

Teaching SPIN[®] through Practical Application: The Impact on Students' Lives

Fred Guzek, Ph.D., Associate Professor
Kansas State University, College of Technology and Aviation
Department of Arts, Sciences, and Business
2310 Centennial Road
Salina, Kansas 67401-8196
USA

E-mail address: fguzek@ksu.edu

ABSTRACT

When independently completing field exercises in the SPIN[®] (Rackham, 1988) method of selling, many students are surprised to learn how powerfully the technique impacts their lives. The author examines four examples showing that SPIN[®] is a powerful tool in professional selling, in management, and in everyday living. These cases suggest that SPIN[®] may augment practitioners' effectiveness in many facets of life, far beyond mere sales ability. In addition, when students experience the power of this persuasive technique in their personal lives, they may be more likely to internalize the method.

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

INTRODUCTION

In Professional Selling and Sales Management classes using SPIN Selling[®] by Rackham (1988) as a textbook, students have frequently submitted work describing their use and observation of the SPIN[®] method which demonstrates the life-changing power of the technique. In this paper, the author examines four examples showing that SPIN[®] is a powerful tool in professional selling, in management, and in everyday living. The cases described illustrate this power, first from a customer's perspective, as a church secretary describes buying a photocopier from a SPIN[®] practitioner and tells how his use of the method made her feel that he had her church's best interest at heart, second as a maintenance department clerk in a large beef processing facility explains how she used the method to convince her supervisor to hire an assistant for her, third as a father tells how he convinced his teenage son to earn better grades in school, and fourth as a young woman outlines how she convinced her underemployed significant other to seek a professional position. Clearly this technique can be used in management and personal situations as well as in selling, and it may augment practitioners' effectiveness in many facets of life.

The students have consented to the use of their stories in this article, but all four examples are anonymous, and details that do not affect the substantive issues being explored have been altered to protect their privacy.

BACKGROUND: THE SPIN[®] METHOD

The book describes the model in detail, with explanations, examples, contrasts to other selling techniques, and descriptions of field studies. The 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 summary, SPIN[®] works like this:

Situation questions are used by the seller to make the customer's situation explicit, that is, to bring to light the details surrounding the selling situation. Imagine a salesperson selling a fleet of hybrid-powered automobiles to a business. He or she might ask the buyer how many cars are in the fleet already, whether they were purchased or leased, and what their average fuel economy is in miles per gallon.

Problem questions are used to expose areas of customer discomfort. The salesperson described above could ask if the autos currently in use are obsolete, if they are inefficient, or if government regulations require that the fleet's exhaust emissions be reduced. The customer might answer a problem question with an Implied Need statement, for example saying that the existing cars are becoming obsolete, but that the firm is not ready to consider replacing them yet. Such statements imply 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. For example, having heard the Implied Need expressed above, the salesperson could ask if the impending obsolescence of the fleet is causing an increase in maintenance costs. Such questions are often asked in series. If the buyer verifies that maintenance costs are rising, the seller might ask whether the rising costs are consuming funds that are needed in other areas of the enterprise. This process helps both

the buyer and the seller understand the overall magnitude of the problem under discussion. In addition, the book (Rackham 1988, 80) indicates that Implication questions are particularly powerful when a sales representative is conversing with a high-level decision maker because people become high-level decision makers by thinking about the ramifications of the problems that they face.

Need-payoff questions ask the customer to state the value of solving the problem. Continuing the hybrid-powered automobile example, the sales representative could ask how money that could be saved by lower maintenance costs could be used elsewhere in the firm. 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 book, Benefit statements are the type of sentence most closely associated with sales success in larger, more complicated sales.

STUDENT ASSIGNMENT FOR CASE A

In Case A, students were asked to write an essay describing a selling situation, and give examples of the four types of SPIN[®] questions that would be appropriate to that selling situation. This assignment was one portion of a much broader in-class examination.

CASE A

This student described the process of buying a photocopier from a practitioner of SPIN[®]. As secretary of her church, she was tasked with making the initial contacts with suppliers, interacting with salespeople while receiving support from the church pastor, and recommending the best choice available to the local church board for a final decision. Of the four suppliers contacted, two focused on the features of their respective products, without paying much attention to the church's situation or the problems the church office staff faced. The remaining two representatives asked appropriate situation and problem questions, thereby learning important facets of the church's business and concentrating their efforts on issues important to the secretary/student and other church personnel. Since the two firms whose representatives showed more interest in the customer than in their own product features also offered similarly low prices, the competition was quickly narrowed to just those two firms.

One representative then adopted the tactic of negative selling, making disparaging remarks about the other firm. Meanwhile, the salesperson of the remaining firm focused his effort on helping the secretary understand the magnitude of the difficulties the old equipment was causing for the church (through Implication questions) and the ways in which the church would be better off with a new machine (through Need-payoff questions). For example, he asked the secretary how much time she lost each week because of copier jams and breakdowns. He asked whether she ever had to work extra hours because of these problems, and whether other church personnel were negatively impacted. When she answered that the Music Director sometimes had to abandon plans to introduce new songs at Sunday services and rely on previously used transparencies, he asked if solving the problem would make the entire congregation better off.

This combination of Implication and Need-payoff questions, coupled with his understanding of the needs of the church, his recommendation of a system that met their needs without focusing on unnecessary features, and his competitive price was sufficient to earn her recommendation to the board and ultimately their purchase of his equipment. The transaction occurred some time prior to the secretary/student's enrollment in my course, but she clearly recognized his use of the SPIN[®] method and appreciated how it had made her and the other church members feel that he cared about their church and had their best interests at heart.

STUDENT ASSIGNMENT CASES B, C, and D: AN APPLIED LEARNING EXPERIENCE

Hands-on learning experiences have been shown to augment students' understanding of classroom subject matter (Eyler & Giles, 2002; Osborne, Hammerich, & Hensley, 1998; Saunders, 1998). In addition, such experiences help the students to relate the subject matter to the real world (Hardy & Schaen, 2000; McClusky, Fawcett, & Green, 1992). In Cases B, C, and D, students were assigned to use the SPIN[®] method of selling to try to convince somebody of something, and to turn in a typed two-to-three page essay describing the process. This very broad out-of-class assignment, which is given fairly late in the semester so that students should understand the method well, allows students to be creative in their use of the model. While some students attempt to sell something such as a car, stereo system, or television that they wish to dispose of, others choose to try to convince a family member or close friend to help them in some way, such as asking a parent for a loan or asking a friend to share an apartment. Papers are descriptive prose, and are graded based upon the student's evident understanding of the method, rather than on how successful their attempt was to use it. The assignment is weighted as ten percent of the semester grade (40 points out of a 400 point class, with 90% and above being an "A," et cetera). Generally students are given two to three weeks to complete this assignment.

CASE B

In this case, the student was a clerk reporting to the Director of Maintenance at a large beef processing facility in western Kansas. The department suffered from a continual backlog of paperwork such as tool and parts inventory reports, scheduled maintenance tracking documents, planning documents for maintenance shutdowns, and the like. Because reports were regularly not completed on time, the Director of Maintenance was frequently heard defending his department's performance to his superiors. In addition, he often came to the office on his regularly scheduled days off (Saturdays and Sundays) to prepare reports that should have been completed by the previous Friday or sooner.

In response to her assignment, the student/clerk plied her superior with questions regarding the difficulty he faced and the time he wasted in defending himself and the department over missed deadlines and uncompleted paperwork. She asked questions regarding the impact of such problems on his relationship with his superiors and the effect on his family life of his having to work weekends. After a week or so, she shifted the ongoing conversation to how much easier his life would be if the department accomplished all of its assigned tasks on time. She asked whether his annual reviews would be better, and whether he would like to spend more time with his wife and children.

As a result of her dual focus, first on the broader ramifications of the paperwork problem (exposed through Implication questions), followed by the value of solving the problem (determined through Need-payoff questions), the director finally asked if she had a solution to the department's chronic issues. This Explicit Need statement (a clearly stated problem that

he wished to solve) allowed her to offer a Benefit: that by hiring an assistant clerk to help him and her with the overwhelming workload he could overcome the fundamental problem causing the department's difficulties.

He took her advice, and after the newly created assistant clerk position was advertised and she knew he was really hiring additional help for the department, she showed him the essay she had written for class describing how she had used SPIN[®] to persuade him. He was very impressed with both the technique and her creative use of it. She told me near the end of the semester that he had been keeping a copy of her essay on his desk to show to his colleagues.

CASE C

This case relates the story of a non-traditional student who is retired following a career in the U.S. Army. His teen-age son had been performing poorly in school and was frequently engaged in arguments with his mother (my student's wife). This retired military man employed the SPIN[®] method of selling to convince his son that life would be more enjoyable if he became more engaged in his schoolwork and thereby earned his mother's respect.

His Problem questions were focused on the boy's habit of failing to turn in assignments and on his poor grades. Then he asked Implication questions, helping his son explore the ramifications of failing to complete assignments; how low performance resulted in poor grades and telephone calls from the school to his mother, how such calls upset his mother and resulted in her anger and restriction of his privileges, and how her reactions limited the boy's freedom and opportunity to engage in pleasurable activities.

Then my student switched to Need-payoff questions; asking if the boy's life would be better if he was allowed to spend more time with his friends, would he like to have more time to ride his skateboard, would time at home be more pleasurable if his mother was less upset, and the like. The strategy worked surprisingly well. Within two weeks, the son began bringing home schoolwork with markedly better grades. His mother was pleased and the two argued less and less. I checked with my student one year later and was delighted to hear that his son had remained committed to his school work and the household was substantially more peaceful.

CASE D

In this case, the student was a woman whose life-partner had graduated from the university with a degree in computer science, but had chosen to remain at a low-paying job in a retail store rather than to seek employment in the profession for which he had trained. They were not well off financially, and he often seemed depressed. She was concerned about their relationship, feeling that he was not contributing as he should have and was perhaps beginning a long period of unhappiness for both of them.

She viewed the SPIN[®] assignment as an opportunity to persuade him to either seek more suitable employment or to end their romantic relationship. She wrote of how difficult it was to compose appropriate questions regarding such an emotional topic, but she persevered and one evening began this most difficult conversation.

Her Problem questions involved an ever increasing stack of unpaid bills, a lack of appropriate employment opportunities in the immediate area, his aura of depression, the level of stress he faced due to not having a job in his chosen field, and the emotional distance between them in their deteriorating relationship. Situation questions focused on where he would like to live if they moved to a different city or town.

She found it most difficult to compose and ask Implication questions, but felt that they were her only hope for success. She asked if it would seem tragic to him if an appropriate job slipped away because he was not actively seeking better employment. She asked how much more it would cost in total payments if he had to defer his student loans. Last, she asked what effect he thought financial stress was having on their relationship.

Then she began to give him some hope. She asked Need-payoff questions relating to the possible benefits of living in a larger city. She asked if it would be less stressful to search for jobs in an area where the people he was applying to did not know him well. She asked if the lower stress level might improve his chance of being hired.

Much to her surprise, the discussion brought them both a huge feeling of relief. Having talked about the scope of the problem they were facing and how much better off they could make themselves by solving it released him from his crisis of confidence. Within a week, he had a telephone interview with a firm in Kansas City. This led to a face-to-face interview and eventually to employment in the field which he had trained for. At the end of her essay, she credits the SPIN[®] method with having saved her relationship.

DISCUSSION

The SPIN[®] method of selling can clearly be used in management and personal situations as well as in selling situations. Even though four cases is a small number, the variety of applications of SPIN[®] described in this paper shows that this is a powerful technique in areas far beyond the field of professional selling. Furthermore, students who learn the SPIN[®] method by applying it to their everyday lives can be expected to better internalize the technique. In addition, Rackham's (1988, 80) assertion that the method teaches salespeople to think like high-level decision makers suggests that training managers to focus on implications and the value of solving their problems might help them to develop into more effective managers. While one must not overstate the value of such training, it could be argued that teaching SPIN[®] through practical application can improve student functioning as salespeople, as managers, and in the day-to-day problem solving situations of their personal lives.

SUGGESTIONS FOR FUTURE RESEARCH

The content of this paper suggests several possible streams for future research. Rackham (1988, 8-9) describes SPIN[®] as a method for selling high-value products that demand substantial commitment from purchasers. He further suggests that Implication questions are particularly powerful when the salesperson is negotiating with a high-level decision maker because people get to be high-level decision makers by focusing on the ramifications of the problems that they face. If this is true, then training managers to think in that fashion may help them to become more suitable for high-level positions. Initial research could focus on whether conversations among managers which include a discussion of the implications of problems at hand result in faster and/or better management decisions. Assuming a positive result, a second tier of research could examine whether SPIN[®] training augments this focus on implications in a management setting. Regarding the use of exercises which encourage students to apply SPIN[®] in their daily lives, research could focus on whether students participating in such exercises internalize and retain the technique better than those taught through other methods.

REFERENCES

- Eyler, J., & Giles, D. E., Jr. (2002). Beyond surveys: Using the problem solving interview to assess the impact of service-learning on understanding and critical thinking. In A. Furco & S. H. Billig (Eds.), *Service-learning: The essence of the pedagogy* (pp. 147-160). Greenwich, CT: Information Age.
- Hardy, M. S., & Schaen, E. B. (2000). Integrating the classroom and community service: Everyone benefits. *Teaching of Psychology, 27*, 47-49.
- McCluskey-Fawcett, K., & Green, P. (1992). Using community service to teach developmental psychology. *Teaching of Psychology, 19*, 150-152.
- Osborne, R. E., Hammerich, S., & Hensley, C. (1998). Student effects of service-learning: Tracking change across a semester. *Michigan Journal of Community Service Learning, 5*, 5-13.
- Rackham, N. (1988). *SPIN Selling*[®]. New York : McGraw-Hill
- Saunders, M. D. (1998). The service learner as researcher: A case study. *Journal on Excellence in College Teaching, 9*, 55-67.