



Mastering Technical Sales

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The Technical Win

Is it Real and Should You Care?

I have always disliked the concept that Sales Engineers are responsible for winning the technical sale and gaining the Technical Win. During my pre-MTS career as a presales leader anyone in my organization who spent a lot of time talking about The Technical Win (TW) was generally met with a withering glare and a statement like “*Where in your compensation plan does it say that you get paid on the Technical Win?*”. It’s an intermediate point in the sales process – at best.

Has the Technical Win become redundant in the modern world of Solution Selling? Ask any group of Sales Engineers to define their job, and the phrase “*we’re responsible for winning the technical sale*” is mentioned. Many SE organizations measure and publish their Technical Win Rate for RFPs, Proof of Concepts and Trial/Evaluations. This month I will examine the Technical Win (TW) and determine if it is real, if you should care, and what the metric tells you.

A VP of Sales Engineering at a large software company told me his POC Technical Win rate was 82%, yet the Business Win rate (generating revenue) was only 59%. I asked if his team was directly compensated for a Technical Win. They are not. My point exactly. But you can learn something from the statistics.

The Technical Win

The strict definition of a TW is when you are informed, in writing, that your solution has been accepted and judged superior to that of your competition. For example, you may have scored a 13/14 on a POC evaluation compared to an 11/14 by your competitor.

Most SE organizations have a far looser definition, which may only require you to complete a POC or trial by meeting the success criteria. Acceptance may also come in verbal fashion. Recording of the TW may be as simple as checking a box on a screen in salesforce with no proof. An exasperated Regional VP of Sales based in Hong Kong once told me that in his opinion the TW was the equivalent of not losing – which is very different from winning.

By contrast, the Business Win is definitive and measurable – as it will result in the generation in revenue flowing from the customer to your company, and eventually, one hopes, into your personal bank account. You are paid to generate business that will cause a purchase order to be issued.

Should You Care About The Technical Win?

Another way of looking at the TW is that it says to everyone that the SE organization did its job and the sales force did not. This is hardly the best way to promote teaming between sales and pre-sales. I have always believed that pre-sales is also responsible for the Business Win, just as sales has some responsibility for the Technical Win.

Given the incredible focus that most organizations currently have on Selling Solutions instead of Selling Products it is hard to rationalize the justification of a Technical Win in that environment. Selling value means that you continually need to link your achievements in a proof, trial or evaluation to not only the technical criteria, but also to the business and financial criteria. Put simply, how does your solution increase revenue; decrease costs or mitigate business risk better than the other guy's stuff? Technology and Business are inextricably linked.

It is an unpleasant fact (small startups aside) that the TW rate will always be higher than the BW rate. Companies can decide to do nothing, lose or move funding, make an acquisition, change market strategy, fire your internal champion or base their decision upon boardroom or golf course politics. The BW rate can underperform the TW rate by 20 or 30 percentage points.

The most important aspect of the TW versus the BW is why the difference occurs for each specific deal. Should an SE team successfully complete an onsite evaluation, but then generate no revenue because there was no executive sponsor, no budget or no agreement to consider a purchase – then that is a sales execution problem. However, that leaves the SE organization open to charges of execution errors every time they engage in a perfectly teed-up evaluation and lose. It is a two edged sword.

How To Use The Technical Win Rate

1. Measure a TW against a tight definition – with proof required from the participating SE team. Which means define your rules for a TW and then stick to them. No cheating or grey areas.
2. Make TW an internal SE metric, which is never provided to sales unless accompanied by a fully prepared pre-sales executive. Given a statistically valid quantity, breakdown the numbers by geography, vertical, solution area and competitor and monitor the trends for a rolling period equivalent to your average sales cycle.
3. When presented to sales, position the TW-BW difference as an opportunity to (a) close more deals; (b) highlight competitive or regional trends and (c) operate more efficiently.
4. Investigate the reverse win. That's when the SE team loses the TW but your company gains the BW. There are often patterns, especially around executive access or partner utilization, that can yield positive results the next time around.

Summary

When the SE organization is focused upon, and satisfied with, the Technical Win you are doing your company and your bank balance a disservice. It is a useful intermediate metric, and can promote a good discussion at the executive level, but should be selectively applied at a field level. If you are truly focused upon selling value, then look at a Solution Win – which is when both the business and the users accept your solution as being uniquely qualified to solve their problems. Because no one is paid for a Technical Win.

"If winning isn't everything, then why do they keep score?"

Vince Lombardi, American Football Coach.

Talking Points is a monthly column authored by John Care, Managing Director of Mastering Technical Sales. For more information on this and other Sales Engineering topics visit the website at www.masteringtechnicalsales.com.

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