Journal of Sales Transformation

30 PAGES OF RESEARCH-BASED INSIGHT, INCLUDING:

HOW SOCIAL INTERACTIONS DEFINE KAM... SALES CHALLENGE COMPETITIONS... CONVERSATION ANALYSIS... SONY KAM ON STRATEGIC ANALYSIS... SALES & MARKETING ALIGNMENT + SALES RESEARCH ROUND-UP

STRATEGY AND SALES

Are sales leaders prepared for increased scrutiny, asks Harvard Business School's Frank Cespedes? p8

Qualification: Why it matters p16 / Case-studies p18 / Neil Rackham on the 21st century approach p19

Themes

Research, data, insights

Spotlight on KAM

"All the world's a stage, And all the men and women merely players; They have their exits and their entrances, And one man in his time plays many parts."

For sure, Shakespeare wasn't talking about key account management when he wrote *As You Like It* but research finds that KAMs deliberately cultivate and portray a credible professional identity to differentiate themselves from competitors – in many ways analogous to the ways actors assume a character.

In addition, customer interactions are seen by KAMs as much more than a buying process; instead, they involve recognising and interpreting four distinct social contexts. Moreover, moving from one social context to another involves navigating rites of passage that use social rather than commercial qualifiers. This progression can be thought of as scenes in a play – see pages 24-26.

For further in-depth insight into KAM best practice, see how a Sony Mobile KAM developed a strategy for engaging a key network provider in Ireland as part of his MSc Professional Practice in Sales Transformation (pages 35-40). Engaging the client, especially via "third-box thinking", validated the approach and ultimately energised the salesperson. .

Research has real-world value

While research can at times seem locked in an ivory tower, there is no doubt that it is now bringing genuine understanding and practical benefit to the commercial sector. Just as importantly, it delivers objectivity and a firm factual foundation to what has traditionally been a sector dominated by individual personal experience, opinion and subjectivity. This edition includes well over 30 pages of research-based content, presented in an accessible style and with a focus on practical applications to the business world.

Detailed analysis of the way people interact during conversations by a team from Loughborough University has direct practical applications for sales organisations, as well as in other contexts such as counselling or police interviews – see "Keep CARM and talk smarter" on pages 31-34.

Roger Byatt's in-depth report from the annual GSSI conference, which took place this year in Japan, underlines the sheer breadth and diversity of research into sales-related issues happening around the globe (see pages 59-63). Topics covered include sales education, trust, and the conflict between sales and marketing, among many others.

Discussion at the GSSI conference also covered sales competitions, the subject of a substantial article by Dr Tony Douglas in this edition (see pages 27-30), in which he explores their role and relevance to both competitors and employers, but particularly from the perspective of business school students.

New insight from original data

This issue serves up a triple helping of brand new data in our regular Databank section, offering new insights with practical implications for sales leaders.

Most sales leaders would agree that the skills and abilities of sales managers can have a profound effect on the performance of teams and the entire sales organisation. However, assessment data collected on a global basis by SalesAssessment.com has found significant gaps in sales managers' competencies (page 55).

Customer Attuned looked at firms' strategic priorities for B2B customer management in research published this month – see pages 56-57.

Finally, PSP offers valuable insight into the key reasons why major opportunities are won and lost, with an analysis of win-loss data from client organisations over the period 2012-15 (page 58).

Snapshot

HIRING IS KEY BUT AN ELUSIVE COMPETENCY

Average sales turnover across firms surveyed by CSO Insights for its worldwide 2015 Sales Performance Optimization Study **reached 22.4%.**

Meanwhile, 67.9% of companies said they planned to increase the size of their sales force this year.

SO, sales managers **will have been busy** both **replacing salespeople** and **adding to their teams.**

HOWEVER, it seems effective hiring is not a core competency for the majority of organisations. Almost **50%** of those surveyed said they need improvement in this aspect of sales management.

NEARLY 10% OF ORGANISATIONS SAW THE NEED FOR A MAJOR OVERHAUL OF THE HIRING PROCESS.

ULTIMATELY, 59% OF COMPANIES INDICATE THEIR HIRING PROCESSES NEED IMPROVEMENT OR, WORSE, A MAJOR REDESIGN.

The 2015 CSO Insights Sales Performance Optimization Study contains some 100 metrics based on over 1,000 respondents. For information about the study, see: www.csoinsights.com.

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On the cover: Strategy and sales

Harvard Business School's Dr Frank Cespedes explains why more dialogue between sales, finance and other C-Suite functions will happen, and warns sales leaders to be prepared. Qualification is now a strategic process – Chris Alder and Nick de Cent talk to a bevy of thought-leaders including Professor Neil Rackham. Will the Internet of Things reshape our sales strategy, asks Dr Beth Rogers? Sony Mobile's Russell Keating applies third-box thinking to KAM strategy. Simon Kelly explores the literature around integrating marketing and sales strategy.

www.journalofsalestransformation.com

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> "
> *To adapt to the new environment, the whole process needs to be inverted.*

Reinventing pharma sales

Profound change is sweeping through the pharmaceutical industry. We asked three industry thought-leaders for their insights.

✎ Nick de Cent

The mobile coach

Duncan Lonnox, CEO, Qstream

"The pharmaceutical industry is facing the perfect storm. Healthcare provider (HCP) no-see policies, field rep reductions, competition, consolidation and technological advances are all factors impacting today's sales force. Billions are spent on training each year. At the end of the day, it all comes down to three minutes – the average amount of time a drug rep has to educate, influence and transfer value to an HCP. The bad news: 1/3 of sales reps are unprepared or unable to apply the critical information and context needed to sell successfully into their markets.

"Making every minute count with an HCP is a challenge for even the most experienced sales professional. And, turning reps into trusted advisors involves a mastery of knowledge and skills that are changing all the time. Managers need to not only mentor and coach for compliant, high-value conversations but to do so effectively at scale. To put the challenge into perspective, consider each of the following scenarios: your top competitor gains regulatory approval and launches a product; your product comes off patent and must compete against generics; a newly approved merger requires your field to cross-sell acquired products. For each of these events, leadership needs to ready a large sales force to address the threat – or leverage the opportunity.

"To succeed, companies must make course corrections in hours instead of days or weeks. Technologies leveraging mobile and big data are emerging to help. For sales organizations, it is critical to ensure their representatives have the skills and knowledge at their fingertips to make every available second with an HCP count."

Qstream mobile enterprise software helps build "smarter, more confident sales teams at scale".

The editor

Deirdre Coleman, Editor, eyeforpharma.com

"It's almost a cliché in pharma to profess your desire to get closer to patients, but what does it really mean and how will it impact on pharma's selling model? What is required is a sincere commitment to focus all our resources to address a single question: do our efforts support a real medical need, across a broad continuum of care, as defined by the patient? Will these efforts impact positively on the patient and the broader healthcare system, and deliver value to the system while freeing the patient of the burden of disease? Value is the trump card and the critical determinant of that value is not the prescriber or the payer but the patient.

"This focus on the patient experience necessitates relationship building with an emphasis on increasing long-term patient satisfaction rather than short-term sales volume. As patients increasingly spend their own money, consumers are no longer passive players in treatment selection and usage. They're customers with unique priorities and expectations. Patients expect the same experience they expect in other consumer settings: convenience, active participation, real-time feedback and personalisation.

"Pharmaceutical companies that begin to engage patients at every stage of the product lifecycle can create longer-lasting patient relationships and improve chances of product success. This will necessitate an outside-in perspective and a reinvention of how sales performance is measured and rewarded. In acknowledging that for some patients a particular treatment might be inappropriate, pharma is turning on its head the old model of selling as many drugs to as many patients as possible. The successful salesperson of the future will be focused on superior customer value creation, differentiation, and experience."

eyeforpharma.com is the hub for senior-level pharma executives.

The industry disruptor

Richie Bavasso, CEO, RIMEDIO Inc

"The traditional model of pharma sales is to hire very talented, attractive people and train them to be articulate in pertinent disease and therapeutic options, including branded product features and benefits. Upon graduation, they are assigned territories and directed to call upon on lists of highly targeted prescribers. Through relentless visits and incentives, these sales representatives attempt to influence prescribers to write the product. It has worked well for many years.

"However, the landscape of healthcare has changed. Doors to the prescriber are closing. Incentives are no longer allowed and the highly regimented "action selling" has lost value to the prescriber. They seek trusted advisors to provide useful and unbiased drug information. To adapt to this new environment, the whole process needs to be inverted.

"The prescriber does need product information pertinent to the disease. There are people they trust to receive this information from. In some cases it is a fellow prescriber or clinician. It could be a life sciences agent representing products in the disease category and, in some cases, the branded product representative themselves.

"Regardless, the key to efficient sales is to focus on the individual who already has the trusted advisor relationship. Relationships lead to access and access leads to influence. If a company builds their field force based upon who has the best relationships with the targeted customer, regardless of geography, discipline or training, then they will surely yield sales faster, more consistently, and more cost efficiently than using the traditional model."

RIMEDIO is the world's first eCommerce social network marketplace for healthcare B2B transactions.

Increased sales scrutiny: are you ready?

✏ Frank V Cespedes

Sales should be a core agent of strategy, not just a vehicle for a given selling methodology.

In my career, I have attended many strategy meetings. Very few articulate the implications of espoused strategies for Sales. Moreover, the process for introducing new initiatives often exacerbates the separation of the "strategists" from the "doers" in the field.

The typical process is a kick-off sales meeting followed by a string of emails from headquarters with periodic reports back to headquarters on sales results. Each communication is one way, and there is too little of it. One result is that the root causes of underperformance are often hidden from both groups.

But changes in companies are creating the conditions for more dialogue, especially between Finance and Sales. The number of C-suite executives in US firms has doubled since the 1980s, largely driven by people responsible for specific functions (CIO, CMO, etc), not general managers responsible for activities across functions. Business requires more specialist knowledge.

At the same time, the number of COOs has decreased to about 35% of Fortune 500 and S&P 500 companies.[1] Three decades ago, COOs outnumbered CFOs in those firms, but the proportions have flipped.

Strategic planning

CFOs now play a prominent role in strategic planning. They typically establish the timelines, data requirements, meeting agenda and other factors. But there's a problem: CFOs rightly demand value-creation plans, but they are often unaware of how their firms' sales efforts affect enterprise value.

There are basically four ways to create value for shareholders: 1) invest in projects that earn more than their cost of capital; 2) increase profits from existing capital investments; 3) reduce the assets devoted to activities that earn less than their cost of capital; and 4) reduce the cost of capital itself (see Figure 1).

In my experience, most CEOs, CFOs and others involved in strategy formulation know this. But far fewer understand core sales factors that materially affect each value-creation lever:

- Why do companies invest? Most projects and initiatives are driven by revenue-seeking activities with customers. Hence, customer-selection criteria and sales call patterns directly impact which projects the firm invests in and its capital expenditures.
- To increase profits from existing investments, sales productivity is vital as well as managing the internal organizational interactions and expenses that are generated as a result of pre-sale and post-sale activities.
- The third value-creation route – smartly reducing assets devoted to activities that earn less than their cost of capital – requires understanding cost-to-serve different customer groups as well as how performance metrics affect field behavior.
- Finally, remember that financing needs are in large part driven by the cash on hand and the working capital required for conducting and growing the business. Most often, the biggest driver of cash-out and cash-in is the selling cycle. Accounts payables are accumulated during selling, and accounts receivables are largely determined by what's sold, how fast, and at what price. That's why increasing close rates and accelerating selling cycles is a strategic and financial issue and not only a sales task.

Understanding sales issues

Yet, while daily sales activities determine asset utilization and strategy success, how many CFOs understand how compensation plans, territory design, performance metrics, and other factors affect field behavior? Without that understanding, asset redeployment becomes either an academic exercise or an unwitting impediment to the use of assets that remain essential to profitable selling efforts. Via CRM systems, online customer exchanges, "big data" and other means, the information for these analytics is available. As always, however, the issue is management, not IT, and other factors provide an incentive for CFOs to do those analyses – and that has implications for Sales.

Despite the hype, most companies spend orders of magnitude more on their sales forces than they do on social media or digital marketing. The prolonged recession and cost cutting have highlighted these expenditures. In the past 15 years, production efficiencies enabled an average S&P 500 company to reduce its cost of goods sold by about 250 basis points, but SG&A* as a percentage of revenue has not declined.[2] So, follow the money: the focus of productivity efforts is inexorably shifting from production and back-office functions to go-to-market activities, because the former are encountering diminishing returns and the latter is where the opportunities are.

Sales aligned to strategy

More dialogue between Sales, Finance and other C-Suite functions will happen, and it will be good. There is no such thing as effective selling if it's not connected to business goals. But many Sales leaders are unprepared for increased scrutiny. They sell, but often in ways that are independent of (and even contrary to) their firms' strategies.

In many firms, Sales is still treated as a mysterious black box, hermetically sealed off from other functions, and some Sales VPs like it that way. Those days are passing. I hope this *Journal* contributes to that dialogue, educating both the C-Suite and Sales and, in the process, transforming Sales into what it should always be: a core agent of strategy, not only a vehicle for a given selling methodology.

*Selling, general and administrative expenses.

Frank Cespedes teaches at Harvard Business School and is author most recently of "Aligning Strategy and Sales: The Choices, Systems, and Behaviors that Drive Effective Selling," (Harvard Business Review Press).

[1] Julie Wolf, "The Flattened Firm: Not as Advertised," *California Management Review* (2012) and Jason Karalan, *The Chief Financial Officer* (New York: Public Affairs Books, 2014), p 9.
[2] Ankur Agrawal, Olivia Nottebohm and Andy West, "Five Ways CFOs Can Make Cost Cuts Stick," *McKinsey Quarterly* (May 2010).

Figure 1: Enterprise value and profitable growth

- The goal is to maximize the financial value of customer relationships. The sum total of revenues from exchanges with each customer, minus the directly attributable costs – now and in the future
- In turn, there are 4 core ways a company can increase enterprise value:

INVEST IN PROJECTS THAT EARN > COST OF CAPITAL

INCREASE PROFITS FROM CAPITAL INVESTMENTS

REDUCE ASSETS IN ACTIVITIES THAT EARN< COST OF CAPITAL

REDUCE THE FIRM'S COST OF CAPITAL

Ethics codes help salespeople too

It's not just customers who need protection from unethical behaviour; a code of ethics would also help defend salespeople.

Who at Volkswagen could possibly have thought it would be a good idea to install emissions-test-cheating software in the company's diesel cars? The scam sought to disguise output of nitrogen oxide pollutants up to 40 times the level allowed in the United States. Eventually this was bound to be detected, and of course it was.

What's more, the fraud was perpetrated by a company that we all understood epitomised reliability and good practice. Essentially, consumers have been mis-sold, which will inevitably destroy customers' trust; in addition to the fines and the cost of the product recalls it will take years to recover the brand's reputation.

There are additional worries about the knock-on effect on the wider German manufacturing sector, whose long-built reputation for technical excellence and environmental protection adds up to a value proposition that commands a premium in the minds of buyers.

Numerous losers

In scandals such as these there can only be losers: customers, employees, suppliers and shareholders all suffer, along with the wider constituencies associated with the company as tax takes dwindle and less wealth is generated across the community.

For too long, the perpetrators of unethical business practices in large organisations have assumed they can safely operate with impunity; at the very worst, some junior employees will get fired and the firm will face a hefty fine. In VW's case, it is not rogue salespeople under scrutiny but decisions made by senior company leadership, and this brings us to an important point: unethical behaviour (whether deliberate or negligent) can be perpetrated by any business function or profession –

> **For too long, the perpetrators of unethical business practices in large organisations have assumed they can safely operate with impunity.**

remember the auditing failure by Arthur Andersen in relation to Enron?

Nevertheless, sales is especially vulnerable because the profession lacks an enforceable professional code of ethics. Clearly such a code can't be a total failsafe – the Andersen-Enron scandal is testament to that – but an effective ethics code for sales would do several things: beyond fulfilling an important function in helping to protect customers, a properly drawn-up and implemented ethics code would play a significant role in *defending the salespeople* themselves from unethical corporate culture or policy; it would also help discourage any ad hoc practices promoted by unscrupulous line managers, and additionally inform hiring, development and coaching practices.

The next edition of the *Journal* will be exploring ethics in the context of the sales profession, turning the spotlight on the work of the Association of Professional Sales as it works towards a Sales Behaviour Code. We will look at the contributions of other professional bodies and offer contributions from acknowledged academic experts in the field. We'd also like to hear your thoughts, so please do contact us to make your views known.

- **To share your views, please email us via editor@ journalofsalestransformation.com.**

Salespeople fail to research customers' needs confirms international buyers survey

There are significant opportunities for salespeople to chase as the market opens up and customers search for increased value and innovation from suppliers, not just lower prices. That's one of the principal findings from a global survey of buyers launched at the UK's National Sales Conference in Coventry on 8 October.

Introduced at the event by managing director Sam North, TACK International's 2015 edition of the "Buyers' views of salespeople" survey also underlines the significance of long-term customers to "help build your brand's reputation and credibility in the market". The authors stress: "Potential clients value the opinion of existing customers above anything else when making a buying decision."

However, the authors also stated: "Suppliers are not truly understanding customers' needs and thus damaging their own reputation by not delivering solutions that match the requirement – questioning and listening skills need development." When asked "What prompted you to deal with a salesperson?" buyers confirmed the importance of knowing the customer, their company and industry. At 23%, "understanding of our requirements" placed higher than product knowledge (12%) and communication skills (10%).

Finally, the 630 responses across 31 countries suggest that there is greater involvement from people across generations in purchase decisions of a relatively low value.

Salespeople are significant

TACK International senior associate consultant and former chief executive of the Institute of Sales & Marketing Management, Patrick Joiner affirmed the significance of the salesperson in the equation. "As salespeople, we are the brand."

He also stressed the importance of managing expectations, arguing that buyers value salespeople who are truthful and open with them, and buyers also take account of how salespeople respond when things go wrong.

Joiner also questioned whether salespeople should be incentivised on metrics such as call rates. Quoting

^ TACK International managing director Sam North: introduced survey.

McKinsey on the value of planning, research and preparation, he went on to suggest that salespeople rarely do it.

"Less is more" when it comes to proposals and, during presentations, salespeople need to remember that the emphasis should be on the solution and the relevance to the customer's company. The customer will already have done their research on potential suppliers, which is why the supplier will have been invited to pitch. Moreover, people overwhelmingly prefer a discussion-based presentation.

Buyers' responses

North directed questions from the floor at two panel members: Melanie Hewlett, Education Officer at the Chartered Institute of Procurement & Supply and Larry Beard, a non-executive director and founder of supply chain specialists EIPSC.

The panellists confirmed that reducing the cost of doing business is generally more important than price and also that it is easy today to find new suppliers; however, those that bring something different to the party are less easy to find.

Beard told the audience: "The last thing you need is ineffective salespeople contacting you." He suggested that 20% of salespeople are average to poor. In contrast, good suppliers are those who "bring good ideas".

Love-hate relationship

However, not all customers are open to new ideas so salespeople need to present them well, and explain how the idea can be monetised. Beard admitted that buyers also have a certain ambivalence to innovation – they love it but they also hate it, as innovation means more work. Salespeople should be looking to help customers drive down costs and discussing metrics such as total cost of acquisition.

The buyers stressed that they prefer introductions to cold calls. However, if salespeople are going to cold call, they should always ask permission at the start of the call and stick to the time limit set.

• **"Buyers views of salespeople 2015, 7th edition – Selling in a multi-generational world" is available from TACK International, +44 (0)1923 897900, info@tack.co.uk.**

^ Patrick Joiner: "As salespeople, we are the brand."

Power imbalances don't preclude trust

Power imbalances between companies of different types and sizes do not prevent them from establishing successful relationships, as long as both organisations' business strategies are compatible. The development of trust in business-to-business relationships calls for "goal congruence", according to a recent University of Eastern Finland and Cranfield University study.

^ Saara Julkunen: "Goal congruence is of key importance."

Authors, Mika Gabrielsson, Professor of International Business of the University of Eastern Finland Business School, Saara Julkunen, Deputy Head of UEF Business School and an assistant professor in International Sales, and Javier Marcos Cuevas,

formerly Senior Lecturer in Sales Performance at Cranfield School of Management and now at the University of Cambridge's Judge Business School claim the study sheds new light on power symmetry in B2B relationships.

Gabrielsson tells the *Journal*: "We find power does not play as key a role in the development of trust as previously thought. Some researchers say that power asymmetry has a negative effect on trust, while others claim exactly the opposite. Our study is the first in the world to overcome this inconsistency.

"First and foremost, the development of trust in business-to-business relationships calls for goal congruence. However, this is independent of how evenly power is divided between the organisations."

Julkunen adds: "Goal congruence is of key importance for the development of a shared vision and, consequently, for the emergence of trust in success. These are always needed in order for business-to-business relationships to succeed at the practical level."

According to Julkunen, the findings should be reassuring for companies, as they provide support for the idea that companies of different types and sizes can establish successful relationships.

• **"Power symmetry and the development of trust in interdependent relationships: The mediating role of goal congruence" was originally published in Industrial Marketing Management 48 (2015) 149–159.**

Should time spent travelling to work be paid?

Sales organisations in Europe may be facing the prospect of having to pay salespeople without an office base for the time they spend travelling to and from first and last appointments. This follows the European Court of Justice (ECJ) ruling that journeys from home to work and back should be treated as working time.

The EJC ruling could mean some firms employing sales reps are in breach of EU working time regulations, designed to protect workers from exploitation and regulating how long employees work. The regulations say no employee should be obliged to work more than an average of 48 hours a week.

The Institute of Sales & Marketing Management says the ruling endangers small businesses. However, Andrew Hough, chief operating officer at the Association of Professional Sales, says the ruling should have little impact for B2B sales teams as the key measurement is hitting the numbers, and salespeople will work as long as necessary to achieve targets.

"Nearly all salespeople are expected to meet customers, to be self-motivated, self-reliant, self-managing and to manage their schedules accordingly. They expect to put in as many hours as required to be successful, and their contracts reflect this. If that means going home at 3pm because you travelled two hours that morning to a 9am appointment, that's no problem."

Consalia events

Global sales performance improvement company Consalia is backing two major educational events. The company is sponsoring the "Best Sales Training" category at this year's Training Journal Awards 2015. The awards ceremony takes place at The Brewery in London on 25 November. Among companies shortlisted are Britvic Soft Drinks, Yell and Toshiba TEC UK.

Consalia is also supporting the British Council Higher Education Conference, billed as the world's largest higher education conference in 2016. "Going Global", which takes place in Cape Town 2-5 May, seeks to bridge the gap between academia and practice. Consalia says it will chair a panel discussion with the CEOs of SAP Nigeria, and Toshiba UK among others.

Consalia's head of marketing Phil Linter said: "Higher education is on the cusp of a radical overhaul. The traditional 'bricks and mortar' approach is becoming less and less relevant for global corporates. This is a critical topic for the British Council, whose conference will seek to address this issue and further explore how businesses and academic institutions can effectively work together to ensure they remain relevant. In recent years, sales has become one of the fastest-growing areas for undergraduate and postgraduate development."

^ Phil Linter: "Higher education is on the cusp of a radical overhaul."

WiS shortlist

The Women in Sales Awards has announced its shortlist of finalists for its 2015 European competition. Companies that have made it to the shortlist include Adobe, Coca-Cola Enterprises, Sodexo, Thomson Reuters and MetLife Europe.

There is strong representation from the telecoms and media sector with finalists from O2, Verizon, Telefonica, Virgin Media and Sony Mobile Communications.

The awards ceremony takes place at The Savoy, London on 3 December.

• **You can check out the full list of finalists online at: http://wisawards.com/2015-finalists.html#.VhvP0tYzCUs.**

What about the buyer's journey?

✏ Bob Apollo

When organisations talk about their sales process, they are usually thinking in terms of a sequence of sales activities, typically encapsulated in a series of pipeline stages, which are designed to move a prospect from first contact to a successful sale. There's overwhelming research to prove that having a formalised sales process has helped many organisations to improve sales performance.

Blind spots

But if my recent observations are anything to go by, many well-established sales processes seem to have something of a blind spot when it comes to two absolutely critical elements of successful B2B selling:

1. What is the prospect doing and thinking at each point in their buying decision process? and
2. What can we do to recognise where they are and facilitate their onward journey?

It's all too easy to follow a prescribed sales process and fool yourself into thinking the opportunity is far more advanced – or your chances far more positive – than they really are. Moreover, relying on feedback from a single source without awareness of the behaviours of the whole decision-making team is equally dangerous, particular if your prime contact hasn't demonstrated an ability to mobilise their colleagues around the need for change or persuade them of the superiority of your approach to solving the problem.

In a world of increasingly well-informed prospects and consensus decision-making, the ability to understand and influence the decision team's perspective is increasingly vital. But that is hard to achieve if the salesperson hasn't identified and engaged with all the key stakeholders, established their motivations, and worked out where they fit into the decision process.

Antidotes

There are two obvious antidotes for these common sales challenges: firstly, base your pipeline stages and milestones around the typical stages in your prospect's buying decision process; and secondly, carefully and thoughtfully assess the credentials of your prime contact to determine whether they are a true mobiliser capable of leading their colleagues through the inevitable twists and turns of their decision journey.

A growing number of enlightened sales organisations have already recognised the benefits of redefining their pipeline stages around the key phases and milestones in the prospect's typical buying decision process, for example: unaware and unconcerned, initial interest aroused, establishing appetite for change, agreeing basis of decision, evaluating shortlisted options, negotiating and validating preferred solution, and confirming and approving final decision.

It forces an interesting inversion in the salesperson's thinking: from "What do I need to do to move this opportunity forward?" to "What does the prospect's decision team need to know and do before they can move forward?" and "What can I do to facilitate the process?" Unsurprisingly, taking the prospect's perspective often results

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.

in the recognition that many deals are actually far less far advanced than the salesperson might have hoped or supposed.

True mobilisers

Corporate Executive Board has revealed the results of a great deal of research into the second challenge – "Am I really working with a mobiliser who can make change happen within their organisation?" – in its recently published sequel to the *The Challenger Sale*, *The Challenger Customer*. In a nutshell, most salespeople gravitate towards sponsors they find easy to deal with, yet most true mobilisers are hard to convince but ultimately highly rewarding to work with.

Perhaps it could be time to take a look at your own sales process and pipeline stages, and to reassess your judgements about the effectiveness of your primary contacts in your prospects to effect the sort of change you are proposing to them?

👁 Nick Lee on… Managing problems in the sales force

Discipline: what works best – for the individual, the team, and the organization?

🖊 Professor Nick Lee

About the author

Nick Lee is Professor of Sales and Management Science at Loughborough University School of Business and Economics. He is an Honorary Fellow of the Association of Professional Sales, Editor-in-Chief of the *European Journal of Marketing*, and the Research Methods Section Editor for the *Journal of Personal Selling and Sales Management*. He is Honorary Professor of Marketing and Organizational Research at Aston Business School. You can contact him via: n.lee@lboro.ac.uk.

What can we discover from research about the best way of dealing with problem salespeople?

In the 15 years I have spent working with frontline sales managers, one particular issue has loomed larger than any other. Specifically, when a sales manager is faced with a problem with one or more of their salespeople, how best should they deal with it?

I've been looking into answers to this question ever since I did my PhD on that very subject. Back then, there was almost no scientific research on this issue; today, there are still very few researchers looking at this topic.

I got interested in the topic of sales force problems through my own experience as a salesperson. Without going into the gory details, I spent a short time in a summer job as a field sales rep for a company that sold display boards to bars, cafes and other businesses like that. My time was short because – not to put too fine a point on it – I was so utterly awful at it.

In the end, I pretended to my boss I'd found another job, and went cap-in-hand back to the university to see if there was any photocopying to do! As it happens, there was, and I ended up meeting Dr John Cadogan, who became my PhD supervisor and suggested I look into the very topic I'm writing about now. So it worked out in the end, but I always wondered what my sales manager would have done if he'd had to actually deal with my poor performance, rather than me leaving on my own accord. Still do, in fact!

Staff turnover

The thing is, my experience as a salesperson is not really that unusual. In fact, evidence suggests sales is a job with amongst the highest turnover of staff of all, with the seminal work of Churchill, Ford and Walker (1997, p 369), stating that "on average, about 16 percent of a firm's sales force will quit or be terminated in a given year…. The odds that a given salesperson will either quit or be fired during his or her first five years of employment with a firm approach 50:50." Worse, the highest-reported reason for salespeople's voluntary turnover is their relationship with their first-line managers (Zoltners et al 2013).

Of course, it costs money to keep recruiting and training new staff – especially good ones. So, is it the case that those sales managers who can turn around poor performers, and keep salespeople within the firm, are able to realize significant performance advantages? Or, is it better to remove a poor performer quickly and get someone new in? Answers to these questions are challenging, but the research I've done over the years does give us some indications of how best to deal with such issues in an effective manner.

Discipline

The first sales-related research to explore the issue of punishment or discipline looked into the factors that influenced managers to punish unethical behaviour. Authors such as Joseph Bellizzi (for example, Bellizzi, 1995; Bellizzi and Hasty, 2001) and others (such as Sayre, Joyce and Lambert, 1991) investigated whether different problem types (for instance, attributing blame for the problem) or salesperson characteristics (including gender, past performance and physical appearance) influenced sales manager punishment severity.

Unfortunately, the picture drawn from such work is mixed at best, and worse, the topic seems to have fallen out of favour in the past decade. What we can say is that sales managers seem to punish unethical salespeople more severely for the same action if they are poor performers (Bellizzi and Norvell, 1991; DeConinck, 1992) or are overweight (Bellizzi and Hasty, 2001).

Such research raises some big questions: most importantly, is this effective behaviour from sales managers? It's likely that such effects are a result of common decision biases that most humans can fall prey to and, in fact, lead to poor decisions. For example, perhaps it's better to work with a poor performer to help improve their decision making and performance? And of course, it goes without saying that personal appearance shouldn't be influencing punishment decisions.

Another way to look at this issue is to think about the social environment of a sales team: what I mean is that we need to move beyond thinking about a decision over whether or not to punish as being a simple interaction between the sales manager and the salesperson causing the problem. Anyone who's spent time as a sales manager would already be thinking something like "hang on, problem salespeople influence the whole team, not just themselves", especially in today's team-focused organizations. So, the question now becomes one of how dealing with a problem salesperson can actually affect the whole team – in terms of morale or by showing the team that the manager won't put up with problems for long.

This is important, because in my own research – published in *Industrial Marketing Management* in 2008 (see Lee and Cadogan, 2009) – we found when speaking to sales managers that they felt that the punishment and disciplining of problem salespeople was the single most difficult and unpleasant task they faced; many just didn't do it at all, letting problems drag on and on. At the same time, speaking to salespeople, we found that they wanted to see *more* disciplinary action from their sales manager!

Take action

So, the first, and perhaps most important message to sales managers coming from research in this area is *you have to take action* when faced with problem salespeople. Actually dealing with the problem has the twin benefits of: a) helping to solve the actual problem (of course); but also b) helping the overall morale and performance of the team. This might seem obvious on paper, but take it from me, it's hard. It's a lot easier to let the problem drag on, and hope the problem salesperson either pulls themselves up, or leaves – like I did. So, bite the bullet and get it done.

However, taking action is just part of the story. More interestingly (to me at least) is the question of *how* we take action. Most of us have known the sort of manager whose idea of dealing with a problem is to yell, scream and throw teacups at the wall (and, yes, that's genuinely what some of our subjects said).

> ❝
> *Evidence suggests sales is a job with amongst the highest turnover of staff of all.*

Is this sort of aggressive approach useful? Well, what we found was surprising. More specifically, every manager said very clearly no. However, most of the salespeople we spoke to actually suggested that a *little* aggressiveness might actually be helpful, showing the team that the manager was taking the issue seriously, and getting the message across clearly.

Another thing we discovered is the importance of showing compassion, or what we called *caring*, when dealing with problem salespeople. What was especially interesting is that again – like aggressiveness – salespeople disagreed with sales managers on how important it was.

Almost every sales manager we spoke to was at pains to say that it was vital to understand *why* salespeople were having problems. For example, were there problems at home? Or was the economy in a slump? In such cases, managers were clear that salespeople should be treated compassionately, and managers should show they actually cared about more than the job in hand.

However, salespeople were equally clear that this could go too far. Managers who were *too caring* ran the risk of being seen as a "soft touch" or ineffective, and unable to make the tough decisions that their sales team needed. Of course, perhaps this is because salespeople don't realise how hard it can be to actually manage these problem situations, but even so, the point stands that sales managers need to take care they aren't seen as lame ducks in this way.

Key takeaways

So, what can sales managers draw from this research? Well, the first and most important thing is that, if you see a problem, *you have to deal with it as soon as possible*. Don't let it fester and hope it works itself out. If you do, it's going to affect the whole team.

But, one thing to remember is that firing someone needs to be a last resort. It's surprising how expensive turnover in the sales force is, and you need to be absolutely certain that there is no way back, and it's costing more to keep that individual than to find and train a new hire.

When you *do* take that decision, you need to be firm and strong, to make very clear that these standards of performance or behaviour are not acceptable – but, don't let that drift over into too much aggression. Yes, I know it's a stressful and emotional situation, but as a manager you've got to keep control of that. Being too aggressive causes more problems. The absolute worst thing you can do – which almost every one of our subjects mentioned – is to publicly humiliate someone.

Finally, you need to be caring, but without going too far and appearing indecisive and *too nice*. This means taking account of external factors that might be affecting the salesperson, but at the same time, taking the action that needs to be taken. Of course, you also need to avoid the bias in decision making that earlier research suggests managers are prone to. Ways to do this include having stated policies for what is and is not appropriate behaviour and performance, and also having objective checklists when making these types of difficult decision.

Yes, punishment and discipline is tough, and unpleasant. But, it's probably one of the most important parts of the sales manager's job to get right.

Do you qualify as a winner?

✎ Chris Alder & Nick de Cent

The rewards for going after a choice piece of business can be huge, but making the right decisions can mean life or death. In today's fiercely competitive environment the consequences of failure can indeed be career changing – for all the wrong reasons.

Qualifying sales opportunities effectively is arguably the most important thing any company large or small will do, often making the difference between thriving and not surviving.

The process can be fraught with often-difficult decisions, such as: how do you decide whether or not to chase a potentially lucrative business opportunity? How do you allocate the right resources at the right level? And how much do you stand to lose if your company is not successful? Do you go after many opportunities, or put all your efforts into just a few?

US-based sales expert Professor Neil Rackham highlights the increasing cost and complexity of pursuing sales opportunities: "It's now a much more competitive world and the cost of pursuing each sales opportunity can run into hundreds of thousands of dollars." And while companies are facing ever-spiralling costs to pursue sales opportunities, allocation of resources and low win rates are causes for concern.

As Professor Rackham says, "There's no prize for coming second." So it's surprising that, in his estimation, "very few" companies pay enough attention to assessing whether or not they want the business, or whether they can actually win it.

Most-important activity

John Sharples, one of three managing partners at Abingdon, UK-based deal qualification consultancy Practical Sales Processes (PSP) says he meets sales directors who are more often struggling to allocate scarce team resources and budgets across their pipeline. PSP typically deals with companies going for

❮ John Sharples: "Deal qualification is a continuous process, not a single event."

Practitioner perspective

Anne Blackie, head of bids and client care at independent assurance, tax and advisory firm Grant Thornton UK, describes the organisation's qualification process: "Qualification starts with an invitation to tender, and proceeds as we determine whether to put in a bid for the work.

"We decide whether or not to chase a potentially lucrative business opportunity by asking ourselves a number of pertinent questions before we qualify in on a bid. We assess the strength and depth of our relationship with that organisation, and how much we knew about the opportunity before it was announced. Among the questions are: Is the opportunity in a strong sector for us? Can we assemble the right team to deliver on this opportunity? Are we going to have access to the key decision makers? Can we prove we've successfully delivered on this before? Clients do not want to be guinea pigs.

"If we do not have a positive answer to all these questions then we will consider qualifying out of the tendering process.

"Our aim is to build warm relationships with clients so that often we've been involved in assembling the bid before it goes out to tender. That doesn't necessarily mean success is a given. The client may have a strong relationship with someone else who eventually wins the business. However we may win the next opportunity."

⌃ Anne Blackie: asking questions.

bids valued at between £100,000 and £4 billion.

He says: "Whatever the size of the company we are assisting, our message is simple: if you are serious about selling, qualifying your opportunities effectively is the most important thing you will do. PSP routinely comes across organisations with win-rate outcomes of 15-20%, sometimes less. "Our attention has moved upstream to analyse the quality of opportunity and assess, based on real evidence, the probability of winning."

Indeed, such win rates are in sharp contrast to those enjoyed by the best organisations. Fergus Daly, head of UK-based business consultancy Harmonic's business-winning practice, says: "The best companies win in excess of 70% of the bids they submit, while the worst win less than 30%. Some companies don't measure bid success at all."

What makes the difference?

Harmonic, whose client list includes the likes of Thales, Amec, Boeing, Airbus Defence and Space, and Augusta Westland, says experience shows the most common reasons that bids fail include: late start or lack of good position; insufficient planning and resources; lack of a win strategy; and the lack of a compelling proposal.

Daly says: "To select the right opportunities, it is necessary to take a long-term view, planning years in advance. Companies should identify the customers they want to work with and the opportunities they have over the next five years or more. This information forms the basis of their pipeline of opportunities."

For *Journal* columnist Bob Apollo, CEO at Inflexion-Point Strategy Partners, only three factors really matter when qualifying a sales opportunity:
• Are they really likely to buy?
• Are you really likely to win?
• Is it really worth the effort?

He says: "Prospects have no shortage of things they would like to do, problems they would like to solve, and goals they would like to achieve. But in today's risk-averse, cost-constrained times, that's where it's likely to stop, so it's no longer enough to have them acknowledge a need. The potentially painful consequences of inaction also have to be obvious to them, and they have to have the authority, the resources and the determination to push through the investment case.

"They have to believe that there is a compelling economic case for change. If there isn't, you had better help them create one – or be prepared to qualify the opportunity out.

Win strategy

Daly suggests successful business winners spend around 60% of their pursuit budget for a specific opportunity before even the Invitation To Tender (ITT) is received. "We believe that companies can win more bids if they start early, putting focus on getting into the best possible position by selecting the right opportunities. Then comes gathering and analysing customer and competitor information to feed the evolving win strategy.

"Next comes putting the strategy through a rigorous qualification process. This requires sufficient time and resources to be allocated for customer stakeholder management at multiple levels throughout the capture.

"Win strategy development starts with gathering, analysing and testing information through the qualification process. It is a continuous activity, documented in the capture plan for the bid team's use. Planning the capture, getting the right people and establishing suitable facilities for the team is important to achieve the best results. All of this sets the team up to manage and write a compelling and winning proposal."[1]

Strategic fit

PSP's Sharples agrees with the strategic approach. "We tell our clients to focus on what their company wants to achieve, then what their client is hoping to achieve. At the highest level, my first questions are always: does the opportunity fit my company's strategic direction; can we deliver it; and can we make the right level of profit?

"If the answers are yes to each of these questions, then detailed qualification starts by ranking each factor – risk, price, product fit, – in order of importance from the prospect's perspective. Then we advise our client to consider the same detailed qualification questions in relation to their own position before analysing the gap between the two. Only then will our client have a good idea as to whether to pursue the opportunity or not.

Evidence

"If the decision is to go for it, then our advice is to feed the data into the sales strategy. The important word we use is 'evidence' – in so far as we demand that any statement about prospect or competitor positioning is backed by evidence as opposed to hearsay, history or gut instinct."

Apollo concurs: "Assuming the prospect is really likely to buy something, the next obvious step is to see the evidence. Questions to ask include: Do you fully understand the prospect's requirements, and have you been able to influence them? Honestly, and in the absence of the usual sales reality distortion field, how well do their needs align with your most powerful capabilities? Do you understand their decision criteria? Do you know how they will decide, and are you in contact with the decision makers? Are you sure that no competitor has an advantage? Do you have a clear strategy for winning their business, and do you understand how such decisions are approved?"

Sharples repeats Apollo's warning against over optimism, suggesting that "happy ears" could be part of the problem. "Most employees are taught to think their products and services are the best in the world. It's all very well to have that optimism, but reality means you have to understand the strengths and weaknesses of your offering versus those of the competition."

How do you get this right in the context of the cost of bids? Sharples again: "If you combine the decision-making criteria with cost to bid, potential profit from winning and your propensity to win or lose certain deal types taking analysis from win-loss reviews (see Databank page 58), you get the picture that effective deal qualification is complex, yet critical to sales success."[2]

Changing landscape

Sharples suggests the sales landscape has changed during the last decade: nowadays, there are not so many large deals, but a greater volume of smaller opportunities; this puts more pressure on already-constrained bid budgets and resource.

"It's also true that some smaller sales teams are not as good as they should be. We come across sales teams that don't understand the full spectrum

Neil Rackham on qualification today

Many approaches to qualification are outmoded, according to Professor Neil Rackham. Instead, companies should be asking two basic questions: "Do we want this business" (which old-fashioned qualification doesn't pay any attention to, really) and "Can we win it?"

⌃ Professor Neil Rackham: "Do we want this business? Can we win it?"

"A lot of companies are spending a million dollars or even a million pounds to chase after a significant piece of business. And there's no prize for coming in second. So, if they don't win it, it would be better that they don't bid for it.

"Very few companies make a rational assessment of 'Do we want this business' and 'Can we win it'. Because, if they did, they would be able to do the second part of qualification – the 21st century is not just about qualifying; it's about **allocation of resources**.

"Resource allocation has become probably the hottest high-level B2B topic in sales in the United States at the moment. The reason why it is so hot is that sales organisations are literally going broke because they chase after business they are not going to win and it's going to cost them a huge amount to bid on it.

"Less-successful companies allocate resources rather haphazardly across different opportunities; the most successful develop some very clear criteria for defining 'Do I want it?' and 'Can we win it?' and, if an opportunity comes high on all those criteria, they put extra resources into it.

"If you're spending half a million to try and get a piece of business, is it better to spend half a million and come in second or put in an extra quarter of a million and do a much better job of the sales process and win. The answer is a 'no-brainer'. If you look at successful companies, one of the things that you will find characteristic of them in the B2B field is they have much-narrower funnels. They kill things pretty quickly. They pull the plug on opportunities, which they are unlikely to win.

The right fit

"We also have to ask 'Does this opportunity fit us?' as well as 'Do we fit them?' We need to remember that we are throwing out opportunities deliberately; we're pulling the plug in order to invest more in the best opportunities. Qualification isn't about saying "Is this an opportunity?" it's about saying 'Is it the best opportunity?'"

The right approach

"Nowadays, if I'm a busy customer, the last thing I want to do is to talk to salespeople who are fishing around to see if there's an opportunity here, because I haven't yet decided there is a problem I need to address. And you can't qualify until the customer is ready to be qualified.

"So, how do you get in early? What sales organisations do is build a relationship and a presence in the customer mostly by presenting the customer with interesting ideas that have value. So, the kind of thing you would do is produce surveys within an industry, which come up with interesting results.

"You call up potential clients and say: 'We've just done a survey in your industry and wonder whether you'd like to hear about it for 15 minutes.' So, rather than it being a qualification call, it's then an establish-the-presence call, and you have to do that before you can do any qualification at all.

"We have to be better at getting in early to establish a presence so that we're already there very quickly as the opportunity arises to do the qualification process."

Case-study

Background

This multinational electronics company serving both B2C and B2B markets had historically distributed through channels and very rarely sold direct to end clients. As part of a move towards greater customer engagement, a review of sales operations and process was undertaken. A key finding was that their volume of sales opportunities far outweighed their capacity to respond effectively.

Solution

Rigorous deal qualification at the onset of the sales cycle was seen to be key to ensure only those opportunities with the right profile were allocated scarce bid resource. Due to short sales cycles, the process of qualification also had to be quick, simple to use, focus on client issues and inform sales strategy.

Practical Sales Processes DealGym matched the brief by requiring frontline sales executives to consider both the clients' priorities and their current position and capability against the exact same criteria.

A facilitated DealGym workshop required key members of the pursuit team to assess the opportunity, through the eyes of the client, across as many as 20 key attributes that constitute reasons for winning or losing business. These include amongst others, value proposition, buying motivation, relationships, competitors, risk and price. Team members were then challenged to assess their own position and capability against the same attributes and challenged to provide evidence to substantiate their view. Confronting reality has become an integral part of deal qualification.

Outcome

This fresh approach to reviewing sales opportunities delivered some unexpected benefits. Through the workshop it became apparent that, on many occasions, there were substantially different views across the pursuit team regarding client positioning. Surfacing the differing views of an opportunity very early on was critical in constructing sales strategy and supporting actions that needed consistent execution by the team.

Supporting a sales team who generate a large volume of opportunities presents a different set of challenges. In this instance, sales leadership were able to assess the relative merits of each opportunity using the same objective evaluation criteria; comparing on a "like for like" basis has led to effective allocation of scarce bid resource across the opportunities that have the most likelihood of success. Each opportunity also emerges from a DealGym with a specific set of actions designed to enhance the sales strategy and increase the win probability. Early removal of weaker opportunities has increased win rates and created an "expectation" of success.

of what it takes to compete successfully to win complex deals in the 21st century."

At the end of the day, clients need to have confidence that a supplier can deliver on its promises. "That means you have to have the right references to show you can actually deliver. Equally important, it's as much about how you react when things go wrong, as they inevitably do."

Pete Caputa, VP, Sales at Cambridge, Massachusetts-based HubSpot, says: "According to a study by CEB, buyers are now 57% of the way toward a buying decision when they first make contact with a salesperson. Salespeople have no control in this situation unless they figure out how to add value to the prospect's decision-making process.

"BANT (budget, authority, need and timescale) isn't good enough anymore. Salespeople today need to ask questions and listen to their prospect. What are the prospect's goals, their company's goals? Are these goals something your product can help them achieve? What are the prospect's plans to achieve his or her goals, and the company's goals? Do you think their plan will get them to their goals? Is there a better way? Does their current plan require a product like yours?"

Sharples agrees: "Many sales teams still qualify opportunities focused on old fashioned checklists such as BANT, while today's consistent winners have an increasingly sophisticated approach by taking a laser look, focusing closely on understanding the business implications of the bid for the client.

He concludes: "Deal qualification is a continuous process, not a single event, and needs to be repeated throughout the sales cycle, taking into consideration events on client and supplier side checking that the gap between is closing. If not, then sometimes it's best to qualify out."

[1] Harmonic, Why Bids Fail, http://www.harmonicltd.co.uk/insights/3/Why-bids-fail.
[2] PSP, The Power of Qualification, http://media.wix.com/ugd/8a84ca_c93db573d2ee44198d0ef410dd8f508d.pdf.

PSP

Can the Internet of Things create a new wave of value?

✎ Beth Rogers

Dr Beth Rogers ask whether the "Internet of Things" is set to transform the sales paradigm yet further.

Imagine a future where customers' needs are met even before the customer has identified them or a salesperson has prompted for them. It is a future where the role of the salesperson is focused on high-profile change projects, rooted in idea generation and detailed knowledge, supported by convincing analyses and what-if simulations. This sounds like an ideal scenario for the supplier – but what is in it for the customer?

Every day we co-operate as consumers with our favourite brands by accepting cookies on websites or sharing our location via our smartphones. Location and cross-device usage tracking is becoming a top priority for marketers because it enhances the consumer's shopping experience.

We want to be prompted to take advantage of special offers when we are in supermarkets, even if that means being tracked round the aisles. If our favourite cafe chain can work out that we are visiting a new town and directs us to the local branch with a voucher, we feel helped. We are grateful that radio frequency identification devices (RFID) can enable us to know exactly where our parcels are in the delivery process.

As more and more sensors are built into more and more products, we will share whatever information is necessary to take advantage of the potential of smart refrigerators, coffee machines, washing machines and televisions. This new wave of consumer value is powered by a concept called the "Internet of Things".

The Internet of Things is defined as the integration into products of sensors which capture, receive and send data which enable add-on services. This is expected to reduce or replace human intervention in information flows with computer-to-computer interaction that will create new opportunities for convenience, efficiency and added value.

It is with us in business markets too. Jet engines, oil rigs, mining and forestry equipment all benefit from imbedded sensors to indicate how efficiently they are running and when they might need maintenance or replacement parts. Gartner predicts a thirtyfold increase in the number of sensor-type devices that will be networked together by 2020, delivering economic value of $1.9 trillion.

Despite concerns about IoT being over-hyped, there are companies innovating and developing solutions that improve their customers' experiences. For example, IBM's recent alliance with The Weather Company will combine cloud-based business intelligence systems with data from over 100,000 weather sensors to enable customers to understand the impact of weather on business outcomes and respond to those opportunities and threats in tactical and strategic ways. Who benefits? Utility companies, agriculture, fashion, horticulture, public services, food retail, media companies, and the supply chain partners of these sectors and more.

Why invest in IoT?

The adoption of IoT is driven by the degree to which the *customer* can realise benefits. Asset management is critical in sectors such as oil exploration, electricity generation and mining. Customers save money because machine downtime is reduced. In stock location, the cash

benefits are faster responsiveness and less obsolescence. Companies can enhance product development, atmospherics, merchandising and sales promotions with the information generated from monitoring consumers' behaviour in a retail outlet or online.

> **"**
> *The adoption of IoT is driven by the degree to which the customer can realise benefits.*

Potential benefits are limitless, but as with previous waves of technology in the selling and buying processes, IoT applications must be designed to answer the "so what?" challenge. In this wave of technology, something more than convenience is on offer. The survival of forestry businesses can depend on the up-time of equipment operating in harsh environments, the survival of logistics businesses can depend on optimum use of fuel, and the survival of food companies can depend on monitoring hygiene in their factories. Communities depend on enhancements to responsiveness in water management. The Internet of Things helps suppliers and their customers manage risks and reduce costs, thus generating new waves of value creation.

Designing applications

In business-to-business sectors, much emphasis has been put on the role of the salesperson as an interpreter ❯

Diagram 1: Benefits realisation map
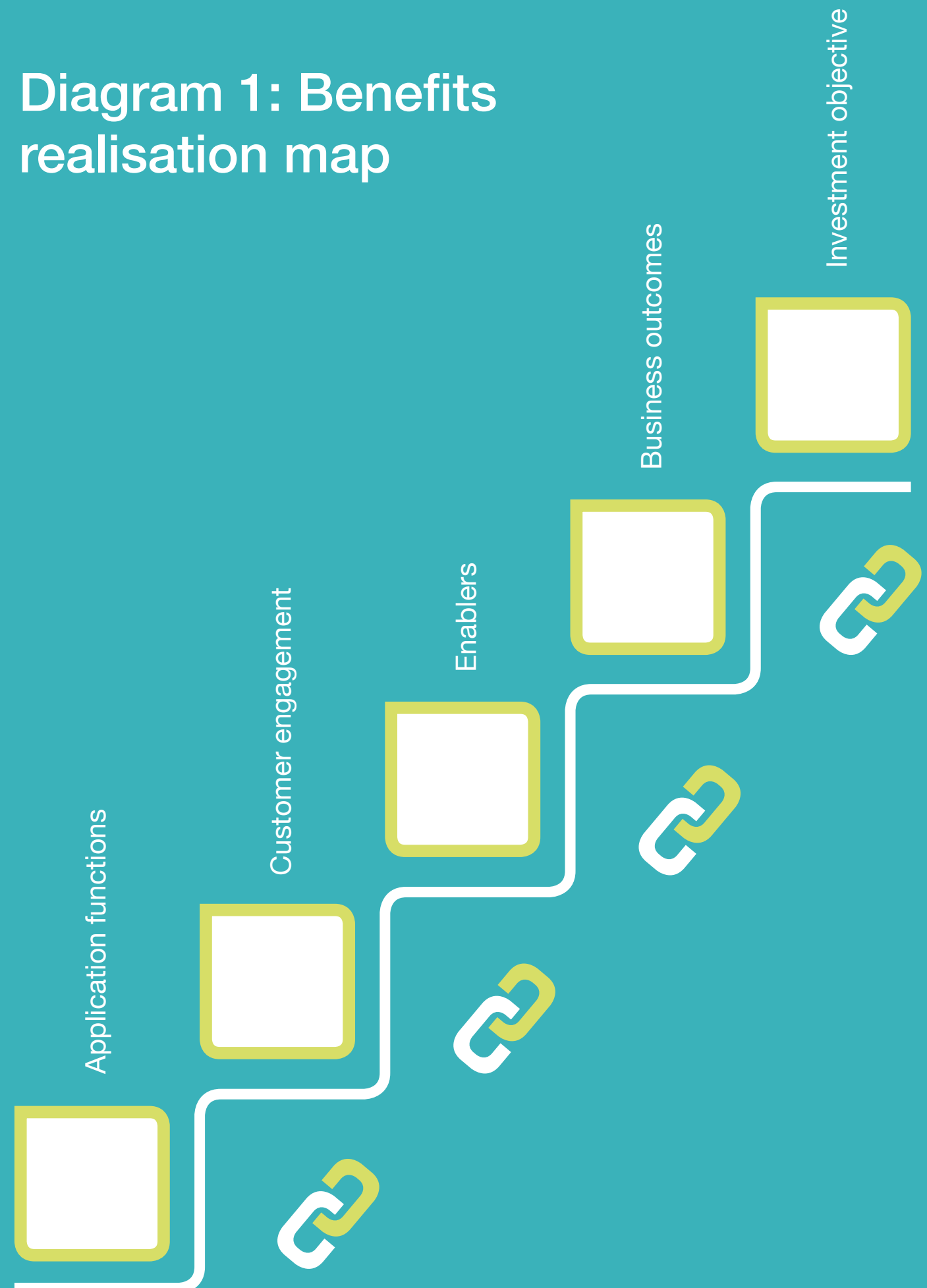
of customer need, designer of value propositions and communicator of value. Applications of technology are expected to play supporting roles. In particular, technology should be designed to deepen the sales professionals' understanding of the customer's business, and produce analyses that enrich discussions with customers about realising value from proposed solutions.

The ideal of co-creation of value between supplier and customer is often criticised as naive, as customers control their operational environment and therefore how much or how little value-in-use they get from any supplier's products and services. Nevertheless, concepts such as vendor-managed inventory have succeeded where there is a mutual commitment to using shared information to improve joint-decision-making leading to mutual benefits such as better cash flows, less obsolescence and faster stock turnover.

"
Sales directors have a great deal of strategising to do with IT and product-development colleagues to assess whether the Internet of Things will deliver shareholder value.

How should IoT applications be designed? IT and sales professionals need to combine their thinking and consult user communities such as engineers. From the IT point of view a simple model which moves from data gathering to data modelling and data exchange could be aligned with a sales model which moves from needs analysis to designing a value proposition to communicating value.

What data should a sensor collect and transmit? What pattern of data should flag for intervention? To what degree can solutions be completed computer-to-computer? Even if parts and consumables can be ordered automatically, how should that be monitored? What sort of data from other business intelligence systems needs to be integrated with the sensor-generated data to produce useful analyses for longer-term planning? How should those analyses be distributed and used?

For example, weather sensors will be particularly useful in agriculture, as the weather is always a critical variable in productivity. Computer-to-

computer links in irrigation systems or drainage pumps would save human intervention on farms, but of course equipment suppliers and farmers need to be alerted. The correlation between the systems' usage patterns and crop health (or animal welfare) also needs to be monitored. Sensors of crop height in fields or bio-sensors on the animals could be utilised.

When data about crop prices and demand forecasts are added into the mix to help the farmer to maximise market performance, real business benefit can be realised. Although much information exchange can and should be automated for process efficiency, regular discussions between the salesperson and the customer would still be valuable in interpreting the data and planning future business.

Implementing IoT – the challenge for sales leaders

Expert design is critical, but there are no direct benefits from technology – benefits accrue from how technology changes what people do in organisations. The achievement of planned business outcomes and benefits from any system change depends on many factors, and it is very important to identify and map them before progressing to a project plan of implementation activity. This map must capture the way in which the technology application will be aligned with business objectives, but should also serve as a framework for communicating the case for change to stakeholders and as a framework for tracking and measuring progress.

An overall objective from IoT investments is likely to be an increase in profitable sales revenue. It is very easy to start drawing a benefits realisation map with technology function on one side and investment objectives on the other (Diagram 1). Both are usually clear. The critical path in the middle is where the serious work has to be done. Customer engagement and enablers within the organisation are important. Without them, sales professionals could be slow to adapt to new generations of product and service offerings.

Sales professionals need to be convinced that new functionality will motivate the customer to see us more favourably as a supplier. Customer satisfaction is important in a world of rising expectations, but it does not always justify a major investment. Will the IoT application actually change the customer's buying behaviour (specifically, buying more from us)? This question has to be answered before any assumptions can be made about

achieving more revenue more profitably. First of all, the customer must consent to patterns of data gathering and usage, which becomes an element in the sales conversation.

Sales professionals also need to believe in their employers' commitment to a new technology. This is not just about senior management rhetoric – sales professionals soon tire of hearing about the case for change and a bright future. Senior managers need to act to ensure that the right structure, measures and rewards are in place to make change happen. It is these more tangible indicators of change that get attention.

Sales managers also have a key role in enabling change, whether it is re-engineering of sales processes, identifying change champions, or commissioning training and development for the sales team. They are also in the front line of conflict management. Technology at the customer interface will bring with it some fear, uncertainty and doubt for sales professionals.

Understanding the potential of introducing IoT applications into product and service offerings requires time. Introducing new ideas to customers is exciting but challenging. Sales managers need to coach their team members through the frustrations that

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precede success.

IoT works where customer value is clear, but of course the supplier investing in this brave new world needs positive business outcomes as well. Typically these include better product performance, better processes and better customer understanding.

Outcomes should be clearly differentiated from objectives. For example, if IoT reduces the amount of time salespeople spend on progress-

chasing routine orders, that is an outcome. To ensure they spend more time winning strategic business, managers have to be prepared to coach towards that benefit. Enablers are key to the conversion of outcomes into investment objectives.

In summary

The Internet of Things is expected to bring many benefits. Sales directors have

a great deal of strategising to do with IT and product-development colleagues to assess whether the Internet of Things will deliver shareholder value.

That depends on whether it will change customer buying behaviour positively. It also depends on whether salespeople will be enthusiastic adopters of the applications. There may still be some hype about IoT, but it is going to affect what we sell and how we sell. Thinking ahead is worth the effort.

IoT cheat sheet

What's the new technology?
- Sensors which collect and send data about product performance and usage patterns

So what?
- Combined with data from other sources (such as customer analytics) it can prompt proposals for new products or services

What's in it for the customer?
- Access to the information generated
- Automated re-orders
- New ideas for value creation from the supplier

What's in it for the supplier?
- Alignment with customer buying needs
- Customer retention/share of purse
- Faster sales cycle
- Better sales process productivity

How can it be implemented?
- Consultative approach to design
- Focus on transforming data into intelligence
- Benefit mapping
- Involvement of sales professionals

KAM – the art of performance

✎ Paul Johnston

Much has been talked about the nature of value propositions but how do KAMs go about the act of proposing value? Paul Johnston explores KAM distinctiveness, social context and identity.

What makes a key account manager distinctive from other salespeople? Much has been researched and written about KAM best practice (see for example Rackham, 1995; Payne et al, 1998; Ulaga, 2003; Ulaga and Eggert, 2006; Miller, Heimann and Tuleja, 2012). However, my research into how KAMs go about proposing value to customers has revealed something else is going on during customer interactions as well.

For the research 17 senior executives with key account management experience were interviewed and a thematic analysis of their recorded interviews carried out – this method of analysis classified key issues and topics in the interviews and allowed me to draw out the major themes of interest and significance from the data.

The research aimed to find out how KAMs go about the act of proposing value rather than setting out to discover additional missing key elements of a good value proposition. The focus was on what Peter Svensson calls "marketing work" – the performance of undertaking customer interaction – with a view to contributing to emerging research into the way sales and marketing professionals explain and give meaning to what they do (see for example Guesalaga and Johnston, 2010; Ardley, 2011; Davies and Ryals, 2013).

Key insights

Three interesting insights stood out. Firstly, customer interactions are seen by KAMs as much more than a buying process of cycles, funnels, gates, objections and ladders – they involve recognising and interpreting four distinct social contexts. Secondly, moving from one social context to another involves navigating rites of passage that use social rather than commercial qualifiers. Thirdly, KAMs deliberately cultivate and portray a credible professional identity to set themselves apart from their competitors. All of these features are associated with the sense of distinctive personal value that KAMs wish to convey to customers.

Portraying a professional identity

Identities are important: they give us our place in the world and we use them to differentiate between different types of people (see for example Berger and Luckman, 1991 and Steph Lawler, 2014). KAMs talked a great deal about their sense of self and what they believe sets them apart.

Sociologist Erving Goffman says "everyone wants to be taken seriously" and for the KAM it was clear that they wanted to "give off" a professional identity that established their personal eligibility and credibility. This was achieved in several ways that included respect for the circumstances of

the customer (for example busy, disinterested, open minded), demonstrating relevant knowledge about the market sector, and being polite, helpful and trustworthy. The academic literature calls this type of person a value-proposing actor (Vargo and Lusch, 2006).

It was imperative for the KAM to avoid being given the pejorative identity of the "salesperson". This was taken by the KAMs who were interviewed as a sign of inexperience, and immaturity characterised by lack of sophistication, ethical values, rounded commercial understanding, consideration for others, long-term perspective and impartiality.

The "salesperson" hectored customers, was often economical with the truth and mindlessly followed a sales script to pursue an agenda of self-interest. This unwanted identity was completely devoid of customer value as far as the KAM was concerned and dismissed by informants using terms such as "space cadet" or "talking brochure" and perceived to be completely without worth.

The social contexts of face-to-face interactions

The ability to notice and read social situations distinguished the KAM from the "salesperson". Four broad social contexts stood out as significant from the perspective of the interviewees (see Figure 1).

Figure 1:
Social scenes of interaction

APPROACHING · INCORPORATING · UNFOLDING · RELATING

⌃ Source: P R Johnston 2014

Using the metaphor of drama after Erving Goffman (1990), these commercial contexts can be thought of as scenes in a play. As such, customer interactions take place on a stage and can be understood as an artistic performance.

The scenes of interaction begin with approaching and conclude with relating. **Approaching** and **incorporating** were set "outside" and **unfolding** and **relating** were set "inside".[1] Each of the scenes involves what Goffman calls orders of interaction: these are the implicit guidelines of appropriate social behaviour with adverse consequences for actors if the guidelines are transgressed.

KAMs showed a sophisticated and artful grasp of the behavioural and communication norms and values that are desirable and appropriate to the market sector and the individual customer they are dealing with. It is not just what is done but how it is done that matters.

Approaching

Approaching is the opening scene of the drama that needs to be enacted carefully. The way in which KAMs did this was by framing the approach in terms of having a conversation rather than as selling. KAMs aimed to convey an almost casual sense of engagement; it is the antithesis of a pitch.

This could only be achieved if they didn't generate the perception of interruption and time wasting. The approach must not be hectoring or intrusive and must be "positioned" to give a strong sense of the sector relevance and potential customer value of both the solution and the person making the offer.

Incorporating

Incorporating is a reciprocal phase where the supplier and the customer are tentatively judging each other's personal credibility. The aim is to establish the extent of each party's knowledgeability and authority and whether either party lacks authenticity. This would be revealed by a lack of sector knowledge and established by speaking the *lingua franca* of "business talk" and preferably the more local dialect of "sector specialism". Here, a judgement of personal worthiness is being made which is somewhat distinct from a rationally objective calculation of the merits of product features and prices alone.

The scene of incorporating is a place that is "betwixt and between" (Turner 1977) – not yet a supplier and not yet a customer.

Unfolding

Unfolding is a phase of joint discovery where the dialogue between the two parties develops; a process of unpacking meaning, developing ideas and making things clear takes place. The essence of the interaction in this scene is exploratory: unfolding represents the opportunity to ask questions, engage in fashioning reciprocal meaning and to co-create solutions (Varey, 2003; Ballantyne et al, 2011). Candour characterises this scene.

Participants speak openly and freely, and share confidences and confidential information. Conversation is allowed to develop and no attempt is made to actively persuade the customer of the benefits of a particular product or service. If the norms and values of this scene are misread – transgressed by either party – the prospect of the supplier–customer relationship developing further is considerably reduced. Therefore, the supplier is not expected to be dogmatic and manipulative; the customer is not expected to be dogmatic and reticent; and neither is expected to be mendacious.

Relating

Relating is where informants draw heavily from the marketing management discourses of relationship marketing (Ravald and Gronroos, 1996) and the creation of relational value (Payne and Holt, 2001). Nevertheless, KAMs distinguish between "utopian" ideals and commercial reality indicating that, whilst a relational disposition is something to be appreciated, the "hard-nosed" aims and purpose of the supplier organisation are not to be overlooked. The unstated aim of the KAM's creation of relational value is to make a sale.

In this scene of interaction, the supplier begins to think and act "as if" the customer's business is their business, offering ideas and suggestions for how the customer can shape the market sector it is in.

Rites of passage

Rites of passage are associated with progression from one stage of life to another (Van Gennep, 1960). The four contexts of interaction can be thought of in a similar way.

KAMs saw themselves on a journey of being personally assessed for their worthiness to "be on the inside", moving from being an unknown entity to becoming a trusted and familiar colleague. The KAM is therefore engaged in a process of social boundary transition, moving from the "outside" contexts of approaching and incorporating to the "inside" contexts of unfolding and relating. Continual attention to the presentation of professional identity at each stage ensures this will happen.

When suppliers see themselves on the inside this is more to do with having a sense of acceptance by the customer as an eligible and credible supplier, rather than necessarily that a sale has been made. Thus, KAMs not only have commercial

Lessons for sales organisations

Metrics

Managers might consider engagement strategies for each of the social contexts described and give consideration to the unintended side effects of using short-term performance metrics. On the assumption that what you measure is what you get (Norton and Kaplan, 1992) there is the potential for encouraging attitudes and behaviours that are not conducive to giving the impression of a value-proposing actor. This is not to say that measuring current performance should be ignored; the point is made to highlight the consequences of mis-applied metrics.

Staff selection and development

There are also implications for staff selection and development: in particular, the set of social and cognitive capabilities the KAM possesses and how these are married to a well-rounded commercial business sense might be considered. Proposing value in business interactions is signalled in the performance of the KAM, which implies that anyone who is clearly inexperienced and lacks the social and specific commercial knowledge to engage in useful dialogue will be disregarded by the customer and hence considered of no real value to the business.

Importance of coaching

A key problem for practice is the challenge of how the performance capability of KAMs can be enhanced when time served is the only way people can gain direct experience of customer interactions. How do early-career KAMs gain knowledge of how to perform other than by performing? It seems that performativity* measures, typical of classic sales and marketing management ignore the developmental aspects of actor performance that are needed for them to become a value-proposing actor.

This suggests that a personal coaching approach is probably more appropriate than a business-metrics approach – the focus of the former being on "how" to perform rather than on what tasks to carry out and how you have performed (sic). The idea of rehearsal might be an appropriate metaphor here that is distinct from training.

*Performativity is a term for the capacity of speech and communication not simply to communicate but rather to act or consummate an action, or to construct and perform an identity.

objectives in mind but also have social objectives too.

KAMs try to avoid inappropriately forcing a sale during encounters – a competence that is related to and subtly different from emotional and relational intelligence and the idea of "getting on with people". It is to do with intuitively understanding what is expected in the social setting of interaction, and being secure and self-confident that the conditions are being set for a commercial exchange at some point in the future. Each of the contexts or scenes displays features that act as social qualifiers and influence whether the KAM is to make a successful transition through the contexts of interaction.

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Implications

Why does this matter? Presenting the right identity and reading social contexts can be regarded as what David Teece (2009) calls a dynamic capability. Such personal capabilities are much harder to copy than the tangible and intangible aspects of product and service solutions.

They are important because these capabilities are not uniformly shared across all people who interact with customers. It is a source of competitive differentiation. Some people are good at it and some people aren't so good.

Get it right and the vendor will establish and reinforce the KAM's personal credibility and eligibility; get it wrong and, no matter if you potentially have the best offer available, the customer will show you the door.

The KAM is not so much a technician proficient in the deployment of sales and marketing techniques but a performer skilled in the social arts of interaction and this is why you would probably buy from them.

About the Author

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[1] This refers to how KAMs perceive the status of their relationship with the prospect/customer. Being on the outside refers to the status of the vendor where they are still to be accepted as a bona fide supplier to the customer and are yet to make a sale. The seller is unfamiliar and kept at a distance by the customer. Being on the inside means the customer sees the vendor as a credible supplier and is willing to spend time with them sharing business discussions and is probably making purchases. The seller is familiar and accepted by the customer. The norms and values of the outside social context are such that being "overly familiar" and asking unduly probing questions will be regarded as highly inappropriate. It is a mistake for the supplier to presume and act "as if" they are on the "inside".

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The challenge of sales competitions

Tony Douglas investigates the role and relevance of university sales competitions to sales education from the perspective of business school students.

Abstract

Universities in the United Kingdom do not make provision to deliver sales-ready graduates to the economy. One means of delivering sales education is participation in university sales competitions that bring together commercial sponsors, the higher-education establishment and those students who may be interested in embarking upon a sales career.

This paper explores the views of a sample of Edinburgh Napier University undergraduate students who completed a survey, with both multiple choice and open-ended questions, that detailed their experience in taking part in the Russ Berrie Institute (RBI) Sales Challenge competition between 2009 and 2014 at the Cotsakos Business Faculty of William Paterson University, New Jersey in the United States.

Ten categories of questions were asked relating to students' sales working experience, sales education, sales jobs, skills and knowledge, their preparation for the sales challenge competition process, observations during the event, post-competition reflection, and overall benefits of taking part in the sales competition process.

The findings suggest that there are multiple benefits to students, business and universities from sales challenge competitions, which deliver an overall win-win-win outcome for all stakeholders.

Professional or personal selling has not been regarded by academics in general – nor indeed practitioners – as a profession that can be (or should be) taught at university (Douglas, 2011; Rutterford, 2011; McCourt, 2011). Though this may well have changed in the United States as suggested by Leisen et al, (2004); Weilbaker and Williams, (2005); Luthy, (2007); Fogel et al, (2012); Deeter-Schmelz and Kennedy, (2011), it is not the case for the moment in UK higher-education establishments. Beth Rogers (2013, p18) suggests that "other countries are going to overtake the UK on sales skills" and that the United Kingdom will be left behind in the race to develop talented sales graduates. There are currently limited opportunities for students to study sales in UK university business schools.

Having a commitment to the provision of some sales education might signal to the UK business community, and the sales profession, that selling skills and sales knowledge can espouse academic rigour, and be an important part of a business school curriculum (Douglas, 2011). Importantly and significantly, an output of university sales education would be to help deliver "sales-ready" graduates for sales and sales-related employment on graduation.

There are a number of ways in which sales realism can be replicated in the classroom: guest speakers, cases, simulations, and role-plays (Bobbitt et al, 2000). These approaches deliver knowledge, skills, process, concepts and activities that enable the student to apply theory to practice. These techniques can enhance a more traditional classroom approach. The transparent feedback loop that brings together experience with evaluation and feedback is crucial to the success of this type of experiential learning (Kolb, 1984; Mantel, 2002). One relatively new and very popular example of where a "real-world" experience occurs in business schools is with student participation in university sales challenge competitions.

University sales competitions

In the United States, national sales competitions for undergraduate students (according to Rangarajan 2013) directly support sales education. The application of knowledge acquired in taking sales modules of learning are evident in the numerous sales challenge competitions which take place across US universities (Deeter-Schmelz and Kennedy, 2011; NCSC, 2014; RBI Sales Challenge, 2014).

These have become, tentatively, international in their make-up. Representatives from Scotland, Holland and Belgium have taken part in the NCSC in Atlanta and the RBI Sales Challenge in New Jersey. Despite limited sales learning in the non-US business curricula, European universities have performed credibly in these competitions. Vlerick came third across three categories at the NSCS in 2012, while Edinburgh Napier University achieved second place overall in the RBI Sales Challenge in 2011. There is clearly much to be celebrated with these results but much also to be investigated.

The objective of these competitions is simply to encourage excellence in sales, to promote the sales profession and give students the opportunity to demonstrate and hone their skills and capabilities via a series of challenges. The students network with businesses and make connections for future employability while receiving valuable sales knowledge. This in turn leads to a potential pool of valuable sales-ready graduates for sales jobs for recruiters and global businesses (RBI Sales Challenge, 2014).

The competition explored in this paper is the RBI Sales Challenge, which consists of two highly practical components:

1. Sales call role-play – Students engage in a 15-minute sales call role-play with a business executive. The role-play in then evaluated and scored on various aspects of the sales call, including approach and overall communication effectiveness, as well as ability to gather information, identify needs, provide information, present solutions, resolve concerns, and gain a commitment.

2. Speed selling – Students create a two-minute sales pitch about themselves. Then, each student meets individually with an executive and makes their pitch highlighting why they should be hired. A one-minute question-and-answer session follows; then, the student moves on to the next executive (Ruth, 2006; RBI Sales Challenge, 2014). The RBI Sales Challenge attracts a number of high-profile Fortune 100 companies to its annual event. Historically, these have included: ADP, EMC2, Reckitt-Benckiser, DHL, Enterprise, Hilti, McKesson, Canon, Hess, Hertz, Avis, AXA and Reynolds and Reynolds.

This paper focuses upon what this sales challenge competition achieves and whom it might benefit.

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Methodology

This paper investigated how, through the eyes of ten Edinburgh Napier participants, students prepared for the competition, what happened during the competition and how they felt afterwards. Their views capture not only their own perspective but useful insights that might benefit other interested stakeholder groups such as their "home" university (Edinburgh Napier), the "host" university (William Paterson), the sales coaches charged with helping prepare students for the competition, commercial sponsors and businesses looking to recruit sales graduates.

The Survey Monkey questionnaire comprised 43 questions in total across ten categories of questions:

1. Previous part-time/full-time sales work experience and exposure to sales education
2. Exposure to or help from family and friends with sales jobs, skills and knowledge
3. Reasons for applying to take part in competition
4. Comments on and preparation for the internal Edinburgh Napier sales competition to select representatives for the RBI Sales Challenge
5. Preparation and training for the RBI Sales Challenge
6. Reflection on what could have been done better in preparation for the RBI Sales Competition
7. The purpose of the RBI Sales challenge competition from the students' perspective
8. Observations during the event
9. Post-competition reflection
10. Overall benefits of taking part in the competition process

The sample

The sample was anonymised. All students were undergraduates at the time of the sales challenge competitions. Being an undergraduate student was a prerequisite for taking part in the competition though, interestingly, a student's age was not. All students attended Edinburgh Napier University's Business School at the time of the competition. The degrees that students were studying were Marketing Management, Marketing Management with Languages, Business Management and LLB Law. Seven of the ten students were in their fourth year of study while the others were in their third year. There were seven females and three males, with an age range of 20-29.

Conclusions

The findings from this investigation provided a number of interesting conclusions. Students attracted to taking part in sales challenge competitions were predominantly studying for marketing degrees but not exclusively so. Not all students interested in the competition had previously undertaken sales jobs or come from backgrounds where family members held sales-related jobs. The reasons for taking part were varied, but a key focus was how participation might improve job-hunting prospects.

In the main, students proactively took advantage of the sales training and learning on offer in advance of the US competition with an overall view that it could/should have been even more intense despite students' conflicting priorities with academic work. Overall, students understood the rationale for the sales challenge competition and what it meant for them, the host university and business sponsors attending the event. The sales challenge competition experience opened their eyes to a wider personal potential and perhaps even for a career in professional selling that, for most participating students, was not previously or specifically considered.

The challenges that they participated in were entirely relevant to real-world situations, giving the students a taste of what being a professional sales representative might be like. The students benefited in many ways, including enhancement of social and sales skills (relationship building, listening, communication and negotiation), enhanced self-confidence, an improved understanding of sales knowledge and the sales process and, not least, students' improved potential to secure a job after graduation in what are challenging economic times.

The findings suggest that the benefits derived were not solely for the participating students but also for the attendant businesses and the university host. The net effect is an overall win-win-win outcome for all parties involved as expressed by the students in the survey.

Businesses sponsoring and actively participating in sales challenge competitions gain exclusive access to the "cream" of sales graduate talent. They have the opportunity of networking, interviewing and ultimately selecting those students who best fit their organisation's criteria for new sales talent.

Universities hosting prestigious sales challenges secure kudos from a number of quarters including monies from sponsors not only to part-fund the event but also provide a surplus to invest in future events. The host university becomes an institution respected for its provision of sales learning, enhancing its ability to increase quality applications of students seeking a future career in sales and selling.

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Practical contribution and future research

This research is of potential value to a number of parties. Firstly, Edinburgh Napier University has supported – both financially and through staff time and encouragement – participation in the RBI Sales Challenge. It will be of interest to senior academic staff to learn of the participating students' interpretation of the experience: the additional skills learned and developed, the growth in overall confidence gained, and the improved employment prospects. Overall the university and business school should benefit from positive PR and kudos from being an early adopter of sales education in a university environment.

Secondly, feedback from this survey will assist sales coaching staff, involved in the preparation of students for this or similar competitions, in focusing on areas where improvement is needed to ensure even greater degree preparedness in future. The study identified some shortcomings concerning availability of staff and time to better prepare students.

Thirdly, the overall positive nature of the feedback and success of the students who took part could encourage commercial businesses to interact with the process as sponsors perhaps through financial assistance or help in kind, for example, by giving their time.

Fourthly, the hosts of the RBI Sales Challenge – William Paterson University and Cotsakos Business School – its leaders and faculty staff may be interested in the views of non-US university students with a view to gauging non-US interest and understanding the importance of including non-US University teams to compete in the RBI Sales Challenge in future.

Fifthly, the contribution to academia is in a piece of new ❯

research into an area in its infancy, where there is clearly a gap that requires further investigation.

Finally, what the students themselves have gained from the experience, the new knowledge and skills they will take and develop in roles in both sales-related and non-sales career paths, is of significant value.

Future research might follow the unfolding careers of the sample of students who took part in the RBI Sales Challenge, to learn more about how useful the sales challenge competition experiences has been to their personal and career development, as they develop. Should Edinburgh Napier students take part in other sales challenges in different geographies, this experience could be compared with that of the US competition. There are many cultural differences, for example, between different countries in how they approach business; accordingly, this may be worth investigating in the context of sales challenge competitions. Finally, it may be useful to compare the experiences of UK students with their US counterparts concerning any perceived differences between the relevance of sales challenge competitions.

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Keep CARM and talk smarter

✏️ Elizabeth Stokoe & Rein Sikveland

Researchers from Loughborough University suggest that commercial sales "scripts", and a great deal of communication training, fail to identify what really works to convert callers to clients and optimize the customer experience. Here, they explore evidence-based training for sales conversations – the Conversation Analytic Role-play Method.

How do you know that your telephone sales calls, "recorded for training purposes", are working to maximise conversion rates from caller to client or optimize the customer experience? Customer feedback is always gathered *after* the actual interaction between company and customer has happened. A company may have good or bad satisfaction ratings, but what conversational practices make the difference in those ratings?

The science of conversation

As conversation analysts, we research recordings of real talk, in real time, across all kinds of organizations and workplace settings. By scientifically studying the micro patterns in interaction that most of us don't even notice, we can identify what is "effective" in "effective communication".

Let us start with this ordinary telephone call between two friends, Nancy and Hyla, transcribed according to the standard conversation analysis transcription system, which includes intonation and the actual sounds being made rather than just the correct spelling of a word (lines under a word represent emphasis and different movements in pitch, the equals sign means that the turns are very rapid) – see Diagram 1:

Diagram 1

```
1              ((ring))
2    Nancy:    H'llo:?
3    Hyla:     Hi:,
4    Nancy:    HI::.
5    Hyla:     How are yuhh.=
6    Nancy:    =Fi:ne how're you.
```

On the face of it, this is utterly mundane. There's no science here! Well, actually there is. Conversation analysts have shown that, across settings including phone calls, face-to-face encounters, Skype calls and even instant messaging, conversations routinely contain three component pairs of actions: summons and answer (the opening – lines 1-2); greetings and identification (for Hyla and Nancy, just the sound of the voice is enough for identification – lines 3-4), and initial enquiries (the "how-are-yous" at lines 5-6). Perhaps this seems obvious. But now let's take a look at the start of a call between boyfriend and girlfriend, Dana and Gordon (Diagram 2).

Diagram 2

```
1              ((ring))
2    Gordon:   Hello:,
3              (0.7)
```

Like Nancy, Gordon produces an answering "hello". But rather than being met with a greeting, there is instead a gap of seven-tenths of a second. For conversation analysts, that's enough of a delay to indicate trouble. Hyla and Nancy spoke rapidly, with a tenth of a second or less between their turns. In this instance, even though only one word has been uttered, we already know enough to expect that Dana and Gordon are unlikely to proceed smoothly through the next two pairs of conversational components. Here's what Dana says next (Diagram 3):

❯

Diagram 3

```
4    Dana:    Hello where've you been all morning.
```

Dana returns the greeting, but rather than move into the "how-are-yous" portion of the conversation, she asks Gordon a question. It's not an innocent question; it is antagonistic. As Gordon's girlfriend, she implies that she's entitled to know where he's been "all morning"; she's been trying to get him "all morning".

That we can pinpoint moments of trouble so precisely has big pay-offs when it comes to understanding professional or workplace encounters. For example, we can search for silences and find out what happened previously – a particular word, question, description or phrase – to produce it. In our work with organizations from the police service to commercial sales teams, we have been able to show practitioners which words and phrases are most effective – and what does not work.

For example, we examined hundreds of instances of organizations explaining what their service offered to prospective clients on the phone. If a customer's response is delayed (by anything more than 0.2 second); if it starts with "well", together with other indicators, we know that the explanation has not engaged them. Recorded data provide us with naturally occurring experiments, in which a real caller may or may not become a client – live, in this moment, today. We find that companies get into a rut in the way they explain services, and train new employees to do it the way they always have. It's often wrong, but until calls are examined, companies do not know that a routine activity is putting clients off *every time*.

Are you willing?

We have worked with mediation services that help people in a dispute with their colleague, neighbour or partner. By analysing hundreds of calls between mediators and their potential clients, it became clear that many callers do not really want mediation; they want a lawyer, police officer or housing company to arrest, evict or otherwise constrain the other party's behaviour. They have been referred to mediation as a last resort, and many callers reject it on the basis that the other party is the "kind of person who won't mediate". Without knowing how to overcome that hurdle, the call is over and the client is lost.

However, we found that when mediators asked people if they would be "willing" to mediate, even resistant callers agreed to try the service. "Willing" was significantly more effective than other phrasing such as "might you be interested in mediation?" – and it was the only word that achieved a total turnaround from "no" to "yes". Our theory: it works because, if the other party is the kind of person who won't mediate, then the caller must be the kind of person who will.

How did you hear about us?

When people telephone companies to buy things – in the case of our research, new windows and doors – the call is mostly about what the caller wants. But the company often wants something too: to know how the caller heard about them. After all, they're invariably spending money on advertising, so what advertising space is worth buying?

Some salespeople ask "How did you hear about us?" at the start of the call. Others wait until the end of the call to ask: "Just before you go, would you mind telling me where you heard about us?" Both questions deliver a request for information, but the first one is often followed by a long silence, which we know indicates trouble. The second one is followed by an immediate answer that indicates there was no trouble in asking it.

Being careful about the placement and wording of

requests can have an impact on the rapport between caller and salesperson; knowing what works can enable companies to optimize their calls.

Caller burden

One thing most of us do more commonly than buying new windows is telephone our GP surgery to make an appointment. We have studied thousands of calls into different surgeries, to identify problems and find solutions within the current practices of different receptionists.

One thing we identified was an interactional burden on patients to drive the call forward. For example, they might ask: "Can I make an appointment with Dr X?" Some receptionists reply saying, "Dr X is not available", and move to end the call. The burden is then on the patient to ask another question (for example, "So, when will they be available?").

Better receptionists immediately make an alternative offer and remove the burden from the patient to push for service. Crucially, the higher the level of "caller burden" in a surgery, the lower their score on the "experience of making an appointment" item on the national GP Patient Survey. While a score of, say, 57% tells us that improvements are needed, it doesn't tell us *what* to focus on to achieve improvement. Our research identified both the problem and the "trainable" solution.

And caller burden turns out to be a problem in the commercial sales data too. In the example below, from a telephone call to a windows sales company, the customer has had windows installed by the same company but a fault has developed. We join the call near the start, as the customer reports that he has called the company about the problem and was expecting a call-back (Diagram 4).

Diagram 4

```
1    C:    I did ↑↑speak to one of your colleagues ↓actually,=And: uh
2          (.) .thhh I was expecting a call back from someone today:,
```

Because he was expecting the company to call him, there is already a burden on the caller as he has pre-empted any call-back that might (or might not!) have happened. We might expect the salesperson to start to respond at line 3. But instead, the customer offers an account for why he has not received a call (Diagram 5):

Diagram 5

```
3    C:    =but- (.) perhaps it didn't get passed through.
4          (.)
```

So not only has the caller had to call, they are helping the salesperson out! The '(.)' at line 4 is a slot in which one might expect the company to apologise for not calling back, but no apology is forthcoming. Now we start to see that the burden is on the caller to drive the call forwards. This is what "pushing for service" looks like. In the face of no responses from the salesperson, the customer starts to explain what might have caused the fault (Diagram 6).

Diagram 6

```
5    C:    Uh::m hhh .hhh (0.3) whether the wind's caught underneath it,=
6          =I j- I- I just don't know.
7          (0.7)
```

At line 7, the caller has run out of conversational steam: he's explained that there is a fault; he's tried to get in touch

with the company; he's waited for them to call him, and now has explained what might have caused the problem. We can see that he has nothing more to say at line 7, where a familiar (0.7) gap crops up! Now it really is the turn of the salesperson to *do something* (Diagram 7).

Diagram 7

```
8    C:    So I >don't whether<= could y:ou hhh (0.2) (.hhhh) send
9          someone out to have a look at that.=[for me? ]
10   S:                                        [↑Yes,=of] ↓course we can:.=
11         =uh::m:: °I'm just trying to have a look at the diary°.
```

However, the burden is still with the caller who, at line 8, articulates what he might have expected the salesperson to offer: to come and look at the faulty window. The salesperson agrees to do this, but only after the customer has pushed for service.

The Conversation Analytic Role-play Method

Our research underpins a communication training method called the "Conversation Analytic Role-play Method". Because CARM works with real recordings of real people, who have a real stake in the encounter they are having, it contrasts sharply with traditional role-play or simulated interaction for training and assessment of communications skills. Our research has shown that simulated interaction does not mimic real talk in the way it should if we are to assess people's skills based on what they do in a role-play. What's more, communication skills guidance, training and assessment often fail to identify the correct "trainables".

A CARM workshop is developed as an outcome of a research or consultancy project. We select extracts from our findings about a particular practice (for instance, explaining a service). Animation software is used to play the audio and transcript synchronously. This means that workshop ❯

participants live through conversations without knowing what is coming next, and then "role-play" what they might do next to handle the situation.

For example, taking the windows sales example above, which illustrates a potential problem of what to do when your company has not "called back", we might stop the call at line 2 and ask participants what they would do next. Having seen what the real salesperson actually does, we also show a more effective call, where the caller burden is absent because the salesperson offers to come and look at the faulty window. Participants see and evaluate different responses, identifying effective practice on the basis of what happens in real interaction.

Conversation analysis overturns what we think we know about talk. But it also reveals the tacit knowledge of salespeople (or police officers, mediators and GP receptionists) who manage their encounters productively. As we saw in the "willing" case, the effective practice was right there all along – but it takes a conversation analyst to identify it.

How we work

We are currently working with organizations including Warner Leisure, the Metropolitan Police, several GP practices, and a commercial windows sales company, as well as with numerous mediation services. CARM has recently won a WIRED Innovation Fellowship (2015) for its "potential to make a significant impact on the world". Visit www.carmtraining.org for more information.

About the authors

Elizabeth Stokoe is Professor of Social Interaction in the Department of Social Sciences at Loughborough University, UK. She analyses the science of interaction in settings including police interrogations, sales calls and initial inquiries to services including mediation and doctors' surgeries, and has published extensively in these areas. She runs workshops with mediators, doctors, police and other professionals using her research-based communication training method CARM. Her research and biography was the subject of BBC Radio 4's The Life Scientific in 2013. She has lectured at TEDx (2014) and the Royal Institution (2015), and CARM has recently won a WIRED Innovation Fellowship (2015).

Dr Rein Sikveland is a Research Associate at Loughborough University. His expertise is in conversation analysis, phonetics and linguistics. Following his PhD at the University of York, he researched call-centre interactions as part of his postdoctoral training at the University of Oxford. Dr Sikveland currently studies the interactional management in phone conversations between the public and commercial, health and mediation services. His research is currently applied to the Conversation Analytic Role-play Method.

Opening the "third box"

🖉 Russell Keating

As part of his MSc Professional Practice in Sales Transformation, Sony Mobile's Russell Keating explores how to unlock more sales through a strategic understanding of his client's key concerns as well as those of his own organisation.

This project relates to work with one of the largest mobile phone operators in Ireland, referred to as the "client" throughout this paper. It directly continues my efforts from the first module, both in terms of advancing my development as a learning practitioner (Schon, 1983) but also further improving my business performance with the client.

I have found working with the key stakeholders at the client to be both positive and challenging. I have sought their cooperation in my research throughout this project to ensure I am both fulfilling my role effectively as their key account manager (Jeannette and Hennessy, 2003) but also to demonstrate how their direct validation of this work will permit me to deliver my vision for the account in module three.

Initially, I wanted to lead to the creation of a winning value proposition (WVP); instead I have created the vision and identified the key areas of opportunity of focus to create my proposal, which will become my module three project.

More than any of my previous activity with the client, I feel this research has in itself actively demonstrated the four positive sales mindsets (Squire, 2009) to the client. Creating this project has further educated me in "living" the positive sales mindsets (Consalia, 2015); this has also benefitted the management of my other accounts and responsibilities and those of my extended team, beyond the main client account. The research process undertaken in this project will be used as a template for account management in Ireland going forward.

What is my concern?

As the key account manager on the client's account in Ireland, I am responsible for delivering sales against an aggressive budget in 2015. Despite performing well against budget it is now more important than ever to create a shared vision with the client to protect our long-term business.

The key reason for this is that the environment in which we are trading is transforming at an accelerated pace. The Irish mobile industry in which the client operates has seen the creation of a giant competitor (as a result of an acquisition by a major player) and the introduction of two new mobile virtual network operators (MVNOs). Meanwhile, our client's internal structure has been reorganised in response to the changing environment and, concurrently, Sony Mobile is going through a period of change and uncertainty (*Wall Street Journal*, 2015).

In addition to these macro environmental changes, direct competition to Sony Mobile in Ireland has intensified as lower-cost-structure manufacturers are gaining share in prepay and postpay segments – the desire of the client's global purchasing function is to compare manufacturers handsets purely by features and price, awarding volumes where biggest discounts are achieved. Moreover, the industries and segments that the client is competing in are evolving: subsidy is being reduced within the Irish mobile market and new sectors are being explored (client's annual report).

Why am I concerned?

It has been repeated many times – correctly – that the mobile telecoms industry is fast changing and dynamic; furthermore, the transformation taking place in our business is accelerating. Operators are now becoming providers of broadband and television services; likewise, broadband and TV service providers are diversifying into mobile. These customers now seek a manufacturer to make this "quad play" transition easy and provide them with solutions that give them differentiation and new revenue streams.

This transformation within the client and the industry presents a challenge for me to maintain my performance, yet it is also an opportunity to be the best prepared of our client's suppliers to assist the organisation in its search for greater profits, long-term growth and differentiation.

I intend this research to have the following benefits to my ❯

practice:
- to identify new areas of focus allowing me to increase business levels with the client;
- to further develop my relationship and widen our circle of influence throughout this large global operator; and
- to use the information garnered from my research to improve my practice, to improve the performance of my team and to suggest possible opportunities to use this information to assist my colleagues throughout Sony who are responsible for selling to the client in their territories.

> "
> *It is clear to me that any proposal that does not assist the client in creating value for its own customer base will be of zero value to them.*

Co-creation

While researching this project I made the decision to seek validation and buy-in directly from the client. They have been supportive of my study to date and interested in my research.

It was raised in my peer learning group that my decision to involve public validation from the client for my project was a risk. I do not see it that way, however, as argued by Hennessey and Jeannett (2003) in *Global Account Management: Creating Value*: "Although talk about partnership and a strategic relationship may be widespread, a company's lack of willingness to open up may preclude the creation of real value. A good global account must be willing to share its needs and its strategy, as well as to experiment and pilot new ideas."

Strategic insights

During module two (Consalia, 2015) I was introduced to four strategic frameworks that can be used to gain insight to a company and its industry. Due to the time available and the specific research design of this project, I have decided to use three of these to analyse the business of both Sony and the client. They are: Porter's Five Forces (Porter, 2008), the Industry Code (Hennessy and Jeanette, 2003) and the Strategy Grid (Consalia 2015).

I have learned that by applying these well-regarded models to my business it builds a credible case to communicate the strategy both to my customer and my team. This is a point raised by Kaplan and Norton (2000): "If people can describe strategy in a more disciplined way, they will increase the likelihood of its successful implementation."

Below, I outline my critical review of these models in relation to the client and Sony before reflecting on the use of them in generating my vision for the client going forward. The Five Forces Model research performed on both the client and Sony has been crucial to this project but I have not included it here, in order to allow more space to discuss my strategies later on in the project. For that reason I will begin here with Jeanette and Hennessy's industry code.

Industry code

Jeanette and Hennessy (2003) argue that, for KAMs to fully create value for a global customer, they need to understand the

industry: "Critical skills needed by global account managers are the ability to analyse an industry, understand competitive strategies and identify scenarios where a supplier can contribute to a customer's strategy." While discussing this with my local team we realised how little time we had previously spent analysing the performance of customers globally and how focused we had been on purely hitting my quarterly sales targets.

I feel that by using the model and attempting to "crack the code" of the industry it will give me an understanding of the behaviours required by the client to achieve its success. Without this, I cannot claim to fully understand the client's business and therefore offer the best solutions.

Below are the key success factors required by the client for its long-term success. As the ultimate purpose of this project is to positively effect change with my customer I will keep information specific to the Irish market unless global information is relevant.

Must segments

- Enterprise: the client now derives 23% of its total revenue from this area globally and is considered a world leader in M2M and enterprise solutions (client annual report). In my discussions with the client, they intimated a similar level of revenue for the Irish market.
- Consumer mobile: largest premium 4G base in Ireland with 90% coverage.
- Fixedline /broadband
- TV

Must combinations of segments

For the client to succeed, it is in a race to grab most revenue from the unified communications or "quad play". This would offer customers a single billing system and account manager for their TV, mobile fixed line and broadband. The importance of this transition from mobile to quad play is most evident in the client's latest annual report.

Minimum coverage required

To have an optimum position, client market share required in mobile segment is 40%.

Currently the client has 220,000 broadband customers connected via mobile broadband; however, this is very much a first phase. Through an alliance with a utility company the client will have access to over 550,000 households and businesses in its first phase.

Required market share differs per the following channels

- Mobile
- Fixed broadband
- Enterprise
- Mobile broadband
- TV

Required levels of integration

Currently the client's integration is restricted to distribution. However, as TV is added to their growing number of services in Ireland this could change.

Identified focus

The client's strategic focus is very clear (Annual report Q1:2015). The CEO has outlined focus areas as:
- Data consumption in Europe through expanding 4G plans

- Unified communications with combined differentiated services being bundled
- Enterprise, maintaining leadership position

Strategic dilemmas

In my discussions with a consumer director at the client, he shared his strategic dilemmas with me. These are listed below with some highlighted:
- Providing customers with an exceptional level of service
- **In-store experience**
- Network quality
- After-sales care
- Repair experience and overall value for money
- **Quad play go to market**
- **Android in Enterprise**
- Unlimited data
- **Differentiation**
- **Internet of Things**

Having completed researching the client through the Five Forces and Industry Code frameworks, I shared the findings with my local team for both validation and to assist them with their accounts. While "research" is often seen as something not to be allocated time in busy schedules, we have agreed that not only is it necessary to be fully briefed on your customer's macro and strategic plans, but it is negligent and unprofessional not to be.

I have introduced a practice where the responsibility is on the manager of each account to circulate any important quarterly or annual reports from their customer and important facts are included in the monthly accounts review. I am also going to circulate this project so it may have benefits to my colleagues in other territories working on this global account.

Following on from my analysis of the client using the Industry Code, I will now view Sony Mobile through the same criteria:

Must segments

- Enterprise (all products)
- Bill pay (Premium)
- Pre-pay (Mid-tier)
- Tablets
- Accessories

Must combinations of segments

- Enterprise (all products)

- Bill pay (Premium)
- Pre-pay (Mid-tier)

Minimum coverage required

Strategically, Sony's objective is to improve the mobile division's profitability at the expense of market share. This will see the elimination of lower-value, entry-level smart phones, which will impact significantly the current market share in Ireland. I calculate that approximately doubling our share of the Irish premium smartphone industry to be the minimum required to deliver both profit and relevance.

Required levels of integration

A massive strategic advantage of Sony is its brand strength – placing ninth globally in terms of reputation (Reptrak.com) – and with its umbrella of divisions, including Sony Pictures, Sony Music, Consumer Electronics and PlayStation. These give Sony's mobile offering a competitive advantage when it comes to access to content, games titles and properties like UEFA Champion's League. A challenge to date has been harnessing the potential of these assets and companies.

Identified focus

The focus for Sony is margin generation. Market share is likely to be conceded for profit generation as the average selling price is increased and the breadth of portfolio is reduced (TheNational.ae). With respect to the Irish market this will mean a loss of pre-pay share and short-term relationship issues with operator customers.

Strategic dilemmas for Sony

A strategic reorganisation is taking place as the company attempts to satisfy its European customers with a reduced cost structure and a reduced number of products.

The Strategy Grid

In module 2 (Consalia, 2015), I was introduced to the Strategy Grid and feel it is the correct tool to synthesise the information garnered in the previous frameworks. By viewing the client's strategic options, I can best tailor Sony's strategy to grow value for both organisations. Below please see my Strategy Grid for the client in Ireland (Figure 1). ❯

Figure 1: Strategy grid for the client.

Objectives	Strengths	Weaknesses
Provide best fixed and mobile data network with best-value tariffs.	Largest operator in terms of subscribers and revenue. Ability to demand more competitive terms from suppliers and steer the market direction.	Improving but still poor economic climate. Very small rate of industry growth.
Fully converged "unified communications" offering across mobile, fixed and mobile broadband and TV service.	Top performing network. Most 4G subscribers in Ireland. Massive rollout of fibre network.	Increased competition from rivals and potentially disruptive MVNOs. Increased competition likely to drive ARPU down as share is traded between players.
Maintain leadership in enterprise market in Ireland through converged offerings, best network performance and new technology.	Global brand recognition, differentiation through content services and network quality.	

Opportunities

Opportunities
TV service rumoured. Opportunity to leverage quality network and content deals to provide market-leading service.
Investment in network is near completion, driving increased network speeds and performance.
Fixed-line fibre mobile network alliance.

Company threats

Company threats
Market saturation – 106% smartphone penetration.
New competition.
EU reduction of roaming and MTR's charges to hit revenue by up to 15%.

Attacking strategies (strengths & opportunities)	Daring strategies (weakness but opportunity)
Use manufacturer relationships to offer a value TV and mobile offering to base.	Use fixed-line broadband and TV to secure longer-term higher revenue contracts.

Crushing strategies (strengths & threat)	Protecting strategies (weakness & threat)
Acquisitions to remove threats and bolster content offering.	Continue to differentiate offering to protect share and revenue from competition and maintain ARPU.

Figure 2: Third-box thinking presented to the client

Sony Mobile	Client	Their customers
Manufacturer of 4G handsets and tablets	Value for its customers	Effective customer service
Creator or premium content	Modern stores	Good value plans with no hidden charges
Access to premium property, eg UEFA	Fibre broadband network	Access to exclusive content
Exclusive products	TV service	Privacy, security
Market leader in high-res audio products and 4K TV	Increase data usage	Connected 24/7
	Loyalty	Latest technologies
	Differentiation	Added value
		Experiences

Third-box thinking

The title of this project references third-box thinking, a framework introduced to me in module 2 (Consalia, 2015). By firstly looking at what value the client requires for its shareholders, I then examine the value it wants for its customers in order to creatively align Sony's offerings. It is clear to me that any proposal that does not assist the client in creating value for its own customer base will be of zero value to them.

The scope of this project is not to create a final proposal as that is the intended outcome of module three. I wish however to use this exercise to stimulate my own creativity and importantly, demonstrate positive mindsets (Squire, 2009) to the client to confirm my value to them and hopefully distinguish myself from reps from competitor firms. Below is my third-box framework as presented to the client (Figure 2).

Strategic opportunities

1. TV
Use of Sony's market-leading TV to promote the client's new TV service.
2. Data
Appetite for 4G is content driven so make exclusive content available only to Sony customers on the client's network. The client shared that they are planning a 4G+ and 4G++ test launch in certain towns in Ireland and, as Z3+ supports this technology, they would strongly consider using it in all communication about this new innovation.

> **"**
> *While 'research' is often seen as something not to be allocated time in busy schedules, we have agreed that not only is it necessary to be fully briefed on your customer's macro and strategic plans, but it is negligent and unprofessional not to be.*

3. Differentiation
Exclusive use of premium content to give the client a standout profile and provide more value and experience to its customers and use of Sony Assets to promote the client's new fibre service across Xperia devices.

Them-us-fit-proof analysis

Despite receiving client validation for the vision I have created for their account based on my research to date, I am conscious of the need to create advocacy within Sony Mobile and affiliate Sony companies. To do this I will have not only to show a clear benefit to Sony Mobile but also clear evidence that the potential benefits of this plan are both grounded in research and have the capacity to benefit both organisations.

In Module 2 (Consalia, 2015) I was introduced to the "them – us – fit – proof" model as a validation concept to ensure easy understanding of the vision (see my analysis in Figure 3). ❯

Figure 3: Them-us-fit-proof analysis

THEM
- Increase data usage through 4G+ launch
- Roll out fibre broadband
- Launch TV service
- Differentiation and loyalty

US
- Leverage Sony assets
- Creator of content: Xperia Lounge, movie, music and games
- Sony Premium properties – eg UEFA
- Superfast 4G+ products

FIT
- Exclusive content can sell more data and promote usage
- Also accompany broadband fibre rollout

PROOF
- Playstation activity has driven mobile sales in current quarter
- Partner case studies prove growth in sales of fibre with gaming platform

Influencing

Throughout this project research I have been using the influencing and negotiation skills learned in module 2 (Consalia 2015) and also on The Gap Partnership (Gap 2015). I have made amendments to both my internal and external stakeholders based on feedback from the client using the Decision Maker Unit Analysis learned in Module 2 (Consalia, 2015).

Summary

In order to reflect on my key learnings from this project I have elected to use the Gibbs Reflective Cycle (Gibbs, 1988).

Description

I have completed a macro environmental study of the client and Sony's industries and companies using three of the strategic frameworks I was introduced to in Module 2 (Consalia, 2015). Using the insight gained, I have attempted to stimulate my creativity by applying the third-box thinking framework to seek out value for the client and its customers. I have presented this to three senior executives at the client to seek validation and buy-in, and have also presented to my local team in Ireland to show the importance of researching your customer in more detail.

Feelings

I have felt immense satisfaction from the meeting with the client – these both validated my research and generated new ideas, as the client began to co-create a strategic plan with me.

Evaluation

I feel that my planning and approach were good as was recognised in my research proposal and peer learning feedback. I have gained a real benefit from the practical application of the frameworks. The direct feedback from senior client executives was a good example of their recognising the positive mindsets in me, in particular proactive creativity in the presentation of the vision, and client centricity in the research undertaken on their business.

Analysis

With the client's backing and good relationships with the internal stakeholders that I need to assist me with my vision, I am in a strong position to place Sony Mobile ahead of its competitors with regard to new opportunities as the client diversifies into new channels during FY15. The new contacts made through this research have elevated my status within the client and widened my circle of influence.

Conclusion

My final reflection is that I feel that the ultimate transformation is taking place: I am transforming in how I view myself and my profession; Sony is transforming into a leaner, more-efficient organisation; and the industry in which we and the client are operating is transforming as well. I feel energised and excited about the opportunities to grow business with the client and to use all available internal resources available to me to harness the true potential of Sony to excel in the new world of unified communications.

About the Author

Russell Keating manages three large Irish customer accounts and, in addition, manages all generic marketing and PR for Sony Mobile in Ireland. With a strong marketing background both academically and practical, Russell has also had key sales responsibilities for four years. He is passionate about technology and bringing products to market, and lives in Dublin with his wife and two sons.

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Align or die?

🖊 Simon Kelly

How do we re-engineer the sales and marketing interface for the benefit of our customers?

Just as I sat down to write this article my email pinged. I tried to ignore it as I'd just come back from an excellent "Sales-Mind" workshop that reminded me of the foolishness of multitasking. Then I saw the title – "Brands failing to align sales and marketing divisions" – and the relevance justified the short diversion.

What I found in the *Marketing Week* article was no great surprise. A survey by recruitment specialist Randstat found that, despite 80% of UK businesses recognising the benefits of greater alignment between sales and marketing, 40% still have no systems in place to unify the functions. The biggest barriers to integrating a strategy to bring marketing and salespeople closer together included perceived rigid organisation structures (cited by 34%) and corporate culture bias towards sales and marketing roles (26%). Commenting on the results, the managing director Ruth Jacobs, concluded: "British businesses continue to suffer from a seemingly unbridgeable divide between their sales and marketing functions."

This is not a peculiarly British problem; indeed, a number of recent pieces of business research seem to indicate that this lack of alignment is prevalent. In *Frugalnomics* (Pisello, 2015) Tom Piselllo points to SiriusDecisions' research (2014) which found that 32% of salespeople lacked useful or relevant content from marketing. In A*ligning Strategy and Sales* (Cespedes, 2014)

Frank Cespedes reminds us that "Studies indicate that less than 40% of firms believe sales and marketing are aligned with what their customers want", the very reason for alignment.

> "
> *Less than 40% of firms believe sales and marketing are aligned with what their customers want.*

So, sales and marketing alignment still appears to be a problem at a time when it matters more than ever. In this omnichannel era when potential buyers get lots of product and company information on-line, Pisello (2015) points out that 67% of buyers have a clear picture of the solution they want before they engage a sales rep (Sirius Decisions 2014). At the same time, 94% of potential customers have disengaged with vendors because they received irrelevant content (Corporate Executive Board research).

Nothing much seems to have changed at the Sales and Marketing Interface (SMI) since the seminal Harvard Business Review article "Ending the war between sales and marketing" (Kotler, Rackham and Kirshnaswamy, 2007), despite the heightened significance of the consequences of misalignment.

Overall, the volume and level of academic debate around SMI working seems to be in its infancy. Studies tend to focus on single issues from which generalisations have been made (Homburg, Jensen and Krohmer, 2008). There is not, as yet, any apparent level of insight into effective SMI working. Here we will focus on four of the themes in the SMI literature that draw out differences between the two functions – these are: economic and goal differences; cultural differences; cognitive or "thought world" differences; and sales "buy-in" to marketing strategy.

Economic differences

These really begin with budget allocation: with resources scarce, not all marketing and sales activity requests will get fully funded. Kotler, Rackham and Kirshnaswamy (2007) also point to tensions inherent in the marketing mix (4Ps)*. From a price standpoint, marketing sets the list price while sales can go straight to the chief financial officer (CFO) for sign-off on individual bids. With regard to promotion, sales can be critical of where money is spent, and can question the relevance of marketing material provided to them, as we saw in the research earlier. The VP of sales might prefer extra salespeople to money being spent on advertising or brand-building activity.

Goals and incentives can also be at odds. While the sales function tends to be rewarded for hitting sales and revenue targets for a set of customers, marketers may be incentivised for achieving programme goals that don't tie directly to sales goals:

marketers tend to have profit and loss as a key metric, while sales is focused on volume and revenue.

Cultural differences

Studies by Beverland, Steel and Dapiran (2006) examined the question of "cultural frames" to test if these resulted in tension between marketing and sales. The definition of culture was one that consisted of mental frames by which we approach behaviour.

They identified four cultural frames:
1. Valid scope of focus and activity – Sales is focused on a single or small group of customers, while marketers look after a whole market.
2. Time-horizons – Sales is interested in short-term immediate customer needs. Marketing is more long-term focused and pays little regard to day-to-day customer problems.
3. Valid sources of knowledge – Marketing only see sales as a valid source of short-term, individual customer information; not for anything more strategic.
4. Relationship to environment – Sales perceptions and practice identify the importance of reacting to customer requirements; marketing is concerned with driving the marketplace to increase margin and sources of growth.

Bringing this discussion up-to-date Cespedes (2014) cleverly describes marketing and sales as "alone together". He points out that, because of scope differences, sales will want to customise for an individual customer, which may not suit marketing. Interestingly however, Rouzies and Hulland (2014) found that, where customer concentration is low, sales and marketing can align to support a big-spending customer in a way that may not be beneficial to their organisation. They put this down to a power imbalance that many B2B salespeople will have experienced.

Problems arise due to conflicting priorities or "dialects", or what is considered to be core activity in daily routines. Over time, these determine "how things are done around here" leading to "Esperanto silos" (Cespedes 2014).

> "
> *The challenge is to engage salespeople 'where the rubber hits the road'; with strategists 'where the rubber meets the sky'*

Different thought worlds – on the same wave-length?

Homburg and Jensen (2007) sought to understand whether differences between the "thought worlds" displayed by marketing and sales organisations are beneficial or not. They considered how differences in world-view could help or hinder the enactment of marketing and sales decisions. Their investigation revealed that, in general, differences hamper co-operation between marketing and sales, which leads to lower performance. However, some facets of such thought-world differences enhance performance through a direct effect that outweighs the negative effect of quality of co-operation.

There are contradictory views on the nature of thought-world differences found in the management literature. Some have called for similar thought worlds (Donath 1999); others have supported differences, for example, Cespedes (1996): "The solution is not to eliminate differences among these groups."

Homburg and Jensen (2007) found that different thought worlds can have a positive effect. Competency differences are

Diagram 1: The four components of sales buy-in

Components of buy-in	Key facets
1. Objectivity and rational persuasion	Help sales to see the "why" rationale behind a strategy. Don't treat them as pure executors.
2. Sensitivity and responsiveness to reality	When marketers appreciate salespeople's field experience and different world-view (Homburg and Jensen, 2007) salespeople were more open to what the marketers were telling them.
3. Involvement in strategy creation	Marketing should involve sales in the strategy process and be prepared to negotiate from different points of orientation (Cespedes, 1996; Strahle, Spiro and Acito, 1996).
4. Positioning for success	Sales are looking for marketing to position them for success by giving them a competitive advantage in the field. Even though sales want marketers to take on board their feedback and give input to the strategy, achieving sales objectives is an important focus (Carpenter, 1992; Lorge, 1999).

bad as they adversely affect performance. Differences among interpersonal skills and the knowledge funds of marketing and sales pose an interpretive barrier which gets in the way of optimal decision making.

Sales "buy-in" of marketing strategies

Salespeople are "boundary spanners" between the customer and the organisation. As such, they play a crucial role in ensuring firms implement strategies effectively (Malshe and Sohi, 2009). Where marketing does not involve sales in strategy development, they may view the initiatives as ineffective or irrelevant (Aberdeen Group, 2002; Dewsnap and Jobber, 2000; Kotler, Rackham and Krishnaswamy, 2006; Rouzies et al 2005). This will mean the sales function does not buy into or support the initiatives proposed (Lorge, 1999; Strahle, Shapiro and Acito, 1996; Yandle and Blythe 2000).

Malshe and Sohi (2009) felt that the extant SMI literature had not explored the notion of buy-in. They found that getting sales buy-in consisted of four key components; these are summarized in Diagram 1.

> **"**
> *Crucially, the customer does not seem to be getting a coherent story from marketing and sales.*

The notion of "buy-in" integrates some of the earlier themes into the four stages proposed by Malshe and Sohi. Cespedes (2014) makes a compelling case for the need to align strategy and sales. The challenge is to engage salespeople "where the rubber hits the road"; with strategists "where the rubber meets the sky".

Hughes; Le Bon and Malshe (2012) proposed an integrative framework for the SMI. This eight-part framework begins with developing a shared vision and includes: alignment, which requires the ditching of functional silos; processes, to facilitate SMI cooperation; sharing of market information and better knowledge transfer between functions. The other performance levers are decision making, resources and culture (see p62).

From what we can see through research results, it appears that this is much more difficult to achieve in practice. As my old managing director at BT used to say: "It sounds simple, but it ain't easy." How do you get alignment? Which shared processes need to be developed? How do you effectively share information? These are all questions practitioners seem to be wrestling with. Crucially, the customer does not seem to be getting a coherent story from marketing and sales.

I have just started my own research to examine how the SMI works towards developing and enhancing value propositions. Hopefully, concentrating on a key output of the sales and marketing relationship will shed some light on these questions. The higher goal is to provide the SMI with some practical advice for better cooperation and performance.

*The classical "4Ps" of marketing are: price, product, promotion and place.

About the Author

Simon Kelly is a Senior Lecturer at Sheffield Business School. He describes himself as a "pracademic". His track record combines a number of senior commercial roles with extensive academic experience; he has been Marketing Director, Major Business at BT and Head of North American Field Marketing for Level 3.

Research review – edited by Jeremy Noad

In this edition, we start with three articles on **sales performance**. The first examines opportunity management, proposing that the early stage of the sales process is key to opportunity conversions. The second focuses on the critical area of customer reacquisition following a loss to competition, identifying a four-stage sales process to improve success rates. Thirdly, there's a paper that examines the role of sales managerial experience and use of data in decision-making.

In the section on **customer management**, there are papers that examine strategic pricing; a case study on the introduction of Global Account Management, which advocates gradual development over rapid deployment. Customer insight is often seen as a differentiator for sales and we have a paper that looks at the process of generating insight and its subsequent application. The final paper in customer management examines the concept of supplier power in key account relationships, proposing an analytical framework to develop and balance the power between buyer and vendor.

Under **capability development**, we highlight a paper on sales coaching. Coaching by sales managers is widely believed to have a positive transformational effect on sales performance; this paper examines the research to date and identifies areas for the future.

In the **behavioural studies** theme, the impact of a sales "sub culture" on an organisation's ethical decision-making is examined.

Within the **leadership** theme, we present two interesting topics, firstly, a paper that examines the impact of abusive supervision, on the salesperson and its effect on the abusive sales leader. The second paper explores the continuing sales versus marketing debate by examining the differences behind decisions made to appoint either a sales leader or a marketing leader to an organisation's leadership team.

In the **systems and processes** theme, there are two studies: social media use in B2B and, secondly, the relationships between sales force technology and sales performance.

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.

Sales Performance

When do salespeople pursue and win deals? A two-stage model of sales opportunity outcomes

The study tested a two-stage model of sales opportunity outcomes, and thus identified the factors that influence the likelihood of a salesperson pursuing and winning a deal. The authors collected data on 330 sales opportunities from two different times featuring two distinct sources and conducted data analysis using hierarchical linear modelling. In the first stage, the authors found that the salesperson's decision to pursue the opportunity is influenced by the strategic value of the client's business and the concreteness of the opportunity. In the second stage, they found that the likelihood of winning the opportunity is influenced by the extent of the salesperson's specialization, closeness to the buying centre, company's competitive position, and the fit with the client's value orientation.

The study highlights the importance of evaluating sales opportunities at the beginning of the sales process and suggests some specific variables that relate to the selling context, which influence the decision of the salesperson to pursue an opportunity or not, as well as factors that influence the likelihood of winning a deal or not.
R Guesalaga, D Kapelianis (2015), *Journal of Business & Industrial Marketing*, Vol. 30 Issue 7, pp 817 829.

A sales process framework to regain B2B customers

The study develops a sales process framework to facilitate business-to-business (B2B) customer reacquisition. A comprehensive CRM (customer relationship management) process needs to include reacquisition strategies, yet very few firms have formal procedures to guide reacquisition efforts. This gap in the sales process reflects the relatively sparse literature on B2B customer reacquisition models. The study conducted in-depth interviews with 54 B2B salespeople. Each salesperson reported one successful and one unsuccessful reacquisition incident; 108 critical incidents were collected for analysis. A four-step sales-process model to regain B2B customers was developed and empirically supported, including: segment lost customers; assess reasons for loss; develop reacquisition activities; and implement reacquisition strategies.

This four-step reacquisition process enables sales firms to identify essential elements and establish protocols/policies to train and motivate salespeople. The framework can help salespeople develop problem-focused solutions to correctly diagnose the situation and effectively re-negotiate with defected customers. Thus, this process may help reduce inefficiency in the reacquisition process and increase reacquisition ratios.
A Liu, M Leach, R Chugh (2015), *Journal of Business & Industrial Marketing*, Vol. 30 Issue 8, pp 906-914.

How sales manager experience and historical data trends affect decision-making

The research examines how trends in historical data influence two types of predictive judgments: territory selection and salesperson hiring. Sales managers are confronted frequently with decisions that explicitly or implicitly involve forecasting with limited information. In doing so, they conceptualize how the magnitude of these trend effects may be affected by the experience managers have in making these types of judgments. Study 1 provides evidence of a relationship between experience and reliance on the trend data whereby the sales territory selections of novice sales managers exhibited greater susceptibility to informational trends than did the evaluations of naïve and expert decision-makers. A benchmark analysis in Study 2 further revealed that the salesperson selections made by novice and expert sales managers were equally biased, albeit

in opposite directions, with novices overweighting and experts underweighting historical performance trends.
DeCarlo, T Roy, M Barone, (2015), *European Journal of Marketing*, Vol. 49 Issue 9/10, pp 1,484-1504.

Customer management

The adoption of strategic pricing by industrial service firms

The purpose of this paper is to measure the extent to which selected contextual variables have an impact on the adoption of strategic pricing by industrial service firms, and determine the effect of the adoption of strategic pricing on company performance. Data was collected from 154 industrial service firms. 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 to improve both qualitative and quantitative aspects of the company's performance.
K Indounas, (2015) *Journal of Business & Industrial Marketing*, Vol 30 Issue 5, pp 521-535.

Fit for global customers: how ALTANA mastered the journey to a customer-centric organization

The study describes the implementation journey of global account management (GAM) programs. ALTANA's case offers a good example of the challenges a supplier faces when attempting to ascend into the highest supplier league, as well as lessons on how they can be resolved. Findings include implementing GAM pays off (ie driving business in good times, protecting business in economic downturns), and implementing GAM catalyses a company-wide transformation and creates client-focused organizational structures without expensive, often useless "integration" projects. The results confirm that implementing GAM pays off, but also show that only a cautious and evolutionary approach generates sustainable success. In this respect, the findings contradict the widespread assumption that GAM programs can be implemented within 12-18 months and offer those who are charged with such a task useful lessons for their own practice.
D Lindner, C Senn, (2015), *Journal of Business Strategy*, Vol 36 Issue 4, pp 3-10.

How organisations generate and use customer insight

The generation and use of customer insight in marketing decisions is poorly understood, partly due to difficulties in obtaining research access and partly because market-based learning theory views knowledge as a fixed asset. However, customer insight takes many forms, arrives at the organisation from increasingly diverse sources, and requires more than mere dissemination if it is to be useful. A multiple case-study approach is used to explore managerial practices for insight generation and use. Multiple informants from each of four organisations in diverse sectors were interviewed.

Findings reveal the importance of value alignment and value monitoring across the insight demand chain, to complement the information processing emphasis of extant research. Within the firm, the study suggests the importance of customer insight conduct practices including insight format, the role of automation and insight shepherding, to complement the much-researched process perspective. The study provides a basis for assessing the effectiveness of insight processes by both practitioners and scholars.
E Said, EK Macdonald, HN Wilson, J Marcos (2015), *Journal of Marketing Management* Vol 319-10,

GOAL

Suppliers' power relationships with industrial key customers

This paper aims to incorporate material derived from four case-study analyses of industrial B2B relationships. Although there is a substantial amount of literature on the concept of power, there is little academic research studying the "perception" of power – especially that of key customers' suppliers – relative to that of the buying company. This paper develops a framework, which provides a different set of perceptions regarding the nature of supplier-key customer relationship. The case-studies involve four firms that have been long-term suppliers to a number of global industrial companies and who have set up key account programs to work with them. The study develops a power framework, which can be used in the analysis of buyer/supplier power and points out the risk that can arise when one or more of the parties involved operates because of incorrect perceptions.
S Lacoste, K Blois (2015), *Journal of Business & Industrial Marketing*, Vol 30 Issue 5, pp 562-571.

Capability development

Professional sales coaching: an integrative review and research agenda

The research provides an integrative review of coaching research from different contexts (eg athletics, executive coaching, project management and sales) delineating professional sales coaching from other developmental activities, and develops a research agenda for stimulating research on professional sales coaching. Professional sales coaching is considered an important sales force developmental program by both sales practitioners and researchers. Yet, research on sales coaching remains fragmented in the extant literature. An extensive literature review of extant research and theoretical perspectives on coaching as well as insights

gathered from exploratory, in-depth interviews of ten sales managers were used to develop the research agenda. The review and research agenda identify a number of sales coaching-related topics that warrant further research. Specifically, the research agenda addresses salesperson characteristics, sales manager and coach characteristics, selling organization characteristics, sales coaching approaches, nature, and effectiveness of the sales coaching process and, finally, outcomes of sales coaching.
V Badrinarayanan, A Dixon, VL West, GM Zank (2015), *European Journal of Marketing*, Vol 49 Issue 7/8, pp 1,087-1,113.

Behavioural studies

The Sales Profession as a Subculture: Implications for Ethical Decision Making

Salespeople have long been considered unique employees. They tend to work apart from each other and experience little daily contact with supervisors and other organizational employees. Additionally, salespeople interact with customers in an increasingly complex and multifunctional environment. This provides numerous opportunities for unethical behavior, which has been chronicled in the popular press as well as academic research. Much of the research in sales ethics has relied on conceptual foundations, which focus on individual and organizational influencers of ethical decision-making. While significant, contributors to this research suggest that alternative theoretical perspectives and methods of investigation should be utilized and call for more research on the status of professional selling as a whole.

The study explores an alternative and complementary perspective based on the theory of occupational choice, social learning, and work groups to gain insight on how the sales profession evolves as its own subculture that extends beyond ▷

individual and organizational boundaries. It discusses the characteristics of the sales profession and empirically examines the relationship between typical individual and organizational factors and sales professionals' perceptions of ethical behavior. In addition, it offers a theoretical explanation that the findings may be due to how salespeople choose to be socialized into the subculture of the sales profession. Third, it examined the theoretical perspective via qualitative in-depth interviews with experienced sales professionals. Results and implications are discussed in terms of a sales profession code of ethics and future research directions.
V Bush, AJ Bush, J Oakley, JE Cicala (2015), *Journal of Business Ethics*, 1-17.

Leadership

Abusive supervision, distributive justice, and work-life balance: perspectives from salespeople and managers
Perhaps in no other field is the employee-manager relationship as important as in sales. Given the performance-driven nature of the profession, firms seek managers who can optimize individual performance while providing a work environment that leads to satisfied employees. Using data collected from salespeople and sales managers, this study suggests that abusive supervision is one factor that negatively impacts both of these goals. Integrating justice theory within a sales management framework, we advance that abusive sales managers alter perceptions of workplace fairness. In turn, this perceived justice negatively impacts life satisfaction of not only salespeople experiencing the abuse but of managers administering it. Further, an unjust workplace established by an abusive manager can actually have detrimental effects on selling performance. Finally, we uncover normative and continuance commitment as factors that can suppress this negative relationship. If salespeople believe that job is a necessity or either party feels some sense of moral or ethical obligation to their firm, they are able to overlook the abuse, and possibly avoid the "double whammy" of negative outcomes associated with it.
CB Gabler, RP Hill, *Journal of Personal Selling & Sales Management* (2015), 1-15.

Marketing or sales: the executive decision
The paper explores and analyses the differences in organizations that choose to have a sales executive versus a marketing executive on the leadership team. The study examined 315 marketing and sales executives across 246 US firms taken from the S & P 1500. The findings suggest that its customer base, branding strategy, investment in product development, and industry drive the company choice of marketing or sales executive positions. The choice of executive is also associated with its firm valuation and cash-flow performance. This paper analyses the differences in organizations that choose among marketing versus sales executives or an executive overseeing the dual sales and marketing function.
H Lee, CJ Scott (2015), *Journal of Business Strategy*, Vol 36 Issue 5, pp 43-49.

Systems and processes

Antecedents of social media B2B use in industrial marketing context: customers' view
The study clarifies B2B customers' behavior regarding their social media use for B2B purposes and the antecedents of this behavior in the industrial marketing setting. It explores the influence of corporate culture, colleagues' support and personal and psychological factors on customer behavior toward social media business use. The authors conducted an online questionnaire survey among key customer accounts of a technology services company. Results show that private social media usage has the most significant relationship with the social media business use. Colleagues at work are also supporting B2B social media use and personal characteristics are of importance. Surprisingly, perception of usability of social media for B2B use did not explain social media business use within our sample.

The paper provides insights into how marketing managers can make an impact with their social media marketing. For example, when planning social media activities, companies need to consider which social media services could serve their marketing and communication targets and would reach the customers. This novel paper provides insights into managers' reasons for using social media and gives guidelines for B2B marketers on how to conduct social media marketing in the future.
H Keinänen, O Kuivalainen (2015), *Journal of Business & Industrial Marketing*, Vol 30 Issue 6, pp 711-722.

The influence of sales force technology use on outcome performance
The research examines whether and how sales technology use helps salespeople perform better through the modification of their customer-qualification skills and customer-oriented selling behaviors. Also, the moderating role of salespeople's technology self-efficacy is analysed. Technological advancements have become an integral part of the personal selling process, yet the relationship between salesperson's technology use and salesperson performance remains primarily unsubstantiated. Data was collected from a diverse sample of 265 salespeople across different industries.

The results indicate that a salesperson's customer-qualification skills and customer-oriented selling fully mediate the effect of technology use on outcome performance. In addition, salespeople high in technology self-efficacy seem to get the most out of their technology use. More specifically, the influence of technology use on customer-qualification skills and customer-oriented selling is stronger for salespeople with high rather than low self-efficacy. Interestingly, technology use only increases performance for salespeople with high self-efficacy. The study adds value to both managers and scholars providing new insights of the link between technology use and performance and its underlying mediating and moderating processes. Without an understanding of the ST-performance relationship, sales managers may increase ST costs but decrease potential returns.
S Román, R Rodríguez (2015), *Journal of Business & Industrial Marketing*, Vol 30 Issue 6, pp.771-783.

It's all about the client

✏️ Chris Alder

Authenticity, cultural fit and solving client problems are just some of keys to selling professional services, reports Chris Alder.

Too many people in professional services do too little to understand the business of their clients – let alone clients' specific issues and concerns. That's a startling conclusion from a white paper published by sales training specialists Huthwaite International.[1]

Add in the growing complexity of bids, plus the ability of customers to access vast amounts of online information for themselves, and it's clear that the days when companies told customers what to think about their products or services – and customers listened – are long gone. As we know, customers are now firmly in the driving seat.

All of which makes selling professional services a challenge. If a customer knows all about a company's services – and how they stack up against other suppliers' offerings – before the salesperson walks into his office, how does that salesperson differentiate his offering from the rest?

Daunting

Anne Blackie, head of bids and client care at consultancy Grant Thornton, one of the world's largest professional services networks of independent accounting and consulting member firms, says: "Selling a professional service can be daunting. It's wider than the service you are selling.

"It's the people who differentiate one company's service from another's. Clients ask themselves: 'Can I work with these people? Have they thought about and understood our business? Is the salesperson genuine?'"

David Rutherford, business development director at multinational professional services firm EY (Ernst and Young), says: "Regardless of market position, and indeed whether one is in professional services or another sector, our view and supporting market research highlights the need for salespeople

> " Salespeople who do well will really understand the needs of the client.

> **"**
> *It is a real challenge to ensure that interactions are consistent with customers across all channels.*

> **"**
> *Anne Blackie: Clients are not interested in buying a showman*

to problem solve. We see the most successful teams and individuals working with customers to understand and focus upon their key outcomes, whilst ensuring that they create a positive experience across multiple channels.

"Having run a number of win/loss programmes for clients, it is clear that cultural fit and the ability to interact with the client's business remains the main driver within any decision-making process."

Customer experience

A 2013 survey of 321 senior US executives from a broad spectrum of industries conducted by business magazine *Forbes* in association with EY[2] found that marketing executives rank customer experience as the most important priority for their marketing department.

But how much has changed since that study was undertaken? Do salespeople in professional services today really understand the business of their clients, or even clients' specific issues and concerns?

Blackie: "Some do it really well but others don't. This is a key part of our training and development programme. We work with clients across a number of sectors and we place great importance on training people to ask the right questions about what is going on in the client's world. Salespeople who do well will really understand the needs of the client.

"Clients want to know what other clients are doing, including whether they are doing things they themselves are not, and possibly should be. They ask us to benchmark themselves against others in their market sector. They also really value insight into what's coming next on the horizon."

And there's no room for sales showmanship. One of the aims of Grant Thornton's sales training is to get sales leaders to identify their "authentic selves", and to be more human in their interactions with clients. Blackie says: "Clients are not interested in buying a showman. Salespeople have to be

genuine. Clients can usually see through a salesperson who is putting on an act." She adds: "Clients want to be assured we can bring them insight into what they are trying to achieve; they want us to challenge their thinking; and they want a good rapport with their professional service supplier."

Deep understanding

Rutherford says: "The professional services industry is centred upon developing a deep understanding of clients' issues and opportunities. Our approach is to develop a clear expectation of service quality, confirming and prioritising clients' issues and a clear, co-developed view of success.

"Clients are clearly well networked in their sector/locality and also use an array of online tools and information to enhance their thinking but, that said, we are also continually asked for insights from other industries as to best practice in key areas such as finance, growth plans or specifics of market entry."

He acknowledges that there are still some salespeople trying to educate customers about their company's services, rather than listening to what the client wants. "We see examples ❯

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> *The great sin in marketing professional services is to sell undifferentiated services.*

> "
> *David Rutherford: One is increasingly seeing customers switching between companies and channels at their convenience.*

of this behaviour in a number of sectors and geographies, but it is clear that the customer is more empowered than ever before, with the Internet allowing for understanding of products, capabilities, market positioning and, depending upon the service/sector, user reviews. All that information can be reviewed without any need for dialogue with a salesperson.

He warns: "The risk of losing business is therefore a reality and means that the sales community needs to speak the customer's language and really understand their needs."

Harry Mills, chief executive of international consulting, marketing and training firm The Mills Group, says the great sin in marketing professional services is to sell undifferentiated services yet, he claims, the vast majority of professional firms do just that. "They continue to sell me-too services. But when you sell undifferentiated services you are simply inviting the client to buy on price – to shop around for the cheapest provider."

Market leader

In his view, leadership is the most powerful way to differentiate a service: "When buyers of professional services look for success criteria to establish a benchmark they invariably start with the market leader. Being the number one player gives you automatic credibility. Clients are much more likely to believe what you say when they know you are the market leader.

"Leadership confers industry prestige. Staff from the leading firm invariably receive more invites to deliver keynote addresses at industry conferences and get sought out by the media for expert commentaries on business issues. Market leadership allows you to charge more."

Specialists

He adds: "A firm of specialists packed with experts commands much higher fees and is far less vulnerable to price competition than a firm of generalists."

How does the wealth of readily accessible online information impact sales strategies? Rutherford says: "It is clear that today's commercial environment is more volatile than ever before. Information has given customers unprecedented power and seen a demand for new terms of engagement. Sales is therefore becoming increasingly data driven with an increasing focus upon the need to problem solve rather than sell a solution, to revise strategies to meet clients' changing needs and to continue to focus upon creating a positive customer experience.

"We also see an increasing need for sales leaders to cooperate more closely with CIOs to install the right sentiment analysis, fulfil demand for product and service detail and respond to key messages.

"Regardless of the product or service in question one is increasingly seeing customers switching between companies and channels at their convenience, based upon the increased knowledge at their fingertips, which the sales and marketing communities need to adapt to.

The Forbes/Ernst and Young study also concluded that the customer is now in control. It notes: "They listen to their family, friends or social networking communities instead of the company itself when making purchasing decisions. Marketing is no longer about the product. It has to be about the customer – her needs, behaviours and the personalised experience she is looking for. It's about developing trusted relationships and creating amazing customer experiences that the customer will then go and tell her friends about."

Rutherford agrees: "We are of the view that any organisation, in any sector, balances new communication channels and delivers a consistent experience whatever the medium. It still holds true that the key is to focus upon using the customers' preferred language and channels, and as an organisation to ensure that social media is managed proactively."

Connecting with customers

But he says an EY study called "Competition, coexistence or symbiosis? The DNA of c-suite sales and marketing leaders"[3] showed that a significant number of sales leaders are slow in embracing new ways of connecting with customers. "An interesting statistic was that only 2% of CSOs believed that social media has changed the way they work," he says.

"Our view is that the relationship has always been the most important aspect of any business interaction, but with the rise of technology it is a real challenge to ensure that interactions are consistent with customers across all channels. This is continuing to challenge and enhance the skills of the sales community – with leadership needing to exploit big data and find new ways of building customer intimacy."

[1] http://www.huthwaite.com/resources/whitepapers/putting-professional-back-professional-services#sthash.CH1jsefR.dpuf
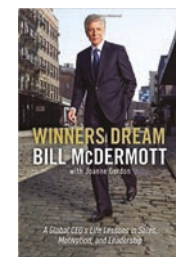
[2] http://images.forbes.com/forbesinsights/StudyPDFs/EY_The_Customer_Experience_REPORT.pdf

[3] http://www.ey.com/Publication/vwLUAssets/EY-competition-coexistence-or-symbiosis/$FILE/EY-competition-coexistence-or-symbiosis.pdf

Resources

Books

***Winners Dream: Lessons from Corner Store to Corner Office,* Bill McDermott**
In the pantheon of CEOs, few people have the visibility, charisma and hunger of Bill McDermott, sole CEO of SAP SE since May 2014, the first American to hold that position. His career is a classic story of ambition and drive: from the hard-knock streets of his youth in Long Island, to his first forays in business behind the counter of a deli he bought and then operated at the age of 17, to his extraordinary rise through Xerox Corporation where he pleaded for his first job, through Gartner and Siebel Systems. His stories – at turns hilarious and moving, but always inspiring – offer invaluable lessons in self-direction, management and leadership. His memoir, was published by Simon and Schuster in October 2014, and won an Axiom Business Book Award.
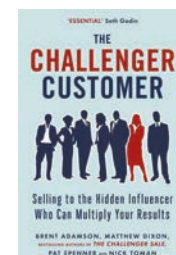
***The Challenger Customer: Selling to the Hidden Influencer Who Can Multiply Your Results,* Matthew Dixon and Brent Adamson, authors of The Challenger Sale,** with Pat Spenner and Nick Toman
The Challenger Customer is the long-awaited sequel to the bestselling sales classic *The Challenger Sale*, the book which introduced the controversial idea that challenging the customer is the key to sales success.

But it turns out that's only half the story: it's not just that you challenge, but who you challenge that really matters. To win today, you need a Challenger inside the customer organization – a mobilizer.

Now, after years of extensive research, the team behind *The Challenger Sale* is back with another game-changing playbook for anyone who needs to sell anything. They have discovered that, contrary to popular belief, the highest-performing sales reps in all industries get results by targeting customers who are sceptical, difficult and less loyal to suppliers. These customers are the "mobilizers".

Mobilizers can become your strongest allies within your target company: they can bring together a diverse set of stakeholders, fight for large-scale disruptive change and, ultimately, help you win the deal. The Mobilizer Sale offers a roadmap for how to identify them, how to engage them and how to make the sale that will pay again and again, the authors claim. Published by Penguin Random House.

Webinars

Accelerating Sales Performance, 6 November, 15.00-16.00 (UK time).
Consalia webinar sharing performance improvement by Sony Mobile (market share doubled in two months) and Toshiba TEC UK (unit sales up 76% in one year). *Register via: https://summitvalue.webex.com/mw3000/mywebex/default.do?siteurl=summitvalue*

Selling condoms in the Congo
HIV is a serious problem in the DR Congo, and aid agencies have flooded the country with free and cheap condoms. But few people are using them. Why? "Reformed marketer" Amy Lockwood offers a surprising answer that upends a traditional model of philanthropy. A global development worker, Lockwood is the deputy director of Stanford's Center for Innovation in Global Health, where she looks at new solutions to big problems. (Some NSFW images.)
https://www.ted.com/talks/amy_lockwood_selling_condoms_in_the_congo

What consumers want
Customers want to feel what they buy is authentic, but *Mass Customization* author Joseph Pine says selling authenticity is tough because, well, there's no such thing. He talks about a few experiences that may be artificial but make millions anyway. A writer and veteran consultant to entrepreneurs and executives alike, Pine's books and workshops help businesses create what modern consumers really want: authentic experiences. He says: "'Mass customization' was coined by Stan Davis in his 1987 book *Future Perfect*, which is as applicable today as when he wrote it."
https://www.ted.com/talks/joseph_pine_on_what_consumers_want

Choice, happiness and spaghetti sauce
Tipping Point author Malcolm Gladwell

gets inside the food industry's pursuit of the perfect spaghetti sauce — and makes a larger argument about the nature of choice and happiness. Detective of fads and emerging subcultures, chronicler of jobs-you-never-knew-existed, Gladwell's work is toppling the popular understanding of bias, crime, food, marketing, race, consumers and intelligence. *https://www.ted.com/talks/malcolm_gladwell_on_spaghetti_sauce*

How to get your ideas to spread

In a world of too many options and too little time, our obvious choice is to just ignore the ordinary stuff. Author Seth Godin spells out why, when it comes to getting our attention, bad or bizarre ideas are more successful than boring ones. Godin is an entrepreneur and blogger who thinks about the marketing of ideas in the digital age. His newest interest: the tribes we lead. *https://www.ted.com/talks/seth_godin_on_sliced_bread*

Research reports

Ernst and Young white paper – *What do B2B budget holders really think of social media?*
Want to know what leading marketers are thinking and doing about social media but don't have the time to read volumes? This whitepaper includes the opinions and observations of six top marketing minds, gathered from a two-hour roundtable discussion but condensed into a five minute read.
Find out what works, what doesn't, and how to produce content for social media.
Available at http://www.b2bmarketing.net/resources/whitepaper-what-do-b2b-budget-holders-really-think-social-media

Ernst and Young white paper – *The touchpaper question: How (and why) B2B buyers start the buying process*
If there is a golden moment for B2B marketers, it is the very outset of the buying process – when the blue touchpaper is first lit. Every purchase begins with a decision, usually made around a boardroom table, to give the green light to a purchase. Whether it is investing in new IT equipment, putting out a tender for business services or

starting a property search, there is a single point that every interested brand would dearly love to know about - and when they would love to be present in the minds of those around that table.
Available at http://www.b2bmarketing.net/resources/touchpaper-question-how-and-why-b2b-buyers-start-buying-process

Chartered Institute of Management Accountants white paper – Designing value and valuing design

This paper explores how management accounting can facilitate product development and effective design in order to enhance brand value. It focuses on the small business sector, where companies may not have the resources to investigate design potential in the same way as large organisations do.
Read more at http://www.cimaglobal.com/Thought-leadership/Research-topics/Marketing/Designing-value-and-valuing-design/

Blogs

What separates the strongest salespeople from the weakest – *Harvard Business Review*

"Heavy hitter" Steve W Martin recently conducted a research project involving nearly 800 salespeople and sales leaders to better answer this question. He lists the attributes demonstrated by high-performing salespeople who exceed their quota compared with underperformers who miss their quotas by more than 25 per cent as follows: verbal acuity; achievement oriented personality; situational dominance; inward pessimism; sales management impact; and sales organisation influence.

He says: "The study results indicate that individual sales success is not dependent upon the growth rate of the company. Sales performance is more likely dependent on the attributes of the individual and sales environment characteristics over company-related influences."
Read more at: http://heavyhittersales.typepad.com/heavy_hitter_sales_sales_/2015/04/what-separates-the-strongest-salespeople-from-the-weakest-harvard-business-review.html

Sales consultancies

Global consultancies with a significant sales practice

Consalia

Consalia is a joint venture formed by three of Europe's largest and most well-respected consulting groups: Praxi,

Development Systems and ITC Network. The group has a combined turnover of €35m, with around 400 salaried consultants, and 20 offices in Europe and the Americas. In addition, Consalia has affiliate partners in Europe and Asia.

The consultancy is organizing a number of events that may interest readers:

Briefing – Masters in Sales Transformation series, 20 November, Grand Hyatt, Hong Kong 11.30-12.30

Consalia & Middlesex University lunch, 20 November, Grand Hyatt, Hong Kong With Professor Tim Blackman, Vice Chancellor.

***Training Journal* Awards 2015 Gala Dinner, 25 November, The Brewery, London, UK**
Consalia is sponsoring this year's "Best Sales Training' category at the *Training Journal* Awards 2015. This award recognises the contribution of the best sales development programmes in delivering personal and organisational growth, crediting those initiatives which offer insight, new thinking and methodologiess for increasing sales performance across the organisation.
http://www.trainingjournalawards.com/award-category/best-sales-programme

Briefing – Masters in Sales Transformation series, 10 December 2015, Brand Exchange, London, UK 16.30-17.30

Consalia networking event, 10 December 2015, Brand Exchange, London 17.30-20.00: Join a distinguished community of sales leaders, including updates on the progress of the International Journal of Sales Transformation.

The British Council Higher Education Conference, 2-5 May 2016, Cape Town, South Africa

The world's largest higher education conference seeks to bridge the gap between academia and practice. This year's theme will focus on "Economic development: skills, enterprise, research and innovation". Consalia will be chairing a panel discussion with SAP's CEO Nigeria and Toshiba's CEO UK, amongst others.
http://www.britishcouncil.org/going-global

For further details of Consalia events, please email Phil Linter: plinter@consalia.com.

How comfortable are sales managers in their roles?

✎ Andrew Dugdale

	Europe	Africa	South America	North America	Middle East	Australia & Asia Pacific	China
Overall	3.2	3.2	3.1	3.0	2.9	2.9	2.6
Detail							
Leadership	3.5	3.4	3.5	3.3	3.1	3.0	2.6
Planning & organising	2.7	2.6	2.5	2.7	2.9	2.4	2.0
Persuasive	3.6	3.8	3.5	3.4	3.3	3.0	2.4
Problem solving & analysis	3.0	3.1	2.8	2.6	2.8	2.7	2.2
Oral Communication	3.5	3.7	3.6	3.2	3.1	3.0	2.6
Commercial awareness	3.7	4.1	3.7	3.7	3.0	3.2	2.2
Action orientation	3.2	2.9	3.1	2.8	2.5	2.9	3.2
Interpersonal sensitivity	2.5	2.3	2.4	2.4	2.6	2.7	3.6
Resilience	3.1	3.1	3.0	3.0	3.0	2.8	3.0

Note: **Highlighted** *data indicates poor comfort in the role.*

Key takeaways

- There are clear common themes across all regions, especially notable is **Planning and organising**. "You would have thought that this would be a key factor for sales managers to be strong but clearly not!" comments Andrew Dugdale of SalesAssessment.com, the company that provided the data.
- Also notable by its absence is **Interpersonal sensitivity** – "yet another key sales manager trait you would have thought would have been high for this group."
- Action orientation was also relatively weak, as was **Problem solving** and **Analysis**.
- "The big shock here is the China results: should China succeed in solving its sales manager competency deficits, the rest of the world may well find itself considering the cost of complacency in this business-critical role."

Analysis

Dugdale adds that CSO Insights recently found that 63.5% of companies surveyed reported that the processes used by their sales managers for forecasting business needed improvements or a major re-design. In addition, some 59% suggested their sales recruitment process was broken; a further 36% said they were unable to retain top-performing sales talent.

"All of these are key aspects of the sales manager's role, so when you see the results of the assessments, and you compare it with what research is finding, maybe this says it is time to put real focus onto hiring and developing the right sales talent, from the sales leaders and managers down.

"If we shift our focus to the trainable aspects of the sales manager's function, the story is even worse, showing large areas of critical job skills that sales managers are just not being trained to perform," he concludes.

Methodology

The above data includes 578 sales managers assessed by SalesAssessment.com across the main global regions during 2015. **Benchmark for the global average level of comfort is 3.0**. Thus, any figures above 3.0 are indicative of higher-than-average levels of comfort in the role; conversely, figures below 2.8 indicate reduced levels of comfort. No attempt has been made to link levels of job comfort for sales managers to regional geo-political circumstances.

For more on this data or if you have queries about what it may mean for your business, please contact: Andrew Dugdale, President, SalesAssessment.com, adugdale@salesassessment.com.

Strategic priorities of B2B customer management

✎ Peter Lavers

THIS WILL DESCRIBE YOU BY 2018 OVERALL PRIORITIES	
1	**Relationship & Value Building (Farming).** Our business is primarily sustained by developing long term customer relationships, which are deep and broad. Every interaction is an opportunity to up/cross-sell or deepen relationships.
2	**People & Competencies.** Our people are a key competitive advantage, consistently living the customer culture with high levels of knowledge, skill and attitude. We hire for attitude and attract, develop and retain the best.
3	**Brand & Proposition.** Our brand personality is clearly defined and we are excellent at marketing it. Propositions are hard-nosed promises not vacuous "we'll try to" statements, and staff are clear on whom and how to deliver them to.
4	**Hunting New Business.** Market share growth is the key driver in our business. Our pipeline is quality-managed and the front line is organised for new business development. We celebrate wins and learn from unsuccessful bids.
5	**Target Market & Sectors.** We drive competitive advantage through our expertise in the markets and sectors that we choose to target & develop. We are disciplined about not spending time and effort on off-target opportunities.
6	**Key Account Management.** Key Accounts are strategically important to our business. Dedicated teams, joint business plans, contact strategies and relationship quality assessments ensure high levels of co-working & shared values.
7	**Negotiating & Selling.** We negotiate hard but fairly and use insight to never lose a bid from poor preparation or win a bid that turns out unprofitable. Our staff are trusted advisors as well as technical experts.
8	**Organisational Design.** We are a customer-centric organisation with innovation, flexibility and entrepreneurialism in our DNA. We never allow internal silos, power bases or politics obstruct our excellent customer experience.
9	**Channel Management.** We monitor and optimise channels & media to grasp opportunities for quicker/better/cheaper ways to sell/service our propositions. Intermediaries & brokers rate us highly as preferred partners.
10	**Ways of Working.** We have clearly defined our way of doing things to continuously make it easier and cheaper to do business with us. Efficient and up-to-date processes ensure operational excellence and a 'personal touch'.
11	**Information & Technology.** Leading-edge technology is core to our proposition and we practice what we preach through pioneering IT and passion for customer data quality.
12	**Category Management.** An insight-driven product or end user-defined category perspective is employed that focuses on understanding, targeting and developing each category as a market in its own right.

What did companies prioritise?

- The first section of the report reveals that, at the overall level, **Relationship & value building (farming)** takes top priority. However, it is not an emphatic victory – it comes out on top because half the respondents rated it in their top three.
- **People & competencies** is a strong second overall and **Brand & proposition** completes the top three, underlining the vital importance of interpersonal skills and staff stability in offering and providing a compelling customer value proposition.
- The two threads that relate to **acquisition** (hunting and market targeting) come next in the priority list – indeed they are top priority in some regions and sectors.

OVERALL RANK

Golden Thread	Banking & Financial	Telco & Techology	Advertising & Marketing	Manufacturing	Insurance
1 Relationship & Value Building (Farming)	1	3	1	3=	4=
2 People & Competencies	2	2	4	3=	1
3 Brand & Proposition	7	9	3	6	2
4 Hunting New Business	5	1	2	2	6
5 Target Markets & Sectors	6	6	5	1	4=
6 Key Account Management	3	5	6	8	10
7 Negotiating & Selling	11	4	7	7	3
8 Organisational Design	4	7	11	5	8
9 Channel Management	10	11	8	12	7
10 Ways of Working	8	10	10	9	9
11 Information & Technology	9	7	9	11	12
12 Category Management	12	12	12	10	10

- **Key Account Management** (KAM) and **Negotiating skills** make up the mid-table. These are more sophisticated elements of customer management, suggesting that many B2B companies are still concentrating on getting the basics right.

Strategic priorities by sector

When considering the priorities by sector, **farming** is the top priority in only two of the five most populous, but it ranks in the top three of two others. **People & competencies** is similarly consistently ranked in the top three, but thereafter a wider spread of priority emerges. Several sectors lead with an **acquisition** focus, and manufacturing favours its approach to **Markets & sectors**, possibly reflecting globalisation.

Regional strategic priorities

Some similarities and distinctions emerge across regions. UK and European B2B companies are much less customer acquisitive; the Americas aim to rely least on people but more on **Channels & categories** to both hunt and farm; Africa/Middle East are the most focused on **KAM** and organising for customer centricity.

The larger B2B businesses are more people, retention and KAM focused than their smaller counterparts. This is reinforced with a higher priority for **Organisational design**.

Conclusions

- "The top three priority Golden Threads should all be seen as crucial for companies to be corporately competent at," comments Peter Laver, author of the report. "There is a risk of a company being left behind if it fails to be at least on a par with good practice in these areas because B2B companies overall are strategically aiming to excel in them."
- The threats posed by competitors' customer acquisition strategies and activities (which are top priority in some sectors and regions) must be taken seriously and responded to accordingly. "Strategically this means either bettering their strategies if acquisition is also your primary aim, or countering their targeting with excellent loyalty-building capabilities. The numerous respondents who rated both hunting and farming in their top three will need to be incredibly well led, organised and measured to create a culture that is effective at both."

Methodology

This research was carried out internationally by Customer Attuned and its partners in the summer of 2015. There were 105 people responses, representing 15 different sectors of B2B industry. The online survey was simple to complete. It asked some qualification questions (name, email, company, job title, industry, employee numbers and country) and then listed 12 "desired states" of B2B customer management (one per golden thread) that could describe your business in 2018. Respondents were asked to prioritise them by clicking and dragging them into priority order. Finally, it asked one open-ended question as to why your top-priority choice is so crucial.
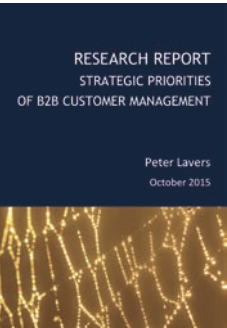
Further information

For further information on the research or for a copy of the full report, please contact the author, Peter Lavers: Peter.Lavers@customerattuned.com.

What are the 12 Golden Threads?

The 12 Golden Threads are divided into four categories under three subject areas. They seek to define critical business-to-business (B2B) capability across knowledge, strategy, planning, implementation and results in relation to Customer Attuned's assessment process.

Operating in and developing your market	Managing account relationships	Organising resources and operations
Target Markets and Sectors	Hunting New Business	Organisational Design
Brand and Proposition	Negotiating and Selling	People and Competencies
Category Management	Relationship and Value Building (Farming)	Ways of Working
Channel Management	Key Account Management	Information and Technology

About the Researcher

Peter Lavers is a co-founder and Director of Customer Attuned Ltd. He is an expert in CRM and customer experience management, and recognised as a top influencer in the subject. His early career was with Rolls-Royce and Bentley Motors, where he trained as an engineer and went on to hold senior roles in commercial and logistics, market analysis, customer satisfaction, regional marketing and in his last client-side position as head of relationship marketing. He joined customer-management consultancy QCi, and rose to become QCi's managing partner after its takeover by OgilvyOne Worldwide, who also appointed him as MD of Customer Futures, their international network of customer experience learning groups. In addition to Customer Attuned, Peter is MD of WCL Customer Management Ltd and represents Deep-Insight in the UK.

Win-loss reviews analysis

Loss

1 Value proposition – 52%
Poorly articulated proposal, missed the point, no business links to prospect.

2 Relationships – 15%
- Or lack thereof. Prospect and non-decision makers did not feel valued or important.

3 Delivery capability – 10%
Little or no connection with key players and delivery team during procurement phase.

4 Price – 9%
Mismatch between stated budgets/expectations and price.

5 Business understanding – 5%
Failed to demonstrate knowledge of prospect's business, plans and where/how solution could add value.

6 Commercial model compliance – 4%
Too much time spent arguing over compliance rather than considering commercial innovation.

7 References – 3%
Unsuitable and/or unconvincing credentials.

8 Transition/transformation – 2%
Proposed plans were weak and failed to address or consider risks.

Win

1 Value proposition – 47%
Credible links to issues with clear benefits expressed in financial and business terms.

2 Consultative approach – 17%
Solid partner-relationship with prospect from outset.

3 Business understanding – 11%
Solid industry knowledge, including prospect's position and objectives; added value at each stage using demonstrable experience.

4 Relationships – 11%
Broad and deep relationships that engendered TRUST; prospect knew who was responsible and felt valued.

5 Commercial model compliance – 5%
Flexible, scalable with a price that delivered savings in line with expectations; T&Cs offered reasonable outcome and protection.

6 References – 4%
Credentials with clear link to services/products; powerful, tailored site visits reinforced messages.

7 Delivery capability – 3%
Exposure to proposed teams and appropriate scalability led to TRUST in delivery capability.

8 Existing clients – 2%
Assurance of new faces, new ideas and best practice; not allowing relationship to go stale.

Data kindly provided by PSP, www.practicalsalesprocesses.co.uk.

RESEARCH SOURCES

- Independent win-loss reviews commissioned by PRP clients between 2012-2015.
- More than 100 individual companies interviewed; all in B2B arena.
- 80 %+ independent win-loss reviews commissioned by chief sales officer, occasionally the CEO.
- Business sectors: technology, process outsource, finance, engineering support services and electronics.
- Geographies: UK, Europe, APAC and North America.
- Almost all clients chose to review specific deals only (instead of all pursued opportunities in a given period).

PURPOSE

Win-loss reviews help organisations identify and understand the strengths and weaknesses of their commercial propositions as perceived by the buyer. The feedback enables clients to develop stronger, better-targeted value propositions and consistently win more business.
An independent win-loss review:
- Enables 360° view of an opportunity
- Provides analysis of internal deal factors that contributed to the end result
- Main reasons organisations conduct independent win-loss reviews:
- Major, strategic or complex opportunity
- Win/loss expected and reverse happened
- New market/client

CONCLUSIONS

- 95% of executives felt that "independent facilitation" was a key factor in them providing open, constructive feedback.
- >90% of buyers felt independent win-loss reviews contributed to a more positive view of the commissioning company.
- Almost without exception there was more than one contributing factor that drove the award decision.
- Value proposition was the top reason for both winning and losing deals.
- Relationships and business understanding are in the top five for both winning and losing.
- Price is number four reason for loss (reflecting other surveys seen) but not in top eight for winning.*

*A likely reflection of B2B, typically a services market; price-driven procurement is more prevalent in commodity sales.

Notes from Japan

✎ Roger Byatt

Roger Byatt offers his personal reflections on the recent GSSI conference.

The 9th Global Sales Science Institute conference was hosted this year by the Hiroshima University of Economics at their facility on Miyajima Island on 12-15 June. This year's theme was "Sales Force Skill Development: How Can We Improve Selling Ability?". Over 50 delegates from Asia, North America and Europe were treated to an intense and stimulating programme of competitive papers and thought-provoking special sessions.

DAY 1

The conference opened with keynote speaker Atsushi Iimuro, General Manager, Life Sciences, GE Healthcare, who spoke about the thorny question of how an organisation measures the effectiveness of different market interactions.
GE have the aim of maximising the lifetime value of their interactions with customers. The challenge was to work out which contacts yielded the best results, which they set out to achieve by analysing feedback from customers, including a systematic quality score. What they found was that those who gave scores of 9 or 10 were "promoters" of GE; scores 7-8 were "passives", while 1-6 were "detractors". From this data, 1-5 scales for "quality" and "acceptance" were developed.
The next step was to build this scheme into a model to establish clear metrics of effectiveness. The formula arrived at was:

$$N \ (customers) \ x \ t \ (exposure \ time) \ x \ Quality \ Score \ x \ Acceptance = Effectiveness$$

Iimuro then gave two examples to show how this has impacted thinking at GE:
Catalogue: 1,000 sent x 3 minutes' exposure time x 1 x 3 = 9,000 NtQA (effectiveness) score. This sounds high but, when tracked, resulted in no sales leads. This was compared with a seminar, which scored: 300 customers x 15 minutes x 5 x 5 = 112,500 NtQA. Although far fewer customers were impacted, lots of leads resulted.
GE then decided to focus on understanding the unmet needs of its customers, as some 85% are repeat purchasers. This was done by listening to the voice of the customer using the Chatter platform to distil the VoC; it captured some 6,000 comments a month and found that existing customers are very effective at finding new customers for GE. Researchers in life sciences talk to each other and share experiences. Accordingly, the sales force was retargeted: 21 key accounts were identified and ten sales people were allocated to them. These accounts generated some 40% of sales. The remaining 60% came from about 40,000 other customers; they were not cost effective to cover directly and so a dealer network was established with some 346 offices.
This approach has allowed GE to develop its Life Sciences Academy (LiSA), which is both a learning tool for researchers and, through clever use of cookies, enables GE to capture their activities and more effectively interact with them and identify unmet needs.

Competitive session

The first competitive session focused on the theme of "Sales Education and Creativity". It was started by Heidi Kock of Haaga-Helia University of Applied Sciences, Finland with "The Importance of Teaching Sales Skills to Other Audiences: The Case in Information Technology Education". The team carried out 57 interviews with IT sales specialists to directly inform the curriculum. What ❯

they found was that small organisations wanted a combination of technical knowledge and sales ability; large companies required team selling skills. There was also a clear recognition of the need for people to be skilled at internal selling when so many products and services are a collaborative effort. This work has shown that IT students will need sales skills training.

How these skills can be developed in students was developed in the paper by Sami Kalliomaa of JAMK University of Applied Sciences, Finland. An interesting experiment in teaching methods was carried out: students were split into two sections; one was taught sales skills using problem-based learning (PBL) utilising the Freinet learning circle method and the other by case-based learning (CBL) or "learning by doing". Student feedback was then measured. It was clear that both methods achieved good student outcomes but CBL was received better by the students and led to higher student satisfaction scores, which are important for many institutions nowadays.

^ Miyajima Island: venue for the 2015 GSSI conference.

Roger Byatt

> **"**
> **Sales competitions increased performance and employability, with several employers on both continents seeing them as fertile recruiting grounds.**

How to inspire teams more effectively was the theme of the paper from David Shepherd of Georgia Southern University and Felicia Lassk of Northeastern University. They studied 142 sales teams in the USA. What they found was that sales managers, as had

been previously proposed, do have a significant impact on the performance of sales teams. The study used the 16-item WLEIS scale, 12-item Rego creativity scale, and the 9-item Cravens job performance scale. The most successful and creative teams had sales managers with good levels of emotional intelligence (EI). Thus companies should be testing, nurturing and developing people with EI, and universities should be seeking to develop this ability in students.

Increasing students' skills

Two special sessions looked at initiatives to increase the skills of students. The first was a paper by Roger Byatt and Florin Vladica of the University of Portsmouth, Ed Bradford of Market2Win, and Dorothy Byatt of the University of Southampton. They had used two business simulations to try to enhance students' ability to make connections between different parts of their course and to enhance strategic understanding and thinking. One, Market2Win focused on strategic marketing and SAM2Win on Strategic Account Management.

Student reactions were surveyed in the University of Portsmouth and six other universities that used one or more of the programs. These showed that students perceived that they had gained or enhanced important skills and their confidence had improved. When UK government data was examined to see whether the employment prospects of students from courses using the simulations had improved, there was evidence of a positive change, although it could not be established that there was a direct causal relationship.

The second paper – by Liisa Kairisto-Mertanen and Sirpi Hänti of Turku University of Applied Sciences, Finland; Ellen Bolman Pullins of University of Toledo, Deva Rangarajan of Vlerick Business School, Belgium; Arndt Borgmeier of Aalen University of Applied Sciences, Germany; and Karl Pinczolits of Fachhochschule Wiener Neeustadt, Austria – looked at experiences with sales competitions that have been held for some time in the USA and more recently in Europe. They found that students responded well to them and such competitions increased performance and employability, with several employers on both continents seeing them as fertile recruiting grounds. International competition with cultural differences between countries were seen as especially good preparation for recruitment and careers in international sales.

The next session focused on the tension that exists between sales and

^ Atsushi Iimuro: measuring the effectiveness of different market interactions.

Jobst Gorne

marketing in many organisations. Deva Rangarajan, Robert Boule and Bert Paesbrugghe of Vlerick Business School, Belgium and Bert Weijters of the University of Gent, Belgium presented

^ GSSI co-chairs Dr Dawn Deeter-Schmelz and Professor Kenichi Hosoi.

Jobst Gorne

"Sales and Operation Integration: The Role of Collaboration and Alignment". Their succinct summary was "Kraljic Matrix meets Sales".

Carrying out a survey of 92 respondents in organisations across the globe, the team found that in organisations where there is clear collaboration between sales and operations then there is a clear alignment of objectives, which leads to increased performance. There is also a reduction in conflict in these organisations. This reinforces existing literature and emphasises the need both for adaptive selling approaches and cross-functional collaboration.

Best paper

The conflict between sales and marketing was the theme of the paper from George J Avlonitis and Konstantinos Lionakis of Athens University of Economics and Business, Greece. This won the best paper award at the conference.

A growing body of literature suggests that "poor alignment between these two functions is associated with inconsistencies between Marketing tactics, Sales management processes and Sales force activities (eg, Strahle et al 1996). However, the M-S relationship is characterised, mainly, by a lack of cohesion, distrust, dissatisfaction and conflict (Dewsnap and Jobber 2000, 2002)."

^ George Avionitis: best paper winner.

Jobst Gorne

Using data from both sales and marketing functions in 132 consumer packaged goods companies out of 409 identified, the team found that sales and marketing respondents in one in five cases had different views about the organisation's strategy and this was a clear source of conflict between the teams. Where firms had a clear market orientation then sales and marketing had a more effective relationship and this led to increased performance.

The researchers recommend that companies that want to maximise performance should have a common training programme for sales and marketing personnel and that there should be regular meetings between the teams to talk, share ideas and debate strategy. Furthermore sales and marketing managers should spend time in the field with each other's teams to increase understanding.

This theme was picked up and reinforced by Ravi Sohi of the University of Nebraska-Lincoln and Avinashe Malshe of the University of St Thomas in their paper "Sales and Marketing:

^ GSSI 2015: more than 50 delegates attended.

Jobst Gorne

Two Coins or Two Sides of the Same Coin?". They carried out qualitative research with 56 firms using the Rouzies framework to examine areas of conflict and integration.

One of the interesting findings is that sales and marketing people often require different types of language and input. Thus you can have conflict at a conceptual level. To generate buy-in from sales an objective and rational case needs to be made, something at which marketing people are sometimes poor. Furthermore, giving salespeople a voice when creating strategy increases acceptance and cohesion.

However, these cross-functional teams tend to be temporary whereas the research indicates that permanent hybrid teams, with encouragement to break down silos through informal relationships at all levels, will yield greater results.

> **"**
> **Sales and marketing people often require different types of language and input.**

DAY 2

The overarching theme for the second day was "Managing the Sales Process and Key Accounts". Pia Hautamaki of Haaga-Helia University of Applied Sciences in Finland asked "How Does Complexity Impact Salesperson Ability to Get the Appointment?" and presented a challenge to managers to think carefully about whether they are using all the right communication tools and activities.

It was argued that the business environment is getting more complex; at the same time businesses need to win new customers to grow, expand or survive. Therefore the big challenge

is: "How do buyers meet new sellers?" Literature suggests there is more information available to buyers than ever and they engage in considerable pre-screening, so that most of the decision is made by the time of any meeting. The research undertaken showed that business buyers only meet salespeople when they have a problem to solve. Generally they do not answer calls from numbers they do not recognize. This presents a sales professional with a real challenge when trying to reach someone with whom they do not have an existing relationship.

Business buyers told the researchers that they pre-screen by searching for salespeople and approaching them. They use the Internet to identify contacts who appear to have knowledge that may help them solve their problem. The buyers try to prepare well before meetings and expect the same from salespeople. A general pitch will get nowhere. This means that sales managers should ensure new recruits can engage in digital channels and are contributing in the right places so they are seen as an advisor with real expertise.

Professional services

This theme was picked up by John Wilkinson of the University of South Australia whose exploratory study of professional services firms showed that these services often bypass the conventional purchasing function in organisations. Instead, professional services firms tend to directly approach relevant senior staff, such as the chief financial officer. They need to then see a benefit in using the firm and the decision to engage them depends more on perceived trust and expertise than price.

Felix Weispfenning of Coburg University of Applied Sciences in Germany carried out a meta-analysis into the effectiveness of sales leadership. What he found might make one think about recruitment. It found a correlation between a leadership style that was person-oriented and reduced staff

turnover and increased performance. However it also showed that sales managers feel more comfortable operating in a task-oriented manner.

> *"*
>
> *Sales managers should ensure new recruits can engage in digital channels and are contributing in the right places so they are seen as an advisor with real expertise.*

Stefan Wengler of Hof University in Germany then looked at "Breeding the Key Account Manager of Tomorrow". His research identified the following key requirements for an effective key account manager:

- To understand customer requirements in depth
- To be able to customise company products

Training of salespeople is often on the job, and this was contrasted with that of buyers, who are increasingly professionalised and very well trained. This means many salespeople are unprepared to operate in this climate. At the same time, market dynamics are also increasing: there is intensifying competition; customisation demands are growing; and more suppliers exist in most markets but there are fewer buyers.

In an era of globalisation, salespeople are also not well prepared for cultural differences. Wengler then presented a challenge to educators and companies:

- Training content and methods need to be revised in order to better prepare students and novice salespeople.
- Educators need to understand and more closely match teaching to the training needs of business.
- Companies need to allow more and better resources for training and coaching.

Belief and trust

J Andy Wood of James Madison University reminded delegates that salespeople need to believe in what they are doing. He found he was getting orders very quickly in the building

industry. He believed that was because he was trusted but trust, in literature, is said to build over time and that could not explain the first-call success rate. Citing work going on in neuroscience and neuro marketing, and based on ideas by Paul Ekman regarding evolutionary stable signalling and micro signals, he proposes that there is a signalling system that relates to trust and is relevant to sales. This means that if salespeople do not believe in what they are selling then it will show.

Felix Weispfenning then showed delegates that different parts of a business can have different ideas about what makes effective leadership. His research showed that technical areas of business are more in favour of transformational leadership styles than sales and marketing. Thus sales and marketing managers need to understand and adapt their approach if they want to impact other business functions. Doing this will also make more effective use of resources and enhance understanding.

Lenita Davis of the University of Alabama, Ellen Bolman Pullins of the University of Toledo and Andrea Dixon of Baylor University reported on an ongoing study into marketing and sales channels. They argued that "Given new technologies empowering customers/consumers and the high level of dynamism in global markets, we need a robust framework for understanding how the sales channel structure frames the selling function or impacts the salesperson's role in the modern business world."

The latest output from this work is a new fragmentation framework for sales channels. "The traditional sales process includes: prospecting, pre-approach, questioning, needs assessment, presentation, overcoming objections, gaining commitment and follow-up (Rich, Spiro & Stanton 2002). Considering fragmentation theory, the sales process is transformed to: (1) connecting with individuals, organizations and their ecosystems; (2) understanding via questioning and information search; (3) sharing information and resources; (4) providing innovative solutions that create value; and (5) episodic closure of value creation and logistics. The process is transformed to reflect the quantity of relevant information available to buyers and sellers." This builds on many of the themes that have been appearing in literature and the arguments of people like Professor Neil Rackham.

Joël Le Bon of the University of Houston looked at the role salespeople can play in getting bills paid. He presented research from 553 business customers which showed that trade

credit, while attracting customers, is one of the largest items on any balance sheet.

The research showed that KAMs have relationships at multiple levels in companies. These can be used to affect accountants' invoice evaluation and to accelerate payment. Given the cost to business of late payments, the potential for salespeople to act as ombudsmen provides a line of enquiry that is being pursued.

New thinking on established topics

The final session comprised a series of papers, which sought to revise our thinking about established topics. In the first of these, Uwe Jaeger from Hochschule der Medien Stuttgart in Germany examined the theme of co-creation in sales, taking the printing industry as his point of study. Based on responses from 13 out of 26 identified companies, there was considerable evidence of co-creation activity, which supports the idea that this activity is prevalent in "knowledge-intensive business services (KIBS)". This is despite the obstacles posed by, for example, intellectual property rights issues.

Gabriele Hildmann from Innovation Platform in Germany and Ulrich Vossebein from Technische Hochschule Mittelhessen in Germany then looked at the energy industry, which has traditionally been seen as a commodity. They found that it is a sector undergoing – and expecting more – transformation in the sales area: 63% of respondents foresaw changes caused by competitors.

While this was not unexpected, 41% saw changes being brought about by customers and this result was more surprising. Respondents saw customer expectations undergoing change and this would have a very significant impact on the importance of accurately identifying customers' needs. More work will now be carried out into this area. It is hoped to identify the impact of this on sales organisation, skills and training plans for the energy sector.

Eigyo

Masayuki Takigawa, Takashi Kawashima, Kazuhiro Noborisaka, Toshihiro Ueda, Shinji Honge, Kotaro Mukai, Hozumi Waki, and Kwansei Gakuin, all of the University Institute of Business and Accounting in Japan, examined the way that Japanese sales people (Eigyo) create customer value in order to better understand the relationships between sales styles and the value created. Their study was undertaken in Japan and was based around Shimaguchi's sales styles.

What they found was that there were "five values generated by the selling operation":

- The information value – Appropriate information provided by a salesperson reduces the risk of decision-making.
- The advice value – Salespeople help the customer to have the right purchase plan by providing appropriate advice when the customer doesn't have a definite intention about the purchase.
- The operation cost reduction value – Dealings are a cooperation of the seller and the purchaser. In this case, salespeople reduce his/her work load and they increase the customer value.
- The labour offer value – Salesperson often does labour not related to his/her own product. (For instance, arrangement of the sport/concert ticket, communication to the other departments in the customer, and so on).
- The development support value – When a salesperson knows that his/her product cannot fill a customer's needs, he/she negotiates to generate a solution to those needs with the development group in his/her company from the viewpoint of the customer. That invents a customer value by proceeding with the development process.

This value-creation theme was examined in the context of the initial sales meeting by Timo Kaski, Hautamäki Pia, Heidi Kock and Anni Piispanen – all of the Haaga-Helia University of Applied Sciences in Finland – and Ellen Bolman Pullins from the University of Toledo. They interviewed both buyers and sellers about their experiences and expectations and found that "there were several main themes developed by the analysis process. Some themes seemed to carry across both buyers and sellers (confirmed), some were present in both, but viewed differently, while others were only apparent for one group (disconfirmed). The themes are:

- Professionalism (confirmed), Follow Up and Attention to Detail (partially disconfirmed)
- Needs Identification, Understanding and Adapting the Solution to Needs (partially disconfirmed)
- Relationship Aspects (partially disconfirmed)
- Benefit Selling (Only sellers identified and likely represents something customers don't need)
- Under-promising and over-delivering (Only sellers identified but could be an opportunity to delight)"

In a world where there is a continuing emphasis on efficiency, the paper from Jobst Görne of Aalen

University, Germany looked at how B2B sales effort can be targeted more effectively. This was prompted by the move in B2C sales to qualify and prioritise the most promising leads while B2B sales often rely on simple ABC lists based, for example, on current turnover. This has the benefit of simplicity but does not help prioritisation and efficient use of scarce sales resource.

The study was based on engineering. To work, the research needed to be able to produce something that is useful but based on easily accessible information. What was found was that "customer rankings can be established based on limited accessible information, giving support and information for different sales management decisions:

- Turnover lists give information about the amount of day-to-day work and financial aspects such as cash flow.
- Contribution lists give information about the profitability and basic risk aspects of all customers.
- Turnover growth and contribution growth lists give information about which customers should be targeted for acquisition possibilities in the short and medium term.
- Future turnover and future contribution lists give indication of the possible development of customer needs and possible future contributions. They are a bit more difficult to establish and include more uncertainty, but give the most valuable information for steering a company's acquisition activities.

All possible lists are important and serve different functions in sales and financial management. They have to be handled carefully, as some of the information is based upon assumptions."

Further information

The conference proved a stimulating environment for networking as well as producing useful and actionable insights. In this report it has only been possible to produce a summary of each paper and the listener's own impressions. If any reader wants to know more about a particular topic they are advised to contacts the listed presenters directly.

At the conference, a call was also made for researchers interested in participating in a study among global Fortune 500 sales organisations in order to understand the impact of globalisation on sales practices and technologies and the extent to which sales practices – such as sales talent acquisition, sales talent development and sales technology tools – are global versus regional among the largest sales

organizations in the world. The goal is to present the findings at GSSI 2016 and to publish in a refereed journal. Interested scholars are invited to contact Andrea Dixon at Baylor University, USA or Michael Rodriguez at Elon University, USA by the start of the 2015/16 academic year.

The 2016 conference will be hosted by Vlerick Business School in Belgium and 2017 will be held in Mauritius. Details will be published on the GSSI web site, where new members are always welcome: http://www.globalsalesscienceinstitute.org/.

About the Author

Roger Byatt, MA, BSc(Econ)L, FCIM, CMRS is a Senior Teaching Fellow in the Marketing & Sales Subject Group at the University of Portsmouth, UK. He has been active in higher education for 15 years and specialises in marketing strategy, consumer psychology, customer insight and communications. Prior to joining the higher-education sector he held a number of senior marketing roles in international organisations, including Barclays Bank.

When not teaching or consulting he loves music, sailing, travelling and family.

Learning and entertainment

✏ Nick de Cent

An eclectic mix of celebrity speakers, business gurus and corporate thinkers entertained the audience at the UK's National Sales Conference.

Some 500 delegates and almost 50 exhibitors gathered at the Ricoh Arena in Coventry for the UK's National Sales Conference on 8 October 2015. This is an event in transition, rebranded from Successful Selling when it was run by the Institute of Sales & Marketing Management and now in its second year as an independent conference. Accordingly, delegates were treated to an eclectic mix of old-school "entertrainers", inspirational celebrity speakers and serious development experts plus the occasional high-level speaker from the corporate world. A separate stream in the venue's Jaguar Club – Sales Learning & Development 2015 – catered specifically for HR and training managers.

For many, the highlights of the day were the two keynote sessions by John McCarthy CBE in the morning and Midge Ure OBE in the afternoon; both had important messages about resilience and staying the distance that are applicable to the day-to-day sales world.

Kidnapped by Islamic Jihad

In his presentation "Against the odds – staying motivated and positive when the chips are down" McCarthy told of his kidnapping by Islamic Jihad while being driven to the airport to catch the plane home from Lebanon. Suddenly, he was catapulted from an uneventful first trip as a cub reporter to a nightmare five years of imprisonment.

Despite being frequently blindfolded and gagged – one time being completely wrapped in packing tape, confined in filthy underground cells and facing death on numerous occasions, McCarthy was often able to maintain a sense of humour, something that was a "vital part of survival". Respect – both for fellow prisoners and the guards – was important and, occasionally, the prisoners would fight back against abuse by going on hunger strike or tacking the mick out of the guards.

However, there were periods of blackness and "months and months and months of nothing to do and nothing to look out". McCarthy and his fellow prisoners coped by talking: "What we did was talk and talk, learning from each other. This helped the whole group to keep their optimism up. "The way we cared for each other was so important," McCarthy stressed.

^ John McCarthy: sense of humour was vital.

Follow your heart

Pop star and Band Aid founder Ure had a different but equally noteworthy tale of resilience to tell. In a nod to the audience, he said: "I suppose I used to sell records. I think I sell dreams; I think I sell emotions and aspirations."

Describing himself as a square peg in a round hole at school, he would have liked to study art but people in those days made judgements about your potential, either university or factory. "It never crossed anybody's mind to say, just push yourself a bit harder."

Leaving school with no qualifications, he sought a skill to equip himself for the future and landed an engineering apprenticeship. However, a big music opportunity beckoned

^ Midge Ure: "Never, ever take no for an answer."

and Ure was faced with making the choice between continuing his apprenticeship or pursuing his musical passion – so he asked those around him. His mother said: "Follow your heart." The head of the apprenticeship scheme had a different view: "You can't do that; it's stupid; that's impossible!"

The rest is history, from early success with pop band Slik through a collaboration with ex-Sex Pistol Glenn Matlock and onto mainstream success with Ultravox. Two recurrent themes are noteworthy: firstly, Ure's lifestory is one of following his heart and triumph over adversity; secondly, his constant search for authenticity and being true to himself – he left at least two bands because he was unable to fulfil himself creatively.

Ure was also innovative, self-funding a £17,000 video for the hit "Vienna" so that it could be distributed simultaneously across the myriad of European pop shows and also to ensure that the song retained the band's brand identity when it was played – both based on sound business instincts.

Then, there was the fateful day when Bob Geldof rang up and the pair pulled off the greatest charity single of all time. A triumph of will and vision over chaos and impossibly tight deadlines, the song "Do they know it's Christmas" was written in two separate parts by the pair (so royalties would go to the cause rather than the writers) and produced inside four days, then recorded in a single day by some 40 artists, and played on Radio 1 the following day.

It went straight to number one in the UK singles chart, outselling all the other records in the chart put together; it became the fastest-selling single of all time in the United Kingdom, selling a million copies in the first week alone and stayed top of the charts for five weeks, selling over three million copies and becoming easily the biggest-selling single of all time in the UK at the time. It was also number one in 13 other countries outside Britain.

Originally, Ure had predicted that the initiative might raise £100,000 as a contribution to famine relief in Ethiopia. In the event, the song raised £8 million within 12 months of release and Geldof faced down Margaret Thatcher's government of the time, forcing it into a U-turn over charging VAT on the single. Subsequent events like Live Aid and further incarnations of the song and the concert have continued to raise substantial funds for good causes, as well as inspiring fund-raising spin-offs like Comic Relief.

To those who said the venture wouldn't make a difference, Ure had this message: "All the doubters were wrong. I met

people who survived those camps and who are now teachers and doctors."

He concluded with a number of takeaways for his audience: "Life will guide you to whatever it wants you to be. Never, ever take no for an answer. Never let the negatives, the doubters alter your course; digest it as fuel to make you angry and focused. You can move mountains if you're determined enough."

Body language is key

The event saw contributions from less-celebrated speakers, but no less significant for that. Pitch expert Richard Newman put forward body language as a key component in successful presentations, asking the audience to "think back to the meeting that didn't go so well". He explained: "Body language influences how you speak and how you are perceived."

In a typical pitch, price and ability to deliver score about the same; moreover, suppliers tend to have this covered (or else they wouldn't be invited to bid). However, the behavioural assessment during which presenters have the ability to communicate trust and belief is the key differentiator, Newman suggested.

^ Richard Newman: the power of body language.

He quoted research from UCL across a 2,500-strong study normalised for gender and race. Employing various presentation techniques boosted subjects' perceived performance, increasing the rate at which they were considered "more inspiring" by 25.6%, a "good leader" by 44% and "convincing" by 42%.

Knockabout routine

^ Geoff Burch: "Are your people pitching or bitching?"

Self-styled business guru Geoff Burch's knockabout routine was not only highly entertaining but contained some golden nuggets of insight. Expelled from school for being disruptive, he was self-deprecating about the way he now goes around the

world "guru-ing".

Citing a Harvard study, he warned against the equal dangers of pessimism and over-optimism. "People who are miserable gits do tend to fail," he declared. Equally, people with a totally positive outlook are "delusional", he said, adding: "People who soar with the eagles tend to get sucked into the intakes of jumbo jets."

He advocated "interrogative thinking" and also stressed that everyone in the business should sell. "Are your people pitching or bitching?" he asked delegates.

Celebrity customer service

The "entertrainment" continued after lunch with customer service expert Geoff Ramm, who urged delegates to deliver "celebratory" levels of customer service. He recommended building an "element of excitement" into every single customer touch point and warned against boring responses to enquiries.

Nick de Cent

▲ Geoff Ramm: celebrity service.

Critical honesty

Gavin Ingham drew the short straw with the difficult task of holding audience attention in the slot following Midge Ure at the end of the afternoon. He laboured manfully against the gradual erosion of his audience by engaging delegates in a series of interactive exercises.

"It's down to you to choose what happens in your life," he told the audience, adding that one of the things that holds people back is a "lack of critical honesty". He asked: "Are you authentic? Do you network properly? Do you take control of your life? Do you do these things consistently?"

Although there is room for skills training, most people in the audience have a wealth of experience, Ingham acknowledged. However, he questioned whether they always had the right attitude. "The question is do you do it or don't you do it?"

Nick de Cent

▲ Gavin Ingham: importance of "critical honesty".

Awards

Women in Sales Awards 2015 (Europe)
3 December, 2015, The Savoy, London, UK
Sales is recognised as a major contributor to accessing "C" suite positions: an example is IBM's Ginni Rometty, IBM's global sales leader before becoming the current chairman, president and CEO of IBM, and the first woman to head the company. Research shows that 62% of women are in staff job positions that provide service and assistance but don't directly generate revenue. In contrast, 65% of men on executive committees hold line jobs associated with revenue creation. This helps explain why the number of women CEOs in Fortune 500 companies appears stuck around 3%. The Women In Sales Awards have been created to bring greater awareness of the need for gender diversity in sales as well as help grow the pipeline of sales talent and to pave the way for more women to be appointed to boards.
www.wisawards.com

BESMA 2016
9 March, 2016, Grosvenor House Hotel, London, UK
The British Excellence in Sales & Marketing Awards (BESMA) recognise and reward the best sales professionals in the UK, showcasing their achievements and products, helping promote the art of selling across the country. BESMA seeks to reward the efforts of the individuals and teams that drive company performance, and recognises the roles played by sales professionals in driving the UK economy forward. BESMA is organised by the Institute of Sales & Marketing Management (ISMM).
http://www.ismm.co.uk/besma-2016/

Sales competitions

National Team Selling Competition – Indiana University
29-30 October, 2015, Kelley School of Business, Indiana University, Bloomington, IN, USA
http://kelley.iu.edu/GlobalSales/competition/page15623.html

American Marketing Association Collegiate Chapter Events And International Collegiate Conference
Events are held throughout the months of October and November
https://www.ama.org/students/Pages/northwestern_mutual_sales_competition.aspx

2015 Sales Leadership Forum
3-4 November, 2015, Rosen Plaza Hotel, Orlando, FL, USA
http://fsusalesleadershipforum.com

Sweet 16 Sales Challenge
3-4 December, 2015, California State University, Chico, CA, USA
http://www.csuchico.edu/cob/students/beyond-classroom/professional-sales/professional-sales-competitions.shtml#sweet_16_sales_challenge

Seminars – Association of Professional Sales
http://www.associationofprofessionalsales.com/events/

Coaching Sales Talent
11 November, 2015, Arrow ECS, Royal Exchange, London, UK
Presenters: Gill Mackay and APS. APS Fellows and managers only.

Bid Management Improvement
24 November, 2015 Arrow ECS, Royal Exchange London, UK
Presenters: Grant Thornton, Computacenter. APS Fellows and managers only.
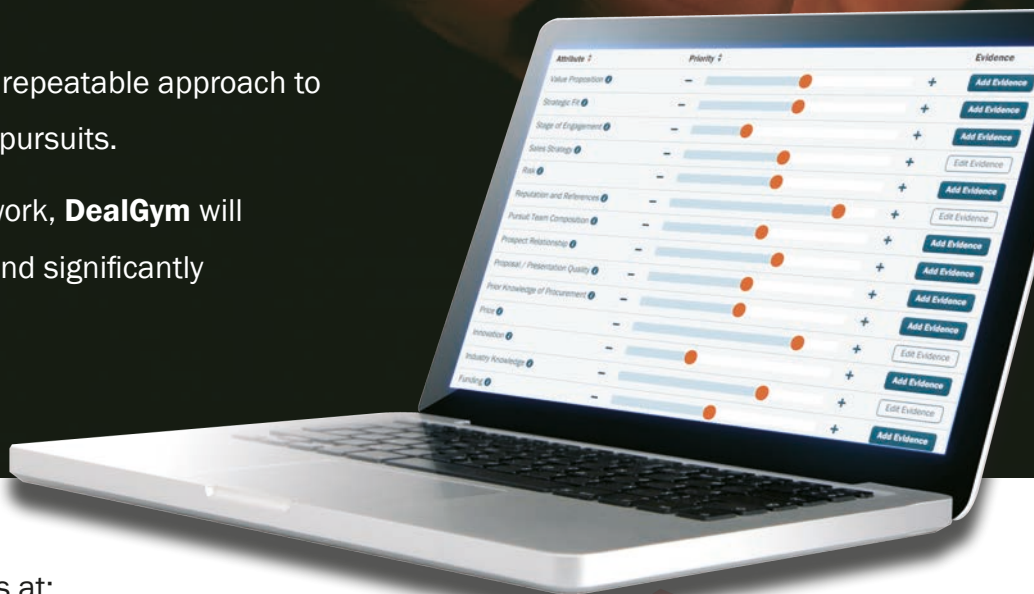

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