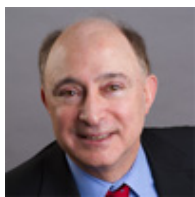




Sales Methodologies and Selling



Sales methodologies play an important role. A common approach in a sales force allows for consistency, dissemination

of best practices, acceleration of learning, and it helps the firm to scale because management then has common metrics to monitor and evaluate.

Hence, the allure to sales leaders of methodologies that purport to provide “the playbook . . . predictable revenue . . . and a repeatable cadence.”

However, it’s rare that the same methodology is relevant across buying-selling situations. Over time, most salespeople must deal with new products, new competitors, substitutes, and changing buyers and influencers at their customers. At any point in time, moreover, most salespeople have multiple accounts and face a changing array of customers and tasks. One buyer is primarily concerned with innovative product features while another is most concerned with just-in-time delivery. The “out” vendor typically faces different tasks than the seller of the existing solution at that account.

Developing and maintaining a relevant selling approach is a process, not a one-and-done event determined by a particular methodology. It’s crucial that reps adapt to different buying situations. If not, then (as is often said about academics) a methodology leads your people to “learn more and more about less and less.” It’s your responsibility to evaluate the fit of a methodology with the required tasks and to change the approach when needed. The following are useful distinctions to keep in mind in analyzing sales tasks and keeping selling up-to-date in your business:

Differences within an industry. Probably the most common response I get when I ask managers where they sell is a broad vertical-market answer like “health care” or “financial services.” This is too abstract for determining sales tasks. Sellers of medical equipment must be especially good at managing and closing complex deals that involve price negotiations and custom applications. Meanwhile, in biotech, salespeople must be knowledgeable about the research and results of clinical trials. A methodology which is indifferent to these differences will have limited impact.

In financial services, a brokerage firm like Edward Jones relies on local networking and relationship-building skills in selling a relatively simple set of products to its buy-and-hold customers; Vanguard

relies on a self-service model for selling its no-load index funds; and Goldman Sachs sells a broad array of ever-changing complex financial instruments primarily to institutional accounts. A meaningful sales methodology in any one of these industry sectors has much less meaning in the others.

Differences within a category. Sales tasks also differ within the same category. Companies that sell software-as-a-service (SaaS) are a good example. Consider a SaaS service like collaboration software or file sharing. These applications are typically not mission-critical for customers and are sold at relatively low monthly subscription prices. Buyers can gather much pre-sale information via an online search. Here, inside sales organizations—“dialing for dollars”—are paramount. Sellers can conduct online demo’s and provide a proposal to prospects with a few clicks on the website. Key sales tasks include activities such as up-sells (getting the customer to purchase a premium version of the product) and selling more seats.

A SaaS platform service such as CRM, on the other hand, requires sophisticated integration for multi-year contracts. This is a complex initial sale with a longer selling cycle that is harder to do online or by phone. Selling often involves the vendor’s engineers and key tasks focus on increasing product applicability and price with new functionality sold to different decision makers, while minimizing customer churn.

Differences when target buyers change. Because sales tasks are ultimately determined by buying processes, using “product” as a determinant of selling approach is dangerous. An example is when companies move from SMB to Enterprise customer segments. ScriptLogic sold diagnostic tools to system administrators in the IT departments of small and mid-sized companies (SMB). It built a growing business with a land-and-expand selling approach and a “Point, Click, Done” value proposition where the administrator could expense the purchase on the company credit card. But this approach was not effective in selling to enterprise accounts. Why?

Selling the same products to enterprise customers meant a change in sales tasks and channel requirements. The same software sold to SMB accounts on a straightforward ROI basis must be integrated into the Enterprise customer’s IT systems and go-to-market model. In SMB, the owner of the business is often the buyer and decision maker: point, click, done! But in Enterprise accounts, the decision-making process is more dispersed and operating budgets that are set over 1-2 years are hard to reset for any vendor.

Among other things, these differences in usage and purchase criteria shift the basis of the seller’s credibility: *from* knowledge of the software and best practices in stand-alone inside sales processes to knowledge of that Enterprise customer’s business model and how the software fits into extant customer-acquisition activities. This means a different way of demonstrating ROI, the ability to shepherd a project—not only a product—through the buying process, and salespeople who can work with systems-integration partners on pre-sale applications development and post-sale integration and service issues at those customers.

Training firms that develop and deliver sales methodologies have an incentive to apply their particular method everywhere. But buyer beware. Mort Lachman wrote for comics. He said that you can write for someone else only if you can “turn him on in your head. . . . You have to hear their voice and their inflections as you type; and hear the difference between how [each person] would say it.” Lachman advised that “if they sound all alike to you, be a plumber. You’ll make more money.” The same goes for selling: if all customers sound alike to you and your sales methodology, do something else; you’ll make more money. ■

Frank Cespedes teaches at Harvard Business School and is the author of *Aligning Strategy and Sales*, and is writing a new book on what is (and is not) changing in selling and the implications. Find out more [here](#)