

Cheat Sheet: How to Build a World Class Win/Loss Program

Develop and maintain a world-class Win/Loss program:

I. Twelve Steps to Create a Win/Loss Program
II. Seven Issues You Must Consider in Win/Loss Program Execution

Definition: Win/Loss analysis is the process of interviewing your customers (wins) and prospects (losses) to find out why they chose to do business with you or a competitor, and how they arrived at their buying decision. It's a great source of customer intelligence, competitive intelligence and company self-knowledge. You interview your customers and prospects soon after the buying decision has been made, and then analyze what they share.

I. The Twelve Steps to Create a Win/Loss Program

Win/Loss analysis is customized research in that every company does it a little differently. However, these 12 steps are a great framework to help you develop and implement your Win/Loss program. These are discussed in great detail in the **Win/Loss Analysis** book.



1. What is your goal in Win/Loss analysis?

What do you plan to accomplish from your Win/Loss program? Some companies query every account above a certain revenue size since they consider this business to be strategic. Others focus on win-backs and surprise losses. Another way to think about this is where are your biggest blind spots? Where do you want to grow your business?

2. Which Accounts?

Once you decide on your goals for conducting Win/Loss, identify the companies that you want to interview. Interview customers soon after your (or your competitor's) product or service is installed, so they will remember what led them to select you or another service provider. You'll want to interview both wins and losses since both share valuable information.

3. Company Culture: Yours and Theirs

Accurately assess your company's culture to learn how best to design the program and how the Win/Loss information will be used. Specifically, will Sales be supportive or an obstacle to implementing a Win/Loss program? How will you communicate the benefits of a Win/Loss program to Sales? Win/Loss is to win and retain more business, not to critique sales people.

Assess your customer's culture and your industry in light of Win/Loss interviews. Remember culture also varies by their geographic location. You are competing for their time in their busy work schedule. How and when will you inform customers and prospects that you are conducting Win/Loss interviews?

4. Create Questions

Invest the time to prepare your questions thoughtfully. Recognize the common areas to track in your industry. Yet your company's goals and needs are unique.

Prepare a blend of open and closed ended questions. Closed ended questions allow you to compare answers to questions you can ask everyone easily, and allow you to quantify the results. Open ended questions give your customers the opportunity to tell you why they decided on you or a competitor in as much detail as they are willing to share.

Decision-making can be complex, and there is so much more than your sales force's professionalism, communication, customer service and product features at play. Since 80% of the buying decision is make before your customer contacts Sales, you need to evaluate how you are represented digitally, in-print and at public functions such as trade shows.

5. Connect with Sales

Before interviewing your customers and prospects, you need to be armed with a few facts about each account: win or loss, who you will interview, their job title, contact information and a brief deal summary.

As a best practice, email the sales rep just before you interview their customer or prospect. This is a cooperative gesture. Sometimes you'll find they're in the midst of engaging their customer for another piece of business, so you'll want to postpone the interview. In more complex deals, you will interview the sales team before interviewing their customers. You will want to learn how they left the deal, and how to motivate sharing from their customer or prospect.

6. Connect with Customers and Prospects

Before you connect with each customer or prospect, study and organize what Sales has shared with you. Supplement this information as needed from company websites or social media to develop a good value proposition for why the customer will want to talk with you. The value proposition will differ for win and loss interviews, and might even be customer specific.

7. Interview Customers and Prospects

People expect you to be informed about them before calling them. Armed with this knowledge, complete the Win/Loss interview in 30 minutes or less. Win/Loss is a relationship business, so be sensitive to the person's time, knowledge, and willingness to share.

8. Tally Results from All Interviews

Write up a summary of each interview within 24 hours of conducting it unless you record them. At the conclusion of each set of interviews review them and observe trends. Are there certain things that jump out, such as a new market for your product?

9. Analyze Findings

Analyze the results of all the interviews and share them in a way that fits your company's culture and technology for communication.

10. Make Recommendations

Make suggestions based on the Win/Loss analysis. Some recommendations can be implemented right away, while others will take more time. Some Win/Loss findings merit further internal discussion and probing to find solutions.

11. Disseminate

Decide who should receive your Win/Loss analysis reports, and in how much detail. Typically, executives, sales, sales management, marketing and product developers have keen interest in this work. Win/Loss analysis contains highly sensitive and proprietary data, so it's important to share it appropriately.

12. Make Changes

Make changes based on what you learn. If you don't, you're wasting time and losing more business. If you don't take action, don't change, and don't assign accountability to an individual or a group to make the changes, then you have wasted all the interviewing and analysis effort. Taking action is what will improve your win and retention rates.

II. Seven Issues in Win/Loss Program Development

Consider these seven issues to fine tune your Win/Loss program:

1. Relationship Business
2. Company Disclosure
3. Compensating Interviewees
4. Recording Interviews
5. Security
6. Industry Specialization versus Interviewing Skill
7. In-House versus Third Party Interviewing

1. Relationship Business

Win/Loss is above all a relationship business. The interviewer needs the ability to connect and build trust almost immediately and be a good listener.

Think about the relationships the interviewer develops during the Win/Loss process:

- Creates the questions and issues for Win/Loss interviews, which requires participation and agreement from company stakeholders.
- Organizes all the contact logistics to get the relevant sales and customer information which requires cooperation from Sales and sales management.
- Emails Sales just before reaching out to interview their customer or former prospect.
- Reaches out to your customers and prospects to set up each interview.
- Conducts the Win/Loss interview at the appointed time with the customer.

2. Company Disclosure

In B2B interviews, it is more professional to identify the company, as often the interviewee will waste precious time guessing who hired you. Some companies prefer to keep their identity hidden and believe that the bias associated with the hiring company will vanish. I am interested in that bias, since it's part of decision-making.

If you don't disclose your company's identity, the value proposition will often be an industry learning value proposition. You may need to offer to share a summary of the results to get interviewee participation. Whereas I have never had a customer or prospect ask me to share the results of the analysis when I disclose the company's identity. There is a level of trust that extends when you disclose your company's identity, which must be earned if you don't.

3. Compensating Interviewees

Learn what the industry practice is for compensation. If in doubt, ask your market research managers if they pay those they interview or engage in focus groups. Or query an industry association.

People are so busy that sweetening the deal with a monetary reward might encourage them to find the time for a Win/Loss interview. If compensated, perhaps they will be less likely to postpone or cancel your interview at the last minute. Perhaps they will feel more obligated to give you good information.

On the other hand, do you want to be buying the relationship? Some companies forbid their employees from receiving any form of compensation, such as all US government employees.

4. Recording Interviews

In complex deals, it's not unusual to hold a company debrief around lessons learned from the won or lost business before interviewing the customer. It's a good practice to record this meeting so all parties can agree on the facts.

Be sensitive when recording interviews with customers and prospects. Find out if this is a common practice in the customer's industry, and what the rules are about recording for where you live. Some interviewees will clam up if they're recorded, while others prefer it so there is total accuracy being shared with the hiring company.

5. Confidentiality and Security

Win/Loss interview summaries and transcripts contain sensitive information. There are several levels of confidentiality in the Win/Loss process:

- Each person you interview
- Sharing interview summaries and transcripts
- Who you share Win/Loss analysis with
- What you share with each audience from Win/Loss analysis
- Storing, sharing, and accessing Win/loss results from a database

In the same vein, consider:

- Will you assure customers and prospects that their identity will remain confidential?
- When you set up digital access to Win/Loss analysis reports and supporting data, who will have access to what level of data?

6. Industry Specialization versus Interviewing Skill

Many companies want the interviewer to have an intimate understanding of their industry, especially technology companies. In my experience, a nitpicky technical feature is not the reason customers decide not to do business with your company. It if is technology, it's usually something major like your system is not compatible with salesforce.com.

It is more important that they are good interviewers who understand business and how business decisions are made. In fact, those who work in several industries are more likely to find blind spots in your business. Good interviewing and listening skills are the number 1 traits for Win/Loss.

7. In-House versus Third Party Interviewing

In-House*:* No one knows your business like you do. While the third party is objective, they may not probe as deeply since they don't know your business as well as you do. However, don't let anyone on the sales team do Win/Loss interviews. Customers do not like to tell them bad news. You want to hear it all.

There is a cost associated with hiring a third party to conduct Win/Loss interviews, and the analysis. If it's done in-house, there is a cost as well, since employees must spend more time with Win/Loss rather than other work.

Third Party*:* Buyers are usually more candid with a third party, who is viewed as neutral and objective. They can often uncover hidden customer satisfaction issues that the customer might be unwilling to share directly with your company, even though they know your company is the recipient of this research.

Sometimes you are too close to the situation to think of the right questions and pose them in the right way which an objective third party offers. Third party interviewers are more apt to ask those questions which will expose your company's blind spots.

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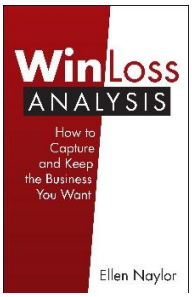

If you read the **Win/Loss Analysis** book, and like it, please consider writing an **Amazon review**.

Thanks!

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