

The Diamond Model

Introduction: Turning Sales into a Science

Sales is far from a perfect science. This is obvious in the people who work in the industry, many of whom display the soft skills, creativity, and intangible intuition that define actors, composers, and visual artists. While it's true that one cannot simply plug variables into a formula and close a sale every time, there are some qualities that define virtually all great sales teams, and some facts about the industry that no one can deny.

The purpose of this paper, and a key goal of our business, is to create an intentional, factually supported approach to the mysterious art of sales, lending it objectivity and empiricism where possible, while respecting it as a rapidly changing art that is, above all, based on reaching a human being.

This approach means focusing on reach as much as rapport, and on metrics as much as managing relationships.

The Old Paradigm

The sales business is as old as time, and is fundamentally based on two things: persuasion and adding value. Two of the only professions that have been around longer – hunting and gathering—serve as brilliant metaphors for these two sides of sales.

Persuasion: The Hunter:

The quintessential salesman of yesteryear: a charming traveler who earns commissions based on hustle, creating relationships, and knowing how to connect to people. The hunter *goes out and gets* the sale. She invests time, blood and sweat in the pursuit of leads, meetings, and God willing, closing sales.

Naturally, the hunter's most powerful weapon is the art of persuasion. Interpersonal skills are a necessity if the hunter is to succeed, along with dogged determination in the face of frequent rejection, and persistence in terms of constantly generating new leads and maintaining a steady pipeline of potential clients.

We'll discuss shortly the role of psychology in the hunter's success or failure, and how to apply it to a more modern, complete sales strategy. For now, let's discuss the other side of sales that we know all too well.

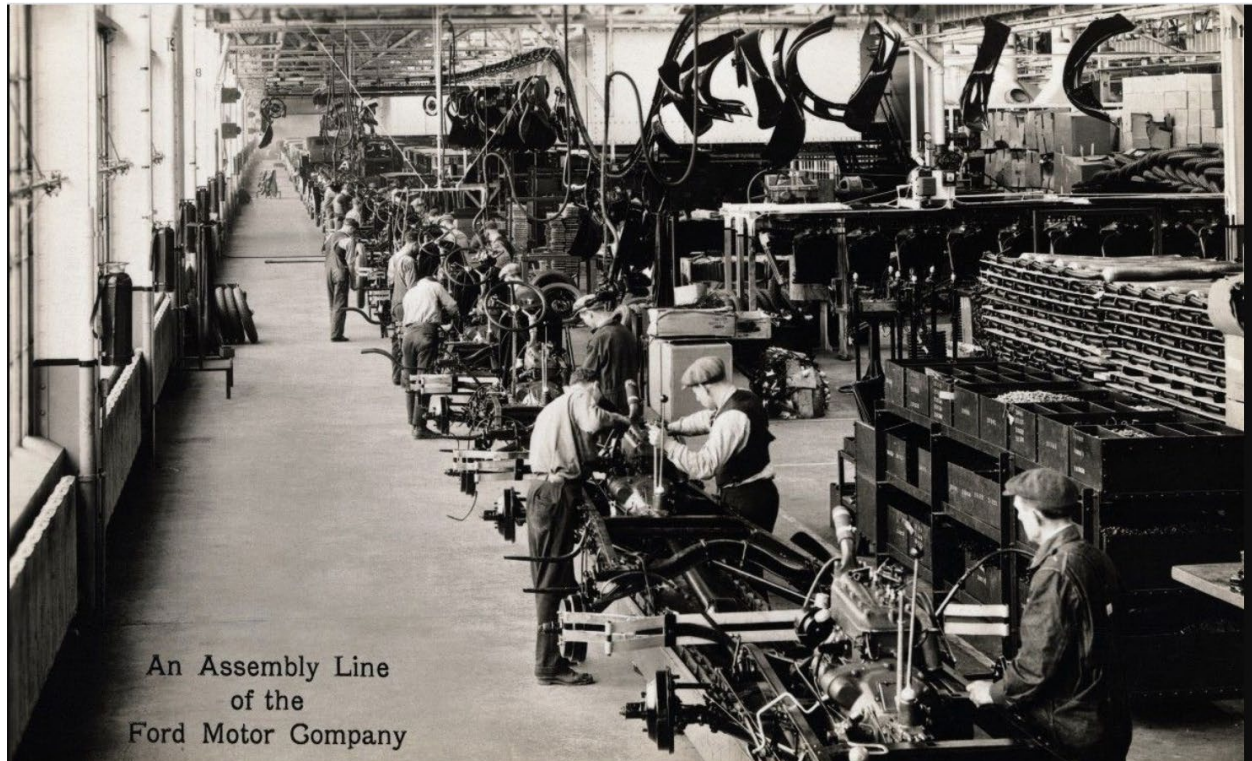
Product: The Gatherer

"This thing sells itself!" This common phrase is music to the ears of a product development team.

Of course, the saying is hyperbole. You can't sell any product without first putting it in front of someone. However, the ultimate revenue driver of any company, especially in the long run, is the product, not the guy selling it. This does not mean that the product has to be the most premium offering, or the first to market, or the cheapest. It means **adding more value than the competition**.

You probably see the metaphor here; The hunter seeks the client, and the client comes to the gatherer. A company with a "gathering" sales strategy focuses on its product. Whereas the hunter approach must

create a need and then fulfill it with the client, the gatherer focuses on a product that fulfills an already existing need.



Ford Drove Sales Through Superior Production, Leading to a Superior Product

A well-known “Gatherer” success story: the early days of Ford Motor Company. Henry Ford, in the successful implementation of the assembly line, reduced the price of the already inexpensive Model T by more than 50%. The car soon dominated the automotive industry, setting the record as the best-selling vehicle until the 1990s.

Successful Companies Have Always Hunted *and* Gathered

Naturally, these two approaches to sales are not mutually exclusive, but complement each other. The greatest companies in history have managed to do both, creating synergy between a valuable product and a sales team that can communicate that value.

Steve Jobs: The Ultimate Hunter-Gatherer

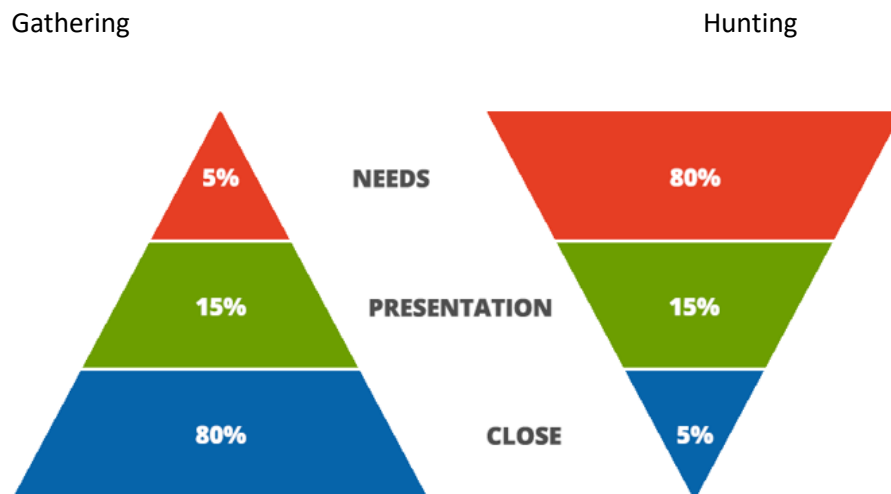
If you live in the United States, there’s a strong chance that some electronic hardware in your home has a once-bitten silver apple stamped on its shiny, attractive panel. This is thanks largely to the genius of Steve Jobs, particularly his ability to design and inspire.

The embodiment of hunting and gathering, Steve Jobs, again and again, convinced people of a need and then fulfilled it with an outstanding product. Jobs brought the personal computer to Americans in huge numbers with the Apple II, a computer whose user-friendly design made the average person finally see the computer as a useful household tool.

Jobs' product presentations, as well as the products he presented, became the yardstick for others to measure themselves by. He changed the entire cell phone industry with the introduction of the iPhone, and virtually all current phones imitate its basic design today. Jobs' genius was in seeing the value that he could add with innovative, attractive products, and properly communicating this value proposition to consumers in a way that excited.

The Diamond Model: Centering Sales on the Presentation

The Old Paradigm

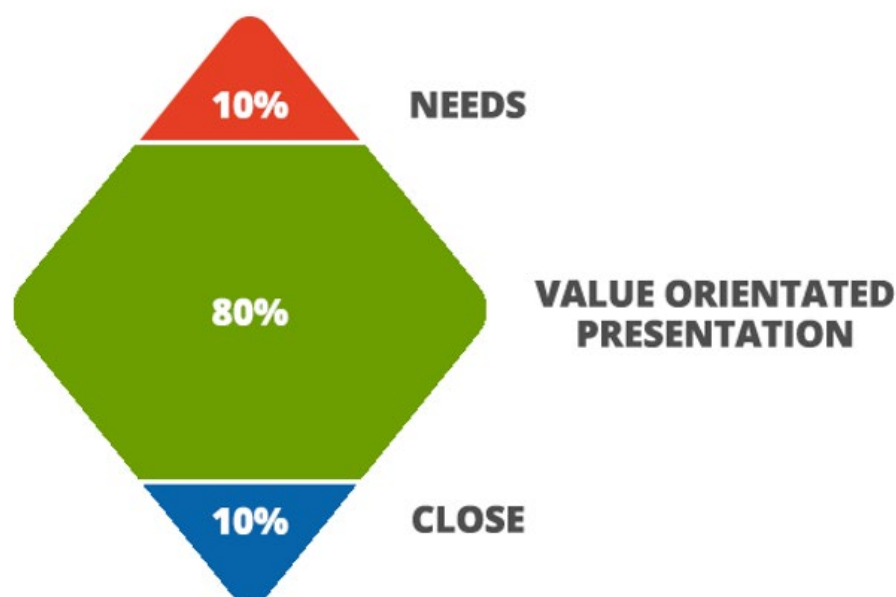


The old sales model generally employed one of two approaches, depending on whether a firm or product was more gathering-centric or hunter-centric. As you can see in the figure above, the gatherer didn't need to devote much attention to establishing a need for a product; in many cases, the client came to the company. Instead, significant time was dedicated to the close: negotiating fair and mutually satisfactory terms and pricing with the client.

The hunter, on the other hand, devotes most of her time to establishing a need. This means finding out exactly what the client needs, or convincing the client of a certain need, in order to fill that need with the product. After a brief presentation, the hunter wants to quickly close the sale.

Both of these approaches have something in common: they don't lend sufficient importance to the presentation. Steve Jobs changed the world, in no small part due to his mastery of the presentation. The Diamond Model is a new approach, based on the understanding that a presentation and a strong product create an unstoppable sales force.

The Diamond Model



The Diamond Model shifts the focus to the one variable that the client can't influence: the presentation. A client can be opaque when establishing need or obstinate when it's time to close, but the success of the presentation lies only on its own merits. During this time, the audience is captive, and the salesperson has the opportunity to construct a narrative, excite, and ideally, to let the product sell itself.

Client interactions are like sailing: a good sailor is important, but ultimately the boat is beholden to the winds of the client's perception, mood, and attitude. The presentation is like an engine, propelled regardless of those winds. It makes sense to focus a sales pitch on the one element completely controlled by the sales team.

Key Principles from Call to Close

The diamond model employs some key principles throughout the sales pipeline:

- **Run your Sales Team like an Assembly Line**
Ford understood the value of the assembly line, and so should you. Stop chasing superstar sales staff that do everything; instead, focus on specialists. The responsibilities of a sales team, from lead generation to presentations to marketing, are extremely varied. Find individuals who can master each craft, not a jack of all of trades.
- **Save Complexity for the boardroom. When it comes to the Client, Keep it SIMPLE**

Your business and the environment you operate in is a complex one. From compliance issues to dealing with financial institutions and problematic payers, there are a million balls that need to be juggled. Your success didn't come from glossing over details.

Here's a secret: your client doesn't care. Whether presenting to your client or speaking for the first time, keep it simple. This relates to a proven concept called cognitive fluency.¹ The fewer knobs and buttons that a client has to think about, the more appealing the product will be.

A car salesman doesn't show the client engine blueprints, he puts her behind the wheel and tells her why it's the car for her. Do yourself the same favor. Stick to the value you add, don't bog down the client.

- **Always Return to the Value You Add**
In all interactions, always communicate this idea: every element of your product and business is designed to add value to your clients. Whether it's setting a presentation appointment or demonstrating the product, make the client understand that with you, life is easy.
- **Always Use Tie-Downs**
We believe very strongly in the power of tie-down statements. We'll discuss this concept more in the Product Demo section, but tie-downs are questions that the client will say yes to, and which help affirm the quality of your product and service. Questions like "Are we clear before we move on?", and "Wouldn't that solve the problem you've been having?", keep the client engaged and continuously endorsing the quality of your product. Clients will shock you with how often they want to be consistent with these statements when it's time to close.

Getting to the Presentation: The Hunt

The hunter and her unique skills still play an important role throughout the Diamond Model, especially when it comes to converting leads. As Gretsky said, you miss 100% of the shots you don't take. Before thinking about the presentation, optimize your lead volume and conversion processes to maximize the number of successful closes!

Leads

Sales begins with an intentional approach to lead generation and conversion, and consists of two concrete actions:

1) Determine your Target

You may be thinking about your target as "companies that aren't cash-only". Ok, that's a nice big addressable market, but the value you can add to a company may vary based on a lot of different variables. Conduct some research to determine what your clients tend to look like, considering factors such as size, location, industry and previous POS provider.

2) Determine Your Lead Source

¹ Schwarz, N. (2004). *Metacognitive Experiences in Consumer Judgement and Decision-Making*. Journal of Consumer Psychology, 332-348.

Once you know your target, figure out how to access it. Determine your lead source and aggressively pursue leads. An appointment specialist, employed full time, needs over 3,000 qualified leads a year to stay busy.

3) Repeat

Like all workflow processes in a business, the answers to these two questions should always be challenged and re-optimized, especially in an industry as dynamic as yours. Return to these two questions periodically, and try new leads sources and markets to see if you can increase your volume and conversion rates.

The Appointment Presentation

The appointment presentation is as important (perhaps more important) than the big event. Getting people interested and committed to attending a presentation is a necessary step in any conversion.

There are five proven principles to keep in mind:

- 1) **Respect Time: Be Brief**
Don't waste your client's time when asking for more of it later. As a taste of how the presentation will feel, be concise and make every minute a reflection of the value you place on both your time and the client's.
- 2) **The First Sentence Must Grab Attention**
Potential clients will snooze or snap to attention based on how you choose your first words. Rather than "Do you have a moment to talk about our POS solutions?", try "Ma'am, we have reason to believe you could cut major recurring expense by XX% with our POS suite"
- 3) **Purpose of the Call**
Be brief, and keep it simple. This relates to the earlier concept we discussed: processing fluency.
- 4) **"10 Minutes"**
Start with a small time commitment. Not only is this easy to say yes to, but research shows that agreeing to a small initial commitment is makes clients far more likely to later agree to a large one.²
- 5) **You Be the Judge**
Make it clear that the purpose of the presentation is to empower the client to see for herself the power of the product you're offering, and the possibilities that come with a relationship with your firm.

The Presentation: An Informed Artform

With presentation scheduled, we move on to ensuring its successful execution. Years of industry experience and academic research informs the key principles of our presentation model. It also relies on the assumption that a firm employ both an excellent product and seasoned sales staff to execute.

1. Build Credibility and Trust

² Caldini, R. (2009). *Influence: Science and Practice*. p.52 Boston, MA: Pearson.

Just as important to clients as what they're buying is who they're buying it from. Beginning the presentation from a position of credibility is crucial. Seemingly minor facts, such as how long the company's been in business and where its headquarters are located, go a long way in establishing your firm as a legitimate, credible entity.

2. Get to Know your Prospect

Any salesman worth his salt knows the importance of building a relationship with your client, specifically by showing a sincere interest in understanding what the client's needs and priorities are. It should come as no surprise that the field of psychology confirms this idea. A Harvard University study finds that first impressions are significantly higher when we ask more questions.³

In addition to making your client feel understood and respected, there is another logical benefit to this step. Over the course of this conversation, your client is clueing you into what elements of the product he or she stands to gain the most value from. This can inform small adjustments in your presentation, highlighting the most relevant benefits of your service or product and spending less time on areas that you know won't wow them.

3. Introducing Your Product and Key Benefit Statement

Years of experience have shown us that there are 5 major benefits clients are seeking from their POS service:

- i. Better Overall Business Management
- ii. Increase Revenue
- iii. Decrease Expenses
- iv. Improve Staff Experience
- v. Enhance overall Guest Experience

Your key benefit statement should capture these factors in a concise, engaging format.

4. Product Demo

It's time to demonstrate your product. Here are some key ideas to make your demo make a difference:

- a. Keep it Brief! 15 minutes Max.
 - i. Your demo should properly showcase the usability and primary product features. It should not bore your client.
- b. Focus on Key Features
- c. Tie each feature to a benefit
 - i. Always return to the value proposition. With each feature, help the client to conceptualize how this will make his or her business run more smoothly and profitably
- d. Tie Downs after each feature

³ Karen Huang, M. Y. (2017). *It Doesn't Hurt to Ask: Question-Asking Increases Liking*. Journal of Personality and Social Psychology, 430 – 452.

- i. Tie-Downs are highly important, especially but not only during the product demo. Ask questions that the client will certainly say “yes” to. Examples include “Won’t it be worth it for you?” or “That’s lower than your current expense per transaction, correct?”. The psychological impact is subtle but profound. Studies show that people will go to great lengths to have their values remain consistent across time.⁴ If they’re constantly confirming the superiority of the product, they’ll want to stick to that when it comes time to commit.

5. Trial Commitment

Locking in a trial commitment greatly increases your chances of establishing a long-term relationship with the client. Starting with a soft trial commitment helps the client move one step up the commitment ladder, experience the value of the product you’re selling, and integrate your product into their system, representing a path of least resistance toward closing.

6. Total Investment and ROI

This part of the presentation relates to the first: establishing credibility. Exciting your audience with a healthy ROI is important, but perhaps more important than the projected return on your project is the fact that you researched the industry and provided realistic projections on regarding the value you can add. A brief competitive analysis will also go a long way to convince potential clients that you did your homework and you know you’re the best.

7. Urgency

Make sure that, as part of your presentation, **you explicitly reward an immediate decision**. This is a tried and true sales technique, because it works! Creating a sense of urgency greatly increases the probability of closing, so give the client an incentive to do so.

8. Ask for Commitment

At this point in the presentation, you and your client should have a mutual understanding regarding the client’s needs and how your product fills them. You have demonstrated the product, and provided hard numbers to support how the product will positively impact the company. It’s time for the ask.

9. Final Commitment

It’s time to close. An effective method is to walk the client through the closing process. Once you’ve confirmed that the client understands, make the final ask.

End with a firm line, and leave the ball in their court. For example:

“So again John, since this is something you’re considering – and since there is no cost or obligations with starting the application process – why don’t we at least get started with that, does that sound fair?”

Then, **be silent** and wait for their answer.

Conclusion

⁴ Ibid #2, p.56

The art of sales is thousands of years old, and over that time, its core concepts haven't changed a great deal. It's time to apply the same diligent, empirical approach to perfecting this art that we've applied to other fields of study. The Diamond Model is a carefully crafted, scientifically backed, and field-tested paradigm for robust sales growth. When executed properly, it has revolutionized companies, including my own. Whether or not you adopt the full model, I urge all businesses to consider the proven concepts in this booklet, and incorporate the ones that fit into their own sales system.

References

Cialdini, R. (2009). *Influence: Science and Practice*. Boston, MA: Pearson.

Karen Huang, M. Y. (2017). It Doesn't Hurt to Ask: Question-Asking Increases Liking. *Journal of Personality and Social Psychology*, 430 – 452.

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