

Making the Shift from Box-Moving to Solution-Selling

How to manage the change process successfully

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Everybody talks about 'Solution Selling' these days: Kitchen manufacturers no longer sell ovens, but 'integrated cooking solutions'; logistics companies no longer transport goods from A to B, but they offer 'integrated transportation solutions'. The list could be continued...

Most companies have recognized that customers are ultimately not interested in the features of a supplier's products, but in solving their own problems. E.g.: In the B2B business, a customer may seek to increase the output of his production plant by purchasing a specific machine – a benefit he can clearly quantify in financial terms.

A company's shift from box-moving to solution-selling is not a 'cosmetic' operation - 'sexy' slogans ('integrated cooking solutions') often only describe pseudo solutions. In reality, many companies continue selling 'boxes' (physical products).

What should a company do to transform itself into a real solution provider? Basically, it has to answer four key questions and align its organization accordingly.

Before we go into detail, let's define the term 'solution'.

A solution is the answer, mutually agreed upon by the seller and the customer, to a clearly-defined customer problem. This solution provides a measurable improvement for the customer.

Here are the four key questions:

1. How do we define ourselves as a company? Do we define ourselves based on the products we sell or by the customer problems we solve? This question may sound abstract. However, it becomes very concrete if you ask your colleagues the following question: 'How will a customer's situation change after he has purchased from us?' Or – in other words – 'what measurable difference do we make for the customer with our offering?' This question forces people to think in terms of 'before' and 'after' and it puts the focus on measurable improvement for the customer (e.g. higher productivity, lower costs).

Once you have clearly and unambiguously answered this key question, you can build your benefit argumentation for the sales force and develop success stories for the marketing communication. To support the benefit argumentation, you can develop a 'problem cataloque', that's right, not a 'product cataloque', but a cataloque which provides examples of typical customers problems and which shows how you have solved them in the past.

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2. The second question: Do we consistently communicate the customer benefits we provide in everything we do and say? This concerns your internal and external communication. In your internal communication, you have to make sure that the traditionally product-driven functions (e.g. product management) also have a permanent focus on customer benefits. This can be done quite pragmatically, e.g. by making sure that the documents and templates which have to be completed prior to new product launches require information about the expected customer benefits in addition to the input on product-specific parameters.

In your external communication, your marketing messages and the salesforce's benefit argumentation must be identical and consistent. That means the claims you make in your brochures and other sales aids should be customer and solution-centric - in line with the sellers' benefit argumentation. Only then will the sellers really use these materials.

- 3. The third question: How should we establish a solution-centric approach in our organization? This question not only concerns sales skills (effective benefit argumentation, questioning techniques, etc.), but the entire sales strategy. In this context, the following questions have to be answered:
 - Which target group has the biggest need for our solutions?
 - To what extent can we build on existing client relations to generate new business through a solution-centric approach?
 - How can we manage the sale of complex solutions? Compared to traditional product selling, customers' decision processes in solution-purchasing take longer and more people, often top management, are involved.
 - How can we transform our sellers from successful product vendors to solution sellers?
- 4. The fourth and last question: How can we make sure that the solution-centric sales approach is practised and implemented throughout our organisation? The shift from product to solution-selling is a far-reaching change process which has to be managed professionally.

Managing the change process

Leadership is the most important success factor in a change process. Top management has to demonstrate its full commitment and support for the change, regional sales managers have to support their team members with professional and motivational coaching. The qualification and mindset of the sales people are another success factor. They should either have solution selling experience or they should be willing and able to acquire the required new competences. Not every successful product seller can make the shift to solution selling...

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Remuneration and incentive systems also have to be adapted. E.g. bonuses can be paid for the quantified benefit (cost reduction or sales increase) a seller generates for the customer. This type of reward is diametrically opposed to traditional incentive systems which are linked to the turnover or contribution margin a seller generates for his own company.

Finally, appropriate systems (CRM) have to be installed which support the effective sale of solutions. Typical customer problems and their solutions can be systematically stored in a CRM system and be used as best-practice references by the salesforce.

The last point: The company's culture has to be focused on solving customer problems, not on selling products. The organization's slogan should no longer be 'we are the champions with the best products', but, 'we are the champions in measurably enhancing our customers' success'!

Summary

The shift from box-moving to solution-selling is not limited to the sales organization and to improving selling skills. It is a change process which involves the whole company. Four questions have to be answered in this context: How will we define ourselves in the future with respect to the measurable benefits we offer our customers? How do we communicate these benefits consistently through all communication channels? How do we establish a solution-centric sales approach in our organization? How do we make sure that this approach is effectively practised and implemented?