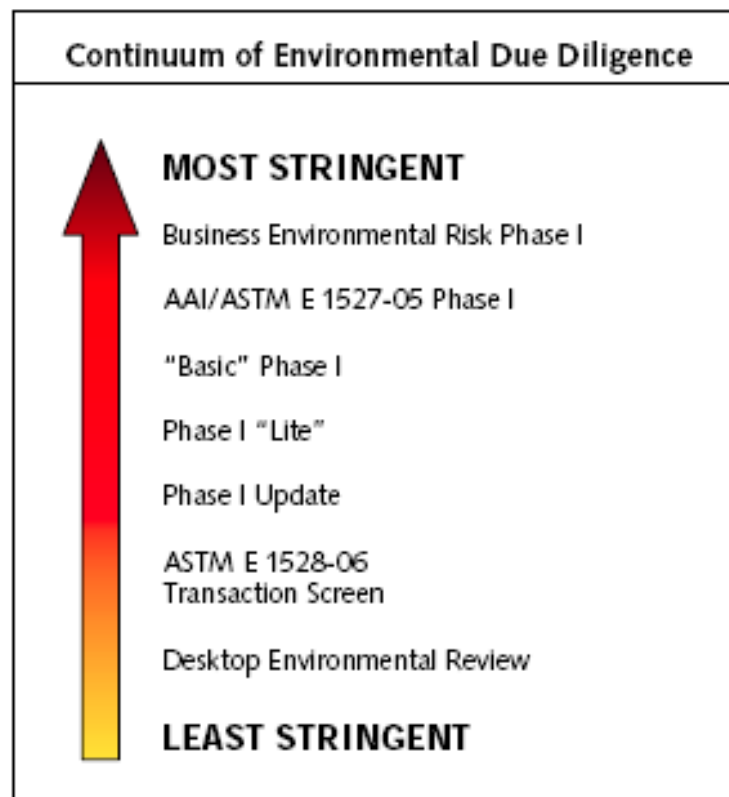


Value-Based Selling: Putting Your Clients' Needs First

As the dust settles and the market adjusts to the new AAI protocol and ASTM's E 1527-05 standard for Phase I ESAs, one of the most common challenges environmental consultants now face is their clients' confusion. It is not uncommon for a client to demand an AAI-compliant ESA without being fully aware of the added steps involved. This presents significant challenges for the consultant, particularly if it means that the client is not willing to pay more or wait longer for a properly-conducted report. What's a consultant to do? In today's competitive market, it is critical for Phase I providers to master the art of selling environmental due diligence services based on value rather than price. Below is an approach designed to assist environmental consultants in understanding their clients' needs, even if the client isn't quite sure what's appropriate for a given transaction.

At this point, you understand EPA's new rule and how it affects your business. Now it's time to think about how you can better understand your *clients'* business and help them meet their environmental due diligence needs. Remember, CERCLA liability protection may not be at the top of everyone's list of priorities. By clearly communicating with your clients about their due diligence goals and expectations, together you can determine what their needs are, recommend the appropriate action, and form a solid business relationship that fosters trust and loyalty. Clients have a range of environmental due diligence options available, from a basic desktop review to a full-blown environmental business risk-driven Phase I. Today, an AAI-compliant Phase I is yet another option along the continuum of due diligence options. Each choice has an associated benefit—and cost. Clients need your help to understand what an appropriate scope of work is appropriate for each specific case. The key to long-term business success is understanding your clients' needs and putting them first.



Needs Satisfaction Selling

“Needs satisfaction selling” is a sales principle based on a commitment to your clients' goals and future success. The first step to needs satisfaction selling is forming a complete understanding of your clients' needs. The next step is educating them about your ability to meet those needs. How well you communicate your firm's unique benefits and how well you differentiate your firm from your competitors will determine whether or not you get the job.

What is a Need?

In a sales sense, a *need* refers to the client's desire to improve or accomplish something. Today, it is crucial for consultants to listen to their clients and recognize their needs. In the environmental due diligence world, particularly with the AAI/E 1527-05 scope of work gaining broader acceptance, there is no longer a prescriptive one-size-fits-all service that will suit all projects and all clients. By learning to listen and recognize the language of needs, you can save time for both you and your client.

In the critical first discussions with a client about the scope of work for a particular transaction, you must listen carefully for key phrases such as:

- “I want”
- “I hope...”
- “My objective is...”
- “Our goal is...”

By focusing on the services that suit your clients' individual goals, you will add value to what your firm has to offer. The first critical step, however, involves communication with your client that clearly and effectively explores exactly what the environmental investigation must accomplish.

Four Steps to Success

The Phase I market is a service industry, and, as such, you must demonstrate your ability to deliver a service that meets the prospect's needs better than any other consulting firm. You must learn the art of probing to identify how the potential client's needs can best be served. Doing homework about the client upfront will allow you to ask the right questions as well as instill confidence in your environmental due diligence ability.

A successful sales meeting or call can be the beginning of a long and mutually beneficial relationship between you and your client. By following this simple model, you will be better equipped to target your client's needs. At the same time, you will gain trust and communicate the value of the services you have to offer in a context your client will understand. Remember, client needs should be the focus of every sales effort.



Source: Achieve Global

1. Open

Every client meeting is an opportunity to showcase the value of your company's services. It is important to take full advantage of these opportunities. To guarantee a successful meeting, make sure your client understands exactly what the meeting will accomplish. Failing to establish an agenda upfront will increase the chance that your client will think your goals are not in line with his. As a result, the meeting will not be as productive as you both had hoped.

Also in the beginning of a meeting or call, state the meeting's value. This is an important step that is often overlooked. One simple sentence can set a positive tone and demonstrate your commitment to respecting the client's time and helping the client understand the scope of what will be addressed. Remember, your client's thinking: *What's in it for me?*

2. Probe

Once you and your client agree to the meeting's topic, you must begin eliciting information that will help you identify your client's needs. Background research is valuable, but the best way to learn about a potential client is by asking probing questions. Effective salespeople put potential clients at ease, posing clear, straightforward questions in a friendly manner.

The overall goal of the initial meeting is to obtain a complete understanding of why the client needs an environmental investigation. Clients conduct environmental due diligence for a variety of reasons. You can learn specifics by asking:

- Are you the buyer? Seller? Lender? Developer?
- What are your plans for the property?
- Will there be new construction or renovation on-site?
- What is your motivation for conducting due diligence? (e.g., new purchase, refinancing, etc.)
- What are your likes/dislikes of Phase Is conducted in the past?
- Where in the transaction timeline is the deal? Is it still in negotiation? Is it right before closing?
- Will the property be used as collateral for a loan?
- How important is qualifying for CERCLA liability protection to this deal?
- What are your plans for the property (e.g., redevelopment, leasing, etc.)?
- What is your risk tolerance?
- How sensitive are you to environmentally-risky operations that may surround the target property (e.g., a gas station located next door 50 years ago)?

In asking the right questions, you will come away with a clear understanding of the clients' goals and needs. By the end of the probe, you should have learned:

- Specifically what the clients wants
- Why it is important
- The client's complete set of needs

3. Support

Once you have a true understanding of the project's goals, the next step is to convey to the client that your firm's services best fit their needs. Always keep in mind the needs that were identified in the beginning of your conversation. The features and benefits of the scope of work you offer must be relevant to those needs.

Two important concepts to stress during the *support* phase are features and benefits:

- Feature- a characteristic of a service
- Benefit- what that feature means to the client

You must back up each feature you describe with a supporting benefit statement. If you don't, the client might miss the value of the feature. You don't want your clients saying: "So what?" By linking each feature with a benefit, you bridge the gap between you and your client and reinforce a mutual relationship.

4. Close

Before you close a conversation with a client, first ask yourself if you have accomplished the goals you set prior to the meeting. If you have been successful, agree on the next step you'll take. To do this, you must:

- Review previously accepted benefits
- Propose a next step
- Check for acceptance

Recapping your firm's benefits at this point reminds the customer that his or her needs have been acknowledged. It also reminds the client of the benefits your firm delivers (e.g., speed, quality, expertise in a particular aspect of due diligence, etc.). If the client is agreeable, seek some form of commitment. In some cases, this may mean signing a contract. In others, it may simply be a verbal agreement to contact the client in the near future.

Conclusion

Like most things, selling takes a lot of practice. But, if you are able to uncover your client's needs and tailor a value-based message around those needs, price should almost never play a role in your client's decision. By asking the right questions upfront, you will develop a great idea of the types of services that might ultimately be included in the scope of work. The information you gather and the way you respond can help you convince the prospect that your firm is the right one for the job.

In the final analysis, the introduction of the AAI/E 1527-05 scope of work and the associated scrutiny of levels of environmental due diligence presents you with a valuable opportunity to initiate conversations with your clients, develop relationships and trust, and expand the scopes of services you offer to better assist the firms that depend on your expertise. Your clients will be impressed that you understand their business and will be thrilled that your firm is flexible enough to customize services to meet their needs.

When prospecting, remember to take your time. Look a little closer, dig a little deeper, work a little harder, and become much more familiar with the "ins and outs" of commercial real estate. This is where you can really demonstrate your value. Good luck!