

Support tools and resources

# Want to grow your sales? Then don't hire a relationship builder...

Comprehensive research into successful selling is rare. Even more unusual is research that shows what sales skills work best when the economy is in deep recession. These selling insights will set any sales person or sales team up for success whether in recession or not. This is what Matthew Dixon and Brent Adamson discovered and then shared in their book *'The Challenger Sale'*.

Here's a question you should take seriously if you're committed to growing the sales of your business:

What are you and your sales colleagues doing to teach, tailor and control the conversations you have with your customers?

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STOP seeing relationship building as the path to increased sales

START challenging your customers to think differently about their business



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# 1. The one 'BREAKTHROUGH QUESTION' you must ask to challenge your thinking so that you successfully grow sales for your business

Challenging your customers to either make more money or save money results in sales growth, this in turn builds deeper more valuable relationships with customers. Building relationships on their own does not grow sales, according to the research results.

So, it pays to ask yourself:

What are you and your sales colleagues doing to teach, tailor and control the conversations you have with your customers?

Where is the value in this question?

The value in this question lies in the challenge it gives you to better understand the power of the three skills of *'The Challenger Sale'* which the authors have shown result in sales growth.

If Xerox can add £52million in sales by adopting this 'Challenger' approach and SAP (a global software systems company) can raise sales conversions by almost 50% then can't you also improve your sales growth?

#### **IMPORTANT:**

The research suggests that challenging your customers is the most successful route to growing sales.

Challenging your customers to either make more money or save money results in deeper more valuable relationships with customers. Building relationships on their own do not grow sales, according to the research results.

It pays to build the knowledge and skills of challenging your customers. Learning how to teach, tailor and control your message is how you successfully challenge your customers, so they buy more from you.



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#### 2. Your essential checklist for being a successful challenger sales person...

The research by Matthew Dixon and Brent Adamson found that the most influential aspect of the customer's experience (and their willingness to buy) is tied to the sales process – 53%. Compare this with just 9% associated with the impact that the value to price equation has on the success of a complex sale.

Of seventeen attributes contributing to customer loyalty and therefore sales success, seven attributes rose way above the others in terms of impact on sales success – all are connected to the customer's experience of the sales process:

- 1) Offer a unique and valuable perspective on the market help them save or make money
- 2) Help your customer navigate alternatives be seen as independent as you can be
- 3) **Provide on-going advice or consultation** be available as a sounding board to help them when they need help
- 4) **Help your customer avoid potential landmines** help them anticipate curve balls and difficulties, challenges
- 5) **Educate me on new issues and outcomes** future focused discussions that help your customers learn
- 6) **Make your business easy to buy from** remove any and all hassles that make it hard or slow to buy from you
- 7) Reassure and support your customer's team so they become fans of your business tailor your message to each person involved in the buying of your complex service or product

Take another look at the top five attributes listed here—the key characteristics defining a world-class sales experience are all about learning something (not so much about buying something).

Suppliers are seeking help. Help them identify new opportunities to cut costs, increase revenue, penetrate new markets, and reduce risk in ways they themselves have not yet recognized and you will grow your sales.

Here's what the authors have to say to emphasise the need to teach, tailor and control:

"what sets the best suppliers apart is not the quality of their products, but the value of their insight—new ideas to help customers either make money or save money in ways they didn't even know were possible. In this sense, customer loyalty is much less about what you sell and much more about how you sell. The best companies don't win through the quality of the products they sell, but through the quality of the insight they deliver as part of the sale itself".

Dixon, Matthew. The Challenger Sale (p. 53)



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## 3. The 5 different types of Sales Person Profile – who do you have in your team?

The research by Matthew Dixon and Brent Adamson of CEB pointed to 5 profiles of sales people. More than 6,000 data sets enabled them to see which profiles performed best for both complex and simple sales.

It's useful to assess yourself (and anyone involved in sales), or get your colleagues to assess you, on which profile you most closely match. Then have a look at which profile generates the most top performers (on the next page). The 5 different sales profiles:



**The Hard Worker** – Normally first to work and last to leave, always does the extra work and will go the extra mile. Will make more calls in one hour and more visits in the week that anyone else in your sales team.

**The Challenger** – Looks at the world with an entirely different point of view. Understands your customers business the most of all your team. Understands your customers' needs and expectations and pushes customers to think about their business differently.

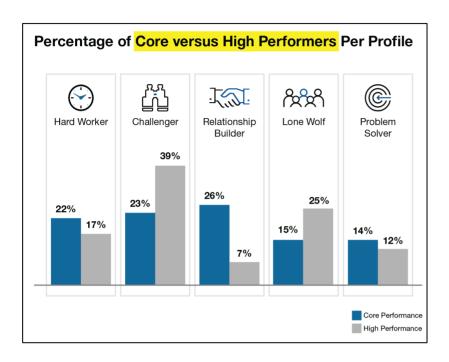
**The Relationship Builder** – Wants to be the customers friend, thinks that the customer liking them will lead to more sales. Is not pushy, focuses on the customer's needs, with a 'customer knows best' attitude. Is very generous with their time.

**The Lone Wolf** – The most difficult sales person to control, they are self-assured, will do what they think is right, often ignoring the sales pattern. Use their own instincts with customers.

The Reactive Problem Solver – Is very focused on the detail, will deliver a quick response to the customer, and addresses service issues as priorities, they are always good at following up with the customer.



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You stack the odds in your favour when you build your Challenger sales skills.

Challenge your customers – teach, tailor and control.



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#### 4. Why a combination of 3 skills makes a successful challenger...

The Challenger sale requires all three skills.

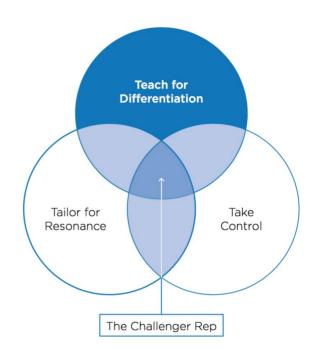
If one skill is missing, then the impact is much less and may hinder the result you seek – sales growth.

Here's how the authors describe the impact missing 1 of the 3 skills:

"If you TEACH without tailoring your approach to the different individuals within an organisation, you come off as irrelevant."

"If you TAILOR to but don't teach your customers something new, you risk sounding like every other supplier."

"If you TAKE CONTROL but offer no value, you risk being simply annoying."



In the video on the last page of these tools Matthew Dixon suggests that:

"Customers are looking for the thing they couldn't learn on their own."

What he's pointing to is instead of asking questions about the challenges that face your customers, in their role, in their business. Try telling them (teaching them) what should be keeping them awake at night and then have a discussion about this and how you can help them sleep! But make this relevant to each person that's going to be involved in and influencing the decision to buy.

Remember to be patient though. It took SAP 3 years to share the Challenger training across their 5500 sales people. You have fewer people so can make it happen faster and easier no doubt. Just be sure you get the blend of the three skills – teach, tailor and control.

The research suggests that 79% of sales fail through no decision rather than a competitor getting the deal! So stand firm when needed and help your customers make a decision rather than avoid making a decision.



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#### 5. How SAP transforms the results of their global sales team of 5500 people



You'd want to train your people on the right skills if those skills generated 15% more sales opportunities than before the training. And then if the training also helped convert 26% more of those opportunities, you'd know your investment in training had paid off.

Using the ideas and concepts of 'The Challenger Sale' SAP, the global software systems company, transformed the results of more than 5,000 sales people.

An increase of 44.9% of converted sales opportunities is radical.

- Instead of 100 sales opportunities trained people generated 115 sales opportunities.
- Instead of 100 sales conversions trained people converted 126 sales
- This is the equivalent of a 44.9% increase in sales (100 x 100 = 10000; 115 x 126 = 14490)

Here's how Matthew Dixon and Brent Adamson describe the changes for SAP:

"In the past SAP mostly sold conventional business software helping resource planning and supply chain management.

But over the last decade not only has SAPs business changed but also so have the needs of their customers.

Because of these changes SAP's sales people need to have in-depth knowledge of their customers business sector, business challenges and key performance indicators.

In response to this at the end of 2012 SAP decided to retrain 5,500 sales staff members globally to use the Challenger model of selling within 3 years and from this developed a 4-step global training programme.



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#### The 4 steps are:

- 1) Teach the basic principles of the challenger method
- 2) Roll out the training programme
- 3) Communicate through the training session
- 4) Measure success at each level

Those who had been part of the training session closed 26% more deals than before they were trained (the win rate), and those who had been part of the training programme generated 26% more sales opportunities (pipeline) on average (by way of comparison, sales people without training made just 9% - so challengers generated 15% more opportunities)."

For more on the SAP story check out the details on the Challenger website here <a href="https://www.challengerinc.com/blog/sap-and-the-challenger-way-of-selling">https://www.challengerinc.com/blog/sap-and-the-challenger-way-of-selling</a>



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#### 6. The book and other resources

Check out the book by Matthew Dixon and Brent Adamson – The Challenger Sale: How to take control of the customer conversation

In this book Dixon and Adamson share the secret to sales success: don't just build relationships with customers. Challenge them. Dixon and Adamson and their colleagues at the Challenger organisation have studied the performance of thousands and sales people globally and uncovered the biggest shock to conventional sales wisdom in decades.



The Harvard Business Review writes about this book:

"If you are looking for new ideas for your business on how to increase sales through real value differentiation this is a great concept and if everyone works together can make a massive difference.

Selling is an honorable profession, when done right. The Challenger Sale provides an excellent road map for the right way.

Dixon and Adamson did a great job with this book, they bring a new and fresh perspective to the whole sales process"

Here's the link to purchase the book: http://bit.ly/challengersaleMDBA

Do you want to come first or second when it comes to sales?

Clearly the answer is first as those coming second actually lose the sale!

This video has Matt Dixon, one of the authors of the book, giving some valuable insights into why sales interaction can be a force for good. 9 minutes and pure value, helping you see how you grow sales for your



business. <a href="http://bit.ly/MatthewDixonvideo">http://bit.ly/MatthewDixonvideo</a>