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Sales

Sensemaking for Sales

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SALES

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Your customers are **overwhelmed with information.** Help them figure out what they need to know.

PHOTOGRAPHER **CRAIG CUTLER**

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The amount of product and service information available to B2B customers has become overwhelming. Analyst reports, corporate blogs, display advertising, email marketing, infographics, podcasts, white papers, word-of-mouth recommendations: All are competing for the opportunity to influence buyers. So much accurate and trustworthy information exists online that B2B customers dedicate only 17% of their purchase process to talks with potential suppliers. They spend most of their time independently researching vendors and the industry at large. The trove of easily accessible information has proved valuable, but it has complicated the purchase process. Too much information exists for buyers to make sense of it on their own.

The best sales reps have turned this conundrum into a prime selling opportunity. They've figured out how to optimize their limited customer contact to make the conversations they do have more useful and successful. They've won the right to more access by setting themselves apart from competing reps and alternative sources of information. They've helped customers prioritize perspectives, quantify trade-offs, and deconflict competing viewpoints. They do so by emphasizing simplicity over comprehensiveness. They employ a version of the Socratic method, not telling customers what to think but instead helping them create a framework within which to make their own decisions. The aim is to support customers regardless of the outcome. When the buyer's direction aligns with the supplier's capabilities, the reps make that abundantly clear; conversely, they bow out early and direct their attention elsewhere when alignment proves elusive. Above all else, they help customers make sense of the information they've encountered to make confident purchase decisions. Their approach is a form of *sensemaking*.

At Gartner, we surveyed 1,100 B2B customers about the topic. Nearly 90% agreed that the information they encounter as part of a purchase is generally of high quality; it's believable, relevant, backed by data, supported by expert analysis, and conveyed in a compelling manner. But they struggle to make sense of it. Fifty-five percent of respondents find the information to be trustworthy but relatively undifferentiated, leaving them straining to identify viable criteria with which to judge the trade-offs among suppliers. And 44% find the information to be trustworthy but contradictory; the various pieces are relevant and believable, but they suggest opposing directions.

Sales teams using sensemaking methods capitalize on those shortcomings by aiding, organizing, and simplifying buyers' product research. In this article we examine the sensemaking approach and the psychology behind why it's needed. We explore why it works from both the customer and vendor perspectives and describe how companies have used it to improve engagement with prospects.

WHY SENSEMAKING MAKES SENSE

When forced to decide in the face of overwhelming amounts of information, people often fall back on cognitive biases

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Customers who report overwhelming amounts of information are 54% less likely than others to make a high-quality, low-regret purchase.

(See "Outsmart Your Own Biases," HBR, May 2015). Common ones include anchoring (relying too heavily on the first piece of information offered), belief perseverance (clinging to one's initial thought), and the status-quo bias, which in B2B buying often translates to customers' saying, "We've decided to study this more. Call us in six months."

The consequences for sellers are dramatic. Customers who report overwhelming amounts of information are 54% less likely than others to make a high-quality (premium price point, large-scope solution), low-regret purchase. Those who encounter trustworthy but contradictory information are 66% less likely to do so, while those who receive conflicting information on the trade-offs among vendors are 33% less likely. If more than one of the scenarios occurs, the impacts are cumulative.

What can sellers do? Our research identified two measures of customer perception that are critical for deal success. The first is the customer's decision confidence: the degree to which the buying group believes it has determined the right questions to consider, prioritized the information that matters most, and identified consistent themes. Customers high in decision confidence have managed to make sense of the information and feel assured of their ability to make a potentially bigger, broader, more impactful decision. They are 157% as likely as others to complete a high-quality, low-regret deal.

The second critical dimension is trust in the seller. Things typically end poorly when a customer senses that a rep has failed to provide complete and accurate information because the rep is focused on meeting his or her own needs. Customers who are highly skeptical of a rep's claims are 1.6 times less likely to make a high-quality, low-regret deal than are customers who believe their rep's claims.

These findings demonstrate the urgent need for sellers to have not just a sales strategy but a clear information strategy as well. Reps must carefully consider what information to disclose when, how to present it, and—most important—how to connect it to everything else the customer is learning, all to ensure that they're seen as proactive and objective in helping the customer make a confident, sensible decision.

SENSEMAKING VERSUS TRADITIONAL APPROACHES

Our analysis revealed three ways in which reps engage customers with information: giving, telling, and sensemaking. Although each approach is effective to a degree, sensemaking significantly increases the likelihood to buy. We conducted 1,010 interviews with suppliers, asking about their information-sharing strategies. Only 21% of responding reps have adopted a sensemaking technique. Thirty-five percent rely on telling, 18% on giving, and 26% have no information-sharing strategy at all. No particular demographic data, such as a rep's age, years of selling, or years of selling at a given company or in a given industry or geography, had any real bearing on sensemaking capability, likelihood of using the approach, or success using it to close a deal. In other words, sensemaking sellers aren't trying to solve a specific industry or demographic challenge. They're focused on the universal challenge of information overload (see the exhibit "Does Your Sales Approach Make Sense?").

Giving sellers are characterized by a "more is better" mentality. They generously share data, collateral, white

IDEA IN BRIEF

THE PROBLEM
A trove of easily accessible and reliable information has proved valuable to B2B purchasers, but it has complicated the buying process. Too much information exists for buyers to make sense of it on their own, leading to indecision.

THE CAUSE
When B2B buyers aren't confident in their ability to make impactful purchase decisions, they delay them or make only incremental upgrades.

THE SOLUTION
The best sales reps emphasize simplicity over comprehensiveness. They employ a variation of the Socratic method, avoiding telling customers what to think and focusing instead on helping them create a framework within which to make their own decisions.

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Sensemaking reps give customers just enough information and then help them meaningfully interpret and simplify that material.

papers, product specs, and more because they believe that providing information, especially in response to customer requests, moves a deal forward. It's a good-faith effort to advance buyers' learning, and it feels like the obvious thing to do. Giving reps often press the rest of the organization for additional information, as if the very act of providing it were a compelling demonstration of value.

A telling approach is most often embraced by highly knowledgeable reps. Backed by years of experience and deep subject expertise, telling reps rely on anecdote and opinion. They demand little from the rest of the organization; they've already memorized what they need or created a pitch deck around it.

Our survey of B2B customers revealed a close connection between sensemaking and positive outcomes. Some 80% of customers interacting with sensemaking reps completed high-quality, low-regret purchases. Only 50% of customers interacting with telling reps, and 30% of customers interacting with giving reps, did so.

Why do sensemaking reps do so well while others struggle? Two-thirds of buyers said they believe the claims of sensemaking reps, whereas only 28% believe those of telling reps and 13% believe those of giving reps. The reason for the latters' dismal showing is clear: When customers are struggling with too much high-quality information and looking for a way to move forward, having a rep place even more on the table, with little guidance on how it fits or why it matters, only makes things worse. It feels pushy and self-serving, and it increases customers' skepticism and decreases their confidence that they can take decisive action.

WHAT SENSEMAKING SELLERS DO DIFFERENTLY

We divide sensemaking behavior into three broad categories: connecting customers with carefully curated information; clarifying that information by explaining, simplifying, and deconflicting; and collaborating on customer learning through Socratic guidance.

Connecting customers with relevant resources. Sensemaking reps curate the information they share for utility and clarity, including only what will help customers advance with increasing confidence along their purchase journey. That information might either corroborate or undermine a customer's earlier thinking, but in either case it is chosen and deployed with a view to purchase progress.

Sensemaking reps readily admit the limits of their knowledge. When skepticism of sellers can be so damaging, there's clear value in simply saying, "I don't know" rather than manufacturing a half-truth that can be easily fact-checked. And admitting one's limitations can forge a powerful connection with buyers, who probably don't know either. That moment of personal authenticity creates an opportunity for collaborative discovery and learning, which the sensemaking seller can leverage by offering select additional information. "Connecting" is as much about mindset as it is about behavior. It means wrapping reps' heads around the idea that they don't have to know everything; in fact, they shouldn't try to. Their role isn't to have the answers but to outline a practical path toward them.

Clarifying information. In many ways, a sensemaking rep's key to success is the ability to boost a customer's belief that the rep empathizes with the difficulty of making a complex purchase decision. That requires helping customers feel that they've asked the right questions, understood competing perspectives, and accounted for potential contingencies. Sensemaking sellers are particularly adept at clarifying complex problems, explaining technical information, and turning abstract concepts into understandable, shareable, and compelling insights. They give customers just enough information and then help them meaningfully interpret and simplify that material, creating a consistent, coherent, convincing narrative that bolsters customer confidence.

Collaborating on customer learning. A sensemaking rep ensures that the conclusions customers reach are their own. The goal is to Socratically guide buyers on a learning journey, not tell them what to do. Sensemaking reps often encourage customers to independently verify seller-provided information and give them an easy way to do so. They offer a framework for learning that makes customers feel in control; that confidence increases the chances that buyers will make a decision rather than delay or stand pat.

SENSEMAKING IN ACTION

Let's look at how two software companies have applied their unique sensemaking sales approaches.

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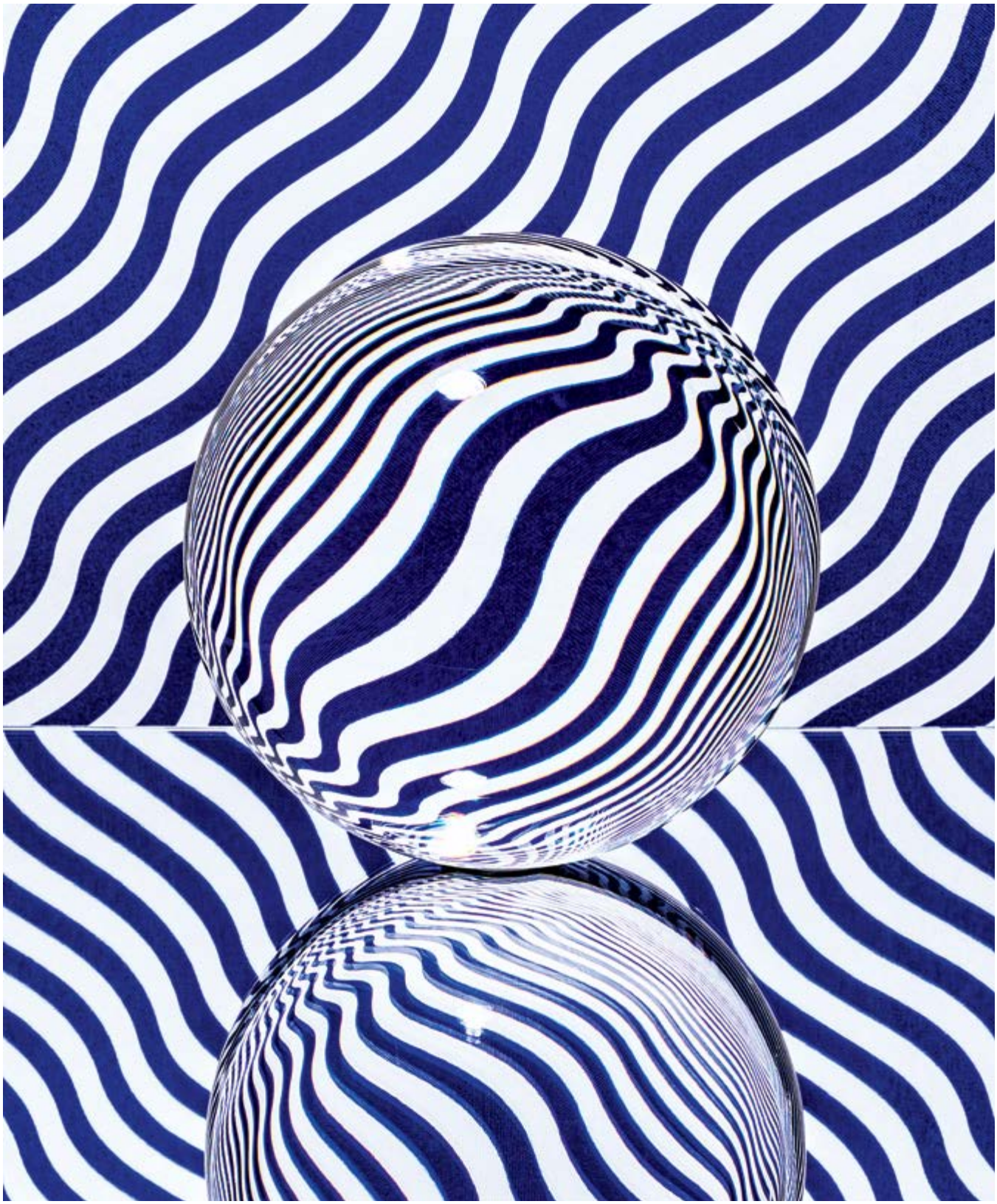

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Dealertrack, which sells dealer management software (DMS) to auto and equipment dealers, knew that clients fail to significantly upgrade their DMS systems for three reasons. First, dealerships seldom replace the systems, so learning about the various vendors, solutions, and features can take months. Second, they typically lack defined purchase processes, so a lengthy series of discussions, setbacks, new voices, new vendors, and new information often ensues. Third, their decision-making is rarely linear. Dealers might revisit decisions and take one step forward in the buying process only to then take two steps back. To better guide clients through their deliberations, Dealertrack reimagined its fundamental role in the discussion. It shifted from providing information to sensemaking. (Disclosure: Dealertrack's parent company, Cox Automotive, is a client of Gartner.)

The cloud-based disaster-recovery software company Expedient struggled with a different but equally challenging problem. It competes in a highly contested industry dominated by a small number of large competitors, including Amazon, Oracle, Microsoft, and IBM. It recognized the futility of trying to match their content creation, and its research revealed that in any event, most customers turn to their current vendors and consultants for information. Leadership decided that adding to the deluge of research material on cloud services would only exacerbate customers' information struggles. So it implemented a sensemaking approach to help clients understand third-party content during every stage of the buying process.

Dealertrack and Expedient understood that learners generally benefit from additional information only to a point (see "Death by Information Overload," HBR, September 2009). People reach a moment when they've hit their capacity for learning, after which each new insight, perspective, or data point makes it *harder* to make a choice. Good decision-making yields to bad, informed decisions give way to best guesses, and choices become guided by gut feelings.

Dealertrack began its sensemaking process by conducting detailed customer interviews to determine two critical pieces of information: What were the important milestones in customer decision-making on the path to a successful DMS purchase? And what were the indicators that customers had reached them? On the basis of its interview results, Dealertrack focused its new approach on helping customers reach four milestones: problem identification, solution exploration, requirement building, and supplier selection. It provided customized information about each stage of the process, including what customers should expect, what they should learn, when and from what sources they should learn, whom to involve, what to avoid, and what a confident attainment of each milestone would look like. It carefully monitored customer sentiment around the milestones, watching for progress and points of friction and tracking everything with its customer relationship management system. Sales teams directed customers to pieces of information to support them at each stage. The marketing team monitored where progress slowed and developed better collateral and content.

Expedient took a different approach. It created a seller training and certification program for all frontline reps and managers. Reps were asked to identify customers' most common sources of industry information, which allowed Expedient to design and deploy a highly targeted strategy based on customers' current information-consumption patterns. To obtain certification, reps had to demonstrate sensemaking skills during video-recorded trainings. Market

Does Your Sales Approach Make Sense?

Two surveys—one of 1,174 B2B buyers, the other of 1,010 B2B sellers—revealed three strategies for helping customers make purchase decisions. Each is effective to a degree, but sensemaking significantly increases the likelihood to buy.

GIVING	"I can get you more information on that."	**Primary Strategies** → Providing comprehensive information → Promptly responding to customer requests for information
TELLING	"Let me tell you what you need to know."	**Primary Strategies** → Sharing his or her own perspective with buyers → Basing information on extensive personal experience and knowledge
SENSEMAKING	"There is a lot of information. Let me help you make sense of it."	**Primary Strategies** → Guiding customers to evidence → Prioritizing simplicity over comprehensive detail

Source: 2019 Gartner Buyers Survey; 2015 Gartner Sales Complexity Assessment

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Sensemaking is designed to increase the likelihood that a customer won't settle for a smaller solution at a lower price—or worse, make no decision at all.

research helped Expedient identify the highest-priority questions customers were likely to ask. The company then developed an assessment tool giving buyers a practical means of answering those questions on their own. The tool also shows customers hidden costs and unforeseen savings they might fail to identify. It wasn't designed to provide them with Expedient's assessment of their business; instead, it gives them an easy, practical, and customized means of confidently conducting their own assessment. The framework lets customers quickly organize, analyze, and prioritize information. That benefits Expedient even when they decide not to make a purchase; the sooner Expedient can figure out which potential buyers are a poor fit for its solution, the sooner it can pursue better-qualified opportunities.

Although Dealertrack and Expedient are willing to guide prospects away from their own solutions in the interest of gaining trust, sensemaking is not an exercise in free consulting. It *feels* supplier-agnostic to customers. But sellers benefit financially from the technique in two highly complementary ways.

Sensemaking organizations focus on their strengths. Customers know that the information a rep provides is skewed in the seller's favor; that's expected. The key is to ensure that customers perceive decisions, interpretations, and choices to be their own. Sensemaking organizations help customers appreciate their company's unique qualities. The criteria they define in an IT-maturity diagnostic, the kinds of companies they benchmark, the fields they include in a calculator: All are opportunities to influence customer thinking to their advantage. But there are caveats. Efforts to get customers to consider—much less favor—a set of strengths must be sufficiently subtle or convincing, or both, that they don't seem completely self-serving. Sensemaking sellers must provide credible, objective reasons why certain criteria might matter more, or why specific considerations might merit added attention, when those criteria or considerations clearly favor their own solution. As we've discussed, the likelihood of closing a deal drops precipitously the moment objectivity is lost and customer skepticism creeps in.

Sensemaking sellers increase the size of the pie. Most sales leaders would agree that their single biggest competitor isn't a rival vendor; it's the status quo. And the biggest challenge suppliers of complex solutions face isn't reluctance to make a purchase; it's reluctance to do more than take the smallest incremental actions or the safest steps. Sensemaking is designed to increase the likelihood that a customer won't settle for a smaller solution at a lower price—or worse, make no decision at all. It's tuned to address indecision and lack of confidence. Sensemaking earns customers' trust, which makes customers feel more confident and emboldens them to make higher-risk decisions, such as buying the bigger, more complex product.

At Dealertrack, sensemaking has dramatically decreased stalled deals. The sales teams report greater stakeholder alignment and less unexpected disagreement. Deals are completed faster, and feedback is overwhelmingly positive.

Expedient has achieved similar success. Buyers who take its assessment convert at a rate of 80%, whereas the rate among leads that forgo the assessment is just 30%. The firm attributes the higher conversion rate to the confidence clients feel throughout the decision-making process.

CUSTOMERS ARE MORE likely to make high-quality, low-regret purchases when they're sure they have asked the right questions, prioritized the correct information, and identified consistent patterns. But the process is inherently subjective. Which questions are the right ones? Which information matters most? What constitutes a pattern? There's no objective measure for any of these criteria, yet an abundance of information tells customers what to think. It's no wonder they have a hard time making sense of it all.

Complex B2B buying decisions are consequently driven less by what customers know than by how confident they feel in their ability to make good decisions. A lack of self-confidence impedes big deals more often than a lack of confidence in a particular vendor does, so sales professionals who can boost a customer's self-confidence are immensely valuable. The most successful sellers—the sensemaking sellers—empower customers to grasp overwhelming quantities of information and take bold, decisive action with assurance and peace of mind.

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