

“THE COLLABORATIVE SALE” BY KEITH M. EADES AND TIMOTHY T. SULLIVAN

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A SUMMARY

Collaboration solves problems quicker than acting alone.

Buyers are more cautious and risk averse than ever. They expect sellers to bring valuable expertise. A study by the RAIN group found that the two most important characteristics of high performing sellers were the ability to provide buyers with new ideas and collaborate.

Leigh Thompson of the Kellogg School of Management found that people preparing independently on a problem before a team meeting generated three times the ideas than brainstorming without preparation.

A 2010 DemandGen Report study found that 79% of B2B buyers don't talk to sellers until they have performed their own research. Also 51% of buyers only talk to sellers after establishing a shortlist of vendors. Forrester Research adds that buyers are between 66-90% through their process before contacting a vendor. Sellers need to interact with buyers through social media.

A CSO Insights study in 2013 found that over 75% of all B2B purchases included at least three people in the buying process. CSO also found that 24% of sales forecasted by sellers resulted in no decision. Another 24% is lost to competitors. Sellers who can capture, enhance and reengineer a buyer's vision of a solution have a distinct edge. Sellers who are involved earlier in the buying process have a much higher probability of winning. However, financial impacts, like cost of delay, can cause buyers to take action.

Buyers are inundated with data, so they want sellers to make it easy to do business with them.

Sales Performance International report that when sellers engage first with a buyer, they win business over five times more often than sellers who wait for buyers to engage them.

A CSO Insights study shows that marketing departments provide only 33% of qualified leads for sellers. Therefore sellers must take responsibility for generating their own sales. This includes telephone canvassing, emailing, direct mail and online conversations to find prospects.

Sellers need to have their own brand and monitor it using Klout, Peer Index, BrandYourself.com and Reputation.com. Sellers can subscribe to RSS feeds on relevant customer and industry websites to receive regular updates and bulletins. Also, Google Alerts, Twitter Search and Social Mention. Also, InsideView, Nimble and SalesLoft. You could put the search term “Declining sales revenue” in InsideView for designated companies or industries. MAS applications like Marketo, Eloqua and Pardot can mature not-yet-sales-ready leads.

Selling Power magazine founder & CEO Gerhard Gschwandtner predicts the number of salespeople in the US will decline from 18m to 3m by 2020.

The three types of collaborative sales conversations are –

- 1) Vision creation – an initial vision jointly with the buyer.
- 2) Vision enhancement – an emerging vision of the buyer.
- 3) Vision reengineering – alternative options for an improved buyer vision.

“When doing X, if you could do Y, would that be of help in addressing the problem or reaching your goal?”

CSO Insights found in a 2012 survey that 24% of forecasted opportunities were lost due to inaction. The survey also showed that only 16% of salespeople believe their teams convey the value of their solutions well. Without a collaborative value estimation tool, such as Shark Finesse, many sellers fail to realise the impact of their solution on the buyer’s entire organisation.

With a Collaboration Plan a buyer can make changes or additions to it, thereby taking ownership. Try using an online collaboration site where information exchanges between seller and buyer is jointly accessible for reviews and edits. Such sites include Dropbox or MS Share Point. The Collaboration Plan provides a vehicle for engaging multiple DMs in the prospect company. Online it has visibility for all concerned.

If the buyer uses a procurement process, this function should be included in the Plan. A Collaboration Plan also improves predictability of revenue from a sale, as it shows the step by step process of both buyers and seller. This also helps to identify a closing date. Risk is also reduced as a result.

A 2012 CSO Insights survey found that 9 out of 10 orgs which had a defined sales process reported enhanced improvements in performance. After the first meeting with a buyer, a seller can summarise the conversation in an email to the buyer. Does the buyer agree to the next steps? This shows if the buyer and seller are aligned.