



## **The Second Derivative**

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### **Why Don't They "Get It" – Are They Stupid Or What?**

Have you ever delivered a demo to a prospect that doesn't seem to understand what you are offering them? Have you ever had a prospect say, at the end of a demo, "Um, hmmm, looks interesting; we'll get back to you later..." (and you never hear from them again)?

Have you ever felt like the prospect just didn't "get it" – that they didn't appear to have a clue as to what earth-shattering game-changing breakthrough you'd just shown them? Are they stupid or what?

### **But Things Were Going So Well...**

Here's what often happens: you create a dynamite new offering that will change the world (for the better). You show it in early demos to some like-minded people who get really excited about it – they see the promise implied; they see what amazing solutions it can provide to their companies; they visualize a broad range applications and implementations. They "get it".

Even better, they may buy it – in its early stage of release, with warts, blemishes, future promises and all. They support and nurture your product's initial uses in their companies – and you have your first one or two customers for that product, as a result. Congratulations!

You're so excited, you take your offering on the road (and begin dreaming of sales forecasts that need a log scale to plot...). You expect that nearly every new prospect will be just as visionary as your first few sales.

At the first new prospect you deliver the same presentation and demo you did earlier – but this prospect doesn't get excited. They don't say much of anything, in fact. It is clear that they just don't "get it".

"Well, maybe they're just stupid..." you mutter to yourself, and move on to your next prospect. Unfortunately (and frustratingly), the same thing happens again. And again, with the next prospect. What's happening? Can they all be that clueless?

### **Welcome To the Chasm**

It's time to dust off and re-read that Silicon Valley classic book *Crossing the Chasm* by Geoffrey Moore. Sure, you remember the various categories from the book: Innovators, Early Adopters, Early Majority, Late Majority and Laggards.

It is likely that your first few enthusiastic customers were Innovators or Early Adopters – they love your new technology, your novel application, and they understand what *problems* can be addressed by your offering.

Interesting – and importantly – they understand this even though they were only shown the *solution* your product provides. They make the leap from seeing *solutions* to the underlying *problems* on their own. This is what makes them Innovators and Early Adopters – they “get it”.

The reason you failed to connect with your next wave of prospects is that they are likely Majority people. You’ve presented a *solution* to people who don’t even know they have a *problem*. It is not that they are stupid, they just don’t “get it” – yet...

### **Why Are You Reaching For My Face?**

Have you ever been sharing a meal with a colleague or family member and noted that they had a bit of food stuck near their lips – just hanging there? You watch it (mesmerized...!) for a minute and then often reach out with a napkin to wipe it off their face. You see the problem that they didn’t even realize they have (chunk of cheesecake on their cheek) – and are offering a solution (wiping the offending bit of food away).

It is perfectly obvious to you – but it may be totally unclear to your partner why you are reaching towards their face with a napkin. Their first response will likely be confusion – or even concern! (“What are you *doing* with that napkin...?”)

On the other hand, if you first let them know they have a *problem*, then they will be much more willing to explore a *solution*:

“Bob, you have some cheesecake on your cheek...”

“I do?” Bob wipes with his napkin, but misses....

“Bob, it’s still there – would you like me to wipe it off for you?”

“Yes, please...”

The same situation exists with Majority prospects. They often don’t realize they have a problem, to start with. In many cases, the solution your offering provides solves a problem that they have been living with for years. They assume that life with this problem is simply the *status quo*. They are victims of momentum.

Typical presentations and demos for new products (or from early-stage companies) often *assume* that the prospect knows that they have a problem and that the prospect is interested in solving it. That is the big disconnect. You show a terrific vision of a solution – but your

customer doesn't understand the context. They're thinking, "Why am I watching this? Where is this going?"

How can you possibly show a solution when they don't even know they have a problem?

### **Step Zero: Let Them Know They Have a Problem**

When presenting to Majority prospects, your first step is to let them know they *have* a problem – and help them understand the value of solving it. A terrific way to do this is through the use of informal success stories, often harvested from your interactions with your first few customers.

Here's an example:

Let's say that you have an offering that can find, aggregate and deliver content from any electronic source directly into a web portal, and automatically organize the order of delivery by topic relevance. Further, it can track what a user consumes, including how long a user stays on any particular piece of content and how far each user reviews it.

Sounds like a terrific piece of technology, right? Maybe.... Let's explore what happens when you present the *solution* first vs. presenting the *problem* first:

*Solution First* Approach for Majority Prospects [That worked well for Innovators and Early Adopters] – let's say you are demonstrating your tool to the VP of Sales:

You say, "Look at this great tool... It just collected a pile of content from your corporate intranet and the external internet, organized it, sorted it according to relevance, and then presented it through this web portal. Really cool, huh?"

VP of Sales Prospect says, "But I already use Google... Why would I want another Google-like tool?"

You think, "Clueless clone, you and your company are doomed to a dinosaur demise...!"

*Problem First* Approach for Majority Prospects – again, you are in a conversation with the VP of Sales:

You say, "Let me share how we helped other sales vice presidents achieve their quarterly and annual numbers..."

VP of Sales Prospect says, "I'm interested...!"

You continue, "Other sales VP's told us it was taking far too long to bring new hires up-to-speed. In many cases, it took months for new sales hires to become effective – yet these new hires were carrying the same quota as those who were already up-to-speed. The result

was that these sales VP's were at risk of missing their numbers. How does this compare with your situation?"

VP of Sales Prospect says, "I'm in a very similar situation. We just hired 12 new sales staff and I assume that it'll take months for them to become effective ..."

You say, "Well, the sales VP's we've worked with said that they wanted some way to pull together sales-relevant information – situation and business information, sales tools, product information and internal best sales practices. They said this information was scattered all around the company and outside – it was hard to bring together and even harder to organize in context and present in a logical order."

VP of Sales Prospect says, "That sounds *very* familiar!"

You say, "Well, we provided those capabilities. Now, these sales VP's have reduced new hire training time from months down to a few weeks – and now expect to achieve their quarterly and annual numbers."

VP of Sales Prospect says, "Wow – it would be great to have that... What does it look like?"

You say, "Would you like to see a brief demo to give you an idea of how it could work for you?"

VP of Sales Prospect says, "Yes, please!"

You are now well along your way to securing your first Majority customer – congratulations!

### **And the Moral Is...**

You can't show a *solution* to someone who doesn't perceive they have a problem. Your first step when presenting your new offering to Majority prospects is to help them understand that they *have* a problem – and that the problem is both important and *can* be solved. Informal success stories, harvested from your Early Adopter or Innovator experiences, provide excellent material to draw from.

Make sure your prospects know they *have* a problem (and want to solve it) *before* you offer a solution!

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