

How to sell the answer to problem. Solution sales, success or failure?

Jens P. Edgren

To Emelie, Rebecka, Sebastian and Olivia - my beloved children. To my friends: Francois, Cyrrill, Peter, Dick, Nils, Daniel, Lars, Thomas, Claes and Kicki ... and all the customers, suppliers and partners who inspired me over the years.

The author has also written How to sell the solution to a problem 2007

Sales Makeover

How to create a solution-driven sales culture, 2010

True Strories

Shortcuts to winning business fast and safe, 2013

WOW book

Stop chasing customers, let them chase you! 2014

The art of cold calling

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"You must increase the efficiency of your sales efforts! 64 % of the sales managers ranked this as the biggest challenge in the CSO Insights Survey1). It also indicated that fewer and fewer sales efforts lead to deals and that only 30 % of the sellers reach their targets. The negative trend continues".

How to succeed in selling the answer to a problem?

For almost thirty years, I've trained thousands of sales managers and sellers in solution sales. During the 1990s, you held a lot of courses in sales methods, but in retrospect I doubt it had any effect at all. Even then, the map for complex solution sales had started to change. The big difference was that the customer could find information about suppliers and their offers themselves through the Internet, which meant that the seller's information advantage disappeared. By chance, I met found new concepts for solution sales in 1999 in the United States. It was a dramatic experience. For the first time, I saw how solution sales could be based on a customer's buying process. After all, it normally was the seller's talent that decided if a sales attempt was successful or failed, not the understanding of how the customer bought solutions.

You had focused on sales methods for so long and in some way forgotten the customer, especially cases when many decision makers should agree on a common solution. The most common reason for failed solution sales is that the seller, after a brief analysis of what's needed, tells the customer what they need. The customer then asks for an offer. The seller, who may be used to simpler product sales, interprets this as a purchase signal and quickly sends an offer. When the customer is reading the offer, he or she understands nothing. Even if the customer takes the offer further to the management team, it usually goes wrong. The other management team members don't see the value of the investment and may block the decision. The seller has not understood the definition of the word solution: the customer's opinion about what the problem is and what the best solution is. Sellers who can listen and cautiously control the customer's opinions are most successful with solution sales.

But it's also necessary to have the ability to get the entire management team on board and to ensure that customers' image of the "solution" can be delivered in a safe and secure manner. Keith Eades, the creator of Solution Selling®, one of the largest concepts of solution selling, emphasized that the sellers' job is to "help customers make more profitable business". You took the methodology to Sweden in 1999 and put a lot of effort into adapting it to the Nordic business culture. The results were immediate. Those who had been educated began telling about deals when

the customer had become dedicated and pushed a completion without the sellers having had to chase a completion. The sellers were perceived as advisors by the customer. All the methods in the methodology your rarely used.

Instead, they chose a few principles and used them consistently and to the fullest. Even large listed companies, that had already done all other sales courses, found a new successful method to enlarge their solution business. In situations where the market is changing, new competitors aggressively try to gain market shares, or you want to get into a new market, there are good reasons to rethink your way of selling and leading the sales organization. I have listed the most common sales and management challenges in the book. However, they are only symptoms indicating that the way to sell must be changed.

Now, when I'm finishing this fourth revised edition, new trends have affected sales of solutions dramatically. I write about these new trends and give you my best tips on how to deal with them in a special section. How can you find new customers through social media? How can you capture a top manager's interest in less than five minutes? How can consultants, technicians and service staff actively contribute ideas to the customer and create both more business and satisfied customers? And how should you sell solutions to customers belonging to the "click, try, buy" generation, those who want to try before they decide? Finally, a few words about how to change a sales culture. Is it enough to send the sellers to a new sales training or are there other ways?

In this simple book, I would like to give you some ideas on how to draw your map for complex solution sales and, thus, increasing the efficiency of your sales.

Good reading! Jens Edgren.

PS: What does the word "solution" mean? The answer to a customer's problem. If you can get the entire organization to work towards these goals, you will get both satisfied customers and profitable business. And that's the entire organization's responsibility!

¹⁾ Jim Dickie, CSO Insights 2009



Pain

Power

Solution

Value

Sales process

Competition



What motivates the customer to make a change?

Change is difficult, costs time and money, and means risks. Most people don't like changes. But when the customer faces a problem and doesn't know how to solve it, they're open to ideas!

I connect the word "pain" with change. If the customer is to introduce a new system, change a supplier or change routines, it indicates that there are problems that otherwise can't be solved. The bigger the problem the greater the change you're willing to do. About 80 % of the customers only buy solutions when they think that they have big problems²⁾.

Today's companies and organizations have had an increased pressure to develop their business. External changes like new competitors, manufacturing methods or new customer requirements mean situations that create the need for change. The same applies when the organization gets new owners and changed strategic goals. But if the changes cost a lot of money and involve risks, it's necessary to have the courage to make decisions. Then, the customer needs to know the size of the pain. Is it worth solving? Can it be solved? Should this question be prioritized? Is it safe to change to a new solution?

You must get the customer to tell you about his or her pains. Only then, you can analyze the causes together, put a value on the pain. Keep in mind that the pain is always personal, linked to job title and responsibility. An IT manager's pain may be that an important system doesn't work. This pain can be difficult for the IT organization. But the consequences can be significantly more serious for the company. If the stores can't sell because the cash register system is down, it can lead to major financial consequences. The pain, thus, affects the entire organization but in different ways. It directly and indirectly affects costs and revenues. Learn to identify the "chain of pain"!

I, therefore, want to inspire you to find pains outside of your normal business relations. Then, you and your contacts can find pains that motivate the management to release resources and to get a question prioritized. The management may not understand the consequences of pains far down the organization and, even less, the causes of the pain. The good news for all sellers is that the pains tend to be the same in a particular line of business just because most people work in a similar way in that role or type of organization. If you can build knowledge about how your chosen lines of business work, it would be much easier for you to get the customer to tell you about his or her pains and find suitable solutions. Take the time to find the pains and the causes early in the sales process. A strong, highly valued pain motivates the customer to change.



Who has enough power to get his/her will through?

Power isn't very often the same as formal authority. According to the Swedish Companies Act, the CEO is ultimately responsible for all decisions, but the power will rest with the people who have the greatest ability to influence. It's these people you must identify, meet and build solutions with. Then, they will push through the purchase decisions.

I've studied power for many years. I've noticed that people with high titles don't automatically have power. In Nordic countries, managers are sensitive to what the staff think. Important decisions can be hampered because an administrator thinks the new business system is "complicated". In other cultures, the manager decides to one hundred percent. It's his or her way or the highway. Who has the power to start projects and to stop them at your customers? You need to be in control of both parties. In other cultures, the boss has all the influence.

Look at the customer's organization chart. Who owns the profit and loss budget, the sales budget, the power to spend money? Which departments are cost centers and profit centers? There, you can find the power of decisions, rarely where decisions are to be executed. If the customer has a matrix organization, the key personnel may have two or more managers. This creates a hotbed for political battles. The real power always rests with people with a strong informal position – not with those who have the highest title.

You call people with the power to push through the purchase decision Power Sponsor. Around the Power Sponsor, there are Sponsors. The Sponsors are in pain and need help from you to solve their problems. They know who in the organization that has the power and can give you access if you support them. They want to be heroes! In larger organizations, Power Sponsors can rarely make the decision themselves. Their power lies in opening the required doors: put you on the list of approved suppliers, ensure that the investments meets the set criteria, ensure that the right manager takes responsibility for the implementation, etc.

Instead of asking the customer about who makes decisions, ask who they need to bring in to carry out the project, ideally already on the first customer meeting. If the customer wants to bring in more people, you probably have a Sponsor not yet at Power in front of you.

If you are to win customers from competitors or make your customer choose a new solution, usually more "power" is required. The managers who are to support the decision are probably higher in the hierarchy than if you're upselling to old customers. That's why you should aim at senior executives when prospecting on new clients. If you're delegated downwards, ask to come back with the result of the dialogue with the person you are advised to talk to. This way, you'll have a chance to connect with the Power Sponsor. A good example of how much power it takes to make a purchase decision is when a receptionist at a large government office could order parts to their telephone exchange for millions of euros without asking her boss. She put an order when she thought it was needed, she had the influence needed to make a large financial decision.

Another seller fought to get a new customer to try out a free service he knew would save them a lot of money. However, the customer's financial manager, who was the person they usually did business with at other customers, had to consult his CEO. The CEO, who often played golf with the competitor's seller, referred to their policy of having only one supplier in each area and said kindly but firmly no to the deal. A deal that would have saved tens of thousands of euros. You must always find the Power Sponsor when trying to make a deal!

How close are you to the Power Sponsor when trying to make the deal? Is the Power Sponsor willing to choose you? It'll decide whether you'll win the deal or not.



What's the customer's vision?

What does the customer want to achieve? What does their image of the solution look like? The customer's vision isn't your products. They may not even use the same name for their needs as you do. They just think about the opportunities they need to solve the pains they've identified.

If you can help the customer understand what is required for the pains to disappear, you can become "supplier A", the customer's first choice. Have you ever bought a house or an apartment? Do you remember when you entered the entrance? Did you already then start furnishing the house in your mind? When the customer sees how your offer can help them, they start to create an image of the future. You call this that the customer creates a buying vision.

At the beginning of the sales process, your products and services are completely uninteresting for a customer who wants to solve a problem. Don't show them any product sheets or power point presentations! Help the customer create an image of how their everyday life might look if they could use the features that your offer can provide. I usually try to build an image of a Monday morning. Here's an example: The customer enters the office, starts his or her computer, logs in to a program that shows three lights: red for serious errors, yellow for overload, and green for "good"! Then, I ask how this would simplify the customer's everyday life. The customer becomes positive because they can see how they can solve their problems. I, then, use product presentations to prove that the solution will really work.

However, let's keep in mind that the customer is both intelligent and open to your competitors' ideas. The vision may change during the trip when the customer starts to search for more options. If you receive a request where the customer seems to know what they want, maybe at a detailed technical level, assume that you are "supplier B" – the customer's way of validating its "supplier A". You'll, then, need to change the customer's vision to get a real chance to win the deal. I've been asking hundreds of people over the years if they would buy a car without test driving it. Only five percent answer yes. The same principle can be applied to complex solution sales. Customers need proof to feel sure they're making the right choice. You can help them by showing references and making demonstrations to make them feel confident they're making the right choice.

Have you affected the customer's vision? Have you proved that you can deliver the vision? Does the Power Sponsor want "your" vision? When the vision is in place, the customer will want to buy to get the features that will solve the problem!



When will an investment be profitable?

Today's customers must struggle hard to get to make investments. They must be able to show positive investment calculations. Before the customer is ready to make a decision, value and risks will be considered carefully. Too many deals has been rejected as too expensive and because the seller was unable to show the value of the investment.

"Show me the money" is a line of the movie "Jerry Macguire". A financial manager told me the same thing. Before I had the chance to answer, the sales manager opened his Excel calculation and pointed at the ROI, return on investment, of the first year. In the beginning of our dialogue, there was no budget. However, the sales manager and the CEO had calculated that the sales force could increase its sales by 30 million euros using the Solution Selling® methodology. The cost of the project of a million was, then, easy to defend.

The value of the vision must be calculated together with the Power Sponsor from the customer. Then, they'll trust the numbers. If the seller makes an ROI calculation himself or herself, that calculation will only be a sales argument of low value.

To help the customer, handle the risks with the deal, you can help the customer to set up a change plan before you deliver the final offer. Then, the customer will feel much safer. If you challenge the old supplier, your position is automatically weak. It's always more risk-free to buy from a well-known and proven source than taking a chance with unknown suppliers. You often must negotiate with the customer to get a fair chance to prove the value of your offer and that it means a minimal risk to choose you. If you're the established supplier, you should be able to play on this benefit in the right way. Be sure to show the value of your established relationship and how it will minimize the customer's risks. Perhaps that could mean an economic advantage as well?

I'd been working a long time with a deal. For a long time, it looked good, but in the end the customer chose to buy from his old supplier. My Power Sponsor had encountered hard opposition from advocates of their "supplier A". They pointed to the value of benefitting from the investments already made. But after three months, I did a follow-up. My contact, the Power Sponsor, admitted that they had failed to reach a conclusion. He wanted a good price from the incumbent vendor, but their seller didn't want to accommodate him. They didn't agree on the value. Their supp-

lier probably thought they would lose their face if they lowered the price. The deal took a new turn when I, together with the Power Sponsor, worked out clear value proposition. We identified improvement areas, calculated the value of succeeding in achieving the goals set and found out what was a reasonable investment. With the value motivation in his hand, the Power Sponsor made a new proposition to his management team two days later, and we got the deal. This example has taught me the importance of showing and defending the value of the investment you're asking your customer to do.

Another important aspect emerged during a workshop in solution-driven sales methodology recently. One of the coaches, Rikard Nilsson, emphasized the importance of focusing on the customer's initial pain when making the value justification. Otherwise, the risk is high that you include additional values in your offer that the customer values low when deciding. Therefore, he tries to get the customer to prioritize which metrics and goals are the most important. Then, he makes the final value calculation with the customer. He claimed that even if the value of the investment is lower, the customer is more confident about the calculation.

In order not to forget the value of the investment, measurement criteria for the project should be defined and followed up. This lays the foundation for a good future relationship with the customer. We call these "success criteria".

Has the customer motivated the value together with us? Is the investment sufficiently profitable for both parties? If the value isn't verified or too low, the deal is always in danger.





The customer wants to control the deal.

The customer wants to make sure that the right supplier and the right solution at the lowest price are chosen. The customer's only way to maintain control is to invite more suppliers. The seller, therefore, needs a way to control the customer's evaluation to influence the decision criteria and, thus, win the deal.

The seller loses control by leaving an offer too early. Many sellers are too used to chasing the customer to get the deal. The client may give a half promise and ask for more time before they make the final decision. The seller, then, move the deal forward in the sales forecast several times to, finally, accept defeat. In fact, the deal was lost the moment the seller lost control. I want to give you two tools that make it possible for you to maintain control of the deal: a summary letter and a plan for the customer's evaluation that you do together.

The summary letter, you'll write within 48 hours after the customer meeting. It should summarize the customer's pain, the vision you've painted, the next step, and that you're gaining access to Power. Then, you call the next day to go through the letter. If the customer agrees with your summary, you've shown that you understood the situation and that you are serious. A first trust has been created. The sponsor often passes the letter on to those that he or she needs to include in the process.

I wrote one of my first summary letters in 1999. At the next meeting, the CEO, the product manager and sales manager had my letter in their hands and nodded concurring! Together with Power, you discuss a joint plan for what activities that they and you need to do to reach an offer that reflects their desired solution, how it should be introduced, the value, and the return of the investment.

Both the customer and you can make a time and resource plan for the project to avoid shortage of time. In addition, the customer won't be shocked by the price when the offer is coming. After all, they've received the numbers before. Before submitting the final offer, you should make a review of a draft of your offer. You should review all the points that you've discussed and ask the customer to make the changes they want. If the changes are acceptable, you can close the deal there and then! When IBM applied the technology, they managed to close 66 % of the deals when reviewing drafts of the offers.

In my role as CEO, I meet many sellers. They are consistently bad at giving feedback on my requests. That fact concerns me, because I need to know that the seller is selling the products and services needed to achieve your goals. An early confirmation of the customer's situation, pain and vision in a summary letter is the best way I know to raise the hit rate.



Do you have a competition advantage?

"I don't think there's anything unique in your product range. Your only means to compete is your price."

Most sellers I meet are afraid of competition, that their offer shouldn't be unique enough. They're afraid that the competitors are much more affordable, more skilled and, in addition, cheaper. Rarely is that true. Most companies' products and services in a particular line of business are pretty similar. Customers' driving force to find a "unique solution" is low. Most customers want standard solutions that work at a sensible price. Who the seller is sometimes doesn't matter. Nevertheless, every seller who is fighting for a deal must be able to answer the question: "Do you have a competition advantage?" Otherwise, perhaps that particular seller submits a control offer, an offer the customer will use to see if the supplier they've already chosen has the right price. When you are the seller who either gets the customer to search for new solutions or the seller whom the customer calls when they want help, you have a big advantage. You can make sure that the customer is looking for a solution that completely matches your offer. Therefore, be sure to analyze your competitors carefully so that your "uniqueness", if any, is clear to the customer. If you expect the competition to be tough, you must prepare yourself for that your offer will be compared to the best ones in the line of business and that your price will be scrutinized. The more unique you can make your business proposal, the more chance you'll have to get the deal.

If you join a business discussion late, when the customer already has a couple of good options and the deal is a long shot, your strategy should look different. Now, it's time to get the customer to spend time on you. If you're to be perceived as credible, the customer will have to try your solution and get proof that you're at least as good as his or her best option. But, in addition, you must have an ace up the sleeve: a differentiator, something that makes you a better option. When VW launched their beetle in the USA in the sixties, their "USP" (unique selling point) was "small". The first campaign was called "Think small". If you've seen a beetle, you'll know what they are referring to. But whatever it is, you and your team must be able to show it and let the customer spend enough time to understand the value of the advantage. Then, they'll return to their favorite supplier, wanting the same thing. If you've made your competition analysis correctly, they'll not be able to get it. The result? You'll get the deal. You call it "vision change".

If you can't answer the question "Do you have a competition advantage?", I think your chances of winning the business deal is small.



The six most common sales challenges are pain, power, solution, sales process and competition

When the way of selling is out of phase with the customers' ways of buying or when the competitors have become sharper, it leads to serious sales problems. Look for warning signs like failed sales forecasts, that important business deals are moved forward in time, low hit rates, and new sellers have trouble getting started. Another sign is that it's difficult to win new customers.

The sales organization has failed to understand the six cornerstones: pain, power, vision, value and competition. You no longer control the business. See the situation as an opportunity to find areas where your map for complex solution sales needs to be developed. Review won and lost deals. Do you see any pattern?

This chapter describes what might happen if you miss the six cornerstones when selling, but also how to solve the problems.



"The customers want me to introduce your unique benefits and the cost. Then, they want an offer. Many of my deals end there." (Seller, telecom business)

How often don't you get the customer to tell you about his real pain? Without a that knowledge any proposed solution will be a shot in the dark. But why should the customer tell you about their problems? The customer is used to being pushed by sellers who want to book meetings and close deals, often with manipulative completion techniques. There is a confidence gap that needs to be resolved before asking the customer to tell you about their problems.

What people do you listen to? Probably those you trust to know about your situation, and your problems and priorities. I recommend that you spend a lot of time trying to understand how the customer's line of business works, typical bottlenecks and the challenges. Then, learn about your company's other customers. Can you create reference stories about the issues you've helped solving: what pains were there, and what did the solutions look like? What did the customer gain from the deal? The reference story and your knowledge of the customer creates conditions for initiating a trustworthy dialogue. You'll win the customer's trust by telling them how you've helped other companies in the same line of business to solve their problems together with you.

When your customer is telling you about a problem or about a goal that they want to achieve, you have the chance to identify the causes of the pain. Be sure to differentiate between the pain and the reasons of the pain. An example: If the customer's pain is that they have low profitability, there may be many reasons. Perhaps your offer can help them work more efficiently. Then, you'll need to find the areas where they're lacking in efficiency, the causes of the pain, together with the customer. If you know in advance what opportunities that can be created with your products and services, it's easy to also prepare relevant questions about needs. These questions will show the customer that you know what you're doing. Also, ask the customer to describe what other people that are affected by the problems. In this way, the customer's needs are early directed towards areas where you are skilled and have a competition advantage.

Sift out the pain at the beginning of the sales process. Rate them together with the customer. Qualify away deals without any strong pain or clear cause. This will increase the value of your prospecting.

EXECUTIV

Sales challenge #2

"I rarely get to meet my customers management"



"I get stuck with the IT manager or the project team. They say that the decision is delegated to them. Then, I lose the deal anyway to a supplier that the CEO had worked with before ..."

(Seller, IT infrastructure)

The most common selling problem is that sellers try to sell to people with no right to make decisions. The sales process ends when the sellers' contacts try to get their manager to approve the investment. The manager, who rarely has been involved in the process, doesn't see the value. In most cases, there'll be no deal. What if the contact really succeeds in getting his manager interested? Often, the manager will ask for offers from other suppliers too to lower the price! Now, it will be hard to meet the right decision makers ...

Most sales managers believe that the solution is for their sellers to bypass middle management and, instead, meet people at the top of the customer's organization. They think it'll lead to more deals. However, many sellers lack the skills and the experience required to have a serious and rewarding discussion with the senior managers. What should they show the senior managers? The features of the product? Such types of meetings infallibly lead to the seller being delegated to junior managers. Middle management want to be in control. Only when they really need help are they prepared to take the seller further.

How will the seller come to Power Sponsors, the right decision makers? First, you'll need to find the people having pains that can be solved with your products and services. You'll have to get them to drive the deal internally and create a want to buy. They can help translate the opportunities that can be created to values for the Power Sponsor. They'll know which people that have the power to make decisions. You must have them introduce you and your team to the Power Sponsor. Sellers rarely get this help voluntarily. It requires a negotiation with the sponsor early in the sales process. Explain that you can't make an offer before you've met all the people affected by the project, since their opinions and priorities will affect the solution. But offer to prove to the sponsor that your company and your offer can work for them. Require as a service in return that the sponsor book a meeting with the Power Sponsor! Good ways to convince your sponsor group are customer references, demonstrations and pilot projects.

I usually to ask the customer early in the sales process: "What do you need to do and who do you need to involve making this project happen?2 Almost always, I'll get the names of the key people. Now, my customer and I have a common interest to get these people involved. Asking this simple question has increased my hit rate dramatically. Qualify away the business opportunities where you have no access to Power. Then, you're working with the right business opportunities.



"In my presentations, I try to focus on your unique product benefits, but I often get objections. The customer says their needs look different."

(Seller, business systems)

Your customers are struggling with difficulties every day. They're looking for solutions and want nothing more than finding them. Unfortunately, most sellers are bad at showing the customer what opportunities they can get in their business. They haven't made the effort to translate the features of their product into ideas that can help the customer in their daily work. The customer can't see how his situation can be improved. You can compare this to how a cloudy day in March suddenly can change when you start thinking about your holiday, a cold beer in a hammock on a sunny beach at Bali. You've had a holiday vision! A buy vision will have the same effect on your customer.

Be prepared to create visions, ideas that help the customer to see a solution to his problem in practical terms. What are the critical situations that can be solved? How will it happen in practice? Who will do what? You can get help if you familiarize yourself with your customer contacts' work situation. An IT manager may need opportunities to create a more stable operation, a finance manager may need opportunities to create more accurate financial reports. Often, people with similar responsibilities need the same opportunities wherever they work. If you learn how your customer's situation looks, you can quickly customize your ideas to help new customers to a vision, a solution to the pain.

Few sellers can create visions for all products and services they are selling. This work must also involve the product managers, the marketing department and the experts. Visions should be adapted to different lines of business and the different positions of the client's personnel.

I've been working a lot with telecom operators. A skilled seller I met was often able to create a vision around his concept of "communication as a service". When the customer compared different solutions, they didn't find the exact same solution elsewhere. He won many business deals with this strategy. If your competition is tough, the hit rate will increase if you create unique purchase visions early in the sales process. When the customer receives competing proposals, you'll still be "supplier A". Just remember that the customer will look at more proposals to ensure that they've chosen the right one. Therefore, make sure you know your competitors' "unique benefits"!

When the Power Sponsor has a strong vision, the deal is qualified, because with the vision comes a will to get the solution!



"The customers think your offer is the best, but they often choose a cheaper alternative. I rarely get the chance to defend your prices. They say their budget is too small."

(Key account manager, outsourcing company)

The customer needs to motivate their decision. The price is the easiest way to put a value on something you've bought. Customers often think that a cheaper alternative will give the same results as a more expensive one. You need to be able to prove the additional values that the customer receives. If you make the investment calculation yourself, it will be just another selling point. You must make the investment calculation together with the customer, with the Power Sponsor. The calculation should show the customer's entire savings and profits. Even those parts that are indirectly affected. In that process, the customer will create credible arguments themselves for their decision and pay less attention to the price. It's the customer who has the ultimate responsibility for solving the problem and must also be allowed take possession of the value. The seller's work is to create the right conditions through the evaluation plan.

"Decisions are never taken based on a value calculation." That a senior business woman claimed. I think she's both right and wrong. When a project seems right, credible evidence is required for the solution to be worth investing in. You also want to make a good deal. The proof is created during the value calculation process.

Have you never made a value calculation? Do you think it has to be a 30-day project? Think again! I want to inspire you to calculate the value of the project together with the customer. Make it simple, use Excel, talk to other customers you've sold to. What results have they achieved? Can your customer earn more money, save money and / or avoid unforeseen costs thanks to the solution? The three components must be included in the value calculation. In addition, it's good to plan for when the customer gets their "money back" – the payback time. If it gets too long, financing might be a good option to defend an investment. Make a value calculation a part of all your sales processes. It must be done before the customer receives the final offer. Then, there'll be no surprises.

At the end of the buying process, price and risk will become important. If the price is experienced as too high compared to the competitors, anything can happen. Most customers want to bargain. You can protect your price if you and the customer know what the value will be.

According to my experience, there'll be a deal in nine out of ten cases if an investment calculation, ROI, is done correctly. The odds that the customer sees the value of the project increases a lot. It creates a satisfied and safe customer who can motivate the investment.



"I have a good dialogue with my customers until the offer is handed over. Then, it'll be completely quiet. I've chased some people for months. It takes focus off my other deals – the pipeline is always too thin."

(Seller, ventilation systems)

Once the customer has received the offer, a decision must be made. The customer enters the risk phase. Most customers always look for other options and types of solutions than yours. The customer wants to do this undisturbed, without interference by sellers. This phase of the buying process tends to be long, because the customer is afraid of making the wrong decision. If your competitors are skilled, they'll do everything possible to come up with a cheaper, smarter and simpler solution. That happens every day. It's a question of control. When the offer is handed over, the seller has lost all control of the deal. If this happens to you often, you've probably left the offer too early or to the wrong person.

Try this: Ask to review a draft of the offer with the customer. If the customer wants to change something, make the changes you can there and then and make sure he or she is prepared to complete the deal. If your draft complies with the customer's requirements, you can ask for a completion there and then. You can also stay in control by using a mutual evaluation plan. If you're "supplier A", you should be given the opportunity to include all the solutions the customer wants even if the ideas come from your competitors. Then, you can hand over an offer that reflects the customer's entire vision. A skilled seller solved a difficult sales problem with this method. He had had a nice dialogue with the customer's various decision makers until it was time for the draft. At the last meetings, when preparing the offer, he noticed that the customer wasn't as willing to answer questions or to provide feedback as before. After reviewing the draft, he asked for an oral completion to start the project. The customer's managers twisted and turned and admitted that they had contact with a supplier whose offer looked very attractive and was considerably cheaper and better. The seller gathered himself and asked to get a fair chance to make a new proposal including the new ideas that obviously was of interest to the buyers. After all, he had worked hard with them for four months to find a good solution to their problems. He got the chance to get back with a new proposal. Thanks to this simple method, he could make some small changes and win the deal.

The offer should be a summary of what the buyer wants. It's only handed over when the customer has confirmed that the content is correct and that they can make decisions within the time the offer is valid. What should you do with offers that are no longer valid and has passed expiration date? Ask to get them back. Ask the customer to throw them away. Ask for a chance to restart the dialogue! But remove the very old offers from your pipeline. Make sure they don't prevent you from further discussions with the customer. You can maintain control throughout the sales process with the right methodology.



The three most common challenges for sales managers

The three most common challenges for sales managers, and pain, power, solution, value and competition.

Will you reach your sales goals this year? This is the burning issue for many leaders. It depends on the sales organization. If it fails to find the pain, reach Power, build visions, motivate the value and keep control, deals will be lost.

Many sales managers and leaders find it difficult to get sellers to enter information in the sales support system. Or really tell where they are in their sales process. I often hear sales managers say they're concerned because the sales activities are too few. These are sales challenges that almost everybody shares. Unfortunately, many sales managers wait before trying to solve the problems. It's often only when the sales prognosis isn't reached that the pressure on the sales force is increased to "secure" that the deal is moved or lost.

Do you recognize the most common challenges for sales managers? I want you to try out new methods when you're coaching your sellers and, as a result, create reliable sales prognoses. In this chapter, you'll get methods for identifying sales problems early and giving your sellers the support, they need.



"Every time I'm reviewing your most important deals, I find many problems that sellers rarely do something about. Their pipeline is always too positive."

(Sales manager, business systems)

Sellers working with complex deals tend spending most of their time writing offers. They only hear good signals from the customer. The customer often needs the seller's offer to verify the price and compare the solution with the one from another supplier. Especially sellers that are below budget are almost always too positive and weight their deals too highly when doing a sales forecast without it being justified. It is a survival instinct. The same instinct causes sellers who are over budget to hide big deals, that is not entering all deals in the CRM system. They always want to have an ace up the sleeve if some other deal would go wrong. We call this phenomenon the "sunshine pump". Everything looks good until there's no results. After all, you as a sales manager want good news, and this news quickly moves upwards to the management level.

The sunshine pump starts spinning when the sales manager is asking: "How are the deal progressing?" The seller will answer: "Good! I had a good dialogue with the customer." Once I asked a seller if his contact was the Power Sponsor. He replied: "No, I don't think so. But all is good so far." There was a chance that this deal should fail because there was no the Power Sponsor there that could make decisions. But the seller didn't realize how serious of the situation was. Perhaps the potential problem could have been fixed before it was too late. This is an example of how a simple question can identify a sales problem early in a deal. Stop the "sunshine pump" today! Ask the seller to tell you where the deal is in the buying process. Ask about pain, power, vision, value and control. Ask for facts, not opinions. Ask to see their summary letter and plan for the customer's evaluation. Ask them to tell you how the customer has verified that the deal will be closed in December.

Then, you'll be able to help sellers before it's too late. Both sales and prognoses will be improved. In addition, you'll create a coaching atmosphere in the sales team.



"Our pipeline is never updated. I can never be sure you'll reach our goals. I often panic at the end of a quarter." (CEO, IT outsourcing)

Sales is about reaching the budget. Each year, it'll be a bit higher. Are your best sellers year after year are compensating for the other ones? Does your pipeline look good until the end of the quarter? Are many closures moved to the fourth quarter?

A hardened sales manager exclaimed: "Tomorrow will be my happiest day. We sell seventy four percent of your budget." He referred to the fact that the sellers' planned to close their deals on the last day of the quarter. Unfortunately, this was not confirmed of the customers.

Many sales managers have too little control of how the pipeline really looks. With a properly valued pipeline, sales issues at an individual level can be detected early. The sales manager can give support early and gain effect. Prospecting can take place early so that the deals can be closed during the financial year. Wise sales managers are also building pipelines to use the next financial year.

The key to success is pipeline management. Use the six cornerstones, pain, power, vision, value, control and competition to qualify the deals. Use sponsor letters and customer evaluation plans as go or no go points when sellers are moving the deals in the pipeline. Make sure that they aren't out of phase with the customers' buying process and send the offer too early. Look for the deals that aren't moving forward in the pipeline. They may already be lost and should be removed or restarted.



"We are only winning 50 % of your 'safe' deals. Everything looks good until the last week of the quarter. Then, you lose those deals that could have saved us. I'm forced to find explanations for the CEO." (Business area manager, data and telecom operator)

"We had indicated early that their price was too high but never received any response." That was why a manager didn't choose my customer as a supplier. The seller and the rest of the management had, despite that, valued the deal to 90 %! Why? They hoped there would be a deal. Accepting defeat would have forced the seller to lift the "cactus phone" and find a new customer.

The most common reason for "safe deals" slipping in time is that they are added to the sales forecast early. The basis is too loose: the customer hasn't verified that they are ready to make a purchase decision. To reverse this common situation, the sales manager needs to take control and confirm the situation with the customer. Let's assume that eighty percent of the value in the prognosis comes from a few key deals. They will dramatically affect the outcome. A regulatory framework for the assessment of these key deals is therefore of the utmost importance.

A common reason for losing sales prognoses is that sales management only focuses on the deals to be completed within the quarter or the month. The sellers aren't coached to build a strong pipeline so that they can make deals during the next period. If the sales cycle is long, 6 months, prospecting must be done early to ensure that the sellers have a reasonable chance of achieving their prognosticated goals. Almost all sales forces that miss this will be very short-term, with missed prognoses as a result.

The most common reason why both CEOs and sales managers are forced to quit is that they fail to achieve what they've forecasted, what they've promised.

Therefore, I want to urge you to build a sales forecasts system based on the six cornerstones: pain, power, solution, value, sales process and competition. If the deals are correctly valued with these parameters, the sales management will be able to put the correct actions in place in time. You'll receive early warning signals of positive and negative deviations.



"A verified pipeline is the key to reliable sales prognoses. If you can get the sellers to describe where they are in the sales process instead of telling you what they think about the deal, then you have all the conditions needed to create a reliable sales forecast."

(Johan Hellström, former CEO DataMetrix)

I've previously touched how every business opportunity can be strengthened with pain, power, vision, value, control and competition. I've shown how the five most common sales problems can be solved with better sales efforts and compliance with the customer's buying process. In this part of the book, I'll expound the methodology for making more reliable sales prognoses.

Keith Eades, one of the creators of the Solution Selling® methodology, said about sales forecasts: "To let the sellers make the sales forecast is like giving the key of the prison to the prisoners." The sellers are rarely interested in making the sales forecast. They feel pressure if they have to make promises that they'll win the deals they're hesitant about. If they're above the sales budget, they'll keep expectations down and vice versa.

One advantage the sales manager has is that he or she will have an overview of all the sellers deals. The greater basis makes it possible to use probabilities for the various milestones in the pipeline. Sales can be calculated relatively accurate.

Almost everyone drives a car. The instrument panel contains instruments that can be translated into sales management: the speedometer can represent the pipeline, the tachometer the hit rate, the hit rate, the kilometer counter what you've sold until today, and the clock how much time that remains of the fiscal year. With a few key figures, you can create your own dashboard for you and your team.



"Weighted value in pipeline, the flow of business through pipeline, and when deals are closed. These three factors will determine whether you'll fail or succed."³⁾

(Keith Eades)

The weighted value of a pipeline is the calculated outcome of all transactions in the pipeline. Each deal is judged based on the probability of the current milestone. If the deal is a RFP, request for a proposal, the probability will most likely be reduced, simply because the competition is higher

You can set a target value to the sales pipeline. If the value of the pipeline is high enough, you can enjoy a good night sleep. A sales manager I worked with found that if the unweighted value of his pipeline always was nine million euro, the quarterly sales target of four million euros always could be reached. What should that value be for your pipeline to achieve your goals? Give the targeted value to the sellers and let them take the ownership of it!

The flow of the pipeline shows where the deals are in the sales process. To get a smooth flow of closures, the deals need to be evenly distributed. The flow is based on the weighted value at the sales milestones. Key figures can be set for how the ideal balance should look. Actions can be taken early if the expected outcome during certain periods is too low. The latter can be very effective when the sales cycles are long. A nine months long sales cycle when doing complex sales isn't uncommon.

The scheduled closure date shows when the customer will sign the deal. Individual deals can be followed, and the total monthly, quarterly and annual sales can be calculated. Pain, power, solution, value, sales process and competition can be used to assess if the dates deals are closed will be as predicted. Particularly sponsor letters and confirmed plans for the customer's evaluation provide a good basis for coaching. The sales manager will be able to detect sales challenges in important deals. You'll be able to avoid that deals slips in time and that the sales forecast fails.

Pipeline management requires control of pain, power, solution, value, sales process, competition and discipline. The sales manager should be able to follow the pipeline every week. The prognoses must be based on facts and qualified assessments. A prognosis will still contain uncertainties, but these are now reduced to a minimum. The goal is that you should be able to go to the bank and borrow money with your sales prognosis as security!



Sales strategies for the future

Sales strategies for the future

Back to the future is a summary of the future sales situation. You'll have to be even better at meeting each customer's need for solutions while streamlining your sales efforts and creating more sales. This means that you need to find new ways to streamline your sales but, still, make each customer satisfied.

This chapter gives you an introduction to "executive level sales", how to win purchases when the competition is hard, and how the entire organization must support the sales effort. In other words, three new ways to get your sales going. In the chapter on "executive level sales", I will give you a glimpse of what's going on in the management room and how to create business there. In the chapter on how to win a tender, I'll show you how to disqualify the deals you can't win. Finally, in the chapter about that sales aren't just the seller's responsibility, I'll give you an idea of how to make your entire organization to support sales and open doors so that the customers can find you themselves.

I was asked what trends there are currently when it comes to sales. For those companies that have consultants, service technicians and customer service staff, this is very clear. These talented people talk a lot more to their customers than their sellers do. Most technicians and consultants I've met spend the entire day at their customers. And the customers can't get enough of them, their skills and ideas. But almost all attempts to get these professionals to sell actively have failed despite lots of sales trainings. Why? They don't want to be sellers, and the customer wants to talk to a credible source without having to be pushed towards a contract. How can this potential be released? How can these talented people still actively contribute to creating a solution-driven sales culture without becoming sellers? Read the chapter "Create a waterfall of ideas for your customer" to get the answer!

The companies that managed to grow fast have managed to make sales a teamwork with the seller as the conductor.



"What business initiatives will you carry out the next twentyfour months?"

One of the clearest trends is that companies and organizations are becoming more and more controlled by top management. Management teams can, through different systems, control the operation and follow developments better than before. The power to decide on purchases is gradually shifted upwards, driven by management's desire to streamline and integrate strategic suppliers into their own business. By doing so, they can save money and increase focus on their core business and, thus, develop and grow faster than their competitors. If you're looking for big deals, you must be perceived as a strategic supplier, a partner that can contribute to the hoped-for financial result. If you're selling to the public sector, the equivalent is being perceived as the one making it possible to make important decisions that enable the customer to streamline and provide better service to the citizens. You must have the right approach, "executive level selling". An "executive" is a member of the management team, that is responsible for determining what initiatives (actions) at a strategic level that will make the company or organization reach its goals. There are two types of business initiatives: those that increase efficiency and those that increase growth (sales). What will be needed to succeed in reaching these executives? Keep in mind that their most important resource, time, is extremely short. I myself have on many occasions booked CEO meetings twelve months ahead. Besides, you must have a message that they're interested in.

You should inform yourself about what initiatives they're planning to implement, how they're intending to make them happen and who are responsible. The management's "pain" is that the initiatives stay at the drawing table and are never completed, often because the middle managers in charge don't know how to accomplish the tasks. Ask to be introduced to the person responsible for implementing the business initiative. Then, you'll come with a "mission" from the management. That meeting will be easy to book! Some good advice for the road; If you normally spend 15 minutes to prepare a sales meeting, you must spend more time preparing an executive meeting to make sure you know key figures, strategies, plans, the peoples' history, potential challenges, and what business initiatives that are communicated. Also consider your experience and reference stories, and how you can help. Then, it could be a great meeting that will lead you right to the one who's actually the Power Sponsor!

It may be difficult reach these busy executives. There are three ways to reach them. You can look for them on the golf course or when they're flying their model planes. You'll have to share interests and create a natural atmosphere. You can reach them in a more businesslike way by conveying your message to their secretary. Often, you'll be asked to write down what you want in an email. The outcome is often a disappointment, because your email is drowned in a thousand other requests. Or you can use a better strategy and find the manager's cell phone number and either call before 08:00 in the morning or after 18:00. Then, they're available and more willing than you might think to listen to your message. If they like what you've said, they'll ask you to call their secretary to book a meeting. The first step is taken!



"Out of eight major requests, you won one. The conclusion is that you're too bad at qualifying away the deals you can't win." (Marketing and sales manager, IT outsourcing company)

Most sales people spends an endless amount of time responding to RFP, requests for proposals sent out by the customers purchasing departments. Some companies have even created special organizations doing nothing else, called purchasing. In sports, it can be considered a merit to get a bronze or a silver medal, but winning "silver" in business you, instead, must pay the check for the dinner you never got to go to. I claim that 80-90 % of all purchasing decisions are settled in advance, the #1 vendor is already selected. The customer has learned that it's better to ask three suppliers and, then, push their favorite supplier on price than to lower the spending. However, it's difficult for us sellers to leave a request unanswered. You're living in Christmas dream that you're missing out on a fantastic opportunity. Sometimes, you may do just that. The problem is often that if you're following the customer's purchase rules, you can only see the Santa Claus from afar. I would, therefore, like to spend some extra time showing you what to do when you really believe you'll have a chance to win a contract even though you haven't been the supplier who created the tender documents.

How do you know that you and your company aren't the customer's first choice? You get a request for an offer in which everything seems correct. The middle managers handling the deal are smart. They know that their managers require at least three alternative offers to decide, so they first meet their in-house supplier to get their perception of their needs. Then, they rewrite the favorite supplier's offer to a request and send it to some other suppliers they don't want to buy from. In addition, they know the art of writing a request so that it seems easy to win. Then, you'll get the best price and the best solution from your favorite supplier, and, in addition, you'll be informed if any new interesting solutions have come up. But you still don't want to get a new supplier unnecessarily and take unnecessary risks. Sometimes, an external consultant is used as an adviser. Does that mean that the purchase is now neutral? No, because the customer will use the consultant to motivate the choice already made, and no, because now you have another filter to get past to reach the real decision makers. Assume that if the customer is neutral, the consultant has even stronger preferences.

How do you do to win? Begin by realizing when you are number two. The deal is lost, and you have everything to win! See the customer as a patient who wants a dangerous drug prescribed without having a proper diagnosis. No doctor would accept it. Start by analyzing the customer needs and pains. Then, come up with a proposal corresponding to the current specifications in the RFP and an alternative proposal corresponding to

what you think they really need. Analyze the competitors carefully. What are your strong points? What unique solutions that the competitors haven't thought of should you highlight? Ask to prove that your solution works for those in charge. If the customer doesn't want to give you access to the decision-makers or time to prove that your solution is the best one, you've already lost.

What's the chance you'll win if you aren't the customer's favorite supplier and have helped creating the request? My experience is that the chance to win is 0-20 % if your company has mature products and services. Unfortunately, the sales cost is almost as high to respond to a request as if you had processed the customer for six months before sending out a request. Here are some characteristics to look for, to see if you are a runner up:

- Short time to send a formal answer
- The request is product oriented
- You don't get to meet the customer directly but have to go through consultants
- You don't have to prove that your proposal for a solution works
- · Focus is on the price

One of your customers received a large request for a system to simplify purchases and certificates. The deal was big and worth a lot of money. The sellers and the technical experts worked hundreds of hours to meet all the requirements. They had to make many extensive demonstrations of their software without being paid for the time they used for their preparations. After six months, they were told that they would have won the contract if the customer had chosen to buy a "on-premise system". Now, the customer instead had chosen an internet-based software, so vendor lost the deal. I later got in touch with the winning supplier. They told us that they'd worked the customer and had had pilot projects going twelve months before the RFP was submitted. The conclusion is that if you aren't working with the customer before submitting a request, chances are you're just filling a column in the customer's comparison matrix.

Ask to meet those who decide to better understand the issues to be solved. Unless the customer wants to give you access to the decision-makers, you've already lost. Therefore, expect the first negotiation to be the toughest: to get access to the customer's decision makers. How should you be able to motivate the customer to give you but not your competitors extra time, time, according to the customer, already used on "supplier A"? Negotiate, present a fantastic offer (that probably have taken two to three weeks to do) in exchange for three one-hour interviews. If the customer says no to this, you know that there's no point in submitting an offer. No matter how good your solution is vou're too late.

A skilled seller, Mats Brandt, described his company's policy and explained why they couldn't submit an answer to a request without meetings with the management team. After a day or two, the customer's highest IT manager called him and straight away invited him to the next executive meeting. The manager understood how reasonable Mats' requirement was and accepted a meeting. Three weeks later, Mats had won the deal.

If you get a chance to meet the customer's decision makers, DON'T try and sell something or show them power point presentations. Keep in mind that the reason the customer is meeting you is that they want an offer, not yet a sales presentation. Instead, analyze the needs you'll and try to find the real pain behind the customer's needs. The most important thing of all is to come up with ideas about how to resolve the pain even better than what they've thought of and asked for.

The next step is to negotiate time to prove that your solution is working. Imagine you are looking for a new company car. Your company has a car policy that approves Volvo, Audi and Volkswagen. Hardly any idea to look at an Alfa Romeo, right? But if you got your boss to test drive the car and he's completely sold, maybe he or she could make an exception? The same idea is successful when you're supplier "B", the customer's second choice.

If you've succeeded so far, you'll just have to survive the last obstacle, the customer's risk phase. Now, it's time to get the customer dare to switch supplier. The right tactic is risk minimization. The smaller the change the greater the chance that the customer changes suppliers. Many deals have been won because supplier "B" has offered simple, cheap and, thus, less risky solutions. Discuss and plan a change of supplier with the customer. Ask them what they need to do to change supplier and make a mutual plan. This reduces the risk of the customer hesitating during the final phase. Supplier "A" is often at a disadvantage by being self-righteous own goodness and has missed the customer's objections to the risks.

When you're participating in a tender, it's important to choose when to fight so that you don't win the battle but lose the war. There are many examples of deals that have cost a lot of the margin to win. In addition, the customer's requirements couldn't be met, because the economy didn't allow delivery of the degree of service that was still expected. Everyone was dissatisfied.

One of my customers received a RFP from a large commercial bank. It contained some unreasonable demands on the supplier. Among other things, the supplier was required to have a directory inquiry service, which was hardly relevant to a data network. My customer asked the bank to remove the requirement to change the rules of the game to make them fair. The bank didn't agree to this, and it was decided to not submit an answer. The race was still lost. Therefore, be careful about spending time on tenders where you haven't participated from the beginning. Can you win them? Are they worth winning?

Finally, a few words about your pipeline. A good pipeline contains a mix of RFP'S and business you have created yourself. Your hitrate on the different business types should be balance how much of each type there should be in your pipeline. A healthy pipeline can, for example, contain twenty percent RFP'S and eighty percent business of your own creation. If you're a market leader, the relationship may be the reverse, because you're automatically the customer's first choice. Do not rely on reaching your budget with the help of RFP'S. They'll be used to win deals from customers who are otherwise closed for normal sales prospecting.



Sales strategy #3
Sales is a responsibility of the whole organization

"Efficient sales require that the marketing, sales and delivery organizations are coordinated. When the different groups act as individual islands, conflicts of interest arise. The customer gets jammed."

(Jim Palmqvist)

How often isn't it that conflicts with the customer arise when complex solutions are to be delivered? How often isn't it that technicians and consultants must take responsibility for unrealistic expectations created during the buying process? Schedules and budgets can't be met.

What determines if the customer is satisfied or not? The customer's expectations guide what makes them happy. Those who meet the customer affect the expectations. Therefore, the messages from the marketing department need to be in line with the sellers' customer dialogues. It must be possible to meet the promises that the sellers have given upon delivery.

Let's take a webpage, for example. It's usually product oriented and has numerous menus. An interested buyer must find the right menu and scroll down to "references" to get information on how other customers have been helped. I've studied a lot of webpages. The companies boost a lot of great product features! They need to change their message, so it will be more clear what help and value the customers get and how their pain can be solved. The web page should be the start of the sales dialogue and help the customers identifying their needs. The effect would be that the sellers would get real leads. I had a dialogue with a CEO of a large listed company about how he's searching for information about new suppliers. He said: "I want to find good reference stories with one click, preferably see a short movie." Perhaps your customers are equally impatient?

If the marketing department and the sellers are selling ideas that they know that the company can deliver successfully, the projects will also be profitable. The cornerstones can help the marketing department to design customer-oriented sales messages. The delivery organization should be involved in the sales process you'll before a deal is completed. They can verify that the vision is achievable and help the customer handle potential risks. Together with the customer, they can set up a plan for implementation as a part of the sales process. The seller can use investment calculations and success criteria to control the customer's expectations.

What does the word "solution" mean? The answer to the customer's problem. If you can get the entire organization to work towards these goals, you'll get satisfied customers and profitable business.



Make sure that the service and consulting teams are handing in active recommendations.

Sometimes, I hear managers say that everyone at the company is a seller. I hope they're wrong! Because if everyone was a seller, who would then do the job ordered by the customer? In addition, it seems customers trust people who aren't sellers than those who are. A survey conducted by a leading telecom operator should that sixty-four percent of their customers want more ideas, but only one percent of them want to meet a seller. Obviously, this makes you wonder who will come up with all these ideas. Apparently, people they trust. Customers to companies selling consulting services and other services are seeing the supplier's professional service personnel and consultants more often than the company's sellers. I would guess that the quota is 90/10 or perhaps even power. Over the years, I've observed that many of these service companies are getting high scores in customer surveys in areas such as quality and delivery precision, while the same companies often get amazingly low or very low scores when it comes to the ability to come up with new ideas.

It's as if the supplier is waiting for the customer's orders or satisfied if they're doing a good job. Richard Normann claims in his book "Service Management", 2000,* that the supplier tends to believe that the customer is satisfied if the delivery went well. Rickard Normann's studies showed something else: Customers expect delivery to be of high quality. They value the service connected to the delivery much higher than the actual delivery. Ask yourself: When did you last have a great service experience? It's usually when you're getting something that wasn't expected. The good news is that you can make a system of an amazing service experience. Imagine all the people who are working in your company, yes, you too, constantly trying to come up with good ideas that could help the customer get a simpler, funnier, safer, more environmentally friendly and more profitable life. Imagine that you also made a system of giving the customer these ideas in a way that made sense so that the customer would place an order with you and realize the ideas, what would happen then? The customers would love your dedication. You would be a supplier beyond what's usual. In addition, your sales would increase. When one of my customers introduced "active recommendations", they increased their sales of services by thirty percent after just three months. What was their "secret" trick? Their consultants made their recommendations available to the customer through a website. The customer entered the website every day and placed orders without talking to any seller.

Simple, simpler and simplest

You don't have to be afraid that the customer will think that you're annoying. They'll love your dedication. You also don't have be afraid that every idea won't give you a new deal, because it won't. The principle of making active recommendations, I call "creating a

waterfall of ideas". The service technicians and the consultants, those seeing the customer most often, are sharing a lot of ideas. The customer is catching the ideas, like a pond where a waterfall ends. It's the amount of ideas that are the most important thing. That the customer understands your ambition. It's usually enough for the customer to "buy" every fifth idea to make it worth the while.

Four steps to create a waterfall of ideas:

- 1. Educate your service technicians and consultants about why they should come up with active recommendations and how they as a professional "non-sellers" contribute a very high value.
- 2. Equip them with A6 cards (or a digital equivalent) where they can write down their idea and give it to the customer.
- Collect the ideas each week and ensure that the customer has access to the ideas that are really good.
- 4. Keep statistics. How many active recommendations have created last week? How many orders did they lead to? How was the customer's satisfaction index affected? Communicate back to the teams and reward them.

Twenty percent of your service technicians and consultants are probably already doing what I'm describing. But these good value-creating ideas too often get caught in the customer's organization. They never take off. Therefore, they must be collected and communicated to the customer's management team so that they can see you are proactive. Some of the ideas may have to land elsewhere in the customer's organization to make them possible to buy. This is where the sellers come in. It's their job. An example of this was a company that was selling business systems. Every time a consultant returned from an assignment, he or she brought a service report. On the front was written everything that was done, but on the back the consultant had written suggestion for improvements. The customer received a copy of both sides of the report. As soon as the seller received a copy of the service report, he or she called the customer's purchasers and followed up the consultant's recommendation. This, for sure, created satisfied customers, well-functioning systems and good business.



"Fifteen minutes, that's all I'm asking for! I've a great idea that I just have to tell you!" And the manager replied: "You're getting no more than five minutes."

In the autumn of 2017, I asked many CEOs how they thought a sales meeting should be arranged. They agreed on one thing: The sellers should start by presenting their ideas on the cooperation, and, if interesting, they could consider further discussions. A CEO of a software company made this subtle remark: "I don't want to answer questions about what you do, what challenges you have, or my business goals. A briefed seller should be informed about these things. If the seller is to succeed in catching my interest, he or she should have considered everything carefully. I think that most sellers have that ability. The idea doesn't have to be the brainwave of the century, but it must be sensible and show how you can make more money and get more satisfied customers. After all, that's the bottom line of your business. If I like the idea, I'll gladly discuss it for a couple of hours." Another CEO said: "I'm a seller myself and think everyone should have the opportunity to introduce himself or herself. But it mustn't be something that I can find myself on the seller's website. If it is, I let it be." I think these comments reflect most managers views. They gladly accept a fresh new idea. Sellers loaded with Power point presentations won't survive even five minutes, and sellers beginning a meeting with the classic question "What keeps you awake at night?" are dismissed even faster.

A new format for a new time

Remember one thing: All information is available on the Internet. If a manager wants to know more about "business systems", he or she can google the word and get eight hundred and ninety-four thousand hits. You must take your product or service and transform it into something that you, through your research, think can improve the customer's business. The brains of your customers' top managers are hard-coded with three-letters: R - C = R (revenue minus costs equals result). Therefore, your idea should relate to this code. The managers' problems are that they don't have the time to come up with all the smart solutions they need to maximize their business. They have meetings the entire day every day. Therefore, they need to surround themselves with people helping them with new, innovative ideas. You can become one of them. Your reward? More deals.

When you're seeing executives, keep in mind that their brains are working some sort of computer. Your idea should be the password that opens a program. Therefore, the very form of a presentation is of great importance. For other people in the customer's organization that you're seeing, this approach is probably too straightforward. That's why call this format "the executive story".

An executive story contains five parts:

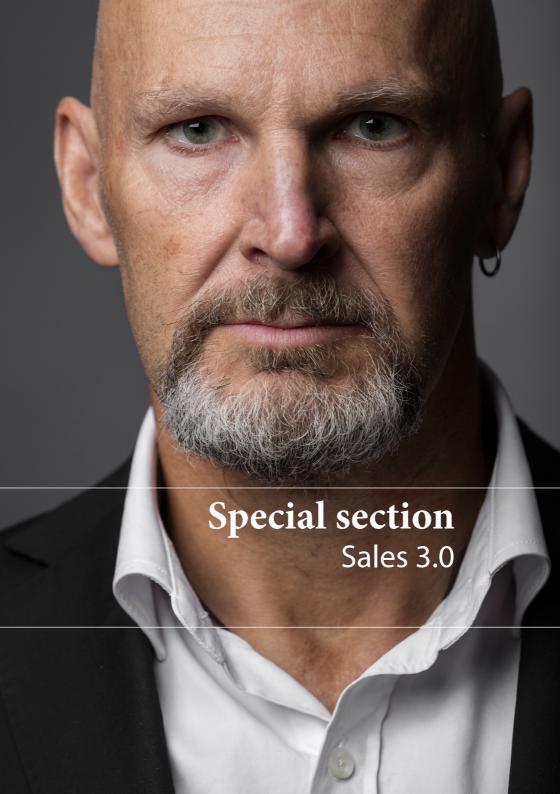
- 1. The idea
- 2. The value
- 3. A potential time to implement
- 4. Why you and your company is the best option
- 5. A suitable first step
- 1. A good executive story starts with the essence, your idea. If you know the customer's business, their business challenges and their business initiatives, you can start with these. Then, you express your idea on how your offer can help them reach their goals in a practical way. An example: "I know you're aiming at increasing the number of flights on time by 25 percent and that a common cause of delays is the lack of competent pilots. You could link your staff planning system to yours and make sure that you always have a pool of trained pilots who can be at the airport with 60 minutes notice."
- 2. The next step is to give the customer an idea of what value this can give them. An example: "Since fifty percent of the flights lacking pilots depart from Arlanda, where you operate, it would be possible to avoid at least half of these delays, with increased customer satisfaction and better economy as a result." The seller in this example doesn't know how much a canceled flight will cost the customer and, therefore, saves this argument for later. Perhaps the economy isn't the customer's main concern either.
- 3. Many good ideas are never implemented because there is no clear "now". So, the third component is simply: "Why right now?". An example: "From what you've deduced from the statistics, the number of passengers will increase by 25 % during the second quarter. Now, you're at the beginning of the first quarter, and there's enough time to create the conditions needed to achieve the goals during the next quarter.
- 4. Who is the best supplier? Why you? Motivate this with less than fifteen words. Then, you'll include the most important points. One seller claimed that a clear positioning could be said during one breath. Try it! An example: "Customers like SAS, Lufthansa and BA use your pilot pool and your planning system today. You're the only supplier of crews who has pilots among your staff.
- 5. The next step is: what will happen now? It is you who decide about the pace. This is the fifth component of the executive story. An example: "I suggest you invite people who know traffic planning, someone who has an overview of the statistics and can participate at a workshop where you for two hours can show how your other customers are using your system and your staff to increase their efficiency. After that, you'll provide some basic data for a business proposal.

Some things to watch out for: One of your clients, Stig, shared a fantastic executive story, an idea for a campaign app. The CEO he met was completely sold. Shortly after the meeting, Stig, received an email from the customer's IT manager. The IT manager explained that he already was producing an app and, therefore, said no to a meeting. Stig was very disappointed and a little upset because he was rejected by the IT manager. The CEO Stig had met had delegated the contact to the IT manager too guickly. The IT manager might have felt challenged and that he had to defend himself. I call this "the not invented here syndrome". It's quite common that when the middle managers have taken over the discussion they also want to dictate the terms. Stig missed two essential points in his sales strategy. Firstly, he should have spent more time with the customer's CEO. He could have booked another meeting, perhaps with a reference customer. He could have asked to talk to some middle managers and, then, return with a more concrete idea CEO to CEO. He could have asked one of his sellers to talk to the IT manager and kept in touch with the CEO. If things would have started to pile up, Stig could have addressed the problem with the CEO. Keep the initiative and build a stronger vision with your executive. Secondly, Stig missed when it came to the value. He didn't build an idea his client considered sufficiently strong and practically feasible. The customer didn't see which one of the three letters (Revenue minus Costs equals Results) that could be affected. Therefore, he wasn't too keen to stain in control of the discussion. Don't you think that if the CEO had understood that they could have earned three hundred million crowns, because the app would have lured customers to the store, he would have been much more interested in making sure that this idea got a proper review? I think so.

What if the customer likes your executive story?

You'll ask open dialog questions. You'll ask the customer to tell you how the idea might fit with his or her business plan. You'll ask for response to the idea and about what values thant can be created. You'll ask for more time!

It'll take time to build a strong executive story. Probably a bit longer than it takes to travel to the customer and back. Out of ten executive stories, five will start a sales process, three the customer will like but not go ahead with, and two will be dismissed before you've finished. But if you don't get your executives appreciation, don't be sad. There's a good chance that your customer appreciates your work and your ambition. When I told an executive story to one of your clients' CEOs, he said: "That's a good idea, but I would like to train the entire sales force



Special section sales 3.0

"It's madness to expect new results when using old methods." (Inspired by Albert Einstein)

The world of how business done is changing constantly. New marketplaces open and old ones disappear. In this special section, I want to capture three trends when it comes to how relationships are created, how business is done and how to create a culture that is and remains solution-driven. Perhaps you know about these trends, but few sellers have integrated them into their sales efforts.

Finding new customers on LinkedIn, will give you a quick start on how to create networks and use them to find new business. "The click, try and buy generation", I've written to show you how to master a new buying behavior and what methods to use. Finally, there's a chapter on solution-driven sales organizations. This is close to my heart. I don't believe in quick sales tricks and hard contracts. Sellers who are caring about their customers and taking responsibility last longer. But a good sales leadership requires much more than pipeline management, sales meetings and aggressive sales targets. The chapter is about creating a sales culture that attracts sellers and customers. That's interesting and exciting. The chapter will give you some, hopefully, valuable clues on how to find your sales culture and refine it.



Finding new customers through social media



Prospecting through social media

How can you utilize social media as a prospecting tool to create new business?

Microsoft had a marketing campaign for business systems and reached the following results: 18,000 clicks on their website, 580 requests for more information, 240 qualified leads and 18 deals. Finding customers through internet marketing can be a costly and time-consuming. In addition, it requires marketing resources and quite a lot of money. What can you do that's quick, easy and for free? The answer is social media. Many have gained a negative image of social media through Facebook or Twitter. It's not about telling you what you've had for lunch when it comes to building professional networks. One of the fastest growing networks is LinkedIn.com. It grows at a rate of 1 user a second and is the world's largest professional network on the Internet. You're building your network by asking your business acquaintances if they want to join your network. The basic principle is simple: after a handshake, you can send a request. Then, you'll build your network quickly. What can you achieve with a large network?

- You're reinforcing your relationship with your customers by showing interest.
- You'll now always get automatic updates of everything they'll do on LinkedIn, and, maybe you can help them succeed when they switch to a new exciting job ...
- You can find new prospects by looking at what people your customers have in their networks and asking to be introduced to them.
- You can search for information about people you'll meet soon or want to know more about. The more contacts you have, the more people will be visible to you. Big advantages for an active seller, in other words. The best business opportunity you have when someone in your network changes jobs. Most people want to come up with new ideas when they start. I've noticed that a new manager is the most interested during the first fifty days of his or her new job. Then, they got stuck in internal issues. Then, it may take a year before they are ready to talk to a seller again. When you've gotten an update through LinkedIn that one of your contacts has changed jobs, perhaps by using the special app for Iphone or the one for Android phones, send a message to him or her, for example: "Congratulations on your new job. Do

you want to meet and discuss some ideas?" If you have a reference story to share, you'll become even more interesting.

I've been working hard with my LinkedIn network and have over 8000 contacts. Through these, I can reach more than 30 million people.

In 2017, about 80 percent of my business came through LinkedIn contacts. All of them were old contact who had changed jobs.

If you want to take it a step further, create a discussion group and invite your closest business relations. This forum can be open to everyone or just for those you're choosing to approve. There, you can share reference stories, discuss challenges and let your customers discuss their questions. We started our LinkedIn group with thirty glowing enthusiasts / followers, and after a year we had 1374 members in the group. They've also contributed to our sales. But perhaps even more important have been the feedback on all the ideas we received and thoughts we tried on them.

Your personal profile is crucial to how you'll succeed. Be sure to have a nice photo, and a relevant description of your experience, your awards and your personal aspirations. Perhaps the most important thing is that you've gotten others to recommend you. Give people you really think are doing a good job a recommendation, and you'll often get a favor back.

A turbo effect can be obtained by linking to your website, short videos or reference stories. Then, traffic increases, and you can track the number of clicks and how many leads that are generated. Simply a way to follow how efficient you are. You'll be perceived as a serious and skillful person.

I would also like to give you some pieces of advice on what you NOT to do:

- Sending sales messages time and time again or inviting people webinars demonstrating your product. You'll be perceived as a sales vampire.
- Sending updates with personal greetings or personal information. That's what Facebook is for. Keep LinkedIn a professional communication channel.
- Post every day. You may receive comments like: "I can see you're very active, but I don't have the time to read all your posts." Instead, make sure you post on a regular basis and concentrate on topics you want to explore. Make sure to write a personal response to each new comment.

Combine social media with regular prospecting. The difference is that your network will update itself. That's something your sales support system will never do. Then, you'll know faster than anyone else what happened to your valuable contacts.



The new generation of buyers: click, try and buy

How to sell to a new generation of buyers: the click, try and buy generation? They'll buy when they think a product works and build their buying decisions on facts, not belief. Traditional sales methodology creates lower hit rate than no sales method at all.

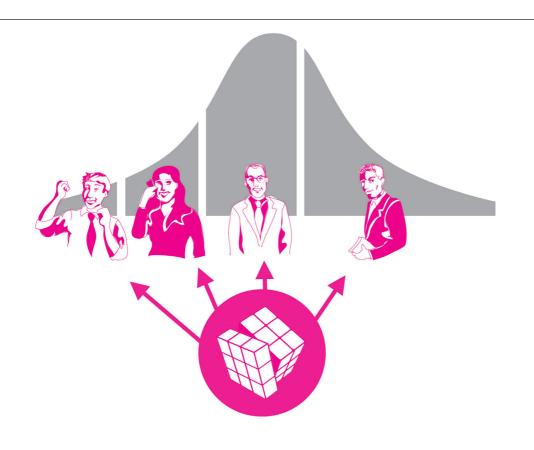
In traditional solution sales, the customer will buy when they can imagine the solution and what it will provide. Therefore, the sales method is to try to find the pain, create a strong buy vision and prove the value to the customer. The same basic principles apply to the "click, try and buy generation". But the differences are so big in the customers' purchasing behavior that I want to introduce a whole new methodology for selling solutions to them. One of the major differences is that they're seeking solutions very actively. They are scanning the internet to find different providers and their offers. They mustn't have problems to be interested in an offer. An interesting setup alone will capture their interest. But they don't want to be contacted by or talking to a seller. They shun webbsites where you must submit contact information to get more information. They want to try themselves and read the information without any interference. They may leave incorrect email addresses to avoid sellers. The clickers, that you can call these buyers, become interested when it seems easy to try a product or a service. You'll capture them through internet advertising, links and a clear offer. But the most important thing is that they can download the product quickly, get started and get results right away. Even from advanced products, the clickers require these characteristics.

The biggest sales problem is how to quickly get them to try. Then, the purchase will be a natural next step. Therefore, you should contact the clickers within 24 hours they've set up a test account and help them getting started. Don't ask any questions about their pain, power, vision or value. Don't ask them about the next step. Forget everything you've learned about solution-driven sales methods! Concentrate on helping them getting started. When half the trial period has elapsed, you can contact the clickers again to get their view of how the product works. If they're positive, you can start by asking how they perceive the value of the product. If they're positive, you can move on to explore pain, power, vision and value. Now, you can close the deal. Follow the clickers usage carefully. If they stop using your product, you can return to make a follow-up. If they're satisfied after a month, you can push the sales process further and try to expand the deal and meet them. The CRM provider salesforce.com often noted that a test account first became five accounts, then fifty accounts and, finally, 500 accounts or more. All within six months. Competitors to salesforce.com often noticed that the customer's buying process suddenly stopped to never start again. The traditional solution seller had lost.

Some pieces of advice on selling to the clickers

Move focus from traditional visiting sales to internet-based marketing. Instead, make sure the clickers can easily find you through the Internet and support them quickly (within twenty-four hours) when they want to try your products. Use support people instead of sellers for this. The sellers can start their job when the customer is satisfied! Some key figures you can use to measure your efficiency are: number of clicks on the "try" button, number of new demo accounts, number of accounts actually used, and number of demo accounts resulting in a purchase. Then, you'll be able to find out what parts of your sales process that are good and what parts you can develop.

To introduce a solution driven sales culture



Do you want to quickly switch to solution sales? Or how to succeed where most others have failed.

After more than tweny years of experience, I've learned the following:

- 1. A sales training isn't enough to change how you sell; new knowledge doesn't replace old habits.
- Old customers' buying behavior can slow down solution selling; they're used to buy products.
- 3. The first steps toward change is funny but changing ones entire way to work is extremely painful.

If you want to develop yourself or your entire sales team, a good motivation is required: you can achieve otherwise unattainable sales goals. In addition, courage and self-awareness are required to assimilate the experiences that always come with failures.

Five things are needed to successfully implement a solution-driven sales method. Firstly, you have to find customers who are ready to shift their focus from the products and the price to how they can solve their business problems. That kind of people can be found in the management team, where their business goals are the most important, not what providers they're using. If you can interest them, there's a basis for success. The easiest way is to collect references (the pain, the causes, the purchase vision, the offer and the result) from other successful projects. They can be used to book meetings with the right people.

Secondly, you must have a sales process based on the customer's buying process. Then, you can follow the development of your business and find the reasons why your business opportunities are lost or won.

Thirdly, there must be managers who are coaching you. You need a good coach who isn't doing the job for you but helps you see what goes you'll and what you can develop.

Fourthly, training is needed in solution-driven sales methodology. You must learn how to make the customers tell you about their problems, how to ask questions to find the causes of the problems, how to build visions and identify the value to the customer and, thus, reach Power, the decision makers.

Finally, and most important, you must set up clear measurement points. Measurement points that show that the sellers are working in the right way, for example with summary letters and joint evaluation plans. They can be measured in a sales support system. The number of solution deals, hit rate, and how many of the transactions that have proceeded to the next sales stage, conversion rate, may be measurement points. You can also identify a new type of business that is solution-driven. An example was when I was working with a construction company that wanted to increase their hit rate for offers.

They only had two percent when you started the project. They identified a new type of business that they called early projects. The customers hadn't started their planning process yet. To reach these customers, the sellers approached them with a couple of few ideas (A1 size principle sketches). They got the customers thinking about starting a project. After two years, they reached a sixty-eight percent hit rate on these deals and increased their margin by seven percent, which meant that the margin was twice as big as before! But despite the good results, a follow-up of the new sales process was required every week for two years to make the changes stick.

Björn Helgestad, an experienced sales manager, emphasized that product-oriented sales forces are usually guided by number of deals, number of customer visits and hit rate rather than the measurement points that are driving solution deals. He meant that you must find other means of control, such as pain, power, vision, value, control and competition, and a new sales process, based on the customer's sales process. I agree. By measuring and following up two sales processes, one for product deals and one for solution deals, you can keep both the old deal and steer towards a more solution-oriented way of selling.

My rule of thumb is that it takes three sales cycles before solution sales are really established: one that mostly fails, one that's successful in some cases and gives you valuable experience, and one in which you're using the experience gained from mistakes in an intelligent and situational manner.

You can compare the actual process of change with stretching a rubber band. In the beginning, it's easy. But the closer you get to the point where the rubber band is maximally stretched, it's harder and harder. When the rubber band finally has broken, it's all very easy!

Jens Edgren's ten stainless tips



My 10 best stainless tips to increase sales These tips will always yield results!

- 1. Prospect all the time! Call five customers while going to work and when going home. * Replace the people you've gotten hold of with new ones.
- 2. Choose a line of business and get to know it, its problems, its people, and build your customer base there. If a person quit, he or she will, most likely, start working at a competitor. This could be the start of a new business opportunity.
- 3. Focus on the customer's pain. If the customer tells you about their problems and you together can find reasons you can help solving, you'll have the prerequisites to a good deal.
- 4. Treat everyone you meet as Power. Everyone has an influence on the deal, more or less. That's why it's worth the while to be polite, even if you don't get the deal.
- Summarize all discussions you have with your new and old customers. Then, they'll
 know that you're always making an effort to understand their needs.
- Negotiate access to Power early in the sales process. Only Power can buy. The others are parts of the road to Power.
- 7. Help the customer to buy from you. Planning for how they are to evaluate the deal with you, will solve their problems and create value.
- 8. Get to know your competitors. The more you know about them the easier you can find the weakness in their offer and deal with their strengths.
- 9. Don't close a deal too early. The customer will buy when they're ready.
- 10. Find a good coach. The best sellers participates in most of the sales training and usually ask for help. They know the importance of working in teams.

^{*} When calling from your car, always use a hands-free function so that you can drive the car safely. If you think that these calls affect your driving negatively, stop the car while making the call.

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About the author, Solution Selling® and Salesmakeover

Jens Edgren started Salesmakeover 1994 with an ambition to help each seller increase his or her sales and create satisfied customers. He's a Master of Science in Marketing and Organization. Jens started as a consultant in 1989 and has been a seller, a sales manager and a product manager, and is the company's current CEO. He lives in Stockholm with his four children. His interests include fishing, running and paragliding.

Solution Selling® is a methodology that helps sales organizations sell complex solutions in fierce competition. The methodology includes sales tools, pipeline management systems and consultant support. Solution Selling® workshops and education are available for sales managers, sellers, key account managers and all sales support staff. The methodology supports the marketing department in creating conditions for efficient sales efforts. Solution Selling® is owned by Sales Performance International. Solution Selling® is available in some fifty countries and in fifteen local languages. All Solution Selling® courses are available through e-training. More than 1,000,000 executives and sellers have been trained in the methodology. Most of the customers are international listed companies that sell complex products and services.



Jens P. Edgren

HOW TO SELL THE ANSWER TO PROBLEM SOLUTION SALES, SUCCESS OR FAILURE?

The map for selling complex solutions has changed dramatically in recent years. Customers' power has been strengthened via the Internet - at the same time the solutions have become increasingly complex. Sellers, consultants and technicians must now work together to make the customer happy and create new business.

- How to sell solutions to clients and close the deals in strong competiton?
- How to create reliable sales forecasts?
- How should you lead the sales force to reach the budget?
- How should consultants and technicians contribute to making customers happy and making active recommendations without selling?

This sixth edition contains one Extended Specials Section: Sales 3.0. Your guide to stay ahead.

Solution Sales – Success or failure gives an introduction to how thousands of companies worldwide managed to increase their sales.

Since 1989, Jens Edgren has helped companies improve their sales. He has worked with noted companies and trained thousands of executives and salespeople in Solution Selling®.

