

It is Time for Sales Educators to Take SPIN[®] Seriously

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ABSTRACT

When examining textbooks for use in a course in Professional Selling and Sales Management, the author found that the SPIN[®] (Rackham, 1988) method of selling was not included in many such volumes, and was ineffectively quoted in others. This seminal work is referred to in various academic journals as a giant (Castleberry, 1999) and as a best seller (Sojka, 2000), but is largely ignored and generally misinterpreted by textbook authors in this field.

Keywords: management, marketing, negotiation, personal selling, professional selling, sales, sales management, sales training, selling, SPIN[®]

INTRODUCTION

In searching for a new Professional Selling and Sales Management textbook, this author examined a convenience sample of eight current textbooks recommended by five well known publishing companies (Houghton Mifflin, McGraw-Hill Irwin, Prentice Hall, South-Western and John Wiley & Sons, Inc). In this paper, the author discusses these examples, showing that although Neil Rackham's SPIN Selling[®] (1988) is a well known and powerful tool in professional selling it appears to be generally neglected by those providing resources for educators.

The books described illustrate that while a few textbooks reference the SPIN[®] method of selling, many do not, and of those that do many contain errors of fact and/or interpretation.

BACKGROUND: THE SPIN[®] METHOD

The original Rackham (1988) book describes the model in detail, with explanations, examples, contrasts to other selling techniques, and the results of field tests. The SPIN[®] acronym stands for four types of questions; Situation, Problem, Implication, and Need-payoff. Additionally, the model contains three types of statements: Implied Need, Explicit Need, and Benefit. In general, the method works like this:

Situation questions make the customer's situation explicit; that is they expose the details of the customer's operation and the surrounding situation. Problem questions are used to expose areas of customer discomfort. The customer sometimes answers a problem question with an Implied Need statement. Such statements indicate the existence of a problem, but not the

intent to solve it. Implication questions and Need-payoff questions are used to move the customer from making an Implied Need statement to making an Explicit Need statement. An Explicit Need statement verbalizes both the existence of the problem and the intent to solve it. Implication questions ask about the ramifications of the problem. Such questions are often asked in series. Need-payoff questions ask the customer to state the value of solving the problem. A series of such questions helps both the seller and the customer understand the total value of solving the problem at hand. When the problem is shown to be large enough and the value of solving it becomes attractive enough, the buyer generally expresses the intent to do what is necessary to solve the problem. This statement which clearly describes the problem and expresses a desire for a solution is an Explicit Need statement. A salesperson's response to an Explicit Need statement, which tells how the seller's product solves the Explicit Need, is called a Benefit statement. According to the original Rackham (1988) book, Benefit statements are the type of sentence most closely associated with sales success in larger, more complicated sales.

LITERATURE REVIEW

On the back cover of the SPIN[®] Selling Fieldbook (Rackham, 1996) the publisher points out that the method is "...today being used by one-half of all Fortune 500 companies to train their sales forces." Visiting the website of Huthwaite, Incorporated, the sales consulting firm founded by Neil Rackham, makes it clear that this success has not diminished. In fact, the current client list is most impressive.

In peer reviewed journals, Sojka (2000) refers to Rackham as the "author of the best selling book, SPIN[®] Selling," Castleberry (1999) calls SPIN[®] a "giant" in the field, and Tanner, et al

(2008) point out that there has essentially been nothing new in the field (of selling) since SPIN[®] was introduced in 1988. Boles, et al (1997) give partial credit to Rackham for "...a focus on the development and use of relationship-based selling behaviors designed to methodically create long-term relationships between buyers and salespeople by identifying and meeting buyer needs." Cuthill (2003) offers a case study detailing the improvements in sales performance at an insurance firm that implemented the SPIN[®] method of selling, and Burger (2008) offers an adaptation of the method for use by management consultants.

CURRENT TEXTBOOK EDITIONS

Of the eight textbooks examined, five (Jobber and Lancaster, 2006; Cron and DeCarlo, 2009; Hair, et al, 2009; Johnston and Marshall, 2009; Tanner, et al, 2009) either fail to treat the SPIN[®] method of selling at all or only mention it in passing without describing the method or its value. Manning, et al (2010) show a graphic of the cover of the SPIN[®] Selling Fieldbook (Rackham, 1996) and list the four types of questions in the original model, but do not treat the all important transition from Implied Need to Explicit Need statements being made by the customer. They describe a somewhat similar consultative selling method but do not explain the SPIN[®] method in detail.

Spiro, et al (2008) credit Rackham with a statement to the effect that the more questions a sales person asks the more likely they are to be successful and with research showing the relationship between certain question types and selling success. They describe a Need Assessment process including Situational questions, Problem discovery questions, Problem impact questions (which appear to be similar to SPIN[®] Selling Implication Questions),

Solution value questions (which appear to be similar to SPIN[®] Selling Need-payoff Questions), and Confirmatory questions. Again, I was unable to find the all important transition from Implied Need to Explicit Need customer statements.

In this author's opinion, of the textbooks examined Ingram, et al (2008) give the most complete descriptions of the SPIN[®] Selling questions, including examples of each, but still fail to flesh out the model with discussion of Implied Need, Explicit Need, or Benefit statements.

DISCUSSION AND CONCLUSIONS

The SPIN[®] method of selling is the result of a seminal piece of research, and it has been adopted by a vast number of sales forces world wide. Evidence of this can be found in the original book's "best seller" status, the adoption by large and powerful sales forces as described in Rackham's (1996) later work, the current client list on Huthwaite Incorporated's web site, and in the peer reviewed journals in which it has been mentioned.

More than twenty years after the original publication, textbook authors continue to ignore and/or undervalue this powerful selling method. It is time for educators to take the SPIN[®] method of selling seriously.

OPPORTUNITIES FOR RESEARCH

It is clear that a convenience sample of eight textbooks recommended by five premier publishers is not a large enough sample to provide conclusive evidence that the topic is being ignored. However, the fact that five of these books ignore the topic completely and the other

three treat only the most superficial aspects of the model seems to send a clear signal that something is wrong.

The combination of Huthwaite, Incorporated's current client list and documentation that the model had been adopted by the sales professionals at half of the Fortune 500 companies as early as 1996 shows quite clearly that the method has made an impact on the practice of selling. Furthermore, since in peer reviewed journals Sojka (2000) refers to Rackham as the "author of the best selling book, SPIN[®] Selling;" Castleberry (1999) calls SPIN[®] a "giant" in the field; Tanner, et al (2008) point out that there has essentially been nothing new in the field (of selling) since SPIN[®] was introduced in 1988; and Boles, et al (1997) give partial credit to Rackham for "...a focus on the development and use of relationship-based selling behaviors designed to methodically create long-term relationships between buyers and salespeople by identifying and meeting buyer needs," there is ample evidence that the impact of SPIN[®] has been noticed by the academic community.

Therefore, opportunities for research exist in the following areas: (1) an exhaustive literature review could be completed easily, as an electronic search of peer reviewed journal articles related to SPIN[®] Selling was conducted in January of 2010 via ABI/INFORM Global, yielding fewer than 30 articles; (2) a more comprehensive review of additional textbooks could be conducted to ascertain whether some exist which treat the topic more fully; (3) textbook authors could be interviewed to determine why they have chosen to not present the topic more fully; and (4) efforts could be mounted to empirically support or refute the model.

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