

Knowing + Doing = Being



Know+Do publishes monthly *think papers* for its subscribers and clients highlighting different issues that promote the philosophy of '**knowing+doing=being**'. Our approach is: if you cannot define where you want to **BE**, how can you **KNOW** your plans are correct and what you are **DOING** will help you reach your goal? This is the second paper of our fifth series covering 'Sales Made Easier'.

For more information on *Know+Do's* services, solutions and resources view our website www.knowanddo.com or contact info@knowanddo.com / (0161) 280 4567

The Elevator Pitch

Think Paper No 2. Series 5: Sales Made Easier

Welcome to the fifth series of our popular *Think Papers*. The papers have been designed to capture our company values¹, including sharing and simplicity. We aim to take topical areas of knowledge and share our thoughts and experiences of these in an accessible way to encourage you to take action. We welcome your feedback about how the Think Papers have helped you or your teams.

This series – *Sales Made Easier* – is focussing upon the business of selling. A growing business will understand and being able to use the sales process to create clear advantages in their current marketplace and trading conditions. This series aims to make it easier for managers and their staff to engage and embrace a proactive sales culture that supports businesses to operate more successfully and sustainably.

The first paper² in the new series introduced the concept of non-sales selling and got the reader to think about their wider organisational sales culture. We shared how supporting the sales is in everyone's interest, not just for the marketing department. This second paper will introduce and provide a template for creating an elevator pitch.

The Elevator Pitch

What exactly is an elevator pitch? As the title suggests it's an Americanism for starters, but I suppose it has a better ring than 'the lift pitch'. Essentially, an elevator pitch is a short summary used to quickly and simply define a person, profession, product, service, organization or event and its value proposition.

The name relates to a scenario of bumping into a prospect whilst riding the elevator and being able to make a quick but practiced pitch that conveys enough information to demonstrate a value in a further conversation or meeting. The average elevator ride is short, so the pitch has to be succinct and to the point and also contain enough information to get the prospect thinking about how it may add value for them. Many times people make the mistake of just focussing on themselves and forget to see how relevant their offer maybe to the client.

¹ <http://knowanddo.com/about-us/values>

² <http://knowanddo.com/archives/2411>

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Writing about the perfect elevator pitch in Business Week, Aileen Pincus³ described it as *'One of the most important things a businessperson can do...'* She added ***'Being able to sum up unique aspects of your service or product in a way that excites others should be a fundamental skill. Yet many executives pay little attention to the continuing development of "the elevator pitch"—the quick, succinct summation of what your company makes or does.'***

So there are already a number of key pointers emerging already from this short introduction, namely the pitch must be short, practiced, excite others and be up to date.

We often attend business breakfasts with our local chamber of commerce and one of the things that fascinates me is striking up conversation with other business owners that really struggle to tell you what they do. I attended one recently where a guest simply said "I'm an accountant." Technically I'm sure that's true but it told me very little about them. I prodded and probed by asking lots of other little questions about what size of business they have, what geographical area do they cover, do they have a particular focus for their accountancy skills e.g. small businesses, the IT sector etc. They apologised saying they weren't very good at this sort of thing and then passed me card saying that I could find more details on their website.

I took the time to point out to them that I'd be unlikely to invest anymore time searching on the internet unless I perceived there was a likely value to that. I asked the obvious question about why they had come to the event. To network they said, make more contacts and hopefully pick up some business. But how can you do that if you can't explain what you do, who you do it for, and what value you add to businesses? I gently suggested that they do a bit of research on an elevator pitch as without it the only expansion they would get from the business breakfasts would be their connected to their waistline!

Many of these breakfasts have a part at the end where they pull business cards from a bucket and give them 60 seconds to share something about their business. Again this format is always the same and guests are told at the beginning but so many seem to struggle to fill the 60 seconds with clear, coherent information. I've even see people pass on the opportunity. There is a huge and noticeable difference between those who do this well though and those who fumble through. Those who pitch well are almost always engaged in follow up conversation with someone before leaving the event. Business owners and key staff (if not all staff) should be able to give a good elevator pitch.

A good "Elevator Pitch" should contain:

- *A "hook"* - This is a statement or question that piques a person's interest to want to hear more.
- *About 150-225 words* - Your initial pitch should go no longer than 60 seconds.
- *Passion* - Prospects expect energy and dedication from someone making a pitch.
- *A request* - At the end of your pitch, you must ask for something. Do you want their business card, to schedule a full presentation, to ask for a referral?

Sounds simple, but it requires you to answer the following questions in order to be able to script and then rehearse and refine your pitch. Pitching, like public speaking or cold calling a potential customer on the phone, is a skill and one that gets easier the more you practice it. Don't be

³ <http://www.businessweek.com/stories/2007-06-18/the-perfect-elevator-pitchbusinessweek-business-news-stock-market-and-financial-advice>

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surprised if it doesn't always go well the first time. I'm sure we've all stood up at some stage and our brain remained sat down.

You need to work through the following six questions⁴ in order to be able to craft a suitable framework for designing your successful elevator pitch.

1. **What is your product or service?** Briefly describe what it is you sell. Do not go into excruciating detail. But do give enough information so the client can get a reference point for what you do.
2. **Who is your market?** Briefly discuss who you are selling the product or service to. What industry is it? Do you have a particular focus within the marketplace?
3. **What is your revenue model?** More simply, how do you expect to make money or sustain your service?
4. **Who is behind the company?** Tell them a little about you and your team's background and achievements. If you have a strong advisory board, tell them who they are and what they have accomplished.
5. **Who is your competition?** Don't have any? Think again. Briefly discuss who they are and what they have accomplished. Successful competition is an advantage-they are proof your business model and/or concept work.
6. **What is your competitive advantage?** Simply being in an industry with successful competitors is not enough. You need to effectively communicate how your company is different and why you have an advantage over the competition. A better distribution channel? Key partners? Proprietary technology?

These questions have been assembled into an exercise for you to work through (see overleaf). We would suggest that you try working through quite quickly the first time and see what answers you and your staff come up with. We would then encourage you to repeat the exercise and hone your answers. You may want to slightly different pitches for different customers across different markets. Be careful with using the information in answers 5 and 6 as you may inadvertently promote your competitors. If you operate in a competitive market though, it's sensible to be prepared for the obvious question of why you? You need to practice and refine your pitch with different people and don't be afraid to ask for feedback. Used right the elevator pitch is a great cost-effective tool that can help to sell yourself and your business.

Future Think Papers will cover these common sales questions and processes, in order to help managers and leaders think more about how they use sales to grow their organisations.

If you would like to explore how to enhance your organisational marketing and sales process, *Know+Do* offer in-house training on a range of business growth and management issues. We also have expert business coaches available to support leaders in business. For more information please contact us on info@knowanddo.com or call (0161) 280 4567.

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⁴ Amended from <http://www.businessknowhow.com/money/elevator.htm>

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Elevator Pitch Preparation Exercise

Questions	Answer
1. What is your product or service?	
2. Who is your ideal market?	
3. What is your revenue model?	
4. Who is behind the company?	
5. Who is your competition?	
6. What is your competitive advantage?	

Name:

Date:

Comments: