

measuring the messaging impact of *unconsidered needs*

Testing the **quality and persuasiveness** of a message based on “Unconsidered Needs.”

overview

The following study was designed to test the effectiveness of an alternative marketing and selling strategy to the traditional “voice of the customer” approach, which is based on responding to a customer’s stated or known needs with corresponding capabilities. In this study, the alternate approach is based on “Unconsidered Needs”—that is, problem areas or missed opportunities that a customer either doesn’t know about or hasn’t identified.

research objectives

Specifically, the study sought to determine whether a message—in this case, a sales pitch—based on Unconsidered Needs would enhance the quality and persuasive impact of that message relative to more standard approaches. The experiment was intended to assess message effectiveness across three different areas: presentation quality, uniqueness, and attitudes and choice. As a secondary aim, the study was designed to measure whether the timing of the Unconsidered Needs reference within the pitch would influence its persuasive impact.

the study

To begin, 400 individuals—average age 33—took part in an online experiment. For the purpose of the study, they were asked to imagine that they ran a large company and were considering partnering with a financial lending firm to protect their company and explore growth opportunities in the face of a possible recession. All participants were instructed to imagine that they were seeking a \$10 million line of credit, and were informed that they would view a pitch from a particular lender who would like to partner with them. When participants continued to the next screen, they viewed a short presentation from the potential lending partner. The core offer and terms of the pitch were identical for all participants. However, unbeknownst to them, participants were randomly assigned to one of four experimental conditions that varied crucial aspects of the message.

The presentation conditions were as follows:

Standard Solution – In this condition, participants received a straightforward pitch in which the lender offered a \$10 million credit line at a “competitive rate,” while noting that his bank had 75 years of experience and was committed to providing local companies with the help they need.

Value Added – In this condition, the pitch was identical to the standard solution, but then the lender added that (A) his bank had on-staff experts with a great deal of experience and could provide useful business advice in difficult economic times, and (B) it had a wide range of services that could be tailored to an individual company’s needs. This pitch was designed to be similar to presentations that include “value-added services” to create perceived differentiation.

Unconsidered Needs-Last – In this pitch condition, the beginning mirrored that of the value added condition: The lender offered a \$10 million loan at a “competitive rate” and noted that his bank had 75 years of experience in the community and was committed to providing local companies with the help they need. However, following this information, the lender highlighted an unconsidered need with an accompanying solution. Specifically, he explained that 42 percent of companies that take a cash infusion during challenging economic times end up failing due to underlying problems in their process, operations, sales, or marketing. In essence, this pitch provided the same core offerings as the value added condition, but it highlighted a potential problem area before mentioning the on-staff experts and diverse range of services.

Unconsidered Needs-First – This pitch was virtually identical to the Unconsidered Needs-last condition, but the order was changed. In this case, the lender began by highlighting an Unconsidered Need (“Before we get started, though, I’d like to share this statistic with you...”). Again, he explained that 42 percent of companies who take a cash infusion during challenging economic times end up failing due to underlying problems in their process, operations, sales, or marketing. And he noted the bank had on-staff experts who work with companies to make sure there are no hidden problems in these areas and to help make sure the cash infusion would have maximum positive impact. Following this information, the lender offered a \$10 million loan at a “competitive rate” and noted that his bank had 75 years of experience in the community and was committed to providing local companies with the help they need. Thus, the content in the two Unconsidered Needs conditions was identical, but the sequence or order of that content was manipulated.

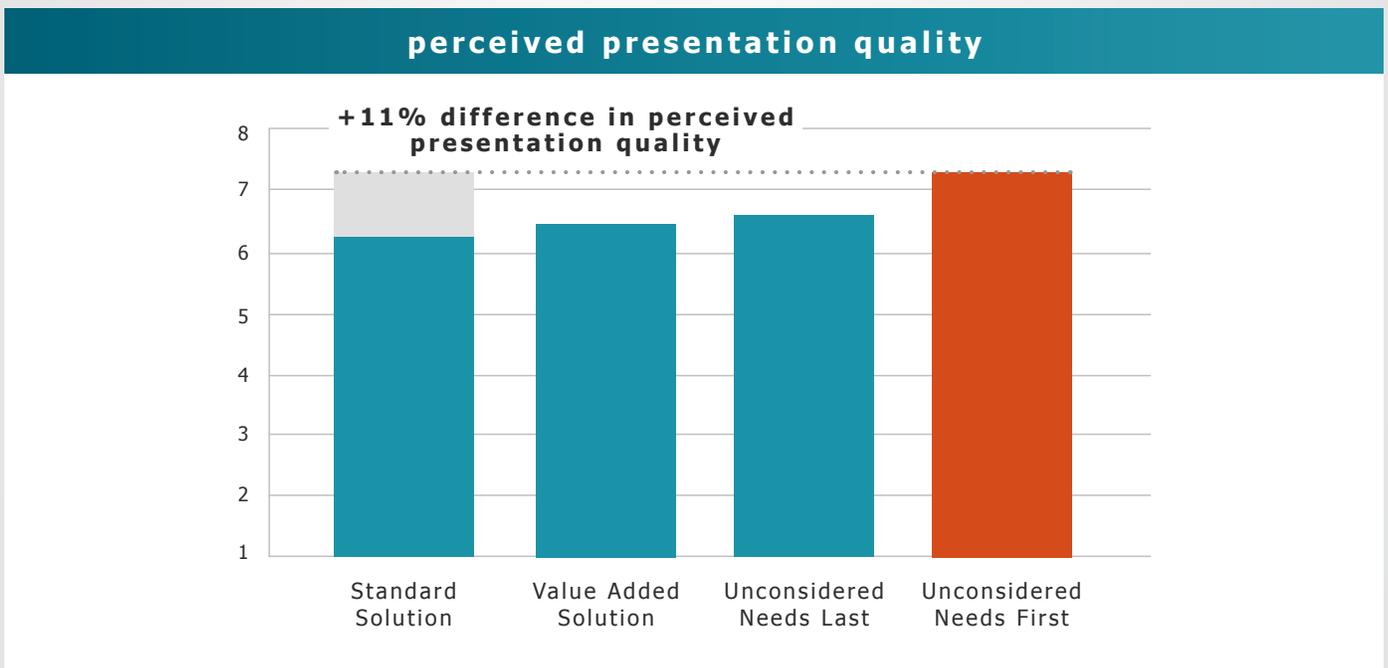
the results

Even though all participants received the exact same offer, and even though the presence of on-staff experts, etc., was highlighted in all but the standard solution, the Unconsidered Needs-first presentation outperformed the others across each of the areas below.

Presentation Quality

The Unconsidered Needs-first pitch was rated as more compelling, more thorough and generally better than the other three messages. The specific questions designed to measure presentation quality were as follows:

- How compelling was the presentation (e.g. how convincing was it to you personally?)
- How thorough did the pitch seem to be?
- Overall, was it a good or bad pitch?

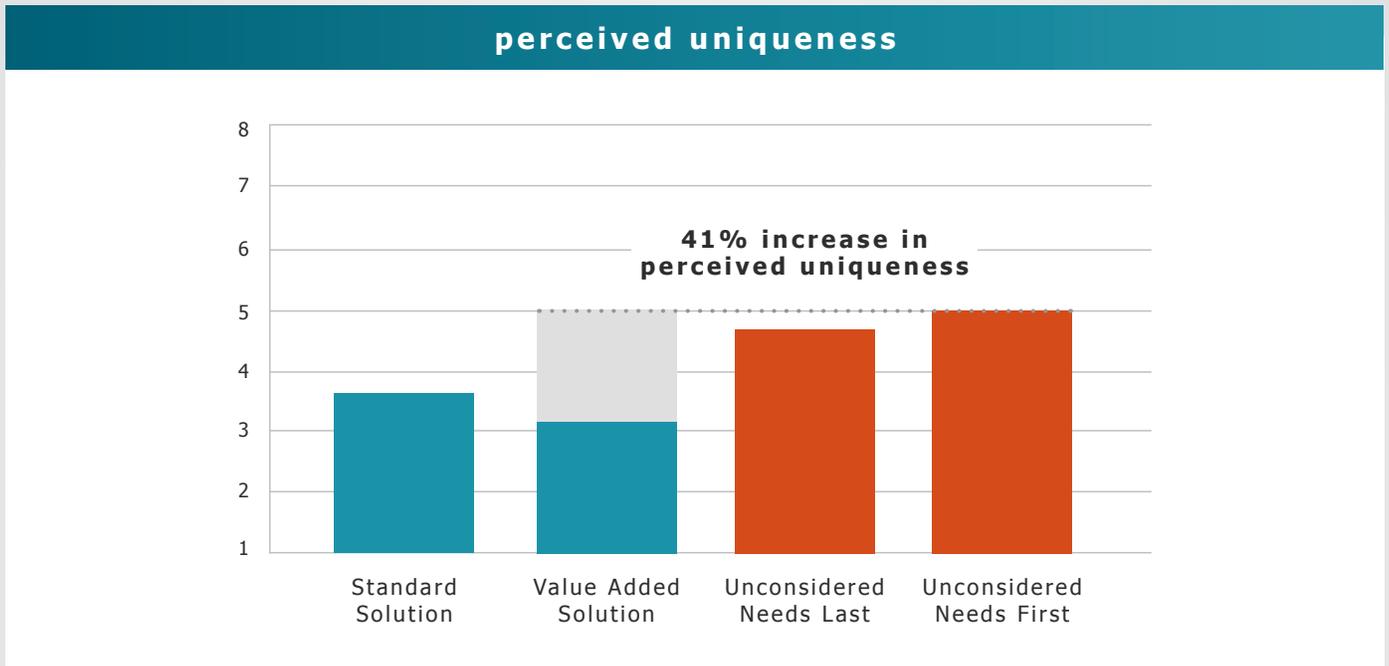


The Unconsidered Needs-first message created a statistically significant improvement in presentation quality of about 11.41 percent relative to the other messages, which did not differ from each other.

Presentation Uniqueness

The questions participants answered to measure presentation uniqueness were as follows:

- How unusual or unexpected was the content of the pitch?
- How different or unique did it seem to be?

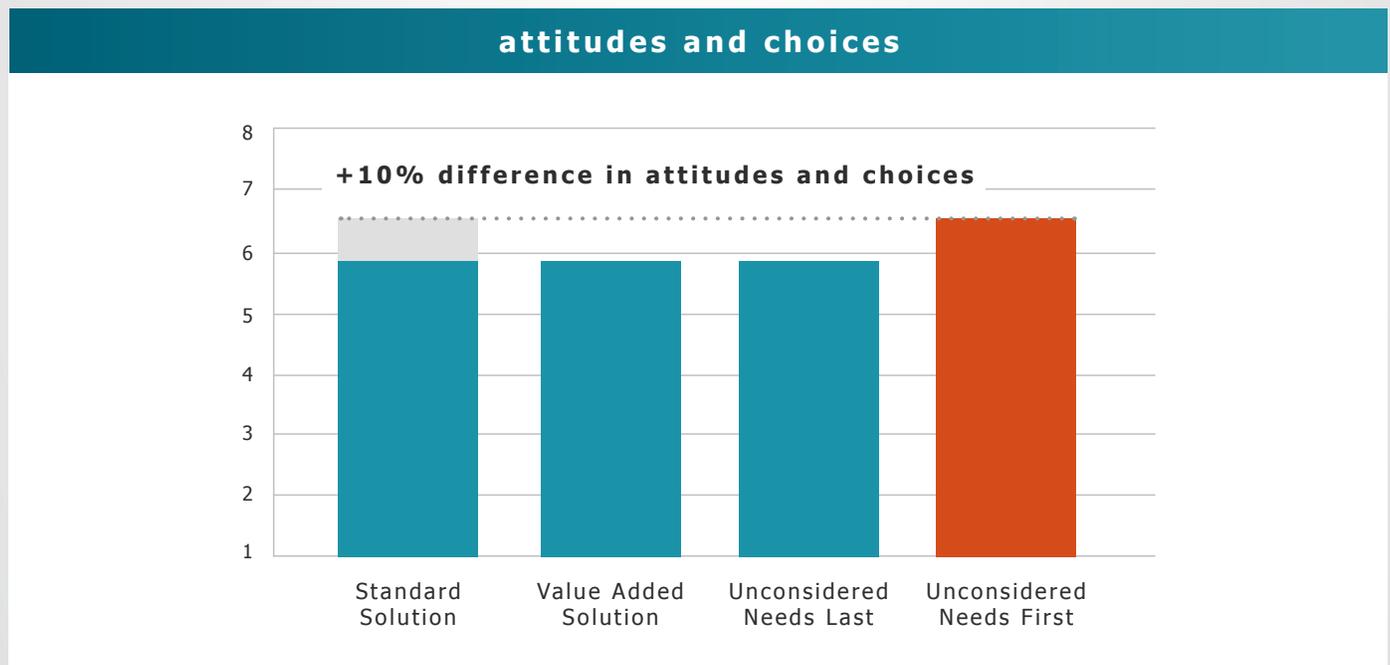


Participants in both the Unconsidered Needs conditions found the pitches to be more unexpected and unique than the standard solution and value added pitches, which did not differ from each other. **The Unconsidered Needs pitches were seen as 41.30 percent more unexpected and unique than the latter two pitches.**

Attitudes and Choice

Participants completed a variety of questions assessing the persuasive impact of the presentation they viewed—in essence, the extent to which the message enhanced their attitudes toward the lending firm and boosted their likelihood of choosing it. The questions were:

- How likely would you be to choose this lending company as your lending partner?
- How likely is it that you would accept the pitch and go with this lender's offer?
- Overall, how would you rate this company as a potential lender?
- How would you describe your attitude toward this lending firm?
- How likely is it that you would choose this lending firm over other, competing firms offering a similar rate?
- How likely would you be to choose this lending firm over other firms offering a slightly lower rate?
- How much more than the proposed interest rate would you be willing to pay to partner with this lending firm?



Across all of these dimensions, the Unconsidered Needs-first pitch outperformed the other three, scoring 10.29 percent higher than the other presentations, which did not differ from each other.

conclusion

Across a variety of dimensions, **the Unconsidered Needs messages outperformed the standard solution and value-added messages, especially when Unconsidered Needs were introduced at the beginning rather than the end of the message.** Interestingly, both of the Unconsidered Needs messages were perceived as unique and unexpected, but only when an Unconsidered Need was introduced at the outset of the pitch did it actually enhance perceptions of quality and increase persuasion, as demonstrated by the positive effect on attitude and choice ratings.

This is compatible with uncertainty research, which shows that highlighting Unconsidered Needs is unexpected and might prompt some uncertainty, grabbing attention and boosting message processing. But as the experiment shows, this only translates to increased persuasion when the Unconsidered Need is presented early in the message. When it happens at the end, it's too late to speed up decision-processing of the information presented, and the message won't have an equally powerful impact.

meet our research team



Tim Riesterer

Chief Visionary, DecisionLabs

Tim Riesterer, Chief Visionary at DecisionLabs, is dedicated to helping companies harness the power of Decision Science to win more business with prospects and customers. He is a recognized thought leader, keynote speaker, and practitioner with more than 20 years of experience in marketing and sales management. Riesterer is co-author of four books, including *Customer Message Management*, *Conversations that Win the Complex Sale*, *The Three Value Conversations*, and *The Expansion Sale*.



Erik Peterson

Chief Executive Officer, Corporate Visions

Erik Peterson, Chief Executive Officer at Corporate Visions, helps companies and salespeople around the world win at the three-foot level—when they're sitting across the table from their most important prospects. Peterson is a recognized author, keynote speaker, and has trained thousands of sales teams in some of the most prestigious companies around the world. He is co-author of three books: *Conversations that Win the Complex Sale*, *The Three Value Conversations*, and *The Expansion Sale*.



Dr. Zakary Tormala

Expert in Messaging and Persuasion

Zakary Tormala is a social psychologist with expertise in the areas of messaging and persuasion. He was contracted by Corporate Visions to create this research, conduct the experiment, and help ensure academic rigor and empirically valid results. Dr. Tormala is a professor at the Stanford Graduate School of Business.

in partnership with

