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# INDIVIDUAL SELLING SKILLS

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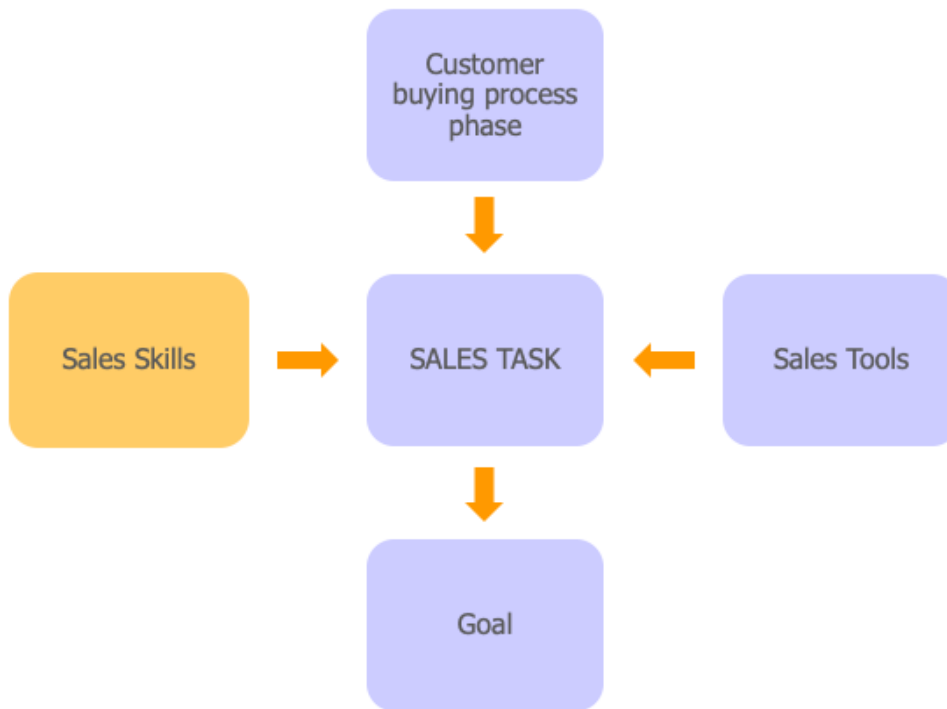
## GROUPWORK

Discuss the following question in your pairs for 10 mins:

**1. *What are individual sales skills?***

Prepare to share your findings with the rest of the group.

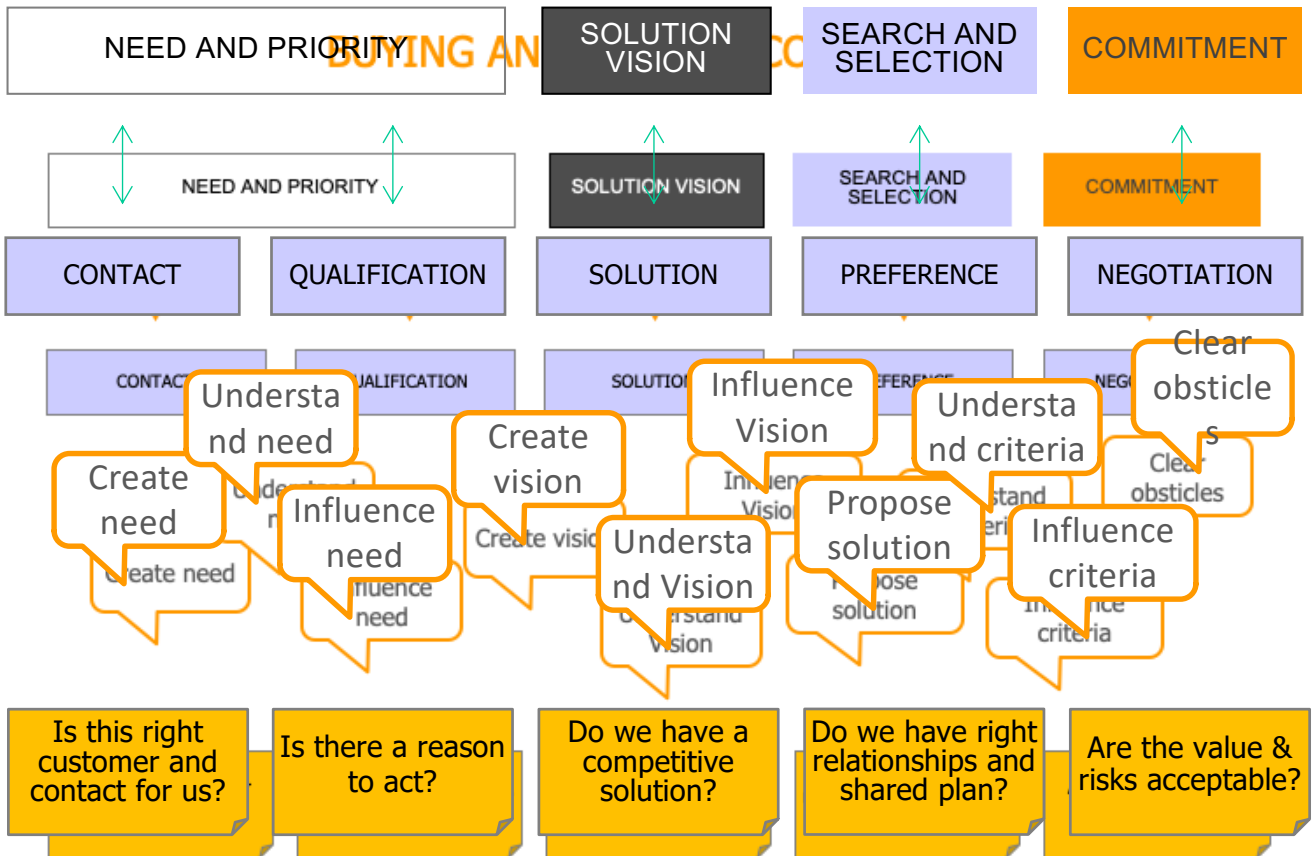
## WHAT ARE SALES SKILLS FOR?



Customer's buying process phase	We have already studied how customer's implement their buying process. Sales process needs to be carefully aligned with buying to focus on those topics that are relevant for the buyer.
SALES TASK	Selling is about performing sales tasks. The entire sales process is a sequence of sales tasks, designed to influence the customer to proceed in the buying process (or to understand it is time to disengage)
Sales skills	Sales skills are needed for effectively performing the sales tasks. Sales skills are relative; different sales tasks and thus sales skills are important in different situations.
Sales tools	Sales tools are checklists, planning templates and similar, aiming to support effective and high quality implementation of the sales tasks.
Goal	Each sales task targets to achieve a goal. Usually the goals are explicitly defined for each sales process stage.

## SALES TASKS AND GOALS

PROSPECT	DETERMINE NEED	BUILD SOLUTION	ENSURE PREFERENCE	CLOSE THE SALE
<ul style="list-style-type: none"> <li>• Do background research</li> <li>• Prepare the message and prospecting script</li> <li>• Contact</li> </ul>	<ul style="list-style-type: none"> <li>• Build trust and credibility</li> <li>• Recognize goals</li> <li>• Explore business impact</li> <li>• Evaluate customer value</li> </ul>	<ul style="list-style-type: none"> <li>• Explore and influence solution criteria</li> <li>• Prepare and present solution proposal</li> <li>• Assess solution value</li> </ul>	<ul style="list-style-type: none"> <li>• Prepare offer</li> <li>• Refine specification</li> <li>• Influence solution criteria</li> <li>• Differentiate from competitors</li> </ul>	<ul style="list-style-type: none"> <li>• Prepare negotiation plan</li> <li>• Execute negotiation plan</li> </ul>
<ul style="list-style-type: none"> <li>• Recognize and select key person</li> </ul>	<ul style="list-style-type: none"> <li>• Recognize champion</li> <li>• Recognize all key players</li> </ul>	<ul style="list-style-type: none"> <li>• Recognize key decision maker</li> <li>• Progress relationship process</li> </ul>	<ul style="list-style-type: none"> <li>• Leverage relationship process</li> </ul>	
<ul style="list-style-type: none"> <li>• Prepare meeting confirmation</li> </ul>	<ul style="list-style-type: none"> <li>• Prepare summary memo</li> </ul>	<ul style="list-style-type: none"> <li>• Agree and influence decision milestones</li> </ul>	<ul style="list-style-type: none"> <li>• Implement decision milestones</li> </ul>	
<p style="text-align: center;"><b>Is this right customer and contact for us?</b></p>	<p style="text-align: center;"><b>Is there a reason to change?</b></p>	<p style="text-align: center;"><b>Do we have a competitive solution?</b></p>	<p style="text-align: center;"><b>Do we have the right relationships and shared plan?</b></p>	<p style="text-align: center;"><b>Are the value &amp; risks acceptable?</b></p>



Buying and selling processes are tightly connected.

Selling is about performing THREE types of activities in THREE phases:

1. The initial focus is to **understand**, if there is a sufficiently compelling NEED. If the need exists, the seller may want to **influence** the need. If none exist, the seller's only option is to **create** need.
2. Once the NEED stage is completed, the next focus is on VISION. Symmetrically, the initial focus is to **understand**, if the customer already has a solution vision. If the vision exists, the seller may want to **influence** the vision to better match the seller's capabilities. If no vision exists, the seller's task is to **create** the vision.
3. Once the VISION stage is completed, the next focus is on PLAN. Again symmetrically, the initial focus is to **understand**, if the customer already has a plan to implement the vision. If the plan exists, the seller may want to **influence** the plan. If no plan exists, the seller's task is to **create** the plan.

## KEY PERSON CONTACT

Phase	Description
Introduction	
Relationship notice	<i>"We have not met before, but ... / we met last week in the... conference and ... / Last week I met your colleague, who recommended me to contact you"</i>
Industry expertise	"We have worked on <industry process etc.> projects related to efficiency improvements ..."
Key person's business challenge	"One of the key areas we are working on is <key person's challenge>
Interest	"Do you find this interesting?"
Qualification	<what do we need to know before committing to proceed?>
Next step	<suggest a next step, which continues naturally the discussion described above moving the process ahead>

### INTRODUCTION

- Just stage who you are and from where. No irritating familiarity, unless your culture dictates otherwise.

### RELATIONSHIP NOTICE

- Do you have any previous contact? If you have not met before, it is a good idea to say so to appear professional and set the right tone for the discussion and also to avoid any confusion, catch the other person's attention from the start.

### INDUSTRY EXPERTISE

- Build credibility by offering proof of your industry competence. How much of this is required is dependent on how well the person knows Konecranes
- This must sound right in your country and culture, the purpose is to build credibility, not to destroy it!

### BUSINESS CHALLENGE

- What is timely and interesting for the person you are calling? Pick one or possibly few items from the "business conversation topics" list

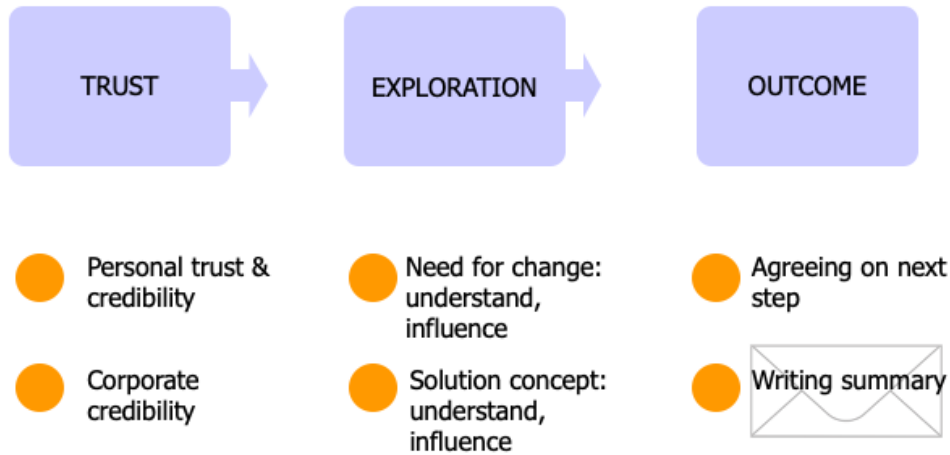
### QUALIFICATION

- What do we need to know (if any), before asking for the next step?

### NEXT STEP

- What is the next step in the process? Alternatives include (in the lowering degree of influence)
  1. A meeting to dig deeper into the topic
  2. Sending of materials package for the person to familiarize and prepare, then a new contact to agree to meet, if then interesting
  3. If the person is not interested, is there possibly someone else to contact?

## EXPLORE BUSINESS IMPACT MEETING MODEL



The first meeting/call with customer ideally follows the model described here.

### PERSONAL TRUST AND CREDIBILITY

- Apply the trust-building tools discussed: small talk to identify common sources of interest, etc

### CORPORATE CREDIBILITY

- Short company presentation. At least our "elevator speech" telling who we are, what we do, who are our customers and what are our strengths. More formal and longer version could be supported by powerpoint presentation, flipchart presentation or similar

### EXPLORE BUSINESS IMPACT

- Create/understand/influence customer's needs
- Fact finding on customer current situation/process
- Understand the explicit needs the customer may have. Understand also the reasons behind the needs
- Explore the impact of the other process changes (see "conversation model for explore business impact").

### EXPLORE MILESTONES AND CRITERIA

- Explore customer's "vision of solution", what requirements and expectations the customer already has on the solution and why?
- Once we have understood (and often influenced) customer's requirement and "vision of solution" we move on to link the requirements to our solution.
- How is the customer planning to move ahead and decide? Who else is involved?

### GETTING COMMITMENT

- What is the best alternative to progress the opportunity?

## BUILDING CORPORATE TRUST

ELEVATOR SPEECH	CUSTOMER RELATIONSHIPS	REFERENCE STORY
<ul style="list-style-type: none"><li>• What do we do?</li><li>• Who are our customers? (industries we serve)</li><li>• What value do we create for our customers?</li><li>• How do we differentiate from others? (in a way that's relevant to the customer)</li></ul>	<ul style="list-style-type: none"><li>• Present a collection of selected customer references</li></ul>	<ul style="list-style-type: none"><li>• Situation before</li><li>• Business issue</li><li>• Solution</li><li>• Business benefits</li></ul>

These three building blocks, i.e. elevator speech, collection of references, and reference stories are the foundation of any sales opening. These topics can be presented just orally, or supported by powerpoint or other presentation tools. The goal is to build "corporate trust" among the audience, to create receptiveness for your ideas.

### ELEVATOR SPEECH

- The elevator speech is a concise introduction around the four topics given

### CREDIBLE CUSTOMER RELATIONSHIPS

- A selection of key customer logos to signal credibility

### REFERENCE STORY

- The reference story is a concrete example of a customer challenge, our solution, and the resulting (tangible) benefits achieved.

The purpose of this opening speech/presentation is also to create a platform and a transition to the actual sales conversation, which uncovers customer's goals, challenges, and situation. See next pages.





## REFERENCE STORY FORMAT

How to motivate key person to get interested and impressed of the benefit of your offering?

**Reference story** illustrates benefit created for another customer according to the following model:

1. **CHALLENGE:** What was the customer situation at the beginning, what were the challenges that required action?
2. **SOLUTION:** What was our solution? How did we improve the process?
3. **RESULTS:** What was achieved? What were the KPI's that quantify the change?

Create an example reference story of recent customer case.

Be prepared to share your case.

**EXERCISE**

## MEETING SUMMARY TEMPLATE

Write a short summary memo summarizing key points of your discussion. Focus on the following points:

1. What business topics were discussed?
2. What needs were identified?
3. What is buyer's goal and what is the value of achieving it?
4. What was agreed? What happens next?

### EXERCISE

The meeting summary is a powerful tool to achieve (at least) the following goals:

1. Ensure understanding and agreement
2. Remind, clarify and strengthen the message
3. Appear professional and competent, build trust and credibility
4. Inform the audience (if possible)
5. Control the sales process
6. Define a point of continuation

# TRUST

Understanding the elements of trust and building trust based on these is a corner stone of interactive communication. This is broadly understood but poorly mastered.

Trust is one of cornerstones of selling. Trust is especially instrumental when selling innovative and risky offerings, which create a long-term dependency between the buyer and the seller, and require open dialog to succeed.

Trust is manifested at different levels, including self-confidence, interpersonal trust, and intercompany trust.

Our success in sales builds upon our ability to create and grow trust in customer relationships. Trust enables open dialog, which is a pre-requisite for understanding customer's situation, needs, and expectations at the early stages of a sales process.

Trust is also an important differentiator at the later stages of a sales process. Usually customers have alternative choices and partners to choose from, and trust is often the decisive differentiator.

Building trust starts from self. First you have to trust yourself so you could trust others and be trusted by others. Self-trust is about building credibility. Relationship trust is built around your credibility. Trust is established and developed between people. Organizational trust is created by the company employees.

**Trust is currency:** Trust decreases costs and shortens decision cycles: Trust is an alternative to formal agreements and control. In many relationships there is no alternative to trust. Protecting oneself against misconduct and broken promises is potentially very expensive or impossible.

This booklet describes and illustrates how trust is built in sales encounters.

**Think and prepare to discuss:** What are the implications of trust or lack of trust when dealing with your customers.

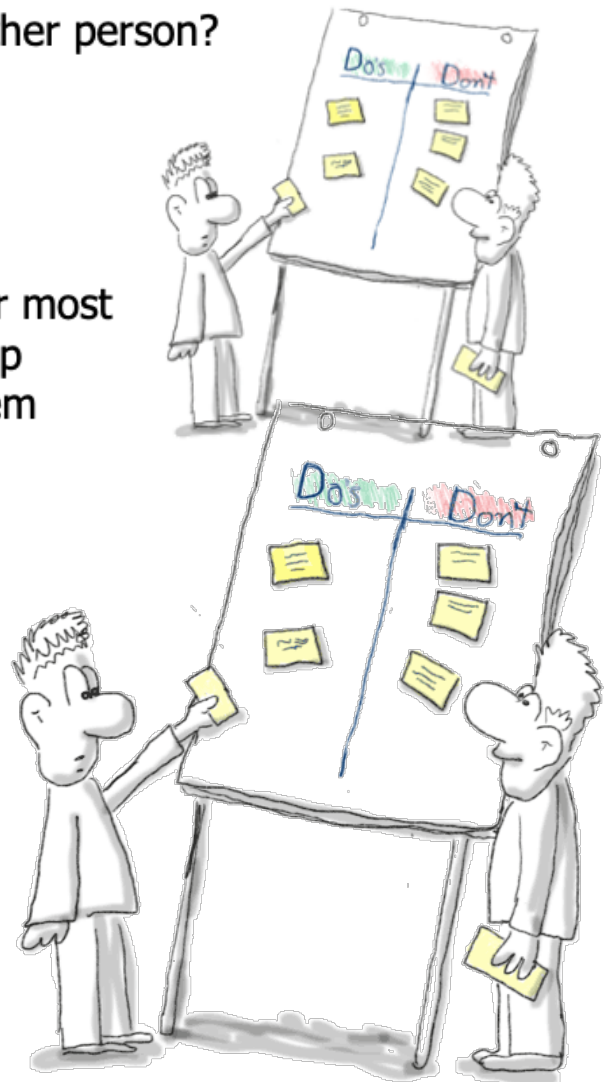
1. Implication of trust or lack of trust in customer relationships
2. How can you build or lose trust?
3. When it is possible to regain the trust if it is lost? How?

## BUILDING TRUST

Discuss in teams...

- What is trust?
- How can trust be created or lost?
- What makes you trust another person?

Write down a summary of your most important observations on a flip chart and prepare to share them with others.



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# THE EQUATION OF TRUST

$$\text{Trust} = \frac{\text{Credibility} * \text{Reliability} * \text{Rapport}}{\text{Selfishness}}$$

Adapted from: David Maister – The Trusted Advisor

You develop trust by focusing on the following elements of trust (this is adapted from David Maister – Trusted Advisor). The "Equation of trust":

## Credibility

- Professional credibility is based on how you look, how you (discreetly) demonstrate your professional competence, how your materials look, how you speak, and how strong is your brand

## Reliability

- Live up to your promises. Exceed your customer's expectations

## Rapport and bonding

- What things you and the customer share in common? Education, interests & hobbies? The more you have in common, the better the initial trust.
- How you actively listen and show your interest
- Smalltalk is the tool to explore what you and the customer have in common

## Selfishness (minimize this!)

- Selfishness reduces trust. Pushing for your goals too hard gives the customer an impression that you are only interested in achieving your own goals no matter what.
- Talk too much, focus on own interest only, no win/win mentality, asking too big a commitment too early, preconceived ideas, not listening to customer are all signs of traditional "high pressure" selling, which forces customers to guard for their interests or walk away from opportunity.



# INFLUENCING WITH QUESTIONS

Appreciative inquiry with well-planned questions is the primary personal  
sales tool

The conversation steps below illustrate a well organized sequence of discussion topics, which works well in situations, where the seller seeks to proactively explore the significance of one or more business challenges. This approach assumes that the customer may not have any predefined needs, but instead we would like to “create a need”

Conversation step	Description	Example questions
Introduce a potential business challenge that we have capabilities to solve	<ul style="list-style-type: none"> <li>We need to motivate, structure and frame the conversation we are moving into.</li> <li>This is best done by introducing the pre-prepared business challenges, often explicitly writing those on flipchart, for example</li> </ul>	<ul style="list-style-type: none"> <li>Introduce the topics:</li> <li>“I’d like to hear your thoughts on this:”</li> <li>“When working with companies in your industry, we have learned that these challenges &lt;business challenges&gt; are often important, and would like to hear your opinion ...</li> </ul>
Understanding current situation	<ul style="list-style-type: none"> <li>We need to understand the customer’s current situation. If we are improving customer’s process, we need to understand how they are doing it now.</li> </ul>	<ul style="list-style-type: none"> <li>How do you do this now?</li> <li>How does your process work now?</li> </ul>
Understanding and influencing <u>explicit needs</u>	<ul style="list-style-type: none"> <li>Next you need to understand if/why the buyer is unhappy with the current situation</li> <li>For every need, you want to explore the reasons AND the obstacles (why haven’t they solved the problem yet?)</li> </ul>	<ul style="list-style-type: none"> <li>What opportunities to improve have you already identified...?</li> <li>What problems have you already detected...?</li> <li>What would you say are the reasons for the problems...?</li> <li>What prevents you from solving these ...?</li> </ul>
Influencing <u>latent needs</u>	<ul style="list-style-type: none"> <li>You can uncover latent needs by giving the buyer powerful, new information, which influences the buyers view on the value of acting on the needs</li> </ul>	<ul style="list-style-type: none"> <li>Formulate your question like:</li> <li>“For many of our customers the &lt;latent need&gt; is important, because &lt;information that helps valuing the need&gt;, how do you see this?”</li> </ul>
Understanding/creating and influencing <u>buying vision</u>	<ul style="list-style-type: none"> <li>Depending on how far in the buying process the buyer already is, he/she has expectations and requirements for the new solution. You need to explore and often influence these</li> <li>Then you need to complete the buying vision by linking the needs to your solution</li> </ul>	<ul style="list-style-type: none"> <li>Example questions:</li> <li>“What is good in your current solution?”</li> <li>“What goals have you set?”</li> <li>“What is important?”</li> <li>“How would you evaluate the quality of the solution?”</li> </ul>
Understanding/creating and influencing buying and decision process	<ul style="list-style-type: none"> <li>What has the buyer planned to do next? (is there a project ...)</li> <li>Who has influence on the decision?</li> <li>Who has the decision power?</li> <li>Who has the need?</li> </ul>	<ul style="list-style-type: none"> <li>“How are you planning to proceed? (may I suggest ...)”</li> <li>“Who else in your organisation is involved in deciding on this?”</li> <li>“How are the others influenced by &lt;the need&gt;?”</li> </ul>



## Influencing with questions

Selling is about influencing with questions. There are four main categories of sales questions. Each category explores a distinct stage of a buying process. The buying process consists of (1) identification and prioritization of needs, (2) building of solution vision, (3) searching for alternatives, and finally (4) selecting one. The customer is always in one of the buying process stages, and hence most motivated to discuss the topics related to that phase. However, influence requires wider understanding of the situation, goals, challenges, and plans.

- **Current situation**

Selling is fundamentally about change. The purpose of buying is implement a change: remedy a problem, achieve a goal, satisfying a need. Therefore, it is important to understand the starting point to be able to determine and evaluate the significance of the change, and later communicate the value of the solution relative the starting situation

- **Customer's goals, challenges, and existing needs**

Goals drive action. Without goals there is no need for a change. Hence, it is important to that the customer has goals to achieve, and to explore what those goals are.

- **Customer's solution vision**

Customers proceed in their buying process by first establishing a need and then building a solution vision. The solution vision is the customer mental image and the associated criteria for the solution. Aligning customer's solution vision with our proposed solution has a major influence on our success.

- **Customer's decision criteria, decision makers, and decision process**

Finally, we need to understand what actions (if any) the customer has planned to implement to achieve a decision. Customer might have a view on the steps leading to the decision, so we need to understand and adopt to that process, or to try to mold the process to meet our goals. Furthermore, we need to understand who participates to the decision making, what is their influence, what they want and how they can be impacted.

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**Seller:** "Thank you for meeting me today. As discussed, we have been working with a large number of refinery modernization projects in your area, and would like understand your situation and plans."

**Seller:** "May I ask why are you planning to implement this project, what is your main objective for the project?"

**Buyer:** "We would like to achieve savings in energy cost"

**Seller:** "That goal is driving many other projects too."

**Seller:** "May I share some thoughts relating to a previous similar project? in that project, in addition to the energy efficiency goal, they also wanted to reduce the production line downtime. Would that be one of your objectives in your project?"

**Buyer:** "Yes, that as well. actually, the production stability may even be a bigger issue for us than the energy cost."

**Seller:** "Could we focus on the reducing production line downtime for a moment?"

**Seller:** "What issues have you identified that prevent you from achieving your goal? what obstacles have you detected?"

**Buyer:** "The planned shutdowns last too long"

**Seller:** "I would like to understand that issue better. How many shutdowns so you have per month? How long do they last? What parts of consumables determine the planned shutdown interval? What impact could the quality of the parts have on the planned shutdowns? What is your target level of planned shutdowns?"

<Buyer - Seller dialog continues for a while>

**Seller:** "May I suggest some further ideas? when working with organizations in similar situation than yours, they have repeatedly had issues with unplanned shutdowns as well. Would that be an issue in your case?"

**Buyer:** "Actually, yes"

**Seller:** "What do you think, what are the likely reasons behind the unplanned shutdowns?"

<Buyer - Seller dialog continues for a while>

**Seller:** "Just to confirm my understanding: If I understand you correctly, based on your estimation you are losing about two million euros a year because of the production line downtime"

**Seller:** "How have you planned to fix the problems? What capabilities have you already considered in order to solve the issues with unplanned and planned shutdowns?"

<Buyer-Seller dialog continues for a while>

**Seller:** "What do you think, could it be possible to reduce the number of planned shutdowns, if you could extend the lifespan of the critical components?"

**Seller:** "I also recall a solution from an earlier project: could it be possible to reduce the unplanned shutdowns, if you could identify the critical components and monitor their condition remotely?"

**Seller:** "My understanding of our conversation is that a solution to address the issues we have identified here could be to implement <capabilities>."

**Buyer:** "I think this conversation has given me some useful thoughts, I agree."

**Seller:** "Then, would you be interested in continuing to explore the issues? I would like to suggest we arrange a short audit project to better understand the opportunity here?"

**Buyer:** "It is still bit early, but I am willing to commit for further discussions"

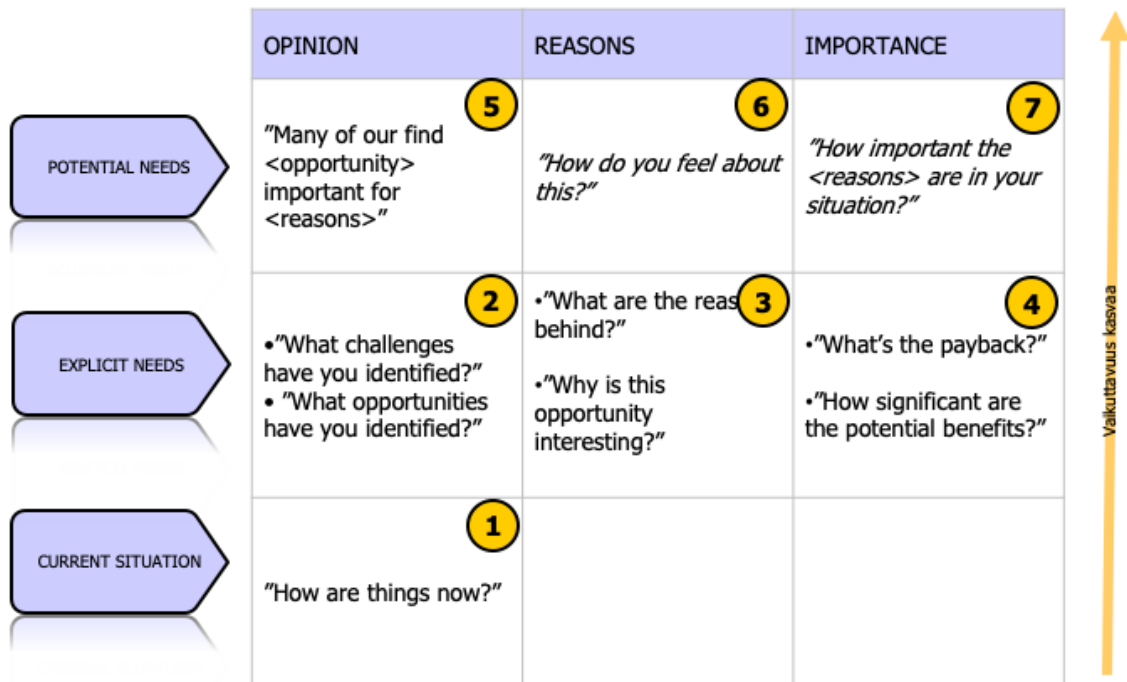
**Seller:** "I'd like to confirm my understanding of your situation in an email and suggest some steps for your further evaluation of our company and offerings. I'll forward it to you in a day or so."

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## DISCORY AT THREE LEVELS



## Conversation skills

Please find here some best practices for managing sales conversations

- **Maintain eye contact**

By maintaining a relaxed eye contact you signal interest and concentration

- **Do not look at your watch, laptop or anything outside the conversation**

If you focus on anything else than the person you are listening to, you signal uninterest and an willingness to detach from the conversation

- **When braking an eye-contact, look down like, for instance, tje Japanese people do**

This practice is a well-working combination of maintaining focus on the conversation, bt avoiding uncomfortable staring.

- **Listen actively and show interest**

You signal interest and focus with questions and your body language

- **Take notes, but maintain contact**

Not all conversations require you to take notes, but is sales situations it is often highly important to document the conversations and agreements. Taking notes is a sign of professionalism, but requires that you take notes and support the conversation.

- **Show that you have listened, make sure you have understood**

Real conversation is a dialog, monolog in either direction seldom helps either party. Our comments and questions show interest and may motivate and inspire the other person. On the other hand, we may also show ignorance and de-motivate the other person. Real dialog requires preparation.

- **Interrupt skillfully**

In order for you to achieve your goal, you need to steer the conversation to stay focused on the pre-planned business topics. You also need to make sure you have understood. Both these goals often require that you interrupt the other person. Maintain balance between talking (1/3) and listening (2/3)

- **Repeat the other person's message in your own words**

The classic rhetoric technique is at the end of a topic to summarize the conversation with your own words to make sure you have understood. You may open this by, for example "let me summarize my understanding ..."

- **Pay attention to the body language**

Our body language signals interest, excitement, attention, and other important non-verbal means of communication.

# PSYCHOLOGY OF INFLUENCE

There a large number of different cognitive biases affecting decision making.

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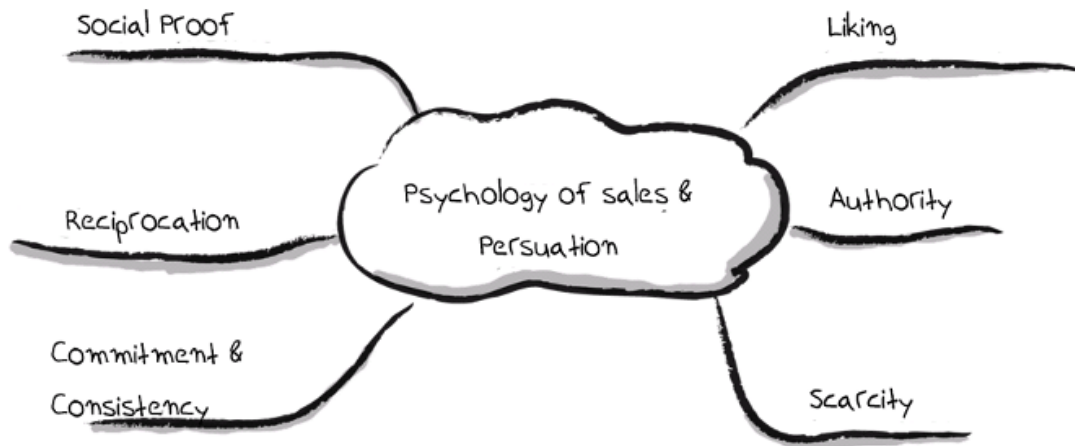
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## Psychology of Persuasion



### Commitment and Consistency

Rule of commitment and consistency says that once we have made a choice or taken a stand, we will feel personal and interpersonal pressure to behave consistently with our previous commitment. Our actions, statements and choices will drive and affect our future choices often without us consciously being aware of that.

### Reciprocation

The rule says that we should try to repay, in kind, what another person has provided us. By the virtue of the reciprocity rule we are obligated to the future repayment of favors. It is not polite not to repay favor received. Favor provider may, however, decide to do favors proactively thus taking advantage of this rule in his favor. It works based on another social code that says that it is not polite to refuse gift. Examples exploiting this rule can vary from free samples to bribes. In Tupperware-concept, each guest receives small gift from the host.

### Social Proof

Human is a social creature. We follow and according to group which we belong to. When one does something silly, often others will follow. There are number of examples of this behavior in fashion on other sides of life. Principle of social proof states that one means we use to determine what is correct is to find out what other people think is correct. Simple examples of social proof are canned laughs in soap operas or Bestseller books. Sales executive may refer to other clients and what they have bought etc.

### Liking

We most preferably say yes to requests of someone we know and like. One of the clearest illustration of exploitation this rule is Tupperware party. In the party true request to purchase does not come from the stranger, it comes from the friend, the housewife who has arranged the party. Referrals use similar mechanism. Beautiful people are more likely to get yes to their suggestions.

### Authority

We are more likely to comply requests of authority on topic than others. Principle becomes exploitable by the fact that it is often enough to just look like authority. White coat can make anyone to look like doctor or alike and allow them to make expert statements.

### Scarcity

The idea of potential loss plays a large role in human decision making. People seem to be more motivated by the thought of losing something than by the thought of gaining something of equal value. Scarce things are more desirable than things that are available to everyone. Collectors of everything from baseball cards to antiques are keenly aware of the influence of the scarcity principle in determining the worth of the item. Examples exploiting this principle are creating scarcity by limited editions, numbered items, long queues and long waiting times.