

Building a Solutions Sales Force:

**How to Transform Your
Product-Centric Organization**

Synopsis

Most companies today offer their customers some type of 'solution'. However, their sales forces have struggled mightily to make the transition from selling their traditional products. Why is this the case, and how can you help *your* sales force safely across the chasm? This paper explains:

- The 4 critical ways that solutions differ from products
- The problems that these differences create for your salespeople
- The 3 types of change that you need to proactively manage
- How to manage these changes across your entire organization

You *can* build a sales force of capable solution sellers, but it requires a methodical effort to identify the specific challenges that your salespeople must overcome. In the following pages, we describe the approach you should use to identify your unique hurdles and design a roadmap to successfully transition to selling solutions.

Lots of Prescriptions but No Cure

Over the years, much has been written on how to sell solutions. If you haven't read any of the numerous books and articles on selling solutions, then you've probably attended a seminar or heard a keynote speaker. On the surface, it would appear that this subject has been covered many times over.

Yet, our research reveals that selling solutions is one of the most difficult challenges facing sales executives today. This is particularly true for companies trying to transform their existing salespeople from pushers of products into sellers of integrated, customized solutions. Given that selling solutions is such a common objective and there is so much information available on the subject, why is it still so difficult to sell solutions? And more importantly, how can you transform your sales team from product-centric sellers into solution-savvy consultants?

In this paper, we will explain why a cure for the solution selling illness has remained elusive, despite the volumes of advice on the subject. We will then explore the real world challenges of transforming a product sales force to a solutions sales force. Finally, we will provide you with a practical framework that will allow you to successfully build a world-class solutions selling capability in your organization.

Bad Medicine

There are two fundamental reasons that sales executives are adrift in a sea of advice that has failed to help them successfully transform their sales forces. First, the body of knowledge put forth on selling solutions has been too theoretical. It has emphasized the philosophical distinction between focusing on your products and focusing on your customers' needs. While enlightening, this distinction takes place at 10,000 feet. Once sales executives reach enlightenment, they then ask the next logical question, "How do I take these theories and put them into practice?" The inability to connect their new sales strategy to their sales force reality then paralyzes many well-intentioned executives.

The second reason that the advice to date has failed to affect any real change is that it has been too narrowly focused. The dozens of books on the subject have basically defined and redefined the role of the salesperson. More specifically, they tend to emphasize the selling skills that salespeople should use to navigate large accounts and complex opportunities. While these skills are critical, there are many more aspects of an organization that need attention. Beyond developing their salespeople's skill, sales executives must also provide their sales force with powerful sales strategies, efficiently designed processes, useful supporting tools, and meaningful performance metrics. These systemic elements have been notably missing from the landscape, but they are critical to building and improving a sales force. Unfortunately, a lot has been written for salespeople, but little has been written for sales management.

In the end, much has been said about how to sell solutions, but it hasn't helped sales executives transform their sales forces. The advice has been too theoretical and too narrowly focused. What sales managers need is practical advice that addresses the entire scope of their challenges. Below we describe our three-step method for making this happen.

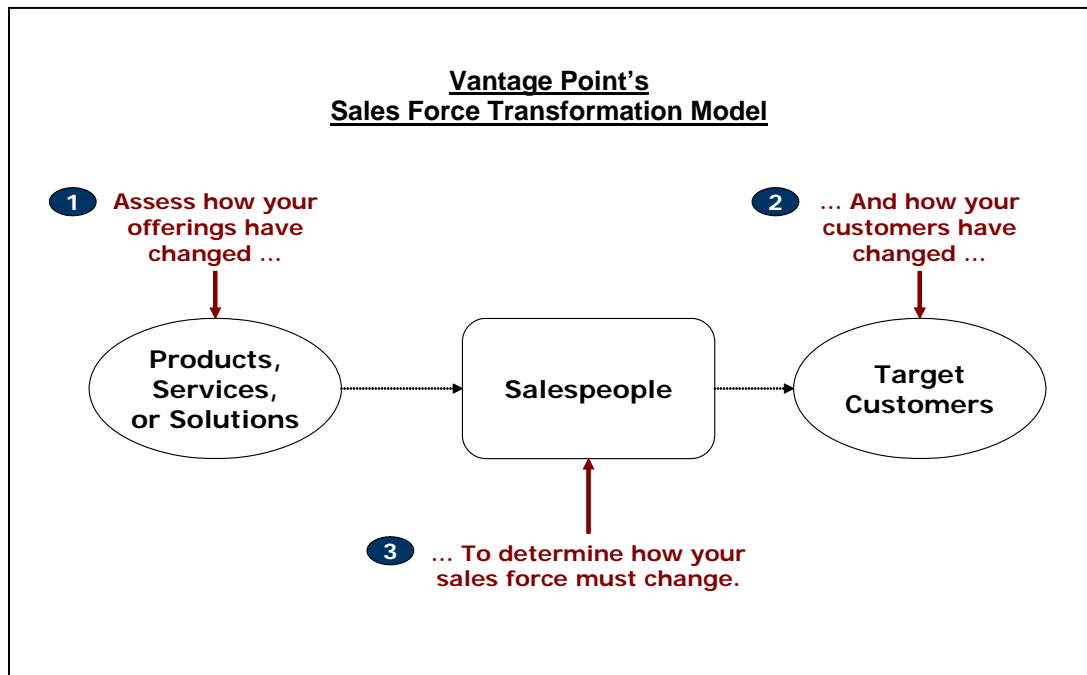
It's All About Change

Someone once said the leadership is all about managing change. Never could that be truer than when sales leaders try to transition their sales forces from selling products to selling solutions. The first step in leading your sales force across this chasm is to understand what kind of change is taking place. Your salespeople were probably great at selling products, so they are reasonably capable sellers. You simply need to identify what is different about selling solutions and what the implications are for your salespeople. Then you can manage the change accordingly in an efficient and effective manner.

To understand the nature of the changes you need to make to your sales force, you must put your salespeople in the context of a larger selling system. This is what most of the advice to date has ignored. As we mentioned, it has focused narrowly on individual salespeople and their skills. To focus all of the attention on the salesperson is an overly simplistic approach that ignores other important changes that take place when you move from selling products to selling solutions. In fact, the required changes in *how* your salespeople sell are determined by two other changes that dramatically alter your salespeople's jobs. Before jumping to conclusions on how you should re-train your salespeople to sell solutions, you should first examine these other types of changes and the impact they will have on your sales force.

When you introduce solutions to a sales force, you change two things that directly affect your salespeople. Primarily, you change *what they sell* – a solution instead of a product. This is obvious to most. As an unexpected consequence however,

you usually also change *to whom they sell* – new types of customers that they never before encountered. These two changes wreak havoc on a sales force unless the implications of the changes are carefully considered and impacts of those changes are proactively managed. Below is the framework that we use to analyze these changes, and the remainder of this paper explains how you can use this model to create a detailed roadmap to safely transform your sales force from sellers of products into sellers of solutions.



Change #1: What You Sell

The first type of change you need to assess is in *what* you are asking your salespeople to sell. These are the products, services, and now solutions that you offer to your customers. While there are probably hundreds of different traits that define products, services, and solutions, there are four critical dimensions that have the greatest impact on how salespeople sell.

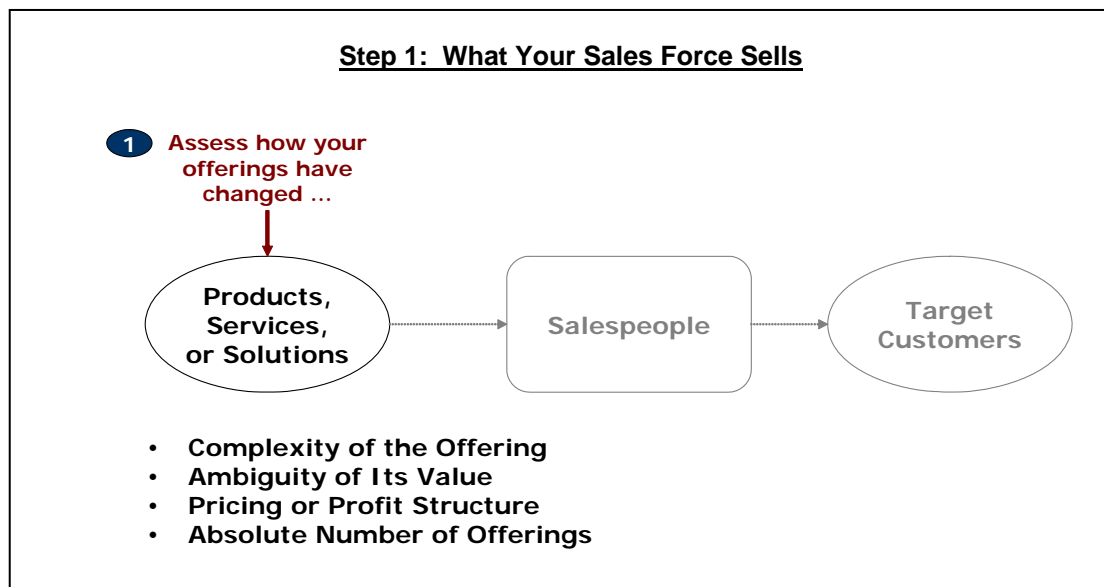
First, there is the *complexity* of the offering. Products tend to be relatively basic in their configuration, with the simplest products performing only a single function. Solutions, at the other extreme, can be wildly complex with many products and services being integrated and customized to meet highly diverse customer needs. Moving from products to solutions, therefore, creates an additional burden for your salesperson. They must now understand, explain, and configure things that are

much more complex. This can lead to poorly designed solutions that are difficult to implement and don't satisfy your customers' needs.

Second, there is the *ambiguity* of the offering's value. Products tend to have easily understood benefits – features and functions that are quickly grasped and easily applied to business problems. Solutions, on the other hand, have much more intangible value. Transitioning from products with concrete, well-understood value to solutions with indefinite, ambiguous value places a much greater communication challenge on your salespeople. Ultimately, your customers may not see the value in your solutions, which will lead to lower profit margins and lost sales.

Third, there is the *pricing* or profit model of the offering. The purest products have simple pricing that is non-negotiable with fixed profit margins. Solutions usually have highly-variable pricing with costs that are difficult to estimate. Moving from products to solutions usually requires careful consideration of your sales force's pricing skills and controls, since the profitability of a customized solution is not a given. As many companies have learned, suddenly giving pricing responsibility to former product salespeople can wash away all of your profit margin.

Finally, there is the basic issue of putting *more* offerings in the salesperson's bag. If you are introducing solutions on top of your existing stable of products, you are multiplying all of the issues discussed above. There will be more products, services, and solutions for the salespeople to represent, which will expand the scope of their job. Salespeople will have to play dual roles selling both simple, easily understood, fixed-price products *and* complex, ambiguous, variably-priced solutions. As a result, many salespeople will not effectively cross-sell the entire suite of offerings, undermining one of the key motivations for launching solutions in the first place.



You can begin to see why moving from products to solutions is a fairly sizable feat. A 'solution' is not just another product. The two are fundamentally different, and the consequences of asking a salesperson to shift from selling one to the other has unexpected dangers. Before you can begin to create a solutions sales force, you must understand the nature of what you are asking them to sell and how it will affect the requirements of their day-to-day jobs.

Change #2: To Whom You Sell

When companies introduce solutions to their sales force, they usually recognize that they are changing *what* their salespeople must sell (though they may not fully recognize the implications). However, it is usually several months or even years before many recognize the gravity of the second type of change being thrust onto the sales force: The salespeople must now sell to new types of customers. While the magnitude of this change cannot be overstated, it continues to remain below the radar of most organizations ... Until the trouble starts.

Below is a list of complaints that we frequently hear from sales executives:

- Our salespeople aren't meeting all of the buyers' decision-makers
- Our sales and marketing materials aren't relevant to our targets' needs
- Our salespeople can't gain access to certain stakeholders
- Our salespeople are struggling to win over business executives or end users

The common theme underlying these issues is that the company simply doesn't understand its customers. This is a direct but unintended consequence of changing the things that a company sells. When you move from selling products to selling solutions, you typically expand the universe of buyer types that your sales force encounters. If your salespeople don't understand the many dimensions of this change, then you will find yourself with some of the complaints listed above.

First, there is a change in the buying *process*. Companies buy products in a transactional fashion, with a single buyer frequently making the purchase during a single interaction. The buying process for solutions is much longer and involves many more participants, and this requires companies to change their sales processes accordingly. Salespeople need to learn the many stages of the new buying process and be able to identify all of the stakeholders it involves. Few salespeople catch on to this immediately, and they become frustrated as they lumber through a long sales cycle only to lose the deal in the end.

Second, the additional buyers in the process will likely have different *needs* than the purchasers of products. One stakeholder may purchase a software package

for its technical specifications, another may purchase it for its ease of use, and yet another may purchase it for its financial benefits. Salespeople must therefore understand the unique needs of the various buyer types they meet and learn to communicate relevant value propositions. Many companies don't teach their salespeople how to segment their customers, so the same messages get broadcast to all of their prospects. These salespeople get a lot of blank stares from their customers and a lot of blank pipeline reports on their desks.

Finally, there is often a change in the levels of *technical sophistication* between product buyers and solution buyers. Product buyers are typically more technical in nature and understand the products they purchase in great depth. When salespeople start selling solutions to higher and broader levels in an organization, they meet business executives and end users who have no desire to understand the technical underpinnings of the solutions. This requires salespeople to communicate using different terminology or no terminology at all. Effectively, making the leap from selling products to selling solutions means that salespeople have to learn a new language. Most salespeople struggle greatly with this challenge, to the bewildered dismay of their customers.



The change in buyers that accompanies the shift from products to solutions is actually more important than the change in offerings, but it is frequently neglected by sales executives. Whether management fails to see its importance or whether they just choose to let their salespeople figure it out for themselves, the outcome is the same: unsatisfied buyers, frustrated sellers, and no closed sales.

Taking Inventory

If you are still reading this lengthy paper, then some of these issues discussed above must resemble your own challenges. Perhaps there is poor communication, or misaligned sales processes, or sloppy pricing, or an overwhelming number of offerings. Whatever the troubles that you recognize, they are specific to your sales force. We have successfully gotten beyond the theoretical advice of the past and have reached a practical level where you are primed to make some actual changes in your sales force.

The issues you have identified are probably also beyond the narrowly defined domain of the salesperson's skills. This type of analysis takes the lens off of the salesperson and puts it back on the organization, where high-leverage, lasting improvements can actually be made. Hopefully we have moved to a broader plane where you, as an executive, are poised to make real systemic changes that will enable your sales force to sell better.

So now that you have identified your unique challenges to successfully selling solutions, let us turn our attention to the more interesting question: How do you take these issues and craft changes to your selling system that will smooth your sales force's transformation into capable sellers of solutions?

Change #3: Your Sales Force

Sales executives all too often undertake ambitious and expensive improvement plans, only to see the progress quickly dissipate as their salespeople revert to old habits. Most people today understand that constant reinforcement of any change is required to make it take root. What most people have *not* yet grasped is that reinforcement is more than just applying more of management's time and attention. Reinforcement can and should come from every angle of a sales organization. The strategies, processes, skills, tools, and metrics that define a sales force should all work together to embed the changes so deeply in the organization that they become self-perpetuating. Let's look at how these interrelated components can help you take your unique inventory of issues and create a sales force of high-performing solution sellers.

Selling *skills* are the most common area where people try to improve a sales force. As we've mentioned, much has been written about the skills required to sell solutions, but the content is an inch wide and miles deep. Basically, the focus has been on uncovering needs, managing accounts, and the like. While incredibly useful skills, your list of unique challenges might not include uncovering needs or managing accounts. In fact, those challenges are not unique to selling solutions.

The best product salespeople have been uncovering customer needs and effectively managing their accounts all along.

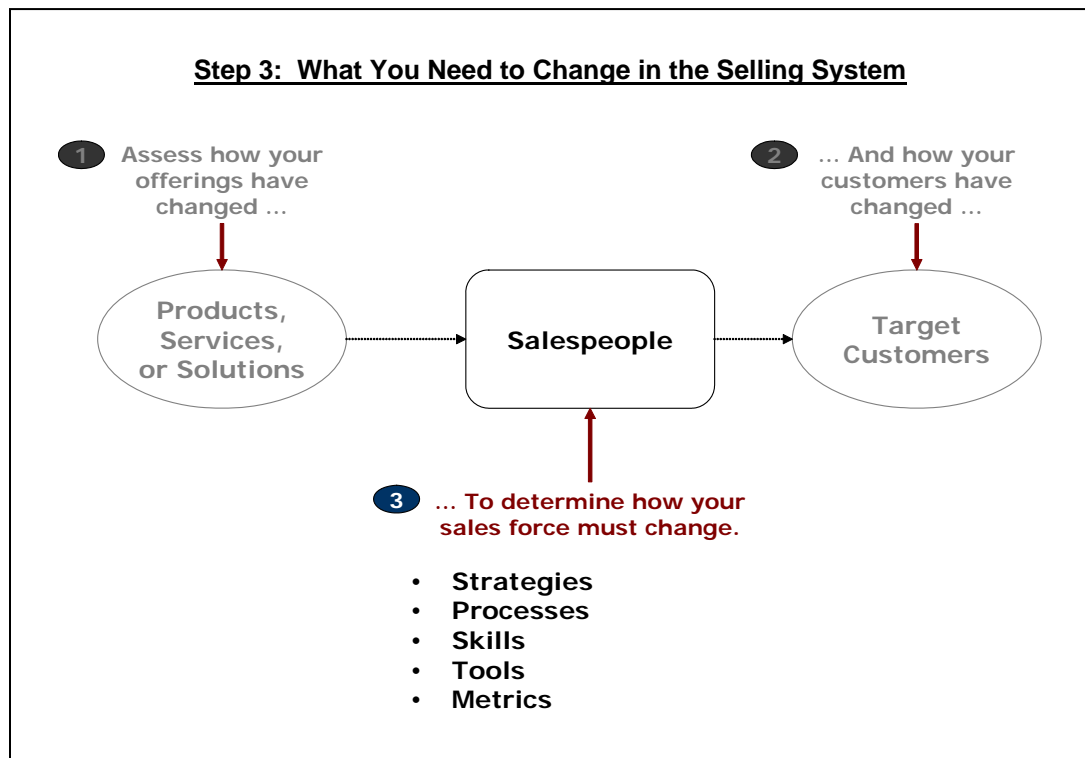
Other items that are as likely to be on your list are challenges such as cross-selling, configuring, or pricing your new solutions. Skills like these tend to address the unique challenges of moving from selling products to selling solutions, because they are needed to sell new offerings or to engage new customers. Developing individual skills will always be central to improving a sales force, but the skills that you require to make a successful transition from products to solutions may be quite different from the training you've been giving your sales force.

Rethinking the *strategies* of your sales force can also have a great effect in creating and reinforcing change. For instance, if your particular challenge is communicating with new types of buyers, then you could consider restructuring your sales force into teams with complementary areas of expertise – Perhaps a technical expert, a financial expert, and an industry expert, each of whom can speak the language of a particular buyer. Or if your challenge is a highly complex solution with extremely technical buyers, perhaps you need a separate sales force for the solution, rather than trying to shoehorn it into the existing organization. Whatever your issue, changing your sales force strategies can permanently change the way your company sells.

The sales *process* is another area of opportunity to embed change in a sales force. For example, if you find that you are now selling to CFOs and your salespeople are failing to demonstrate the value of your new solution, you may add a step to your sales process requiring that an ROI analysis be provided to the customer prior to submitting a proposal. Or if your salespeople are not cross-selling the new solutions, require them to meet with their sales manager after every new sale to explore additional needs in the account. Changing your formal sales process is a guaranteed way to change the behavior of your salespeople.

Sales *tools* are an incredibly underused way to enable change in a sales force. If your salespeople are struggling with the complex configurations of a new solution, build a product configuration tool to help them design the right solution for their clients' needs. If they are failing to communicate relevant value propositions to specific types of customers, develop highly-targeted sales presentations or web pages that directly speak to the stakeholder's business concerns. You can design a clever sales tool to address just about any sales force issue.

Finally, changing performance *metrics* is a very powerful way to influence behavior. If you find that your salespeople are pricing solutions too low, then measure and report the profitability of each sale rather than its revenue. If salespeople are not proposing your new solution because they're uncomfortable selling it, then measure and report the mix of offerings that each person sells. As they say, what gets measured gets done. Even without linking them to compensation, collecting the right performance metrics will focus your sales force's attention where it needs to be.



Once you have your list of challenges that you need to overcome in your sales force, sit down and brainstorm how you could change each component of your selling system to create and reinforce the change that you are trying to implement. With a little effort and creativity, you will be able to design changes to your strategies, processes, skills, tools, and metrics that will all work together to enact and perpetuate the successful transition from selling products to selling solutions.

Finally ... A Cure

As we mentioned in the beginning, there has been a lot of advice given over the years on how to sell solutions. Unfortunately, the prescriptions have not helped cure the ills of the many sales executives who scratch their heads every day and wonder how to make their sales forces succeed with this new strategic directive. They have been shackled by theoretical, narrowly-defined advice that does not address their real problem. The real problem is how to manage change – Changing offerings, changing customers, and changing demands on their sales force.

There is no one-size-fits-all treatment for managing these changes, because every sales force is different. You are starting from a different place and you will end up

in a different place than even your most direct competitor, so your path will have to be your own. However, there are logical places to look for your particular problems, and there is a series of steps that can lead you to discover the right path from selling products to selling solutions.

So forget what you've read on how to develop the ideal solutions seller – The super-salesperson with universal skills that will allow them to sell any solution to any customer. Contrary to popular thinking, these salespeople don't exist. Instead, focus *inside* your organization on how to transform your current salespeople. Do so by isolating the specific challenges that they face and then designing the strategies, processes, skills, tools, and metrics to help them cope with the actual changes that are hindering their performance.

The writing has been on the wall for quite some time – Learn to sell solutions or else. Finally, there is a method to connect this strategic imperative with your own reality and begin to successfully transform your sales force. Finally, there is a cure for the solution selling blues.