DIAGNOSTIC SELLING....



SEASON 4 EPISODE 6

The 3 Metrics that Define a Buyer's Problems

(& EXAMPLES FOR 10 BUYERS)



AGENDA

ACT I
WHAT ARE THE 3 METRICS? (AND WHY DO THEY MATTER)

ACT II
EXAMPLES: OF THE 3 METRICS.

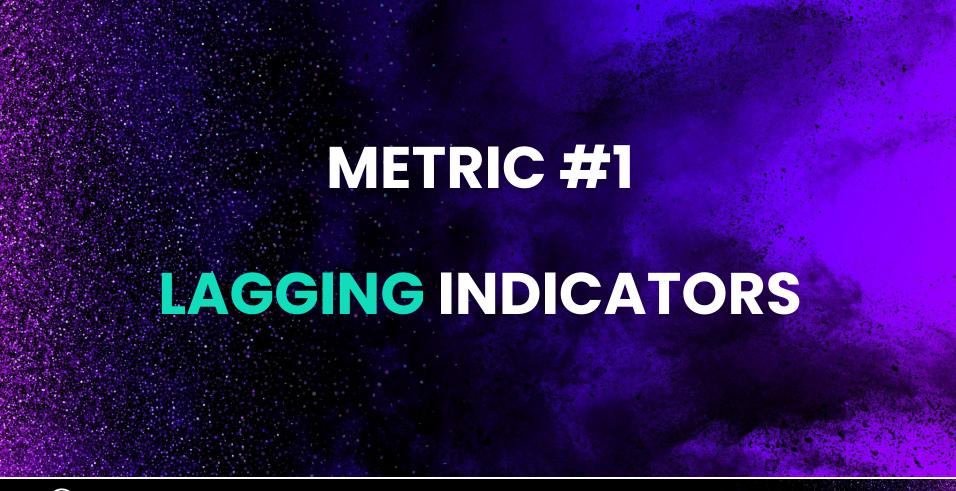
ACT III
HOW TO KNOW THE 3 METRICS: WITH USING AI.

ACT IV
HOW TO KNOW THE DIFFERENCE: BETWEEN THE 3 METRICS.



WHAT ARE THE 3 METRICS: AND WHY DO THEY MATTER?





WHAT IS A LAGGING INDICATOR...

Definition

AN INDICATOR THAT THE BUYER IS ULTIMATELY METRICED TO DRIVE, & IS THE MAIN METRIC OF SUCCESS.

- AN OUTPUT.
- MEASURED AFTER THE GAME IS OVER.
- CONFIRM THE SUCCESS OF SOMEONE.
- DEPENDENT ON A LEADING INDICATOR
- CAN BE OPTIMIZED FOR IN ISOLATION.

THERE'S ONLY I (MAX 3) FOR EACH BUYER.

TYPICALLY 1 MAIN: & 2-3 ANCILLARY



THEY'RE THE FINAL METRIC
THE BUYER IS HIRED & FIRED TO AFFECT.



THEY ARE MEASURED AFTER THE GAME ENDS.

MEANING ONCE THEY'RE "PUBLISHED", THEY'RE PUBLISHED.

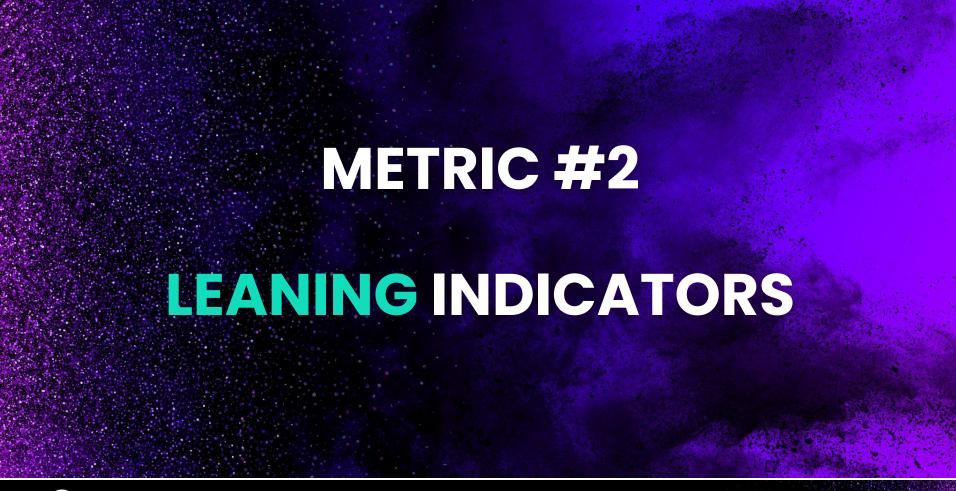


THEY'RE THE FINAL METRIC THAT MEASURES THE BUYER'S EFFECTIVENESS.



THEY ARE THE OUTPUTS.





WHAT IS A LEANING INDICATOR...

Definition

AN INDICATOR
ANALYZED IN REAL
TIME, TO SHED LIGHT
ON LAGGING
INDICATORS...
BUT ISN'T WHAT THE
BUYER IS METRICED
ON

- A MIDPUT.
- MEASURED DURING THE GAME.
- HELP PREDICT: THE LEVEL OF LAGGING INDICATOR THAT WILL BE ACHIEVED.
- THEN DIAGNOSE: WHICH LEADING INDICATOR NEEDS TO BE CHANGED, IF THE LAGGING INDICATOR NEEDS TO BE CHANGED.
- THEN RE-ANALYZED: TO SEE IF IT'S THE RIGHT INDICATOR TO CHANGE, & CHANGED ENOUGH TO ACHIEVE THE GOAL.

THERE'S ABOUT 10 – 15 OF THEM.



THEY'RE MEASURED DURING THE GAME.



THEY ARE USED TO PREDICT:
WHETHER THE LAGGING INDICATOR,
WILL BE ACHIEVED.



THEY'RE ALSO USED TO IDENTIFY: WHICH LEADING INDICATOR, SHOULD BE CHANGED.



AND THEY ARE USED TO EVALUATE....

IF THE <u>RIGHT LEADING</u> INDICATOR WAS CHOSEN, IF IT WAS CHANGED IN THE RIGHT WAY, & IF IT WAS CHANGED ENOUGH—IN ORDER TO <u>HIT</u> THE <u>LAGGING</u> INDICATOR GOAL.



THEY ARE MIDPUTS.





WHATIS A LEADING INDICATOR...

Definition

AN INDICATOR THAT CAUSES THE SUBSEQUENT LEANING & LAGGING INDICATORS TO OCCUR

- AN INPUT.
- MEASURED <u>BEFORE</u> THE GAME BEGINS.
- DETERMINE THE ULTIMATE LEVEL OF SUCESS, OF THE LAGGING INDICATOR.
- TYPICALLY HARD TO MEASURE.
- TYPICALLY DIFFICULT TO DEFINE.



THERE'S ABOUT 20 – 30 OF THEM.



THEY'RE MEASURED BEFORE THE GAME STARTS.



THESE ARE THE INGREDIENTS:

THAT THE BUYER SELECTS,
AND ARE INPUT TO ULTIMATELY
DRIVE LAGGING INDICATOR SUCCESS.

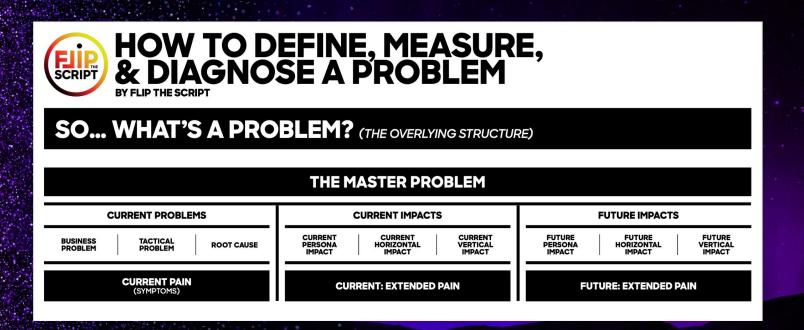


THEY ARE THE INPUTS.





THE 3 METRICS: ARE HOW BUYER'S ANCHOR PROBLEMS



THE 3 METRICS: ARE HOW YOU MEASURE PROBLEMS

WHAT METRICS DO YOU USE, TO MEASURE THEM?						
THE MASTER PROBLEM						
CURRENT PROBLEMS			CURRENT IMPACTS FUTURE IMPACTS	FUTURE IMPACTS		
BUSINESS PROBLEM	TACTICAL PROBLEM	ROOT CAUSE	CURRENT CURRENT FUTURE FUTURE PERSONA HORIZONTAL VERTICAL PERSONA HORIZONTAL IMPACT IMPACT IMPACT IMPACT	FUTURE VERTICAL IMPACT		
IS MEASURED BY THE						
PERSONA'S LAGGING INDICATOR(S)	PERSONA'S LEANING INDICATORS	PERSONA'S LEADING INDICATORS	PERSONA'S HORIZONTAL VERTICAL PERSONA'S HORIZONTAL EXTENDED TEAM'S LEADER'S EXTENDED PROFESSIONAL LAGGING INDICATOR(S) INDICATOR(S) INDICATOR(S) INDICATOR	VERTICAL PREDICTED LAGGING INDICATOR		
			PERSONA'S HORIZONTAL VERTICAL PERSONA'S HORIZONTAL PERSONAL LEADING PREDICTED PREDICTED PREDICTED PREDICTED PREDICTED PREDICTED PREDICTED PREDICTED PRESONAL LEADING INDICATORS INDICATORS	VERTICAL PREDICTED LEADING INDICATORS		





EXAMPLES:OF THE 3 METRICS.













OKSMARTY PANTS.....

CAN YOU USE SOME <u>NON</u>-GTM, OR <u>NON</u>-SALES BUYERS?









EXAMPLE #49

CISO:
NUMBER OF SECURITY BREACHES
(# OF INCIDENTS)





THE PUNCHLINE....

EVERYBODY'S GOT A NUMBER.



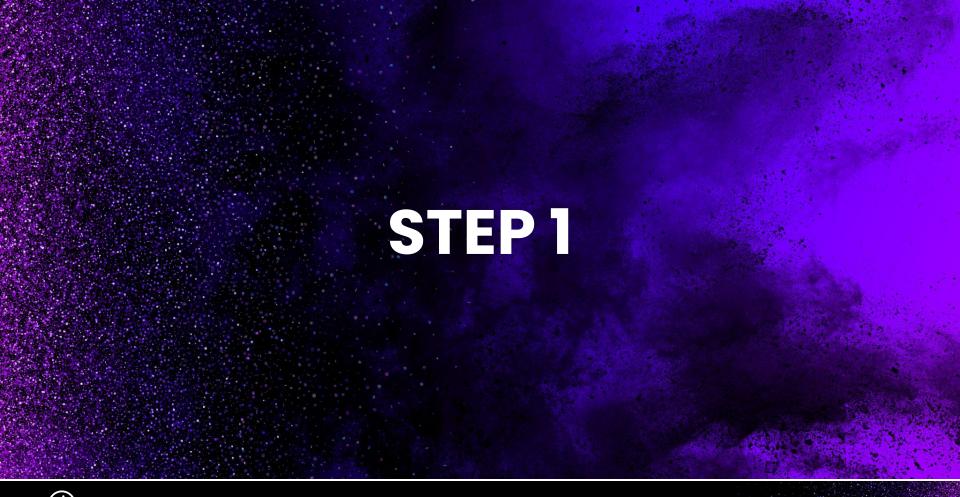
THE PUNCHLINE.....

THAT NUMBER, IS WHAT DEFINES THEIR ROLE AS A PERSONA.





HOW TO GET TO KNOW THE 3 METRICS: QUICKLY WITH USING AI.



STEP 1

FIND THE BUYER'S LAGGING METRIC.

- THE INDUSTRY AVERAGE OF IT.
- AT WHAT POINT, IT'S TYPICALLY A PROBLEM.



STEP 1: PROMPT

GIVE ME THE TOP 3 LAGGING INDICATOR KPIS, THAT A (ROLE) IS MEASURED ON, THE INDUSTRY AVERAGE OF THOSE KPIS,

& AT WHAT POINT THOSE KPIS ARE TYPICALLY A PROBLEM FOR A (ROLE).



STEP1: EXAMPLE



For a head of payments at a software company that enables user payments, the top three lagging indicator KPIs typically measured are:

Top 3 Lagging Payment KPIs

1. Transaction Success Rate

This KPI measures the percentage of payment transactions that are completed successfully, without errors or failures. It directly reflects the reliability and robustness of your payment infrastructure. A high success rate means more satisfied users and less operational friction.

 Industry average: Payment processors generally aim for a transaction success rate above 95%, with best-in-class companies often achieving 98-99%[5][1].

2. Chargeback Rate 🚭

This is the percentage of transactions that are disputed by users and result in funds being returned to them. High chargeback rates can signal fraud, user dissatisfaction, or poor transaction quality. Keeping this rate low is critical for both financial health and reputation.

Industry average: The generally accepted threshold is below 1%. Rates above this can trigger
penalties or increased fees from payment networks[5].

3. Authorization Rate V

This measures the percentage of attempted transactions that are authorized by banks or card issuers. It gives insight into the efficiency of your payment process and the health of your integration with financial institutions.

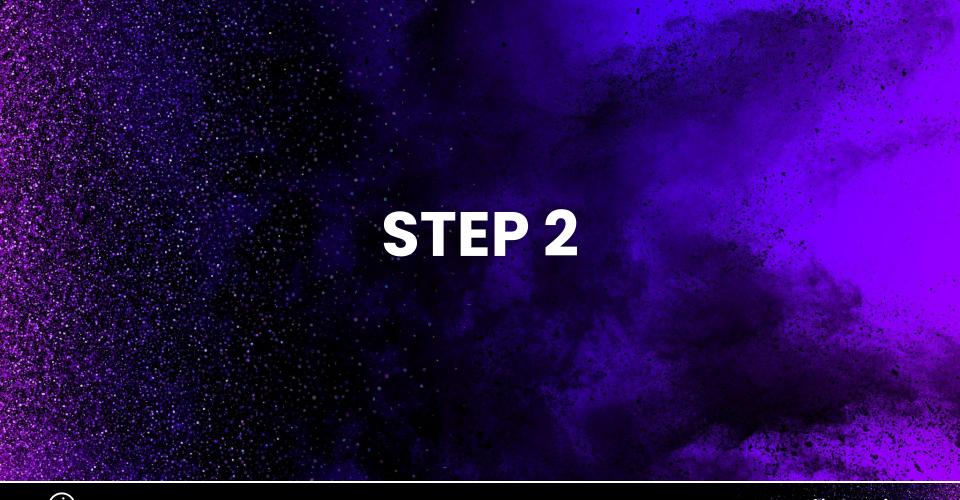
Industry average: Most payment companies aim for an authorization rate between 85% and 95%.
 Top performers exceed 95%[4][5].

STEP 1: CONT.

SEARCH:

WHICH ONE OF THOSE 3 LAGGING INDICATOR KPIS, IS TYPICALLY THE MOST IMPORTANT TO A (ROLE)?





STEP 2

FIND THE LEADING & LEANING METRICS, THAT TYPICALLY AFFECT THE LAGGING.

- THE INDUSTRY AVERAGE OF THOSE KPIS.
- AT WHAT POINT, THEY TYPICALLY CAUSE A PROBLEM, WITH THE LAGGING INDICATOR.



STEP 2: PROMPT

GIVE ME THE TOP 20 LEADING INDICATOR KPIS, THAT TYPICALLY AFFECT THE (BUYER'S LAGGING INDICATOR) FOR A (ROLE), THE INDUSTRY AVERAGE OF THOSE KPIS:

& AT WHAT POINT THOSE KPIS TYPICALLY CAUSE A PROBLEM WITH THE (BUYER'S LAGGING INDICATOR), FOR A (ROLE).

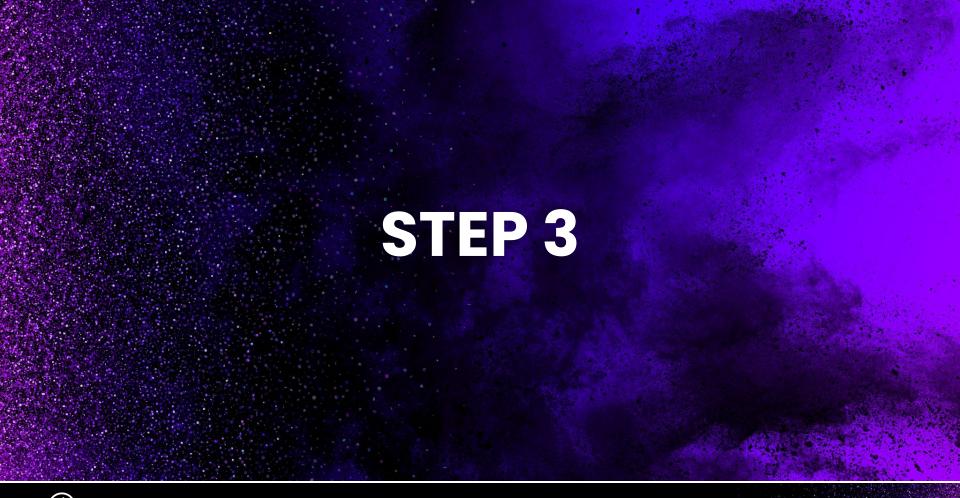




Here's a comprehensive chart outlining the top 20 leading indicator KPIs that can cause a decrease in transaction success rate for a head of payments at a software company, along with industry wereges and the threshold at which each KPI becomes problematic. These leading indicators are actionable—they often reveal issues before the success rate drops, giving you a chance to intervene early.

KPI Name	Industry Average / Target	Problem Threshold (Triggers Success Rate Drop)
1. Payment Gateway Uptime	99.9%+	<99.5%
2. API Response Time	<500ms	
3. Authorization Decline Rate	<10%	>15%
4. Payment Timeout Rate		
5. Card Not Present Declines	<5%	>8%
6. Incorrect Card Details	<2%	>5%
7. Bank Down/Unreachable Errors		
8. Duplicate Transaction Attempts	<0.2%	>0.5%
9. Fraud Detection False Positives		>3%
10. 3D Secure Failure Rate	<2%	>4%
11. Checkout Abandonment Rate	60-70%	>75%
12. Payment Processor Change Failures	<0.5%	
13. Currency Conversion Failures	<0.5%	
14. Network/Connectivity Errors		>2%
15. Insufficient Funds Declines	5-10%	>15%
16. AVS/CVV Mismatch Rate	<2%	>5%
17. Mobile Payment Failures		>2%
18. Subscription Renewal Failures	<2%	>5%
19. PCI Compliance Issues		Any occurrence
20. Manual Review Rate		>3%







....ET VOILA.



HOW TO KNOW THE DIFFERENCE: BETWEEN THE 3 METRICS.

GENERAL TIPS FOR ALL INDICATORS.



EACH BUYER...

PRIMARILY CARES ABOUT THEIR METRICS.



BUYER -> BUYER = DIFFERENT.

(SAME BUYER) ORG -> ORG = SAME.





TIPS

ON THE DIFFERENCE BETWEEN: LAGGING V. LEANING



THERE'S TYPICALLY ONLY I LAGGING (MAX 3), PER BUYER.

WHEREAS, 15-20 LEANING.



JUST ASK YOURSELF...

WOULD THEY LIKELY GET FIRED, FOR THE STATE OF THIS INDICATOR?

IF "YES" = IT'S LAGGING.
IF "NO" = IT'S LEANING.



TIPS

ON THE DIFFERENCE BETWEEN: LEANING V. LEADING



JUST ASK YOURSELF...

CAN YOU TYPICALLY BUY IT, "OUTRIGHT"?

IF "YES" = IT'S LEADING.
IF "NO" = IT'S LEANING.



JUST ASK YOURSELF...

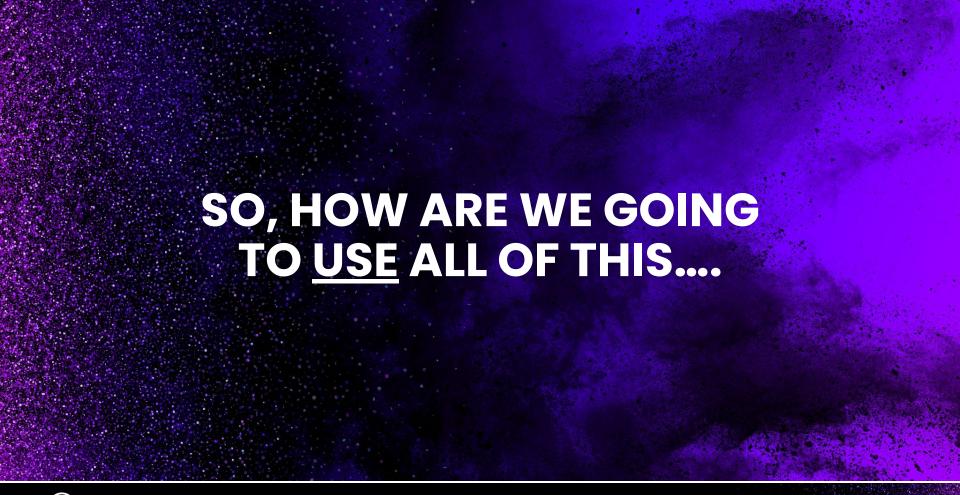
CAN YOU CHANGE IT DIRECTLY?

IF "YES" = IT'S LEADING.
IF "NO" = IT'S LEANING.



THE CLOSE.









IN SUMMARY...





THE END.

