do they have?

- How much money have they raised?
 - Have they signed up for or used the product?
 - Are there any ongoing discussions with them?
 - What use cases are they interested in?
 - Who will be on the call? What are their roles?
 - Do you have connections to any of them?
 - What potential red flags may come up?
 - Examples: What if the customer says they are moving forward with a competitor? What if they say they now only have five minutes to talk?
- **Questions:** Outline your questions, using the CONSULT method (see pp. 16-19)
 - **Closing question:** What will your closing question be? It's important to plan an elegant way to determine whether the customer is interested.
 - **Next steps:** What next steps do you need to propose to accomplish your SSO?

Agenda and confirmation email: Create an agenda for the call and send it to the customer the day before the call. Ask “Is there anything else you would like to add?” The reason we do this is to confirm the call and prepare for any specific topics that are interesting to the customer.

As we've said, prep for the call should be the same length as the call itself: 30-minute call, 30-minute prep.

In the following inset, to help you prepare for the qual call itself, we'll go into more detail on the qualification process by introducing our preferred method, CONSULT™.



CONSULT method for qualifying

An approach that guides early-stage startup founders and sales professionals through initial conversations and to game-changing deals.

If you Google sales qualification methods, you find several, including:

- **BANT:** Budget, Authority, Need, and Timeline
- **MEDDIC:** Metrics, Economic Buyer, Decision Criteria, Decision Process, Identify Pain, & Champion

We don't recommend these approaches for early-stage startups. Legacy qualification methods like these tend to be either outdated or more focused on sales organizations with mature products.

That's why we developed our own methodology called CONSULT. The Entrepid CONSULT method addresses the need for an approach that guides early-stage startup founders and sales professionals through initial conversations and to game-changing deals. Every conversation is an opportunity to learn.

Essentially, the CONSULT method breaks down the qualification stage into its seven main elements:

C: Current process

O: Ongoing challenges & pain

N: Needs & product requirements

S: Success criteria

U: Understand evaluation process

L: Leadership involved: decision makers

T: Timelines & priority

It's also important to ask questions the right way. The fact is that people struggle to ask their customers elegant questions to get the information they need to qualify and understand where the deal stands. All too often, the questions are not open-ended. Even worse, they come across as self-serving rather than consultative. But an elegantly phrased, open-ended question during the qualification call can make all the difference in pushing the deal forward.



Every conversation is an opportunity to learn.

Here's how to put the CONSULT method into practice:



CURRENT PROCESS

Understand what your prospect's current process and current workflow are. Start the conversation with open-ended questions.

- How are you currently doing [X]?
- Can you please tell me about your current process?
- How does your team run weekly reports?
- What is working well with this process?
- What would you like to see improved?

O

ONGOING CHALLENGES & PAIN

Determine what challenges the prospect is seeing with their current process or product. No pain = no sale. Once you identify the challenges, you can start to shift the conversation to how your product or service can help solve them.

- What are some of the challenges with your current process or way of doing things?
- If you could improve certain areas of the process what would you do?
- Are these challenges business-critical?

N

NEEDS & PRODUCT REQUIREMENTS

Once you've identified the prospect's pain points, you'll want to understand what is important to them in evaluating solutions. Don't be afraid to ask!

- What is important to you with an [X solution]?
- What criteria are you using to evaluate solutions?
- What would the perfect solution look like?
- As you think about solving these challenges what are the key requirements that you need?

S

SUCCESS CRITERIA

The goal here is to understand what success looks like to the customer. Think about it from your buyer's perspective: What is the goal for them? Is it to reduce workload on a support team, improve uptime and stability of servers, achieve a certain business metric, or something else?

- How will you define success for this project?
- If you fast-forward to after you have implemented a solution, what does success look like?
- What is the end goal for this project?
- What metrics will you review to determine if a product will work for you?

U

UNDERSTAND EVALUATION PROCESS

How will the customer evaluate your solution and where is the money coming from?

- Tell me about the evaluation process that you will run for [X].
- How does your organization or department buy software?
- Has your organization bought [X] solutions before?
- If you were to move forward with [X], what are the steps to go from where we are today to a successful integration?

L

LEADERSHIP INVOLVED: DECISION MAKERS

Find out which people are involved in making the decision on the product or solution.

- Who will be involved in this evaluation?
- Are there any other people we should include in ongoing discussions who will be involved in the process?
- Who else will be using the product?
- Who will be signing off on this purchase?

T

TIMELINES & PRIORITY

The goal here is to determine by when the customer wants to make the decision and how much of a priority it is for the business. Remember: Interest does not imply urgency.

- When would you like to make a decision by?
- Is this a priority for the organization? When would you like to be live with the solution?
- Why is this a priority for the business now?

Workshop: Develop your own elegant questions. Start a running list of questions to have at your disposal, organized by category. You should consistently add to this list as you continue to refine your sales process.

QUALIFICATION: THE CALL

Be there five minutes early to ensure you're first on the line. During the discovery call, it's important that you get the customer excited about your product or service and lay the groundwork for the pitch. As the customer is explaining their challenges you might say, *"That is something we see a lot of our customers struggle with, and our product has been able to improve by [X]."* But remember: The goal is for you to learn about the customer's pains and qualify them. You want to get the customer to commit to the next step in the process, because that's where you ACTUALLY sell!

Follow the call plan and agenda you established in your preparation. Here's an example script showing how to break down the call itself into simple steps.



The goal is for you to learn about the customer's pains and qualify them.

GREETINGS, THANK YOU, AND TIME CHECK

Hello! Thank you for taking the time to join me today. I want to make sure I am respectful of your time, so do we still have an hour?

INTRODUCTIONS

Build credibility by mentioning your credentials or expertise in your bio, if you can. Be sure every participant on the call introduces themselves. It's not uncommon for founders or early sales hires to introduce themselves without getting intros from the customer; this is a mistake.

It would be great if we could go around and introduce ourselves. I'll start. My name is John and I am [role] at [company].

AGENDA OVERVIEW

Depending on how the lead came in, you may need to include a quick 15-second overview of the product.

What I thought we could do today is [run through agenda]. Does that sound good? Is there anything else you would like to make sure we address?

THE MEAT OF THE CALL

This is where you'll discuss your agenda items. On a discovery call, you begin to learn more about the prospect and qualify the customer using the CONSULT method. You should have a plan of the questions you want to ask, but it's important to make sure the call still flows and is conversational. After you get through those, you'll want to craft a pitch that is relevant to the customer's pain points. You can read more about this in "Crafting the solution: The pitch" on p. 25.

QUESTIONS/CONCERNS

It is important to keep your calls interactive but on track. Be sure to make sure the customer is engaged throughout the conversation by checking in and asking if there are any questions or concerns.

What questions do you have about [X]? What are your concerns with [Y]?

ASK FOR THE BUSINESS

You've all heard it: Always be closing. On every call and at every interaction, you should be softly closing the customer. There are only three possible responses: yes, no, or maybe. This answer should help you determine next steps.

Do you think this solution will be a good fit for your team?

NEXT STEPS AND THANK YOU

Great reps determine the next steps and don't push this responsibility off on the customer. Always schedule next steps on the call. Do not wait to find a time via email. Every product is different, but some example next steps include another qualification call with other players, demo, technical call, or site visit.

You can also help guide the next steps by providing options.

Most customers typically either want to have a technical discussion with their engineering team or see a live demo. Would one of those make sense as a next step?

Then confirm action items and next steps with the prospect.

QUALIFICATION: POST-CALL

The post-call period is just as important as the call itself. After every call:

- Email a follow up with summary and next steps
- Complete any follow-up action items you agreed upon
- Update CRM



Want help with your qualification questions?
Reach out to team@entrepidpartners.com

Putting it into practice: Qualification call plan and checklist

Here's a simple checklist that summarizes the elements of the qualification call we just went over in detail. Use this list or make your own call plan and keep track of actionable items.

Single Sales Objective: What is the single goal for this call?

PRE-CALL BACKGROUND

- Who are we talking to (names, titles)?
- Where is the team located?
- How many locations do they have?
- How many employees?
- Company revenue?
- How did they hear about the company?
(lead source)

☐ Did you confirm the call time and attendees?

☐ Did you set the agenda and send it out?

THE CALL

- Agenda
- Intros
- Qualify using the CONSULT method

C: Current process

O: Ongoing challenges & pain

N: Needs & product requirements

S: Success criteria

U: Understanding of the evaluation process

L: Leadership involved: decision makers

T: Timelines & priority

- Questions/concerns
- Ask for the business
- Next steps and thank yous

☐ Did you ask your closing question?

☐ Did you set next steps? Is everyone clear on them?

POST-CALL

☐ Did you follow up with a summary and next steps the same day of the call?

RED FLAGS

Did you identify any red flags? Examples of red flags include:

- Only one point of contact in the organization
- No sense of urgency
- No discussion of pricing
- Competitors are low-cost/free solutions
- Team is using outsourced developers for the project

Workshop: Create your own call plan. Using our sample qualification questions and call plan template, develop your own call plan for each call that's important to your process. Remember to customize your plan for each call you schedule.



Crafting the solution: The pitch

The objective of the demo or pitch is to get buy-in and move the prospect to the next stage of the sales process.

After a great discovery call, you'll have collected a ton of information about the customer. Once you deeply understand the customer's process, challenges, and goals based on the CONSULT method, then you can actually craft your pitch and propose your solution in a way that ties into the customer's pain points. You should take the information you gather and customize your pitch or demo to show the relevant features for them.

The objective of the demo or pitch is to get buy-in and move the prospect to the next stage of the sales process. They have to show interest and willingness to move forward. Once this happens, it is time to wrap up, set next steps, and get off the call.

The following pages include a simple framework and guide to running a successful pitch or demo call.

DEMO: PRE-CALL

AGENDA AND CONFIRMATION

Send out the agenda and confirmation for the call. Be sure to ask if there is anything else the prospect would like to discuss that is not currently on the agenda.

Sample agenda email:

Alice -

I'm looking forward to the call on Monday. Does 3 pm still work for you?

In terms of an agenda, I would like to cover:

- 1. Intros*
- 2. Overview of ACME*
- 3. Key differentiators*
- 4. Live demo*
- 5. Questions and next steps*

Is there anything specific that you would like to cover on the call that's not covered here?

Best,

Tyler

THE DECK

If it is possible to demo the product, your deck should be telling the story and setting up the demo. If you can't properly demo the product (API company, for example) then you need to tell more stories. If you are using slides, be sure to customize them for your prospect. Be sure that the slides address the customer's needs, use the customer's name, and incorporate any relevant screenshots. You will be surprised how far this can go with a prospect.

DEMO: THE CALL

As always, arrive to the screenshare five minutes early and make sure everything works. And like your other calls, start by running through **Greetings → Kickoff → Time check → Introductions → Agenda.**

DEMO/PITCH

This is the meat of the call.

- Before diving into the show and tell, recap the conversations you've already had and summarize the findings in a few sentences. Confirm that this sounds right. Last, explain that you will demo how your product can solve each of those points.
- Go through the slides or live demo per the needs of the customer.
- After each section or solution for the customer be sure to check in with the customer. Do verbal checks like, *Does this make sense to everyone?* You want to keep the demo conversational so you aren't talking the entire time. Mixing in additional qualification questions and asking whether this makes sense is a good way to break up your presentation.

SOFT CLOSE

After the demo or pitch, soft close the customer:

Based on what you saw today, do you think this product will be a good solution for your company?

There are three possible answers: yes, no, or maybe. If the prospect says no, have them clarify why. If the prospect says maybe, ask what their major concerns are. If they say yes, set next steps and move forward.



You want to keep the demo conversational so you aren't talking the entire time.

NEXT STEPS

Always set next steps per the sales process during the meeting or call. Don't look for the prospect to come up with next steps.

ACTION ITEMS

If there are any follow-ups, confirm them with the customer.

DEMO: POST-CALL

- Clean up and move all notes to your CRM
- Send a follow-up email to the customer confirming action items and next steps the same day!
- Complete all action items

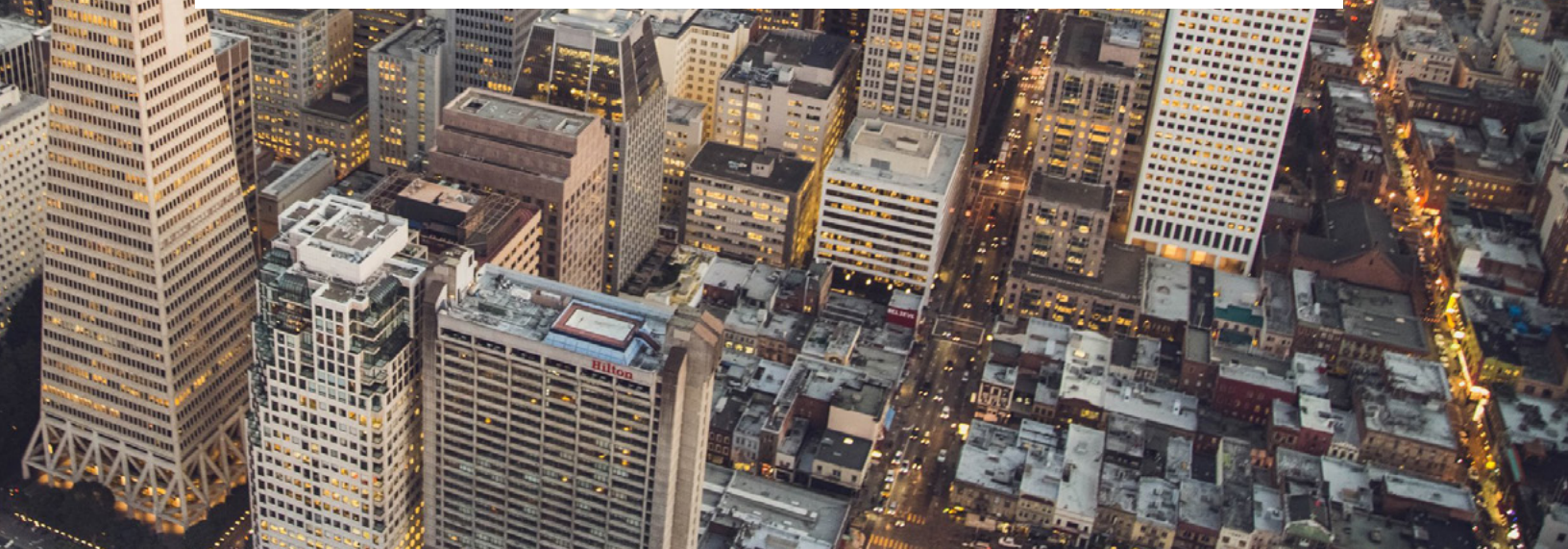
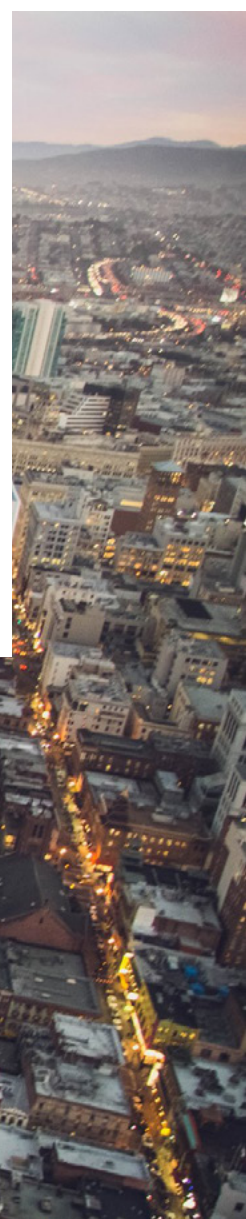
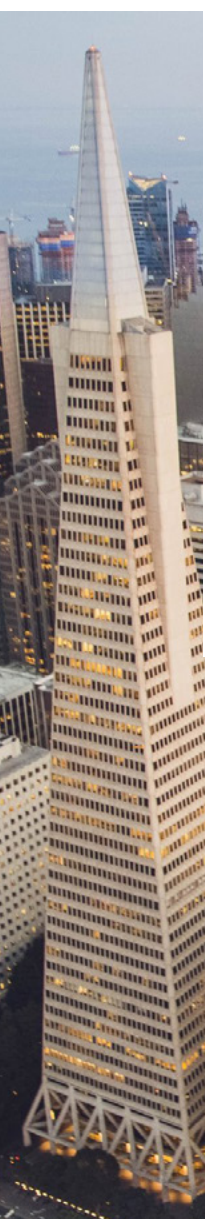
Rules to live by

DON'T SHOW UP AND THROW UP

The goal is not to showcase everything your product can do—only the things that are important to the particular client. Often, founders feel that if they don't show the prospect everything, they aren't giving a “complete” demo. We get that, but this isn't the case, and it's actually less strategic. If you find yourself “showing up and throwing up” on the prospect, it's a signal that you don't know what is important to your prospect, and you need to spend more time on the CONSULT method.

DON'T OVERSELL

Often, founders and sales people get so excited when a prospect shows interest that they start sharing more—about the product, features, customers, investors, etc. This is what we call overselling, and it is very dangerous. A positive call can quickly turn sour if you say something they don't like: “Oh I didn't know your product can't do [X]. That is a deal breaker, sorry” or “ACME Inc. is one of your customers? Wow, they are our biggest competitor. This worries me and I don't think we can move forward.” Don't shoot yourself in the foot.



Handling objections



We have found that most founders and salespeople dread objections.

Now that you have a good understanding of the process of running great qualifying and demo calls, it's important to consider objection handling. We have found that most founders and salespeople dread objections.

However, at Entrepid, we think objections are great for a few reasons:

- They show engagement from the customer
- They hint at the customer's concerns—and where the deal might go
- They show what's important to each decision maker, based on their questions

To become great at handling any objection, think about doing it in five steps:

- Prepare
- Listen
- Clarify
- Respond
- Confirm

The following objection-handling framework goes over each of these steps in more detail.

1

PREPARE

Great objection handling begins with great preparation. It is important that you anticipate objections and role play how you will talk through them. Far too often, reps are responding to a particular objection for the first time on a real customer call. We have found it's better to be over-than underprepared.

2

LISTEN

This might seem extremely obvious, but it is not as easy as it sounds. Customers are going to bring up questions and objections. Be sure to listen to the entire objection. REALLY listen! Don't just think about how you plan to respond.

3

CLARIFY

You need to be clear on exactly what the objection is; don't assume you understand the objection. To do this, be sure to ask a clarifying question of your own. This is helpful not just to better understand, but also to buy you some time on your response.

4

RESPOND

Once you fully understand the objection, then you can respond. Ideally your preparation is so good that you already have a comfortable, thought-out response. If this is an objection you are answering for the first time, be sure to think it through. One important thing to note: If you don't know the answer, or just aren't sure how to respond, just say you don't know and tell the customer that you'll follow up. Don't make something up in order to respond. Plus, this gives you an added touchpoint with the customer when you follow up.

5

CONFIRM

Be sure to confirm that your response satisfies the customer's objection or question. If they are not satisfied, propose a next step such as a call with an engineer, a case study, or a separate meeting with the individual to dive in further.

COMMON OBJECTIONS TO EXPECT

A key part of preparing to handle objections is knowing what to expect. While objections will be particular to your product and industry, here are a few perennial favorites on price, priority, product/feature, and company and how to approach them.

Objection: Your price is too high

Clarify: *What is it about the price that seems high to you?*

Prospect's answer: [X]

Sample response: *Understood. Based on our initial discussions, your team expressed challenges with [products] that results in [negative issues]. Our product solves these issues, allowing your team to achieve [solution]. If you determine that this is the right product for your team, we will figure out a way to make the economics work. Other than price, is the product a good solution for you and your team?*

Alternative technique: You may also find it helpful to anchor the price to something higher priced. For example, one of our Entrepid clients was able to increase their prices five-fold by anchoring the price to the cost of a full-time engineer. When customers began to think of the product replacing an employee, they can justify paying a much higher price.

Note: It's important to acknowledge what you're hearing from the customer, but remember: No matter what they say here, your goal is to remind the customer why they are buying your product.

Objection: Lacking a feature

Clarify: *What are you looking to achieve with [product feature]? What's more important: [X feature] or the [Y features] you mentioned earlier?*

Prospect's answer: [X]

Sample response: *While we don't have that specific feature, we approach the problem by doing [XYZ], so I think our product can deliver what you're looking for.*

Objection: Worried about the stability of your company

Clarify: *What are your concerns with working with us? Have you worked with startups in the past? What was that experience like for you?*

Prospect's answer: [X]

Sample response: *I can assure you that we're going to be around for a while. We're building our business for the long term, and we also recently raised [X money]. That said, we have business continuity plans in place, and in any scenario, we'd ensure that customers like you are taken care of.*

Objection: Concerned about security

Clarify: *What aspect of security is concerning to you?*

Prospect's answer: [X]

Sample response: *We take security extremely seriously, and we use AES 256-bit encryption for all data and perform routine audits. Happy to share the results of our latest pen test, compliance binder, and security audit.*

Objection: Not a priority or don't have budget

Clarify: *Whose budget would this project be funded by?*

Prospect's answer: [X]

Sample response: *Based on our initial discussions, your team shared that [ABC] were high priorities this quarter. Our product makes [ABC] achievable. Are those no longer the priorities for the team?*

Workshop: Prepare your objection list. List all the objections your prospects have brought up. How did you respond? How would you respond now? What outcome are you looking for? Keep adding to this as you hear new objections and gather more reactions.



Delivering pricing proposals

Founders and early sales people often struggle when it comes time to deliver pricing.

There is a visceral reaction when a prospect asks about price: Many people discount immediately, justify their price before the customer reacts, or—even worse—send price in an email to avoid the entire interaction.

These reactions are completely natural, but the best salespeople don't fall into these traps. They believe in the value of their product because they have pinpointed the challenges the prospect has and know that their solution can solve them. These salespeople spend time preparing their strategy to make sure they deliver the price confidently and succinctly. This allows them to start at list price and gauge the customer's reaction while reinforcing the value proposition of the product.

HOW TO APPROACH PRICING DELIVERY

Here are a few simple tips for delivering the pricing proposal.

Prepare: Make sure you have thought out your price-delivery strategy.

Think about timing: Deliver the price at the right time. Not all customers get the privilege of hearing the pricing. If they have expressed interest in moving forward and there is a fit, then they earn the pricing proposal.

Discuss in person or by phone: You have to be able to listen to the customer to gauge their reaction and walk them through it, which means you have to deliver price in person or over the phone. You'll also want to have all the decision makers/team there for this discussion, and be sure to ask if the proposed price is in line with budget and expectations. Always avoid sending price via email. That often leads the customer to go dark—and who knows what they're really thinking.

Anchor first: Guide the prospect to a range (not an exact number) and provide the rationale. For example: *We typically see the cost ranging between 50 and 70 percent of the cost of a full-time Q&A employee, depending on the support, uptime, and implementation options you end up choosing.*

Start high: Most B2B prospects will negotiate. You are providing the opening bid, so start at your list price. If your goal is to close the deal for \$25K, propose \$50K+ to start.

Outline the benefits: Most customers will push back on price, so prepare for it. Qualify what they are concerned with and be sure to reiterate the value of your product. The best way to respond to objections is by outlining benefits.

Set clear next steps: If the customer pushes back, be sure to listen to their concerns, confirm their interest in the product, and tell them you want some time to work on the price. Show the customer that you are going to do some work to get them a better deal.

Pricing pro tip: If customers ask about pricing too early in the process, the best practice is to give a range of prices or explain the framework of how your pricing works. For example, “We have customers paying \$4k/month to \$20k/month, depending on what features and integration options they choose.” Or “We charge a standard integration fee, and then a per-user fee of \$10-\$20 per user per month, charged annually.”

PUTTING IT INTO PRACTICE: PRICING CALL FRAMEWORK

Here’s a brief framework for how to run a pricing call.

PRE-CALL

- Send agenda the day before
- Make a call plan

CALL

- Welcome the customer and thank them
- Recap what you know about their pain points, the process, challenges, and how your product will fix these issues
- Deliver pricing: Be confident and direct and go high. Not only does this anchor the customer, but it also lets the customer get a win by negotiating you down.
- Qualify: Fully understand the customer’s thoughts and concerns. Ask What are your thoughts on the pricing?
- Reiterate the value
- Confirm interest: Based on this, is this something you are ready to move forward with?
- Set clear next steps: Show that you are going to fight for them

POST-CALL

- Clean up and move all notes to your CRM
- Send a follow-up email to the customer confirming action items and next steps the same day!
- Complete all action items



Reaching a deal

Get a deal done and approach these conversations confidently.

We could write an entire guide (or book) on negotiation. So for now, we're going to leave you with the framework for our approach. While negotiation can include many terms, from pricing to the contract itself, we want to give you a framework you can apply to any of these scenarios. In this section, we'll arm you with the basics you need to get a deal done and approach these conversations confidently. Because remember: Your goal here is to reach an agreement.

IMPORTANT PRINCIPLES

Prepare. If you don't know what the best-case scenario looks like, it is really hard to optimize for it. What's more, if salespeople don't know what they want, they definitely don't fully understand what their prospect wants. Preparation is key.

Give and receive. Show the customer you are motivated to make pricing work and that you want to earn their business. At the same time, don't give something away without getting something in return.

Be patient. Negotiations frequently take longer than expected, but a great negotiator knows to be patient in establishing a strong back-and-forth. You want the customer to feel like they negotiated a great deal.

Be decisive. Obviously the goal of any negotiation is to find a deal that meets both parties' needs, but sometimes it just doesn't work that way. You have to know when to walk away. If not, you risk feeling like the prospect stole from you—not a great way to kick off a long-lasting relationship.

Always confirm the business. For any negotiation to be successful, you need to know where you stand. Don't be surprised late in the game, so do this multiple times.

WHAT TO PREPARE

If you take away any lesson from How to Sell, we hope that it's that you have to prepare for every stage of the process. Negotiating is no different. Specifically, here's what you need to prep and understand:

- What your contract says and means: Determine which terms are negotiable and which are not.
- What matters to you in the deal: Is it revenue? Terms? Landing their logo?
- What matters to your customer: Recall your findings from the CONSULT process, and remember, it's not just money. What does a win look like for a customer? What is most important to them?
- The price you want to achieve and the price you can't go below: Think about pricing. What price did you deliver? What is your walk-away price? Prepare for each scenario: accepted price, anticipated negotiation, and walk-away.
- What your elegant negotiables are: Many people think negotiation is all about price, but in reality, this is just a small part. Too many founders don't properly value other items they can negotiate. We call these elegant negotiables. You can find examples of these on the following page.

“ Many people think negotiation is all about price, but in reality, that is just a small part. ”

ELEGANT NEGOTIABLES

- Agree to use the customer's logo on your website
- Agree to participate in a case study
- Agree to act as a reference to three future potential customers
- Agree to make certain introductions
- Allow the customer a free opt-out within 90 days
- Allow the customer to get the first-year-contract price for a 15-month term

At the end of the day, by preparing, you should be able to predict the possible paths the negotiation will take and how you'll respond. This leads to better outcomes. If you understand where the sticky points are, where you are, and what you're aiming for, you'll be in a better position to find mutual agreement. Know where you're aiming and when you have to walk away, because if it's in between, you're in a good spot.



Beyond this guide

In our experience, many early sales efforts don't work because they don't focus enough on defining the sales process, running proper calls, and running a great qualification process. That's what this guide is designed to teach you to do. We created this guide to arm you with the information you'll need to establish a strong sales process and close your first customers. Remember: The sales process makes your efforts repeatable, and ensures that you focus on the right opportunities. Similarly, using a structured approach when running calls and qualifying deals with the CONSULT method enables you to really run a deal and always know where you stand. We've worked with hundreds of early sales hires and founders, and know that this is the best (and often only) approach to create predictable revenue.



Have specific sales or go-to-market questions for your business?

Reach out to team@entrepidpartners.com

