

## ARE YOU READY FOR A SALES MAKEOVER?

### MANAGING THE SHIFT FROM PRODUCT SELLER TO PROBLEM SOLVER

*By Walt Zeglinski*

One of the questions I am most frequently asked is – *how do we get our sales people to sell solutions*. When I respond by asking them to describe what they mean by “selling solutions”, I am always surprised at how often they find it difficult to answer. Before making the shift to selling solutions, it’s important that organizations develop a common understanding of what they really mean.

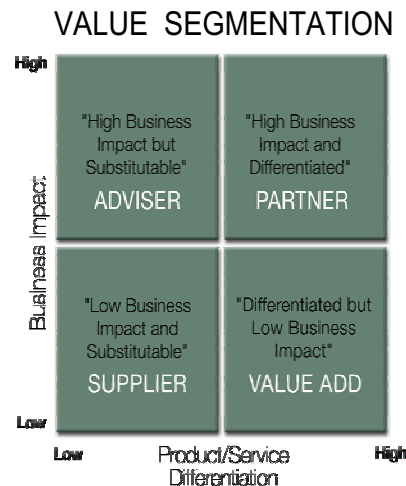
Based on their markets, products, personnel and sales process, they must clarify their expectations. It may take too long or not be acceptable to customers and prospects that have become accustomed to a product-based approach. As a result, some organizations may decide that the transition is too difficult, too expensive or both. It may not be in their best interest.

Webster defines a solution as *a method of successfully dealing with a problem*. For a sales organization to succeed in selling solutions, they must begin by positioning themselves as problem-solvers. If an organization’s website and promotional materials identifies them in terms of their products, it’s likely that their sales people will see their role as persuading prospects to buy something.

However, an organization that identifies its value in terms of the *business problems* they solve will encourage sales people to sell *solutions* to their customers.

This is not to say that one approach is necessarily better than the other. It depends most on three key variables – the value expectation of their customers, the industry expertise of a sales staff, and the potential for

their products or services to create a business impact. The Value Segmentation Model below illustrates how these key factors might influence a sales organization’s decision to migrate to a solution selling model. If their products or services are not sufficiently differentiated as compared to competitors, they will almost certainly get commoditized by their clients and prospects, making it difficult to position their value beyond “me-too” offerings.



Likewise, if their products or services have little potential for business impact (i.e. they are not being linked to business outcomes), they will probably be handled as a transaction and not be considered as business solutions.

There are obviously many iterations of this positioning that might be explored, however, unless a sales professional can elevate his status to that of a problem solver, he is unlikely to be perceived as a value-added resource, trusted advisor, or partner.

### Solving “BIG” Problems

If a salesperson solves a small problem for a customer, is it fair to assume she/he might still have the ability to sell solutions?

Depending on the value proposition of the company they represent, any sales person might have the potential for solution selling. They might have distinguished themselves as providing added value within an otherwise transactional situation, and demonstrated, through their actions, the uniqueness of their product or service as compared to their competitor’s offerings. With this in mind, I’d like to suggest a broader context for understanding solution selling.

Let’s assume the main goals of making the shift from products to solutions are to grow revenue and improve profit margins. If a sales person focuses on selling solutions that are more comprehensive and more differentiated – solutions that solve business problems – they are more likely to have a significant impact on sales and profits. Of course, every business has its own notion of what constitutes a big problem. But it is fair to say any problem that is causing a key operational challenge or directly undermines the achievement of a business outcome is a big problem.

In order for an organization to develop a solution selling capability, it must examine its willingness to address key four factors:

- Solution Positioning
- Marketing Support
- Organizational Alignment
- Customer Needs-Focused Sales Process

#### Solution Positioning

If an organization’s messaging to the market is dominated by language that focuses on their product or service, they will not be perceived as selling solutions. As previously described,

companies that are successful at selling solutions define their value in terms of the problems they solve, *not the products they sell*. Solution positioning for an office products organization requires that they avoid focusing on the “bells and whistles” of the newest model, but rather position how the model can be a solution for improving the consistency and quality of information that will help their organization make faster and better management decisions.

#### Marketing Support

To ensure the success of an organization’s solution positioning, they must cascade this value proposition to their marketing efforts. Marketing collaterals, their website, events, etc., should focus on specific business issues with messaging that supports a problem solving framework. Their emphasis should be on the “extrinsic” value that exists beyond the product or service’s features and functions. A website design that can be navigated from a customer’s industry perspective should provide expertise and information that helps customers focus on that industry’s problems.

#### Organizational Alignment

The entire organization – all functions/ departments that impact the customer directly or indirectly including product development, finance, operations, human resources, and especially customer service – will need to support the transition to selling solutions and creating value. Likewise, systems and processes like compensation, performance management, and CRM should enable the transition or, at the very least, not become barriers. The model below illustrates how an organization can maximize customer value and solution selling by focusing on alignment.

Unfortunately, many compensation and performance management systems can actually cause misalignment. These systems will often reward behaviors that are in conflict with a solution selling approach. For example,

### VALUE ALIGNMENT



they may undermine adherence to a rigorous problem solving process, rewarding short term payoffs over building long term, mutually beneficial relationships.

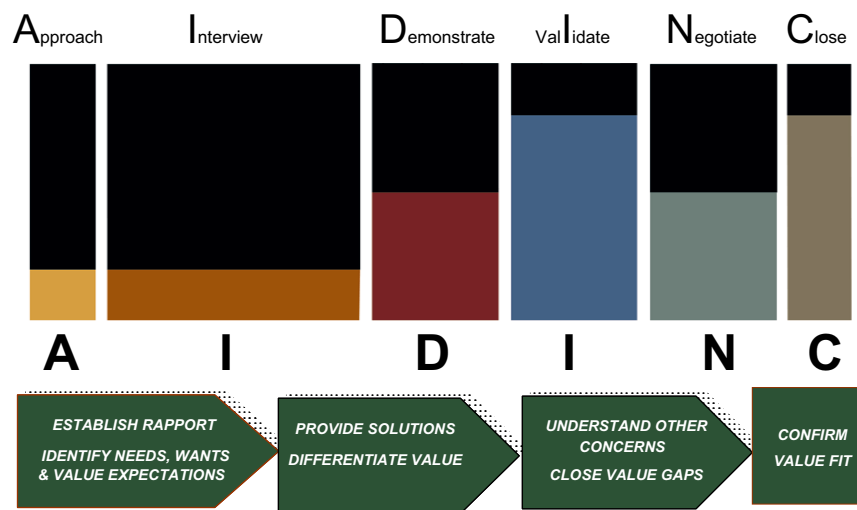
Finally, in order to sustain solution positioning, an organization must build alignment between their mission, vision, values and goals and the attitudes, practices and behaviors of its frontline sales and service team and their leadership.

### Customer Needs-Focused Sales Process

The adoption of a customer needs-focused sales process might be the most critical component in a transformation from products to solutions. For a sales professional to create value, their sales process must effectively mirror the buying process of their prospects and customers. The ability to sell solutions can be very difficult if their process is out of synch with how buyers want to buy. One way to ensure the transformation to solution selling is to ensure that the key outcomes for each step of a selling process mirrors a customer's buying process. The AIDinc® model below is indicative of a sales process that accomplishes this within its step-by-step process outcomes.

Sales professionals that succeed in executing a customer needs-focused sales process must be able to uncover and articulate the operational challenges and business payoffs of a customer; establish the unique value in solving the customer's problems; overcome any explicit or implied gaps in value; achieve consensus on

### CUSTOMER NEEDS-FOCUSED SELLING



a solution's fit; and implement a solution that meets or exceeds the customer's expectations. To accomplish this, a sales professional must thoroughly understand the gap between the prospect's current and desired situation and be able to communicate their company's expertise in solving similar problems, including sharing some specific results. Finally, an organization serious about shifting to a solution selling should consider how it might leverage these capabilities across all of their channels to market.

### **Making the Shift**

There is good news and bad news in making the shift to a solution selling organization. I'll share the bad news later. The good news is that if an organization is committed to moving from product-sellers to problem-solvers, they can start today. However, there is an interesting dynamic that must be considered. Companies that have been successful realize that *organizations don't really change – people change – and changed people change organizations.*

Therefore, the first action to be taken is to assess the current situation. Before developing a plan that is consistent with their resource capabilities and executable within a reasonable timeframe, there are four performance drivers to consider. The Performance Driver Model (below) is a developmental roadmap for enabling a solution-selling sales organization. It helps them to diagnose the degree of change required in their people, processes, leadership support and commitment. In order to examine these four components in more detail, let's define what we mean by each.

#### The Right PEOPLE

An emphasis on expertise, independent thinking, and a commitment to customers are the keys. Everyone must know and practice a problem-solving methodology and understand their accountable for overcoming customer problems with care, sincerity, and a "can do" attitude. Typically these individuals possess

### **PERFORMANCE DRIVERS**



some degree of the four traits of sales success – goal clarity, achievement drive, emotional intelligence, and social skills.

#### The Right PROCESS

The success of a sales organization to execute on a customer needs-focused sales process is largely a by-product of the attitudes, skills and beliefs of their people *and* their capacity to support it internally. Even if an organization will commit its resources to a training and development if must can align its functions and processes to selling solutions. Otherwise, the barriers they create can erode the potential for a successful transition.

#### The Right SUPPORT

A solution selling organization must have a leadership team that supports a flexible go-to-market strategy that focuses on business results. Remember, customers don't need or want an organizations products... they need and want to achieve business results! Top-down management support is probably the most critical element to successfully accomplish this shift. This is especially true for frontline managers, the pivotal job for results-producing change initiatives. They must coach their people to ensure confidence, competence and commitment.

### The Right COMMITMENT

Establishing a solution-focus requires a commitment to overcome the business challenges that help their customers achieve results. An organization must go beyond product and services strategies and reach inside each employee to build their attitudes and beliefs. In order for a solution sales team to succeed, they should recognize the importance of problem-solving and demonstrate a mindset that fosters creating value for customers.

Obviously, it is possible to make the shift from product-selling to problem-solving if an organization is willing to take an unbiased look in the mirror and has the discipline to engage in a serious sales makeover.

Actually that's the bad news. Although you can make the shift, once you sign up for your makeover it won't always be pretty and there is no turning back!

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