

Business Development & Sales Strategies

Overview:

This document summarizes key concepts and strategies related to business development, problem identification, market validation, competitor analysis, business model generation, strategic planning and sales techniques for entrepreneurs and startups. The document draws from a range of sources including webinars, sales training materials and TED talks. The aim is to provide a consolidated view of essential principles.

1. Business Development Fundamentals:

- **Problem Identification:** The starting point of business development involves identifying a problem or opportunity. The online seminar emphasizes two approaches:
- **Traditional Problem-Solution:** Define the problem, who experiences it, and why it matters. "The most critical thing is that that your problem statement clearly defines the problem that you are solving."
- **Jobs to Be Done (JTBD):** Focus on the job customers are trying to accomplish. This is particularly helpful in identifying potential competitors. "Jobs to be done aren't necessarily problems, they're more like opportunities." The online seminar argues that the JTBD approach can be more useful in certain situations and when the traditional method is less effective. "In the case of something more esoteric like global warming yeah problem solution is probably going to be more useful."
- **Market Validation:** This involves ensuring there is genuine customer need for the product or service. Key considerations include:
- **Market Sizing:** Understanding the total addressable market (TAM), serviceable addressable market (SAM), and serviceable obtainable market (SOM)/beachhead market. The beachhead market is the initial target group of customers and should be well-funded and well-connected. "A more feasible approach is to choose an initial group of customers a beachhead market and to acquire them first acquire them as customers first."
- **MVP (Minimum Viable Product):** Developing and evaluating early MVP to validate the idea. The MVP should be the "cheapest the quickest thing to produce that shows that your idea is valid."
- **Iteration and Justification:** Being prepared to iterate on ideas and having sound justifications for all assumptions made.
- **Competitor Analysis:** Preliminary competitor analysis focuses on understanding other companies' offerings to refine and differentiate your own.

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- **Key Information:** Track competitors' offerings (features and price), their "X-factor" or "special sauce," and how well-positioned they are to respond to your market entry. "We are largely interested however in the product or service offerings from other competitors in order to refine and differentiate our product or service."
- The X-factor should be "out of the ordinary" when compared to other common factors such as price and quality.
- **Business Model Canvas:** This canvas provides a structured overview of the business model, covering key partners, activities, resources, value proposition, customer segments, customer relations, channels, cost structure, and revenue streams.
- **Strategic Planning:** Involves identifying strategic goals and objectives and creating a path to achieve them, including three-week, three-month, and three-year plans for growth and development.

2. Sales Psychology and Techniques:

- **Inner World vs. Outer World:** Sales success depends on a combination of internal mindset ("inner world") and real-world strategies ("outer world").
- **Pillars of the Inner World (Belfort): State Management:** The ability to manage your emotional state, crucial for transferring certainty. "At the highest-level what sales really are is the transference of emotion and the primary emotion that you transfer is the emotion of certainty."
- **Empowering Beliefs:** Replacing limiting beliefs with empowering beliefs. "You have to root out limiting beliefs and replace them with empowering beliefs."
- **Vision and Focus:** Having a fully integrated vision for the future and training yourself to focus on where you want to go. The source argues for a vision-oriented approach instead of setting goals.
- **Standards:** Holding yourself to an elevated level of achievement.
- **Logical vs. Emotional Selling (Azhari):** Recognize that people want to believe you and buy from you, and you must help their logical brains justify the decisions they want to make.
- Azhari's bestselling belief states that "selling happens before you ask for the sale and closing happens after."
- Understand the distinction between "obstacles" (before the sale) and "objections" (after the sale). Tackle obstacles head-on. "It's easier to manage obstacles than objections."
- Emphasize transferring belief over a bridge of trust.

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3. Overcoming Objections (Azhari):

- **Identify Distortions:** Objections often stem from distortions of reality based on circumstances, actions of other people or the individual in question. (CBT, Cognitive behavioral therapy)
- **Common Excuses:** Common excuses manifest in these five ways:
- **Time:** I am busy, not an enjoyable time
- **Value:** Cannot afford it, it is too expensive
- **Fit:** Not sure if it is for me
- **Authority:** Must talk to my partner/spouse
- **Avoidance:** I need to think about it
- These should be considered as one peels back the "onion of blame".
- **Reframing:** Instead of selling a product, the goal should be to empower the prospect to make decisions that will help them achieve their goals.
- **Confrontational Closing:** If you are talking to a decision maker with no outside influence: one. Ask if they believe the product or service will help them achieve what they want. 2. Ask if they trust you to fulfill your promise. 3. Ask if they think it will work for them.

4. Novelty vs. Familiarity (Thompson):

- Advertisers focus on novelty, but people prefer a balance of novelty and familiarity. This is summarized as the "MAYAh" principle: Most Advanced Yet Acceptable. People like things that are new but not *too* new.

5. Practical Business Development Activity (Dang):

- "Business development can vary, depending on the industry and company."
- Business development is defined as how companies make deals happen and the act of forming strategic relationships to grow the business.
- The example in the source demonstrates how Activision, Call of Duty would strategies tournament deals with X-Box and PlayStation.

Conclusion:

Effective business development requires a combination of strategic thinking, market understanding, sales acumen, and an understanding of human psychology. By focusing on the core principles of problem identification, market validation, competitor analysis, building trust, and empowering customers, entrepreneurs can increase their chances of success.