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INFLUENCING WITH SALES 1

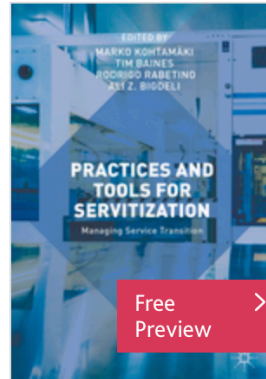
3.11.2020

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ARTICLE PREREADING & PRESENTATION

Töytäri, P. (2018). "Selling solutions by selling value" in *"Practices and tools for servitization."*

- What did you learn by reading the article?
- Discuss the article with the person next to you for a few minutes
- Prepare to share your thoughts



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Practices and Tools for Servitization Managing Service Transition

Editors: **Kohtamäki, M., Baines, T., Rabetino, R., Bigdeli, A.Z.** (Eds.)

Covers theoretical and practical approaches to servitization
Includes contributions from top scholars in the field
Provides tools and frameworks to facilitate servitization within companies



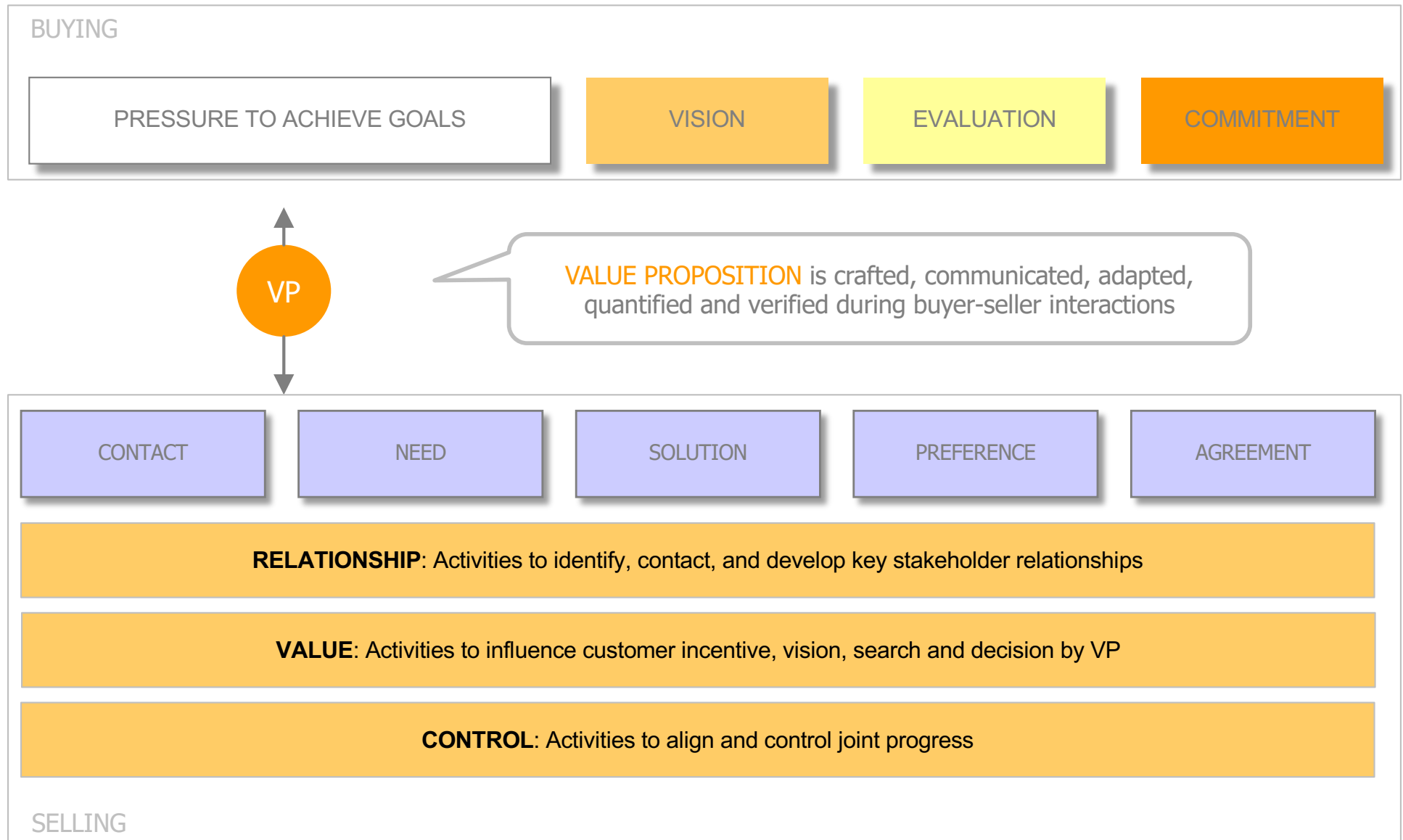
Good job, Pekka!

Your chapter reached 2,500 reads

Achieved on November 2, 2020

Chapter: Selling Solutions by Selling Value

PROACTIVE SALES FRAMEWORK



EXAMPLE INDUSTRIAL SALES PROCESS



ccs > process

Active opportunity:
undefined

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[Learning results](#)

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Metso sales process: objectives of each stage

Target potential

- Create a plan to focus local sales efforts on customers with most potential
- Ensure local sales actions are in line with regional strategy

Identify opportunity

- Identify customer's key people
- Diagnose customer business goals, challenges & needs

Develop & Influence

- Develop relationships with key players
- Influence specifications
- Create compelling business case

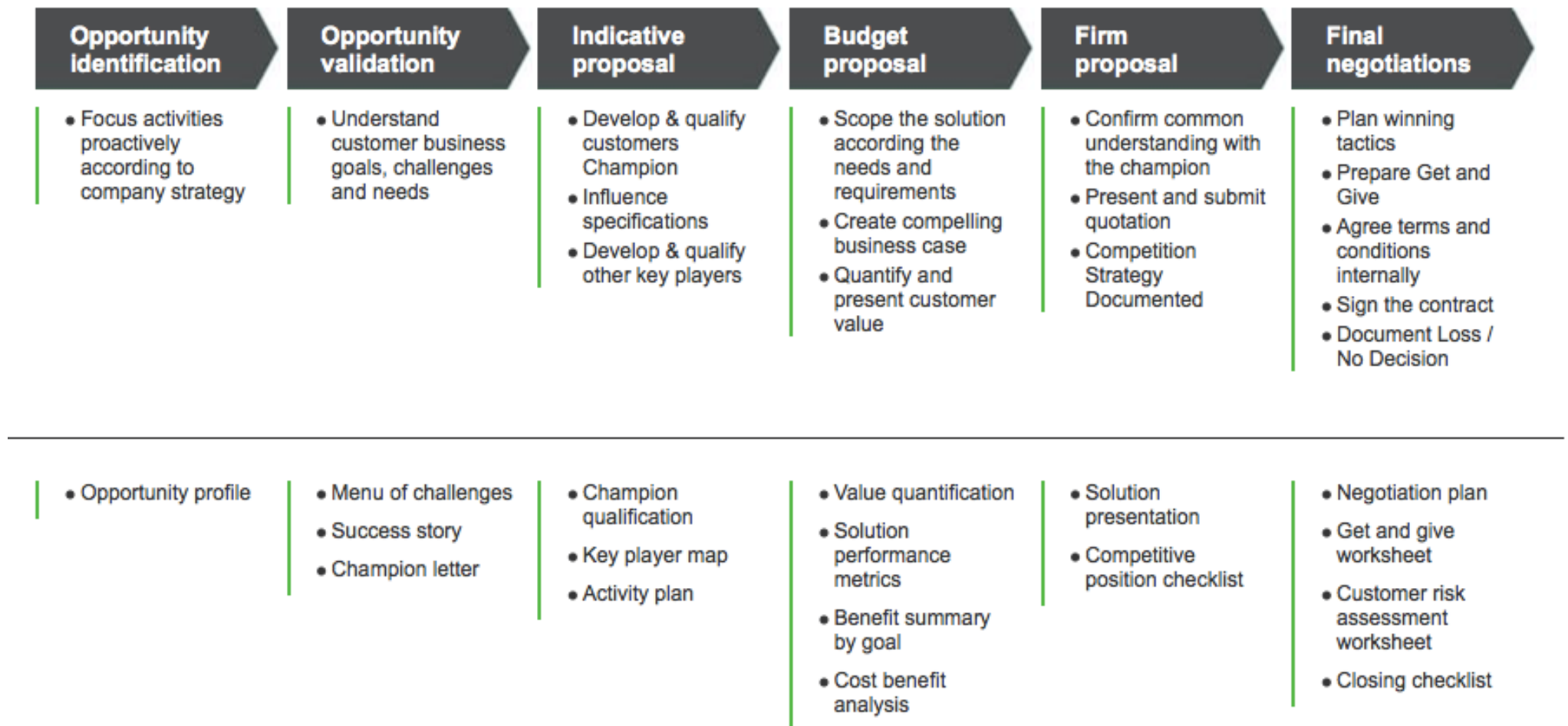
Create proposal / firm bid

- Define detailed solution that ideally blocks out competition
- Confirm common understanding with key players
- Present and submit quotation

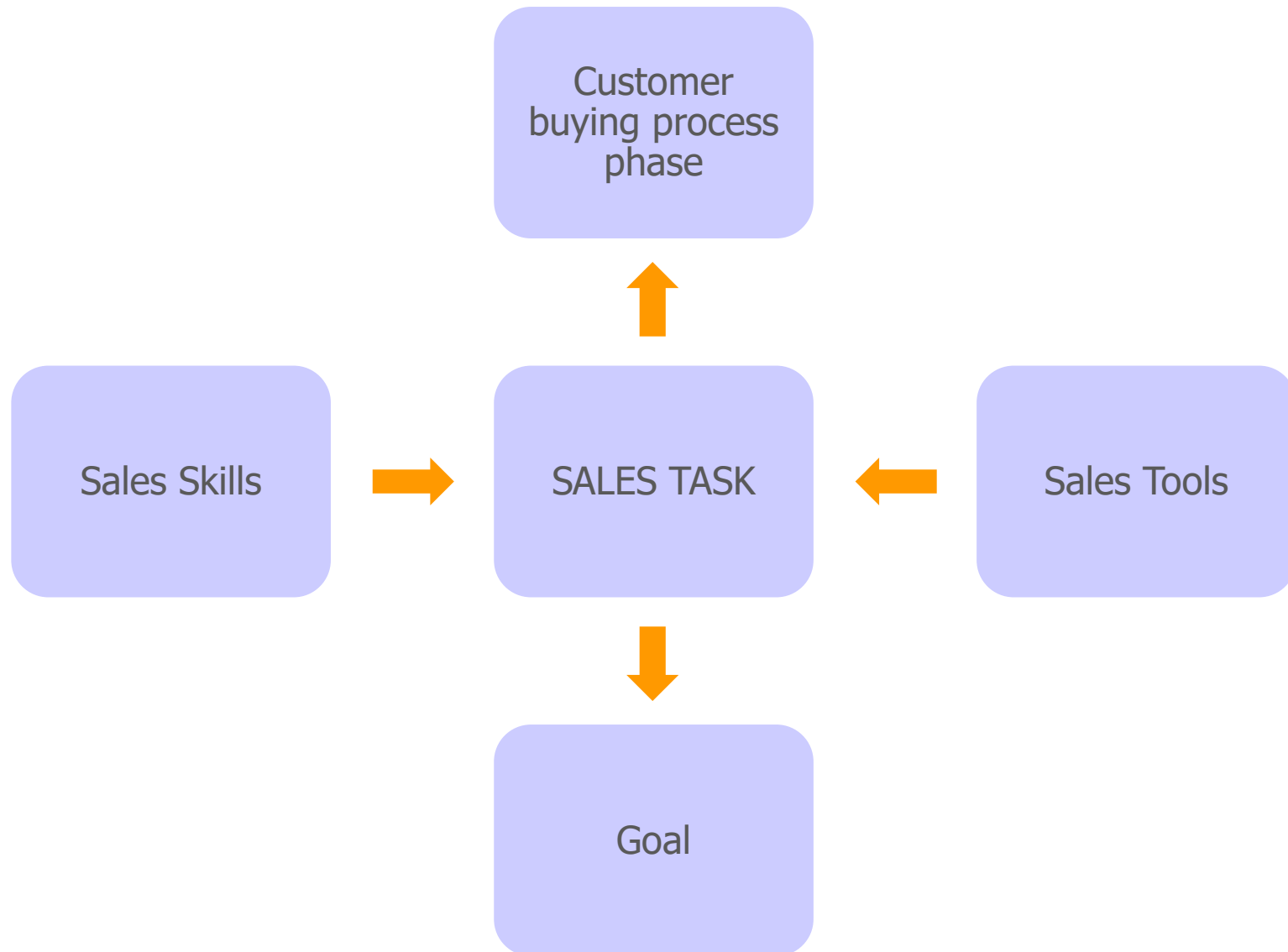
Negotiate and close

- Plan & execute winning tactics
- Ensure compliance with company policies & legal guidelines
- Sign the contract

SALES PROCESS & ACTIVITIES & TOOLS



SALES TASKS, TOOLS, AND SKILLS



PLANNING & INFLUENCING TOOLS

The next few pages describe tools for building and managing key person relationships, communicating value, and controlling the buyer-seller process. In your team, explore the tools in one of the tool categories:

1. Building relationships
2. Influencing by value
3. Controlling, evaluating, and planning sales actions

Each group reviews the tools in one category (20mins) , and prepares to answer two questions on ONE of the tools in a category:

1. What is the goal and purpose of the tool?
2. In your opinion, is the tool important or unimportant?

We then join two groups to one, both with different tool category. Both groups answer the two questions for the other group (10mins)

EXERCISE

ENGAGE WITH VALUE:

Relationship process

HOW IMPORTANT ARE YOU?



DISCUSSION

In which category would you like to be in, and how do you get there?

KEY PLAYER MAP

Key player profiles

The following roles are present in a sales opportunity. The different decision making roles are either assigned to different key players (large opportunities), or all the roles could be played by the same key player (small opportunities)

Key player profiles

Open the COACH profile description [here >>](#)

Open the CHAMPION profile description [here >>](#)

Open the DECISION MAKER profile description [here >>](#)

Open the IMPLEMENTATION OWNER profile description [here >>](#)

Open the FINANCIAL APPROVER profile description [here >>](#)

Open a USER profile description [here >>](#)

Open the BENEFICIARY profile description [here >>](#)

Open an ADVERSARY profile description [here >>](#)



KEY PLAYER MAP

NAME	ROLE	GOALS & CHALLENGES	PRIMARY CONTACT

CHAMPION LETTER

Letter elements	Content
Customer objective	You told me your primary goals are to 1) reduce machine downtime, and 2) reduce the energy cost of fiber-making
Current situation	You said the that the issues you face today include: 1) the number of shutdowns is too high and they last too long, 2) too many unplanned shut downs, 3) mainline grinders uses too much energy (due to outdated technology), 4) manual grinder sharpening is causing quality fluctuations that consume energy
Capabilities they need	You feel you could increase the machine up time by one percent that would bring 0,25 million euromore profit a year and reduce the energy expenditure spend in fiber making by 6 million euro annually, if you had the following capabilities: 1) Had access to high performance original parts all the time, 2) capability to execute predictive maintenance and avoid potential shut downs, 3) ability to utilize diamond surface grinding stone to save energy consumption, 4) automatic water jet sharpening system to also save energy in fiber making
Value	We have examples of such capability request globally. Our customers have been able to gain quantifiable result s such as improved equipment TCO, Improved Mill Efficiency and reduced energy spend. As discussed during our meeting you expressed that the financial benefit can be up to several millions a year. And as indicated the potential value for yourorganization, 5% increase in the production efficiency, is around 8 million Euro per year
Next steps	Based on our agreement to further investigating our solutions. I'd like to propose the following next steps: 1. Confirm you are in agreement with the summary of our discussion; 2. Help us to arrange an interview with your mill manager and maintenance manager, who would all be involved in the development of production efficiency. I'll call you on Tuesday next week at 09.00 AM to review the above and to discuss next steps. I look forward to working with you. Best regards, John Waits
<div><div>Save worksheet</div><div>Print worksheet</div><div>Send worksheet</div></div>	

CHAMPION QUALIFICATION

CHECKLIST ITEM	DESCRIPTION	CHECK
What is the goal of the key player?	Change agent within the company. Has a compelling goal.	Y/N
How credible is the key player?	Knowledgeable about their company. Credibility in the organization. Willing and able to help you getting access to other key players.	Y/N
How is the solution vision of the key player?	Solution vision aligned with our solution offering.	Y/N
How is our relationship with the key player?	Positive, trusting relationship with us: willing to share their goals and challenges. Provides useful information.	Y/N
Drive?	Actively working on to achieve the Goal. Doing internal selling, pro-active on your behalf and keep promises	Y/N

ENGAGE WITH VALUE:

The “content” process

OPPORTUNITY PROFILE

Customer name and HQ location	Please input your customer's name and headquarters location here
Customer's critical business issues	Please enter your customer's critical business issues here'
Potential solution (what will be sold?)	Please provide a brief summary of the expected solution
Sales estimate (your sales budget)	What is your estimated sales value of the opportunity?
What is the value of the deal(s) for customer (estimate)?	In your opinion, how critical, how valuable, is this opportunity for the customer?
Customer Key Players	How much do you know of the customer's key people in this opportunity?

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EXPLORE BUSINESS CHALLENGES

Menu of Challenges

The main objective of the menu of challenges is to prepare for a customer dialogue from their perspective. The idea is to treat each potential customer influencer individually, first understanding their personal goals and business problems and only after that proposing a matching idea from our capabilities. At this stage (first meetings) we can have the dialogue on common level without introducing the technical solution yet.

As we all know, business challenges repeat themselves from market to market and therefore we have gathered here some commonly recognized customer challenges for your use.

Please select target industry

Board & Paper mills ▾

Please select key player profile

Production Manager ▾

Search

Add a challenge

Key player challenges

- 12 Unplanned downtime
- 5 High cost of energy
- 3 Fluctuations in quality due to grinder sharpening
- 2 Lack of resources for preventive maintenance
- 4 Production waste percentage too high
- 4 Running time with rubber covers only 2-3 weeks
- 2 Significant wear problems in the edge area
- 3 Uneven quality
- 4 Sticks cause web break

DEMONSTRATING VALUE WITH BENCHMARKING

CHALLENGE

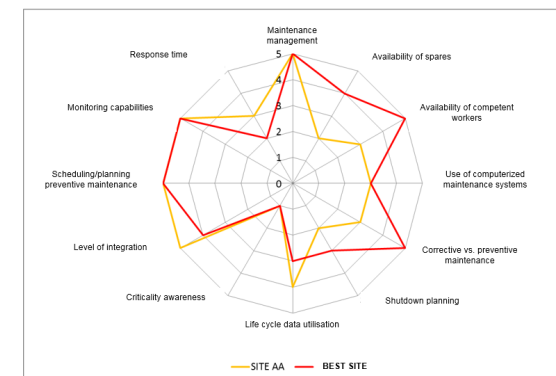
The need for a systematic assessment framework for concretising value, benchmarking it and ultimately optimising the offered solutions has been the motivation behind this study. Due to the arbitrariness of value estimation and value definition in general, an additional target of the study has been to generate an argumentation tool serving as an aid to visualise the different sources of value.

RESULT

The aim has been to develop a benchmarking method to compare different sites according to their operational environments. Benchmarking includes e.g. the assessment of maintenance work procedures, selection of relevant indicators, preliminary interviews for installed base units and tool development. The benchmarking aims to produce knowledge about the applicable asset management policies for different operational site typologies.

IMPACT

With the help of the benchmarking tool the case company can: (1) Demonstrate improvement potential in asset management and make recommendations of applicable asset management policies, (2) optimize customer specific product and service offering to facilitate sales, and (3) concretise customer value of Outotec's offering



SUCCESS STORIES

Success story repository

Success stories are very powerful tools at the different stages of a sales process.

We have selected a representative collection of success stories from different business lines and regions to help you show how we have been able to help our customers to achieve their business goals and overcome the business challenges.

Browse success stories by target industry:

All

Browse success stories by business challenge:

All

Search

You can also add success stories to our success story repository:

Add story

Success stories by your selection

- ◆ Additional Revenue from Bio-oil Production
- ◆ High energy cost and out dated IR dryers
- ◆ Production of Climate-friendly Bioethanol from Agricultural Waste
- ◆ Fuel Production Technology for Biogas Vehicles
- ◆ Efficient Board Making with OptiConcept M
- ◆ Replacing Fossil Fuels with Renewable Energy
- ◆ One of the World's Largest Pulp Mills Supplied by COMPANY Successfully Started up in Brazil
- ◆ Lime Kiln Technology
- ◆ Fulfilling Local Electricity Needs
- ◆ Utilization of a Wide Range of Locally Available Fuels
- ◆ Multi-Year Mill Maintenance Agreement
- ◆ New Revenue Streams Through Lignin Separation
- ◆ Printing & Writing Paper Machine Rebuild
- ◆ Top Shape Mechanical Paper Production Line
- ◆ Focus on Machine Performance and Productivity
- ◆ Increased production, improved quality
- ◆ New Technology Improves Productivity and Quality

SOLUTION PRESENTATION

Presentation elements	Objective
Review of the customer objectives	Summarize customer's business goals, challenges and needs. This is why the solution is required.
Customer outcomes	Provide a summary of the expected customer benefits.
Our solution	Summary of our solution.
Project delivery plan	Summary of our delivery plan and key project milestones.
Proof	Evidence of our capabilities to deliver the solution.
References	Conclude your presentation by showing few relevant success stories, where similar solution has been implemented.

CASE
PAPER MACHINE
MODERNIZATION

VALUE OF MODERNIZATION

Scenario 1	Current	Improvement Target	Production	Additional revenue	Energy savings	X
Speed	695 m/min	57 m/min	+22 000 tons	+ 3 200 kEur	-	
Breaks	5,1%	1,0%	+ 3 000 tons	+ 440 kEur	+ 160 kEur	
Steam consumption	16 kg/s	0 %			0 kEur	
Electricity consumption	19 MW	-200 kW			- 100 kEur	
TOTAL			+ 25 000 tons	+ 3 640 kEur	+ 60 kEur	
ESTIMATED BENEFITS PER YEAR					3 700 kEur	
INVESTMENT					4 000 kEur	
DISCOUNTED PAYBACK TIME					14 Months	
Production line data and calculation parameters	Operating days 355 per year	Average grammage 152 g/m ²	Trim width 6,1 m	Speed 695 m/min	Calculated current production 263 000 tons per year	
	Unplanned shutdowns 4,0%	Planned shutdowns 2,0%	Breaks 5,1%	Broke 10,0%		
	Electricity cost 60 Eur / MWh	Steam cost 25 Eur / MWh	Cost of capital 10,0%	Gross margin 150 Eur/ton		

ENGAGE WITH VALUE:

The “control” process

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ACTIVITY PLAN

Action	Time	Billable	Responsibility	Go / No Go
Determine solution performance metrics	September 14		Shared	<input type="checkbox"/>
Process audit and study	By End September	50 k€	Supplier	<input type="checkbox"/>
Investment proposal including pricing	November 2014		Supplier	<input type="checkbox"/>
Approval of the investment proposal	13th December 2014		Customer	<input type="checkbox"/>
Detailed project plan and project organization	February 2015		Shared	<input type="checkbox"/>
Reference visit and executive meeting	March 2014		Shared	<input type="checkbox"/>
Review of the contract with legal	April 2014		Customer	<input type="checkbox"/>
Pre-proposal meeting and signing of the purchase agreement	Late April 2015		Shared	<input type="checkbox"/>

[Add key player row](#)[Save worksheet](#)[Print worksheet](#)[Send worksheet](#)

CLOSING CHECKLIST

CHECKLIST ITEM	DESCRIPTION	CHECK
Goals/challenges/reasons identified		<input type="checkbox"/>
Vision of solution		<input type="checkbox"/>
Solution value		<input type="checkbox"/>
Implementation plan		<input type="checkbox"/>
Pricing		<input type="checkbox"/>
Proof		<input type="checkbox"/>
Legal		<input type="checkbox"/>
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