# What Really Matters in B2B Selling

**Leveraging customer trust as a competitive advantage**

What is the deciding factor in sales opportunities where the customer perceives the alternative solutions and pricing as being more-or-less the same? We believe that the ability to build customer trust is what really matters, and that successful sales organisations do this better than their competitors. This sounds very simple on the surface, but requires an in-depth understanding of customer trust drivers, and a willingness to adapt the sales approach to address them.

**Customer Trust Drivers**

| Skills and Competencies Customers Expect | % Not Satisfied | 4-Year Trend |
|---|---|---|
| 1. Subject matter expertise | 39% | ↓ |
| 2. Professionalism | 52% | ↓ |
| 3. Communication/social competence | 29% | ↓ |
| 4. Consultative skills | 25% | ↓ |
| 5. Understanding of customer's business | 18% | ↑ |
| 6. Decision power & people mobilisation | 9% | ↓ |

To better understand the elements of customer trust, Infoteam conducted two separate market studies 4 years apart in collaboration with the research institute of Germany's leading business newspaper, the Frankfurter Allgemeine Zeitung. We interviewed 500 executives in customer organisations in 15 countries and 20 industries. Their names were provided by sales leaders in 320 vendor companies in 15 industries. The research focused on identifying what customer executives expect from vendor salespeople, and comparing what vendors believe is important to what customers actually said is important at each phase of the sales process. The results were published in the Harvard Business Review and Harvard Business Manager.

> « Few salespeople are able to challenge my thinking. The conversation is completely different when the salesperson and I think on the same level » - Top Banking Executive

Trust, in the mind of customers interviewed, begins with a high degree of subject matter, customer business, and industry expertise. Also important, is the ability to use the knowledge consultatively to ensure that the customer feels both understood and challenged. Despite vendors' efforts to identify salespeople that possess this subject matter and industry expertise, nearly 40% of customers are still not satisfied – double the number compared to the first study.

Professionalism is another key element of customer trust, and is the most significant area for improvement. Professionalism includes personal qualities such as flexibility, integrity, reliability, responsiveness, respectfulness, fairness and understatement, as well as specific actions, such as being fully prepared for meetings, writing comprehensible proposals with the appropriate amount of detail, and providing presentations that help the customer communicate and align internally.

> « I am sick and tired of educating salespeople about our business and industry » - Partner, Management Consulting Firm

Customers also said they trust vendor organisations that continue to invest in the relationship beyond the sale. The salesperson becomes the customer's ambassador within the vendor organisation – taking ownership of problems and mobilising the required resources to ensure they are resolved quickly.

**How Does Your Organisation Measure Up?**

Below are some key questions to assess how well your sales organisation addresses customer trust drivers today:

1. Do a large number of leads come from customer referrals?
2. Do the people you encounter in the sales process actively introduce you to other decision-makers?
3. Do your salespeople have the skills and industry expertise to challenge the needs of customer executives?
4. Do customers use your presentations to communicate internally and align decision-makers?
5. Are your value propositions tailored to the goals and decision criteria of key players?
6. Do you bring in the most appropriate people – with the right skills, knowledge, and relationships – into the sales team for an opportunity?
7. Does the hand-over of information from sales to the delivery team ensure a clear understanding of the value promised?
8. Do you regularly solicit customer input regarding their perception of your sales process in wins and losses?
9. Do you regularly assess customer perception of your account management capabilities (and take action to correct deficits)?
10. Do you assess customer trust-building capabilities of candidates during recruitment?

We would now like to introduce some concepts that help your organisation build customer trust and enhance the customer buying experience. To organise the concepts, we will begin with best practices to approach new customers. Then, we continue with winning the opportunities identified, and finish with developing existing accounts.

**Approaching New Customers**

Our research confirmed that the single most compelling reason to grant a first meeting is reference to a concrete, current need… but the challenge is that the current, concrete need is usually found in the meeting itself! To prepare more effectively for the first call to a prospect, we recommend using a Customer SWOT analysis to identify potential needs your organisation can address.

A Customer SWOT focuses on their internal strengths (S) and weaknesses (W), as well as external factors that create opportunities (O) or constitute threats (T) to their organisation. It can be used for prospects as well as existing customers.

The example was used by Infoteam to create a new opportunity with an existing customer – an IT services company. It was used in the first meeting to establish credibility with a new Division Head, and validate our understanding of potential challenges (hence the title "Outside-In View"). The stars highlight areas in which Infoteam's capabilities could address potential customer needs.

**Outside-In View: IT Service Company**

| (C-S) Customer Strengths | | (C-W) Customer Weaknesses | |
|---|---|---|---|
| C-S1 | **Technical expertise** | C-W1 | **Skills to access top management** 1 |
| Impact: | Good access to technical decision-makers | Impact: | Risk of losing large deals |
| C-S2 | **Good project work** | C-W2 | **Focus on technology needs** |
| Impact: | High level of client satisfaction at project leader level | Impact: | Clients do not get the best solution |
| C-S3 | **Investment in sales and major accounts** | C-W3 | **Insufficient resources for large deals** 2 |
| Impact: | Increase in the number of large deals won | Impact: | Sub-optimal sales process |
| C-S4 | **Highly engaged people, good cultural fit** | C-W4 | **Delivery (not sales) focus** 3 |
| Impact: | Clients like working with your company | Impact: | Teams based on who is available – not what's required. |
| **(C-O) Customer Opportunities** | | **(C-T) Customer Threats** | |
| C-O1 | **Reduction of IT suppliers** | C-T1 | **Standardisation of software** |
| Impact: | Well positioned to be on the list of preferred vendors | Impact: | Technology excellence is no longer a differentiator |
| C-O2 | **Vendor selection based on ecosystem fit** | C-T2 | **Price increasingly #1 decision criteria** |
| Impact: | Potential for growing business and technology services | Impact: | Low profitability |
| C-O3 | **Market drivers e.g. Cloud, Security** | C-T3 | **Strong competition for talent** |
| Impact: | Chance to establish leadership position | Impact: | Increasingly difficult to attract and retain the best people |
| C-O4 | **Globalisation of European clients** | C-T4 | |
| Impact: | Opportunity to expand with them | Impact: | |

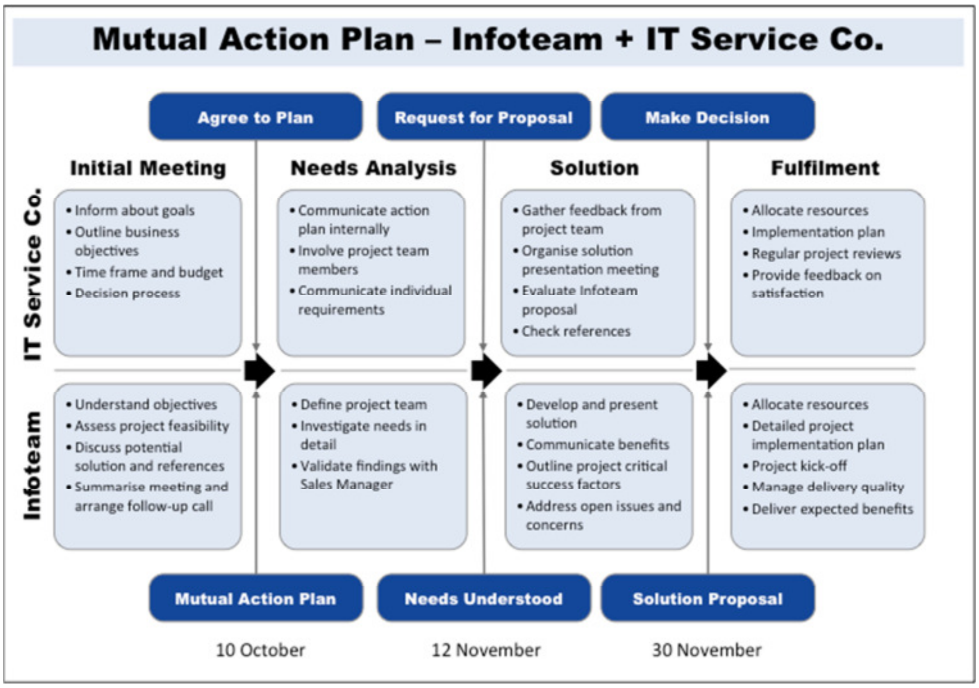
We also created an "Acquisition One-Pager" to summarise key issues identified, as well as potential solutions, and outline the agenda for a meeting. This was provided in advance to set expectations for the meeting, and inform the Division Head's assistant about the purpose of the meeting.


Why do all this work to prepare a first meeting? Our research shows that only 11% of customers are satisfied with first vendor meetings… the Customer SWOT and Acquisition One-Pager will help you stand out, and improve your chances. You never get a second chance to make a first [good] impression!

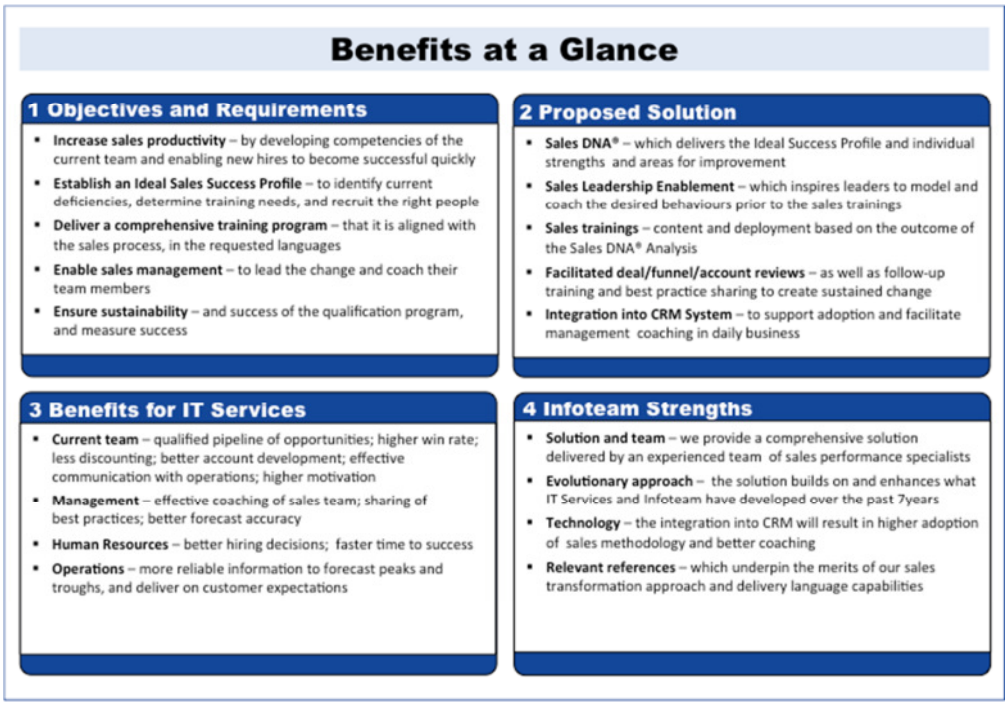
**Winning the Opportunities Identified**

So, you have had a good first meeting in which the customer validated the potential challenges you identified, and your discussion even uncovered a few more. The solutions you presented addressed their needs, and you illustrated them to help the customer experience potential benefits. Now what?

To continue building customer trust, we believe it's important to share your sales process using a Mutual Action Plan (MAP) – a document that outlines the key elements of your sales process, and their buying process, in the customer's language. The MAP can be integrated directly into your meeting follow-up e-mail or letter, and helps the customer communicate agreed actions internally.




In the Initial Meeting and Needs Analysis phases, the sales team should leverage the trust gained with existing contacts to motivate them to introduce you to other key decision-makers. The sales team must also understand each individual's specific needs and decision criteria to formulate compelling value propositions and quantify the benefits. This requires coordination and information sharing using a pragmatic opportunity-planning tool (integrated into the CRM system), so customer messages are consistent across the team.




In the Solution phase, salespeople are often so busy with their own proposal that they forget there is an internal "selling process" going on inside the customer organisation. To support this internal selling, customers appreciate concise, relevant information from vendors that they can use for upward communication. A Deal-One-Pager (or Benefits at a Glance) is an excellent way to summarise the objectives, proposed solution, benefits for key stakeholders, and your organisation's key differentiators. It can be used as a summary in the solution presentation, or integrated into the proposal.

**Working with Procurement**

Our research clearly shows the increasing importance of professional procurement in customers' buying processes. This is a key aspect of cost reduction programs and to take advantage of potential synergies between projects as well as ensuring that current vendors remain competitive. RFPs also give customers access to the most innovative solutions, whether from current vendors or new ones.

Does this change the game of winning opportunities completely? In our experience, a professional approach, executed well can help sales organisations work more effectively with procurement as an ally in the sales process rather than an obstacle. Many of the tools and concepts introduced here can also support procurement departments in coordinating the project internally and advising the company's business units more effectively.

> « Solution-based differentiation is becoming more difficult, so we have developed our sales process into a unique selling proposition » – Sales Manager

For example, a Customer SWOT analysis can help procurement better define the requirements in an RFP. A Mutual Action Plan can be used to coordinate internal actions and control vendor activities. A Deal One-Pager can provide key internal stakeholders with the information they need for making decisions. Using these concepts in conversations with procurement creates trust and can provide them with valuable tools to make their job easier (and influence them in your favour). The same can be said for working with the customer's external consultants.

**Learning from Wins and Losses**

Successful sales organisations continually learn from their wins and losses to evolve and improve their process, tools and practices. In our research, we examined the reasons customers reject a vendor proposal. Many of the improvement areas can be influenced by the vendor themselves. Very few, however, make the effort to learn from their losses, and willingly accept at face value the often generic "better price, or better solution" explanation provided by the customer. If your organisation has been successful in building customer trust through the sales process, the customer should be willing to provide you with honest feedback to help you improve.

| Top Reasons for Proposal Rejection |
|---|
| Successful competitor had a better price |
| Successful competitor had a better solution |
| Decision criteria not sufficiently fulfilled |
| Insufficient understanding of customer needs |
| Written proposal not convincing |
| Benefits not sufficiently quantified |
| Oral presentation not convincing |
| Benefits for individual decision makers missing |
| Team failed to meet customer expectations |
| Poor chemistry between customer/vendor staff |

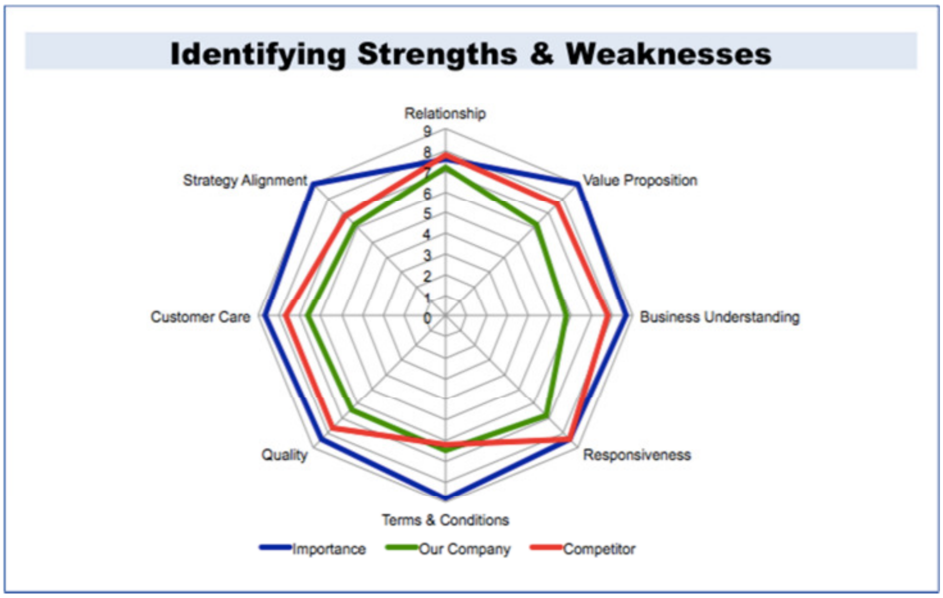
 

**Questions to ask in a Loss Review:**

1. How well did we understand your needs?
2. What did you find positive or negative about our proposal?
3. What was missing?
4. How well did we communicate and quantify the benefits of our solution?
5. How successful were we at differentiating ourselves from others?
6. How important was price in your decision?
7. How did our price compare with the alternatives?
8. How do you rate the subject matter and consultative skills of our sales team?
9. To which decision makers did we lack a relationship?
10. How well did our proposal describe the benefits for different decision makers?
11. How well did the information we provided support internal communication?
12. What could we do better in the future to improve our chances of winning?

**Developing Existing Accounts**

The foundation for developing new business with existing accounts, and earning the right to ask for referrals, is excellent delivery of the project already sold. This requires a smooth hand-over from sales to delivery, and continuing engagement to ensure that the value promised is actually delivered.




As part of the ongoing engagement after initial project delivery, we feel it's important that salespeople assess their organisation's performance against the customer expectations and priorities as well as competitors. Interviews with different people at various levels in the customer organisation provide deeper insight into the perception of your organisation's performance, and help identify areas for improvement.

**Questions to Assess Performance and Identify Improvement Areas**

1. How well has our solution helped you achieve your goals?
2. How well have we delivered on your value expectations?
3. How important do we make you feel as a customer?

4. How easy are we as a company to do business with?
5. How well have our products and services met with your quality expectations?
6. How are our people perceived at operational and management levels?
7. How well do we perform vis-à-vis our competitors?
8. How well do we integrate your suggestions for improvement?
9. How well do we perform in resolving problems and issues?
10. If you were to buy the same solution again, would you buy it from us?
11. Looking back, what could we have done differently?
12. How likely is it that you would recommend us to others?

**Conclusion**

Is it worth all the effort to focus your sales process on building customer trust? If it's increasingly difficult for your company to differentiate from competitors based on what you sell (i.e. your solution and price), then you need to focus on differentiating by how you sell. Your sales process should be adapted to building customer trust at every phase in the engagement. What's the payoff?

- Reduced cost of lead generation through more customer referrals
- Higher chance of winning based on easier access to the real decision-makers
- Greater customer loyalty and share of wallet
- Fewer discounts because decision-makers trust your added value

« Candidates are really excited about our sales approach. We use it to attract talent »
- EMEA Human Resources Manager

- More professional sales culture that boosts careers and helps you work in a more customer-centric way

**About Infoteam**

Since 1990, Infoteam has implemented sales transformation programs in 15 languages to numerous industries around the world. Our clients are successful in a wide variety of industries: Alcatel-Lucent, Allianz Global Corporate & Specialty, Areva, Alstom, Boehringer-Ingelheim, Credit Suisse, Elavon Merchant Services (a division of US Bank), Festo, Krones, Kuka, Logica, Malik Management, Micro Focus, PwC, SAP, Vodafone Global Enterprise, and many more.

Below, you will find an example of a project plan for sales transformation to improve customer engagement and improve results. Please contact us to see how we can help transform your sales organisation www.infoteam-consulting.com

**Example Sales Transformation Project Plan**

| | |
|---|---|
| **Preparation** (Week 1-6) | ▪ Secure top management commitment to project goals<br>▪ Define Sales Success Profile and Ideal Sales Process<br>▪ Determine gaps between Sales Success Profile and current skills<br>▪ Develop company-specific examples for all key concepts<br>▪ Embed sales process and concepts into CRM system<br>▪ Define internal project manager and support team<br>▪ Define communication strategy / identify potential barriers |
| **Management Enablement** (Week 7) | ▪ Inspire First-Line Managers to apply the concepts themselves<br>▪ Enable them to coach their teams<br>▪ Define actions to overcome implementation barriers |
| **Know-how Transfer** (Week 8-12) | ▪ Introduce appropriate concepts to address skill gaps identified (lead generation, opportunity and account management)<br>▪ Apply concepts on current, live opportunities during workshops<br>▪ Managers actively coach teams during workshops |
| **Execution** (Week 13 →) | ▪ Support managers to coach teams during implementation<br>▪ Certification of application in daily business<br>▪ Align recruitment and professional development practices<br>▪ Review progress and measure progress towards goals<br>▪ Communicate successes and best practices identified |

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