TU-E4081 - Selling in Growth Companies (D)

Prof. Petri Parvinen, Ph.D.

Kickoff lecture

Prof. Petri Parvinen

Professor

Strategic Marketing

University of Helsinki

Helsinki, Finland

Adjunct Professor

Sales Management

Aalto University, DIEM

Espoo, Finland

London School of Economics, SSE, TKK, HSE, Aalto, Stanford, HY

Founder, Aalto Ventures Program

Investor/founder 20 growth companies, co-invested with e.g. Arches, Kleiner Perkins, KKR, Triton, Verdane, Intera, Sentica, Vaaka

Board experience e.g. Solita, Mehiläinen, Kotipizza, Picnic, Molok, CAP, NHG, Korkia, Finnish Forest Association, Animagi

Advisor to Parliament (e.g. Futures Commission, Ministries for Work/Industry/Communications/Agriculture & Forestry)

MIXED REALITY HUB

RESEARCH   PEOPLE   PUBLICATIONS   CONTACT

SEARCH   MENU

MIXED REALITY HUB

Digitally supported interpersonal service experience research

- **Innovation selling**
- **Online interaction psychology online**
- **Channel optimization**
- **Value-based selling**

U. Helsinki open university summer course AYME-018

Streamingbandit Experimenting with bandit policies
Kruijswijk, Jules; van Emden, Robin; Parvinen, Petri; Kaptein, Maurits
2020 in JOURNAL OF STATISTICAL SOFTWARE (Foundation for Open Access Statistics)
ISSN: 1548-7660

Restoration in a virtual reality forest environment
Mattila, Osmo; Korhonen, Arto; Pöyry, Essi; Hauru, Kaisa; Holopainen, Jani; Parvinen, Petri
2020 in COMPUTERS IN HUMAN BEHAVIOR (PERGAMON-ELSEVIER SCIENCE LTD)
ISSN: 0747-5632

Advancing data monetization and the creation of data-based business models
Parvinen, Petri; Laitila, Miikka; Pöyry, Essi; Gustafsson, Robin; Rossi, Matti
2020 in Communications of the Association for Information Systems (Association for Information Systems)
ISSN: 1529-3181

Engaged, but with what? Objects of engagement in technology-aided B2B customer interactions
Pöyry, Essi; Parvinen, Petri; Mattila, Osmo; Holopainen, Jani
2020 in Journal of Marketing Management (TAYLOR & FRANCIS)
ISSN: 0267-257X

Automated adaptive selling
Kaptein, Maurits; McFarland, Richard; Parvinen, Petri
2018 in European Journal of Marketing (Emerald)
ISSN: 0309-0566

Towards a Governance Approach to Determinants of Reseller Management Success
Parvinen, Petri; Pöyry, Essi
2018 in Journal of Business and Industrial Marketing (Emerald)
ISSN: 0885-8624

Physicians' relationship with the pharmaceutical industry and its reflection in introduction of a new drug
Matikainen, Minna; Olkkonen, Leena; Katajavuori, Nina; Parvinen, Petri; Juppo, Anne
2017 in International Journal of Pharmaceutical and Healthcare Marketing (Emerald)
ISSN: 1750-6123

Generating Leads with Sequential Persuasion: Should Sales Influence Tactics be Consistent or Complementary?
Pöyry, Essi; Parvinen, Petri; McFarland, Richard G.
2017 in JOURNAL OF PERSONAL SELLING AND SALES MANAGEMENT (M.E. Sharpe Inc.)
ISSN: 0885-3134

Is more capability always beneficial for firm performance? Market orientation, core business process capabilities and business environment
Jaakkola, Matti; Frösén, Johanna; Tikkanen, Henrikki; Aspara, Jaakko; Vassinen, Antti; Parvinen, Petri

Course philosophy & practicalities

TU-E4081 learning objectives and course philosophy

+ Principles of sales management & innovative business models

+ Combination of M.Sc. level academic thinking and hands-on sales management

+ Emphasis on cutting edge technology and high-growth companies

+ Utilizing benefits of remote education and heard-out student feedback: e.g.

      location & time-independency

      something else than laptop work (e.g. audio, field exercise)

      individual completion

      no learning diaries

      phased structure course with feedback during course

      recorded lectures (also kickoff, field study instructions & Q&A)

TU-E4081 practicalities & communication

- All questions and communication to course coordinator (at least CC:), **Antti Lähtevänoja** (antti.lahtevanoja@aalto.fi)

- The course is run entirely through the Mycourses page

- The course runs for 6 weeks (despite the Moodle header)

Course tasks in the 6 weeks

1. Lecture videos (Weeks 1-6)
    + Watch and answer example multiple question until you get it right
    + Draft your own multiple question (one per video) with answers – good explanation & video timestamp improves the grade
2. Journal articles (Weeks 1-6)
    + Read and answer example multiple question until you get it right
    + Draft your own multiple question (one per article) with answers – good explanation and article page no. improves the grade
3. First case study assignment (Week 1)
    + Pick one case (out of 8) – NPR "How I Built This" audio case studies
    + Write a structured relocalization analysis using business model canvas components
    + Return by deadline (end of Week 1)
    + You will get feedback right after Week 1
4. Pick two more case study assignments (Weeks 2-3)
    + Write a structured relocalization analysis using business model canvas components
    + Deadline end-Week 3
5. Field study challenge (Weeks 4-6)
    + Framework "Customer Teaching Canvas (CTC)" given on live lecture (Week 4, March 22, 14:15)
    + Visit two stores to analyze their sales – physical and virtual in both
    + Use the CTC canvas to analyze their sales
    + Report due end-Week 6
6. Peer review (Weeks 4-6)
    + Assessment of two case studies with given criteria
    + Please follow instructions carefully and visit grading feedback after Case 1)
7. Q&A and course feedback (Week 6)
    + Q&A April 5th 14:15

TU-E4081 – Principles for grading = "What is good?"

+ 33% **Knowledge richness, e.g.**

   showing knowledgeability and understanding

   academic wit and managerial judgment

   examples and comparisons

+ 33% **Analytical sharpness, e.g.**

   evaluative and critical judgment

   numbers

   application of theory

+ 33% **Professionalism e.g.**

   structure, balance, cohesion, credibility, referencing/sourcing

TU-E4081 – Awarding points towards the final grade

+ 33% Video and article questions

+ 33% Case assignments (two out of three peer-reviewed)

+ 33% Field assignments

+ Extra point for punching in feeback into school system

Managing the sales system and business model of a company

Business model – colloquial definitions

- Where does the money come from?

- The strategy behind the company's value increase

- The business idea and pricing logic in the same sentence

- Business model "jargon" to familiarize with
    - Long tail (different variants)
    - Freemium / Premium
    - Bundling
    - Subscription
    - Franchising
    - Distributor
    - Full service vs. turnkey
    - Affiliate
    - Replenishment

Business model canvas (Osterwalder)

Key Partners

Who are our Key Partners?
Who are our key suppliers?
Which Key Resources are we acquiring from partners?
Which Key Activities do partners perform?

Key Activities

What Key Activities do our Value Propositions require?
Our Distribution Channels?
Customer Relationships?
Revenue streams?

Value Propositions

What value do we deliver to the customer?
Which one of our customer's problems are we helping to solve?
What bundles of products and services are we offering to each Customer Segment?
Which customer needs are we satisfying?

Customer Relationships

What type of relationship does each of our Customer Segments expect us to establish and maintain with them?
Which ones have we established?
How are they integrated with the rest of our business model?
How costly are they?

Customer Segments

For whom are we creating value?
Who are our most important customers?

Key Resources

What Key Resources do our Value Propositions require?
Our Distribution Channels? Customer Relationships?
Revenue Streams?

Channels

Through which Channels do our Customer Segments want to be reached?
How are we reaching them now?
How are our Channels integrated?
Which ones work best?
Which ones are most cost-efficient?
How are we integrating them with customer routines?

Cost Structure

What are the most important costs inherent in our business model?
Which Key Resources are most expensive?
Which Key Activities are most expensive?

Revenue Streams

For what value are our customers really willing to pay?
For what do they currently pay?
How are they currently paying?
How would they prefer to pay?
How much does each Revenue Stream contribute to overall revenues?

"The sales machine"

SALES SYSTEM (hard – direction)	SALES CONCEPT (hard – amount)	SALES PSYCHOLOGY (soft – quality)
Strategic investments into commercialization	Network, referencing and leveraging	Self-perception and authority development
Value creation and selling logic	Salesified and strategic marketing	Sales spirit management
Solution capability	Presales and prospecting	Sales culture management
Multi-driver growth agenda	Contacting	Co-working and customer engagement
Commercial role management	Interaction & negotiations	Trust and transparency
Business model specific sales	RFQ, offer and documentation managemen	Customer teaching
Innovation sales emphases	CRM: after/cross/upselling, & customer management	Spontaneous internal adaptation
	Channel concept & management	Proximity management
	Sales HRM and HRD	Work reframing
	Signals and automation	Adaptation to customer
		Inteaction cues
		Personality fits
		Failure, anxiety and mistake aversion

Start

Exploration of integration with existing system

Purchasing rules overrule group decision

Contact with a former colleague

CEO turnover

Feasibility review

Buying group turnover

Budget cut

Legal flag

Executive presentation and questions

Budget approved

End-user input

Web search

Procurement flag

Capital review board

End-user input

Web search

Trends report reviewed

Supplier website visit

Social media conversation

Problem identification

Solution exploration

Requirements building

Supplier selection

White paper download

Supplier website visit

RFP creation

RFP response comparison

Live supplier demos

Buying group debate

Web search

Independent online research

Overwhelming information about the problem

Peer discussions

Online content shared

Supplier's buying guide download

More information needed from sales reps

Contract updates required

Web search

Misalignment on problem

Group diagnostic deployment

LinkedIn discussion

Online virtual demo

Business case data unavailable

Discussion with customer references

White paper download

Misalignment on solution scope

Buying consultant discussion

Expert consultation

Customer testimonial videos review

Purchase decision

Overwhelming information about the solution

Deconflicting information within buying group

Buying group debates

Group disagreement on requirements

Source: Gartner

Thank you!

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