‘Lost a big deal? How to work out what went wrong’

Whoever takes the call: The news will be shocking with burning questions popping up on the person’s inside: “Why did we lose? and even more scary: “How will I explain THAT to my management and peers?”

And all the answers lie in the hands of the customer. Hence, it would be very natural to press the customer contact for information. But would it be wise? At this point in time, the customer’s interest is focused on spending quality time with the winning party. Too pertinent questions may get countered with a short statement like “The other outbid you or your pricing was non-competitive”. *Basta. Door closed.*

Here is another course of action intending to keep the doors open for more information: Keep that specific call short. No need to hide your disappointment. A poker face can be misinterpreted as lack of interest. Express gratitude that the buyer took time to inform you. Acknowledge that your customer’s time and attention is focused currently on facilitating the business win. But: ask for a deeper de-briefing later. Set a meeting date right away – within 10 -14 days – to better understand how *you could have done better.* Make sure that you focus on your learnings and that you avoid any statement that could push your customer’s mind into defense mode.

Get over it!

You and the entire team have worked hard on this deal. Everyone was confident to win this pitch. It is greatly overlooked how losing such a deal affects the emotional stability of everyone. The human brain perceives failure as “loss” which hurts us psychologically even more than financially. Hence, for a realistic view on what happened, it is important to overcome one’s anger and frustration quickly.

Reflect upon your own disappointment first. Then, help your team. Avoid any blame game. The team deserves encouragement. Learning is inhibited when people feel they need to defend their backs. An informal get-together maybe with pizza and beer might be a good occasion for everyone to voice their disappointment and frustration – and then go back to work.

Conduct an in-house “postmortem” meeting

The purpose of such a meeting is to outline what could have happened during the negotiation resulting in your loss. Start with your own list of questions and add below ideas as you see fit:

- What did we think, we knew and hence, did not check explicitly with the customer? Hence, which of our assumptions were simply unrealistic?
- Plans change frequently these days. How often did we contact the customer and check for changes? What hidden signals might have been missed?
- If this was a new customer relationship: How well did we research the customer? What did we know about their true problems (cash vs. cost)? How did we come across: As “too different” or maybe “not different enough”?
- If this is a long-term relationship: How much of our excitement and energy did the customer feel while working with us. Were we too much of the same? Did “the grass on the other side look greener”?
- What was the negotiation frame set by the customer? How well did we operate within that frame? How could competition outmaneuver us – maybe by changing the negotiation frame?

Keep this discussion in brainstorming mode. Ask individual team members to walk in the shoes of your customer and others to assume the role of your competitor. Let the latter develop ideas how competition outmaneuvered you.

Translate your findings into (open) questions as a basis for your upcoming customer meeting.

Customer meeting

Your customer has agreed to meet with you for a more detailed de-briefing, yes, but keep in mind, that most people are very hesitant to deliver negative feedback. Hence, make it easy for them and do not over expect from this meeting. Approach it as an opportunity to verify the thoughts you previously created in your in-house session. Take your set of open, non-threatening questions into the meeting. Depending on customer culture, think of submitting this set of questions to the customer prior to the meeting.

Apply professional “question and active listening” techniques to gather the information you need. But leave enough “space” for the customer to deliver any message they think you must hear.

Ideally, have a small team attending the meeting. It will be critical to have at least one team member present to watch the body language of the other party for micro expressions and any odd behavior. As an addition to the information you receive, ask them to carefully note such observations for later analysis.

Next to the formal meeting, engage with your broader customer network – informally. You may get more truthful information from those informal contacts. Make sure that you keep your mind and ears open to hear the feedback *you must hear* (not what you like to hear).

A comparison between your own analysis and the customer feedback should lead to valuable conclusions about where you missed the boat. Place a written record of your conclusions into your CRM system as a great kick-off for the next pitch to come.

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But The Invisible Game

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