# 6 Tips for Great Solution Selling

*Learn to Guide Your Organization from Product to Solution Selling*

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# Introduction

Until recently, this yellow page advertising company sold print ads in local telephone books to small and medium businesses for the purpose of generating leads. Its marketing people were very skilled at promoting their products and the sales people were extremely effective at selling these products. The sales cycle was short, focused and very well-understood. The customers knew what was being sold and were comfortable selecting from a menu of specific choices.

But yellow page advertising is a declining industry primarily because of competition from online advertising, social media and direct marketing. Recognizing this harsh reality, the executive team developed a strategy for using digital media such as websites and videos to help customers attract new customers to their businesses. The company wanted to transition from selling just line-item print advertising products such as a ¾ inch ad to packages including websites, videos and other digital offerings. Becoming great at developing, marketing, selling and delivering both print and digital "solutions" was essential for survival.

## *How was this company to convert from a product-focused culture to the solution-focused culture needed for long-term success?*

Many companies are now facing similar transformations. Customers who used to easily accept purchasing stand-alone products from a list of discrete offerings, now want solutions where the products are tightly integrated and produce a result that is more than the simple sum of the parts. Furthermore, they want these solutions to not just meet their "needs" but to actually help them be successful in both personal and business endeavors.

## *Selling products alone just isn't sufficient any more in many markets.*

However, as anyone knows who has tried to convert an organization from being product-focused to being customer-centric, solution focused, this is a challenging transformation. Everything in the environment has to change. Product development, marketing, packaging, selling processes and business support systems – the entire culture -- all need to be different and tightly integrated. To make this transformation more complex, in almost all cases, it has to occur while maintaining the high sales and financial performance of the product business. The future business must be created without jeopardizing the current business. Not surprisingly, this can be a challenging task for any leadership team.

In this guide, we will discuss six tips for guiding an organization from product to solution selling. These tips come from experiences helping many different companies in diverse industries make this transformation.

**The six tips are:**

- Define a compelling "purpose"
- Leverage your "top performers"
- Use the "Power of AND"
- Practice,  practice, practice
- Promote local adaptation
- Align all of the systems

# Tip 1: Define a Compelling "Purpose"

The science is overwhelming that a strong sense of "purpose" is a critical motivator for almost all humans (Pink, 2009), particularly for attempting something as complex and time consuming as a transformation to great solution selling. Purpose is defined as some form of greater goal which, when achieved, provides the customer, team, organization and/or society with some significant social good. As a result of achieving a purpose, the world is a better place to work and live.

In the area of solution selling, there are typically multiple levels of compelling purpose.



- **Customers:** For the customer, it is providing them with a greater value in directly meeting some profound needs, particularly in helping them be successful with their own customers.
- **Sales Representatives:** For the sales person, it is the good feeling of exceeding the customer's expectations while contributing to team and organization market and financial success.
- **Executives:** For the organization, it is increasing customer satisfaction while improving financial performance that benefits multiple stakeholders.

For example, the yellow page company's advertisers saw the purpose of print and digital advertising solutions as "making it easy for our customers to find a product or service that has compelling value." From this perspective, there are several elements of social good for the advertiser. The advertisers get to tell their compelling value story through powerful media and, presumably, through this, their customers will become excited that they found a desired product or service and would therefore buy more. The purpose of providing compelling value throughout the chain of relationships is the foundation for good customer relationships.

From the sales person's perspective, the advertisers are engaged in a much more meaningful and enjoyable conversation about the customer's value proposition and how the yellow page company can help get that message out to more people. In doing so, the sales person is creating a great social good for the customer, but also for the yellow page company because sales will increase both directly through higher average sales per customer and indirectly through a better reputation in the market, all without additional sales expense.

## *Purpose is therefore also the foundation for sales representative solution selling.*

From the executives' perspective, they see customers that are thrilled with the focus on their needs and values and the ability to purchase advertising packages that really make sense to them. As such, these customers develop long-term loyalty, generate a positive perception of the company in the market and make purchases that boost financial performance, a social good for a wide variety of stakeholders including employees, investors, vendors, etc. Purpose helps executives fulfill their obligations.

Fortunately, it is relatively easy to construct powerful purpose statements for everyone in an organization – just ask the top performers (see next section). In the Wisdom Discovery process described below, the top performers will typically define a greater purpose for their customers, themselves, their team, their organization and, in many cases, society at large.

# Tip 2: Leverage Your "Top performers"

Do you know that you already have all of the expertise you need to become great at solution selling in your organization? While many organizations think they need outside experts to tell them how to do great solution selling, at least in terms of sales process, all organizations already have the people in their sales and service functions who can tell everyone else how to do it right. These people are your top performers because they always deviate to the positive end of a performance curve, even when they have the same conditions as others. As such, top performers have a huge proportion of the tribal wisdom of the organization and are likely to already be selling the desired solutions. They already know what your organization needs to know to be great at solution selling.

More specifically, top performers organize their attitudes, thinking and actual behaviors around two key areas (Figure 1).

Figure 1: The Structure of Top Performer Wisdom
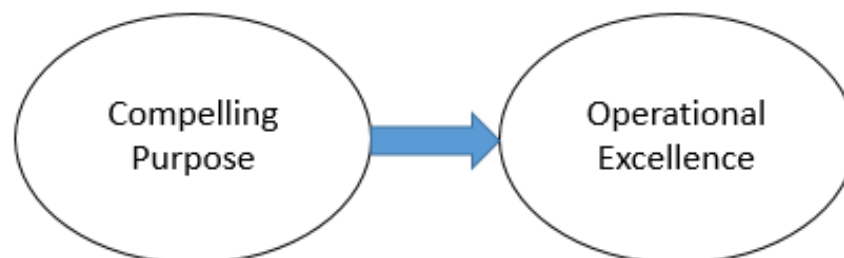


The first and most important of these is their passion for creating a social good for the customer. This is their core purpose. For example, in a pharmacy chain, the concept of the role of the pharmacy manager as a "critical part of the family emergency response system" – a very strong purpose in providing pharmacy solutions, that is rather different from just selling prescriptions -- came directly from the organization's top performers pharmacy managers.

The top performers also supply the key steps to the operational excellence needed for great solution selling (similar to Pink's notion of "mastery" -- Pink, 2009).   These include:

- A well-defined and structured path to mastery
- The real-world tips they give to others when they are acting as mentors, which define mastery
- A very specific set of actions to take to learn about great solution selling, which builds mastery

A very simple, fast way to gather this information, called a **Wisdom Discovery**, has been   developed that enables an organization to discover its top performer wisdom in as little as three hours.   That means that at an organization can have a set of best practices for solution selling   defined by its own thought leaders and ready to implement in almost real-time and with minimal labor and expense.

The patterns of top performer knowledge are so consistent, and the output from the Wisdom Discovery is so comprehensive that it can be used to define the prototype in any solution selling function including:

- The structure and pricing of integrated solutions packages, helping marketing move into true solution selling
- The service and support requirements customers will require to be successful with the solutions
- The features and functions of the IT business management systems required to support the solution selling (which is almost always considerably less than is envisioned by IT or supporting IT vendors)

As such, by utilizing its top performers, an organization can quickly define a complete end-state for a leadership-rich   environment. The only thing that most organizations seem to need in terms of outside expertise is   someone to guide the solution selling development process itself. Time and again, we see sales personnel that are great at selling isolated products stumble as they try to transform to solution selling. They usually need outside expertise to help them develop their own purpose and learn and apply operational excellence.

# Tip 3: Use the Power of "AND"

It is not surprising that transforming an organization from being product to solution focused can cause conflict and is quite difficult to do. Typically, such organizations develop what we call "focus schizophrenia," which is a fancy way to describe the division in an organization between the advocates for transitioning to the new solutions business versus the advocates for maintaining current revenue. In many companies, it almost seems like there are groups chanting conflicting political slogans at each other with some individuals and groups chanting "grow solutions" while others are chanting "maintain current revenues." The chanting has a sense of intense political furor and, not surprisingly, these positions divide and de-focus the organization.

One of the places in organizations that tends to get caught in the middle of this cross-fire is marketing. Marketing is usually expected to play a key role in both creating and promoting the new solutions while maintaining current revenues. Ironically, marketing's long history of success in promoting products creates a barrier to moving forward. Specifically, marketing begins the process of creating solutions from its established mental framework of product line items that are successful generating current revenue.

Marketing thinks in terms of products and current revenues. It is therefore not at all surprising that the "solutions" that marketing produces are really just extended lists of new and prior products that look and feel the same as the old product offerings. They typically do not include integrated solution bundles or packaged pricing that would look and feel much more like single, complete solutions. Customers and sales, of course, see that these aren't really "solutions" and sales growth stalls.

Fortunately, one of the best ways to resolve this issue is to focus on the Power of AND, a concept introduced by Jim Collins and Jerry Porras in their book *Built to Last*. Instead of focusing on just new solutions or just maintaining current revenues as opposing forces, the Power of AND guides the organization to reframe the discussion to: "How do we do both?" More specifically, by answering the question: "How do we do solution selling AND maintain our current revenues?" options that were previously hidden quickly emerge.

For example, the yellow page company described above went from feuding about growing digital "solutions" versus maintaining current print revenues to "helping the customers tell their compelling value story through integrated print and digital advertising." Marketing helped this process by reducing its

emphasis on separate print and digital products and by focusing instead on creating "packages" with multiple, integrated "products" that were priced at a discount from the individual line items. The packaging and pricing directly encouraged customers to purchase these pre-packaged solutions.

Customers were happy because they felt that sales was listening to their real desires and presenting them with powerful options rather than pushing specific products at them. Sales people were happy because their primary purpose was on learning the customers' sense of compelling value, creating a social good for the customer through easily understood and purchased, pre-packaged advertising solutions. Executives were happy because digital sales doubled without any decrease in print sales. They grew solutions AND maintained current revenues, all through the Power of AND.

# Tip 4: Practice, Practice, Practice

While many people would like a Twitter version of great solution selling, it does not exist. There simply is no way to instantly create a great solution selling environment. Everyone in an organization has to work seriously at getting better in order to actually become better.

Fortunately, recent advances in the neuroscience of learning have significantly improved organizations' ability to learn and sustain the application of new capabilities such as solution selling. Specifically, this science has shown that all learning is the wiring of neurons together into new patterns. The best way to learn something for the long-term (i.e. to become great at solution selling) is to cause the neurons to wire together permanently through frequent, small, highly personal, applied exercises. These highly specialized, mental repetitions cause people to learn new attitudes, thought patterns and functions faster than was previously thought possible.

Where can you find these specialized practice exercises? The top performer experiences are the foundation for this learning. Just ask the top performers how they learned their tribal knowledge and you will have a list of learning tasks that are the foundation for teaching others. The top performers will say things like:

- I had this really difficult situation with a client
- I had this great mentor
- I attended this wonderful class
- I read this incredible article

After obtaining the details of these experiences, it is easy to convert them into small frequent repetitions.

## Here is a short series of learning tasks around the topic of becoming passionate about selling a solution:

- Write 1-2 sentences about what it means to be "accountable for my own success" and present to my team.
- Review the Business Case presentation on solution selling and identify three ways that solution selling can enable me to be a better sales person. Create a slide that outlines these opportunities and present them to my team.
- Participate in a group interview of a sales rep who is consistently positive and confident about solution selling to learn at least three things that drive his/her attitude. Practice at least one of the three things every day for one week and notice the changes in my interactions with people. Write an email to a colleague explaining my findings.
- Select (and read when you can) a motivational article or book. Identify 1 way you can apply this to being great at solution selling. Share with my team.
- Review the Sales Process overview presentation with my manager. This overview includes tips from the top performers. Identify three things I can leverage to improve my performance. Focus on these three items and meet with my manager a week later to report progress.

While none of this requires much time or effort, each drives multiple mental repetitions of the key ideas of passion and commitment to solution selling. Usually, these experiences are discussed in a weekly meeting where all participants share the results of these practice exercises, identify additional best practices, formally record their learnings and prepare for the next weeks practice exercises. With this type of practice, over several months, virtually anyone can learn to be great at solution selling.

Organizational leadership plays a critical role by allocating time for the practice and ensuring that the practice actually occurs. If management focused too much on maintaining current revenue and does not actively support the transition to the AND solution, the transition will not occur. Leaders must lead into the new era by insisting on AND, purpose and practice.

# Tip 5: Promote Local Adaptation

Have you ever heard someone in a local sales office or divisional marketing say some variation of: "We're different. You don't know my (customers, market, region…)"? Almost anyone attempting to create an effective solution selling environment has encountered this response. It seems to be a typical human response to any type of significant change, particularly ones driven by headquarters. Unfortunately, this is an indication of strong resistance to positive adopting of solution selling.

How can you achieve solution selling in spite of this resistance? There are three factors that overcome local resistance to change. Two we have already discussed – the Power of AND and purpose – both of which tend to lower resistance to solution selling by simultaneously making it easier to sell (the Power of AND) and more important to provide solutions (purpose). There is a third factor based on the science of mass customization that leverages these previous tips.

Mass customization is a technique that enables an organization to mass produce a capability such as solution selling in a way that is perceived as completely unique to each customer. More specifically, in effective solution selling the organization focuses intensely on creating alignment and acceptance of the AND solution and the purpose so everyone actively embraces, then it overtly encourages each local operating entity and sales person to "sensibly" adapt both to fit their local conditions. "Sensibly" means that the adaptation is within the intent of the AND solution, top performer wisdom and purpose, but with broad acceptance of local variation.

Naturally, this requires trust. Because of the profound alignment on the purpose, AND solution, and top performer wisdom, and intense practice, an organization can trust that the local operator is doing the

right thing for customer and company and can be confident that the local operator is good at what they are doing. It is easy to trust when all of these are present in a sales organization.

So the best response to the comment: ""You don't know my (customers, market, region…" is: "That is right. You know your (customer, market, region…) better than us. As long as you stay within the structure of the solution and really focus on the purpose, we want you to adapt it to provide great solutions." There is usually a moment's hesitation when the local people hear the request, that you explicitly want them to adapt something. This is so different from the usual message of extreme conformity that they aren't used to being trusted and, as may be apparent, great solution selling requires the organization to trust its people. Somewhat to executives' surprise, we have only rarely had people abuse this trust. Quite to the contrary, when people feel trusted about making good decisions, they invariably do great, appropriate solutions selling.

# Tip 6: Align All of the Systems

Misaligned business systems, particularly order management systems, are one of the biggest problems for solution selling. For example, we were working with a client that had done all of the tips above, but had not actually changed its systems to accept an order for a packaged solution. As a result, the sales people had to spend a lot of time entering specific line items and the purchasing agreement with the customer showed these separate line items, which caused the customer to examine each specific line item, undermining the solution package and pricing. Systems that do not directly align with solutions selling can be disastrous for achieving the desired results.

The problem here is that business and IT systems are in general much less flexible than human behaviors. It simply takes a long time to define and implement new functionality. In addition, many of the people developing and supporting these systems are mostly technical in their perspective and like creating sophisticated, complex systems. Typically, these systems are overly complex, becoming very difficult to develop, test and use.



Is there a way to avoid these issues? Fortunately, there is, but it takes discipline from the organization. First, it is critical that the correct question be asked during the system design process. The correct question is: "What is the minimum system functionality required to support solution selling?" This is not asking what people would like to have, what the designers think might be good for the customer, sales person or management team, or what the vendors would like to supply but truly the minimum required for success. The minimum functionality will be hard enough to do without adding any bells and whistles to the design.

The best way to find this minimum design criterion is to start again with the top performers. They can state quite explicitly exactly what they need from a supporting system to be great at solution selling. One of the positive aspects of leveraging the top performers this way is that generally, the requirements are much less than expected so the system is easier to design and implement. Even more important, the system that is designed this way ultimately is much better aligned with the direction of the organization.

## False Paths to Solution Selling

While these tips will bring you considerable success in solution selling, there are a few approaches to developing this capability that organizations often believe will result in solution selling but actually block or undermine the initiative. Each of these presents different pitfalls for trying to create solution selling. These three are:

- Unrealistic expectation for a Customer Relationship Management (CRM) system
- Presenting only one possible "solution" to the customer
- Reliance on standard PowerPoint training classes

While CRM systems are often touted as enabling solution selling, the reality is that they are mainly a control mechanism for management. As such, they don't really have a compelling social "purpose," rarely align effectively with the AND solutions, and increase the administrative burden for sales and service providers.

## For supporting true solutions selling, the two things CRM systems are good for are:

- "Look-ups"  --  the capability in the system for a sales person to research the customer before discussions begin, thereby ensuring that the sales rep is well-prepared
- Sales-service integration --  critical information from the sales function can be seamlessly passed to the service provider

While both of these are valuable, they are almost always secondary objectives of using a CRM system and significantly increase the complexity of design and implementation. While CRM systems can help support solution selling, they cannot be the driving force in the transformation.

Relying on a single solution for the customer is also a common practice that people believe is good solution selling but is quite disruptive. As one sales executive put it: "We know what is right for our customers. We are going to tell them what they should do and, if they have concerns, we are going to systematically answer all of their objections until they say yes." It even sounds adversarial in the telling doesn't it?

## Presenting the customer with a single option does several negative things to solution selling including:

- It really only gives the customer one choice – take it or leave it. As such, it creates a win-lose situation if the customer has concerns but is talked into buying the solution or even a lose-lose situation if the customer looks at the solution and says "no"
- It shifts the focus from the customer to the sales person with considerable ego involvement by the sales person. Now the sales person is "right" about the solution and must convince the customer, who really doesn't have any room to be "wrong" even if he or she has some concerns about the proposal. If the customer pushes back, then the sales person is "wrong," causing the relationship to deteriorate.

Instead, we have found that providing customers with three choices that are presented in order as:

- A moderate priced solution package with a set of defined deliverables
- A higher priced solution package with a more extensive set of defined deliverables
- A lower priced solution package with a reduced set of defined deliverables

Most of the time, the customer will select the moderate priced package, but about 20% of the time they select the more expensive and extensive variation. They rarely select the least expensive alternative, because the others create an image of what is possible, and the lesser alternative seems like a significant step down from what is possible.

This approach (which we learned from Tom Hopkins and is called the "triplicate of choice") is great for solution selling because it frames the discussion as "Which of these alternatives is best for you?" The resulting discussion is a collaborative effort between the customer and sales about the best combination of investment and deliverables for the customer. It empowers both the customer and the sales person putting them together in finding a great solution for the customers' self-defined needs. In addition, the revenues generated are considerably higher because the customer wants, and selects a more complete solution.

Finally, many organizations have developed "Solution Selling" training classes that they think will have an impact. While the best of these include simulations, all fall short of being a driving force for real solution selling. They are typically light on purpose (usually just a short statement in the beginning), are often created by training professionals that know little about solution selling, don't emphasize local adaptation,

and incorporate only minimal applied practice. Few standard sales training programs have been able to demonstrate much impact on creating solution selling.

Instead, new learning technologies have developed based on the science of positive deviance, the neuroscience of learning and using "persuasive technologies" that emphasize the leveraging of top performer best practices, a strong sense of purpose and applied practice, including practice in making local adaptations. These learning methodologies are far more effective and faster than traditional training of any sort, and are particularly well suited to developing excellent solution selling.

# Create a Culture of Great Solution Selling

Do these tips work? Programs based on these tips have been used in organizations as diverse as the yellow page advertising company in the beginning, pharmacy chains, and a high technology manufacturer. In every environment they have had a huge impact on financial performance.

More importantly, companies that follow these tips develop a customer-centric culture of great solution selling in which everyone in the company is aligned on purpose and the AND solution and consistently acts in accord with that direction. As one senior sales executive put it: "You can really see the difference. People walk differently, talk differently and are incredibly customer-focused. Customers know it, love it, buy more and tell all of their friends."

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