

# Huthwaite International

## Open courses



### **Complex relational selling**

*Overview – Account strategy for major sales*

# Complex relational selling

Remember the good old days, just a few years ago? You found a potential customer, made contact with the decision-maker, explored their needs, showed that you had a better mousetrap, and got an order. Then you kept the customer happy to make sure they weren't seduced by your major competitor, while you tried to seduce the competitor's customers. A simple little triangle that, with a few wins here and a few losses there, seemed destined to go on forever.

Then, by degrees, things became more complicated. If you're making high-value sales, where the decision is of strategic importance or involves major change for the customer, the scenario you're working in today probably looks more like this:

- long, complex, evaluation and decision process
- many influencers, users, specifiers involved
- increasing number of viable competitors
- any differentiation of your core product is very short-lived
- emphasis on total solution sales where the product may no longer be the major issue
- emphasis on customer-supplier relations as much as individual transactions
- customers talk of partnering while using power plays to force down your price.

Our cosy triangle of a customer and a couple of big competitors has become a polygon, a spider's web of influencers with different perceptions, a range of serious competitors, from market leaders to niche players, and, overlaying it all, a new dimension of confusion between product performance needs and relationship needs.

The eternal triangle did not live up to its name, but the polygon will. For the indefinite future the polygon, the figure with an unspecified number of dimensions, is the model for complex, high-value sales.

Those who can understand the uncertainty of the polygon and navigate their way through its apparent chaos will thrive. Players who cling to old simplicities are doomed first to disappointment and then to extinction, because they are likely to:

- continue with a product-oriented sale
- fail to understand the customer's decision process
- ignore relational needs
- increasingly lose business without knowing why
- be forced into the most price-conscious niches
- be marginalised through falling profit and lack of investment.

The biggest question facing salesforces now and for the foreseeable future is *"Do we have the strategies, tactics, knowledge and skills to win in the chaotic world of the eternal polygon, or will our eternal triangle become our Bermuda Triangle?"*

# Huthwaite's compass

Useful thing, a compass – it helps you understand all the angles and plot a course to where you want to go. And that's what Huthwaite can give you – practical tools, strategies, tactics and skills to help you win in the world of complex relational selling.

Huthwaite has been researching the key success factors in the process of making major sales for nearly thirty years. Since our early beginnings we have monitored with interest the evolution of the long-cycle, complex sale.

Our researchers have carried out hundreds of interviews with salespeople and, most importantly, customers involved in such sales.

Thousands of sales calls have been subjected to Behaviour Analysis, a technique for observing and qualifying interactions between customer and seller.

Where appropriate, we have evaluated and integrated secondary research from respected sources.

Always the same two questions were asked:

- What happens in a successful sale that makes it different from a failed sale?
- What are top sales performers doing which differentiates them from their less effective colleagues?

From this body of research, Huthwaite has produced sets of models which will help you understand the complex relational environment in which you are selling and plan a series of strategies which will take you to your goal: winning profitable business while developing loyal customer relationships.

Some highlights from the research will illustrate the uniquely insightful nature of the Huthwaite models.

- The most successful sellers understand the psychology of high-value decisions and approach the sale from the customer's point of view.
- They have an account penetration strategy that transcends traditional labels of influencers, users, screeners etc.
- Truly effective sellers evaluate their competitive position using the same techniques as the customer, and then use that analysis to influence customer perceptions in their favour.
- They can spot early signs that customers are concerned about the risks of change and take action to resolve the concern, see final pages for more on this important concept.
- The most skilful understand that each individual sale is an opportunity to establish relationships and sets of values that will live on beyond the order decision and contribute to development of a partnership.

Huthwaite also has almost thirty years experience of designing flexible skill development processes that help the average or even weak performers acquire the skills of their most successful colleagues. Over page is an overview of Account Strategy for Major Sales – the programme that will give you your Huthwaite compass to complex relational selling.

# Overview – Account strategy for major sales

## Objectives

By the end of the programme each participant will:

- understand and be able to explain the psychology of the customer team's decision making process in complex, major sales
- be able to plan and execute a penetration strategy for major accounts
- have the skills to uncover and develop the customer's decision criteria, analyse competitive offerings and influence the decision criteria to their advantage or make strategic no-go decisions
- understand customer concerns about risk and be able to identify such concerns and help resolve them to the customer's satisfaction
- understand the risks and opportunities of the implementation phase and be able to involve the customer in planning faultless implementations
- plan and execute strategies to develop the relationship with the account and expand business opportunities
- have practised each of the skills and planning processes, and received objective feedback on their performance, using a key account simulation that runs throughout the programme
- have planned a real-case, strategic campaign for implementation post-course.

## Target audience

Sales managers, account managers, sales executives and any other specialists tasked with the management of long-cycle sales involving multiple influencers/decision-makers, strong competitive activity and a perceived risk for the customers of making a wrong decision.

## Programme content

### The Buying Cycle

- The psychological phases of complex, comparative buying behaviour.

### Account entry strategy – how to find and use the:

- focus of Receptivity
- focus of Dissatisfaction
- focus of Power.

### Buying criteria

- Principles of competitive advantage – macro and micro, hard and soft differentiators.
- Decision guidelines – how customers evaluate competitive offerings.
- How to influence decision guidelines in your favour.

### Customer concerns about risk

- Why sales stall close to the decision.
- Why selling skills don't help.
- How to resolve concerns to your advantage.

### Implementation

- The 'motivation dip' and why it happens.
- Strategies to avoid motivation dip.

### Account development

- Pro-active strategies to maintain your dominant position and handle competition.
- Building the long-term partnership.

## Training design and methodology

This programme teaches a combination of strategic concepts, planning processes and skills. Its overriding objective is to ensure that trainees improve their effectiveness by integrating research theory into their real life selling strategy.

To achieve this the programme is structured as a workshop. Teams compete to make a major sale to a simulated key account. As the major concepts, processes or skills are introduced, trainees have to apply them to the simulation, make tactical decisions and roleplay with members of the simulated 'buying team'. They then receive objective feedback and evaluation of their performance.

After each key phase of the workshop, trainees apply their learning to create a strategic real-case campaign, which is formally presented to the trainers (and/or the trainees' own senior managers) on the last afternoon of the programme.

## Materials

There are a number of exercises to consolidate learning, plus a library of user-friendly reference material giving detailed explanation of key concepts.

Trainees also receive 'The Toolbox', a system to help them devise, execute and monitor their campaign strategies for both the simulation and real cases.

## Duration

Normally four days. Other timing designs are possible to suit individual customer requirements.

## Faculty and group size

The Account Strategy for Major Sales programme is delivered by two of our consultants experienced, whenever possible, in the customer's industry sector.

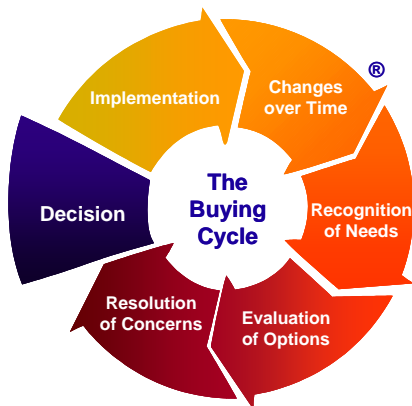
To ensure that each participant receives individual attention and feedback, training group size is limited to a maximum of twelve.

## Achieving maximum impact

In addition to skills and strategies described above, Account Strategy for Major Sales provides a process for major account management. Unless this process is customised and integrated into existing processes, and unless Sales Management actively supports it, ASMS can be no more than a high quality training course. We therefore seek the opportunity to work with senior managers before implementation to ensure that productive and sustained change can be achieved.

# Resolving customer concerns

The graphic below illustrates the core model in Huthwaite's Account Strategy for Major Sales Programme. It illustrates the Buying Cycle as seen from the customer's point of view.



Each segment in the cycle contains research-based insights that will be new to most trainees, but the major concept which, is a revelation to all but the most perceptive sellers is that of Customer Concerns.

The typical complex sales cycle starts when the customer recognises a need for change, and the key question here is how the seller can stimulate this process. Because the purchase decision is so important, the customer then invites competitive offerings and evaluates them. The seller's job now is to manage the customer's perception of their decision criteria so that the seller's tender has the best 'match.'

Towards the end of the evaluation process, however, the buying team often comes to a dreadful realisation: it is time to make a decision!

In simple, low-value sales, decisions are relatively easy. But in complex, high-value, relational sales there is much more at stake: large amounts of money, multiple influences, company politics, relationships with other suppliers, reduced efficiency if the wrong solution is bought. In short, the buying team perceives considerable risk, for themselves and their company.

## The symptoms of these concerns about risk are:

- Decisions are delayed – with unconvincing excuses
- Contacts become unavailable and don't return calls
- Previously-resolved issues re-surface as objections

Price becomes a major issue (but usually as a smokescreen to hide some deeper, unspoken concern).

Conventional selling theory teaches sellers to handle this situation by re-stating the benefits of their offering and applying heavy closing techniques. In other words, to put pressure on the customer to make the decision at the psychological moment when he is most worried about it.

Heavy closing of this type far from helping to win business is more likely to lose it. Research shows that customers with real concerns about the decision they are about to take are more likely to opt for the safest solution (from the supplier they know best or who has the strongest track record) or to decide not to proceed at all if they are placed under pressure to make a decision at this stage.

Huthwaite's research showed that the most effective salespeople, those who have truly understood relational selling, treat concerns in a very different way: they help the buying team resolve the concerns. This requires the establishment of a trusting relationship and a set of skills that have their closest analogy in psychotherapeutic counselling.

## Uncover the concern

- State why you believe a concern exists.
- Ask the customer to share it with you.

## Clarify the concern

- Disclose your previous experience of similar concerns.
- Test understanding carefully to ensure you have uncovered the full extent of the concern.

## Help resolve the concern

- Ask the customer to suggest measures that would handle the concern.
- Build on the customer's ideas to create the optimum solution for both of you.

There is clear research evidence that the skills of recognising and resolving concerns are key to building open, long-term customer relationships. We also suspect that the phenomenon of Concerns is so little understood by the majority of sellers that the ability to handle concerns is a major determinant of effectiveness in relational selling.

# A simple decision

This brochure has been about complexity: of competitive markets, of customer's buying processes, of multi-level customer – seller relationships. It seems appropriate to end with three simple questions that may lead you to a simple decision.

- Are you involved in the kind of complex, relational selling that we have described?
- Are you experiencing any of the problems, uncertainties or disappointments that we have touched on?
- Would your sales efforts be more focused, better directed and more effective if you had a research-based, expert model of planning processes and skills?

If you answered 'no' to any of these questions, thank you for reading our brochure, we wish you continued success. If you answered 'yes' to all three, contact us and arrange an exploratory meeting with a Huthwaite consultant.

Find out more today.

+44 (0) 1709 710081 – [open@huthwaite.co.uk](mailto:open@huthwaite.co.uk) – [www.huthwaite.co.uk/open](http://www.huthwaite.co.uk/open)

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