



Business Strategies

Make The Most of 2014

You've heard about all the bad things coming your way in 2014, so I want to tell you a bit about how you can turn all that negativity into a positive.

By Michael Hammond

There's been a lot of doom and gloom talk these days. On the one hand, the Mortgage Bankers Association (MBA) expects to see \$1.2 trillion in mortgage originations during 2014, a 32 percent decline from 2013. While MBA expects purchase originations to increase 9 percent, it expects refinance originations to fall 57 percent. Specifically, MBA expects that purchase originations will increase to \$723 billion in 2014, up from \$661 billion in 2013. In contrast, refinances are expected to drop to \$463 billion from \$1.08 trillion in 2013.

Further, new rules and regulations are expected to drive up the cost to originate, making it more expensive for lenders to originate fewer loans. Credit analyst Jack Kahan with S&P noted, the new rules will increase expenses, extend foreclosure timelines and prompt servicers to select the foreclosure option over loan modifications and deeds-in-lieu of foreclosure in future circumstances. S&P, which looked deeply into how the January launch of the rules will impact mortgage finance, warned that more borrowers are going to have a hard time accessing mortgage credit. And when they do, it will take longer and cost more in some cases.

I know, it all sounds bad, but I'm here to tell you that it doesn't have to be. In a white paper entitled "Success Guide For Maximizing Sales in 2014" put out by RAIN Group, there are some great tips that I think are worth sharing. In putting together the white paper, the company studied over 700 major purchases from the perspective of business-to-business buyers to find out what really happened in their buying experiences. These buyers represented \$3.1 billion in purchases. The research suggests that in order to maximize your sales in 2014 you have to:

1. **Educate Prospects With New Ideas and Perspectives.** According to a white paper entitled "What Sales Winners Do Differently" research, the number one factor separating sales winners from second-place finishers is

this: Sellers educated buyers with new ideas or perspectives. In other words, the seller became known as a source of insight. For too long loan officers were order takers. They didn't have to be trusted advisors because the business was coming to them in droves regardless. That has changed. And the same goes for mortgage technology vendors that rely on the latest buzzword to sell their applications. That won't work any-

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more either.

2. **Collaborate With Prospects.** Buyers want to be part of the solution. Work with them to develop solutions that achieve mutual goals. When you engage buyers, the idea is to invite them to be an active participant in a process, not someone who listens to a pitch and then decides "up or down" on buying what you're selling. Sellers who win the most sales collaborate with buyers almost three times as often as the sellers who come in second place. In almost every sales situation, collaboration helps. Leads aren't going to come to you in 2014. You have to work harder. A new way to collaborate is through social media. Use Twitter, LinkedIn and Facebook to reach out and stay connected.
3. **Persuade Prospects-They Will Achieve Results.** Paint a clear, persuasive, and believable picture of the results an investment will yield for your buyers. Simply put, your ability to quantify the impact and paint a clear, persuasive, and believable picture of the results you can achieve for buyers is the foundation for how important it is for the decision maker to

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buy from you. If you don't show the impact, the initiative will fall to the bottom of the priority list. Remember when I said a minute ago that vendors can't rely on buzzwords to sell software anymore, well here's what I mean. In every selling situation in 2014, no matter if you are a lender or a vendor, you have to tell the prospect what's in it for them. You have to have a clear return on investment story to tell that will improve that prospect's situation or they are just not going to listen to you.

4. **Listen To Prospects.** Actively listen to buyers by asking engaging questions and following up with documents that demonstrate your understanding. It is about the "value" you provide, and educating the prospect with new ideas and perspectives. It is about collaborating. You shouldn't be in a situation where you are lecturing and talking too much. At first, buyers want to know whether you are a good fit for working with them and they want to evaluate your level of technical competence.



Remember, "No one cares how much you know until they know how much you care." Remember the mortgage meltdown? Borrowers ended up in loans that they were not tailor made for. Why? Because the borrower ignored the terms, but also because the lender or broker didn't listen to the borrower's situation to steer them into the right loan. You have to listen to your prospect and understand their pain points before you can sell them anything.

5. **Understand Prospect's Needs.** Don't focus on needs diagnosis. Instead, make sure buyers

know you "get" their goals, pains, and desires. Sometimes all you need is to ask one question and your prospect will share with you all the information you need to help them. Other times you may need to ask a few, but make sure you don't overdo it. You don't want to make your prospect feel as if he is on the witness stand. After you listen to your prospect, you have to get them and meet them where they are. If you want to be a trusted partner, helping your customers solve their most difficult problems and create lasting success, you have to solve the right problems. For example, you may be selling an end-to-end loan origination system but after listening to the prospect you find that lender really only needs the workflow piece. What do you do? You talk about how you can improve their workflow instead of trying to sell them on the benefits of end-to-end automation.

For those of you reading this that aren't new to the industry, you must realize that sales has changed more in recent years than it has in the preceding 30. In this column I just scratched the surface of what you need to do to maximize sales and become a top performer in 2014.

I really hope that this is exactly what you need to get you well on your way. In simpler terms, think about it this way: If you're a sales leader, you want your entire team to:

1. **Educate buyers with new ideas and perspectives.**
2. **Collaborate with buyers.**
3. **Persuade buyers you will achieve results.**

Buyers that had a good selling experience, according to RAIN Group's research said that the salesperson educated me with new ideas or perspectives; helped me avoid potential pitfalls; collaborated with me; crafted a compelling solution; persuaded me we would achieve results; depicted the purchasing process accurately; listened to me; connected with me personally; understood my needs; and the overall value to the company was superior. That's what prospects want.

So, if you want to exceed your sales goals in 2014, it's time to move beyond the selling strategies of the past and master insight selling, collaboration, and more. But don't worry, it's all possible. ❖