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**SALES
TRENDS FOR
2017**

**GOING FROM
ORDINARY TO
EXTRAORDINARY**



BARRETT

everybody lives by selling something



GOING FROM ORDINARY TO EXTRAORDINARY

In times of major change, uncertainty and upheaval we have two choices: 1. Bunker down, keeping our heads low, waiting for things to pass and settle down back to normal; or, 2. Embrace the change and ride the waves towards the future creating a new normal.

Opting for option 1 is dangerous and potentially foolish as we are likely to be left behind achieving only obsolescence.

Opting for option 2 is also potentially dangerous but more likely to achieve better outcomes as we proactively look at how we can make the necessary shifts and changes to stay out in front and remain relevant.

The theme for 2017 Sales Trends is 'Going from ordinary to extraordinary'. Its focus is to highlight the current trends that are driving better sales outcomes and what it takes to lead a sales team and run an effective sales operation now and into the future.

Themes like authenticity, active learning, the courage to step outside our comfort zones, the power of incremental change and iteration, embracing complexity as a way of life, the importance of being quiet and paying attention, along with openness and transparency. All of these qualities are in of themselves nothing revelatory or revolutionary but combined together and practiced routinely can make for extraordinary change.

If we want to shift from ordinary to extraordinary it requires focused attention and daily practice working in concert with the sales team, executive C-suite, other departments, our suppliers and our clients. There is no simple answer, no silver bullet to save the day.

If we want extraordinary results, we need to create the conditions in which to lead extraordinary sales teams and manage extraordinary sales operations.



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Metrics have incredible influence on the behaviour of the team, directly or indirectly.”



NEW METRICS

WHAT DO WE MEASURE NOW?

When we talk about sales metrics we usually think units, volumes, quota, members signed, calls made. Generally speaking, these metrics would have been put in place in an organisation at the time that the sales team was established, and (maybe) changed from time to time, usually from quota to number of calls or units, and so on.

The current state of flux of markets and most industries is quite different from the time when the use of these metrics was best practice. It is time to consider: are those metrics still useful? Are the metrics that we have in place helping us achieve our goals? Are they encouraging the right behaviours in our sales team? Are our metrics based on things that are at least to a certain point in the salesperson's control?

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Sales teams are still using sales metrics that don't do them any service. Some are irrelevant—this can be the case of units sold, calls made, etc.; some drive the wrong behaviours (or at least the kind of behaviour that can become a problem and at an extreme are immoral and/or illegal, think Volkswagen, Wells Fargo, Youi, Commbank).

It is human nature to tend to do things as they have always been done. We resist change and even when change happens we sometimes keep on going the same way we have done before. We keep on going with inertia. But this behaviour can have us doing things—measuring sales performance, in this instance—in ways that are less than efficient.

This sales trend is about companies coming to terms with the idea of new and changing sales metrics to move their sales teams from ordinary to extraordinary. Smart companies are continually reviewing their sales metrics and adjusting them as they relate to sales strategy and changing markets. This does not mean changing the types of measures every quarter but being vigilant to what needs to be measured to drive the right behaviours that deliver extraordinary results.

There are two main points that we'd like to focus on: Firstly, the relationship between sales metrics and behaviour; and secondly, the validity of established sales metrics in the current environment.

SALES METRICS AS DRIVERS OF BEHAVIOUR

If people in your organisation are measured against each other, it's quite possible that you won't have a collaborative team. If you measure safety, customer satisfaction, or other metrics aligned with what clients value, you probably have a more successful, collaborative and cohesive team, made up not only of salespeople, but also other front-line staff, and back end office staff.

Metrics have incredible influence on the behaviour of the team, directly or indirectly. If a person's performance is going to be measured by a certain bar, it is reasonable to expect that it will have some effect on that person's behaviour.

For this reason, it is vital to understand which metrics will drive the behaviours you want to see in your sales, customer service and delivery teams. So, here are a couple of basic questions to consider: Are you using metrics that drive the right behaviours? Do your metrics drive behaviours that improve customer experience?

To choose the right metrics it might help to think about which behaviours you want to drive, what your customers value, and what others in your industry and the industry 'next to yours' are doing and measuring.

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ARE YOUR SALES METRICS UP TO DATE WITH THE CURRENT MARKET CONDITIONS?

It is also important to look at disruption factors and newcomers to the market.

There's rarely an industry that has not been disrupted over the past few years. There are new forms of competition, new ways for clients to access products or services, obsolescence, new payment methods; you name it. It is quite surprising then, that some companies have not changed what they measure in terms of sales.

There are other reasons why a company might need to change its sales metrics. For example, a change in the company focus or strategy might require that the sales teams put the effort on profit, and maybe not all products, solutions or clients create the same profit. In this case, continuing to measure units sold—or something like it—won't be very useful, and a change in metrics to profit is more suitable.

To shift sales teams from ordinary to extraordinary, business and sales leaders need to have the courage to do things differently and avoid the 'status quo' trap.

Markets change constantly, so you should be regularly checking that your metrics are up-to-date and able to deliver your sales strategy, the results that you need and drive the behaviours you expect from your team.





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To move from ordinary to extraordinary salespeople the silent majority must speak up.”



THE SILENT MAJORITY

The history of sales methodologies and salespeople is full of twists and turns. With a few excellent, or at least well-intentioned, ways of selling and many others that are the complete opposite.

There was a time when the salesperson was the only one with information about new products—from the end of the 19th century to mid-20th century; they were the experts and customers were in their hands when it came to make a buying decision. This produced a situation where many salespeople started to take advantage of the naïve and ignorant customer and sold them whatever they wanted to sell to them, often under the illusion of the promises of miraculous outcomes.

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In brief, from the 1800's until now there have around 20 different 'schools of thought' when it comes to sales methodologies¹. Having a look at the characteristics of salespeople for each one of these methodologies it is easy to understand how the stereotype of the sleazy, loud and overconfident salesperson came about, and why this negative stereotype has been perpetuated in screens big and small through movies, television shows and advertising. Typical examples are Glengarry Glen Ross, Mad Men, Wall Street and the Wolf of Wall Street to name a few.

It shouldn't be surprising then that it's difficult for many people to be associated with the sales profession, even when they are in sales—and, who isn't in sales these days?

Contrary to the general, and overwhelming, perception that salespeople are loud and outgoing, there is much more a mix of effective sales types with the latest research² pointing to the versatile ambiverts³ as being the best salespeople; those who can mix it up with people as well as listen and be quiet when needed.

This sales trend sees the stereotype of the loud, confident, fast-thinker, and fast talking personality as a 'great salesperson' slowly fading. However, they still remain prominent in many people's minds especially when they are associated with being manipulative and deceptive. Generally, this is because of the obvious fact that people with that type of personality are easier to spot, and it's the stereotype that is still being perpetuated in the media, movies, television, etc.

It also happens that this is a very common stereotype of success—boasting self-confidence and a command of the room.

Clearly, this loud and aggressive stereotype does not represent the majority of salespeople and salespeople are tired of being associated with it. They no longer want to be categorised like this because it has clear and direct links with the image of an unethical, manipulative and sleazy salesperson.

This sales trend sees this silent majority demanding a new, more relevant and transparent sales stereotype to be the norm.

RE-THINKING THE SALES STEREOTYPE

Many people start their sales career being ashamed of being in sales and fear being associated with the negative stereotypes of the sales profession, holding strong negative views of selling. This makes their work harder and their lives more miserable if they carry this burden with them every day. With time, education and good information they come to understand what good selling is about: a fair exchange of

1 History of Sales Methodologies ©Barrett 2013

2 <http://pss.sagepub.com/content/early/2013/04/08/0956797612463706.abstract>

3 Someone who exhibits qualities of both introversion and extroversion.

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value, helping people, and that everybody lives by selling something. Selling becomes a profession (or part of a career) to be proud of.

To move from ordinary to extraordinary salespeople the silent majority must speak up.

Most salespeople know that they only want the best for their clients and companies, and they are tired of being judged by the acts of a minority and what the media portrays.

So here's what the silent majority want people to know:

- If you have to fool or trick your customers into buying something then it's not good selling, that deception.
- If you have to take advantage of someone to get something then it's not good business.
- Selling is an honourable profession, when performed with integrity and transparency it adds real value to both buyer and seller.
- Selling is the oxygen that fuels the fire of business and industry—without sales we have no business.
- Selling is about the fair exchange of value where both buyer and seller benefit.
- If you want to introduce a new idea or concept to someone and persuade them of the merits of what you have then you are in selling.
- Selling is vital life skills as well as a vital business skill.
- Today, selling is everybody's business and everybody lives by selling something.





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Nothing is left to chance when you know what you are doing and you do it well.”



MAPPING THE BUYING-SELLING-DELIVERY PROCESS

If you want your sales team and your business to move from ordinary to extraordinary when it comes to client engagement and better sales results, it pays to do what the smart companies are doing and map your entire buying-selling-delivery process—the client value chain—and make sure everyone in your organisation understands what it is, where they fit in and how they all support the buying-selling-delivery client experience.

Sales Trend 3 points out that in the hyper competitive and transparent business world of today we need everyone in our organisation focused on delivering a consistent, safe and rewarding experience for our clients, based on the value proposition we promised them from the outset.

If we promise to deliver fast, efficient and easy service, or ROI and value based on evidence, ideas and innovation as part of a complex system for example, then everyone in our businesses needs to know what promises we are making and how we consistently deliver on these promises. This is how we can ensure our clients want to come back for more, or at the very least be happy to refer us to others.

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No longer can the buying-selling-delivery process be passed off as someone else's job—selling is now everybody's business.

Research findings published by consulting and/or research firms like McKinsey⁴ are showing that the buying-selling-delivery process—the client value chain—coupled with a client centric ethos based on a fair-exchange of value needs to be embraced from the top all the way down and across the business if we want to attract, engage and retain good clients. This is not just a cultural 'we are client-centric' philosophy, this about actual behavioural activity standards that can be observed, trained and coached.

Highly competitive businesses such as Carsales.com.au have adopted a tribe structure ensuring that B2B clients are supported and managed by specific teams (tribes or squads) staffed by a range of people with specific capabilities that include account management and sales along with insights, production, product development and so on. The clients are at the centre of the tribe's focus with everyone working towards delivering the right outcomes for their clients and the business. All of these people will interact in some way with the client on their buying and service delivery journey. All of these people have the opportunity to listen to the client, find the areas for improvement, spot the on-sell opportunities, fix the glitches, reduce wastage and so on. If everyone knows where they intersect on this buying-selling-delivery journey then they know what they are accountable for and how they help each other deliver the right outcomes as promised.

To achieve this it means that the steps of the buying-selling-delivery process need to be mapped and articulated with specific activities that deliver the minimum standard of excellence deemed correct for the business' sales strategy and the promises made to the clients in our value proposition.

We may be led to believe that big data, social selling and automation will take care of everything on the buyer's journey but this is an over simplification of a non-linear process that has, at its heart, constant variability governed by ever-changing human and task needs.

Even if buyers are being more discerning and not engaging with us directly as early as they used to in the buying process, they still will come in contact with us once they are serious about buying and once they have bought. Selling doesn't stop once a client buys, now the real business begins where the promises made are in play and the test is if it will be delivered. This sales trend sees smart businesses paying attention and equipping their teams to deliver on that promise across the value chain time and time again—this helps any business move from ordinary to extraordinary, and clients will pay attention and share the news of their great buying and service experiences.

4 <http://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/do-you-really-understand-how-your-business-customers-buy>

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Smart businesses know that you cannot do that without a road map of sorts. Without an articulated buying-selling-delivery process we cannot see, manage and engage with our buyers at the various touch points we have with, nor can we track the skills, tasks and activities necessary for effective client/buyer engagement.

The magic of an articulated buying-selling-delivery process is in the details; the myriad of little steps and actions that make for a great experience and great results—for both buyer and seller. The myriad of little interactions that could lead to the next sale and the one after that; or the small issue, if identified and acted upon quickly by alert and accountable team members, that can keep the client experience flowing positively, knowing that if issues do occur they are acknowledged and addressed quickly and without fuss.

Automation and effective use of CRM can play key roles in a fuss free client experience but in and of themselves will not be the silver bullet solution you can rely upon.

Unless your offering is very simple and can be automated completely to remove humans (which we haven't found yet), then someone somewhere needs to support the buying-selling-delivery experience in your organisation. Who will that be in your case?

Smart companies have realised that if they want to move from ordinary to extraordinary they need to make it easy for buyers to buy and experience a streamlined, fuss free delivery process by getting everyone in their organisation focused on consistent execution across the client value chain. Nothing is left to chance when you know what you are doing and you do it well.





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...Easy answers have the greatest appeal even though these are usually far removed from the best answers.”



LEARN TO EMBRACE AND MANAGE COMPLEXITY

As John Lord⁵ said “Perhaps a greater understanding of what I am saying might be obtained by exercising a greater willingness to think more deeply”.

Regrettably most organisations ONLY view their sales operations as tactical linear functions of the value chain—and while sales teams need to get up close and personal on a tactical level with customers, if sales is only viewed through the overly simplistic lens of “foot soldiers selling products” then these organisation are doomed to fail.

Why has this been the case?

Sales operations are complex variable systems with many moving parts—they do not follow a straight line; smart companies get this. They recognise that oversimplification is their enemy when it comes to developing and deploying effective sales strategies.

⁵ <http://en.gravatar.com/johnlord2013>

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However, in a world of soundbites, instant information, and the constant pressure to come up with solutions to someone's problems, easy answers have the greatest appeal even though these are usually far removed from the best answers. This leads to the proliferation of the oversimplification of complex issues. Opting for the simple answer can often make matters worse or delay progress to finding and implementing the best solution. Add to this the fact that there are so many people trying to earn a living by coming up with simple solutions to complex problems and a strong picture of oversimplification starts to emerge; and like the siren's call to a sailor, these become very enticing but ultimately very distracting and dangerous.

When challenged, some sales leaders readily admit that they need a sales strategy; however, the pressure to meet shorter-terms targets and their heavy involvement in day-to-day operational issues (even if these do relate to sales) means that strategy takes a back seat and instead they opt for short term fixes. This is incredibly dangerous.

As Seth Godin points out in another of his pithy blog posts, [The Candy Diet](#), 04/01/2017 "The decline of thoughtful media has been discussed for a century. This is not new. What is new: A fundamental shift not just in the profit-seeking gatekeepers, but in the culture as a whole.

"Everything should be made as simple as possible, but no simpler."*

[*Ironically, this isn't what Einstein actually said. It was this, "It can scarcely be denied that the supreme goal of all theory is to make the irreducible basic elements as simple and as few as possible without having to surrender the adequate representation of a single datum of experience." Alas, I've been seduced into believing that the shorter one now works better.]

Is it possible we've made things simpler than they ought to be, and established non-curiosity as the new standard?

We are certainly guilty of being active participants in a media landscape that breaks Einstein's simplicity law every day. And having gotten away with it so far, we're now considering removing the law from our memory.

The economics seem to be that the only way to make a living is to reach a lot of people and the only way to reach a lot of people is to race to the bottom, seek out quick clicks, make it easy to swallow, reinforce existing beliefs, keep it short, make it sort of fun, or prurient, or urgent, and most of all, dumb it down.

And that's the true danger of anti-intellectualism. While it's foolish to choose to be stupid, it's cultural suicide to decide that insights, theories and truth don't actually matter. If we don't care to learn more, we won't spend time or resources on knowledge...'

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Sales Trend 4 focuses on the fight between understanding and managing complexity and the desire for simple answers and actions and why embracing and managing complexity is a vital capability for achieving the extraordinary.

Here's why.

More and more, the high cost of selling, longer lead times, a multiplicity of choice, maturing markets, rampant competition and diminishing differentiation, is taking its toll on sales performance. Not only are salespeople being squeezed to produce more sales revenue/volumes, at better margins, but corporate return on sales effort isn't what it used to be.

The GFC kindled the deepest recession in the world economy since World War II. In the midst of the depressed world economy, Australia performed better than other developed countries on nearly all relevant indicators. Sure, our economy slowed, but it didn't fall into recession (as many others did); and while unemployment rose, it did so by far less than in many other developed economies.

All of this presents a picture that, while more attractive than most global economies at the time, was exceedingly bleak in comparison to the years prior to the GFC.

And whilst the GFC spurred companies on to make changes in the management of assets, in reducing costs, in improving optimisation of equipment, etc. it somehow failed to spur sales on to make any significant changes or to do anything differently.

In response to the pressures of a decline in demand, the pressure to reduce selling prices (**on the buying side**) and a push for greater volume at better margin in the face of increasing competition (**on the supply side**), companies sought to cut costs. Similarly, organisations looked for ways to be more efficient; production, logistics and operations all looked for ways to be more streamlined; and finance pulled back, cut credit lines and reined in spending. However, in the main, sales and salespeople continued to do the same things, with the same processes, in the same way as they always have. If anything, what sales did do was increase its resistance to change. Sales leadership seems to have forgotten that doing the same things, in the same way is unlikely to get a different result.

The major reason for this lack of change is the lack of any exposure to or understanding of sales strategy. This resulted in sales leaders floundering, and uncertain about what approach to take. Subsequently, it forced marketing and corporate strategists to become involved in taking the lead, even though they mostly had little understanding of the very specific focus of sales strategy. And because of this lack of understanding on their part, the solution to all sales problems and challenges was seen as some form of sales training. Once again, the simple solution to a complex problem.

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“One big problem is that in business schools, daily practice, and strategic planning, sales and strategy are treated as separate worlds. In academia, there is remarkably little written about how to link strategy with the nitty-gritty of field execution. Few of the many, many books and articles on strategy formulation have much, if anything, to say about the role(s) of a company’s sales channels in executing strategy. In fact, sales advice, if it’s even discussed, usually revolves around a combination of ‘reorganizing the sales force’ and ‘incentives.’”

Frank Cespedes, a Senior Lecturer at Harvard Business School and Faculty Chair, ‘You can’t do strategy without input from sales’, 27 August, 2014.

What sales leaders and other managers soon learned however was that sales training alone didn’t encourage the changes that could result in improved sales volumes or margins. Nor did increasing (or decreasing rewards), expanding (or contracting) territories, etc.

The reason for these failures was not that they were incorrect, but rather that they were driven more by panic than by strategy. They were motivated by a need to try and get some improvement in sales by a simple solution, rather than looking for a way to improve customer satisfaction.

Sales leaders failed to look at the bigger, more complex picture. It was just easier (and perhaps more comforting) to push for more sales productivity or to cut prices, than to step back and re-examine the entire process.

The message is clear. If sales leaders fail to have a clear picture of what they want to achieve, and embrace and manage complexity combined with the courage and conviction to make their strategy real, they are doomed to fail.

Smart companies are already moving away from the oversimplification of the sales excellence industry that has been (and still is) notorious for peddling “silver bullet” solutions over the years.

Instead of searching for the latest app, smart sales leaders and their CEOs are starting with sales strategy—analysing their sales strategy and operations frameworks and assessing all the variables. By examining these aspects as part of a complex system smart companies are finding they can better manage and lead their sales teams and the whole business.

Taking into account all the variables they ask questions like:

- What directs the efforts of the salespeople on a sustained basis?
- What support, resources, skills and plans provide salespeople with the focus they need to be fully effective?

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- What gives the sales force the discipline and sets the standards of behaviour that differentiates one professional salesperson from another, or that reinforces the brand equity the company has invested in creating?
- What is the optimal size for the organisation's sales force, and the best way to remunerate, reward and motivate them? And how does one shape the sales force to make sure it is able to best serve customers and prospects?
- What is the optimal sales structure for the organisation as a whole, for the regions / states and for the branch operations that ensures sales has an unfettered track to follow; that synthesises the sales effort with the organisation's strategic imperatives?
- What infrastructure allows salespeople to function at optimal levels without being hamstrung by unnecessary administrative activities, complex management dictates or inadequate information support?

The trend in smart companies is to recognise that selling is much more complex than just getting business (new or incremental), and understanding and working with that complexity will help the organisation and its sales teams to move from ordinary to extraordinary.

As Seth Godin concludes, 'Even if only a few people use precise words, employ thoughtful reasoning and ask difficult questions, it still forces those around them to catch up. It's easy to imagine a slippery slope down, but there's also the cultural ratchet, a positive function in which people race to learn more and understand more so they can keep up with those around them. Turn the ratchet. We can lead our way back to curiosity, inquiry and discovery if we (just a few for now) measure the right things and refuse the easy option in favor of insisting on better.'





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The long-time staple of selling (i.e. features and benefits) is no longer adequate."



SALESPEOPLE AT RISK OF BECOMING OBSOLETE

The proliferation of Internet-based sales channels, that offer everything from simple items such as a toothbrush to some fairly complicated services including insurance, banking and even major items in the B2B sector means that the traditional role of product focused salespeople has changed. Sadly, some companies and quite a few salespeople continue to ignore the encroaching tsunami.

SO JUST WHAT HAS CHANGED?

Probably the single most important change (or lack thereof) in sales, with the most dramatic impact, is the fact that those companies that continue to push their products, (and that have, for whatever reason, failed to train their salespeople to understand the concepts of value and risk management, and to identify how their offerings address these concepts), will not evolve from ordinary to extraordinary; instead, they are likely to be the first casualties.

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This sales trend highlights the fact that as buyers (consumers and businesses) look for ways to acquire products, services and solutions faster and at a lower cost, the playing field has changed. Buyers, smarter than ever with access to a plethora of information, don't need salespeople to show them their product portfolio, or even to discuss the evident features and benefits. What buyers are looking for is salespeople who are prepared to invest time, effort and energy in understanding their challenges and who are then prepared to work with them to find a uniquely developed or tailored solution that will satisfy their expectations with the least risk possible at a price they can afford.

The long-time staple of selling (i.e. features and benefits) is no longer adequate. Whilst buyers still need to know what the features and benefits of a product or service are, according to California based research company Dimensional Research⁶, an overwhelming 90 percent of buyers (business and consumers) recall initially going online to read reviews and understand what alternative products and services were available and what they offered, before either meeting with salespeople or visiting a store. Some 79% get more information about the company and its products and services from social networking than salespeople, whilst around 70% of businesses said that their enterprise purchase decisions all begin with an online search—well before calling in potential suppliers.

Salespeople who have not been trained to understand the broader dynamics of this new paradigm in business; who continue to believe that their product or service superiority is going to win support from potential buyers are likely to find themselves standing around waiting for business that isn't going to happen.

WHAT CAN SALESPEOPLE AND COMPANIES DO?

For starters, companies need to regroup. It is no longer good enough to think that having information makes the vendor unique or even gives a supplier an advantage. Price isn't going to attract sustained support from buyers either, they can easily switch suppliers when convenient. Buyers now have new challenges and companies need to rethink how they solve the problem.

Along with ease of access to information and a wide range of choice comes a new challenge for buyers at every level, of information overload. This in turn affords an increased risk of making a poor purchase decision, because of being presented with apparently similar products and services that in reality have structural differences making one alternative a better option than the other. Salespeople who want to play in this kind of environment have to change their approach too. Instead of trying to become an expert on the product, they need to become experts on the product domain.

⁶ <http://dimensionalresearch.com/>

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This means that they will have to learn what alternatives—not only rival companies—are on offer and how these differ, in terms of functionality and value. Instead of knowing all of the features and benefits of a product, which buyers can (and do) easily access on the web, they should become specialists on how their offering can minimise risk and maximise efficiencies. Instead of being experts on their company and its history, they should become experts in understanding the challenges their customers have.

In the retail world it means that companies are going to have to train their salespeople to make visiting the store a delightful experience, because that is what is going to differentiate one retailer from another—not the product line. In the B2B sector it means salespeople will have to have a broader business base which includes helping their customers wade through an information overload to assess risk and value more rationally.

Seen from the new buyer's perspective, salespeople who traditionally relied on their products/services and who spent a greater deal of their time honing their product knowledge have missed the boat. To not become obsolete, salespeople need to make changes to be more aligned with 21st century buyers including having to be prepared to help customers identify new opportunities to cut costs, increase revenue, penetrate new markets and mitigate risk in ways they—the customers—have not yet recognised.

Customers want to work with and buy from companies that can clearly differentiate themselves from the pack in some meaningful way. They are looking for salespeople from companies who can explain why they're more valuable than others. Salespeople should be prepared to win not through the quality of their products, but through the quality of the insights they deliver as part of the sales process. Sustained support from buyers in today's competitive market space is less about what is sold and more about how things are sold.

Customers look to buy from salespeople who understand their needs better than they do. Who are specialists, if not experts in how to extract and maximise the value from the offerings their companies deliver. These salespeople help their customers find new perspectives, specifically tailored to their most pressing needs. Customer want salespeople who are prepared to challenge the status quo, and who use information, experience and insights to provide solutions that change the traditional way things were done.

When companies recognise the need to re-think the role of their salespeople they will probably start recruiting the right people, with an appropriate mindset and skills set. They'll also find that their sales training delivers incrementally more sales and better margins, and that their sales strategies sustain the momentum that it was designed to achieve.



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Sales coaching makes change systematic and best behaviours automatic."



WHERE ARE ALL THE HIGH PERFORMANCE SALES COACHES?

This sales trend focuses on how sales coaching is still lagging behind business coaching as a standard business discipline, but how the best sales leaders are using coaching to transform their sales teams and sales performances to maximise success. So what's going on with sales coaching?

A lot has been written about coaching, specifically business coaching, over the years and the proof is that coaching, like anything if applied effectively, does work. For instance, the International Coach Federation (ICF) conducted a worldwide survey in 2016⁷ following extensive surveys in 2007 and 2012. Amongst several findings it estimates the number of professional business coaches worldwide has grown from 30,000 in 2007 to 47,500 in 2013 to 64,100 in 2016. It also showed that in-company managers and leaders using coaching skills now numbers around 10,900.

⁷ http://www.coachfederation.org/files/FileDownloads/2016ICFGlobalCoachingStudy_ExecutiveSummary.pdf?_ga=1.254364749.4369758.1479540229

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Coaching is now a mainstream term and formal business practice used by a range of businesses every day and for good reason. The ICF 2016 survey found that effective business coaching produces strong financial results. An earlier ICF PricewaterhouseCoopers study⁸ showed that the vast majority of companies indicated that their company had at least made their investment back. A sizable proportion reported an ROI of at least 50 times the initial investment of coaching, while some 28% saw an ROI of 10 to 49 times the investment.

All bodes well for business coaching; however, business coaching is not the same as sales coaching. Business coaching is often delivered one-on-one by a trained professional and focused on career development, leadership, personal empowerment, professional and personal growth, and so on. Additionally, where executive business coaching is inspiring and transformative over the long term, it is neither directive nor immediate enough to be effective for sales.

Personal-effectiveness coaching can bring helpful action planning, rhythm, and motivation to the coaching process, but many habit and personal-effectiveness coaches are not knowledgeable about selling. As a result, they often aren't taken seriously by salespeople.

Sales coaching, by contrast, is the process of maximising sales performance in the short and long term by executing the coaching playbook and holding regular one-on-one and group conversations over a sustained period. Sales coaching makes change systematic and best behaviours automatic.

Sales coaching is not simply a function of giving a salesperson help or guidance. Nor is it only about reminding, or teaching salespeople about skills learned. Sales coaching is a process that starts with the development of an effective, focused sales strategy, creating and/or developing salespeople's talent, then introducing disciplines that are understood by the sales team. And while sales coaching can cover all the elements listed under business coaching, sales coaching often has to juggle both strategic and tactical needs focusing on each salesperson and the sales team's continuous knowledge and skill development, deal creation and management, pipeline and account management, competitor analysis, interpersonal dynamics, stress management and achievement of results. The list goes on.

Sales Coaching is best delivered by someone who understands selling; who has been there, done that in sales. That is why sales coaching is usually left to the sales manager and specialist professional sales coaches. Business coaches without the prerequisite of sales experience make for poor sales coaches.

Unfortunately this sales trend shows that while companies are enjoying success with business coaching in general, sales coaching

8 <http://www.coachfederation.org/about/landing.cfm?ItemNumber=825&navItemNumber=624>

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still has a way to go, as we still see too many sales leaders and sales managers who:

- Don't have the time to coach;
- Aren't comfortable coaching;
- Aren't sure what a sales coach is supposed to do;
- Don't have strong coaching conversation skills;
- Don't establish a consistent rhythm of coaching conversations;
- Don't have the tools and resources to help them make sales coaching a success;
- Focus only on one-on-one coaching and do not have a broad repertoire of coaching scenarios i.e. group/team coaching, field coaching, etc. to draw upon; and/or
- Try to apply general business coaching to sales.

If these sales managers find any time to coach, they often focus exclusively on helping salespeople win opportunities. Even then, they are frequently neither systematic nor rigorous about it. And they miss the opportunity to focus, motivate, and develop salespeople so they can truly achieve top performance.

By contrast this sales trend also shows a small, but growing, band of smart sales leaders who are turning to dynamic coaching practices as a main part of their leadership repertoire. They are integrating sales coaching—be it in one-on-one or group settings, infield or on the road, over the phone or in more formal office settings—into their daily practices to develop healthy sales teams and great sales results.

Rather than finding more time for coaching, these smart sales leaders are turning their current activities into coaching activities and making them systematic, thus creating a new rhythm for their sales teams. Accompanying this, they are leveraging off their team's individual talents to make most of their interactions coaching oriented, which is making a huge difference to how people communicate and learn from each other. There is a sales coaching culture. This is how sales teams can move from ordinary to extraordinary.

Over the years, Barrett's research into sales coaching has found there are five promises made by effective coaches:

1. Help salespeople define both their personal goals and a path to realising them—i.e. the personal state that the person most wants to be in at some future date.
2. Help the sales team build and execute action plans, optimising sales efficiency and focus. Good coaches also know the psychology behind developing habits. After defining goals and setting a path, the coach will help his/her coachee develop habits—automatic behaviours that help increase the likelihood of success.

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3. Give direct advice as appropriate to maximise immediate sales wins. In some schools of thought, coaches should avoid giving direct advice because it will hinder the coachee's progress. But, in a live sales situation, a hands-off approach may mean losing an opportunity. A good coach knows when to give direct advice and when to allow the coachee to solve the problem their own.
4. Develop the coachee's knowledge, skills, and capabilities to improve fundamental performance. Coaching must include advice to close particular opportunities and a focus on helping the salesperson improve capabilities over time.
5. Motivate salespeople to find and sustain their highest level of energy and action over the long term. By challenging the salesperson and encouraging him/her to take ownership of their own success, a successful sales coach can create an obvious connection between actions and goals that will inspire the coachee to give their maximum effort.

As Daniel Pink, author of *Drive: The Surprising Truth About What Motivates Us*⁹, said: The old carrot-and-stick notion of motivation is failing—in large part because it works very well for a type of work that most aren't doing anymore. It's very good for simple, algorithmic, routine, rule-based sorts of tasks: adding up columns of figures, turning the same screw the same way. But there's 50+ years of science that says it's ineffective for creative, conceptual, complex work—the type of work that salespeople are doing today.

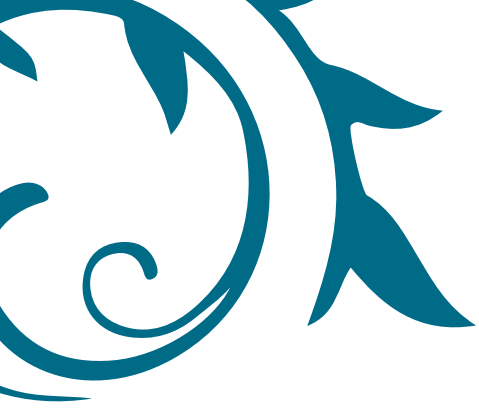
In the workplace, as people are doing more complicated things, the carrot-and-stick approach doesn't work anymore. Pink argues that autonomy (the urge to direct our own lives), mastery (the desire to get better at something that matters), and purpose (yearning to do what we do in service of greater fulfilment) are the greatest motivators. This is no different to Herzberg's famous motivation and hygiene factors table (1959).

We can generalise to an extent about what motivates salespeople, but deep down everyone is his or her own special snowflake. What motivates one person does not motivate another.

The best sales coaches know this and take different approaches based on their understanding of each individual in their team as part of the team as a whole.

Sales coaching and mentoring are about equalising the playing field. About ensuring that every member of the team has the appropriate level of support, guidance and reinforcement to ensure optimal effectiveness in contributing to the realisation of the vision for the sales team.

⁹ <http://www.danpink.com/books/drive/>



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The vast majority of technical people we have met and worked with love solving problems and being useful.”



SELL AND DELIVER VALUE OR COMMODITISE

With business becoming much more complex and value harder to discern in product sales alone, Sales Trend 7, Sell and Deliver Value or Commoditise, sees business leaders making serious decisions about how to do business. In essence, they have two choices in terms of the way to run legitimate operations:

1. Run a business that sells unique solutions or customised products/services and generates reasonable margins and delivers real value beyond product. This means stepping up their game, building out their sales team's business acumen and solution selling capabilities so as to stay relevant to their clients, add real business value and ROI, and differentiate themselves from the competition.
2. Alternatively, run a commodity based business with the lowest cost of sale possible, usually automating all or a significant part of the buying process aiming to sell high volume at low margins.

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This stark choice is creating challenges across many organisations as they grapple with the changes required to deliver sustainable and ethical business models. What to choose? It all depends on what they are selling and what margins they want to make which in turn affects the makeup of their sales teams.

OPTION 1—SELLING VALUE AT A REASONABLE MARGIN

Those smart businesses that select option 1 (sell value at a reasonable margin) as their business model understand that the time has well and truly arrived for B2B and complex B2C professional salespeople to shift into the higher order business consulting realm. No longer can they only rely on their technical knowledge or networks of ‘mates’ to generate profitable sales.

We reported in a blog back in 2015 about the shift to hybrid sales team¹⁰; however, the need is even more urgent now for many traditional ‘technical’ or ‘knowledge’ sales led businesses to become high-end consulting businesses if they are to thrive. If not, these businesses will be left behind having to contend with high volume low margin commodity selling practices.

As the 21st century world gets more difficult to navigate and in a sea of overwhelming choice, discerning buyers are looking for leverage point, a leading edge, better productivity and cost control, business value, surety of supply, and so on. They are looking to engage with salespeople who have a depth and breadth of knowledge in their area of expertise, people who can engage in business discussions that respect complexity and offer ideas and solutions that address the opportunities of both today and the future. This requires a higher order of thinking and a skill set that allows for effective communication and collaboration.

Critical skills and knowledge such as business and commercial acumen, business and sales strategy, strategic thinking and action, project management, systems thinking, market segmentation analysis, strategic key account management, analytical thinking, financial analysis and management, business writing skills, just to name a few, along with the core solution selling skills is where Option 1 has shifted to.

The challenge facing many organisations today is getting their current sales teams to transition to the higher order consulting skills required to sell and deliver real value in complex deals and integrated businesses environments. Because if they can’t then they will have to look elsewhere for talent to fill these high end consulting sales roles.

10 <https://www.barrett.com.au/blogs/SalesBlog/2015/3225/sales-attitudes/its-time-for-hybrid-sales-teams-hybrid-businesses/>

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Some businesses have already recognised this and are turning towards recruiting STEM (Science, Technology, Engineering and Mathematics) graduates to sell and replace their traditional salespeople: step in the wide range of engineers, technicians, mathematicians and scientists who are schooled in higher order thinking. As suggested by academics in the 30 June 2016 FINSIA article, 'Solving the STEM Paradox'¹¹, overall, individuals with STEM backgrounds and training are better problem solvers in technology-rich environments—they're better equipped for new business models, new markets and new sources of economic growth. Paradoxically, individuals with this background remain underemployed compared to the broader population.

This need not be the case if we offer them high end consulting sales careers instead. One way smart businesses are addressing both the STEM paradox and crafting and generating better sales teams is to bring in more engineers, technicians, mathematicians and scientists into our sales teams.

Many of our clients are focusing on taking on technically skilled people and teaching and equipping them in how to do solution selling and Strategic/Key Account Management with great success. In fact, once you help these STEM skilled people overcome any negative stereotypes about selling and show them what good selling is they actually find that they can sell well and enjoy the experience.

The vast majority of technical people we have met and worked with love solving problems and being useful. Combining these talents with Solution Selling and making it a team sport is paying big dividends for smart businesses. So here is a whole new career path for the engineers, technicians, mathematicians and scientists, and a whole new recruitment pool for employers and sales leaders.

OPTION 2—HIGH VOLUME, LOW MARGIN COMMODITY SELLING

The alternative to selling value at reasonable margins is to run a high volume, low margin commodity sales business where off-the-shelf and automation are key. While some human interaction will be necessary somewhere along the client value chain, the idea is to keep human interaction at a minimum and deal with buyers in an automated way. Low cost of sale is key here.

Many businesses are maturing in this space and many more coming onto the horizon. However, the challenge of offering easy to use online interfaces and effectively dealing with customer complaints and unusual requests is still an issue for many businesses and their customers. Some business opt for the hands off approach hoping that customers will just give up and go away relying on volume outweighing customer frustration which doesn't bode well for repeat business and enhanced reputations. That's the risk of playing the high volume, low margin game.

¹¹ <http://finsia.com/news/news-article/2016/06/30/solving-the-stem-paradox>

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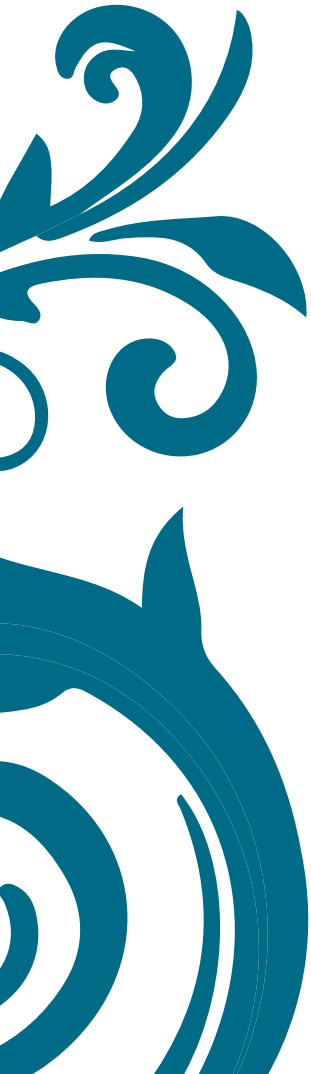
However, those companies that make a great automated user experience, underpinned by user friendly back up support, are taking the lead on those who play the 'give up and go away' card. Automation doesn't have to mean poor or lazy service.

TRANSACTIONAL PRODUCT SELLING

So what about transactional product sales teams who sell the likes of insurance or telecommunications products and earn low base salaries and high commissions doing so?

Businesses models such as these, and others like them, are coming under increased scrutiny with the rise in dubious sales practices that threaten the integrity of the buyer-seller relationship and see many consumers being ripped off and taken advantage of. Unless governments choose to legislate in these areas and put in place better consumer protection laws these practices will go on unabated as they have done for many years.

However, with consumers speaking up and the speed of social media in sharing these unacceptable consumer experiences, these types of businesses are being exposed and brought to task by the media, consumers and public consumers bodies alike. We can only hope that the more light shone on these murky business practices the quicker they will go out of business or change their ways.





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Companies that are better aligned dramatically increase revenues and profits compared with less aligned companies.”



ORDINARY SALES ORGANISATIONS DO MORE. EXTRAORDINARY SALES ORGANISATIONS ACHIEVE MORE.

Guest author: David Hubbard

With the help of technological disruption, buyers in the past 10 years have dramatically changed how they identify opportunities, evaluate alternatives, and purchase solutions.

Buyers are no longer calling the vendor to learn what's new or to request information like they did before. They have become self-educating; consuming online information whenever they wish.

- Buyers rely less on initial telephone/in-person meetings with vendors and more on consuming information online.
- Buyers rely less on tradeshows/networking events and more on webinars/social circles.
- Buyers rely less on vendor-supplied references and more on reviews from socially-connected peers.

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- Buyers rely less on learning about the latest product features from vendor sales teams and more on learning about industry opportunities and company solutions.
- Buyers rely less on a sole decision maker to make the purchase decision and more on a 5-15 member buying team to reach consensus.

In response, Sales organisations have reacted by simply doing more:

- Generating more outbound leads via telephone and email.
- Chasing and qualifying more marketing automated leads.
- Qualifying inbound leads more quickly by instituting a Sales Development Team.
- Conducting more product demonstrations.
- Conducting more prospect meetings and delivering more product presentations.
- Implementing Sales Acceleration/CRM “solutions” to measure and reward individual sales activity.

Unfortunately, simply doing more has not been sufficient to dramatically increase sales outcomes. Although chasing a higher volume of poor-quality Marketing Qualified Leads has marginally increased sales, it has significantly reduced sales productivity.

Sales pipelines may have increased in quantity, but an increasing proportion of forecasted sales opportunities are: 1. Lost to competition because the sales team was unable to engage the buyer early enough in their purchasing process to influence the outcome; and, 2. Lost to “no decision” because the buyer team members were unable to reach consensus on a decision to move forward.

Ordinary sales organisations are coming to the realisation that they need to do something different than simply doing more of the same.

1. **The buyer journey typically begins on the internet, not with a call to a vendor sales organisation.** Sales must insert themselves into the buyer journey early enough to influence the outcome, but increased cold call prospecting and increased marketing leads have not proven sufficient.
2. **The buyer is consuming competitive product information online throughout their entire purchasing journey.** Sales must insert themselves into the buyer journey with valuable industry insight and guidance; pitching product solutions has not proven to be sufficient.
3. **The buyer has been replaced by an empowered buyer team which must reach a consensus decision.** Primarily selling to the decision maker and occasionally to their key recommenders and influencers is no longer enough.

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Ordinary Sales organisations are starting to explore solutions to these challenges, but the initial results have been mixed:

1. **Social Selling:** Since the account is engaged in social media throughout their purchasing journey, it makes sense that salespeople need to start selling on social media. Industry stats abound indicating that sales representatives who consistently achieve quota also practice social selling. Unfortunately, the reverse is not automatically true. While some sales organisations have experienced marginal sales success by integrating social selling throughout their existing sales process, others have experienced a marked decrease in sales quota attainment by implementing a standalone social selling initiative.
2. **Sales Enablement:** We need to enable sales teams with the right training, content and tools to engage buyers more effectively. Sales requires training to understand the prevailing industry opportunities and threats facing the buyer team, information to understand the buyer team's benefits and risks of various alternative approaches, and content to effectively communicate superior value to the buyer team throughout their buying journey. Sales enablement is an initiative to pull the right content out of marketing, product management, and other others to fulfil this need. Progress has been slow to date.
3. **Account-Based Marketing:** Sales has historically been focused on penetrating targeted accounts while marketing has been historically focused on attracting individual prospects. Today, when 10 employees of a named account visit your website, instead of being treated as 10 independent leads by marketing automation, they can be treated as 10 potential buyer team members by account-based marketing. Marketers claim to be experiencing great ROI from marketing automation and from account-based marketing, but that has not yet translated into increased sales.

In contrast, extraordinary sales organisations understand that buyers have dramatically changed their purchasing process; therefore, sales organisations must dramatically change their outdated sales process.

Sales must change their internally-focused sales process to better align with the external buyer team, their new purchasing process, and their entry/exit criteria between decision stages. By better aligning sales prospecting, qualifying, selling, and closing techniques to the complete buyer journey, sales will become more effective and more productive. However, achieving ever-increasing sales quotas must become a company-wide team effort.

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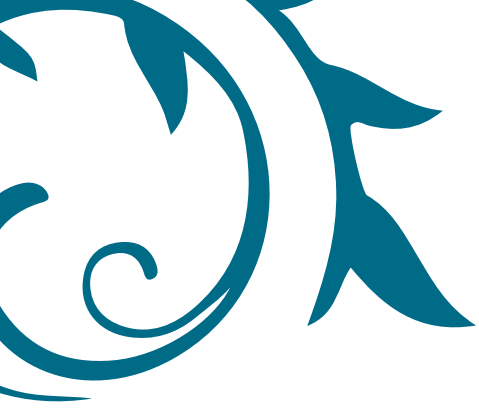
Extraordinary sales organisations also need marketing to align with the same buyers throughout the purchasing process. Marketing has been reluctant to do more than lead generation and passing, which has contributed to the perception that they are simply a discretionary cost centre. By aligning branding, social media marketing, demand generation and retention marketing to the new buyer team and their complete buyer journey, marketing can begin to be perceived as a revenue centre that helps increase sales, not simply increase leads.

When marketing and sales share a common, detailed view of the buyer team and their complete purchasing process, it becomes much easier to collaborate effectively, and align their marketing strategies and sales strategies into a cohesive revenue strategy. The discussion becomes less about MQLs/SQLs (Marketing Qualified Leads/Sales Qualified Leads) and more about how to convert prospects into opportunities into paying customers.

- How can we leverage our combined marketing and sales skills to move the potential buyer from this purchasing stage to that purchasing stage to becoming a satisfied customer?
- How can we leverage our combined content marketing and sales enablement efforts to communicate the right content, to the right individuals and right accounts, at the right purchasing decision stage?
- How can we integrate our social media marketing and social selling efforts to engage the buyer consistently throughout their entire purchasing journey?
- How can we align our account-based marketing and target account selling efforts to penetrate, cross-sell and upsell targeted accounts?

Companies that are better aligned dramatically increase revenues and profits compared with less aligned companies. Without a common detailed understanding of the buyer and their purchasing process, it is impossible for the company to be aligned externally to the customer, impossible for client-facing functions to be aligned within the company, and impossible to achieve consistently extraordinary sales results.

Extraordinary sales organisations are taking steps to update their own sales processes and to partner with marketing in aligning their collective efforts across the buyer's complete purchasing process.



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Simple solutions—the world seems to be longing for them.”



LEARNING AGILITY

Salespeople traditionally find themselves in conflicting spaces. A classic situation is the challenge to bring the diverging interests of clients (e.g. lower prices, discounts) and the organisations these salespeople are representing (higher prices, better margins) together. In that capacity they have to be skilled as mediators, translators, and problem solvers.

Currently a very different polarity is demanding attention from salespeople as well as sales managers and L&D specialists supporting them. It's the tension between the growing complexity of our sales environment and the demand from clients to simplify things for them.

If a salesperson's approach to selling is that of a discerned solution sales consultant, they're dealing with a multitude of product and service options, market influences and client expectations that require the ability to create and deal with complex solutions to add relevant and distinctive value to their client's needs. On top of this, these factors are constantly changing. Whilst this is certainly not new, in recent years it has seemed to reach a level that presses

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the human mind to a limit in respect to the ability to juggle and sort all the information available, as well as identify opportunities and create solutions from the given information. It also significantly increases the desire for simpler ways and solutions to help deal with this information—both on the part of the salesperson and the buyer.

Simple solutions—the world seems to be longing for them. But what will not work in politics, social groups, communication and technology won't help in selling or in professional development either.

Nonetheless many customers are in a similar situation to salespeople, they too are looking for ways to reduce the complexity of their situation, whether in their business context or personally—or both. Thus they have a clear expectation from salespeople to help them gain control of the buying process and decision. The customers' key expectations are:

- Information sorting and sifting: Salespeople should be able to help them identify the relevant information in the abundance of data available, particularly through the World Wide Web, and also help them differentiate between facts and mere opinion.
- Consistency: Salespeople should create an environment and process that is reliable, sustainable and trustworthy, to reduce surprises and the need to reorientate all the time.
- Feeling safe: Technical resources can't help us with the emotional challenges that come with complex decision making processes, the risks associated with them and the stress often related to dealing with many other people. Salespeople are expected to create an environment that, for the given purpose, eliminates these factors and makes customers feel safe.

To create such an environment for their customers salespeople need to be able to deal with complex situations. Additionally, they also need to be capable of translating relevant aspects thereof for customers to make the buying process as simple as possible, omitting all unnecessary aspects and structuring the remaining information in a way that is meaningful to the customer and creates value at their end.

This situation requires a new form of learning agility at the sales teams' end. Learning is not a task that can be boxed up into a training event maybe once or twice a year, where new products, a sales trend (!) or some alternative sales techniques are discussed. This sales trend highlights that learning has to be a continuous part of the workflow, and it has to deal with much subtler topics, challenges, and changes.

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The salesperson needs to consistently review their performance and situation to quickly identify development or improvement areas for themselves. They need to be able to find solutions and proactively initiate whatever measures come with this. They can't rely on an I&D department or solely on their sales managers to take care of the team's "Annual Learning & Development Plan", because even on that scale it could be too static and inflexible.

Sales teams need process and structure for that, not as scripted approaches, but to be able to create a visible, tangible framework that gives them and their buyers' orientation and direction.

Sales managers have to accept their share of helping with that task. They can support their teams in a variety of ways:

- Market research, helping to identify trends, especially slow and long term changes which might not be recognisable in the day-to-day business.
- Information sorting and sifting or providing relevant resources.
- Translating management expectations into executable activities.
- Providing the salespeople with information, not making them earn it.
- Creating and supporting processes (sales processes) to create a framework of clarity and structure to help salespeople move swiftly.
- Helping with forecasting and filling the sales pipeline (not just providing names and data from marketing or other resources, but meaningful support to help identify clients and prospects of value and potential).
- Timely reporting, and coaching support. Organisation need to increase their training investment into managers, as described in previous trends.

Sales trainers are more often asked for "simpler ways of selling". Their challenge would be not to try and provide those, tempting as it may seem, but to take it upon themselves to find ways to teach how to deal with growing and overwhelming complexity:

- Use consultative skills to reduce the scope of topics and challenges presented by the customers and channel them into viable solutions.
- Help them develop reliable self-reflection skills.
- Show salespeople how to not fear the gap between client expectations or requirements and their own (perceived) means and limitations.

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Whilst organisations should help create and support learning agility, the key to this sales trend is the ownership of the individual salesperson for this trait. In the same way they would do their market research, find and analyse opportunities, etc. they need to be on the lookout for learning opportunities:

- Doing their share of networking, market research and planned learning using their own initiative and not waiting for others to get them going—they'd risk lagging behind.
- Proactively liaising with sales managers to ensure efficient efforts are made to be up to date with any trends and learning areas relevant for the team.
- Helping to make learning part of the joint team efforts. Creating an environment where learning becomes accepted, expected, and valued not only for the individual, but as a way of supporting each other. Actively working on leveraging team experiences and synergy potential in that space.
- Asking customers for feedback for individual performance and their observations of the market, competition, and any changes and relevant developments they perceive.
- Making sure to feed their insights and needs (e.g. via their manager) to L&D to enable L&D to deliver timely support and relevant solutions.
- Manage internal relationships to recognise new opportunities and challenges.





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Strong brands attract. Strong authentic brands have credibility and are trusted.”



PERSONAL BRANDING – THE FOUNDATION OF SOCIAL SELLING

Guest author: John Smibert

It is an interesting fact that the ‘extraordinary’ of yesterday becomes the ‘ordinary’ of today.

HAVE YOU NOTICED THAT THE MOST EXTRAORDINARY SALESPeOPLE OF 5 YEARS AGO ARE OFTEN THE ORDINARY SALESPeOPLE TODAY—OR GONE. WHY IS THIS?

The world of sales has changed dramatically in the last 5 years and some selling organisations and their salespeople are not adapting fast enough. As a result, a lower percentage of salespeople are achieving their targets and vendors are struggling to grow their revenues.

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Futurists are saying the world of commerce and sales will change even faster in the next 5 years as new technologies such as analytics and artificial intelligence mature. Sales is not getting any easier. In fact, the futurists predict a lot of sales roles will disappear, particularly the ones where they are not adding value for the buyer.

You will be familiar with the fact that buyers are behaving very differently. They now have all the information they need at their fingertips to assess their business issues, to assess options, determine a solution, and often to make a final decision without speaking with you, the supplier. They have access to expert and peer opinion plus product and company reviews. The internet, search capability across a mass of information, peer based forums, and social media, all provide them with great insight. They have access to credible expert advice wherever they turn. As a result, they are closing their doors to the traditional sales approach because most salespeople they meet struggle to add value.

They find too many salespeople want to talk about their products and services rather than helping their customer determine how they can achieve their desired outcomes.

IN WHAT WAY DO WE NEED TO ADAPT AND CHANGE?

This sales trend focuses on the fact that to be extraordinary, the modern salesperson must stand out as somebody that projects eminence and value—as somebody with whom the customer feels compelled to converse. The extraordinary vendors and their extraordinary salesperson are learning to attract customers—they have learnt to ‘pull’ versus ‘push’ their customers.

Foundational to doing this, is to ensure each member of our sales team develops a strong personal brand—particularly digitally. Strong brands attract. Strong authentic brands have credibility and are trusted. Strong personal brands project a unique promise of value that customers see and are more inclined to open the door to.

In years gone by the salesperson did not need to develop a strong brand. All they needed to do was represent the brand of their company and the product—the customer saw value in that. The salesperson was the channel through which the customer accessed information about that brand and the products and learnt how they could solve his or her problems. Today, they can get that from other sources and if the salesperson has nothing else of value to offer then there is no need to talk with them. We need a strong credible brand to encourage buyers to be more inclined to want to talk with us.

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HOW CAN WE BUILD A COMPELLING PERSONAL BRAND?

Firstly, you need to know what you are about and be able to express it clearly and concisely—what is your vision and purpose—so you can focus your activity and drive your energy. Be your authentic self—it is very difficult otherwise. Define your unique promise of value—the essence of a personal brand. Finally, define your target audience—know who they are individually and where they hang out, where they learn and interact with thought leaders and their peers in their specific domain.

BRAND STRATEGY

You will also need a strategy to build a brand to project your unique promise of value in an authentic way. Choose your objectives: what are you aiming at? These can be anything from growing the number of connections in a specific network platform to building credibility through references and endorsements.

Now you can develop a strategy to achieve each of the objectives.

YOUR PROFILE

Make sure your profile on different platforms reflects your unique promise of value but also is written with your target audience in mind and why you do what you do to help.

If your writing skills are good, draft some articles to be published on your LinkedIn profile. They can be about case studies, just be sure not to mention your company or products, or the part they played in the customer's success, such things will be assumed by the reader and by saying it in the article it becomes less credible in their eyes.

THE OUTCOMES

You will soon find that you start having immediate results. From increased profile views to improved call back rates.

The company impact

If all customer facing staff have strong personal brands, aligned with the company brand, then that company can have many times the pulling power in their marketplace.

CONCLUSION

Customers will engage with those who they perceive have the intent and expertise to help them achieve their desired outcomes. This trend indicates that a strong personal brand, solid domain expertise and unique commercial insight makes a salesperson appealing and potentially valuable for a buyer.



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A key opportunity for sales teams in this phase is to influence the definition of 'value'."



SALES TO ADD VALUE TO PROCUREMENT, NOT JUST FOLLOW THE PROCESS

Guest author: Ben Shute

It was 1999 when DeVincentis and Rackham (of SPIN Selling fame) wrote 'Rethinking the Sales Force', a book describing how the rise and rise of procurement challenged sales professionals about how best to organise business-to-business sales teams. Fast forward to 2017 and there are 15,000 people working full time in procurement in Australia, and the proportion of sales revenue that is won through competitive processes is rising year on year. So what are the key factors affecting procurement practitioners, and how will that affect you as a sales professional?

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BANKING ON SAVINGS

Expectations about the contribution of the procurement process to business priorities has rarely been higher for a variety of reasons. Many organisations have invested in people, processes and technology:

- Procurement people have been recruited, trained and developed, and the proportion of practitioners who claim procurement as their full-time job has increased.
- Governance has supported formal procurement processes, resulting in more of the spend portfolio being subject to a procurement process.
- Many organisations have invested in procure-to-pay systems, with business cases predicated upon significant cash-releasing savings from improved deals.

For all these reasons, the pressure upon procurement teams to deliver measurable results has rarely been greater.

DELIVER ON THE PROMISE

The challenge for procurement practitioners is that they now have to deliver on the promise, and this means that for business-to-business sales teams the sales process will continue to be subverted by the procurement process, as more and more spend is subject to formal procurement processes. The two key priorities for procurement are:

- What is the value in this project?
- How can we turn the latent value into measurable results?

Many procurement people aspire to be perceived as a 'trusted advisor' to business stakeholders, but there are several key barriers, including:

- the legacy perspective that procurement is price-focused, rather than value focused;
- the inability of many procurement practitioners to define what is 'value';
- the challenges for procurement practitioners in understanding market dynamics;
- the use of simplistic decision making tools, such as weighted factor analysis which can be poorly suited to an increasingly complex and uncertain world; and
- poor stakeholder alignment affecting the ability of procurement practitioners to manage organisational changes needed to realise benefits.

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THE JERRY MAGUIRE CHALLENGE

If your value proposition is credible, and you can demonstrate how your solution can realise benefits for the client, (or better still, support the realisation of benefits), then there is an opportunity to support procurement people building credibility with their stakeholders. Most organisations have a structured procurement process, so let's review a generic process and consider both the trends affecting procurement and the opportunities for sales teams to create extraordinary value.

OPPORTUNITY ANALYSIS

Some procurement practitioners used to be 'tail end Charlies', only involved in the process once the business case had been approved. Sometimes the business case was based upon a proposal from a supplier, so the scope for the procurement process to add value was limited. The trend is that investment in technology solutions, spend analytics and strengthened governance is giving procurement people earlier involvement in projects. The choice sales teams have is to either build a relationship with the specifiers, and try to avoid the project being subject to competitive processes, or to work co-operatively with the procurement team. Avoiding procurement altogether is not a sustainable strategy!

A key opportunity for sales teams in this phase is to influence the definition of 'value'. There is no question that 'cookie cutter' procurement strategies of variety reduction, aggregation of demand and/or supply base reduction are based upon the assumption that competing solutions are interchangeable. It is hard to persuade a prospect that yours is a premium solution if they have defined the need in generic terms to 'commoditise' the specification. Before the specification is fixed, can you shape how the requirement is defined to ensure that:

- your offer is not excluded later for not meeting some mandatory requirement; and/or
- your offer is well aligned to the definition of need, so that you score well in the evaluation phase?

If value is some composite of benefits and costs, can you develop a cost/benefit model that supports your value proposition? Extraordinary value might mean that you shape the specifier's definition of the need, so that their expectations are aligned around your solution.

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MARKET ANALYSIS

Who knows more about the market; your sales team or the prospect's procurement team? In the past that was easy to answer, as many procurement practitioners 'drove a desk', but now the answer is that some procurement teams may have better insights into the competitive landscape. Category managers may deal with the same markets every day, rather than deal with a succession of different projects, building no real market understanding of any of them.

One challenge for procurement practitioners is VUCA. VUCA stands for volatility, uncertainty complexity and ambiguity, and these trends will have a significant impact on procurement, and in turn upon sales teams. For example, the possible rise of protectionism (or even the emergence of headwinds for free trade agreements) may change the footprint of the competitive landscape. Imagine that trade agreements fall apart and tariff barriers rise in tit-for-tat protectionist moves; might that result in less offshore competition?

This sales trend points out the opportunity for sales teams to create value for the client may include providing periodic market reviews about market exits, entrances and changes in market conditions. What do your sales teams *really* know about the client's challenges, and their own market?

DEVELOP STRATEGY

Procurement people reconcile their requirements from opportunity analysis with the character of the external market to develop appropriate procurement strategies. Many clients are responding to the volatility and uncertainties of supply markets by focusing upon building agility and resilience. Agility means that the client can be flexible and adjust quickly to externally-originated change. Sales teams might expect more contracts to be of two years plus one year plus one year duration, as clients seek to balance the benefits of co-operation with the flexibility of harnessing competition if something changes. Most procurement teams are focused upon simplifying processes and increasing throughput, and that can be hard to reconcile with a cycle time to complete a sourcing project of 180 to 270 days. It may be quicker and easier to renegotiate with the incumbent supplier; this could be good news or bad news, depending upon your point of view. The opportunity for sales teams is to help the client scale and understand switching costs, and to be responsive if markets change.

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MARKET ENGAGEMENT

This phase is when the procurement plans are put into practice, and is when RFIs, RFQs, RFPs and all the other market enquiries that procurement people use are issued to potential suppliers. Many procurement organisations, especially in the public sector, are simplifying and standardising processes, templates and terms and conditions. For work that is competitively tendered, expect to see more consistency of documentation within larger organisations, but not necessarily between organisations. As the proportion of sales that is subject to competitive bid processes grows, sales teams might consider reviewing proposal management processes. You might not like bidding for work, but there are two key responses that may support you to drive up success rates.

Firstly, how do you distinguish which bids are worth pursuing and which are not? Consider three key questions:

- Will anyone win?
- Will we win?
- Do we want to win?

If sales teams can design a simple filter to focus scarce time only on bids that you have a chance of winning—and want to win, it may help them develop better proposals. Procurement people can tell proposals which are copy and pasted from previous bids at 100 metres in a fog, so consider developing a library of responses to ‘standard’ questions, but if your solution really is compelling, make sure that the content of your proposal communicates your extraordinary value in ways that align with the client’s evaluation processes.

One trend that is emerging is the simplification of bid evaluation processes by creating bid response templates that require bidders to ‘summarise your value proposition through a haiku of no more than 17 syllables’. OK, that is an exaggeration, but if you cannot differentiate your extraordinary value in 200 words or less, you might consider whether the client’s simplification of the process is a symptom of commoditisation of the requirement, and review whether this an opportunity worth pursuing. The alternative is to accept that some clients won’t read a PDF of your value proposition, and encourage your proposal team to define your value proposition more succinctly.

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NEGOTIATION

Sales people are often told that procurement people receive more training than them, and of course procurement people are often told that salespeople receive more training than they do. Whatever the truth, procurement practitioners have changed more fundamentally over the last 15 years than sales practitioners. No meeting of sales professionals is complete without trading war stories about experiences of poor client behaviour, and that will not change overnight. As a simplistic metaphor, imagine that procurement practitioners exist on a scale from Peter Price to Valerie Value. Both talk about being open to exploring sources of value, but Peter measures value in terms of discounts off headline pricing. You will know you are dealing with Peter when, after presenting a compelling pitch about sustainable benefit realisation through improved client outcomes, Peter asks “that’s great, so can we talk about your pricing?”

Valerie Value does exist, and she classifies outcomes from the procurement process in three ways: “hard dollar” benefits (just like Peter), cost avoidance, and the ‘value adds’ that may represent how your solution creates extraordinary value. Sales teams can support Valerie by validating that your claims to create extraordinary value are credible, measurable, and that you can support her in realising the potential value. Make sure that your negotiation planning identifies the likely objectives and behaviour of the other party.

CONTRACT IMPLEMENTATION

Once the deal is won (huzzah!) the solution has to be mobilised. Many procurement people complain that the internal handover in suppliers from the proposal team to the delivery team is poorly managed. Sales teams can be more successful if they ensure that the delivery team are briefed on what was promised to the client, and support the client in mobilising the solution. Extraordinary value might equate to working in co-operation with the client to plan and manage performance so that there are no surprises. As category management processes penetrate the procurement community, there will be more continuity of involvement by the procurement community in projects, and so make sure that internal handovers within your sales team are well managed.

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SUPPLIER RELATIONSHIP MANAGEMENT

Supplier... relationship... management. Doesn't sound like a partnership of equals, does it? A key trend is that more and more clients are devoting resources to increasing 'compliance' with procurement solutions. 'Back door selling', (when an unsuccessful bidder seeks to win work even though they didn't get on the panel or win the deal), will be detected and managed. Expect more panels as clients seek to maintain the relentless consolidation of the supply base. Getting on a panel may not guarantee you business, so the opportunity for the sales team is to be clear about the commitment from the client. If there is no commitment, and the panel members need to mobilise sales teams to generate business, make sure that you know who to pitch to, and what terms apply to any secondary procurement processes. If the client is managing compliance, what will be the role of your account manager?

REVIEW AND REFRESH

At the end of the engagement, after performance of the project, what benefits were realised? How well did each party perform? What might be done differently next time? The trend is that lack of resources in procurement teams means that optional contract extensions may sometimes be exercised as the client simply doesn't have the bandwidth to renegotiate or seek potentially more appropriate alternatives. The opportunity for sales teams is to capture client feedback about opportunities for improvement, and 'close the loop' by building better cost/benefit models about the actual benefits realised.





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Smart companies know that looking at how they operate is not enough.”



SUSTAINABILITY IN THE SUPPLY CHAIN

A sustainable supply chain is no longer an option. Firstly, because there's legislation (in Australia) that regulates—up to a certain level, at least—what a company can and can't do anymore, and what information it needs to disclose. Secondly, because It's been decades now since companies (at least some of them) started talking about and conducting business minimising their impact on the planet, people and communities.

In some cases organisations were created from the get go with this in mind, some others became aware about their impact later and some were made aware by their clients or the general public. For instance, Lego recently announced that it is saying 'Good-bye plastic: Lego announces a huge change in the future of its toys.' They're establishing the Lego Sustainable Materials Center, which is the latest move by Lego to reduce its carbon footprint.

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Regardless of how these companies got there, it started a ripple effect of awareness and actions over the years to the place where we are now. We have come so far that now there are tools to measure a company's carbon emissions (direct and indirect), prizes for the companies that treat their employees best, and so on. We can find companies caring for the triple bottom line (profits, people and planet) in almost every industry and every region. Most organisations that have not yet done anything or thought about the issue of their impact in the environment, their people and the community that they operate in, have at least heard about it, through mandatory regulations or through the media or networking.

Smart companies know that looking at how they operate is not enough. The impact now has to be measured throughout the supply chain. It's no longer enough to say that your products are organic or non-toxic or from sustainable materials. Smart companies are mapping out their supply chain and getting to know their suppliers' operation to ensure that at every step of the way their product is being made ethically. This includes workers that are paid a fair wage and are not at harm, manufacturing processes that have the least possible impact on the environment and proper disposal of waste, amongst other things.

Extraordinary companies then make this information available to their clients and general public. More and more consumers are now demanding to know where the products and their components came from, how people working on them and their communities were treated, how the environment was left after the production process. And companies (at least some) are responding to that demand. There are companies that offer the end consumer information to track back the whole process of what they are consuming/using. A few examples are:

- Marks & Spencer's interactive map¹² to help find the exact point and information about their manufacturing plants;
- Kialla Pure Foods's Plate2Farm¹³ that lets you track where your grains were farmed;
- Patagonia's The Footprint Chronicles¹⁴ that take transparency in the supply chain to a key point of who they are as a business; and
- Loving Earth, which has a dedicated tab on their website providing information on their growers¹⁵.

More and more this will become the norm, with the demands from consumers and activists to know and the real possibility for organisations to do it.

¹² <https://interactivemap.marksandspencer.com/>

¹³ <http://kiallafoods.com.au/plate2farm/>

¹⁴ <http://www.patagonia.com/footprint.html>

¹⁵ https://lovingearth.net/our_growers

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To move from ordinary to extraordinary, organisations need to start thinking of the impact of their products and manufacturing processes from the supply chain to the end user. They will need to map the whole journey and make it transparent to the consumer and sales teams need to be leading the charge in communicating and taking these new and more sustainable offers to their customers and the market at large.





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