

THE INTERNATIONAL

# Journal of Sales Transformation

OVER 20 PAGES OF RESEARCH-BASED INSIGHT, INCLUDING:

HOW A MASTERS PROJECT LED TO PERSONAL AND BUSINESS GROWTH FOR A SONY MOBILE KAM

+ SALES RESEARCH ROUND-UP

JULY 2015 / ISSUE 1.2 / ISSN 2058-7341

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#### CAN SELLING HELP EMERGING NATIONS?

Dr Roy Whitten and Scott Roy

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## Themes

# Sales is about people

## Coaching: are we doing it right?

In many ways, coaching is similar to selling; you can view coaching as a way of selling somebody their future – so people have to buy into this process, and it has to be done right. Yet, all too often, coaching is not done as effectively as it could be.

Current research suggests that coaching, working in conjunction with training, helps to drive an effective onboarding process in financial services organisations – pages 24-25. The most successful programmes combine training and coaching activities, whereby coaching augments and reinforces the more formal curriculum over the induction period.

Angie Dixey asks whether effective coaching happens in practice and presents the results of her recent research. She found that managers were coaching daily but not necessarily in a way that organisations expected or were accustomed to measuring. Moreover, sales managers often prefer a more informal, tactical style to a formal, strategic approach to coaching, with definite implications for the organisation (see pages 26-27).

Gill McKay highlights how low-performing coaches create a fundamentally demoralising environment. She looks at where coaching can best be applied and explores the link between neuroscience and coaching (see page 33).

## The “war for sales talent”: how do we win it?

Perhaps the starting point to consider is whether our education system is fit for purpose. In the UK, the CBI thinks not and is calling for a high-quality vocational dimension (see page 10) yet has no plans to focus on sales for 14-18-year-olds. Might we also benefit from exploring how including a sales



component could bring value both to business and wider society? We canvass sales education advocates.

Furthermore, hiring and development processes need to be honed, but are they delivering for most organisations? TACK International's buyers' survey suggests not, as does research by the British Institute for Learning & Development (BILD) and the Universal Sales Skills Audit (USSA) – see page 11. There is data from USSA around sales skills gaps on a global basis in our Databank section on pages 60-61.

Onboarding processes and development paths play a vital role both in terms of performance and talent retention: check out the research around how the interplay between coaching and training influences the onboarding process (see “Coaching: are we doing it right?” above). Meanwhile, SAP has been transforming its development strategy over the past few years and is now reaping the rewards of a significant investment in its talent – see pages 46-48.

## Real “world” experiences

In this issue, we learn about selling experiences from two emerging markets that differ widely in terms of language and culture – South America and South-east Asia – but note that applying research and reflection to practical business issues is a universal model with benefits that transcend geography and specific market conditions.

In Colombia, we are granted privileged access to the details of how a Sony Mobile KAM went on a journey of personal growth that in turn successfully led to business growth (pages 28-32).

From Cambodia and Myanmar, we gain insight into how the very act of selling and communicating value via social enterprises can empower economically impoverished people: the actual selling interaction creates buy-in to change – see pages 42-45.

## Snapshot

**“** MCKINSEY ANALYSIS OF THE TOP 1,000 US AND EUROPEAN COMPANIES SHOWS THAT, ONCE A COMPANY IS ACHIEVING

**15%** return on invested capital (ROIC), it gets **more value out of revenue growth** than from further improving ROI.

A business with a robust

**ROIC OF 21%**

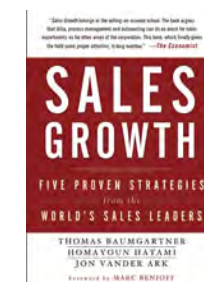
can create **TWICE AS MUCH**

*shareholder value*

by improving its annual revenue growth by 1 percent point as by pushing

**ROIC to 22%**

**“OPTIMISING SALES OPERATIONS CAN IMPROVE REVENUES BY 10-25% AND REDUCE BACK-OFFICE COSTS BY 20-30%.”**



This data was taken from the book *Sales growth* – Five proven strategies from the world's sales leaders by Thomas Baumgartner, Homayoun Hatami and Jon Vander Ark. See pages 14-16 for the article “To improve sales, pay more attention to presales” by Hatami and colleagues from McKinsey.



# In this issue: Q3 2015



## On the cover: The Many Faces of Coaching

Roger Brooksbank, Zahed Subhan and Duncan Steel examine the integration of coaching with training as part of an organisation's onboarding programme. Coaching and leadership development specialist, Angie Dixey asks whether coaching works best when team members are not even aware it is happening. Gill McKay discusses the nature of genuinely effective coaching and explores the role that an understanding of neuroscience can play.

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| <p><b>3 Themes</b> – Coaching: What is current research saying about this vital activity? The “war for sales talent”: How do we win it? Fighting poverty: Commerce, not aid, may be the answer. <b>Snapshot</b> – The power of revenue growth to create shareholder value.</p> <p><b>6-7 Upfront</b> – Top 3 sales issues: An academic, a managing director, and the leader of a professional body explain what's top of mind for them sales-wise.</p> <p><b>8-9 Thought-Leaders</b> – Can't pay! Won't pay! Alan Coffey on why employers frequently seek to avoid paying previously agreed</p> | <p><b>10-11 News</b> – Selling and education in the UK; Women in Sales Awards USA; hiring survey.</p> <p><b>12 Insight</b> – Bob Apollo on defeating the status quo: how to overcome customer inertia.</p> <p><b>14-16 Reflection</b> – The power of presales: McKinsey on how effective presales can yield a five-point improvement in win rates and a 10-20% acceleration in pipeline velocity.</p> <p><b>17-19 Standing room only: Pitches, pricing, people, psychology and professionalism</b> – it was all going on at a packed APS</p> | <p>commission and what should be done to protect salespeople.</p> |
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**20-23** My Journey



**24-37** Research

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**42-45** Global View



**50-51** Commercial Excellence



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| <p><b>20-23 My Journey</b> – Former England rugby player and head of sales for global snacks company Mondelēz International, Andy Tosney talks about running a 45,000-strong sales operation.</p> <p><b>24-37 Research</b> – 14 pages of the latest sales-related research: Roger Brooksbank, Zahed Subhan and Duncan Steel on best practice for onboarding; Angie Dixey discusses sales managers and coaching; Gustavo Mancera explains how personal growth also led to business growth; Gill McKay explains how neuroscience can inform our coaching style; Jeremy Noad explores recent research papers.</p> <p><b>38-41 Theory Into Practice</b> – Unconsidered needs: Tim Riesterer explains how joint research with Stanford's</p> | <p><b>42-45 Global View</b> – Can profits fight poverty? Dr Roy Whitten and Scott Roy discuss how selling can be a catalyst for change in the developing world.</p> <p><b>46-48 Sales Excellence</b> – SAP's Axel Ferreyrolles talks about transforming the organisation's development approach.</p> <p><b>50-51 Commercial Excellence</b> – Can contracts boost trust? Contract terms are becoming the new platform for successful selling, argues Tim Cummins.</p> <p><b>52-53 Industry Focus</b> – Financial services: Chris Alder investigates how to fix the broken financial services model.</p> <p><b>54-56 Resources</b> – Two pages of book reviews, suggested</p> | <p><b>58-59 Forecast</b> – Forrester Research forecasts that one million US B2B salespeople will lose their jobs by the year 2020. What exactly is going on?</p> <p><b>60-61 Databank</b> – What are the global gaps in core sales skills? We analyse a 500-strong dataset from SalesAssessment.com's Universal Sales Skills Audit.</p> <p><b>62-65 Conference report</b> – Two major sales events: the 10th Global Sales Transformation conference at the London Stock Exchange and Professor Neil Rackham's masterclass at Portsmouth Business School.</p> <p><b>66 What's On</b> – Awards, webinars, conferences and competitions: A selection of upcoming events.</p> |
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Editor-in-chief: Nick de Cent, editor@journalofsalestransformation.com  
 Contributors: Chris Alder, Jeremy Noad, Dr Philip Squire  
 Chairman: Dr Philip Squire; Marketing Director: Phil Linter

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*Fundamental to maximising sales is the quality of human engagement.*



# Top 3 sales issues

*We asked business thought-leaders from different sectors to tell us about the three sales issues that are top of mind for them at the moment.*

Nick de Cent

## The academic

**Nick Lee**  
Professor of Sales and Management Science

“Where is the science of the art? To me, the single biggest issue facing sales right now is our lack of knowledge of ‘what’ works in sales, ‘how’ it works, and maybe most importantly, ‘why’ it works. It seems everyone has a story about how to be successful, but few if any of those stories refer to any real scientific knowledge. We need more science to underpin what we like to call the ‘art’ of sales – without this, we are always guessing.

“Where is ‘sales’ in the public sphere? Sales is also pretty absent from the public understanding of economic success, or as we say ‘UK Plc’. I see people advising politicians about industry, retail, and commerce all the time – some people making a career out of it in fact. But, without sales, where does that leave industry? Sales is just as important as manufacturing to a successful economy, but where are the major figures in sales – would the public even understand the importance of sales? Right now, I doubt it.

“Where is sales education? Linked to all of this, where are the salespeople of the future coming from? How many sales courses are there at UK universities and colleges? Go find out, and then compare that number to how many marketing courses there are. But, how many young businesspeople go into sales-related jobs compared with marketing? There’s something wrong here. Without strong sales education, students are never even exposed to the exciting opportunities available in sales. Worse, when they almost inevitably end up in a sales role – or working with salespeople – they have no idea what to do.”

*Nick Lee is Professor of Sales and Management Science at Loughborough University School of Business and Economics.*

## The consumer expert

**Karen Jackson**  
sales outsourcing specialist

“As an outsourced sales organisation, CPM exists to maximise sales for our clients, many of which are global brands. We have to prove our value every day – through thought-led sales innovation, winning sales talent and world-class sales execution providing positive ROI.

“Being able to tap into the consumer’s ever-changing mindset is critical in today’s fragmented retail environment. Faced with multiple buying channels and shopping occasions we must endlessly adapt and flex our sales proposition for brands, and point our best salespeople – supported by tools, processes, data and technology – to where shoppers are open to buy.

“Beyond traditional bricks and mortar stores and online retailers, we must find new ways to win today’s shoppers, who seek value, flexibility and convenience. They buy products and services at the gym, at a festival, on social media and even at work. And back in the traditional retail space we must entice consumers to visit stores, creating events and experiences that prompt them to spend, extending the shopper experience and enhancing the purchasing process.

“And fundamental to maximising sales is the quality of human engagement. CPM’s product is its people, so while our clients devote energy in launching new brands, new variants or new packaging, our own product development centres around attracting, nurturing and retaining the best sales professionals. This means investing massively in training and motivating our people, while creating conditions in which they can thrive. Because ultimately it is they who will deliver the ROI that justifies our existence.”

*Karen Jackson is Managing Director of CPM UK*

## The professional body

**Stuart Edmunds**  
New Zealand Institute of Sales

“With the recent launch of the New Zealand Institute of Sales we are finding a strong appetite for our mission to elevate the sales profession in New Zealand. The three issues top of mind for us at the moment are:

“Grow associations with relevant local and international thought-leaders, academics and practitioners – Being an advanced, but small and geographically isolated nation, New Zealand needs to stand on the shoulders of giants where the context and application makes sense. This is particularly critical in developing relationships and carving open more opportunities in export markets.

“Being the catalyst for action – With paid and free access to an almost limitless body of content and knowledge on sales, we task ourselves with guided curation to expose members to changing trends, skills needs and learning opportunities. More critically, this leads on to putting these ideas into action. Without action, information and knowledge is purely theoretical and academic.

“Growing our member-base – The collective experience of our members is where the real value comes to the surface. Feedback from one member recently summed it up perfectly. ‘Membership of the New Zealand Institute of Sales alone is not a benefit in and of itself. It’s the involvement in the Institute and taking advantage of every opportunity provided that provides the benefit. I always want to keep learning, developing and keeping on top of the latest trends in the industry; there’s no other organisation in New Zealand that can offer what I need to do this.”

*Stuart Edmunds is the founder of the New Zealand Institute of Sales.*

👁 Guest View

# Can't pay, won't pay!

✍ Alan Coffey

*Why it has become commonplace for organisations to seek to avoid paying commission earned by salespeople?*

Commission payments seem so simple in concept: the salesperson wins a deal and the employer pays a certain percentage of its value to reward him or her for this success and the benefit it brings to the company.

In reality, incentives are a minefield: consider the following real-life scenario....

A well-known global IT company hires a top sales executive for his experience and personal network. Within six months, he lands a breakthrough deal with a major international bank; without him the company would not even have bid, let alone won.

Despite this major success, the sales exec was advised by his employers that, because he was still in his first year with the company, they could (would) not pay any of the commission that he was due under the terms of the incentive plan he had been given when he was appointed.

## Cultural dilemma

The company justified its position by arguing that some sales folk had been with the company for many years and had not earned a cent, so management felt they would have a "cultural dilemma" if they were to pay out in this instance. The sales executive didn't take this potential breach of contract to court – albeit that he almost certainly would have won – but, of course, the inevitable happened: he was approached by a rival firm.

Ironically, the rival company's new HR director had himself only just left the salesperson's company and understood



that this particular sales professional, although exceptionally talented, was unlikely to receive the commission due. Given the breakdown in trust and disillusionment with his employers, it's not surprising that the salesperson was easily lured away to join a rival, facilitated by the HR director's inside knowledge.

In 2015, that same sales executive is now performing at a high level with his new employer, and is being rewarded as per his contract. Everybody is happy, and benefitting. Unfortunately, this scenario is by no means uncommon and raises several questions:

- Why would an employer renege on an agreement that employees view as part of their contract of employment?
- Do employers in general understand the effect on trust and morale, and the harm this kind of scenario can do to their talent pipeline in terms of corporate brand/reputation damage and recruitment costs?
- Why would an organisation hand its best talent on a plate to a rival?
- In a supposed meritocracy such as a sales organisation, why would an employer prioritise "dead wood" over high performers?

These are complex questions; especially in the case of large-scale, services-heavy deals that extend over time – and with performance clauses built in – there is considerable room for interpretation. The situation becomes particularly difficult when commission is based around total deal size but revenue is set to flow over several years; the funds may not even be available to pay

the bonus.

At one of my previous employers, the finance organisation had simply under-accrued sufficient budget (around €920,000) to pay sales, and became very creative when seeking to minimise pay-outs, on one occasion even overruling a clause in the scheme to resolve a specific €165,000 shortfall. Surely, it must be incumbent on senior managers to understand the implications of a particular incentive scheme, to budget accordingly, and then to deliver on whatever scheme is agreed?

We need far more joined-up thinking generally: for instance, delivery organisations need to understand the implications of negotiated service-level agreements that impact revenue flow, so they commit to delivering what is negotiated – otherwise we risk pitting colleague against colleague within our own organisations.



*I genuinely feel that every penny of commission is begrudged by business managers, especially those from the finance line.*

Beyond the rational explanations, there also seems to be an ingrained culture among senior managers against paying commission. As someone who has been in the boardroom in two companies over the past five years, my experience has been that many senior business executives are not keen on paying salespeople their commissions; indeed, they actively seek to re-interpret documented incentive schemes as they deem fit.

Payment of commission is an emotive issue. In many cases, salespeople take the considerable risk of trading part of their salary – not to mention many months of effort "beyond the call of duty" – for the opportunity of a higher commission payment should they be successful in bringing home the mega-deal.

We hear a lot of pious talk from boards and the C-Suite about building trust with customers; if they're sincere, this principle should be extended to all stakeholders – beyond shareholders and customers – to employees too, and especially the sales organisation.

I genuinely feel that every penny of commission is begrudged by business managers – especially those from

👁 Our View

# We all sell something

*Where selling was once seen as the "white-collar equivalent of cleaning toilets", now it's the skill that everybody needs.*

We're all salespeople today. The problem is that too many people in society – including a worryingly large number of leaders at the top of big corporations – remain in denial about this plain, simple truth.

We used to think of selling as something you do to people; indeed, many senior business executives have assumed for too long that selling is something other people (the sales force) do to people (customers and buyers). But the truth is: we all sell; and the better we are at it, the better our lives will be – at home, at work and socially.

The sooner we can get away from this artificial distinction between "us" (people who don't get their hands dirty with selling) and "them" (the often troublesome but ultimately necessary bunch who sell), the better it will be for business.

## What we sell

Entrepreneurs sell innovation; teachers sell futures; politicians sell aspirations; and consultants "sell you your own watch back so you can tell the time". Everyday, business people sell their vision, their ideas, their products and services to customers, shareholders, colleagues and collaborators; they seek to influence and convince. Sometimes other people buy what's on offer; sometimes they don't – but we all sell something.

Understanding that life is ultimately about selling – and, just as importantly, selling in the right way – has the power to transform businesses. With this epiphany comes an ensuing acknowledgement of the balance of power between buyer and seller: today, that power ultimately sits with the buyer – out in the commercial marketplace, in

the talent marketplace, and internally, too, as we seek to persuade colleagues of our vision for the organisation.

It is incumbent on us to sell in the right way – the way that buyers respect – if we are to have any realistic expectation of positive and sustainable outcomes. And, once we understand how to sell, for us as leaders everything changes; we understand that, to be successful commercially, reputation and related qualities such as authenticity, trust and transparency become paramount.



*Understanding that life is ultimately about selling... has the power to transform businesses.*

Accordingly, successful leaders will in future keep one eye fixed firmly on the long-term sustainability of the business in addition to the pressing quarterly figures; moreover, we won't even contemplate turning a blind eye to any potential mis-selling within our organisation, as we will be only too aware of the reputational damage this causes. More positively, as leaders who truly understand selling we will seek to transform our businesses into genuinely customer-centric organisations.

In his 2012 book *To Sell Is Human*, Dan Pink alludes to those who view sales "as the white-collar equivalent of cleaning toilets – necessary perhaps, but unpleasant and even a bit unclear". That view has no place in modern business: whether we're engineers, accountants or consultants, we're all here to sell.

• To share your views, please email us via [editor@journalofsalestransformation.com](mailto:editor@journalofsalestransformation.com).



# No plans for sales in schools despite demands for more vocational education

Industry leaders are calling for a comprehensive shake-up of the UK's educational system to reflect the needs of employers. This includes delivering a mix of academic and vocational options for 14-18-year-olds. However, there is no mention of how sales might fit into these plans.

In a recent speech at the *Sunday Times* Festival of Education at Wellington College, John Cridland, Director-General of employers organisation the CBI, called for a stretching new curriculum that would give young people a real choice from 14 years old and the creation of vocational A Levels. He said: "For too long, we've just 'pretended' to have a multiple-route education system. In reality, there has been only one path the system values – GCSEs, A-levels, university."

## CBI demands

Among the measures the CBI is calling for are:

- Giving teachers real freedom to innovate, within a clearer set of goals for schools and a radically reformed accountability approach.
- Overhauling careers education, delivering high-quality advice and work experience to ensure young people can make informed choices.
- Delivering a new and stretching curriculum for 14-18-year-olds with the space for a personalised approach mixing key academic and vocational options, rather than endless exam reform.
- Supporting this new focus on achievement at 18 by retiring GCSEs and delivering gold standard qualifications for all at 18 years of age.
- Getting more businesses engaged in schools to help inspire, advise and govern, especially at primary school level where too few are currently involved.

However, the CBI currently has no plans to promote sales skills as part of any initiative, according to senior policy adviser for education, Grace Breen. She told the *Journal*: "Sales is not something that we have planned to look at in any great detail at this point."



CBI

John Cridland: new curriculum.

## APS view

Asked for a response, Ben Turner, Director & General Manager at the Association of Professional Sales, said: "The APS backs the comments made by John Cridland; empowering teachers and a reform of the curriculum, in particular, are areas we would highlight. In terms of curriculum development, the increase in vocational courses is a fantastic starting place to build on, but this only seem to stretch towards traditional apprenticeships."

"The UK is a knowledge-based economy; therefore, the vocational areas covered should be expanded to reflect this. This of course includes more business-oriented disciplines with none more pronounced than sales as a vocational subject. The APS believes that most careers would benefit from sales knowledge, from investigating problems through sound questioning and active listening, to presentation of ideas and understanding customers."

## Advocating sales in schools

Russell Ward, CEO of sales performance specialist Silent Edge and

a strong advocate of introducing sales skills to the school curriculum, asked: "Why is sales not taught in schools? The void between being well educated and ready for the business world is massive."

He added: "If it was, then everyone would learn how to communicate, listen, build compelling propositions based on what they have understood, present themselves and persuade. The impact that would make on their employability skills would be immense, let alone their interviewing capability and skillset in the workplace."

Over six months in 2012-13, Ward trained 20 sixth formers at Cranbrook School in Kent how to sell. The students volunteered to come on the course and were chosen from 80 who put themselves forward.

"The impact it made on them was simply amazing," Ward said. "They learnt how to listen, how to ask questions, how to present, how to build a value proposition and use that to persuade, and how to prepare. Their grades improved; the teachers said they were more attentive and contributed more in class; some parents said it had improved their home relationships."



Russell Ward: schools programme.

# Women achievers celebrate North America sales awards

Oracle's Christina Lammers triumphed at the inaugural Women in Sales Awards North America event at the Fairmont Copley Plaza in Boston, Massachusetts on 18 June. She won the Best Woman Sales Manager category and the overall award for Most Distinguished Sales Woman Of The Year.

Lammers, Regional Manager Emerging Markets, Oracle, said: "it is an absolute honour that I have won tonight. This is not just something remarkable tied to my name; [I'm] taking this back to Oracle and my team who are the real reason that I have won."

She added: "I believe spreading awareness about diversity and equality in technology is important for all genders."

Lammers was joined by the following distinguished winners:

- **Lanette Richardson**, Regional Sales Manager at InsideSales.com – Best Woman in Inside Sales
- **Lindsay Paxton**, Sales Representative, Stryker – Best Woman in Field Sales
- **Elizabeth Grande**, Account Director,



Women in Sales Awards

Christina Lammers: "I believe spreading awareness about diversity and equality in technology is important for all genders."

- Thomson Reuters – Best Woman in Financial Sales
- **Danielle Lopez Heeter**, Sales Representative, Stryker – Best Woman in Healthcare Sales
- **Laura Koch**, Partner, Appirio – Best



Women in Sales Awards

Afi Ofori: celebrating female sales talent.

Woman in IT Sales

- **Ellen Dowd**, Senior Vice President, Hitachi Consulting – Best Woman Sales Director

Afi Ofori, managing director of Zars Media, which organised the awards, explained that they aim to celebrate and reward the "very best female sales talent across North America and Canada".

Some 180 guests from all over North America and Canada attended the ceremony, including Rich Andrews, former Managing Director of Bacardi UK and Ireland, now Chief Commercial Officer at Bacardi North America. Bacardi is the global drinks sponsor for the Women In Sales Awards and has supported the events since their launch in Europe in 2013.

The event was supported by a number of leading sales associations including the American Association of Inside Sales Professionals (AA-ISP) and the Sales Management Association. Media partners included *The Women Salespros* (US), *Sales Mastery* (Canada) and *The International Journal of Sales Transformation*.



Women in Sales Awards

Ellen Dowd: Best Woman Sales Director.

## Employer survey exposes cracks in hiring process

When hiring sales executives, over 58% of employers believed that "salespeople should know what they are doing", according to joint research from the British Institute for Learning & Development (BILD) and the Universal Sales Skills Audit (USSA).

Just over 58% of employers also reported that "maybe some [sales executives] aren't as good as we would like" and only 38% of companies surveyed were able to state: "Our sales performance has consistently enabled us to meet or exceed our sales targets for the company over the last three years."

"There is a need for qualifications and a somewhat more formal entrance to a career in sales other than being handed a list of prospects and a telephone," USSA founder Andrew Dugdale told the *Journal*. However, if you assume that more than half of the sales managers recruiting new executives entered sales through this very same door, you begin to realise the problem: we gravitate towards those like us, the 'that's the way I started and it worked for me' mentality."

Many sales organisations also adopt a seat-of-the-pants approach to training with 41.67% relying on interviews to identify areas for training development, while only 33.33% use a formalised training methodology and still less – 29.17% – employ a third-party assessment of skills gaps.

The research was based on a combined survey of BILD members and the Sales Initiative Community among 347 respondents during April 2015.

## TACK International buyer survey

Development specialist TACK International is set to unveil the findings from the 7th edition of its "Buyers' Views of Salespeople" study at the National Sales Conference on 8 October.

Previous research identified that price is not always a key purchase motivator. A quarter of respondents indicated that a number of factors were ahead of price in determining their buying decisions: quality, reputation and technical specification.

Importantly, the survey found core sales skills such as effective questioning and listening to be lacking. 64% of respondents said that salespeople were only "poor to fair" at investigating buyers' needs and developing a solution to meet them. Meanwhile, consumer demand for a consultative sales approach established key development areas for salespeople, such as research, preparation, questioning and listening skills.



# Competing against “do nothing”

🔗 Bob Apollo

If you're involved in complex sales in a B2B environment, your most significant competitor is almost certainly not another vendor, but the status quo. According to the latest findings from Sirius Decisions, Sales Benchmark Index and many other respected researchers, an increasingly common outcome for even well-qualified sales opportunities is not a win, or a competitive loss, but a decision to “do nothing”.

It's not hard to understand why. Faced with a generally risk-averse business climate, and with more stakeholders than ever involved in the typical buying-decision process, it's often easier for prospective customers to conclude – after an apparently thorough consideration of the alternatives – that their least-risky option is simply to stick with what they already have.

## Valuing the problem

There's a simple rule at play here: where there is no compelling case for change, the status quo is likely to prevail. As vendors, we've got to put a value on our prospect's problem before we can put a value on our solution. We've got to make sure that our salespeople fully explore their prospect's pains – and their potential gains – before they rush to prescribe our products or services.

And we've got to help our prospect to establish a clear value gap between their current situation and where they recognise that they need to be. If there is no value gap – or if the value gap is insignificant – the prospect is probably going to stick with the status quo, no

matter how good the solution fit.

That's why one of the most important roles of any first-line sales manager is to ensure that their salespeople have qualified whether their prospects are really motivated to do anything. And we can only make that judgement if we have fully explored the costs and consequences of inaction – and made sure that a clear and compelling case for change exists.

I'm no great fan of the increasingly archaic BANT approach to opportunity qualification, for reasons that I may explore in a future article. Yet, even if the opportunity appears to tick all of the BANT boxes (Budget, Authority, Need and Timeframe), we still need to make sure that both we and the prospect understand why sticking with the status quo would be the worst possible option.

We need to take the time to fully understand what would happen if the prospect's current situation continued into the future. What avoidable (and preferably rapidly accumulating) costs might be incurred? What valuable opportunities might be missed? Who else within their organisation might be affected? What risks might the organisation be exposed to?

## Shaping the agenda

How can we present the costs and consequences so as to persuade the prospect that they simply cannot afford not to take action? How can we weave both rational and emotional motivations into a compelling case for change? This is not simply a way of qualifying out opportunities that are unlikely to do



## About the author

Bob Apollo is the CEO of UK-based Inflexion-Point Strategy Partners, the sales and marketing performance improvement specialists. Following an eventful corporate career, Bob now works with a growing client base of UK and European-headquartered B2B-focused expansion-phase technology companies, helping them to find ways of systematically accelerating their revenue growth.

anything: it's also a way of helping to shape your prospect's agenda.

## Actions

If you are determined to cut down on all those wasted resources that are currently being ploughed into projects that end up going nowhere, you need to first recognise that “doing nothing” is one of your most insidious competitors. You need to coach, train and equip your salespeople to resist the itch to pitch and focus instead on the need for change.

And please, don't just ask your salespeople when an opportunity is going to close and what their chances of winning are; make sure you also ask them why their prospect should do anything at all, and why their need is urgent. And, if you don't get the answers you want, you need to get your salespeople to go back and requalify their opportunities again.

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# To improve sales, pay more attention to presales

Homayoun Hatami, Candace Lun Plotkin & Saurabh Mishra



As buying behaviour becomes more sophisticated, presales has emerged as a vital engine in the sales pipeline, argues McKinsey & Co.

At a time when CEOs are on a constant quest for growth, there is a promising but often overlooked capability available close to home: presales. Building on our analysis of what drives performance in our book *Sales Growth*, we have found that companies with strong presales capabilities consistently achieve win rates of 40% or more in new business and 80% or more in renewal business – well above average rates.

## Bring presales into the light

At a time when buying behaviour has become much more sophisticated, presales has emerged as a vital part of the sales pipeline. Presales has a crucial role in qualifying leads, putting together the best bids, and delivering compelling proposals. These activities have two to three times more impact on revenue generation than generating leads. Souping up the presales engine can yield a five-point improvement in win rates and a 10-20% acceleration in pipeline velocity (see diagram on page 16).

Despite this level of potential impact, presales doesn't get much airtime in the C-suite even though it receives a significant chunk of company resources, typically accounting for 30-50% of overall commercial headcount. In

fact, our analysis has shown consistently that, for maximum productivity, the optimum share of overall commercial resources in presales for B2B (business-to-business) companies is 40-50%.

Given the massive impact that presales can have on growth, heads of sales and CEOs need to take a more active role in getting more from this function. Here is how the world's top growth leaders do it.

## Qualifying leads: quality beats quantity

We know that the better qualified the lead, the higher the sales ROI (return on investment). But given that the ideal qualification rate is roughly 50 percent, what's the trick to figuring out which leads are worth pursuing and which

## What is presales?

*Presales is a function within a company's commercial "engine" that provides a specific set of activities that lead to qualifying, bidding on, winning, and renewing a deal. These activities require both commercial expertise to draft a business case and structure a deal, and technical expertise to architect a solution and develop proof of concept.*

warrant a pass?

Some of today's best-practice organisations rely on advanced analytics to identify opportunities early in the sales cycle and prioritise the most desirable at the granular level of micromarkets, segments and customers. They use techniques such as propensity-to-buy modeling, micro-market targeting, account-level opportunity assessment and churn prediction to separate the high-quality, high-probability opportunities from the rest.

Consider, for example, how the presales team of a North American building materials supplier helped the company beat the recession. To improve its qualification rate, the sales team developed a list of prospective "ideal customers" most likely to buy the company's products; this was derived from order histories of existing customers and analyses of prospective markets. The presales team sifted through the leads to recommend which ones to pursue. This helped increase bid and bid conversion rates, resulting in a 3-5% improvement in win rate.

## Submitting bids: expert allocation

The ideal bid rate from the initial pool of qualified leads typically is 80% (not all deals look good upon closer analysis). But bid rates are often much lower because of inadequate resource allocation, failure to bid quickly enough, and just plain sloppiness.

Not surprisingly, pairing the right presales expert with the right opportunity – the account most likely to buy – greatly improves the bid. Doing so in today's fast-moving sales world, however, requires more meaningful transparency into the deal pipeline, better processes to allocate the right resources quickly, and more rigour in putting a good bid together.

Sales managers in high-performing organizations not only have a clear view of deal priorities but also have the discipline to filter the often nonstop and "loudest" demands for presales support in order to consistently assign their best presales talent to the most important deals. A critical component is having tools that provide clarity into and simplicity around both deal pipeline and presales allocation so that sales managers can make decisions quickly.

Consider the difference this made at an IT services company whose sales team was on the verge of mutiny. Key account managers complained about insufficient availability of presales – a whopping 40% of opportunities had been assigned no presales bid manager five days after receiving an RFP (request for proposal). In addition, the sales reps spent 22% of their time on proposal development – more than double the industry standard.

The root cause was inadequate presales staffing. The company's technical presales experts (solution managers) were not assigned to the highest-opportunity bids, and there were frequent disruptions to their assignments (for instance, they were often reassigned to the priority du jour).

To turn things around, the company developed a staffing approach that gave a clear, at-a-glance picture of the availability and specific skills of presales staff a full quarter out. It redesigned its

**“Given the massive impact that presales can have on growth, heads of sales and CEOs need to take a more active role in getting more from this function.”**

bid review and approval process, making it simpler and faster for smaller deals. It also put in place a 360° feedback mechanism to allow key account managers to provide commentary, suggestions and recommendations to the technical and commercial presales resources immediately after a bid had been submitted.

This new approach helped the company staff 15% more deals with presales resources, and improve "must-win" deals (for the same number of total presales resources) by 30%. Sales reps' time on proposal development was cut in half, and dropped bids due to lack of presales resources fell from a high of 5% to just 1%.

## Closing deals: expertise at hand

Sales reps need to provide deal context and come up with an approach that will close the deal, but it's up to presales to shape the conversations with the client to position the company's solution as the ideal one. This approach is not about developing a "smoke and mirrors" pitch but investing the time to have a deep

**“Souping up the presales engine can yield a five-point improvement in win rates and a 10-20% acceleration in pipeline velocity.”**

understanding of the client's needs (met and unmet) and then highlighting those elements of the solution that can address them. As the best presales people know, this part of the process is as much about education as it is about "selling", and this is especially true for larger, more technical deals.

A box manufacturer facing margin pressure invited prospective customers to the plant to meet with presales experts who offered "co-creation" working sessions in which the customer could tag team with manufacturing specialists, product development technicians, and salespeople. Presales experts would lead the teams in identifying the customer's needs and then designing custom boxes to meet them. More than half the prospects who visited ended up as customers – double the win rate for bids that didn't include a site visit.

## Renewing deals: the art and science of better prediction

While the title "presales" might imply that their work is finished once a sale is made, the best companies have presales teams that are active after the sale as well. Great sales reps have always tried to anticipate customer needs and to deliver on them consistently. What's new is that top-notch presales teams can now help advance from anticipating customer needs to predicting them with greater precision; recommend what the sales force should sell to specific customers; and advise on what expertise and approach sales reps should use to drive wins.

Predictive analytics makes it possible to pinpoint which customers,



“

*The quality of the proposal far outweighs lead generation as a driver of growth.*

at which time, and for what reason may be at risk of not renewing contracts, allowing companies to design specific actions to prevent loss. Such tactics helped one US insurance company improve customer-retention rates by 20%.

Presales can also accelerate overall pipeline velocity by anticipating what will trigger a renewal, standardising tools to ensure best practices across the sales team, and automating processes to send alerts and recommendations well in advance of a contract's renewal date. Companies that do this well set up internal automatic triggers in the CRM feed to alert salespeople when a contract is coming due, and to recommend special offers and promotional deals that will encourage a quick renewal – thereby sometimes closing the deal before an RFP could let competitors into bid.

The quality of the proposal far outweighs lead generation as a driver of growth. This fact alone highlights how critical presales should be in any company's sales strategy. CEOs that can work with their sales leaders to maximise the impact of presales through better investment, allocation and focus will achieve greater growth.



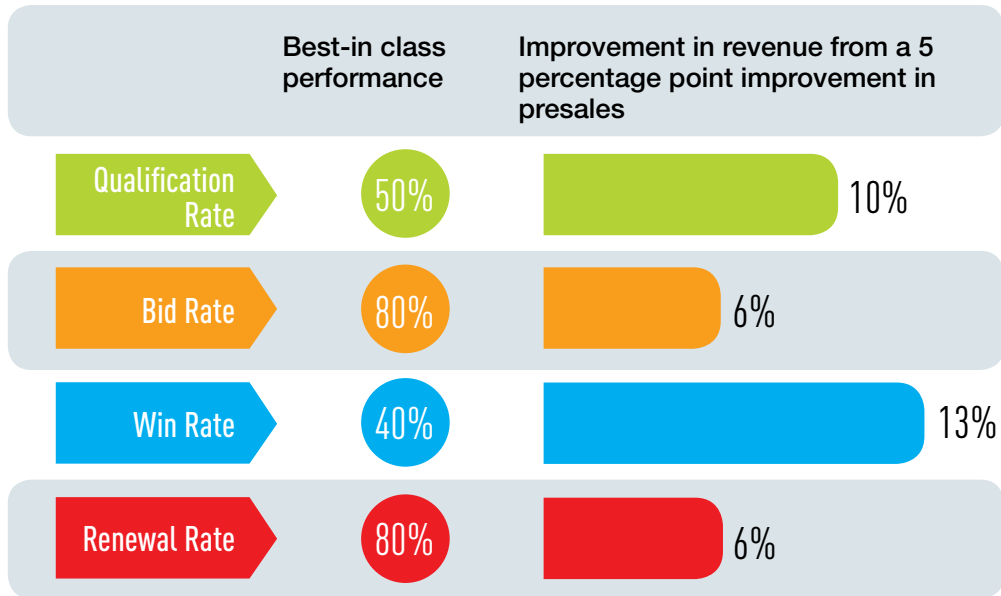
*Homayoun Hatami is a partner at McKinsey in Paris and a co-author of Sales Growth: Five Proven Strategies from the World's Sales Leaders (Wiley 2012).*

*Candace Lun Plotkin is the Global Director of Knowledge for B2B Marketing & Sales at McKinsey, and has worked with over 500 marketing and sales organisations in the past 20 years.*



*Saurabh Mishra is an associate principal in McKinsey's Delhi office and the leader of the Commercial Excellence service line in Telecoms, Media, and Technology Practice in India.*

**Presales improvement has a big impact on revenue across the sales pipeline.**



Source: sensitivity analysis

# Standing room only



© Sam Pearce, Square Image

*Pitches, pricing, people, psychology and professionalism – the inaugural APS conference had it all. Nick de Cent reports.*

**I**t could so easily have been a disappointing-but-still-respectable audience of some 150 delegates who chose to attend the Association of Professional Sales' inaugural annual conference at the London Kensington Hilton on 10 June. In the event, almost twice that number filled the conference room to overflowing – a heady mixture of sales leaders, academics and consultants.

Naturally, many were there to sample what this fledgling professional association could offer and, over drinks and canapés at the end of the day, the mood was overwhelmingly optimistic. The necessary networking and exchange of war stories had been momentarily

abandoned in favour of discussion around transforming companies, professionalising selling and comparing approaches across different industry sectors.

People were inspired. So what had we just witnessed? APS COO Andy Hough kicked off the day with a plea for delegates to “inject their passion” for sales and then swept the audience along with a series of announcements including immediate plans to launch a new sales research institute in conjunction with Loughborough University and a longer-term goal of securing chartered status for the profession. Hough also highlighted the profession's shortage of talent and outlined a vision that anticipated schools and universities in future promoting sales as a “destination career”.

## Ethics

Standards and ethics are part of this vision and Consalia director Ian Helps

introduced the work of the association's ethics committee. He suggested that the profession had put up with mis-selling for too long, adding: “We need to get to a place where people know us as professionals, and know that we care.”

## Research

Stanford University Graduate School of Business academic Dr Zakary Tormala outlined some of his work around psychological certainty and its influence on persuasion.

People who feel more certain about something, buy; they buy sooner and they spend more. Furthermore, they may become advocates and are less likely to change their mind about an offering. So how do you build certainty?

Dr Tormala advocated the CRED formula:

- **consensus** (when people believe they are in the majority); tip – emphasise agreement and shared views in your messaging;
- **repetition** (creates commitment)



and clarity and causes people to feel more certain); tip – get people to repeat desirable opinions;

- **ease** (people are more certain of thoughts that come to mind easily, the “ease of retrieval effect”); tip – make it easy for people to think of and process your argument; and
- **defence** (getting people to defend their views “inoculates” those views by exposing them to minor challenge); tip – offer gentle pushback such as playing devil’s advocate”.

Dr Tormala also discussed the “allure of uncertainty” whereby a small dose of uncertainty (such as taking an unexpected position or asking questions where there’s a knowledge gap) early in your message can engage your audience. Experts are perceived as more persuasive where there is an element of uncertainty.

He went on to discuss interruptions, saying: “There may be an upside to brief, strategically timed interruptions.” This can boost message processing, increase curiosity and motivate deeper engagement.

## Applications

Tim Riesterer, Chief Strategy and Marketing Officer of event sponsors Corporate Visions, explained how some of the Stanford Research had practical applications in his presentation “Defeating ‘no decision’ – your biggest competitive threat”.

Referring to so-called “status quo bias” and “preference stability”, Riesterer declared: “Your arch rival is the status quo. You need to convince them there is more safety in making the change.”

One way to do this is to restructure presentations to open with “unconsidered needs” – potential challenges your prospect may not even be aware of – as a way to stand out from the pack and prevent the discussion slipping into a “commodity conversation”.

He presented empirical evidence that this approach was significantly more successful than traditional “voice of the customer” messaging. (For a fuller explanation of this research, please see the article “Have you thought about this?” on pages 38-41.)

## Practitioner know how

A panel of high-level practitioners drew together thought-leadership from across a range of sectors, including IT, financial services, training and distribution: Graham Davis, sales director, Royal Mail; Charlotte Campbell, Head of Sales & Partner Enablement EMEA, EMC; Russell Ward, CEO, Silent Edge; Robert

Racine, VP and Global Head of Sales Enablement, Wipro; and Martin Smith, board member, APS.

As part of a wide-ranging discussion chaired by Hough, the panel explored the need for salespeople to be treated as individuals and to be able to operate flexibly within any sales process – what Davis referred to as “freedom within the framework” – according to the specific customer engagement situation. “We don’t need a restrictive sales process,” he told the audience, stressing: “Sales methodologies don’t transform sales forces.”

Panel members admitted to knowing about the challenges but not necessarily having all the answers. Wipro’s Racine referred to the speed of evolution in the software industry, saying: “The key is to figure out how people can learn very fast.”

EMC’s Campbell warned against putting all coaching and development through the first-line sales managers – important as they are to the success of a sales organisation – because this restricts the line of sight to the salespeople and prevents organisations

of MyBrain explored “Improving the adoption and quality of coaching in your coaching managers” and suggested that there is a 90% performance improvement to be gained by coaching those with the potential to improve. (For more on coaching and neuroscience from McKay, please see “Coaching brain” on page 33.)

Acquiring and developing talent in a world where it is in short supply was the focus of Kevin Blair’s presentation.



“You definitely don’t lose on price and you definitely don’t win on price,” he told the audience, adding: “The secret is people and applying it globally.”

He left delegates with three questions they should be considering:

- How are you integrating the digital experience into your sales practices?
- What programmes are you pursuing to improve customer experience? and
- How do you make sure you and your teams remain up to date with technology?

## Story telling

Reisterer returned to the stage with a second presentation around the art of story telling in presentations, again anchored in Stanford research. The narrative order is important in terms of the most effective presentation structure and it turns out that this differs from most people’s traditional approach. What Riesterer calls “hot, spiky, hot” works best – ie “open hot”, move onto “spiky questions” during the middle period of the presentation when there is traditionally a slump in audience engagement, and then conclude with a hot close.

Unsurprisingly, visual story telling comes across best given the so-called “picture superiority effect” – “a picture tells a thousand words”. However, he also compared three distinct presentation styles in terms of engagement and retention: using a whiteboard to build a story, traditional PowerPoint and the minimalist “Zen” style of abstract illustration with vocal explanation. In trials, the whiteboard approach fared best, followed by PowerPoint and, perhaps most surprisingly given the way it has often been advocated in the past, the Zen approach came last.

Riesterer suggested that part of the reason for this effect is that, when buyers make the decision to change, this happens in parts of the brain that do not have the capacity for language. He also noted that sales leaders want their people to be more consultative and this fits better with the whiteboard approach. Furthermore, an interactive white board presentation comes across more as the activity of a solution provider.

At the same time, the company has introduced a tool whereby everybody in the organisation can see everybody else’s goals, a move that offers a longer-term view and boosts employee engagement.

David Rutherford, director at professional services firm EY, explored sales as a cross-functional organisational engagement effort and underlined the sentiment put forward earlier in the day that sales as a function needs a body to represent it to the procurement function.

Examining the question of why people buy, he suggested that the same four reasons kept coming up:

- cultural fit and the interaction with the client’s business;
- quality of the people;
- the business case; and
- technical competence.



The senior director for talent acquisition, EMEAR at Cisco emphasised that, if you hire the right people and then develop them, you are much more likely to retain them. “If you don’t develop them, you won’t retain them,” he warned.

He discussed the challenge of communicating with and engaging potential employees across four

generations – “baby boomers” and generations X, Y and Z – but added that this was less of a problem in terms of development, because this is determined by role. Clients and suppliers were also becoming part of the organisation’s development plans.

Meanwhile, Cisco has scrapped annual reviews and moved towards a continuous 360° appraisal approach.

understanding exactly what is being delivered to the teams; instead, development should be focused on both groups, she emphasised.

## Hot topics

Talent issues were to the fore during two of the afternoon sessions. Gill McKay

APS Conference speakers and delegates: (clockwise from top left): David Rutherford, EY; Dr Zakary Tormala, Stanford University; Kevin Blair, Cisco; Andy Hough, APS; packed audience for keynote sessions.



# Hard yards

✎ Dr Phil Squire & Chris Alder

*Head of sales for global snacks company Mondelez International, Andy Tosney talks about how simplification and standardisation of sales processes is transforming the organisation and delivering a powerful boost to company revenues.*

Andy Tosney is passionate about what he does....

"I've never had a day in my life when I've woken up and not wanted to go to work. I used to get paid for playing rugby and work 6am till 6pm in a metal foundry with study in between.... That's a tough way to make a living!

Now I can go sell things, meet interesting people, grow the businesses, get mutual partnerships, deliver outcomes, sell solutions – that's not a job; that's fun!"

But when asked to describe the journey that has brought him to where he is now, the former England international employs a wry rugby phrase. "Hard yards would be the way I would describe it," he says.

Based in Dubai, Tosney is the sales component of the team responsible for the day-to-day running of Mondelez International's 45,000-strong global sales operation.

## Energetic

The former England rugby player is also energetic. "I'm up at 5.30am, in the gym by 6.15am for an hour, then in the office for 8am. My typical working day starts with an hour blocked out for emails, and

preparation for meetings during the day. I will have a number of teleconferences with colleagues in Europe when they wake up at around 11am. By 3pm my time, America wakes up and my day goes on until 7-8pm depending on what's happening."

And there's a lot happening. The snacks company, one of the world's largest with global net revenues of \$34 billion in 2014, was split from grocery giant Kraft with a single focus in mind: create delicious moments of joy by sharing the world's favourite brands. Now Mondelez is taking the concept of simplicity and applying the model in the sales environment to transform its business.

Tosney says: "Mondelez is a multi-category organisation with many brands. Our model is to leverage the strength and power of our portfolio. Standardising our approach is a critical enabler so we can deal with the complexities and make things more simple."

It's clearly a mammoth task. The company operates in 162 countries, and employs around 107,000 people in five regions: North America and Canada; Latin America; Middle East Asia Pacific; and Europe. It makes some of the best-known snacks brands around the globe. Its 15 global 'power brands' – biscuits Oreo, Chips Ahoy!, TUC, belVita, Club Social and Barni; chocolate Milka, Lacta, Toblerone, and Cadbury Dairy Milk; and gum and candy Trident, Chiclets, Halls, Stride and Cadbury Dairy Milk Eclairs – are expected to drive 60 per cent of the company's growth going forward.

Each region has a market president, in charge of the markets and sales organisation in the region; The regional presidents plus Tosney make up the global sales council.

Tosney says: "The new sales model is designed to build systemic

capability and consistency across the organisation. Globally we have a centre of excellence. In the regions we have centres of deployment and locally we have centres of execution, so we have a mirror organisation all the way through our base capabilities. The centre of deployment, the region, works with the centre of excellence to define what is the standard process, the standard toolkit, the standard capability building we need, and what is our market loading – in other words, which market, regions and categories are we going to go for first to build that capability. When that process is done, the centre of deployment then goes to the markets and deploys that with a mirror team in the markets.

## Global standard

"What's really exciting is that we have managed, for the first time in our history, to have a standard sales organisation all over the world, with one way of working, one language, one toolkit, and a systemic capability right through the organisation. We are finding that building that global community is speeding up our results delivery, and also the capability to go forward with one way of doing things, reducing time, cost and complexity and giving us real competitive advantage."

The son of a man who had his own building business, Tosney admits he was passionate about rugby, but not very interested in education. "Consequently I came out of school with mediocre results, but I signed the forms to be a professional rugby player at the age of 15 and started playing rugby league for a professional side in the north of England when I was 16. I was lucky enough to play for Great Britain on a couple of occasions.

"At that time clubs made you >

“

*I've done nearly every job in sales from trainee rep to running a global organisation.*





**“**  
*I have found it interesting that salespeople see themselves as predominantly local. They think what they do in their market is the way it should be done.*

Andy Tosney: “I learned by doing. I wasn’t on the graduate scheme so I had to prove I could do the job before I could be moved on.”

have an occupation and post-school education in case you got a long-term injury which happened quite frequently. I took an apprenticeship in mechanical engineering and studied at Leeds to get my qualifications.” He subsequently retired from professional rugby in the 1990s after a serious ankle injury.

“After I finished studying I wasn’t sure what to do. My brother was a sales rep for aluminium manufacturer Alcan and I used to look at him coming home in his smart suit and company car, and I’d be battered and bruised and working in a metal foundry. He had the better idea. He helped me prepare for an interview and I borrowed his suit and ended up working for Canon selling photocopiers. No base salary, commission only, but I was heavily trained in all aspects of selling. You went out and knocked on doors. Out of 1,000 cold calls you might get 50 meetings and out of those meetings you might get five demonstrations and perhaps one sale. It was hard work but great fun.

“But I was 20 and wanted to get

married but the bank wouldn’t give me a mortgage on commission only so I was forced to look for a new job in selling. I’d got the bug for it and, if you could work hard and smile, you could get results. So I applied for a job with chocolates company Terry’s, which was then part of United Biscuits, but taken over by Kraft Foods in 1993. The Terry’s job was advertised in the local paper and there were 5,000 applicants. I got the job after three interviews and became a trainee sales rep in Leeds.

“I learned by doing. I wasn’t on the graduate scheme so I had to prove I could do the job before I could be moved on. I’ve done nearly every job in sales from trainee rep to running a global organisation. I was, at one time, the youngest area manager in United Biscuits – which I admit was quite daunting in the first few meetings, as the average age was around 50 and they were all top-class and experienced, and I was 23!”

Ironically he never really wanted to “go international”. “I was running sales

at Wal-Mart in the UK and they asked me to go and run Wal-Mart globally. We had had a lot of success in the UK but I never really wanted to do a global role. However, there was no option. I managed to do the job from the UK and we doubled the size of the business to more than a billion dollars over the three years and we also managed to win the global supplier of the year for two years in succession. That was my first introduction to working internationally.”

Back in the present, he says recognising the power of sales to gain a competitive advantage for Mondelēz, based on the simple mantra “standardise, simplify, reduce cost and invest in growth” is just the first step. One of the key components of the transformation is the new sales enabler known as “Project Wise”, a significant investment in sales force technology.

“When sales reps are in store and seeing their customers there’s one process designed to make life easier and support the rep to do the perfect call; this means their call is much more

efficient and also much more effective, ensuring that a rep does not miss any opportunity. We do that through technology which feeds back to a business intelligence system.

“Use smart quotes throughout - the PDF comment box doesn’t allow me to do this easily.”

“It starts with the shopper. Traditionally we would segment trade in the old world as ‘traditional’ trade and ‘modern’ trade, but that’s not how the shopper sees it. We look at standardised shopper missions, such as the weekly shop, fortnightly stock-up or urgent snack. The mission determines the consumer store choice, which makes them predisposed to certain categories and brands. This holds remarkably similar whether it’s Europe, Japan, China or anywhere else. The trick is how to make the most of that in-store environment.

### Consumer insight

“Take kiosks, an emergency destination stop. I’m in a hurry on my way to work. I need cigarettes, a paper, a snack; it’s no good trying to sell me a £20 box of chocolates. But if I see a small bar of wafer chocolate to go with the coffee when I get to work, I’ll take it. It’s about getting the most stock turn out of each store by getting the right portfolio in place, and making sure it’s in the right position to be in arm’s reach of being bought. That’s what gives us a perfect store picture of success for that retail

environment, which exhibits the right pricing, promotion, position, and merchandising equipment. We can do that for every brand, for every store. Instead of the rep selling customers what he thinks they want, we are selling based on shopper and consumer insight.”

And the sales strategy goes further: “The the way the rep actually makes the call, with its six steps, is fixed into the system and available via a tablet or handheld, guiding him or her through the call to make it perfect. The rep sees who the shop owner is, what the must-sell list is, what was missing last time, and more. All that data is collected so we know how close to perfect that store is, as well as the full potential of the store.

“The Wise system is standardised across the world. We will be in 34 markets by the end of this year, and in 80 markets by the end of 2017. When we are deciding what to make, and what we should be selling, we look at the perfect store data. It also means we have just one set of training material for all our reps around the world. As you learn your job at different levels in the organisation, the process is the same because it’s standardised and systematised. Everyone talks the same language, knows what the gaps and opportunities are. It goes like clockwork.”

He admits there was “just a bit” of internal resistance to the changes, but he says the right people are now in the right positions. The backing of chairman and CEO Irene Rosenfeld and her

management team was also key.

### Local heroes

“I have found it interesting that salespeople see themselves as predominantly local. They think what they do in their market is the way it should be done. Actually, as you work across different markets, you realise there are more similarities than differences. If you look at category management, for example, the process is the same anywhere in the world. Your data and the insights that come out maybe are different because the consumer is different, but the way you organise the process for doing it is all the same.

“I’ve found that yes, there are cultural differences and sensitivities, but people have all got goals to achieve, different emotions; really, the cultural interface is just one more layer but smart people with a passion to learn and ask questions are the important ingredient. I’m not saying it’s easy. People are complex and, if you want to influence them, you have to pick up on the vibe, listen with the intent to understand their needs, watch the body language to understand the mood, and know what you want the outcome to be, and to be able to close a sale in a way that’s mutually beneficial. Over time you build trust, and that trust builds into a great relationship that can bring wonderful business results.”

## Tosney's top tips

### ...for sales people

- Be clear that you enjoy what you do and be passionate about it.
- Have an inquisitive mind.
- Love and be interested in people no matter what you are selling, and have mutual interests at heart.

### ...for sales management

- Love people and love being part of a team.
- Have self discipline – do what you say you’re going to do.
- Set stretching targets and celebrate achievement.




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SAYS ABOUT US

**“Monde”** derives from the Latin word for **“world”** and **“delēz”** is a fanciful expression of **“delicious.”**



# Best practice for running an effective salesperson onboarding programme

 Roger Brooksbank, Zahed Subhan & Duncan Steel



*New research suggests the most successful programmes pursue a calculated blend of sales training and coaching activities.*

The bar has been raised. In a world where businesses are becoming increasingly proficient at managing a range of multi-channel, multi-touch and highly customer-focused interactions, how can we ensure that our newly recruited salespeople measure up to customers' expectations? Toward this end, many firms make a significant up-front investment in some form of

sales induction programme for their new recruits. Yet despite an emerging recognition of the strategic importance of leveraging a company's personal selling efforts in today's marketplace, little research to date has considered how best to deploy the training and coaching activities that typically combine to form the basis of a salesperson onboarding programme. Accordingly, this article reports upon recent research that profiles the key components of success.

## Benefits

The academic literature indicates that the potential downstream benefits of an effective programme are multi-dimensional. Not only can it lead to better individual sales performance but companies could also expect to benefit through securing a number of operational efficiencies over time. For example, the cost advantages of improved levels of salesperson retention and a greater commitment among staff to taking responsibility for their own ongoing professional development is one potential outcome.

Moreover, an effective onboarding programme could prove to be a very real source of competitive advantage in the marketplace. Through cultivating a more customer-centric, relationship-focused and ethical sales approach, sooner or later a company's customers are likely to experience a greater consistency in the quality and value of their buying experience. Indeed this dynamic might even go some way towards healing the rift or "war" that so often characterises the relationship between a company's sales and marketing people (Kotler, Rackham and Krishnaswamy, 2006).

## Research method

Detailed interviews were conducted among senior executives with responsibility for business development, sales force management and training in four large financial services companies. Participants were recruited via two matched pairs of companies – one "low-performing", the other "high-performing" – competing head-to-head in the same market with a similar range of financial product/service offerings; one matched pair was located in the United Kingdom and the other in New Zealand. (For full details, please contact the corresponding author.)

Interviews lasted approximately 75 minutes using semi-structured interview guidelines designed to cover all aspects of each participating company's induction programme activities. Interview transcriptions were

subsequently analysed in order to identify any similarities and differences between the activities of the higher and lower performers.

## Similarities: basic success factors

All four companies reported that they organised a formal, classroom-based sales training programme followed by some kind of coaching programme for their new recruits. Together, these activities made up a total "set" induction period that lasted between three and six months.

Their training programmes all employed a structured curriculum covering company knowledge, product knowledge, industry knowledge, market knowledge, selling processes, new business prospecting methods, customer service, relationship building and self-management. They also adopted a timeline long enough to enable trainees to fully engage in the learning experience; employed a range of delivery techniques that catered to varied learning styles; provided trainees with plenty of supporting documentation and; checked that knowledge transfer was actually occurring at various intervals throughout the programme.

With regard to their company's follow-up coaching activities, all interviewees similarly reported the cultivation of self-appraisal skills as a central focus; the need for a coach to be constantly questioning, encouraging and challenging their recruits to develop their own ever-evolving learning goals and sales targets; and the requirement for each recruit to take full responsibility and accountability for their learning as time went by.

## Differences: key success factors

The interviews also revealed a number of important differences between the higher- and lower-performing firms – differences that might be regarded as the "key success factors" for running an effective onboarding programme.

With regard to their sales training activities, the higher-performing companies were differentiated from their lower-performing counterparts in three main ways. Firstly, they accorded a much higher priority to ensuring recruits gained a thorough appreciation of the importance of, and the process involved in, their company's on-the-job sales coaching programme that typically made up the remainder of the overall induction period.

Secondly, much more emphasis was placed on the provision of a thorough

understanding of the company's "culture", especially those aspects of the company's operations that are required to be in keeping with the customer-centric ethical standards that are widely expected to be upheld in today's marketplace.

Thirdly, another distinctive dimension of the higher performers' training activities lies in the area of technology. It seems a purpose-built online learning environment is integral to their ability to monitor and control each trainee's total leaning experience.

With regard to their sales coaching activities, executives from the higher-performing companies communicated a much sharper perception of the very different, yet entirely complementary, role that a sales coaching programme plays compared with a sales training programme (as summarised in table 1 below):

**Table 1: The different roles played by training and coaching**

Sales Training Programme
Infrequent/occasional
Generalised to sales team
Knowledge aquisition focus
Classroom-based learning
Fixed/planned agenda
Instructor-led
Shorter-term goals
Sales Coaching Programme
Frequent/on-going
Individualised one on one
Skill acquisition focus
Experiential-based learning
Dynamic/adaptive agenda
Salesperson-led
Longer-term goals

Accordingly, perhaps the most important attribute associated with the higher performers is the extent to which they attempt to properly integrate and align their sales training and coaching activities. Indeed, it seems they model the whole of their onboarding programme around an underlying logic that can be directly related to, and explained by, Bloom's (1956) taxonomy of learning domains, as follows.

At the outset of the induction programme, the new recruit is trained within a classroom environment to acquire and recall a wide range of basic knowledge – those domains that relate to the lower levels of Bloom's taxonomy – in order to provide the necessary platform for his or her future development. Then, as time goes by and the recruit gains on-the-job experience, sales coaching assumes an increasingly more important role in taking the salesperson through to the next level – the development of selling skills through knowledge application.


In other words, the higher performers aim to pursue a calculated blend of both sales training and coaching throughout the duration of their induction programmes – ideally all the way through to a conclusion that leaves the recruit capable of ongoing independent learning, having by this time reached the highest levels of Bloom's taxonomy: the skills of analysis, synthesis and evaluation.

## Managerial implications


Executives are advised to undertake a comprehensive appraisal of their company's salesperson onboarding programme in order to ensure it aligns with the key determinants of best practice identified above. For many managers it is envisaged such an evaluation might well reveal a need to attach more importance to the role that sales coaching plays within their overall programme. Certainly, an audit of each sales manager's ability to effectively coach their staff should be conducted, with a view to upgrading knowledge and skills as necessary.

Most importantly, the degree to which the company's sales training and coaching activities are properly integrated and aligned requires consideration. Here it will be necessary to review the specific objectives of each component. Using Bloom's taxonomy of learning as a guide, the aim should be to ensure that all elements of the programme are geared towards encouraging new recruits to build a successful long-term career in sales by "learning how to learn".




 Roger Brooksbank is Associate Professor of Marketing at the University of Waikato, Hamilton, New Zealand, and is the corresponding author: rogerb@waikato.ac.nz.



 Duncan Steel is the Managing Director of Sales Training IQ, Wilmslow, England, salestrainingiq@gmail.com.



 Zahed Subhan is Associate Professor of Marketing at the West Chester University of Pennsylvania, USA.



# The subtle approach

*Does coaching work best when team members are not even aware it is happening?*  
Angie Dixey investigates.

As organisations increasingly turn to coaching to help improve sales performance and develop talent, performing the role of “coach” has become a commonplace responsibility for sales managers. Yet, even as organisations continue to expect this activity from their managers, the issue of whether effective coaching happens in practice is also coming under scrutiny.

Just because responsibility for coaching falls to sales managers, this does not necessarily mean they have the requisite skills or appetite to perform the role effectively. Indeed, recent research suggests managers are not coaching nearly as often as organisations would like, while a survey undertaken by the CIPD<sup>i</sup> observed nearly half of respondents reporting a decline in the perceived effectiveness of managerial coaching.

So what could be causing this discrepancy? If recent research is correct, why when requested to act as a coach, do managers apparently fall short?

Coaching is certainly not a new phenomenon in a leadership context, with the latter part of the 20th century dominated by theories promoting more democratic, coaching-based approaches designed to help increase organisational performance<sup>ii</sup>. The positive relationship between a coaching-based style of leadership and overall leadership effectiveness continues to be identified and supported through empirical research<sup>iii</sup>, so this aspect of a manager's role certainly appeals logically.

Much of the current research surrounding managerial coaching is quantitative, using metrics based on characteristics and behaviours promoted within practitioner literature – such as good communication skills, the ability to empower employees, and self-awareness levels – to determine what makes for an effective and, indeed, not-so-effective managerial coach. Notwithstanding the value these studies offer, what remains unanswered is why managerial coaching is not as prevalent as perhaps required. Furthermore, the large majority of respondents involved in these studies are either those being coached or those responsible for sponsoring and driving the adoption of managerial coaching within organisations.

What appears to be lacking within the existing research is the “voice” and experience of the managers themselves – a perspective which could perhaps help identify a potentially overlooked variable and shed light on why managers are not apparently coaching in a way that fully meets organisational expectations. It was this perspective that formed the basis of a research project I undertook as part of a Masters programme in Coaching & Mentoring with Oxford Brookes University.

## Research methodology

Regardless of whether and how organisations demand their

managers to coach, it is how managers make sense of this that will inform their accounts of what their role of coach means to them and how they perform and experience it. To address this subjective element, the study adopted a phenomenological approach designed to achieve a deeper exploration of how managers personally and directly experience their role as coach; recognise that individuals interpret and create their own reality; and enable the enquiry to travel beyond quantitative measures.

Rather than trying to generalise human behaviour, the approach recognises the need to understand, in great detail, the specific accounts of how individuals experience something, whilst giving access and insight to a common perspective. Consequently, the study consisted of in-depth interviews with a purposively selected sample of six sales managers from a variety of global and UK-based IT sales organisations, followed by a robust and thorough process of thematic analysis.

## Preference for conversational coaching

Results from the study identified three key themes which all offer interesting challenges when we consider how best to support managers employ coaching more frequently and effectively:

1. A preference for conversational coaching
2. The challenge when faced with unresponsive individuals
3. Developing a mindset of empowerment

The most notable finding to emerge from the study was that the participants were indeed coaching – in fact they were coaching daily – just not necessarily in a way that organisations expect or are accustomed to measuring. Given the potential impact their preference for a conversational approach has on how their coaching efforts are recognised and measured, this article focuses on this aspect of the study.

When considering their application of coaching, participants described two distinct approaches: firstly in the operational context, addressing day-to-day challenges; and, secondly, in the context of personal development and longer-term career progression. One manager explained: “There are different levels for me. I could be coaching at a fairly tactical level... helping that individual own the solution, coaching them to come to the right decision. But then, if you go to the other end of the scale, there's the more strategic coaching... you know... ‘What are your aspirations in terms of your role?’”

This differentiation was further emphasised by the way in which the participants employed coaching. They described the majority of time being spent using a conversational style at the tactical level, with the more strategic, personal-development conversations being undertaken in a more formal setting, but on a less frequent basis.

The study suggests managers are using coaching for distinctly different outcomes and in distinctly different ways. In their paper “Developing the Leader as Coach”, Grant & Hartley identified that, in practice, managerial coaching represents a continuum of activities ranging from formal sessions (akin to those provided by external coaches) through to more daily interactions where a manager adopts a leadership approach

based on coaching principles.

Whilst findings from the study certainly support Grant & Hartley's observation, there was also a consistent preference and propensity to focus at the tactical end of the continuum and employ a more conversational stance. Formal coaching sessions were typically prescribed by the organisation, yet participants all described a high level of discomfort and reticence in using this approach, highlighting how it frequently worked against them, as the individual being coached often becomes defensive and less likely to open up.

One participant explained: “The more formal you make coaching, the more barriers there are to it succeeding... If you say we're going to meet for an hour's coaching, the first thing that person's going to think is ‘what have I done wrong?’ It becomes confrontational... I've got an instant barrier to get over.”

Conversely, the large majority of participants expressed a preference for those times when the individual was not even aware they were being coached. They preferred instead to focus on creating a relaxed and trusting environment where being coached and challenged simply became an accepted part of daily conversations.

## Implication for organisations

The study's findings certainly suggest that managers are experiencing a less-effective outcome when they adopt a structured and formalised approach; instead, they prefer to adopt a more conversational style, where their coaching efforts are not necessarily evident and simply “become part of what they do”. Indeed, all the participants struggled to differentiate between when they were managing and when they were coaching. One participant encapsulated this when they explained: “You can't just separate it and say ‘today I'm managing and tomorrow I'm coaching’; to me it's one and the same... You know, the way that you manage.”

This presents an interesting proposition for organisations actively trying to encourage sales managers to incorporate coaching into their role and how they might go about recognising and rewarding this activity. Rather than introduce rigid and formalised processes that can potentially promote coaching as a discrete activity to be performed as an adjunct to the manager's primary role, organisations may wish to revisit the expectations they are placing on their managers.

By equipping them instead with the skills to have powerful, daily conversations that can help people expand their thinking, develop their skills and create their own meaningful solutions, managerial coaching can become outcome focused, rather than process driven and perhaps uncomfortable for sales managers to “live in”. By providing freedom to apply these skills informally, where sales managers can experience possibly more successful outcomes, the issue of “managerial coaching” can become just a way to have effective conversations – simply part of the day job – that helps create high-performing teams.

However, the challenge here is whether a manager's actions are interpreted by the individual, or others, as coaching. If not, their endeavours are conceivably going unnoticed, distorting any efforts at measuring the frequency or effectiveness of managerial coaching.

With this in mind, organisations should consider whether their approach to managerial coaching is making it easier or harder for their sales managers to take advantage of such a beneficial approach and how they can perhaps support a more conversational style. Furthermore, we need to consider whether the measurements being used to determine the prevalence of managerial coaching is presenting an accurate picture? Identifying a more appropriate metric that captures the use of conversational coaching would perhaps contradict the reported discrepancy in the current research, revealing that managerial

coaching is actively happening, encouraging others to follow suit.

## What next?

By undertaking a personal and idiographic analysis of the experiences of a small group of sales managers, my aspiration for the study was that it would reveal a potentially hidden variable. Whilst it is not my intention that the study's findings are generalised, they do offer a new and promising perspective. As organisations continue to place such importance on managerial coaching in the sales environment, further exploration would be beneficial in understanding whether the conversational approach is indeed more prevalent than perhaps current measurements are capturing and whether this approach offers more successful outcomes than more prescribed and formal activities.

Should this be the case, we can then consider how best to equip sales managers with the skills to have powerful, informal coaching conversations and define a measurement approach that could more appropriately and accurately recognise and reward such activities.

Further information regarding the study's findings is available in a full research report. If you would like to receive a copy, please contact Angie Dixey on [talk@angiedixey.co.uk](mailto:talk@angiedixey.co.uk).



## About the Author

Angie Dixey is the founding director of Angie Dixey Ltd, a consultancy established in 2012, which provides coaching and leadership development programmes to sales leaders and their teams. Having enjoyed a successful and rewarding sales career spanning 20 years – during which she held direct sales, management and leadership positions – she understands intimately the demands and complexities of a competitive sales environment. She holds a Master's degree in Coaching & Mentoring Practice, is a certified MBTI® practitioner and member of the International Federation of Coaching.

<sup>i</sup>CIPD, Learning and Talent Development, Annual Survey Report 2013. <sup>ii</sup>Hersey, Blanchard, & Johnson, 2008; Lewin, Lippitt, & White, 1939; McGregor, 1989; Tannenbaum & Schmidt, 1973. <sup>iii</sup>Hagen & Aguilar, 2012; Hamlin, Ellinger, & Beattie, 2006; Manz & Sims, 1987.



# Personal growth leads to business growth

Gustavo Mancera



As part of his MSc Professional Practice in Sales Leadership, Sony Mobile's Gustavo Mancera describes how research and reflection led to a new mind-set and approach that created differentiation in the marketplace.

## Background

*I started in my current role as a key account manager at possibly one of the most challenging times this company has faced. Senior management had left for other companies and Colombia's office was on the verge of being closed. Our main client had lost confidence and trust in the local branch. In spite of the difficulties and the brand change we were going through, I managed to build a value-added proposal that resulted in two years of amazing sales growth, even to the point of becoming the second account in margin contribution for the region. Sony was back in Colombia and we became an important supplier for our client, and a strategic account in Latin-America.*

*On 1 July 2014, the CRC (Cámara de Regulación de Comunicaciones or Chamber for Communications Regulations) resolution 444 (2014) became effective. It mandated that "permanence clauses" in mobile services contracts were forbidden. As a consequence, carriers ceased subsidising mobile phones, as they could not be confident a customer would stay for the time needed to ensure payback. This initiated a downward trend at the high end of the mobile market, which shrank 53% versus the first semester of 2014.*

*This dramatically affected Sony Mobile's sell through, as high-end mobile phones became inaccessible to customers who now had to pay the full purchase price. SOMC (Sony Mobile Communications) has continued to gain market share at the high end – our natural, but decreasingly addressable, market; in contrast, the below-US\$200 segment is gaining ground and we had not been performing well in that segment.*

*Our client focused their efforts in growing the low-end segment in order to avoid losing market share; Sony became irrelevant to their business model and needs.*

## The problem to be addressed

The rapidly changing market affected the entire team's mind-sets including myself. We had fallen prey to negative mind-sets (Squire, 2009) while struggling to deliver the company's sales goals. At the same time, our client turned out not to be very helpful.

This downturn and the first module of the Consalia MSc in

Sales Transformation have led me to critically reflect on my own practice, and ask myself how I can return to those differentiating mind-sets (Squire, 2009) that would enable me to create value for our client along with a return to the consistent sales growth path we had previous enjoyed over the past two years. I was seeking to recreate that differentiation in the client's mind through a more challenging account management approach.

## Client position

My concern is a market driven by a dominant player – my client – that operates consistently with a win-lose perspective. Being cooperative is one of the values that I am known for; I strongly believe that sustainable business relations must be based on this value. If either side constantly loses, you will eventually reach a point where one of the parties will no longer be willing or able to continue the business relationship.

The client's powerful negotiating position and the way they use it is in conflict with my understanding of the values and mind-sets that a good account manager represents. I felt forced to be compliant and supplier centric (Squire, 2009) and, as an account manager, I had failed to build an insight scenario that "works as a flashlight to illuminate hidden value through this dark moments". (Harris, 2014)



*That is what was happening to me; I was being reactive, non-strategic, unoriginal and egotistical.*

## Methodology

I set out to investigate whether the values I believe to be the ones I live by would be confirmed by others. The Johari window (Consalia 2014) includes a long list of known values in the survey I carried out among my team and also with other people I interact with on a daily basis at work, either on a personal or professional basis. This leads me to conclude that I am an open person.

However, the survey did not indicate any conflict in terms of values. As a consequence, I would have to check my mind-set as well as my account management approach in order to go deeper in my search.

The interview with my manager did not initially go well so I had to find a better way to approach the interview; this was by outlining the mind-sets, attitudes and behaviours statements (Squire, 2009) given to us in the first module. This action was key to discovering that the account nature itself actually pushes any account manager to negative mind-set behaviours, such as being reactive.

This is certainly not an excuse, as the problem needs to be fixed. I definitely had to reinforce my positive mind-sets and change the negative mind-set attitudes and behaviours I was in. Moreover, I had to work out the way to do it, while remaining conscious of the difficulty that my client imposes. Further investigation of the customer business was needed, and these behaviours were pointed out by my manager as something I needed to improve.

I experienced some problems in terms of evidence generation through interviews, as my manager is the only person further up the hierarchy in my office. Additionally, we both concluded that requesting such interviews with the client would only create long wish lists they would use to their



advantage. Consequently, I decided to perform a survey among people who work with me on a daily basis but who might be reluctant to provide any negative feedback. Appreciative inquiry (Cooperrider & Whitney, 2005) has taught me to take stock of what is good, but I also needed to be able to spot other opportunity areas. Therefore, I needed to seek validation with my co-workers.

I received four replies to my survey (of five sent out), which I consider to be a good response rate. The results are very interesting. There was a trend towards describing a person with

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*Critical reflection and appreciative inquiry have been an amazing self-discovery exercise.*

positive values and mind-sets, the same as happened with the Johari window exercise. However, in the part that asked people to relate me to some attitudes without any positive or negative label, respondents would reply more freely.

Most of the feedback and survey outputs relate me to positive mind-sets such as “client centricity”, “proactive creativity” and “authenticity” (Squire, 2009). I was overall related to “tactful audacity” but this area needs improvement. In addition, there were some attitudes that definitely needed to be changed.

In this section I was able to uncover negative attitudes I have to work on. “Manipulative” and “overt arrogance” came out as the most evident mind-set-related attitudes I exhibit. Additionally, there were some opportunities in “complacency” (Squire, 2009).

The most curious finding was that, even if some of them are negative attitudes that fit within negative mind-sets, they were not considered to be bad. This actually helped me to validate my concern that my team had also fallen into negative mind-sets.

Trying to change attitudes and behaviours is not enough, if I want to produce transformation, I will have to examine the sources of these attitudes and behaviours. Further short one-to-one meetings showed me a shared perception that these attitudes are from a “persistent” (Johari window) and “tenacious” person who does not surrender under adversity, very similar to what Paul G Stoltz (2000) would call a “Climber” – the kind of person who refuses to accept defeat and is encouraged by challenges that will allow him or her to adapt and grow. This is a very complicated point in my research, how come that negative mind-set related attitudes are perceived as positive?

Some “overt arrogance” (Squire, 2009) attitudes were pointed out as well. Nevertheless, as was the case above, this quality, which relates me as person with a prime focus on targets and rewards, was perceived as positive and something you would expect from an ambitious and logical person.

This is something I personally do not consider to be negative: Stephen Covey’s (2013) “golden eggs goose” paradigm states that you have to find the balance between production and production capability. As long as I only focus on production (financial targets), I will undermine the health and welfare of the goose (business relationship and account management approach) by performing under negative mind-sets. That is what was happening to me; I was being reactive, non-strategic, unoriginal and egotistical. I had sadly fallen into “supplier centricity” and “complacency” (Squire, 2009) and I was not happy about it.



### Effect on the team

The challenging business situation had deeply affected my team; I wanted to positively and methodically reflect on that. Thus, as well as my personal Gibbs reflective cycle (Consalia, 2014), I wanted to go on one with them.

In the evaluation section, there was a common agreement that we are now a much stronger team. We learned that, in order to be able to escape this tough business cycle, we would need to start focusing on the long term. This would enable us to introduce better planning and be more prepared to avoid being reactive – in other words, move to positive mind-sets such as “proactive creativity” and “tactful audacity” (Squire, 2009).



The Challenger Sale approach (Dixon and Adamson, 2011) has been a fascinating topic for me since I embarked on the Masters programme. Through my reading, I found a useful self-diagnostic test; of the three aspects assessed, two needed further development: “teaching” and “taking control”. For “teaching” I needed to offer my customer a new perspective on their business; after all, the market had changed dramatically and they required a new perspective in order to compete more effectively and maintain their market position. To find this, I would need to learn about their business as if it were my core business, something pointed out by my manager in our interview.

The “take control” element is definitely the most difficult

part because of my customer’s behaviour; they are aware of how important they are for all their suppliers and they know how to take advantage of that. However, my creativity will have to come to the fore, as I need not only to challenge my thinking, but also my customer’s. I need to change the discussion from price to value.

### Analysis

Analysing the data reinforced my previous findings. Initially it was very difficult to connect the data I had collected, but suddenly, everything started to make sense. Critical reflection and appreciative inquiry have been an amazing self-discovery exercise that showed me many positives aspects of my practice:

- I am open person. Most of the values I believed others would see in me are close to the ones that people related me to in the Johari window survey (Consalia, 2014).
- I currently live with positive mind-sets (Squire, 2009). Some points need to be addressed but, overall, I received very good feedback from my manager, team and co-workers.
- The Challenger sales approach (Dixon and Adamson, 2011) is a style that I can further develop within my practice.

### Goals

What is my dream? What do I want to become as a result of my reflection?

- I want to build my “challenging” sales approach. I look forward to being more daring in suggesting collaboration – by developing “tactful audacity” (Squire, 2009) – so I can manage my client’s inquisitive business practices.
- I need to come back to a situation where I “teach for differentiation” during the sales interaction and “tailor for resonance” by delivering the right message to key people within my client’s organisation. Finally, I am looking to regain control of the sale by basing my practice in positive mind-sets that will allow me to deliver differentiation and added value to my client, with consequences that positively impact my team to generate an upward trend in sell-through and sell-in. (Dixon and Adamson, 2011; Squire, 2009)
- I would like to reach what is known as the “Golden Circle of Business” (Midgely & Midgley, 2005) where customer values and a sales system create synergy that can be applied to all levels of an organisation.

### The way forward

Having identified the areas of improvement, I needed to focus on the positive mind-sets required for the “challenging” sales approach (Dixon & Adamson, 2011). Having such a dominant client requires a lot of “tactful audacity” and “proactive creativity” (Squire, 2009) in order to make them think in a different way. I need to think about their business and be able to teach insight – tailored to the customer’s context – and take control openly but not aggressively, so I can shift the discussion from price to value.

In order to teach, I have to create an insight scenario so I can tell my client what they need. Generating the “wow” effect – the “I never thought about it in that way” – will be the way to break the client’s stranglehold by creating a new insightful and engaging sales story that identifies the “oil spills” in their business and positions Sony products as a solution to their business needs (Harris, 2014).

I need to be able to take control over the price-versus-value discussion by challenging the client’s thinking. The 5 Why analysis (Consalia, 2014) and Gibbs reflective cycle (Consalia, 2014) pointed to where we need to be: our recent structure adjustments gave us focus, but we need to translate that via more planning time so we can be prepared to debate customer requests with strong arguments that form part of

a compelling business proposal.

### Business impact

There are already some early results as a consequence of applying a more challenging approach towards my client; working on creating an insight scenario (Harris, 2014) has enabled me to identify flaws in their business model.

Playing in the low-price segment has resulted in a loss of long-term focus for the client, despite this segment being a way to maintain volume share: they have started to give away the more profitable, high-end segment – the one where consumers tend to enrol in post-paid contracts. They were making their own way towards an issue that European carriers have struggled with: how to bring in revenues in a profitable way?

The challenge of building average revenue per user (ARPU) growth is a goal that could only be achieved through consumer experience (Zhou & Rahman, 2013) and one that could only be delivered with high-end smartphones such as Sony Mobile devices. Consequently, incoming campaigns are being built under this premise.

Initial stages of negotiation for 2015 have already shown positive signs of acceptance of our proposals. There is still a long way to go, but we started the conversation from a totally different perspective.

After market conditions changed, keeping their financing model was essential to maintaining our client’s dominance over the Colombian market. However, this practice opened the door to a level of credit risk that could threaten future cash flow. In order to address this, they took measures; however, by tightening their control procedures they also built a barrier against consumers purchasing high-end smartphones without even knowing it. They were losing the most profitable segment to other competitors by giving away their competitive advantage.

Articulating this to the client was not easy – they were reluctant to admit they had made a huge mistake. The issue was addressed at different levels within the customer’s

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*Sony Mobile market share increased from 8.7% to 17.4% in less than two months; early 2015 performance figures suggest this is a sustainable trend as long as current conditions do not change dramatically.*

organisation. After several weeks of discussions their down-payment policy was modified and sales started to increase rapidly, contradicting their initial analysis that further price drops would be necessary.

All suppliers certainly benefited from this new position, but it was one I had anticipated and I have to admit to being the only one who was expecting it! Our inventory levels were increased to prepare for increasing demand – as a result, we had our best Christmas season in five years. Even if the high-end segment (above \$200 street price) did not grow, Sony Mobile market share increased from 8.7% to 17.4% in less than two months; early 2015 performance figures suggest this is a sustainable trend as long as current conditions do not change dramatically.



## Conclusion

Enrolling in the Sony Mobile Masters programme has been enlightening. This is only the starting point, as much remains to be done on this journey, but it offers a new perspective on how to walk the path. I am making a positive impact by making critical reflection a part of my practice, and my team is very excited to see me taking different positive approaches.

Putting the “I” in the middle of the inquiry (Consalia, 2014) has not been an easy task. The above-mentioned business situation had blinded me. Opening my ego to receive feedback on things I have not been doing right, despite being a top performer, was really hard.

By succumbing to negative mind-sets I had created significant account management issues that could not be solved at the same level of thinking (Covey, 2013). I needed to challenge my own thinking; I had to create a new level of thinking.

I have embraced this challenge through a technique I have learned from my sports activities, which is to find comfort in discomfort. I want substance; I want process; I don’t want Band-Aids (Covey, 2013). I want to solve my practice flaws through critically and positively reflecting about them and then focusing on how to perform under the differentiating mind-sets that will bring long-term sustainable results.



## About the Author

Gustavo Mancera is a professional in finance and foreign trade with a specialisation in strategic marketing management. A MSc candidate in Professional Practice in Sales Transformation, he has nine years’ experience in commercial and marketing direction with recognised multinationals companies within the highly competitive technology industry.

Mancera joined Sony Mobile in 2011 as product marketing manager and currently holds the KAM position for the largest carrier in Colombia. His career in technology started at Microsoft, where his last role was as Xbox category manager. He was in charge of the successful launch of the new Xbox and Kinect System and the Xbox Live platform in Colombia.

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*At the recent APS Annual Conference, Gill McKay of MyBrain International explored how neuroscience can help transform our coaching style.*

We’re probably all aware of the benefits of effective coaching: transforming salespeople into sales champions; maximising their potential and motivating people to be the best they can be; increasing engagement and talent retention; driving accountability; developing a more agile organisation; and, ultimately, boosting revenue and profits. Yet many salespeople are not natural coaches and find it hard to make the transition when they step up to become a sales manager.

As part of her presentation “Improving the quality and adoption of sales coaching”, Gill McKay, partner, MyBrain International dipped into some of the research around coaching. She cited 2013 data from Gartner, which found that only 15% of managers spend enough time coaching; only 10% spend enough time motivating their teams; while only 5% spend “overt time driving accountability”.

Meanwhile, the Corporate Executive Board’s Sales Leadership Roundtable suggests that:

- coaching works best when there is a good relationship;
- it works best when salespeople are satisfied with their job – “when they like what they’re doing, they’re going to do better;”
- even new managers can be great coaches – “there’s no causal relationship between how much sales management experience you have and

- how good a coach you might be”; and
- **bad coaches demoralise people** – “low-performing coaches create a fundamentally demoralising environment”.

McKay stressed: “It’s better to do no coaching than bad coaching.”

She added: “It isn’t just sales training that makes sales champions; managers do, but sales managers need to let salespeople do their job and work with them to make them become more valuable through coaching.”

She went on to draw the distinction between effective coaching and the approach taken by many sales managers; for instance, many managers are driven by the “I know the answer” mind-set. She emphasised that the so-called “inspection culture” doesn’t help with underlying motivations and skills.

## Coaching focus

She asked whether managers were spending the right amount of time coaching the right people. In fact, coaching has the most impact when you focus on your “B players not your stars – the people who have the potential to move up the performance curve”, according to CEB research. Coaching can substantially improve your performance at the core while aiding retention of high-performers; conversely it has little impact on the poorest performers. Targeted at the right people, coaching can help drive as much as a 19% performance improvement.

McKay also cited empirical research from Gallup, outlined by Marcus Buckingham in his book *Go put your strengths to work*; this suggests that employers should focus on strengths – rather than concentrate on moving people from poor to average all-rounders, organisations should aim to

make employees’ good skills great.

Turning to the world of neuroscience, McKay used an optical illusion to demonstrate how our brains influence our perception of reality; we often make assumptions and have framework shortcuts for making decisions about our environment. Applying this to the sales environment, she suggested that we all have frameworks around talking to our customers, for instance, or the “status quo bias”. Coaching enables us to evolve beyond those frameworks.

There are a number of things we can learn from neuroscience that can inform how we engage with customers:

- the sense of threat is greater than the sense of reward;
- we cannot make decisions without engaging emotions;
- we need to learn to slow down our brain chatter – become mindful;
- our working memory is limited – we need to focus on small chunks;
- the brain gets tired; and
- we need to shine a light on something new to create new neural connections and build new habits.

McKay explained that, according to coaching expert Keith Rosen, the “golden question” for coaches every day should be: “What can I do to today to make my people more valuable than they were yesterday?”

## Ten key takeaways

1. **Build enrolment** by outlining a meaningful definition of what it is and what it does.
2. **Coach the core for performance and the stars for retention.**
3. Spend between **three to five hours of pure coaching per month per person.**
4. Help each team member to **identify the best conversations in the best opportunities in the early stages and profitability in the closing stages.**
5. **Be prepared** – plan for each coaching conversation.
6. **Build trust** by showing dedication to improving results.
7. **Give feedback in person** and as close to the event as possible.
8. **Limit feedback** – focus on one to two key areas to avoid overwhelming.
9. **Use questions** to discover root causes of challenges and gain buy-in on solutions.
10. **Tailor coaching style** to the individual.



# Research review – edited by Jeremy Noad



In this edition, we start with two articles on **sales performance**. The first identified that performance improves through enhancing the capability of KAMs (key account managers) in relationship management. The second article focuses on emotional intelligence. The research finds that a salesperson's level of emotional intelligence mitigates the negative impact of role stress, which improves their performance.

The theme of **customer management** features three articles on pricing. The first looked at strategic pricing, and the second and third at improving customer perceived value: strategic pricing, which improves a firm's performance, is achievable when supported by a stronger market position in a growth market; value-based selling requires organisational focus on organisational capabilities to improve customer perceived value, and having a clear sales strategy improves salesperson performance both directly and indirectly.

Talent management and motivation are the featured topics within the **capability development theme**. When managing talent, organisational fit influences the retention of early-career salespeople. Personal performance plays an important role in retaining experienced sales professionals. The second study looks at how sales training aids motivation and adds value to improve sales performance.

The **behavioural theme** features organisational commitment and ethics. The research finds that a salesperson's organisational commitment enhances a buyer's long-term orientation and commitment to the salesperson's company. An ethical work environment increases the likelihood of ethical behaviour by the salesperson and minimises the risk of deviant behaviour and misconduct.

The **leadership theme** contains one article on self-leadership by salespeople. Self-leadership by salespeople is not enough to improve salesperson performance on its own and requires an effective organisation environment to become effective.

*These pages aim to keep readers informed of recent published research on sales-related topics, by including abstracts of a selection of peer-reviewed academic material published in a range of journals. We have grouped them in the following broad themes: sales performance; customer management; capability development; behavioural studies; leadership; and systems and processes.*

**Systems and processes** feature two papers around CRM. The first is on KAM performance and finds that the technology is not enough to improve sales performance. The relationships and knowledge of the KAM has a stronger impact when managing a company's key accounts.

The second topic on CRM concerns mobile CRM. The study finds that having the right information at the right time, with an easy-to-use interface can improve employee satisfaction, which improves sales performance.

## Sales Performance

### "Linking key account management practices to performance outcome"

Many suppliers practice relational strategies that aim to achieve competitive advantage through a collaborative business relationship with their customers. KAM is one such relational strategy that suppliers rely upon to manage their relationships with strategically important customers. Yet suppliers still struggle to put such programs into practice effectively, most likely because academic investigation has yet to report on what actions explain the performance of KAM initiatives. Aiming to fill this gap, we first identify a set of key KAM practices at the strategic, organizational, tactical and control levels of management. Next, we examine how these practices explain the performance of KAM through the mediating effect of the supplier's relational capabilities and the relational outputs that such capabilities produce.

The results provide support for most of the hypothesized relationships, showing that the identified practices positively affect performance and dyadic outcomes through the mediation coming from the variables examined. From a theoretical perspective, the study adds to our understanding of the factors underlying effective KAM practices. From a managerial perspective, the results provide insights into how suppliers can achieve KAM effectiveness through relationship-oriented activities, skills, and outcomes.

Tzempelikos, N, & Gounaris, S (2015), *Industrial Marketing Management*, 45, 22-34.

### "The good, the bad and the effective: a meta-analytic examination of selling orientation and customer orientation on sales performance"

Despite significant attention from practitioners and broad claims of the importance of emotional intelligence (EI), empirical support for its incremental direct effects on outcomes relevant to professional selling has been disappointing. However, little research has included relevant contextual variables or the potential interactions of EI with contextual variables when considering its effects. This contingency view of EI maintains that EI is important in work settings, but only under certain conditions.

Drawing on the appraisal theory of emotions, the authors develop a contingency model, which proposes that salesperson EI moderates the harmful effects of role stress on three work outcomes—emotional exhaustion, customer-oriented selling, and sales performance. Using three matched data sources from multiple professional selling workgroups in a business-to-business sales setting, the authors find that EI moderates the relationship between role ambiguity and all three-outcome variables.

McFarland, R G, Rode, J C & Shervani, T A (2015), *Journal of the Academy of Marketing Science*, 1-11.

## Customer management

### "The adoption of strategic pricing by industrial service firms"

The purpose of this research paper is to a) measure the extent to which selected contextual variables have an impact on the adoption of strategic pricing by industrial service firms, and

b) determine the effect of the adoption of strategic pricing on company performance. The study's main findings indicate that market orientation along with a leading position in the market and market growth boost the development of strategic pricing.

On the other hand, technological and market turbulence hinder this development, while the overall impact of turbulence is reduced in market oriented firms. Finally, a positive impact of strategic pricing on company performance was found. The adoption of strategic pricing requires attention to a variety of factors, while this adoption can improve both qualitative and quantitative aspects of the company's performance. The significance of these findings notwithstanding, the context of the study does limit generalization of its findings to other industrial service sectors and national contexts.

Kostis I, (2015), *Journal of Business & Industrial Marketing*, Volume 30 Issue 5.

### "Value-based selling: An organizational capability perspective"

Creating superior customer value is central to a company's success in competitive markets. In their quest to increase customer-perceived value, many industrial companies are moving toward customer value-focused sales management. Research-based knowledge of how to manage customer value-based sales operations remains sparse, however, with most of the customer value literature focusing on concepts of value, not their application.

By exploring the emerging practices of value-based selling and linking the findings to the body of knowledge on value creation and capture, this study investigates organizational capabilities that contribute longitudinally and relationally to increased customer-perceived value in sales management practice. Our empirical investigation employs nine globally operating industrial companies in an exploratory multiple case-study setting. The data collection methods consist of interviews, practice benchmarking workshops, focus groups, and reviews of value assessment tools.

The findings of our research process improve the theoretical understanding of organizational capabilities required to improve customer perceived value in business-to-business (B2B) exchange, based on a wider conceptualization of the operational, strategic, symbolic, and social dimensions of customer value. For managers, our study identifies the essential capabilities required for value-based selling, illustrates managerial practices to implement those capabilities, and provides guidance on value proposition design, value quantification, and value communication.

Töytäri, P, & Rajala, R (2015). *Industrial Marketing Management*, 45, 101-112.

### "How sales strategy translates into performance: The role of salesperson customer orientation and value-based selling"

The role of selling has become increasingly analytical and it is a central topic on senior management's agenda in business markets. Still, sales strategy remains an under-researched topic in the B2B marketing domain. Very little is known about how to implement it effectively or about the mechanisms of how sales strategy affects performance, despite its apparent importance for firm success. Drawing on a large-scale sample of 816 salespeople and directors from 30 sales organizations, and employing multilevel structural equation modelling, this study sheds light on the chain of effects that transforms sales strategy as an organizational variable into selling performance captured on the individual salesperson level.

The findings demonstrate that a firm's sales strategy is related to market performance and affects salesperson selling performance both directly and indirectly. Further, the results show that each sales strategy dimension affects salesperson performance in a unique way. Of the three dimensions of sales strategy studied, only segmentation directly impacts





salesperson selling performance. Prioritization and selling models impact salesperson performance indirectly, via their impact on customer orientation and value-based selling. These results lead to actionable implications for the effective implementation of sales strategy in business markets.

Terho, H, Eggert, A, Haas, A & Ulaga, W (2015), *Industrial Marketing Management*, 45, 12-21.

#### “Capability Development: Retaining Talented Salespeople”

For any marketing organization that relies on personal selling, it is vital to attract and retain successful salespeople who fit well with the organization. In this paper, we examine how salespeople learn about their fit with the organization and about their future performance and how they use this to make the decision to stay or leave. We depart from the extant sales management literature on retention/turnover in that we model individual sales employees’ stay/leave decisions using a structural model that accommodates forward-looking behaviour. In our application, the dynamic model explains turnover better than a model that does not consider forward-looking behaviour. Our approach also immediately yields several insights about the roles of person-organization fit and sales performance satisfaction in sales force turnover.

Overall, and accounting for person-organization fit, we find that good performance encourages the salesperson to stay longer with the selling organization. Most importantly, the relative importance of person-organization fit and salesperson performance in determining turnover varies over time. In particular, person-organization fit plays a bigger role at the beginning of a salesperson’s tenure, whereas satisfaction associated with selling performance plays a larger relative role at later stages.

Lu, S, Bonfrer, A, & Voola, R (2015), *Customer Needs and Solutions*, 1-17.

#### “Motivate to Improve Salesforce Performance: The Sales Training Perspective”

Motivation drives human performance improvement. This is especially true in the field of salesforce management, since salespeople work with more job autonomy and frequently face customer rejection. In this article, I review classic sales

motivation theories developed in the past decades and highlight how they have influenced contemporary sales management practices. Based on empirical research findings, I provide suggestions on how sales training may add value to improving sales performance and enhancing organizational effectiveness.

Fu, F Q (2015), *Performance Improvement*, 54: 31–35.

#### Behavioural Studies

##### “The effects of the salesperson’s characteristics on buyer-seller relationships”

This study examines the influence of the salesperson characteristics (organizational commitment and disposition to innovate) on buyer behaviors in buyer-supplier relationships. A model is proposed depicting the effects of the salesperson’s organizational commitment and disposition to innovate on buyer long-term orientation and opportunism through partner-specific value to the buyer.

It found that, as predicted, the salesperson’s organizational commitment and disposition to innovate enhance buyer long-term orientation through providing partner-specific value to the buyer, and in turn, buyer long-term orientation mitigates opportunism. The salesperson plays an important role for developing and maintaining buyer-seller relationships.

Based on the results, firms should promote salespeople’s organizational commitment because a highly committed salesperson is likely to be more innovative when managing the relationship with the buyer, and in turn, increase the relationship specific value to the buyer. This study examines the salesperson characteristics in the exchange and the results reveal the importance of including the salesperson characteristics in studying buyer-seller relationships.

Second, this study proposes the salesperson’s partner-specific value as a key boundary-spanning aspect mediating the salesperson characteristics and buyer behaviors in buyer-seller relationships. The results confirm the argument, thus providing impetus for further studying different types and dimensions of transaction-specific assets in buyer-seller relationships.

Yonghoon Choi, Ying Huang, Brenda Sternquist (2015),

*Journal of Business & Industrial Marketing*, Volume 30 Issue 5.

##### “Rogues in the ranks of selling organizations: using corporate ethics to manage workplace bullying and job satisfaction”

The sales profession is an inherently competitive and self-interested occupation that can be negatively impacted by deviant behavior and rationalizations of unethical conduct. The unique boundary-spanning nature and autonomy of such work means that there is often little management oversight of sales professionals’ behavior, which may lead to misbehavior and poor work attitudes. Yet, evidence suggests that the development of corporate ethical values (CEVs) can mitigate concerns about unethical conduct, suggesting that these principles might be used to reduce workplace bullying and enhance job satisfaction.

Using a self-report questionnaire, information was collected from national and regional samples of selling professionals employed in different organizations located in the USA (N = 356). While controlling for the effects of sampling and social desirability, results indicated that increased communication of an ethics code was associated with stronger perceptions of CEVs, while ethical values were negatively related to perceptions of workplace bullying and positively related to job satisfaction. Workplace bullying was also negatively related to job satisfaction. The findings suggest that an ethical work environment should be instituted in sales organizations to reduce misconduct and enhance work attitudes.

Valentine, S, Fleischman, G, & Godkin, L (2015), *Journal of Personal Selling & Sales Management*, 35(2), 143-163.

#### Leadership

##### “Can salespeople lead themselves? Thought self-leadership strategies and their influence on sales performance”

Sales leadership has attracted a good deal of research attention during the past 30 years. Prior work, however, has largely taken a dyadic, interpersonal approach where leadership originating at one level (ie, the sales leader) influences others (ie, salespeople) thus paying no attention to the intrapersonal level whereby leadership originates within the individual with the purpose to influence oneself. Importantly, the realities of the modern sales position (eg, self-managing teams, virtual work away from direct supervision) requires attention to other forms of leadership that may stem from and manifest at the individual level – namely, self-leadership strategies.

Here we address this gap by focusing on a particular form of self-leadership – that is, thought self-leadership (TSL). We draw on social cognitive and self-regulation theories to ground hypothesis development and investigate the relationship between self-monitoring behaviors, TSL, self-efficacy, organizational-based self-esteem (OBSE), and salesperson performance.

Findings from a sample of 301 salespeople in five companies demonstrate positive relationships between self-monitoring behaviors and TSL, TSL and self-efficacy, and self-efficacy and salesperson performance. Moderation analysis shows that TSL will result in higher levels of self-efficacy only when moderate to high levels of OBSE exist. Further, results suggest full mediation of self-efficacy on the relationship between TSL and salesperson performance. Theoretical and managerial implications of the study are discussed.

Panagopoulos, N G & Ogilvie, J (2015), *Industrial Marketing Management*.

#### Systems and Processes

##### “CRM Technology and KAM Performance: The Mediating Effect of Key Account-Related Knowledge”

This paper examines the effect of customer relationship

management (CRM) technology investment and key account-related knowledge on suppliers’ key account management (KAM) performance. The findings are based on survey data gathered from large Finnish industrial suppliers and subjected to factor analysis and hierarchical linear regression.

The results show that CRM technology is positively related to key account-related knowledge. In addition, the results show that the effect of CRM technology investment on KAM performance is fully mediated by key account-related knowledge. The study contributes to previous literature on the consequences of CRM technology investments in shedding light on the importance of the nature of the knowledge acquired. The implementation of CRM technology is not enough as it is the key account-related knowledge that has a stronger effect on the ability of the supplier to manage its strategically most important customers.

Salojärvi, H & Sainio, L M (2015), *Journal of Business Market Management*, 8(1), 435-454.

##### “Evaluating effects of mobile CRM on employees’ performance”

This study examines employees’ personal performance after m-CRM use based on an updated model of information system success. We also investigate whether personal performance of employees varies according to the period of m-CRM use. The survey targeted executives and staff members in departments related to the development and application of m-CRM systems.

The results indicate that some of the factors had no significant effect on employees’ personal performance through employee satisfaction and system use as mediators. Overall, however, the three types of quality had significant effects on employees’ personal performance through employee satisfaction and system use. The study provides a number of strategies that managers or executives might deploy within organizations to improve employees’ personal performance through the implementation of m-CRM systems. It is of paramount importance for managers or executives to develop m-CRM systems that provide high-quality information and service including sufficient customer-based analysis, up-to-date customer information, barrier-free design and personalized service.

It is the first study to empirically test the role of m-CRM characteristics in predicting employees’ personal performance. This study will not only add contribution to the DeLone and McLean’s theory, but also contribute to the IS literature in IS success. The findings will also provide useful insights for guiding managers or executives in formulating and executing effective strategies to enhance the level of m-CRM use and employee satisfaction, which in turn promote personal performance.

Changsu Kim, In-Seok Lee, Tao Wang, Mirsabit Mirusmonov (2015), *Industrial Management & Data Systems*, Volume 115 Issue 4.

Articles featured in the research review are not available from the *International Journal of Sales Transformation*. Readers wishing to find out more about a specific paper can use a simple online search using the author and paper title. The copyright of the articles is acknowledged to the publisher and authors. Any correspondence regarding “Research Review”, including recommendations of articles for future issues, should be sent to the section editor: Jeremy.Noad@port.ac.uk.



# Have you thought about this?

Tim Riesterer



*Tim Riesterer, chief strategy officer at Corporate Visions, explains why articulating a customer's "unconsidered needs" can make you stand out.*

## The proposition

Does the following scenario sound familiar? It's your first sales conversation with a prospect in the field. There you are, face-to-face with a potential buyer, launching into your pitch.

So far, so good. Why wouldn't it be? You know what your

prospect's needs are – she's stated them in no uncertain terms – and you also know your solution portfolio is fully equipped to tackle each one head-on. Brimming with confidence, you respond to your prospect's stated challenges with your range of first-rate capabilities. Tack on some value-added services at the end for good measure, and it's game, set and match. Right?

Well, not exactly. In fact, you have just put yourself into a commoditised conversation.

In a vacuum, the approach sketched above might not seem so bad. But it loses a whole lot of lustre when you consider that many of your competitors will take a similar tack in their sales interactions, responding to the prospect's stated needs with

similar capabilities. Far from differentiating you, this type of sales conversation may actually be putting you at parity with the competition and reinforcing the buyer's perception that you offer a commodity, indistinguishable from the other qualified competitors in your market.

That's where the discussion shifts to two selling challenges. First, the sales cycle expands, the customer feels a lack of urgency to change and you get stalled, no-decision deals. Secondly, if the deal does survive, the discussion turns to price instead of value, torpedoing whatever claim to uniqueness you might've had and causing your margins to wither. In the commodity conversation, it becomes increasingly difficult to create the uniqueness and urgency you need to convince prospects to do something different with you.

So, the question that needs to be asked is this: How do you avoid this race to the bottom, where you look and sound like everyone else?

## Urgency, uniqueness and unconsidered needs

As you learn more about what actually compels prospects to take action – and the roles that urgency and uniqueness play in that equation – it becomes clear that an alternative sales messaging approach is needed: one that galvanises prospects into doing something different, while distinguishing you from the pack.

The approach I'm proposing is what I call messaging to your prospects' "unconsidered needs". When it comes to identifying needs in this category, "voice of the customer" messaging will not help you. That's because these are the potential problems your prospect doesn't yet know about – the challenges, issues and trends they've either overlooked, underestimated or simply aren't aware of.

In theory, a messaging approach centred on unconsidered needs would seem to hold a lot of promise. But, practically speaking, does it actually have a measurable effect on buyers' perception of your value? Does it actually help your reps create differentiation, allowing them to be more compelling and persuasive at convincing prospects to make the leap and leave the status quo?

These questions were the catalyst for an experiment I conducted recently with Dr Zakary Tormala, a professor at the Stanford University Graduate School of Business, and an expert in persuasion. What we discovered validated our suspicion that so-called "best practice" like voice of the customer-based messaging may not be a best practice at all.

## The research

### Methodology: one scenario, four conditions

We began by recruiting 400 individuals (average age 33) and asking them to participate in an online experiment.

We developed a specific scenario for the study, asking our participants to imagine themselves as owners of a large company that was exploring potential growth opportunities in the face of a possible recession. To cope with cash-flow challenges linked to slow sales, sluggish customer payments and higher costs, the company was seeking a \$10 million line of credit from a financial lending firm. Participants were then told they would view a pitch from a particular lender who'd like to partner with them.

What participants did not know, however, was that they were being randomly assigned to one of four experimental conditions, each roughly two minutes in length. With each condition, the core services were identical; what varied were certain crucial aspects of the message and structure of the pitch.

The conditions (or pitches) were as follows:

- **Standard Solution** – In this pitch, participants received

a straightforward pitch in which the lender reviewed the stated customer needs and offered a \$10 million credit line at a "competitive rate" and then presented credentials, noting that his bank had 75 years of experience in the community and was committed to providing local companies with the help they need. In other words, the approach mimicked typical corporate sales presentations.

- **Value Added** – Here the pitch was identical to the previous

“

*So-called 'best practice' like voice of the customer-based messaging may not be a best practice at all*

one, but then the lender introduced additional capabilities, noting: (a) his bank had on-staff experts who had 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 approach is similar to presentations that include "value-added services" to create perceived differentiation.

- **Unconsidered Needs-Last** – In this condition, the beginning of the pitch was the same as in the Value Added condition. That is, 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. Following this information, the lender introduced an unconsidered need with an accompanying solution.

Specifically, he explained ("You should also know, however, that industry data suggests...") that 42% 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. Thus, he went on, the bank had on-staff experts who could work with companies to make sure there are no hidden problems in these areas and to help ensure that the cash infusion would have maximum positive impact. In essence, this pitch provided the same core offerings as the value added pitch, 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 reversed. 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% 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. 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 that 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.



### Results: a statistically significant winner

We then asked participants to answer a sequence of questions to help us measure the impact of the presentations – in particular, their quality, uniqueness and effect on participants' attitudes and choices.

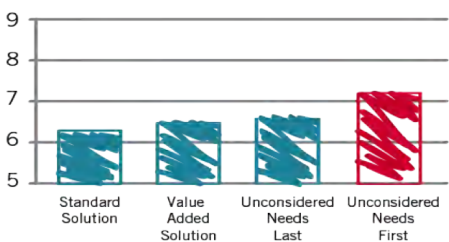
Although all participants received the same core offer, the Unconsidered Needs-First presentation outperformed the others on a variety of metrics assessing message impact. In terms of uniqueness and presentation quality, the Unconsidered Needs-First condition was rated as more compelling, more thorough and generally better than the other three messages. The specific questions from which we gleaned the presentation quality results were as follows:

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

To determine presentation uniqueness – or the extent to which participants viewed their pitch as unique and unexpected – we asked them to assess how unusual or unexpected the content of the pitch was. We also asked them how different or unique the pitch seemed to be.

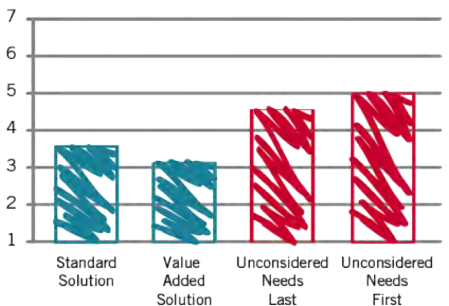
As you can see from the diagrams below, the Standard Solution and Value Added pitches differed negligibly on the quality and uniqueness metrics.

Perceived Presentation Quality



▲ Figure 1: Presentation quality ratings. Perceived quality was greater in the unconsidered needs-first condition (by 11.41%) than the other three, which did not differ from each other. (Scales ranged from one to nine with higher ratings indicating greater quality.)

Perceived Uniqueness



▲ Figure 2: Presentation uniqueness ratings. Perceived uniqueness was higher in both unconsidered needs presentations (by more than 41 per cent) relative to the others, with the value-added condition falling to last place. (Scales ranged from one to nine with higher ratings indicating more unique and unexpected.)

Participants then completed a variety of questions designed to assess something we deemed even more vital for selling purposes: the persuasive impact of the presentations

they viewed – in other words, the extent to which the message enhanced their attitudes toward the lending firm and boosted their likelihood of choosing it. The items 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 these choice and attitude dimensions, the unconsidered needs-first condition outperformed the other three, which had no statistically significant difference from each other.

### Conclusion: unconsidered needs first are more persuasive

Attitudes and Choice

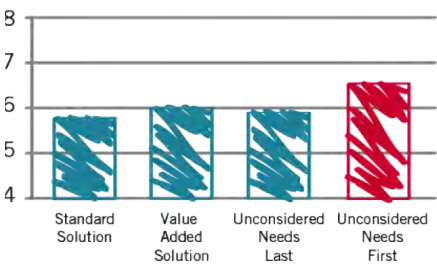


Figure 3: Attitudes and choice. Attitudes and choice likelihood ratings were more favourable in the unconsidered needs first condition (by nearly 10.3%) than in the other three, none of which differed from each other. (Scales ranged from one to nine with higher ratings indicating more favourable attitudes and more likely to choose.)

By examining the choice and attitude measures in conjunction with the uniqueness and quality findings, you can make a very powerful argument from the data, which is: only when unconsidered needs come first do they enhance the persuasive impact of a pitch.

While both pitches that incorporated unconsidered needs were perceived as unique and unexpected, only when that need was introduced at the outset of the pitch did it actually enhance perceptions of quality and persuasive power.

According to Tormala, this is compatible with uncertainty principles, which hold that injecting unexpected information into a conversation can create uncertainty; this in turn boosts message processing.

This study strongly suggests that you can capitalise on that effect by introducing unconsidered needs into your customer conversations, but only if you do it early. If you wait until the end of the conversation to include that information, it's too late to promote increased processing of incoming information and you won't maximise your persuasive power.

### In practice

#### Case-study 1 – financial services

Corporate Visions helped a financial company develop a “distinct point of view” based on a message that led with an unconsidered need. The company's top sales performer, decided to test it out on a large prospect that had politely turned him down each of the past ten years.

On the 11th time, armed with the new message, his fortunes took a turn: in addition to convincing the client to meet with him a second time, he was able to move hundreds of millions in assets in what became the company's biggest deal of the year. The formerly sceptical salesperson credited the new message with creating the opportunity, because the approach was the only thing he had changed from previous attempts with the same client.



#### About the Author

Tim Riesterer is chief strategy officer at Corporate Visions and a regular guest lecturer at Northwestern University's Kellogg Graduate School of Management. He is co-author of: *Conversations that Win the Complex Sale*; *Three Value Conversations: Create, Elevate and Capture Value Across the Long-Lead Sale*; and *Customer Message Management: Increasing Marketing's Impact on Sales*.

#### Case-study 2 – technology

An IT products reseller used the “unconsidered needs” pitch approach to launch a new emphasis on services as differentiator from the competition. This helped its salespeople make the transition from product-centric presentations to customer-centric conversations and helped them gain access to the C-suite at some major global corporations, meeting with titles and prospects they had seldom ever spoken to in the past.

A webcast presentation based on the same pitch has become the number one “most viewed” exhibitor presentation on analyst firm Gartner's website. They are also using the pitch to screen new sales hires, who must review the materials and deliver the story in a role-play scenario before they are hired.



#### About the researcher

Professor Zakary Tormala is an associate professor of marketing at Stanford Graduate School of Business, where he teaches courses on attitudes, persuasion and consumer behaviour. He has published numerous articles in leading psychology and marketing journals. In 2008 he received the Society for Consumer Psychology's Early Career Award for Distinguished Scientific Contribution in recognition of his contribution to scholarly research in consumer behaviour. In 2009 he was named to the Marketing Science Institute's list of Young Scholars.



# How profits fight poverty

✍ Dr Roy Whitten and Scott Roy



Whitten & Roy Partnership

*Dr Roy Whitten and Scott Roy discuss how selling can be a catalyst for change and a force for good in the developing world.*

Selling stuff to poor people – sounds shameful, doesn't it? Well, it isn't – that is, if you want them to actually use products that can literally change their lives.

Sanitary latrines that prevent contamination of food and water by human waste; high-quality agricultural inputs that increase yield and farmer

incomes; home water filters that purge poisons and agents of infection; solar lighting that eliminates the health hazards of burning kerosene in tiny homes – all these have been specifically designed for the world's poorest people to increase their income, eliminate costly and preventable sickness, and reduce millions of avoidable deaths.

So what is the best way to get these products into the hands of the people who direly need them? Selling is one very good answer. What at first blush may appear to be a ruthless exploitation of the poor in fact empowers them to change their lives for the better.

Social enterprises and NGOs (non-governmental organisations) are leading

**“How do you harness the power of selling to solve poverty when experience is thin, both in leadership and on the ground?”**

the charge in selling to poor people. These mission-driven organisations understand that the selling interaction creates buy-in to change – change that flies in the face of centuries of culture and family practice. The choice to buy is a choice to change, permanently. And

yet few purpose-driven organisations have the right tools or expertise to get the job done. All too often, they find that operating like a profitable business is outside their experience.

So how do you harness the power of selling to solve poverty when experience is thin, both in leadership and on the ground? How do you train and transform leaders who have little commercial experience? How do you hire people who have zero sales experience and help them to succeed? How do you learn and apply effective sales management when none exists? And what about logistics and supply chains within countries with weak infrastructure? How do you get to people in remote areas to sell to them?

Building a sales organisation can pose big challenges even in the developed world; in the developing world, those challenges become daunting.

Whitten & Roy Partnership's work focuses on two areas. One is consulting and training with commercial organisations mainly in Europe and the United States to transform their sales performance primarily in complex selling. Our second focus is consulting and training with NGOs and social enterprises around the world to meet many of the same challenges faced by our commercial clients, only in a developing-world setting. We charge social enterprises for our services, but at 25% of the commercial rate. No matter who or where our clients may be, they all want the same result: a breakthrough in sales performance.

Our first project in the developing world began with designing the Farm Business Advisor programme, which is an agricultural sales and service organisation focused on transforming the incomes of poor smallholder farmers. It went on to win the prestigious Nestle Award for Creating Shared Value largely because it resulted in driving up farm income by over 56%. Now, seven years later, Whitten & Roy Partnership is working on projects in 11 developing countries in Asia, Africa, and Central America. We estimate that these projects altogether have improved life for over four million people.

Here, then, are three short case-studies of organisations with whom we have worked in the development context.

## Hydrologic

Safe drinking water, though so obviously essential to health, remains a crying need in much of the developing world. A project in Cambodia has been trying to meet this need by manufacturing kiln-fired clay water filters. Started in 2003 under the aegis of International

Development Enterprises (IDE) Cambodia, the project was rebranded as Hydrologic in 2008.

Hydrologic's "Rabbit" water filter is a safe and effective household alternative to the labour-intensive and carbon-producing practice of boiling drinking water. One filter produces 20 litres of 99.997% pure water every day, more than satisfying the consumption of even a large Cambodian family.



▲ Hydrologic buyers: engaged through systematic direct sales calls.

Hydrologic, supported by grantors, at first sold most of its product stock to NGOs, which then distributed the products to the poor. Making a profit was not an early objective, and margins were razor thin. It soon became evident that Hydrologic needed more profit to achieve sustainability, especially in the face of an inconsistent stream of grants.

**“Building a sales organisation can pose big challenges even in the developed world; in the developing world, those challenges become daunting.”**

For more profit, Hydrologic needed more buyers. At first, the company contracted a wholesale distributor to grow the business across Cambodia but, following the initial orders from retail shops, the distributor failed to stimulate the market.

The problem was that nobody was really engaging the consumer. Some potential consumers learned of the Rabbit filter only by word of mouth. Others took interest only after a member of the family got seriously ill. Most didn't even know that water filters existed. Hydrologic could not drive demand with its retail strategy, nor could it grow by relying so heavily on NGOs.

Hydrologic retained Whitten & Roy Partnership in 2011 to assist with developing a sales strategy that would grow the business, attain profitability, and provide the foundation for a sustainable enterprise. An initial discovery process determined that the way forward must be a more proactive campaign that challenged the common practice of boiling water. The campaign needed to engender a highly personal buying experience that would alter cultural norms.

Interventions included:

- Recruiting a direct sales team to execute a below-the-line marketing strategy and sales campaign. Hydrologic might have to hire inexperienced people – but it could work to hire the *right* inexperienced people – ones with drive, determination, and a capacity and willingness to learn. Hydrologic then provided a thorough sales training programme and committed to continually developing its personnel.
  - Everyone – managers and sales personnel – provided profit-oriented inputs for a dashboard to measure performance. Data became a tool to drive improvement and generate sales that, when scaled, would be profitable.
  - Employing both group presentations and systematic direct sales calls. Every prospect was engaged personally; this engagement – the sales conversation – stimulated action to change longstanding behaviour.
  - Creating momentum within each rural village by capitalising on relationships with communities and their leaders. Using names and testimonials were key to piquing consumer interest and overcoming fear and mistrust.
  - Increasing prices to achieve profitability. Hydrologic had erred by pricing too low because it didn't recognize the capacity, however limited, of poor people to buy what they need – a classic mistake made by most social enterprises. It turned out that consumers were unfazed when prices were eventually doubled. Margins grew alongside higher unit sales.
- Results:
- Annual sales increases of 50% or better over pre-2014 levels have been maintained since the interventions began.
  - Significant profitability was attained by mid-2014 as higher-margin, direct sales to consumers accounted for a growing proportion of total sales.
  - By year-end 2014, Hydrologic had sold 380,000 units since the Rabbit filter was invented.



## WASH Cambodia

For many people in Cambodia, open defecation has long been a way of life. In 2011, only 22% of the rural population had access to a toilet. Inevitably, human waste reaches the food and water supply, with predictable and disastrous consequences. Over 10,000 Cambodian children die annually from infectious disease related to poor sanitation. The direct and indirect annual costs exceed \$500 million.

Attacking this problem, IDE's WASH (Water Sanitation and Hygiene) programme understood that one requirement was to lower the cost of a latrine, typically a cost of hundreds of dollars and thus prohibitive for the rural poor. Reliance on masons to build the inner workings of the latrine accounted for much of this expense.

Hence the EZ Latrine, an IDE innovation consisting of a cast concrete "box" that eliminated the need for a mason. Cost: about \$40. People could easily install the EZ Latrine by themselves.

The EZ Latrine was piloted over two years. The product was validated as over 10,000 units were sold. WASH Cambodia then received over \$7 million from the Gates Foundation, the Stone Family Foundation, and the World Bank to scale up from the 22% baseline latrine coverage.

WASH Cambodia had a minimum sales goal: 70,000 units over three years. But an above-the-line marketing

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**Significant profitability was attained by mid-2014 as higher-margin, direct sales to consumers accounted for a growing proportion of total sales.**

campaign wouldn't drive sales to that number, much less to a dream goal of 140,000. So, with additional support from the Stone Family Foundation, WASH Cambodia then retained Whitten & Roy Partnership in 2011 to consult on a different strategy and the tactics to support it.

Interventions included:

- Moving the sales conversation from being product-led to problem-led. Earlier, the sales teams pointed up the consequences of open defecation, but inadequately, delivering something like a lecture. So the consultancy developed a sight-seller that provided a framework for deeper

discussions about the needs and wants of prospective customers and their families.

- Closing sales by responsibly leading the customer down a decision path that demonstrated the advantages of making the purchase.
- Working territory strategically by returning to villages on a six-month rotation, which enabled sellers to get referrals from satisfied customers and sell even more. This success refuted the commonly held belief that a territory was "used up" after one pass-through.

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**Even more than in the developed world, in the developing world a selling proposition can amount to an invitation to make a desperately needed change.**

- Overcoming the belief that consumers wouldn't buy during the rainy season due to multiple perceived problems: most of the consumers were farmers, and so all disposable income was invested in the crop; farmers were in their fields, away from home and so not accessible; the bad condition of roads made it too difficult to travel and deliver the goods; high ground water made latrine installations impossible. An intervention to challenge these prevailing attitudes resulted in creative problem-solving that boosted sales during what had been dismissed as inevitably slow sales periods.

Results:

- WASH Cambodia blew through its dream goal of 140,000 toilets by October 2014, accomplishing 47% coverage – and this after only a three-year rollout of the revamped sales programme. WASH Cambodia has remarked that it knows of no other project anywhere in the world that has installed so many toilets over a comparable period.
- The sales-conversion grew from 12% at the end of the pilot to 35% at the end of the three-year rollout.
- WASH Cambodia has now embarked on a new three-year programme to install a total of over 220,000 latrines in addition to the more than 140,000 installed already. These sales, along with the stimulation of indirect sales, will achieve over 75% coverage in the market area.



## Proximity Designs

Limited growing seasons in rural Myanmar have a lot to do with the poverty there. The monsoon season brings the water needed for agriculture, but then comes the dry season and, with it, hard times.

Enter Proximity Designs, a business-minded NGO that sells treadle pumps and drip irrigation technology. For ten years Proximity had steadily grown a sales force in Myanmar to sell irrigation solutions to poor farm families. It wanted to help farmers grow crops year-round and move up the economic ladder.



▲ Myanmar: group sales event – Proximity Designs sellers in red.

The sales force expanded to some 140 sales reps, known as demonstrators, who worked in pairs. Few of the demonstrators came from a sales background, however, and they relied on independent local agents to connect with prospects and drive sales.

Many of the sales demonstrators didn't actively sell at all. They mostly waited until agents or buyers contacted them to purchase a treadle pump during the dry season of November to January. The sales demonstrators then spent the balance of the year collecting payments on the product loans they had placed. As a result, anything like a robust selling season shrank to a three-month period that accounted for 80% of Proximity's annual revenues.

Wanting to boost the productivity of its underutilised sales force, Proximity began to work with Whitten & Roy Partnership in September 2014.

Interventions included:

- De-coupling Proximity's demonstrators from the local agents to reduce overreliance on third parties and realise the potential of Proximity's own sales organisation.
- Retraining the demonstrators – all of them, group by group – so they had the capability but also the accountability to meet their sales targets. A direct sales campaign then capitalised on relationships built through sales calls and referrals to new prospects.
- Reorienting the demonstrators to sell year-round and on their own rather than in pairs, thus doubling sales opportunities.
- Employing a highly interactive, problem-led approach designed to create greater client engagement and a willingness to take risks. This required working with farmers to calculate the cost of traditional practices versus new labour-saving methods.

Results:

- Unit sales for fiscal 2015 on a previously difficult product to sell have more than doubled from the previous year.
- Cash sales have nearly tripled from 19% to 54% of all sales made, which indicates improved selling skills.
- The previous overly concentrated three-month selling season has been replaced by a steadier sales curve, which has resulted in 30.4% and 79.6% sales increases over prior year results in February and March 2015.

## Conclusion

People sometimes ask us what we've learned while working in the developing world. So far as the fundamentals of building a sales organisation are concerned, we might say we have learned very little.

The essentials are the same the world over: base strategy on the realisation that only profit ensures long-term survival; empower salespeople and then hold them accountable; insist on honest dealings with customers and, when the nature of the business allows, foster working relationships with them. And execute, execute, execute.

But of course we have learned something, and it is profound. Even more than in the developed world, in the developing world a selling proposition can amount to an invitation to make a desperately needed change. Whether that change means cleaner water or improved sanitation or greater agricultural yields, it is one that we hope will pass down the generations.



▲ Cambodia consultants in Phnom Penh (left to right): Karen G and Jen Wang, WASH; Jakub Kondelka, Hydrologic; John Chhay, Loris Thmey; and Scott Roy.



## About the authors

Dr Roy Whitten is an expert in attitude and its role in human performance and sales management. He has received training in sales, business and psychology and, in 2004, earned a PhD for his work in transformative learning and change.

Scott Roy has built and run large sales teams and has also founded a nationwide insurance company in the United States.

In 2009 they both founded Whitten & Roy Partnership. This operates today in 19 countries around the world, helping leading global businesses and organisations in the developing world transform their sales results. For more information see [www.WRPartnership.com](http://www.WRPartnership.com).



# Field of dreams

 Nick de Cent

*When SAP set out to update its go-to-market approach, sales enablement also embarked on its own journey in support of the process. Axel Ferreyrolles talks about his voyage of discovery.*

With the advent of “the cloud”, shifting market conditions and changing customer expectations, enterprise application software giant SAP understood that it had to adapt. For Axel Ferreyrolles, head of sales process enablement within the organisation’s Global Customer Organisation (GCO) University, this meant putting together a new sales enablement strategy. “We needed to reinvent ourselves to be competitive moving forward.”

As with every innovation, there was no manual to follow. Ferreyrolles admits

his approach involved a certain “act of faith”; however, he drew inspiration from a favourite movie – Kevin Costner’s acclaimed 1989 film *Field of Dreams*.

He explains: “I’m a big fan of the movie *Field of Dreams*, which has the line ‘If you build it, they will come’; this always stuck with me and that’s how I work. I knew SAP needed a transformative engine of some kind to support its ambitious goals but nobody in the organisation knew how to create it and even wanted to do so. So I just designed it and started selling it.”

Ferreyrolles and colleagues built a comprehensive sales enablement structure: a combination of programmes designed to equip the sales organisation with the perspective and skills to compete in today’s complex selling environment. The aim was to move the salespeople and first-line sales managers from a transactional focus to more of a “transformational” perspective.

“It was an act of faith to a certain extent by our Chief Operating Officer

(COO), and by my manager at the time, to let me do it and to give me some budget to start running it. When it came to ‘what are the benefits?’, well, the benefits were around that tipping point from transactional managers to transformational managers, because we knew our go-to-market model and our strategy at SAP required a different type of manager. We couldn’t really tell what we needed but we knew that we needed people who could enthuse innovation in their own team, in order to find new ways to engage with customers and look at problems from a different perspective. So I sold it on that notion of transformation and innovation.”

## Development pyramid

The task involved training more than 4,000 quota carriers or QCs (salespeople) and over 700 front-line managers around the world – so the organisation required a robust enablement infrastructure to deliver a unified “best-run training

experience”. The company approached this remit through the concept of an SAP university.

“The notion of an SAP university appeared a few years back under the impulse of SAP CEO Bill McDermott, who said the organisation needed to look at a more standardised and scalable way to deliver training. This was a new step for us.”

Among the issues encountered by the team was the diversity of maturity among the various regions, both in terms of their profile but also the sheer variety of sales methodologies and processes across the company’s regions and market units. Accordingly, the team set out to create a global structure that

Sales Methodology (FSM). This then guides the new hires through their first year, along specific milestones, so that “in a year from now they are fully operational, fully effective.

**“The new development approach has already started to drive performance improvements.**

“The second thing that became more and more evident was that, if we wanted to innovate within sales and have fresh blood within the organisation, we needed a way to train new graduates from universities – high-potential university people. We have therefore created what we call the ‘SAP Academy for Early Talents’.”

Based in Dublin, California, the Academy prepares SAP’s pre-sales talent (over six months) and salespeople (over three months on-site) in a very structured way. On completion, the new pre-sales people and QCs join the market units – the countries – and “actually start delivering on their jobs with a quota”.

## First-line managers

Meanwhile, the corporation also recognised it needed to invest more in developing first-line sales managers – those managers who are vital for driving sales performance. “In their role, they have to manage four dimensions:

1. **sales** – just because they are managers, it doesn’t mean they are also not salespeople;
2. **coaching** – we always talk about coaching but, let’s face it, our managers are more about telling people than the ‘asking questions type of profile’, and they always struggle to coach their teams, so we need to coach them;
3. of course, they need to be **leaders** to create the vision and motivate their teams; and
4. they need to be **managers** in all the processes that we give them, the tools and the methodologies.

“So we created in October last year what we called the ‘SAP Academy for Sales Leaders’.” This two-week residential programme sees managers fly to the United States to participate with their peers from all around the world in groups of 25 to 30. It takes them through leadership, coaching and management-related topics.

## Development scalability

SAP is moving away from large-scale external training programmes delivered in a traditional classroom format partly because of the sheer numbers involved – it is a significant challenge to scale training across the company’s 4,500 QCs. Usually, scalability and cost considerations (travel and accommodation, in addition to the programme cost itself) mean that SAP tends to opt for a virtual approach, involving dedicated two-hour sessions around specific skills or content, such as “negotiation” or “executive conversation”.

Nevertheless, SAP invested in CEB’s Challenger programme as part of its goal of transforming to a new sales philosophy. “We have trained more than 4,300 QCs in around 268 sessions and more than 450 sales managers. We have really had great ROI with that programme and very good feedback from Sales because it was targeting sales behaviours. It was interesting because it was the first time we went with a mega-programme across the entire world for SAP Sales.

“When we did the survey and the analysis with CEB, we actually realised that most of our QCs are what we call relationship builders, so they like to create trust and rapport with the customer. But, in today’s situation, it is not enough; we need a bit more tension; we needed to take a bit more control of the sales cycle; and we wanted to change those behaviours within our DNA.”

## Investing time in training

Industry stats and best practice from IBM suggest that you need an average of 14 days’ training per person in order to be a knowledge organisation, according to Ferreyrolles. However, time away from the business can be a significant limiting factor when it comes to the uptake of training.

“Even though salespeople appreciate when you train them, because of the pressure they are under – the current quarter pressure of the numbers – they tend not to have so much time for training. Or if they have to choose, of course, they would rather be selling, making their quota, than being trained. We realised we needed to find ways to motivate the account executives and, even more importantly, front-line sales managers, to absorb training.”

How could the company encourage managers to invest their time? “I started thinking about what could be a motivation for them.” A market review highlighted a Masters programme – externally accredited by Middlesex University – that development specialists Consalia were pioneering with HP. They were able to adapt this to SAP’s slightly



© Nick de Cent



different requirements.

"We started designing the first front-line sales managers Masters programme, called Leading Sales Transformation." This programme has gone from strength to strength with the third cohort just starting; currently, 45 managers are going through what has been devised as an elite programme. It's one the managers can aspire to if they wish, because it involves a two-year time investment; furthermore, because of the cost of the programme (some £25,000 per participant), SAP doesn't make it available for everyone.

### Benefits

A major benefit is the programme's external accreditation. For participants with an IT background, there is the motivation of obtaining a recognised higher qualification; a big factor for many participants is the recognition that SAP has invested in them.

For the managers, the achievement also recognises their leadership capabilities, alongside their personal qualifications and their level of professionalism. In the context of today's "War for talent", such a programme helps SAP attract new talent and then retain it, helping to differentiate the company in the talent marketplace.

The programme has already started to "create space" for SAP managers to reflect on how they carry out their roles, what could be done differently and how they might improve. "You give them, really, a totally different understanding of what their job is, what they should do, what they could be doing and how to transform from the inside, and how to transform their own team through coaching."

### Dreams to reality

So, did this "Field of Dreams" turn into business reality? SAP is in the business transformation space, helping customers transform their business. "In order to do that, you need to have salespeople who can think that way," Ferreyrolles argues. The new development approach has already started to drive performance improvements.

For instance, thanks to improved coaching by first-line sales managers, SAP has "closed deals that we should have lost". Such deals, which each typically bring in 1-2 million, more than outweigh the cost of the development programmes. The new approach has also helped drive innovation through the organisation, encouraging managers to enthuse the notion of transformation across their teams.

Additionally, Ferreyrolles has noticed that the way managers go about their coaching has changed. Previously, while managers felt they performed this function well, the QCs in the teams were dissatisfied. Now, managers have started to hone their approach and some have begun to innovate in ways that stand out.

One example is a manager in the Nordics, who has created something called "running coaching". Every time he wants to coach, he invites his colleague on a lunchtime run because coaching requires a different environment outside the office. "It is working extremely well," Ferreyrolles confirms.

The new programmes are delivering a learning shift – "a flexibility that is quite amazing". But there is one caveat; in a sense, the organisation is going to have to adjust to the success of the managers' own personal

**SAP's sales development structure includes multiple approaches: divided into streams at different levels within the sales organisation**

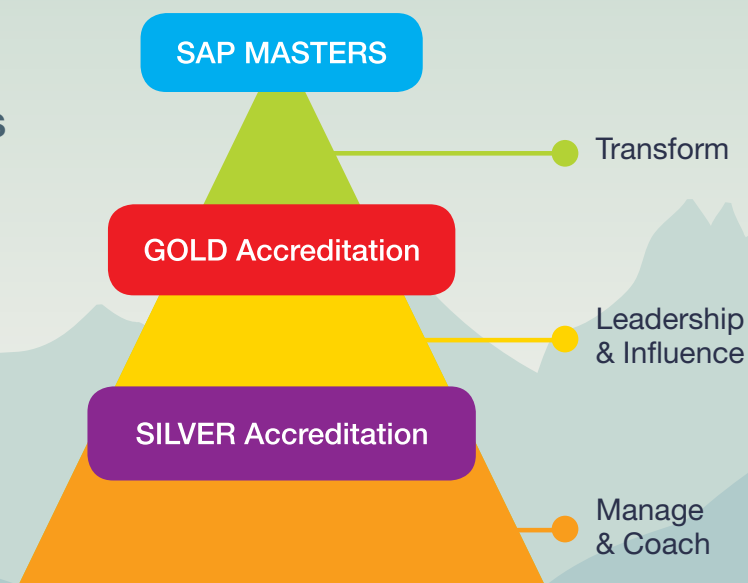
- Streams cover knowledge, skills, behaviours and transformation
- Learning is targeted according to level – new hires, quota carriers and sales management
- Development platforms include e-learning, MOOCs, virtual, face-to-face/classroom and hybrid sessions

transformations. How do they balance the newly acquired skills, behaviours and mind-set of a transformative leader with an environment that is very culturally sales driven, which is transactional, and which is based around a current-quarter, short-term focus? The organisation will have to adapt and this will be an interesting area to investigate, Ferreyrolles suggests.

For the future, SAP is adding further components to its development structure, including a new project to deliver a raft of training through MOOCs (massive online open course), a programme that has only started recently. Ferreyrolles is about halfway along his personal journey towards transforming SAP's development structure together with his colleagues; however, the programmes he seeded three years ago are already starting to bear fruit.

### EMEA Learning path for First Line Sales Managers

- Clear learning path
- Supports SAP Strategy
- Mix of delivery mechanisms
- Accreditation system
- Online Action plan
- Business Impact Measurement



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# Can contracts boost trust?

Tim Cummins



*As businesses start to compete on their ability to perform and deliver results over time, contract terms are becoming the new platform for successful selling, argues the IACCM's CEO Tim Cummins.*

Successful selling has never been an easy task. As time passes, it seems to become harder. Buyers are increasingly informed, aggressive and often cynical. Internet search has disrupted the traditional process of supplier evaluation. E-auctions have disrupted the traditional process of bidding. Compliance and contract standards have disrupted the traditional process of negotiation. And now, with

many economies facing a period of deflation: even the threat of price increases has disappeared from our armoury.

## So where does this leave sales?

A recent CEO study published by the *Financial Times* found that "honesty and integrity" are the top two attributes that executives feel are critical for their

business. These findings are driven by issues of trust – a commodity that repeated surveys show to be in short supply. Increasingly, business buyers and consumers want far more reassurance that their purchases will perform as promised – and they want to pay by results.

This trend is potentially transformational for the sales community. It is driving consultancies and their clients to talk about the role of "commercial excellence" within today's corporations.

## What is commercial excellence?

So what is commercial excellence? Essentially it is about far more intelligent, needs-based segmentation of markets, far more analysis of potential sources of profit and margin – and quite different approaches to selling, with greater emphasis on the commitments being made and the payment mechanisms being employed.

And a major consequence of this is that the form and terms of contract will change dramatically, becoming a critical tool for successful selling.

In a recent webinar, Steve Harmon, a deputy General Counsel at Cisco, observed that contracts are becoming "the foundation for business operations". Surveys by IACCM show a steady shift from traditional sales of products to the acquisition of outcomes, or performance-based sales. Essentially, businesses are starting to compete on their competency to perform and deliver results over time. This means:

1. Sales must establish greater understanding of their customer's specific circumstances and desired results.
2. Sales must ensure that the results being sought are compatible with the offerings available from their organization.
3. Sales must become better at grasping the likelihood of change or the extent of requirements uncertainty in their client.
4. Sales must ensure the form of agreement and associated contractual commitments are structured to fit the customer's circumstances.
5. Sales negotiations will include far more discussion over the mechanisms for performance management and governance. Essentially, many aspects of traditional "relationship management" will be embedded as contract terms, supporting greater transparency and openness.

Overall, these elements will be designed to address the challenges of trust, by creating an environment of

increased "honesty and integrity".

## New approaches, new skills

In practical terms, leading organisations are already investing in many of the changes needed to support this environment. More sophisticated market segmentation and greater granularity in pricing are just two elements. Perhaps the biggest shift is in how contracts and terms and conditions will be evaluated and delivered.

Today, there is very limited insight into the impact of terms and conditions on revenue or profit. Sales typically have limited discretion and negotiation is often a matter of compromise rather than trades in value. Increasingly, needs-based segmentation will alter that understanding and sophisticated technologies are starting to assess the impact of terms on profit, including how "term packages" perform in the market.

In addition, leading companies such as Hewlett-Packard or NetApp have realised that the likelihood of litigation is one of the lowest risks in the average contract – so they are moving towards far more intelligent approaches to negotiation. Indeed, working groups are investigating "industry standard contracts", which would fundamentally alter sales force empowerment.

This means we will soon start to see sales negotiating around "principles" rather than rigid contract templates. For example, issues such as payment terms or even intellectual property rights will be more directly linked to levels of risk and value, allowing more flexibility for sales to optimise revenue and returns.

Contracts experts are also starting to appreciate the impact that terms and conditions have on subsequent behaviour. For example, unfair or unbalanced risk allocation tends to result in either disengagement or defensiveness – either of which places performance at risk. Sophisticated suppliers will become better at walking away from these unbalanced deals – or develop superior delivery mechanism that make the incremental risk acceptable.

## Integration of "the contract" and "the relationship"

Relational contracts are one mechanism through which risks are better managed, especially in any transaction where there is significant uncertainty, or probability of change. The old adage "It's not the contract, it's the relationship that matters" is no longer adequate. The contract is a key part of the relationship and contract management is the mechanism through which

performance is assured. Trust, honesty and integrity are supported by the contract, so "relationship management" is increasingly integrated through terms and conditions.

Examples of these enhanced terms – and therefore a growing focus for negotiations – are more detailed depictions of how communications will occur, what problem-solving forums will be put in place, how continuous improvement or innovation will be managed and rewarded, when and in what circumstances joint working may occur. These are mechanisms that generate confidence and ensure collaboration – crucial in today's outcomes-based world.

The implications for sales training, skills and measurements are all very significant. "Commercial excellence" will surely become a key element within the sales organisation, along with new tools that include contracts designed for users. But that is a different story...

- **What's your view? How are changing contract requirements shaping your sales model? Let us know.**



## About the author

Tim Cummins is CEO of the International Association for Contract & Commercial Management (IACCM), the global certifying body for contract management and commercial professionals. IACCM undertakes extensive research and analysis of worldwide trends and developments in trading relationships and their management.



# Fixing the broken financial services model

✍ Chris Alder



## How can sales survive in a banking sector beset by scandal?

Interest rate hedging products where businesses were mis-sold complex insurance deals... tax dodging... manipulation of the London interbank lending rate (LIBOR) to boost profit from trades... money laundering... the manipulation of foreign exchange rates by out-of-control rogue traders – these have been the scandals which for many have come to characterise a broken financial services industry.

But it is the scam which saw customers mis-sold payment protection insurance (PPI) policies that has proved to be the biggest banking scandal in terms of the number of people affected. Since the 1990s, millions have been bamboozled into buying PPI to pay off loans or mortgages if they died, became ill or lost their job. The only problem was that the policies were not fit for purpose. Banks alone are thought to have paid out around £22 billion in compensation since the affair came to light.

Barclays recently took an additional £150 million charge towards redress for the mis-selling of PPI, and this has now cost the bank £5.4 billion. In total, UK banks have paid out more than £26 billion for this type of compensation.

But it's not just the money, mind-boggling as the sums are. Banking's

reputation has become tarnished, with some of those who operate in it associated with greed and trickery.

### Reputational risk

So what are the banks doing to clean up their sales act and repair the damage caused to their reputations? Not enough, suggest some industry experts.



▲ Martin Smith: no clear sales path in the industry.

Reputational risk is one of the major issues faced by banking today, according to Martin Smith, who has held sales director roles in several financial services organisations, most recently at Global Payments (formerly called HSBC Merchant Services),.

Smith, who leads 150 salespeople

across all customer segments and is also board member for financial services at the Association of Professional Sales, explains: "I noticed there appeared to be no clear sales path in the industry. The way people went into sales was by achieving in other departments, such as operations. There was little initial or on-going formal sales training."

### Customer-focused coaching

Smith, who also held the sales director role with the Santander and Elavon merchant services joint venture formed in 2012, sees an opportunity to improve on the customer experience delivered by sales teams by introducing ethical and customer-focused sales and coaching models as a priority.

Duncan Steel, managing director and co-founder of Sales Training IQ, has carried out in-depth interviews with senior business development executives from financial services companies in the UK. He takes a similar view to Smith: "The stakeholder matrix in most financial services organisations has not changed since the global financial crisis of 2008. The shareholder is still the number one stakeholder, followed by employees, customers and then the community."

Steel set up his company in the wake of an international professional selling career with major financial companies, including GE Capital and Goldman Sachs. As head of business development for ANZ Banking, he

delivered sales training for the whole group.

### Shareholder value

He says: "The PPI mis-selling scandal was born after CEOs were tasked with increasing shareholder value within a short timeframe. PPI was the perfect product with which to do this and, by applying it to each and every loan, profits soared and so did the share price. The bonus of the CEO and most staff depended on increased shareholder value; and therefore, in terms of stakeholders, both employees and shareholders benefitted."

But there is a way forward. He adds: "Interestingly, the emergence of small organisations and P2P (peer-to-peer) lending, which removes banks from the lending process, is completely reversing the stakeholder matrix with the community being number one, followed by the customer, then the employees, and finally the shareholders."

He suggests that the growth of the building societies, such as Nationwide, has shown how the ethical stance can deliver a better overall business model in which the sales process benefits the customer. However, he warns: "Banks, despite massive regulation, are continuing to promote unregulated products which add little value to the customer and more to the shareholder."

Conscious of the damage done to the reputation of the banking industry by unscrupulous employees, back in 2007 the Financial Services Authority (now re-designated the Financial Conduct Authority) published a six-point guide to help firms develop management information to demonstrate that they are treating their customers fairly (<https://www.fca.org.uk/static/documents/fca-tcf-mi-july2007.pdf>).

This aimed to ensure:

- Consumers can be confident that they are dealing with firms where the fair
- treatment of customers is central to the corporate culture.
- Products and services marketed and sold in the retail market are designed to meet the needs of identified consumer groups and are targeted accordingly.
- Consumers are provided with clear information and are kept appropriately informed before, during and after the point of sale.
- Where customers receive advice, the advice is suitable and takes account of their circumstances.
- Consumers are provided with products that perform as firms have led them to expect, and the associated service is both of an

acceptable standard and as they have been led to expect.

- Consumers do not face unreasonable post-sale barriers imposed by firms to change product, switch provider, submit a claim or make a complaint.

### Customer satisfaction KPIs

Smith suggests the FSA's efforts are having an effect. He says: "Customer satisfaction measurements have now become the core KPI (key performance indicator) for the first layer of sales management, and a customer outcome review has now become part of a sales person's KPIs."

"Telephony centres are planning pop-up screens for staff dealing with customers suggesting ways to better understand their needs, so staff can offer good-quality advice, and sell the right product."

Banks also face the challenge of making sense of a proliferation of new marketing channels. According to a recent report from PricewaterhouseCoopers,<sup>1</sup> financial institutions have been selling to customers the same way they did half a century ago. They have recently started adopting these new channels, but without understanding how best to use them. Consequently customers are being inundated with marketing messages; in addition to traditional channels, customers are interacting with web, mobile, and social media, making it difficult for financial institutions to break through the chaos.

Financial institutions, PwC says, need a more human-centred approach that distils complex content into targeted, engaging stories that are memorable and celebrate customer achievements. These stories should anchor back into a unified over-arching brand vision across channels, platform and content types in order for the banks' messages to rise above the current flood of content and drive customer behaviour.

It's a message that seems to have been picked up by HSBC. Smith explains: "In the last 12 months, HSBC has moved more from a predominantly risk-based new-customer assessment to a customer-needs-based assessment. There has been a change of language away from one that was essentially sales-target-based to one that suggests customer focus."

Looking back at the convulsions in the industry caused by PPI, which HSBC ceased to sell in 2007, he adds: "There used to be a strong culture of entitlement, with overwhelming opportunity. Then PPI hit and product-specific lead volume immediately started to significantly subside."

"There was a sense of unfairness within the sales force at what had happened and, to make matters worse, many salespeople were insufficiently trained to compensate for this new situation. It was a real wake-up call. "Banks closed everything down. Sales and marketing language was avoided and, for the last three-and-a-half years, PPI has remained a major issue."

"Now it's becoming less of an issue as the banks tackle the underlying problems in leadership and culture, but there's still a lot of work to be done."

"I believe it will be another two or three years before we start to see the benefits of the initiatives being taken now as a real difference in the way people operate. That's how long it might be before we see an authentic, new embedded 'customer first' culture across the whole industry."

### Editor's view

Industries (rightly) under fire from the regulatory authorities frequently draw in their horns rather than tackle difficult issues at source.

We can see instances of this in the pharma industry too, where there have been reports that salespeople may find it easier to do nothing rather than sell creatively (in the best sense of the word) for fear of running foul of the compliance regime. Even when the customer would value more flexible sales and marketing engagement, the potential compliance risk to the organisation or the individual salesperson can be perceived as outweighing the benefits.

In such circumstances, what is needed is a root-and-branch transformation into a genuinely customer-centric organisation. This starts with corporate strategy and culture; it continues with the way both are interpreted by the customer-facing organisations. Clearly, salespeople need an element of autonomy and creative freedom to operate effectively but within a robust framework of customer-centricity.

We need to be explicit about the difference between organisations that are not fit for purpose and salespeople who have simply "gone rogue" – the solutions are different in each case.

<sup>1</sup> [http://www.pwc.com/en\\_US/us/financial-services/publications/viewpoints/assets/product-pitch-customer-focused-content.pdf](http://www.pwc.com/en_US/us/financial-services/publications/viewpoints/assets/product-pitch-customer-focused-content.pdf)

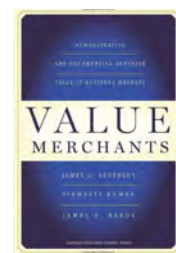


# Resources

Welcome to the International Journal of Sales Transformation's "Resources" pages. Here we aim to list sales-specific books, web resources, academic courses, consultancies – in fact anything of interest that could possibly inform a senior sales leader or academic. The content builds on previous issues but will soon be available online as a comprehensive resource. We want to make these pages as helpful as we can so, if you want to recommend a book or white paper, or highlight any suitable item for the benefit of other readers, let us know and we will aim to include it in the next edition. Please send listings information to [editor@journalofsalestransformation.com](mailto:editor@journalofsalestransformation.com).

## Books

We asked some prominent people to recommend books that have made an impression during their careers. Here's what they recommended.



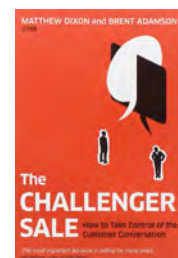
**Todd Snelgrove**, Global Manager, Value with SKF, says: "I think *Value Merchants* is one of the best. Jim Anderson from Kellogg, Nirmalya Kumar, LBS. About getting paid for value created."

**Bob Apollo**, Managing Partner at Inflexion-Point and Journal columnist says: "I've been inspired by *Let's Get Real or Let's Not Play* by Mahan Khalsa and Randy Illig, which focuses on developing win-win relationships."

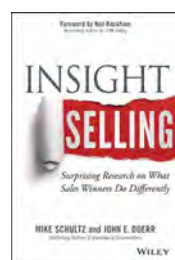


"Also by *What Great Salespeople Do* by Michael Bosworth and Ben Zoldan, which illustrates the power of storytelling;

*Predictable Revenue* by Arron Ross and Marylou Tyler, which is great on

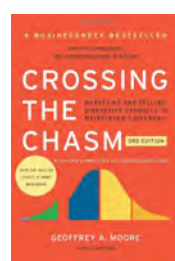


systematic customer acquisition; *The Challenger Sale* by



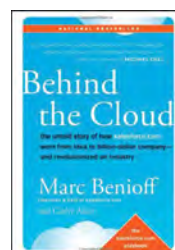
Matthew Dixon and Brent Adamson on the power of constructive provocation but undervalues relationships; *Insight Selling* by Mike Schultz and John Doerr, which rebalances the importance of

relationships; *Sales Growth* by Thomas Baumgartner, Homayoun Hatami and Jon Vander Ark, three very bright McKinsey types. **Editor's note:** See the McKinsey article on pages 14-16; Homayoun Hatami is one of the authors. I really like



the section on micro-segmentation. Also *Crossing the Chasm* by Geoffrey Moore, which many regard as the bible for technology marketers, and very relevant to selling;

and *The Checklist Manifesto* by Atul Gawande, which is not directly about selling but highly relevant to eliminating avoidable errors in the sales process. All these books are very well thumbed, even the digital copies!"



**Nick Christian**, managing director of Turnstone Sales, says: "*Behind the Cloud* by Marc Benioff is a very interesting insight into the growth and strategy of one of the world's most disruptive and successful businesses

(salesforce.com). Really strong sales insight delivered in a practical and, at times humorous way. It's not a heavy academic paper, but a really easy-to-read book with lots of practical application."

**Nick de Cent**, Editor of the *International Journal of Sales Transformation*, recommends a trio of books:

- *Sales Growth: Five Proven Strategies From The World's Sales Leaders* is by those bright sparks at McKinsey. Authors Thomas Baumgartner, Homayoun Hatami and Jon Vander Ark offer a practical blue-print for achieving this goal based around what world-class sales executives are doing

to find and capture growth and how they are creating the capabilities to keep growing in the future. Based on interviews with over 120 global sales leaders, from a wide array of B2C and B2B organisations, the book sets out five overarching strategies. Although a couple of years old now, it has been well reviewed by publications and business leaders alike. See some of the stats from the book in our "Snapshot" section on page 3 and an article featuring Homayoun Hatami on pages 14-16, both in this issue.

- *Relevance* by Phil Styrilund, Tom Hayes and Marian Deegan sets out to explain how we can avoid commoditisation by seeking to be relevant. They advocate four key principles in this search for relevance: authenticity, mastery, empathy and action. This book is easy

to read and packed with personal >

## Fact:

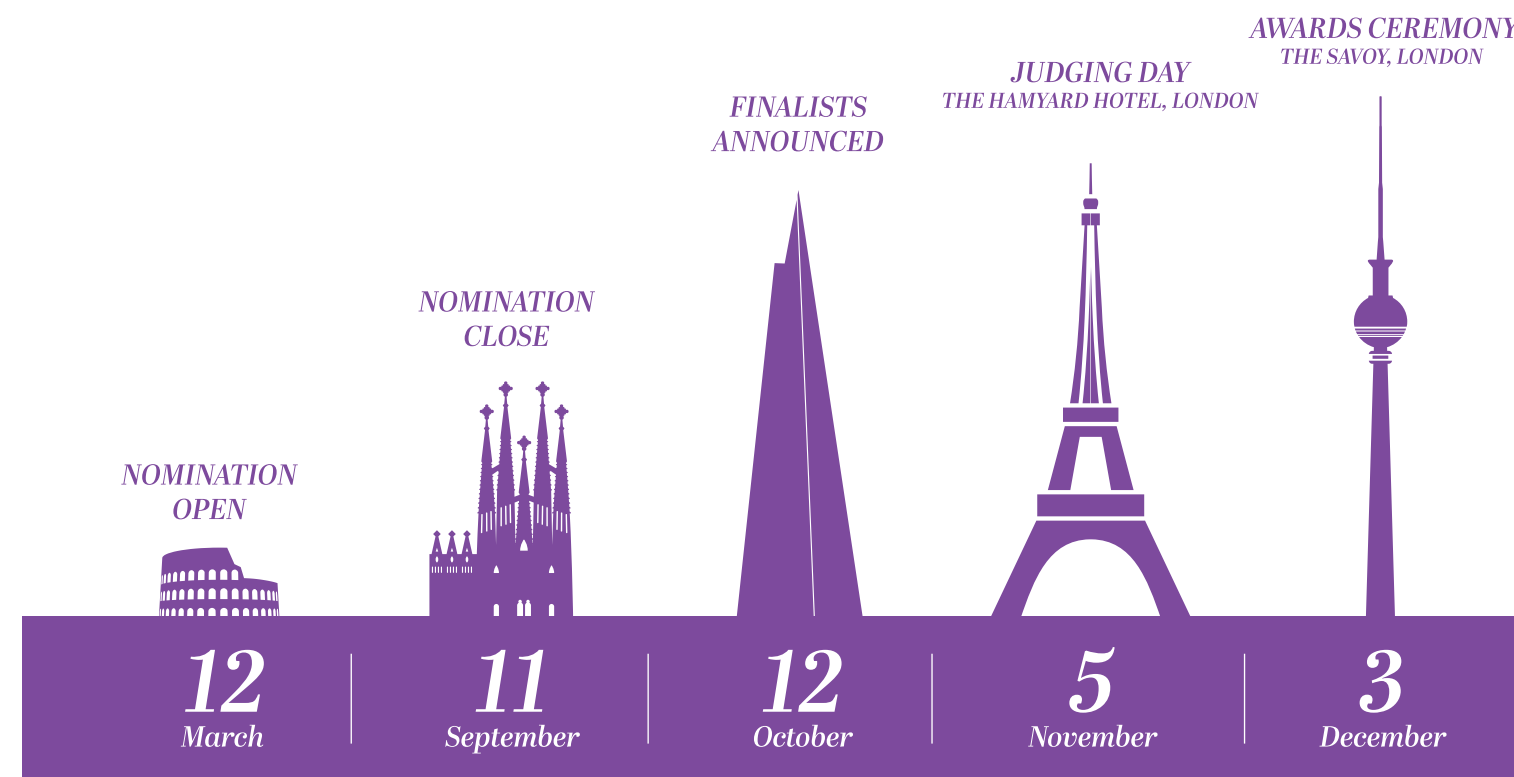
Less than 15% of Sales Executives are women.

A number that has been the same for the past 20 years.

(source: Chief Sales Executive Forum)

## What will change this?

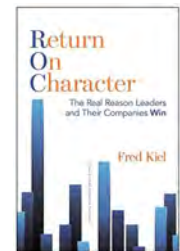
# Women in Sales Awards 2015 (Europe)





experiences around what has helped the authors in their own business careers.

- **Return on Character** by Dr Fred Kiel is based around original research and wider studies of psychology, genetics and neuroscience. Exploring the relationship between the character of business leaders and company performance, Dr Kiel found that



character-driven leaders and their teams consistently deliver five times greater returns for their organisations than those run by self-focused leaders. It explains how anyone can change character habits to evolve from the worst end of the spectrum – “self-focused leaders” – to the best: “virtuoso leaders”. See Dr Kiel's article “Character wins through” on pages 14-15 of our April 2015 edition.

## Webinars



### John Gerzema: The post-crisis consumer

John Gerzema uses data, analysis and decades of

experience to identify trends and develop daring new approaches to advertising. He says there's an upside to the recent financial crisis — the opportunity for positive change. In this talk, he identifies four major cultural shifts driving new consumer behaviour and shows how businesses are evolving to connect with thoughtful spending. [https://www.ted.com/talks/john\\_gerzema\\_the\\_post\\_crisis\\_consumer](https://www.ted.com/talks/john_gerzema_the_post_crisis_consumer)



### Sheena Iyengar: How to make choosing easier

We all want customised experiences and products — but when faced with 700 options, consumers freeze up. With fascinating new research based on the study how people choose (and what makes us think we're good at it), psycho-economist Sheena Iyengar demonstrates how businesses (and others) can improve the experience of choosing.

She looks deeply at choosing and has discovered many surprising things about it. For instance, her famous “jam study”, done while she was a grad student, quantified a counterintuitive truth about decision-making — that when we're presented with too many choices, like 24 varieties of jam, we

tend not to choose anything at all. This and subsequent, equally ingenious experiments have provided rich material for Malcolm Gladwell and other pop chroniclers of business and the human psyche).

[https://www.ted.com/talks/sheena\\_iyengar\\_choosing\\_what\\_to\\_choose](https://www.ted.com/talks/sheena_iyengar_choosing_what_to_choose)



### Dan Coble: What physics taught me about marketing

Physics and marketing don't seem to have much in

common, but Dan Coble is passionate about both. Dan, a marketing director at Google, connects customers and businesses, helping both navigate digital space to find what they need; he brings these unlikely bedfellows together using Newton's second law, Heisenberg's uncertainty principle, the scientific method and the second law of thermodynamics to explain the fundamental theories of branding. [https://www.ted.com/talks/dan\\_coble\\_what\\_physics\\_taught\\_me\\_about\\_marketing](https://www.ted.com/talks/dan_coble_what_physics_taught_me_about_marketing)



### Chris Anderson: Technology's long tail

Chris Anderson is an authority on emerging

technologies and the cultures that surround them. Then editor of *Wired*, he explores the four key stages of any viable technology: setting the right price, gaining market share, displacing an established technology and, finally, becoming ubiquitous. [https://www.ted.com/talks/chris\\_anderson\\_of\\_wired\\_on\\_tech\\_s\\_long\\_tail](https://www.ted.com/talks/chris_anderson_of_wired_on_tech_s_long_tail)



### Seth Godin: How to get your ideas to spread

Marketing blogger Seth Godin is an entrepreneur who

thinks about the marketing of ideas in the digital age. His newest interest: the tribes we lead. In this talk he asks how it is, in a world of too many options and too little time, our obvious choice is to just ignore the ordinary stuff, and spells out why, when it comes to getting our attention, bad or bizarre ideas are more successful than boring ones. [https://www.ted.com/talks/seth\\_godin\\_on\\_sliced\\_bread](https://www.ted.com/talks/seth_godin_on_sliced_bread)

### Malcolm Gladwell: Choice, happiness and spaghetti sauce

Writer Malcolm Gladwell is a detective of fads and emerging subcultures, and chronicler of jobs-you-never-knew-existed. His work is toppling the popular



understanding of bias, crime, food, marketing, race, consumers and intelligence. Here the author of *Tipping Point*

gets inside the food industry's pursuit of the perfect spaghetti sauce — and makes a larger argument about the nature of choice and happiness.

[https://www.ted.com/talks/malcolm\\_gladwell\\_on\\_spaghetti\\_sauce](https://www.ted.com/talks/malcolm_gladwell_on_spaghetti_sauce)

## Papers

**Rachelle J Shannahana, Alan J Bush, Kirby L J Shannahana, William C Moncrief. How salesperson perceptions of customers' pro-social behaviours help drive salesperson performance.**

Available at: <http://www.sciencedirect.com/science/article/pii/S0019850115001376>

**Alfred Wong, Ying Liu, Dean Tjosvold. Service leadership for adaptive selling and effective customer service teams.**

Companies are increasingly relying on customer service teams to deliver quality service critical for repeat business and profitability. But these teams need leadership to be effective. Available at: <http://www.sciencedirect.com/science/article/pii/S0019850115000292>

## Sales practice consultancies

*Global consultancies with a significant sales practice*

### SBR Consulting

A sales transformation consultancy whose approach is to investigate and understand business issues around sales performance and create and deliver bespoke programmes, which they say will result in increased sales performance and sustainable revenue. SBR will then support lasting change by ensuring that the high-performance sales skills and tools it introduces become habit. <http://www.sbrconsulting.com/sales-performance-consultancy/>

### The Sales & Marketing Consulting Group

SMCG can offer a tailored resource to the specific needs of each client and situation by working closely with client managers. This can mean monthly project management advice and direction through to a large team totally embedded in the client's operation over an extended period. <http://www.smcg.net/>

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# 20% of US B2B sales jobs to go by 2020; only “consultants” to thrive

Forrester Research forecasts that one million US B2B salespeople will lose their jobs to self-service eCommerce by the year 2020. Its report *Death Of A (B2B) Salesman* estimates that, of the 4.5 million US workers employed in B2B sales and sales-related professions in 2012, just over 20% of all B2B salespeople will be displaced.

Author Andy Hoar explains: “While B2B buyers overwhelmingly prefer to research and, increasingly, buy products and services via a self-service website, B2B sellers still force buyers to interact with their salespeople as part of the purchase process.”

He tells the Journal: “eBusiness and channel strategy professionals must radically transform their historical sales models to accommodate a real-time and global buying environment where websites, not salespeople, are at the heart of how B2B companies buy and sell.

Forrester divides salespeople into four distinct categories (See diagram 1: Buyer and seller archetypes):

- Order-takers,
- Explainers,
- Navigators, and
- Consultants.

### In future, which salespeople will thrive?

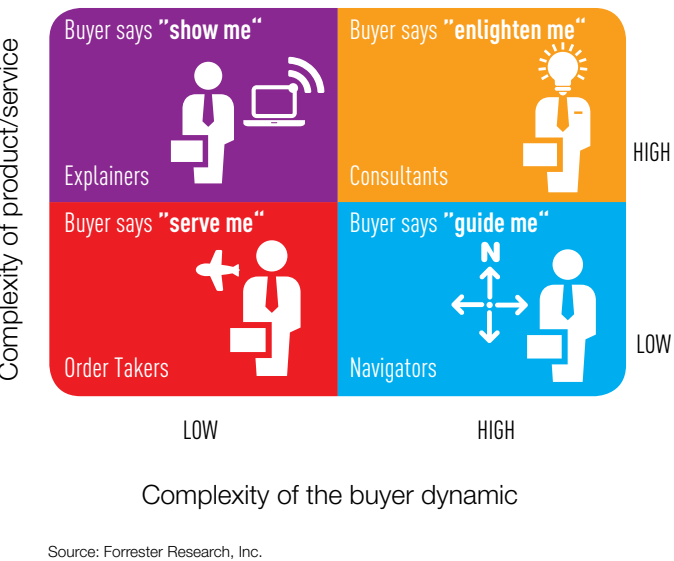
Only “consultants” are expected to thrive, Forrester claims (See Diagram 2: One million B2B sales jobs will be eliminated by 2020).

“Consultants will actually grow in number by 10%. As the best of the best within B2B selling, ‘consultants’ are not under threat from advances in technology or changing B2B buyer behaviour. They are most capable of relationship and solution selling, integrating themselves most effectively into the key functions of their clients’ business and engaging in

‘problem finding’.

“Consultants will grow in number by 2020, albeit just 10% off of a small base, because they understand how to leverage advances in technology to understand their customers’ problems better. They also adeptly navigate the more complicated ‘agreement networks’ that are commonplace among certain B2B buyer groups.”

Diagram 1  
B2B buyer and seller archetypes



Forrester matches Consultants with “Enlighten Me” buyers: these tend to be B2B buyers who are undecided about a product or service; they operate in complex buying environments where budget and buy-in are uncertain. An example might be where a team of company-internal stakeholders is collectively exploring a first-time purchase of a global license for an ERP (enterprise resource planning) system.

Consultants are the highest-performing salespeople in a B2B selling organisation; they are the most adept at understanding customer needs, explaining company products and services, and helping clients bring internal stakeholders and budget together to make purchases.

### When do buyers want to talk to salespeople?

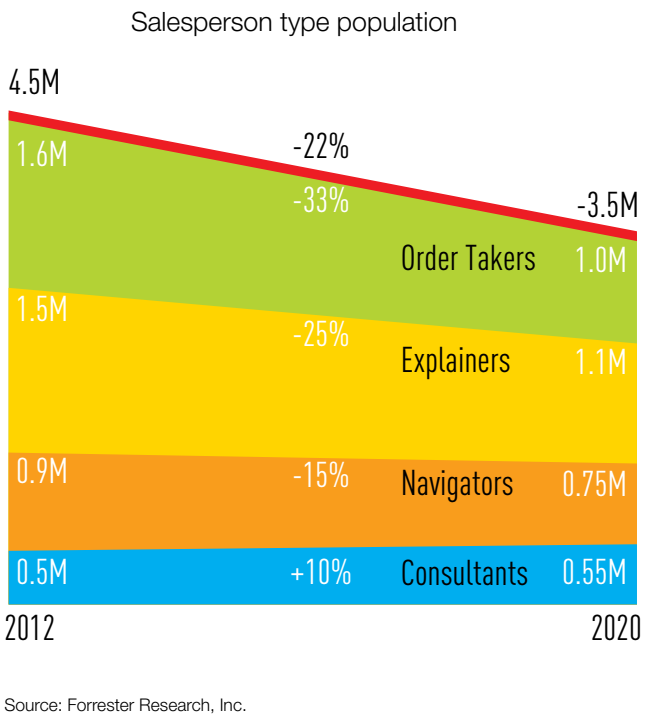
According to the report, US B2B buyers still prefer to interact with salespeople in certain circumstances, especially when:

- **Seeking a price negotiation – 91% of B2B buyers say they want to interact with a salesperson when they are negotiating price.** Why? Both buyers and sellers engage in the practice thinking they will come out ahead. B2B salespeople have historically used price negotiation as a means to close a deal and/or sell additional services. B2B buyers have used price negotiation in the hopes of driving a bargain and securing a favourable outcome.
- **The sale is inherently complex – more than 80% of respondents indicated they still want to talk with B2B salespeople about complex purchases.** For example, even though self-service eCommerce websites can track deliveries and report on shipping times, B2B buyers still prefer to speak with sales representatives when they feel they need detailed assurances about on-time delivery.
- **Is an expensive purchase – two-thirds of respondents said that they prefer to speak with a B2B salesperson when the product or service is expensive.** Despite generous return policies and fully functional sites that can describe product or service details to an unrivalled level of depth, some B2B buyers still prefer the comfort of knowing that they can call or meet with someone in person to de-risk a costly purchase.
- **Requires installation or servicing – B2B buyers still frequently want to talk to a salesperson when the product they are buying requires a service to activate or maintain it. 67% of B2B buyers like talking with a sales representative when a product requires installation, and 64% of B2B buyers prefer to interact with a sales representative when a product or service requires regular servicing post-purchase.**

However, they’re increasingly conducting those negotiations with salespeople by way of digital means such as email, chat, and collaborative software as opposed to via a traditional phone call.

• **Death Of A (B2B) Salesman by Andy Hoar et al is available from Forrester Research, price \$499.00: <https://www.forrester.com/Death+Of+A+B2B+Salesman/fulltext/-/E-res122288>**

Diagram 2  
One million B2B sales jobs will be eliminated by 2020



## 4 Key Takeaways

### 1. B2B buyer preferences have fundamentally shifted...

By a factor of three to one, B2B buyers want to self-educate versus talk to salesrepresentatives to learn about products and services. In addition, a majority of B2B buyers now say that buying online is more convenient than buying from a salesperson.

### 2. ...But most B2B selling models remain single-channel and offline-centric

While B2B buyer behaviour has changed significantly in the past few years, B2B seller activity has not. B2B companies still force most buyers to interact with sales representatives to learn about product prices or complete the purchase process, despite the fact that B2B buyers prefer self-service.

### 3. eCommerce will eliminate one million B2B sales jobs by 2020

According to the US Bureau of Labor Statistics, in 2012 the US economy employed 4.5 million B2B salespeople. Forrester estimates that one million of those sales professionals, mostly what we call “Order Takers”, will lose their jobs to self-service eCommerce by 2020.

### 4. B2B companies must respond by implementing digitally enabled B2B selling models

B2B companies and their ecosystem partners are now putting selling via eCommerce on equal footing with selling via commissioned salespeople. They are also replacing traditional sales representatives with a network of inside sales representatives, a self-serve eCommerce website and call-centre agents.



# Global gaps in core sales skills

### Methodology

This dataset was provided by a sample of 500 people who sat the Core Sales Skills module of SalesAssessment.com’s Universal Sales Skills Audit (USSA) during Q1 2015.

The sample consisted of a block of anonymised data, with a random start point in the USSA candidate database. This random sample included candidates from the UK, USA, Dubai, Jordan and Egypt.

### Analysis

**The Good**  
57% of candidates were above average at “Understanding the customer’s needs”. In addition, the following areas ranked as above average (that is, over 50% of salespeople were at or above global average):

- “Testing and challenging assumptions”
- “Influencing customer expectations”
- “Achieving goals, objectives and targets”

**The Bad**  
Out of the 19 skill areas assessed only the four areas above were at or above average. The weaker skills are typically those relating to “personal skills” and “personal effectiveness”, such as “Exercising judgement and making decisions” and “Paperwork management”; the latter, in particular, many salespeople see as irrelevant – yet to the rest of the organisation, the reliability and clarity of the “sales paper trail” is the only lens through which the effectiveness of salespeople can be judged.

**The Ugly**  
Out of the 19 skills areas assessed, six showed 60% or more of candidates to be below average. The biggest skills gap was in “Communicating” where 65.71% were below average.

Andrew Dugdale, President of SalesAssessment.com, suggests that communicating is a key problem because, often, salespeople are just not well enough trained in this skill. “Why? Because communication is a complex subject and so is frequently ‘glossed over’ in training programmes which seem to stick to the ‘old chestnuts’ of negotiating and closing and the ‘sales cycle’. Many of the ‘harder skills to train’ are therefore left untrained.”

In the USSA, “Communication” covers the skills of “Expressing the message clearly”, “Active listening”, “Summarising information gained from customer and other engagements”, and “Using language which is familiar and acceptable to the audience”. Generally, all areas are weak, but

“Active listening” in particular is a weak point almost across the board.

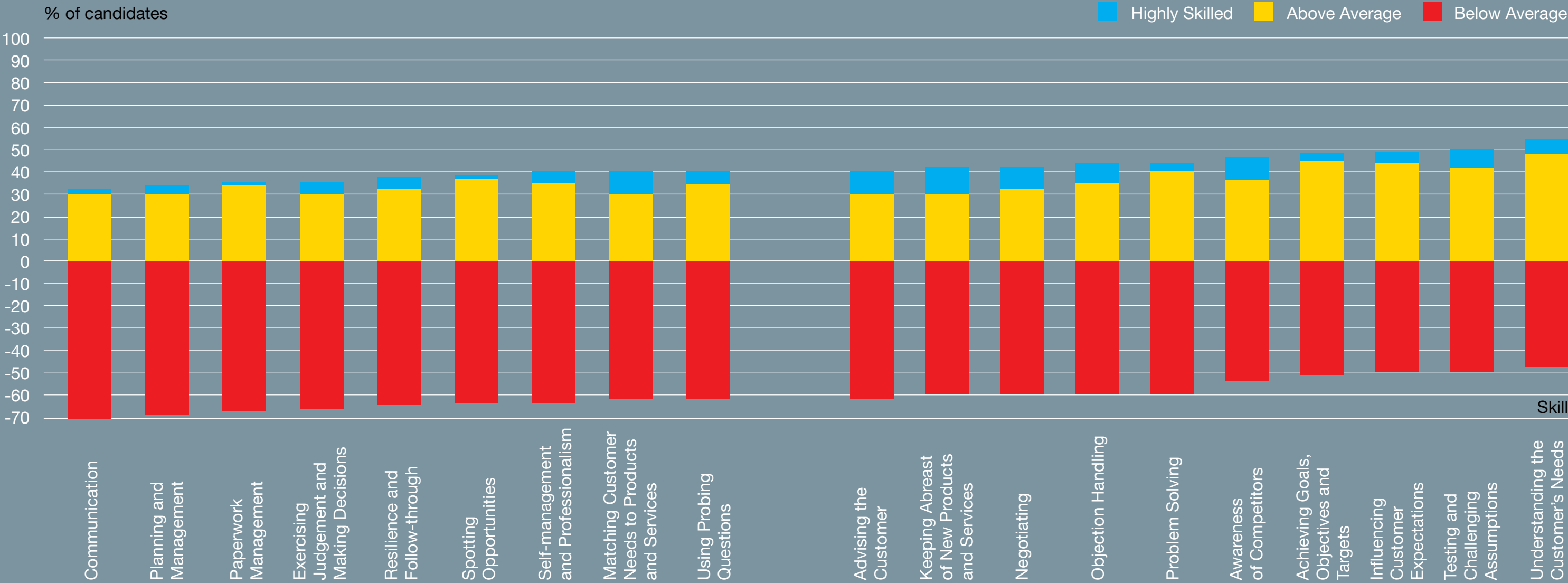
### Lack of resilience

Dugdale adds: “Weakness in ‘Resilience’, in my opinion, is a by-product also of not listening well enough. If you don’t listen – and don’t effectively match your products to customer needs – you are creating for yourself an environment where you will fail more than you need. Thus ‘Resilience’, which includes ‘Coping with multiple conflicting pressures’, ‘Persistence in dealing with problems’, ‘Showing initiative and drive’, and ‘Showing commitment to delivery’, is often a self-created own goal.”

### Key takeaway

Dugdale suggests that many sales organisations need to reform their hiring processes: “If more companies carried out effective and reliable assessments during the hiring process, they would be able to hire people with their development needs spelt out for all to see. This would then enable companies to focus development onto the areas that require it, reducing development costs and increasing sales performance per head. Hiring and firing is not the way forward.”

• **To discuss this data and for more detail on the skill categories assessed, please email Andrew Dugdale at: [adugdale@salesassessment.com](mailto:adugdale@salesassessment.com).**





*Revitalising a soft drinks category and conversational analysis were just two of the topics under discussion at Consalia's 10th Global Sales Transformation event at the London Stock Exchange in April. Here, we offer you a front-row seat.*

# Injecting some fizz into soft drink sales

✍ Nick de Cent

Always put the shopper at the 'start and heart' of the sales plan" – this was the sound advice that Coca Cola Enterprises, Director – Field Sales, Nicky Robinson offered delegates as she mapped out the launch of a new brand that helped revitalise the soft drinks category.

Robinson, who was also the winner of the Sales Director section in the 2014 Women in Sales Awards, described how the company, which bottles and sells four billion soft drinks in the UK every year, had been having a tough 2014 – the soft drinks category had been experiencing little or no growth for five years. She shared four key dynamics that were giving the company a hard time:

1. the major retailers were not looking at the soft drinks category seriously as one of the big bets for the future;
2. the attention of the large retailers was focused on competing among themselves, with the best performance among the peripheral retailers (the discounters and Waitrose) which are less interested in selling soft drinks and where the company had traditionally under-performed;
3. meanwhile, retail is "in the clutches of the seriously savvy shopper" who have kept to habits formed during the credit crunch and are still only buying the most basic of their needs – "they buy what they need in order to save money for what they want"; and
4. the sugar debate was killing the soft drinks industry – "we've become public enemy number one".

In response, Coca Cola launched its new Stevia-based brand Coca Cola Life, which offers a third fewer calories than traditional Coke. The idea was to create a feel-good factor for the entire soft drinks category rather than just confining the intervention to the specific brand.

Robinson stressed that the team had an strong overarching sell-in because:

1. of the strength of the brand – "sometime size really does matter" and a 1% increase in sales translates to £12 million;
2. the strength of the brand means that Coca Cola's price of £1.17 per litre compares with an average of 80p for the category as a whole;
3. the company has a proven track record in innovation; and
4. the new proposition addressed some of the category barriers.



**“If you start with the consumer, you have a more powerful negotiation with retailers.”**

Accordingly, the sales organisation put in extra effort in four key ways:

1. by taking the way they tailored the proposition to a new level and putting the customer front and centre – this resulted in faster and greater agreement to the promotion by store managers;
2. by investing in field sales training to lift a 320-strong team that had "taken a kicking" over the past few months;
3. offering flexible in-store activation by building an extra 10,000 displays, activity that has translated into the team continuing to build an extra 6,500 displays a week; and
4. being transparent in sharing specific data with stores – even when there were difficult conversations to be had this honesty was appreciated and built trust that strengthened the continuing relationship.

The first two initiatives sought to build team engagement, and this translated into the sales force of students and part-time mums working an average of extra 52 minutes a day and an

engagement boost of 5%; meanwhile, the latter two initiatives aimed to drive empowerment.

The results speak for themselves, according to Robinson:

1. the team achieved 91% grocery distribution in under 14 days;
2. 9.1% of GB households purchased within four weeks;
3. the launch was 20% over target; and
4. 47% of carbonated soft drinks buyers bought into the brand and it will grow into a £15 million brand within six months.

She concluded by adding that none of this was rocket science but relied on principles such as customer centricity and transparency: "If you in some ways bypass the normal supplier-to-retailer negotiation... and start with the consumer, you have a more powerful negotiation to have with those retailers and, believe me, you need it more than ever."

• You can read a brief interview with Nicola Robinson in the "Upfront section" of the April 2015 edition of the *Journal*.

## Choose your words carefully

✍ Nick de Cent



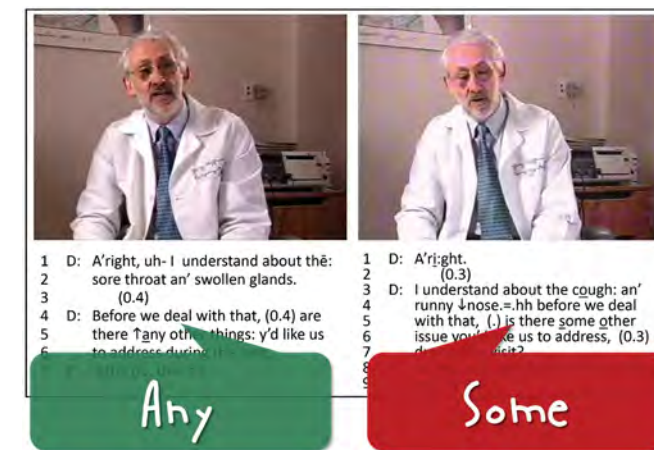
Dr Rein Sikveland, a research associate and conversation analyst at Loughborough University set out the findings of some evidence-based studies around what he termed the Conversation Analytic Role-play Method. He and his colleagues have been working with a range of applications, including GP-patient interactions, mediation services, police and suspect interactions, hostage negotiations, and sales – particularly, inside sales.

He introduced the concept of "interactional nudges",

whereby small changes to the environment can induce massive changes in people's behaviour. "A lot of these changes come about with a slight change in language," Dr Sikveland explained.

He gave the example of a change in language around the reuse of hotel towels by guests. Changing the wording from a message about environmental protection to "75% of guests in this room usually use their towels more than once" resulted in a "massive increase" in the number of guests reusing their towels.

He looked at a US conversation analytics study related to patients in primary care and the ways that doctors could ask questions to understand all of an individual patient's concerns. The study compared the use of the word "any" – and its success in eliciting a response – as in the supplementary question "Is there anything else I can do for you?" as compared with alternative wording incorporating the word "some" as in: "Is there some other issue you'd like to address?"



The word "some" proved more effective at getting patients to bring up other issues: the "any" condition elicited further issues from the patient in 50% of cases, while the "some" formulation boosted this to 90% – a dramatic increase. These results have applications with many of the questioning techniques required in effective sales interactions.

Dr Sikveland introduced the concept of a conversation having a landscape or architecture that is a bit like a racetrack; conversation analysts regard participants in a conversation as progressing along a "racetrack" when they complete various "projects" or interactions.

He also offered something of a magic bullet that he promised would "show you how to make a prospective client say 'yes' to something you want them to say yes to". Set in the context of mediation, this technique involves dealing with objections by using specific phrasing: in this case, the word "willing". So, in contrast to asking the prospect "Does it sound like it might be helpful to you?" when the prospect was asked whether "they would be willing" to see a mediator, this form of words tended to elicit far more positive responses.

In the specific context of mediation, focusing on the moral character of the caller, "showing that they are the good one", is also helpful.

Dr Sikveland left delegates with the following key takeaways:

- single words matter;
- use your understanding of what clients really want to get what you want;
- never ask, "Any questions?" and
- know your racetrack (the type of conversation you are having).

• You can read more about CARM in the October 2015 edition of the *Journal*, which will include an article by Professor Elizabeth Stokoe and Dr Rein Ove Sikveland.



# Neil Rackham on sales excellence

Nick de Cent & Chris Alder

*Renowned sales researcher and thought-leader Professor Neil Rackham led two APS-sponsored masterclasses as part of a programme to set up a bursary for graduate students at the University of Portsmouth.*

## Day 1: What Do We Mean by Sales Excellence?

Market forces tend to be stronger than corporate strategies and, even if you innovate, it is still difficult to compete, according to Professor Neil Rackham. While corporate strategies seek to create differentiation, market forces tend to decrease it. Today, the average company has twice as many competitors as it had five years ago: knowledge is basically free and organisations are under threat from globalisation, the Internet and smart competitors.

In this context, sales models need to adapt, although many salespeople do not know how to make the necessary transition, argues Professor Rackham, who is a visiting professor at Cincinnati, Cranfield, Sheffield and Portsmouth. The new role of the salesperson is all about creating, rather than simply communicating, value. "The salesperson now creates more value than the product," he told delegates at Portsmouth on 27 April, highlighting the huge demand for salespeople that accompanies a "vast shortage" of talent.

He defines value as benefits (what the customer gets) minus the costs (such as price, risk and inconvenience). He added that the more traditional "talking brochure" style of salesperson engaged in a product pitch actively detracts from customers' perception of value. However, customers do value industry knowledge and intelligence on the competitive landscape.

"This is one reason why the new breed of salesperson is much broader in their business education," Professor Rackham declared. He offered a number of essential attributes of modern-day salespeople. They are:

- Customer advocates – "one reason good salespeople may be difficult to manage is they're always on the side of the customer";
- Good at problem solving and creating customised solutions; and
- Able to anticipate future problems.



Mark Green

He also listed several B2B sales challenges:

- Opportunity management;
- Escalating sales costs – "the cost of making a significant sale has probably doubled from five years ago";
- Smart strategic competitors; and
- Longer sales cycles – because of an increasing number of people involved in the decision, more complex products and services, and changing customer expectations from the sales process.

He highlighted the demise of "RFP selling" and called for organisations to invest earlier in the cycle.

He cited four common mistakes:

1. Waiting for the customer – don't wait until you know they will make a decision;
2. Restricting and rationing sales support services such as

design and technical expertise – the average company is cutting such ancillary activity;

3. Spreading sales resources too thinly across too many opportunities; and
4. Unbalanced funnels and pipelines – a situation where a firm is pursuing multiple small accounts works best with a wider funnel, while for large, complex sales a narrow funnel works best.

Perfect opportunities in terms of "do we want it?" and "can we win it?" should be over-resourced "it's no economy to have half the price and lose"; winnable opportunities that are not so satisfactory should be approached with a low-cost bid; in cases where a supplier wants to win an opportunity but has no realistic chance of winning, they should identify this situation early and pull the plug; finally, companies should obviously not bid on business that they neither want nor are able to win.

He warned against organisations being good runners-up, citing "cognitive dissonance" whereby the "customer doesn't want to talk to you if you're the 'almost winner'"; this is part of their process of rationalising their decision-making process and makes it difficult to bid again. If you qualify out quickly enough under the right circumstances, you can actually create a positive image.

Meanwhile, transactional business, where the customer knows the answer and it's driven by price and convenience, is moving out of sales, Professor Rackham stressed; however, the consultative sale, where the customer has a problem is increasingly the domain of the salesperson – this type of sale is driven by expertise and trust.

"If salespeople are the value creators, it is the salespeople who uniquely bring in the business," he said. In future, we will see fewer salespeople but they will be very highly paid "because they can make things happen".

In terms of recruiting the right salespeople, companies should invest in people who are curious, Professor Rackham advised. Moreover, there's potentially good news about finding the right kind of salespeople: "We've found more and more there's a wide range of salespeople who can learn to sell."

## Day 2: Creating profits from integrating sales and marketing

Sales departments could soon see a chunk of their responsibilities handed to colleagues in marketing, while marketing staff could find themselves responsible for a portion of a company's sales, with quotas, commission payments – and the possibility of being sacked if they don't perform.

In Professor Neil Rackham's vision of the future, traditional "sales" and "marketing" labels could be torn up as relationships between sales teams and high-level customers become ever more complex. Speaking to delegates on 28 April, he suggested that such changes are inevitable.

He attributed this to a general dissatisfaction with the lack of collaboration between sales and marketing, increasing cost and complexity of pursuing sales opportunities, and customers demanding more value from suppliers.

He cited an Aberdeen Group report, which suggested that 45% of sales and marketing people believed collaboration was not working. A further report by McKinsey suggested that more than 70% of CEOs rated the working relationship between sales and marketing as "suboptimal" or "dysfunctional".

He said, in his own experience, salespeople were generally more dissatisfied with marketing rather than the reverse. Prof Rackham added that he recognised an adversarial relationship between the departments: "In the beginning was a sale. Then the sales manager said a brochure was needed, and marketing was born. As the company grew, marketing got more strategic and salespeople got more disaffected."

Different types of people were attracted to each function:

## Delegate views

Andrew Hough, COO at the Association of Professional Sales, supported the idea that marketing should take on an enhanced role. He said: "Integrating sales and marketing makes absolute sense. You've got to do it. The world is changing. Technology is changing."

Nigel Turner, vice president, global marketing strategy and insight at Sony Ericsson agrees there is a strong case for making marketing accountable for transactional sales. He says: "Marketeers today have access to an amazing array of tools for engagement, backed by full analytics, which make it possible to target and transact in faster, more effective ways than ever before."

He argues, while marketing is becoming more sales focused, sales is having to become more marketing aware, particularly when selling through partner channels. "Today salespeople need to be able to help partners with sell-through of products by bringing the full range of joint marketing tools and techniques for use by the partner in a co-operative way. For that to happen, the salespeople need to be able to talk credibly about marketing programmes and the appropriate tools to achieve business objectives. But that's what integrated sales and marketing is really about."

"Salespeople are generally energetic, 'seat-of-the pants' individuals, different from marketing, who may think more strategically. In my experience, not many people on either side work together often."

He said "dysfunctional handovers" were another barrier to smooth working between sales and marketing: "Leads come from different segments of the market. Marketing may often hand on the kind of lead that salespeople don't necessarily know how to deal with. There seems to be no clear definition of a 'lead'."

Professor Rackham added: "Economically, any salesperson talented enough to make consultative sales is too expensive to use for transactional opportunities where customers don't want, don't need and won't pay for high-level sales talent."

"Psychologically, when salespeople have both transactional and consultative opportunities, they always pay too much attention to the low-margin transactional business at the expense of higher-margin, but longer sales cycle, consultative opportunities."

Using Oracle as an example, he said the company's sales force sold transactional database products, as well as applications on a consultative basis. Sales of established database products and licences were good, but sales of sophisticated, complex applications were losing market share. Despite sales force opposition, database sales were taken away from them and sold instead through Oracle store, telesales and Internet. Sales of applications then rose dramatically, while sales of database products dropped slightly but were more profitable due to lower cost of sales. Asked to agree the change, Oracle boss Larry Ellison was, Prof Rackham said, allegedly rumoured to have commented pithily that his sales force had been "too busy robbing convenience stores rather than hitting the bank."

According to Prof Rackham, as well as being made responsible for transactional sales, marketing has three vital roles to play in consultative sales. "Marketing is good at selecting the right opportunities, developing challenging sales messages and material, and creating tools that help salespeople add value."





▲ National Sales Conference: Coventry Ricoh Arena, 8 October.

*The Journal is supporting two events in Europe this autumn.*

### National Sales Conference

1980s electropop exponent and BandAid founder Midge Ure is one of the keynote speakers at the UK's National Sales Conference, being held at Coventry's Ricoh Arena on 8 October 2015. Whilst recounting his fascinating life story, Ure will explain how selling has changed in the music industry and how reaching your target audience remains the key to success in any business.

Ure is joined as a keynote speaker by John McCarthy, who was held by terrorist kidnappers in Lebanon for 1,943 days. Delegates will be able to draw inspiration from McCarthy's triumph over adversity.

More focused sales content is provided by a range of speakers, including a couple of highlights. Sally Moore, Head of Business Development, and Patrick Joiner, Senior Associate Consultant, from development specialists TACK International will unveil the findings from the firm's latest "Buyers' Views of Salespeople" research report for the first time.

Meanwhile, sales strategist Fiona Challis will offer delegates the opportunity to learn winning sales habits, how to be ready to execute, and confidence.

Supported by the Institute of Sales & Marketing Management (ISMM), "this event has been specifically developed to provide businesses with a focused and educational event", according to organisers Lincoln West.

The conference runs alongside an exhibition featuring a range of sales-related suppliers from technology companies to database specialists and conference hotels to professional bodies. **Further details are available at:** <http://www.sales-expo.co.uk>.

### AFTER:MARKET 2015

The 9th AFTER:MARKET is all about the services business. This year the theme is "Service transformation – delivering value and differentiation to customers". The conference takes place at the five-star Grand Hotel Huis ter Duin, Noordwijk, The Netherlands, 21-23 October 2015.

Although, most manufacturers are today getting a greater share of their revenue from product sales, many companies understand that service sales generate much higher profit margins. Yet, many manufacturers are still struggling to fully grasp the potential and the need to focus on their aftersales.

Delegates can take part in a series of pre-conference workshops that offer delegates the opportunity to kick start the conference with a focused and content-heavy interactive session. Participants will be able both to learn and share experiences around best practices; likely topics to feature are change management, value-based selling and disruptive technologies.

### Sales Growth Track

Day 2 of the conference on 22 October sees the start of the Sales Growth Track, looking at pricing and value-based selling. Speakers include Karl Geffken, Director of Marketing, Medtronic and Dr Reiner Meierbeck, Head of Price & Volume Planning, BMW AG, Aftersales Division.

Among the highlights will be a series of case-studies, including KONE on "Customer experience starts with Sales", a series of "Executive circles" (participative round-table discussions) and a "Service Mastery Day" with author and service specialist Ron Kaufman.

• **Further details are available at:** [www.aftermarketeurope.com](http://www.aftermarketeurope.com).

## ▶ What's on

### Awards

**Women in Sales Awards 2015 (Europe)**  
3 December, The Savoy, London, UK  
Supported by the International Journal of Sales Transformation, the awards represent an opportunity to celebrate the positive achievements of women in sales roles and for companies to highlight their leadership in diversity and inclusion. <http://www.wisawards.com>

### Conferences

**Academy of Marketing Science 18th World Marketing Congress, Bari, Italy, hosted by the Università degli Studi di Bari Aldo Moro**  
14-18 July, 2015, Palace Hotel, Via Francesco Lombardi, 13 Bari 70122, Italy  
Conference Programme Co-Chairs: Luca Petruzzellis, University of Bari Aldo Moro, Italy; Russ Winer, New York University, USA. Register at [http://www.ams-web.org/events/event\\_details.asp?id=419633](http://www.ams-web.org/events/event_details.asp?id=419633)

**Think Smart: Entrepreneurship in Sales**  
19 August, 2015, Level 3, Auditorium 302, Nanyang Technological University, NTU @ one-north Executive Centre  
Consalia's 8th Global Sales Transformation (GST) event in association with Middlesex University: why is it that entrepreneurship is on the sales and sales leadership transformation agenda? There are three critical drivers for entrepreneurship: the customer's role in the buying cycle is changing radically; the new era of selling requires a much more agile approach; the pace of change. Register at <http://www.consalia.com/events/entrepreneurship-in-sales/20/>

**The National Sales Conference & Exhibition**  
8 October, 2015, Ricoh Arena, Coventry, UK  
Described as the UK's premier event for the sales profession, organised by Lincoln West and supported by the Institute of Sales and Marketing Management. This event will give delegates, visitors and exhibitors the opportunity to listen to keynote sales experts, as well as see products and services aimed at improving performance for sales professionals across the UK.

### Careers events

**Indiana State University Sales Career Exploration Event**  
22 September, 2015, Scott College of Business, Sales and Negotiations Center  
Further details: <http://www.indstate.edu/business/sales/docs/Sales-Career-Exploration-2015-Flyer.pdf>



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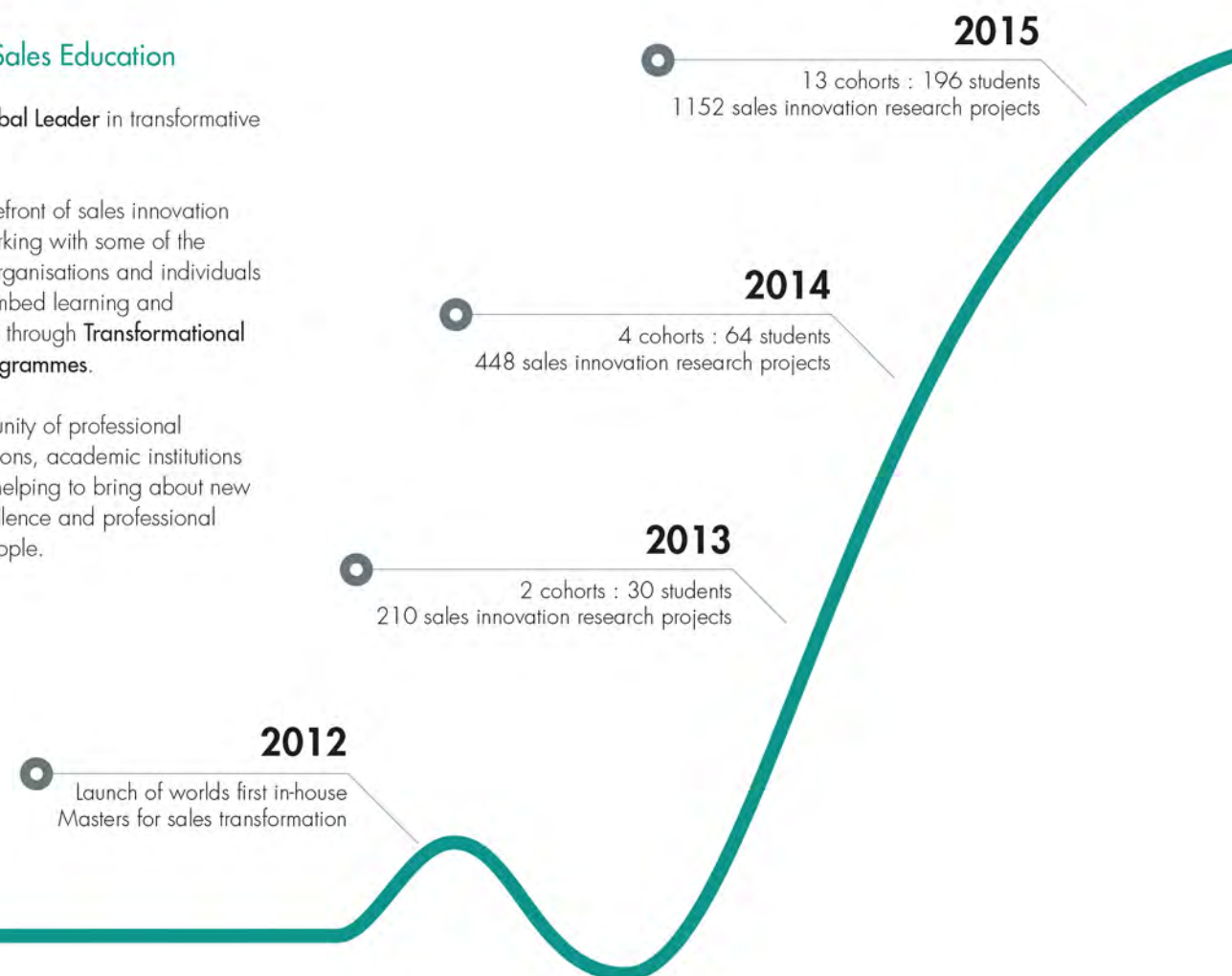
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We are proud to be one of the founding shareholders of The International Journal of Sales Transformation as we collectively seek to build the ecosystem to professionalise sales.

To find out more about how we're growing sales together, contact us:

E : [info@consalia.com](mailto:info@consalia.com)  
T : +44 (0)20 8977 6944

Consalia Ltd. The Glasshouse  
5a Hampden Road, London TW12 1JN



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Nick Laird, Sales Director

**" The APS is a body that represents  
the best of sales "**

Guy Lloyd, Sales Director

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