

A Different Approach to Strategic Selling in the Enterprise

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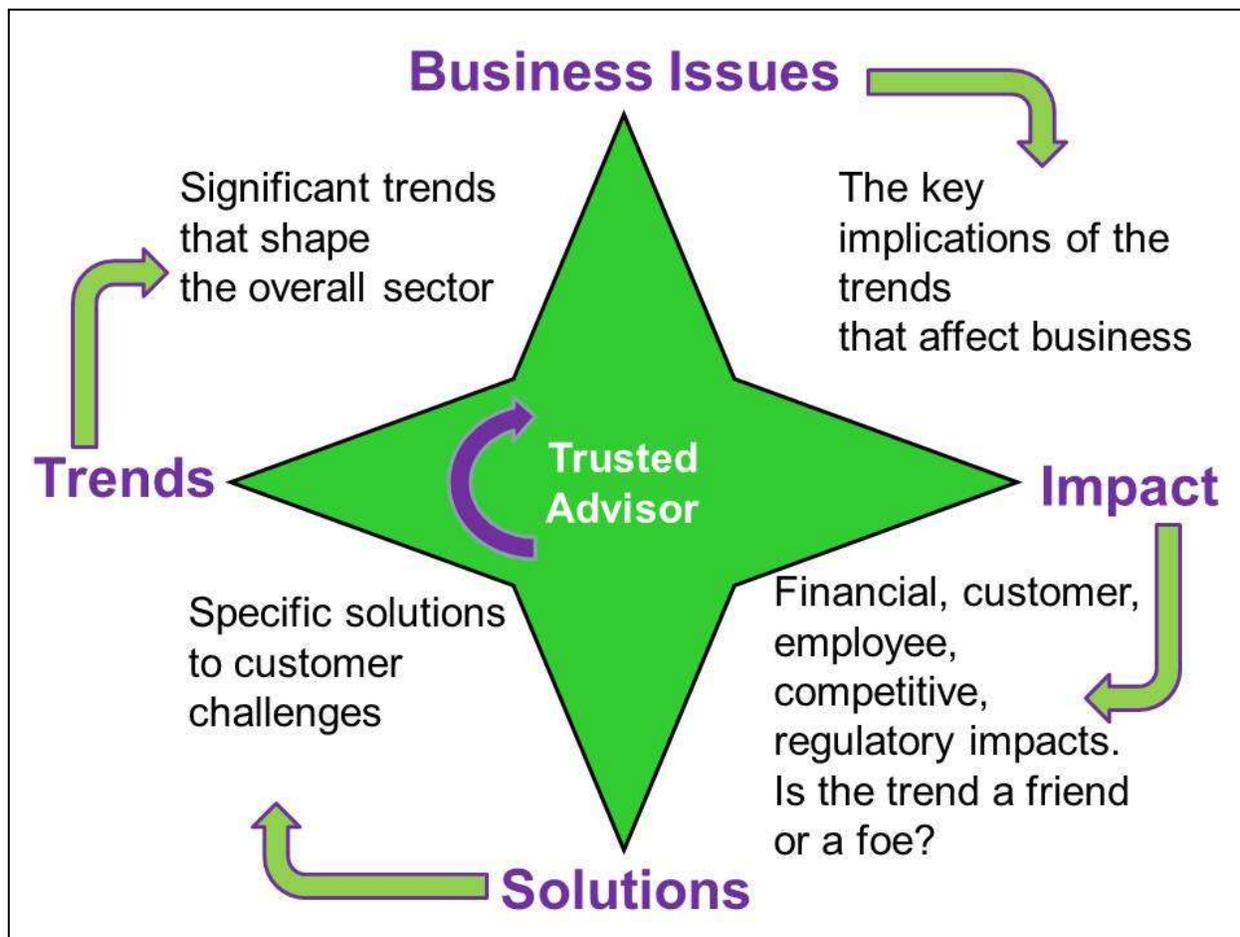
The purpose of this paper is to provide an overview of the work we are doing in the industry with a special focus on the impact that the program has on the sales organization. Our approach is unique; we thought it would be useful to provide an understanding of the thinking behind the process.

There are four parts to this paper, all of which are interlinked: The thinking behind “the Star,” which is a central theme of our approach; the reason for our intense focus on achieving Trusted Advisor status as an end point; an explanation of four key industry trends, a collection of shaping forces, and the relationship between them as they relate to sales effectiveness; and finally, the reasoning behind our reliance on Executive Storytelling as a critical success element.

My colleague Joe Candido and I have been in the greater telecom, IT, and media industry for a very long time and have a diverse range of clients across the three sectors and around the world. We work with them on technology decision-making, sales and marketing campaigns, strategic planning, human resources activities, and operations issues. As a consequence we have the opportunity to work with a diverse assortment of companies which gives us the ability to assess the industry from multiple points-of-view and make recommendations that take into account a range of issues.

One of the most important trends we have seen – and nearly universally, by the way – is a tendency on the part of sales professionals to offer a solution too soon in the conversation with the customer. This is often the result of a lack of understanding and awareness of the issues facing the customer and their company, or more importantly, a failure to meet with customer representative who are high enough in the food chain to be concerned with strategic issues. We routinely make the case that “Strategic people want to hear strategic messages.” This program is designed to teach sales people the art of the executive sell.

So with that in mind, let me begin by explaining the genesis and importance of a central theme in our approach, the Star.



The Trusted Advisor Star™

The Star came about because of our work with sales organizations all over the world, particularly those in the technology domain. As we developed an understanding of the forces that shape the behavior of sales teams in competitive environments, we came to realize that there are four interactive elements that, if integrated properly, lead to sales success and high levels of customer intimacy – and, to achievement of Trusted Advisor status, which we’ll discuss shortly. Those four elements are the **trends** that guide an industry; the **business issues** that shape companies; the **impact** of those issues; and the **solutions** that provide a “rescue” from the impact of these forces.

These four elements are mutually dependent on one another and a clear understanding of each, coupled with a solid understanding of the interdependencies that connect them, is crucial to sales (and, to a large extent, marketing) success.

Trends

Trends are forces that have universal impact on the industries that face them. They tend to be big, hairy, forces that change the direction of entire industries and often determine their

survival potential in the medium to long-term. Like glaciers, these trends tend to be relatively slow-moving, but have massive and unavoidable impact when all is said and done. “Bring Your Own Device (BYOD),” for example, is a major sub-trend within the “mega-trend” known as “Consumerization of IT.” It isn’t happening fast, but it is happening, and when it’s done it will have transformed entire industries and fundamentally changed the role of enterprise IT.

Business Issues

The business issues shown on the star represent the relationship between the trends and a company’s goals or objectives. Think about the ‘fly in the ointment’ analogy. We must understand the customer’s industry and their specific company in order to apply the trend to their world. Big Data, for example, is an issue that affects all companies, big or small. It’s a little bit like global warming: Even the smallest, greenest, most innovative firms will feel the impact of it. All companies generate data, but to what extent do they mine all of the value from that data? The answer is, relatively few, yet they spend millions to house it.

Impact

Once the trends are identified and the business issues listed, we explore the potential effect that the trends have on the company. Typically they represent both risk and reward based on how the company responds to this new impact. As the impact is explored, the provider of a service (the seller) and the consumer of a service (the customer) gain clarity on this impact and begin to explore possible solutions in the form of a call to action. At this point the customer has become open to receiving help and the process begins to transition to solutions. Notice, however, that at no point have specific solutions been discussed with the customer.

Solutions

Finally, and *intentionally* last, is the solution set. This represents the rescue, the opportunity to step in and save the customer from the uncertainty of an unknown future. This is where a specific response to customer requirements shines bright as it is a rescue of the customer’s issue and the seller, who is now a trusted advisor, is seen as a critical part of the solution. The long-term goal is to ensure that the customer sees how all of the various elements interrelate to provide both a solution and strategy to evolve and adapt to future needs.

The Relationship

Think of a door-to-door salesperson and what it takes for them to gain the trust of the person whose door they are knocking on. They get one chance to create interest; otherwise, they get a door slammed in their face. In the world of enterprise sales, the customer “opens the door” when the trends are presented. They have universal applicability, they are highly impactful, and when they are presented to a customer they tend to validate the customer’s own beliefs about the things that are affecting their own company. This is particularly among executive audiences, because the trends are presented at a level that matters to an executive.

If the door-to-door salesperson can get the customer interested enough to leave the door open, they might be lucky enough to be invited in. In the enterprise, this happens when the conversation goes from basic trends to how those trends become business issues. At this point the hook is set because the customer experiences a dawning realization that there may be pain associated with the trends.

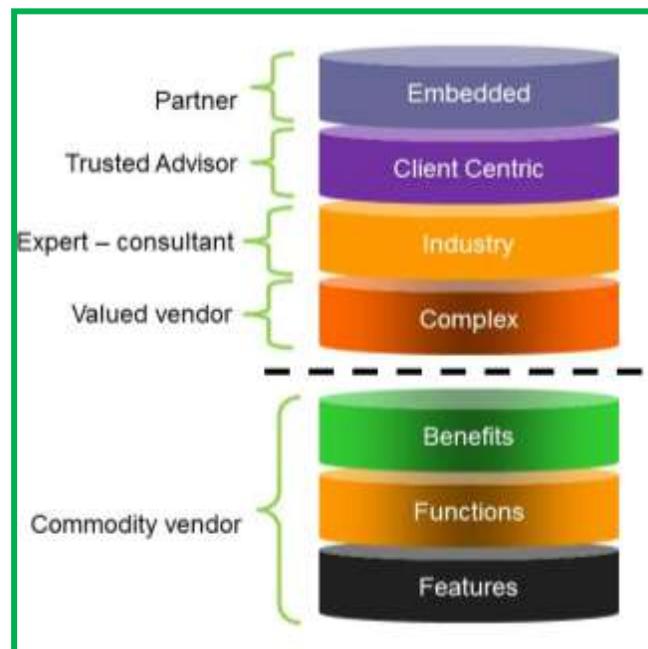
In phase three, the full impact of the business issues that result from the trends falls on the customer's shoulders. The door-to-door salesperson makes the case that the customer simply can't get along without the product they're selling; the enterprise sales professional presents the risks and the opportunities associated with what the trends make possible, and once again validates the pain the customer is feeling.

Please note that, as predatory as it may sound, this is where the customer must be made to feel a bit of pain that comes from the situation they find themselves in. Pain drives home just how important and impactful a situation is and makes it real for the customer. This is not a bad thing by any means. It is therefore important that the "rescue rope" not be thrown to the customer too quickly. That comes later.

In phase four, the rescue takes place. Once the customer fully understands the impact they will ask the trusted advisor to make recommendations, offer solutions, or assist in some other way. Basically they are asking to be rescued. This is also where we invoke executive storytelling to demonstrate a clear understanding of the contingencies that exist as well as the reasons behind the path that will take the customer where they need to go.

Caveat Vendor

That's right - *let the seller beware*. In the world of high-impact selling, particularly when the incentive is to sell more product, sales people often go the wrong direction around the star, jumping from a rushed discussion of the trends directly to solutions. This is bad behavior on several levels, but the most important effect it has is to create mistrust, because it instantaneously identifies the sales person as a vendor: "I knew they were here to sell me something." At this point the customer has been backed into a corner, and any element of interest that might have been



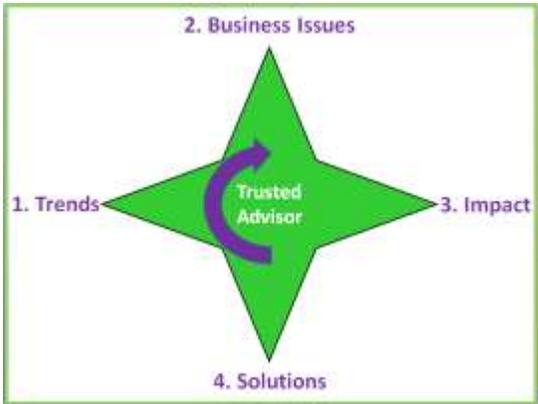
there initially is now gone. For this reason and no other, we strongly urge sales teams to leave the discussion about solutions until the very last stage. Why? Because this is what trusted advisors do. Furthermore, until the customer recognizes they need to be rescued they have no interest in a hero.

Becoming a Trusted Advisor

We spend a lot of time discussing the role of the Trusted Advisor for one simple reason: It is the best possible relationship to have with a strategic client. It takes time to get there, and requires a lot of work, but it is a highly desirable place to be. Imagine a scenario where the customer invites you to the planning table to help them make a business-critical decision, even if you aren't going to get the business - that's how strong the Trusted Advisor role is.

Consider the diagram above. There is a progression that all sales professionals go through as they become more experienced during their careers. Some achieve Trusted Advisor status; many do not, largely because they fail to see the benefits of a long-term relationship with the client that may not yield immediate large-scale results, or they target relationships that aren't high enough in the food chain to be meaningful. Some simply don't have the patience. But for those who become Trusted Advisors, the rewards tend to be large and the relationships they groom with their customers tend to be long-term and based on a combination of trust and intimacy.

Trusted advisors are sales professionals for whom the relationship they have with their client supersedes everything. It is crucial to them because they realize that without a relationship based fundamentally on trust they are nothing more than another vendor to that customer, and that is not a place where anyone wants to operate today. Vendors tend to be part of a large herd, and winners become winners by offering the cheapest price for the product they're selling. They operate in the commodity domain, focused on making sales rather than on solving customer problems. As such they don't bring value nor do they earn customer trust. Trusted Advisors operate at much higher levels, where trust is everything, and transactions are based on value

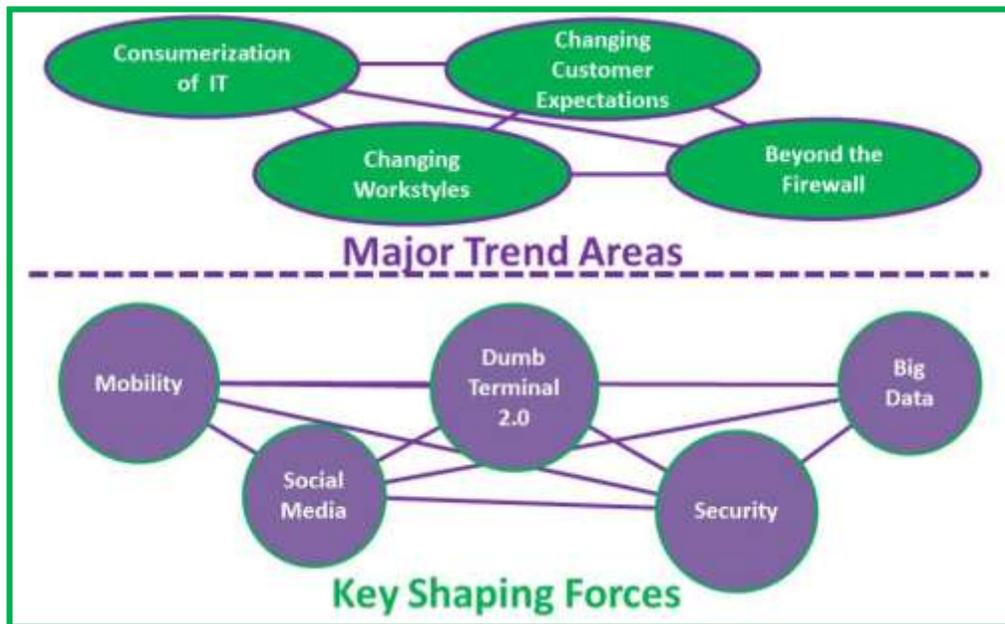


rather than cost. Value, in turn, is created by skilled sales people who understand the elements of the star, know their customers intimately, and can relate the four elements of the star to their customers' situations through effective storytelling. They understand better than anyone the importance of leaving discussions about actual product until the end of the dance, preferring instead to engage in a dialogue or conversation with the customer that ultimately leads to a sale.

The star, then, epitomizes the relationship that exists between the sales person and the customer. Vendors start with trends and then jump immediately to solutions; Trusted Advisors go the other direction, taking the customer on a journey of understanding before arriving at a discussion about the actual sale. By that time they have established a trust-based relationship.

Trends and Shaping Forces

One of the questions that routinely comes up is this: Why do we focus on only four trends, when in fact there are many more? The question is a good one, and the answer is fairly simple. First, we recognize that the job of the professional enterprise sales person is extremely complex, and anything that can be done to simplify their job is a good thing. Second, if we make the list of trends too long, customers run the risk of being overwhelmed, and the sales person may miss an opportunity.



The four trends that we focus on – Consumerization of IT, Changing Work Styles, Beyond the Firewall, and Changing Customer Expectations, encompass every major change agent and force that shape the industry today. **Consumerization of IT** includes such themes as the increasing use of IT services in the home, the tendency of employees to bring their own devices to work, the changing role of the IT organization, and the expanding use of cloud services, to name a few. **Changing Work Styles** addresses HR issues, connectivity challenges, the expanding use of broadband wireless, and security. **Beyond the Firewall** opens the door for discussions about the need to be connected on both sides of the firewall because of the increasing dependence on non-corporate, network-based resources such as Google, Salesforce.com, cloud-based storage resources, infrastructure and software-as-a-service, and so on. And **Changing Customer Expectations** recognizes that the role and philosophy of the customer is changing radically,

forcing service providers to change their own approach to service delivery, product support, and customer engagement.

The bottom line is this: *There is nothing going on in the world of the enterprise that can't be discussed under the aegis of these four trends.* That means that the well-prepared sales person can go into a customer meeting armed with a good understanding of four things and carry on a conversation about anything with any one – including a high-level executive. It's as simple as that.

Shaping Forces

But what about the other topics that inevitably become part of the conversation? We refer to those as Shaping Forces, because they are large but amorphous, and powerful influencers of the four identified trends. There are many, but among them are Mobility, Social Media, Dumb Terminal 2.0, Security, and Big Data. These are the topics that inevitably come up as sub-topics during discussions of the four major trend areas. For example, Consumerization of IT will include conversations about:

- **Mobility** and the use of cloud-based backup services to protect the data housed in the device.
- **Social Media** and how it is becoming a tool for the enterprise in terms of marketing, customer analysis and outreach.
- **Dumb Terminal 2.0**, because with the advent of affordable and universally available cloud services, end-user devices are becoming “dumber.” Processing power is moving into the cloud, and the device becomes more focused on high-speed I/O and media processing.
- **Security**, because BYOD means that the IT organization now must support multiple devices and operating systems, which complicated their ability to manage. Furthermore, there are now personal devices out there being used for business reasons, and housing enterprise data. How to secure them and the data they house? What happens if the device is lost or stolen?
- **Big Data**, because massive volumes of both structured and unstructured data are being created by both employees and customers, and that data can yield untold value in terms of customer awareness, service granularity, targeted advertising, etc.

As the diagram (above) illustrates, the relationship we describe in this paper is hierarchical. The shaping forces, of which there are many, represent the foundation upon which the model is based. Those forces, in turn, support and feed into the trends that we have identified in the middle layer, and the trends guide our decision to ultimately provide a set of services to our enterprise customers. The role of the sales person is to relate the three in a meaningful, relevant way to the customer, using the Star as a basic structure for the conversation, their role as a Trusted Advisor to guide its direction, and Executive Storytelling to tie the three elements together into a cohesive and believable story.

Storytelling

This is why we are so reliant upon Storytelling as a major “delivery mechanism” for our overall story. The role of the enterprise sales person in this complex equation is to be the glue that holds it all together. We know that in this competitive market where we operate, the customer is increasingly feeling a sense that they are in charge of the relationship between themselves and the provider of a desirable service. As a result they often feel compelled to guide the conversation, which is where storytelling comes into the equation. One of the elements of storytelling is that it involves the customer in the process and makes them want to own it, making it possible for the sales person to elegantly guide the direction of the conversation.

Storytelling is deeply rooted in human psyche as a human engagement mechanism. As a writer, I’ve been telling stories as a way to convey information for many, many years, and it’s a practice that comes naturally to me. Our goal with this methodology is to use the elements of storytelling as a way to create executive-level engagement and trust on the road to becoming a trusted advisor.

Final Thoughts

Enterprise client relationships are based on two things: a genuine level of trust that grows organically, over time, between a provider and its customers, and a sense of the value of the services sold. In the enterprise, cost is far less important than the value brought by the money spent, so it is crucial that sales professionals convey a strong sense of delivered value in their conversations with clients. This is why solutions are the *last* thing we talk about in the conversation that the Star guides, and why the *first* thing we talk about are the identifiable trends that cause pain for those clients. By allowing the customer to feel a sense of “oneness” with a trusted advisor because the company clearly understands the trends and feel the pain that results from those trends, we create a level of unequalled trust that has enormous long-term value. Leaving the solutions until the end eliminates the “vendor element” that inevitably results from bringing them into the conversation too early.

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