



The Missing Million\$

Description

Why hitting the most important customer “nerve” is the key to sales velocity.

The other day I was speaking with the growth team at an exciting SaaS company. The Company had the best product of its kind in the market. In fact they had just been declared the best product by a leading industry source – woohoo! Yet, sales velocity was good but not great...

After discussing all sorts of potential reasons, I suggested that maybe they hadn't yet “nailed the value prop”. This drew all sorts of eye-rolling and sighs by the team. “How could that be possible? We have over a hundred happy customers! Just look at our pipeline and how it is growing! Look at these names!”

While I wasn't trying to create a controversy, nor downplay any of the Company's achievements, I knew that there was a difference between the success this Company was having and what it feels like when you are “In the Zone” with a great Value Proposition that is crushing it. Being in the Zone is also referred to as having great Product Market Fit. When you are in the Zone, you are like Michael Jordan who just knows he can sink any shot or make any play – *just give me the ball!*. For a SaaS company you just know that you can close almost any deal or train any good sales rep to beat quota consistently. Confidence in these capabilities is exactly what allows SaaS companies to scale growth predictably and efficiently. This attracts VC money like bees to flowers– *just give me the money!* – which of course provides those companies with more resources to grow even faster and improve their products to the point where it just doesn't seem fair. That is why you have to get into the Zone and do everything you can to stay there!

A few years ago, I was lucky enough to experience what it feels like to be In the Zone. Our team got there by selling money. In fact, we called it selling the missing \$1 million. I recently caught up with Michael de la Torre, our CRO, who led the effort to get there and coined the term **Selling the Missing Million** to recap what we did differently.

“Our historical approach was to either lead with our [demo](#) or talk about what we could do for them. This approach did not get us anywhere because no one wanted to hear about what we did. But once we

discovered their biggest pain point and then reframed our entire pitch around having a discussion about that pain point, our sales took off. For our customers, it was about revenue growth. An extra million in revenues would mean *much* more margin in their pocket and it would mean the difference between barely scraping by and a massive windfall. In other words, another million dollars at the margin meant *everything*. So we recrafted our pitch to reliably get to that point. We crafted our whole selling motion around engaging them in a conversation about current revenues and current approaches to revenue growth – occupancy, daily rate, and other key revenue components – and then we would use those numbers, their numbers, to frame a strategy where we could help them find their ‘missing million’. We would often transition our conversation by saying ‘based on what you’ve told me, it seems like you are missing a million dollars’. The response almost always cycled quickly from confusion, to interest, to excitement, to action. The ‘missing million’ completely changed the tone and energy of the customer conversation, and we sold many deals *without even demoing our software*. Once we understood the true nerve, and we crafted a pitch that could reliably hit that nerve, we almost always won the deal.”

Steps to Finding Your Pitch

Are you selling your product features or are you selling to their biggest, and often unarticulated, need? Here are some tips to help you discover your “Missing Million” value prop.

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- **Deep Customer Knowledge:** It is not enough to define an ideal customer profile and personas. You really need to know what keeps your customer up at night. What are their most important problems that they encounter every day? What challenges do they encounter trying to solve them today? Is it revenue? Is it cost? Is it risk? Is it peace of mind? Is it quality? Is it scaling for growth? Or it could be some combination of all of the above. If you can solve one of these problems you have a chance at reliably hitting that nerve. At LeisureLink, we hired industry SMEs versus traditional sales reps, because they could easily have the simple conversation with the customer that reliably and inevitably uncovered the 'missing million'!
- **Iterate and Test Like Crazy:** You are not likely to get it right the first or second or even the third time! It will take time, and lots of "at bats." Make sure your team is trying multiple approaches and you are listening for what works. Weekly sales debriefs and learning sessions are critical to uncovering what may work. Remember, many to many conversations are exponentially more efficient than one to one coaching sessions, where great ideas may be missed or not connected to other discoveries to form the critical hypotheses! In other words, **design your sales and marketing process to optimize discovery!**
- **First Things First:** Don't lock in your website messaging right away and then waste a year or two pitching a message that doesn't resonate. You need to nail the value prop first, then support it across all of your messaging channels. Keep things relatively light and malleable until you have nailed it for sure. And keep iterating!
- **Avoid the Rocks:** Just because the customer wants to talk about something doesn't mean that is the right path to closing. Recognize and ID the rocks, indulge them shortly if customers bring them up, and then have the courage to "reframe" the conversation to whatever value proposition is closest to selling money in your world.
- **Nail the Re-Frame:** Reframing takes courage and skill. It can't be done clumsily or it will feel awkward. You need to know enough about the customer and her pains/needs that you can lead the conversation towards solving them. Even better if you can get them to realize how to solve their problem using the socratic method! Then they'll "ask you for the money!"

I am a Venture Partner with [NextCoast Ventures](#) and COO/CFO at [Voxpopme](#). I spend my time helping technology companies scale the Growth Mountain.

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