

FROM CHECKERS TO CHESS POSITIONING-TO-WIN™ IN COMPLEX SELLING ENVIRONMENTS

By Curtis Brooks

Do these sound familiar?

“Articulate your business proposition in the context of executives’ pain points.”

“Lead with a strong value statement and reference story to illustrate the value of solving the customer’s problems.”

“Highlight unique differentiators and specific quantifiable business value to establish credibility.”

Experienced B2B sales executives should recognize these catchphrases as the predominant themes for properly executing a complex sell. But to initiate and establish new relationships with senior customer audiences – the discipline commonly referred to as “Positioning”, ***the guidance above is obsolete.***

‘Checkers-to-Chess’ as a metaphor represents the degree to which market dynamics have changed the game. Today’s environment necessitates a skill-set to satisfy the prospect’s growing demand for vendors who serve as catalysts for big ideas.

Sales organizations that have developed this proficiency are differentiating beyond their direct competitors and maximizing the potential of their existing sales methodologies to improve their win rates.

PLAYING CHECKERS

Baffled. That’s how one executive described attitudes of top officials at one of the world’s preeminent software vendors as they gathered to discuss a mission-critical issue in early 2009.

Despite a world-renowned brand name, rock solid value proposition and a corps of senior sales executives who’d been trained in the latest methods of “solution-selling,” the company was failing miserably in attempts to access and establish relationships with senior officers of targeted accounts.

Two dynamics made this issue a high priority:

1. The product set had evolved to help shape clients’ strategic agendas, yet they had created few opportunities to showcase the software’s true potential.

2. Revenue growth from current customers produced thinner margins.

The existing sales methodology had served the company well in their hyper growth period ’98-’08, but the recent track record of simply initiating a substantive conversation with a prospect business-unit head, prominent EVP or CFO was abysmal.

This wasn’t a new problem. A year earlier leadership authorized nearly half-million dollars to add more definition to the strategic sales framework – with emphasis on tailoring go-to-market messaging for the C-level community. The impact was minimal at best.

Fortunately, there was an opportunity to analyze the few success stories from the previous 18 months. The analysis included a thorough review of ‘new logo’ wins initiated from

high-level relationships. The details that emerged were ironic; successful sales representatives had actually abandoned most, if not all, of the “solution-selling” techniques in their positioning activities. Many of the tactics these people employed were counterintuitive to the value-selling philosophies which had been hard-wired into their sales culture over the past 10 years.

In an attempt to pinpoint the specific position behaviors, one of the sales managers summed up the dilemma by presenting a slide titled: “WHAT’S WORKING: CONFOUNDING DATA.”

He noted that several high performers:

- Had failed to focus on the prospect ‘pain points’
- didn’t bother highlighting key differentiators early in the cycle
- Asked very few needs-based questions
- Virtually ignored the advice of trying to become the customer’s ‘trusted advisor’.

They determined the tactics were more instinctual than intentional, but a formal corporate-wide program launched to replicate the techniques improved the success rate of engaging senior executives in previously “impenetrable” accounts from 5% to 38%. The results confirmed the skill sets they had developed to advance a qualified deal were now insufficient in helping create demand. It became obvious that initiating new relationships demanded a distinct set of competencies, largely absent from the solution, strategic or ‘consultative’ sales philosophies of the past 15 years. The changes required are analogous to transitioning from playing checkers to playing chess. The foundation for the transformation

starts with appreciation for the current dynamics affecting the decision maker’s mind-set.

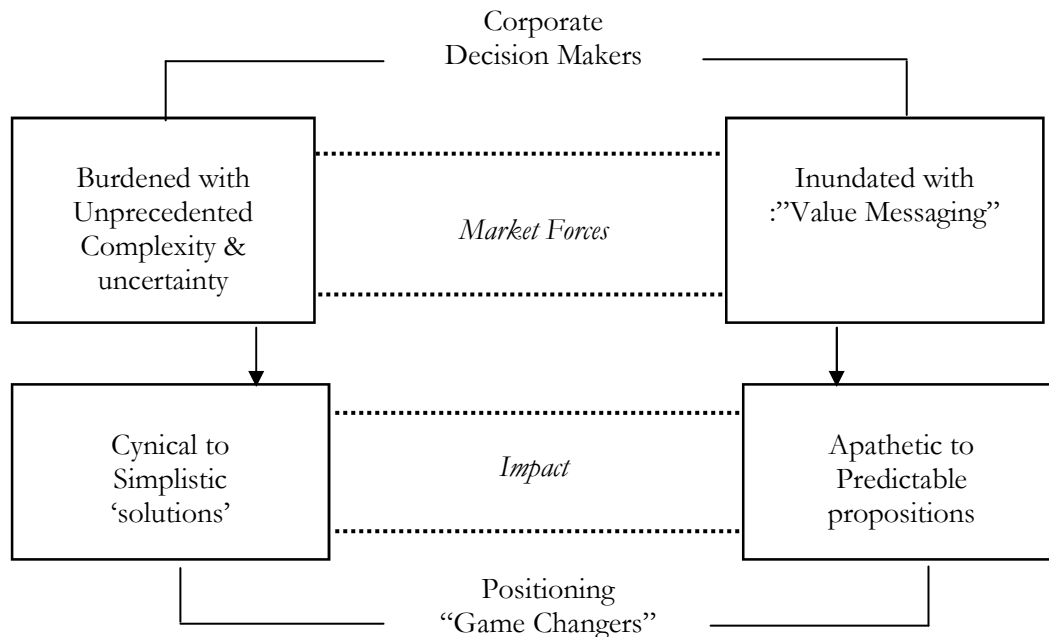
MARKET FORCES HAVE CHANGED THE GAME

The market uncertainty has instilled more pragmatism among decision makers as they weigh a vast array of factors to arrive at the ideal balance of risk and reward. The emergence of increasingly elaborate operational models magnifies uncertainty because the consequences of any decision can ripple with unprecedented speed across business ecosystems. This was confirmed by a recent IBM study which identified complexity as the primary challenge facing today’s corporate leaders.

The combination of complexity and uncertainty is a challenge for sellers trying to capture and hold a prospect’s attention (Figure A). Complex/risk-averse organizations rarely operate in a logical, sequential manner—this is at odds with the problem-solution formulas incorporated in most modern sales methodologies.

The selling models have fashioned a propensity to address multi-dimensional problems with single dimensional solutions. It’s no wonder executives are cynical to vendor approaches. While the message appears rational on the surface, they’re often impractical in application—to the extent many executives report being *offended* by what they view as overly simplistic solution statements emanating from salespeople. Few approach strategies are in sync with the iterative leadership styles born of today’s unpredictable business atmosphere.

The other side of the game-changing equation is impacted by the predominance of “value messaging”. So much so, one approach barely

Figure A

distinguishes itself from another. Relying on similar proposition formulas, vendors produce positioning messages almost identical in construct, with...

- Predictable openings, i.e., *“Your problems, challenges, issues, opportunities.”*
- Obvious themes to establish credibility, i.e., *“We helped others, we can help you.”*
- Convenient conclusions, i.e., *“We helped others, we can help you.”*
- Convenient conclusions i.e., *“Improved customer service, increased efficiency, reduced cost, etc.”*

Executives have been inundated with these scripted techniques for nearly 20 years, fostering apathetic attitudes. These days when value positioning does work, it's more a reflection of being in the right place at the right time, rather

than motivating the prospect to investigate.

Recent findings from research from Corporate Executive Board, as part of their work in defining “The Sales Challenger”™ validate these points. Their study in rating the effectiveness of an ROI pitch determined that few executives are influenced by someone else's ROI calculations.

The outcome of their analysis led CED researcher, Timur Hicyilmaz, to conclude: “Everybody already assumes you offer some hypothetical value; thus, most people aren't going to be very excited by the idea you have value to deliver. You'd never be talking to them if they thought otherwise.”

In addition to sounding like everyone else, the other surprising flaw of these value positioning messages is the paradox created by leading with a prospect business issue - because in the explanation of how the problem is solved, the

statement must be punctuated by introducing the product or service—and when this happens, it triggers the buyer’s preconceived (and often limited) view of value.

In summary, despite the seller’s best intentions to establish a value-based conversation, it’s nearly impossible when you’ve announced what you intend to sell.

CASE STUDY

A large management consulting firm is experiencing this game-changing dynamic firsthand. They’re so eager to capitalize on a new set of advisory services for cloud computing because the technology’s impact has enterprise-wide implications for their customers. In fact, the company contends non-technology managers should be their biggest supports.

To capture the attention of the business-line audiences, the company’s account managers initiate their approach by demonstrating knowledge of the prospect’s operational challenges. This sets up a message structure that can only logically be completed by outlining the solution (the cloud) - They’re invariably typecast in the process, commoditized among countless other vendors with cloud-based offerings.

As the company’s sales VP summarized, “it’s sort of a trap, almost maddening dilemma. When we conclude our business proposition with the solution we’re labeled as technologists, so it’s always a direct path back to the IT guys.”

Overcoming decision-maker apathy and cynicism requires a paradigm shift in two areas:

1. Gathering and Application of Intelligence
2. Adopting a New Positioning Objective.

The Opening Move

1) In the B2B environment, the typical approach for prospect research is to capture enough information to set up some form of a value proposition. To do so, salespeople are conditioned to identify customer problems, goals, or “triggering” events from press releases, annual reports, trade journals or business information services (i.e., Hoovers® or One Source®).

Given predominance of sales representative predisposed to rely on virtually the same sources, it’s not surprise executive are apathetic to the various propositions. ON occasion an insider referral or specific solution experiences could yield the seller more insight, but those sources are unsustainable data points to create demand consistently. To address the issue vendors must adopt a thought process for research that applies provocative treatment to “multi-dimensional intelligence”. The key to this approach is to stay away from the conventional sources which produce client’s “pain points” and the typical industry buzzwords—go beyond the surface level insight and augment the intelligence by formulating a message pattern which encourages open dialogue. Combine unexpected substance with an engaging style. For example, the set of collected information from the target company might highlight:

- The branded initiatives of their indirect competitor
- Provide commentary of their supplier KPI’s
- Hypothesizing about the direction *their* constituent’s trending behaviors.

Then, frame this research in a compelling light

Figure B's right column demonstrates the contract this approach creates relative to traditional techniques. The example is based on the assumption the target company is Charlotte-based utility Duke Energy. Rather than structuring the messaging around typical jargon (i.e., "green energy") and obvious pain points and challenges as shown in the left column, you should present more insightful information in a constructive tone, as outlined in the right column.

This was the instinctual approach used by the high performers of the software firm highlighted in the first section. Alter leadership collected the set of messaging that initiated several key wins, they recognized this tactic as being significantly more intriguing to their target audiences—opening doors that have been closed for years - and producing the nearly six-fold improvements in positioning performance to key target audiences.

To apply this thinking consistently, the company developed an 'intelligence roadmap'; essentially a research framework specifically designed to orient sales teams toward less-obvious multi-dimensional content related to their prospects. For maximum impact they conducted a series of internal workshops focused exclusively on the contextual application of the research. It may seem as though the thought process the firm adopted is over-engineered just to get properly positioned, but it's the price to be paid for inheriting the negative biases prospective buyers

It may seem as though the thought process the firm adopted is over-engineered just to get properly positioned, but it's the price to be paid for inheriting the negative biases prospective buyers have formed as a result of being inundated with messaging which simply plays

Figure B	
Target Company: Duke Energy—April 2011 \$16B/yr. Regional Power Company	
Typical Positioning Talking Points <i>Sample Sources: Annual report, press releases, Hoovers®, etc.</i>	Multidimensional Talking Points <i>Sample Sources: Indirect competitor's analyst report, sup-</i>
Potential Pain Points: <ul style="list-style-type: none"> • \$13 B Acquisition integration initiative of Progress Energy • Preparing for a new regulatory model • Limited capital for Smart-grid investments to drive green energy program Stated Challenges <ul style="list-style-type: none"> • Corporate mandate of On-budget/On-time for major capital projects • Fleet modernization required • Require Capital for enhanced utility platform <div style="text-align: center;">CHECKERS</div>	Implications of: <ul style="list-style-type: none"> • Exposure to POLR when approaching market leading MMWh targets • Low income customer mix potentially 18% by 2014 • Demand-response aggregators Significance of: <ul style="list-style-type: none"> • Dominion Power's 8% CAGR target for 2013 gas transmission investment • "Off-grid hybrid" power • Driving F.E.G. nuclear fuel CAPEX>13% in 2012 <div style="text-align: center;">CHESS</div>

back their published agendas.

This sort of preparation, where the emphasis is on the prospect's "value chain" rather than the prospect itself, allows sales teams to craft approach strategies with more creative freedom. Also, the approach produces more compelling and differentiated content, so it substantiates the "call high" mandate. As long as the messaging is absent subservient language, isn't gimmicky, and retains focus on the value chain dynamics, it serves to elevate the salesperson.

Those who have applied these methods report several additional advantages:

- Provides flexibility for a communication format that doesn't have to accommodate the problem-solution-value message structure
- Generates intensely distinct messaging, appealing almost exclusively to the recipient and his/her peers—nearly to the extent the content and meaning is recognizable to only the primary recipients (right column, Figure B)
- Helps demonstrate original thinking, refreshing to the prospect because it's so distinctive from the rigid, recognizable patterns of scripted value propositions
- Establishes out-of-the-gate credibility because it's more aligned with the thought process decision-makers have adopted in this era of uncertainty and complexity

The New Positioning Objective

2) The second component of succeeding in the new game starts with rethinking the purpose of initial interactions with prospects. The conventional objectives for an initial meeting have relied on tactics which qualify the prospect,

uncover needs through 'intelligent' questions, product education or simply building rapport.

Now, to address the impact of the market forces and leverage an updated messaging capability, the objective should be to create the ideal conditions for ideas to flourish. This is largely driven by the customer's demand for an experience to contrast the predictable interactions of the consultative selling era.

It's a tough but necessary concept to grasp for senior salespeople who have risen to the top with superior questioning and closing skills. But, there's overwhelming evidence to support this shift. Many of today's senior managers suggest corporate strategy is best expressed as an integrated set of choices. To that end, many companies have implemented formal programs where the sole focus is to promote creativity.

In turn, executives are placing a premium on the speedy generation of ideas as they operate by the "Innovate or Die" mentality. In this way, the treatment of multi-dimensional information gathered in the research phase helps the sales rep strike the balance between being prematurely prescriptive and serving as a constructive resource at the same time.

The objective will be to inspire critical thinking by presenting a level of insight that's slightly outside the boundaries of the decision makers day-to-day purview. Lest one believes this new objective resembles a "trusted advisor", don't flatter yourself. Few salespeople have Harvard MBA's. Executives have countless options for sound strategic advice, and they know their business better than a salesperson ever will.

This new positioning objective tracks closely with the tenants of Edward Bono's management concept "Lateral Thinking". Bono has assigned a deliberate systematic process to thinking

creatively by contrasting two kinds of thinking. “Most Managers are educated to think vertically from one logical step to another. We are not usually taught to spark imaginations. As a process, lateral thinking is concerned with driving change, not proof,” says Bono. In following this objective, the ideas that will help executives transform their organizations should flow through the sales representative—and this experience doesn’t necessarily have to involve a discussion of the salesperson’s product or service. This is the essence of the new positioning game.

But, what about actually *selling* something? The old-schoolers would argue this call plan objective puts sales forces in the wrong frame of mind. Quotes and commitments need to be met and a status report which suggests the goal is to inspire the client to “think creatively” doesn’t exactly drive the sense of urgency demanded by chief sales officers. However, the alternative is either never gaining access and/or being stereotyped in the process.

To that end, the software firm highlighted in the opening is among organizations who have found these tactics actually shortened the sales cycle by:

- Securing executive (business line) sponsorship
- Exposing dormant opportunities
- Creating sole-sourced pursuits

The company’s analysis also revealed the sales reps had not totally disregarded the existing sales process—they just elected ***not to rely on solution selling for positioning***. It was determined the intelligence and call plan strategies were actually complementary to their current sales framework by setting up a more

efficient problem diagnosis process later in the cycle. The tactics employed made the solution/consultative sales training more impactful.

This isn’t surprising to Ed Bono, who comments: “Lateral thinking works at an earlier stage than vertical thinking. It’s used to restructure the pattern in the way a situation is viewed. Vertical thinking then accepts that pattern and develops it.”

The other aspects of the new positioning objective is to establish a vision to differentiate the vendor from the market as a whole.

Most companies focus on developing messaging that’s distinct from their direct (or indirect) competitors—buts it’s not enough. To execute the new objective, leadership must be committed to raising their standards. The goal has to be to create an experience that has sharp contrast from every other vendor.

Sales organizations should go to market with the idea their prospect interactions are driving preference relative to any other alternative the executive may have to filling his/her calendar. It’s a tall order, but it ensures consistent access to the internal resources for the reengineered research process. (Detail regarding the establishment and execution of this objected outlined in *Checkers to Chess* Part II)

KISS THE CHECKERS GAME GOODBYE

All indicators point to a positioning game that has permanently changed. The IBM study (Figure C) confirmed “a rapid escalation of complexity is the biggest challenge confronting executives, and they expect to continue indeed, to accelerate in the coming years.”

More importantly, particularly for vendors, the same study identified “creativity” as the single

most important leadership competency for enterprises seeking a path through this complexity.

The winners in the complex environment will tap into the demand for this quality in order to get properly positioned.

The long term implications are even more significant, particularly for vendors whose products and services are growing in strategic relevance. For these companies, the market dynamics which make it more difficult to get The winners in the complex environment will tap into the demand for this quality in order to get properly positioned. are imminent

Addressing the challenge requires:

- An acknowledgement that nearly all solution and strategic selling frameworks are not structured to address today's realities, particularly for positioning activities.
- A commitment to instilling the right thought

process for positioning research, standards and objectives.

These actions will impact the sales organization's ability to win in a game where superior positioning is the key to consistent, profitable performance.

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