

Are you learning all you can from win/loss analysis? Consider adding these five questions to your analysis to improve both MarCom ROI and the effectiveness of the sales process.

Win/loss analysis is a process for evaluating why deals are won or lost, and typically involves getting feedback directly from decision-makers and/or influencers in the buyer's organization. Most approaches to win/loss analysis evaluate the impact of price, functionality, and the sales team's performance on the final outcome of the deal. These dimensions are important underlying factors in success or failure but they don't tell the whole story. Win/loss analysis should also shed light on how buyers gather information and make decisions, as well as the effectiveness of specific sales tools and processes.

Based on Isurus' work with enterprise technology vendors, here are five questions to consider including in your company's future win/loss analysis.

1. What information sources influence the buying decision?

Win/loss analysis provides a good opportunity to confirm whether marketing communications, PR, and analyst relations investments are paying off and can help you decide where to focus resources in the future. Unlike other data sources that provide data on the market in general or potential buyers, win/loss analysis provides feedback from decision-makers who actually evaluated solutions and purchased from you or a competitor.

Win/loss analysis is most useful for understanding how sources like industry analysts or trade shows influence awareness and opinions because buyers are most likely to remember if they used an analyst or attended an event. Win/loss analysis is less useful for evaluating the effectiveness of print advertising. Buyers rarely attribute their knowledge of a company to a print ad, even though it may be one of the touch points that contributed to their awareness of your company.

2. How effective are sales tools like ROI calculations and business value analyses?

Many enterprise technology sales teams utilize a formal ROI analysis to demonstrate value to prospects. The effectiveness of these tools varies, depending on the buyer's level of commitment to the purchase, how skilled the sales force is at presenting the analysis, and the extent to which competitors use similar tools.

The real value of these tools also varies. For some types of buyers, an ROI calculation is critical for creating an internal business case for purchase—convincing the “higher ups” to invest—and this is especially true for new technologies. For other buyers, the result of the tool itself may not be differentiating, but the data-gathering and analysis process enables the sales team to build a stronger relationship with the buyer.

Win/loss analysis can help your sales team understand what purpose the ROI calculation serves (e.g., is the real value of the tool in the relationship building or convincing buyers of the ROI?), and to what extent they should rely on the results of the analysis to persuade buyers.

3. How formal is the decision-making process?

In addition to knowing the criteria the buyer used to evaluate competing solutions, it is also useful to understand the formality of their evaluation process and how the level of formality correlates to whether your company won or lost the deal. Some sales teams routinely fare better when the buyer uses a very formal evaluation process: for example, formal evaluation processes often favor the largest players in the market. Conversely, some vendors win a higher rate of deals when the buyer's evaluation process is less well-defined and allows for more relationship building.

While most sales teams have a sense of whether they fare better when the evaluation process is less versus more formal, including this finding in a win/loss analysis documents the trend and enables the sales team to develop systematic strategies to respond.

4. To what extent is Sales following their own sales process, and is it working?

Most enterprise technology sales teams are trained in solution selling; however, it can be difficult to know how well the sales team actually follows the process. For example, a solution selling approach into an enterprise typically requires that Sales build relationships with multiple levels of decision-makers. Win/loss analysis provides the opportunity to understand how closely the process is being followed in particular deals: for example, is Sales building relationships at the right levels? Win/loss analysis can also help determine if the process is effective—is Sales more likely to win deals when they've built relationships at multiple levels, or does that not really matter for your product area?

5. What motivates buyers to start evaluating vendors?

Win/loss analysis provides an opportunity to understand what initially motivated the purchase process—what event, person, or circumstances got “the ball rolling.” The needs/problems the buyer wants to solve typically exist for a period of time—sometimes years—before they finally start the purchase process. By understanding what got the ball rolling, your organization can:

- Know what trigger events to watch for and anticipate, such as senior management changes, a merger, or completion of other major technology projects.
- Set expectations for the vendor’s role in moving a deal forward. Some companies won’t buy for a year or more, regardless of what the sales team does.
- Qualify deals better. Even a company with a strong, self-recognized need isn’t necessarily ready to buy if senior management support isn’t there or other projects are consuming the resources.

Win/loss analysis provides an invaluable opportunity to understand buying behaviors in your market. Make the most of this data source by evaluating your current approach to make sure your organization is learning all it can from this resource.

If your win/loss approach needs improvement, contact [Isurus Market Research & Consulting](#). Isurus is a primary market research firm that helps technology firms market and sell more effectively by collecting information directly from their marketplace.

For more information on how Isurus can help your company, please contact us at 617-547-2400 or visit our website at www.isurusmrc.com.



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