



Aalto University

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INFLUENCING WITH SALES

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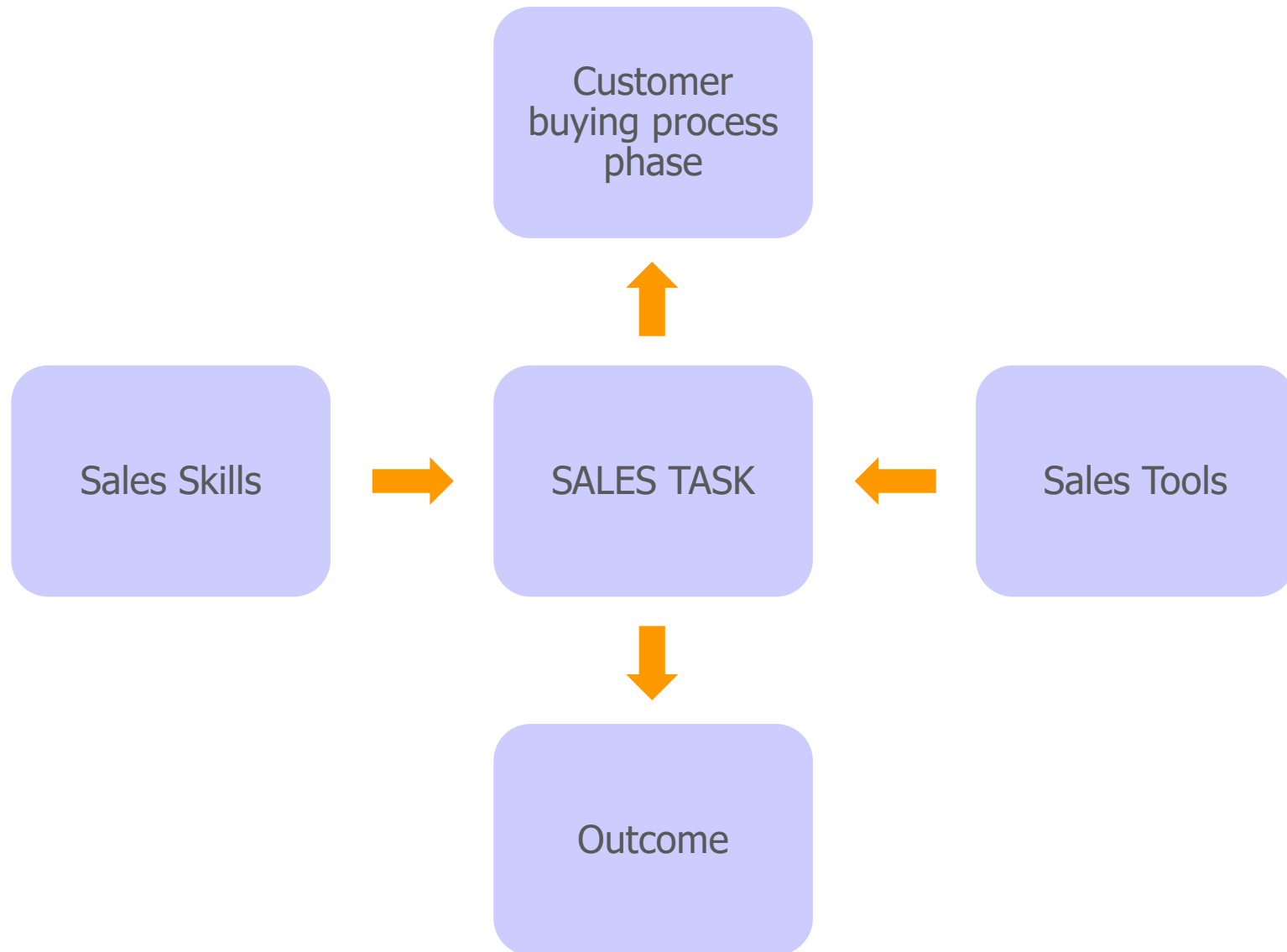
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Professor of Practice

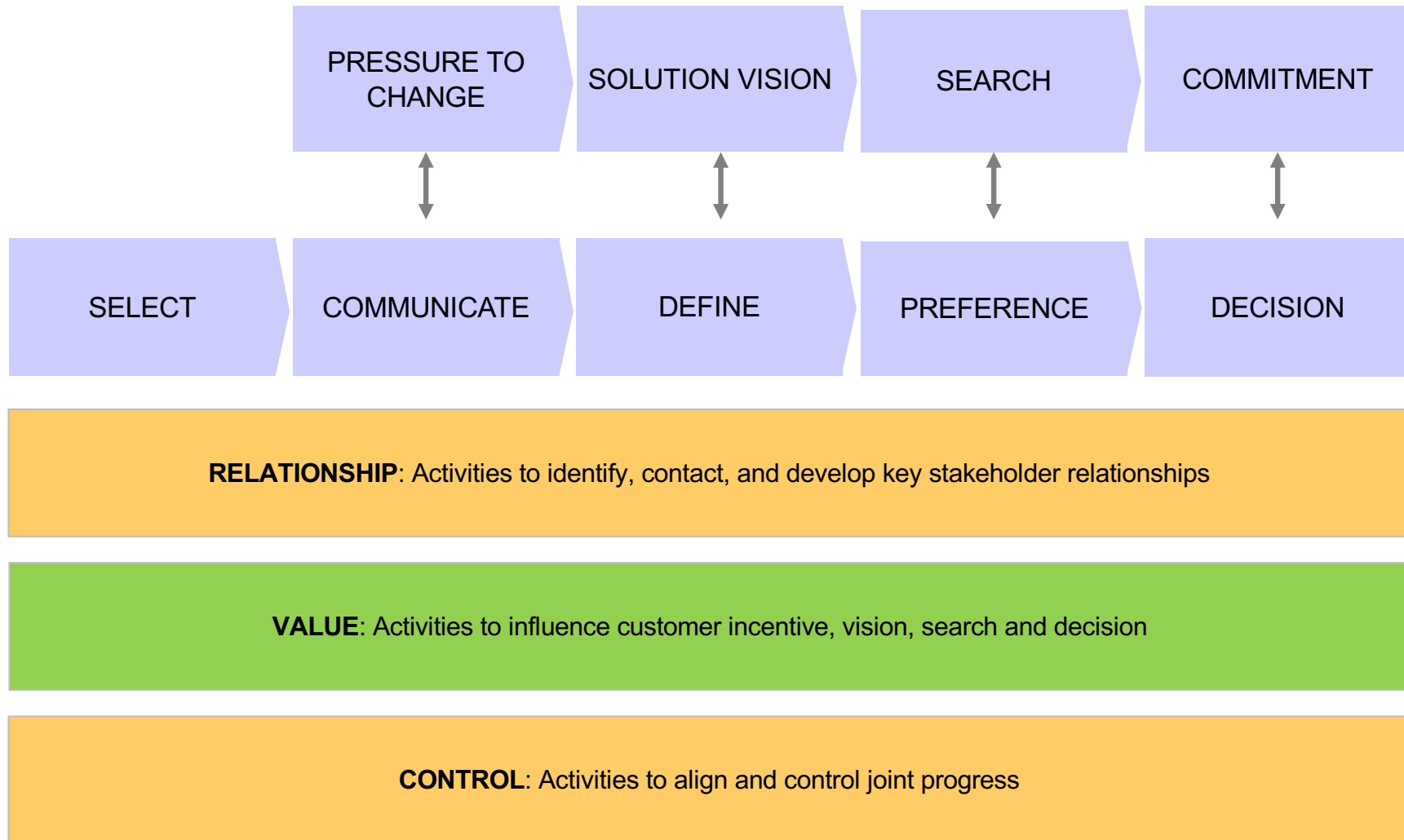
Management of Product-Service Systems Sales

Aalto University School of Science & School of Business

SALES TASKS, TOOLS, AND SKILLS



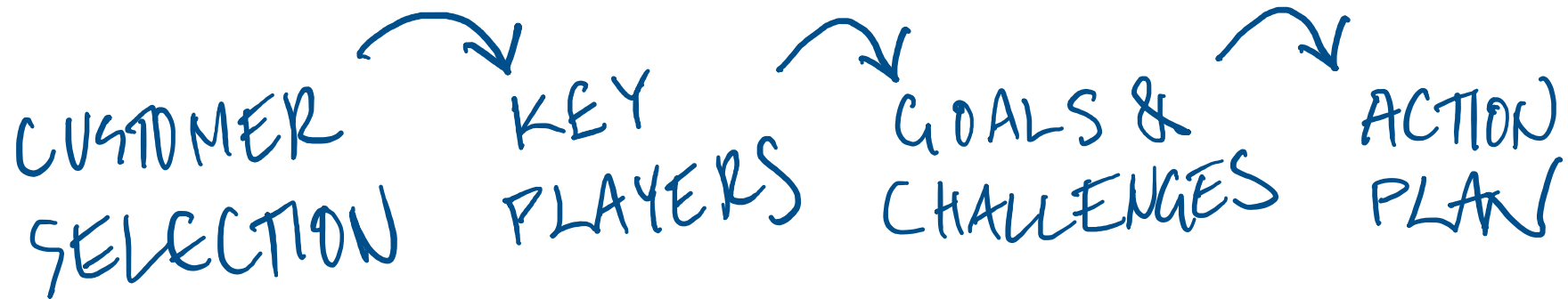
THREE CATEGORIES OF INFLUENCING ACTIVITIES



ENGAGE WITH VALUE:

Relationship process

RELATIONSHIP PROCESS



RELATIONSHIP DEVELOPMENT TOOLS

The following pages illustrate a number of relationship building tools. These tools help the relationship development process at different stages, and illustrate what is considered important at the different stages of the relationship process.

<p>CUSTOMER RECEPTIVITY</p>	<p>The customer receptivity 2x2 matrix is a tool to assess how the potential customer would evaluate ourselves from two perspectives: how 1) critical the customer perceives we are for their success, and 2) how easy it would be to replace us. Clearly, our changes for success are much higher with customer's which treat us as strategic partners rather than commodity suppliers.</p>
<p>KEY PERSON PROFILE</p>	<p>Each key person in customer organization has different characteristics, "attributes", which make them more or less ideal "channels" into customer organization.</p> <p>One of the key attributes of a key person is her/his <u>receptivity for change</u>. The 2x2 receptivity matrix provides a tool to classify key persons.</p> <p>The purpose of the key player profile is to evaluate the key characteristics of a key person (with the champion qualification worksheet) to help us planning who and how to proceed with</p>
<p>CHAMPION QUALIFICATION WORKSHEET</p>	<p>The champion qualification worksheet evaluates a key person against the key player attributes.</p>
<p>CHAMPION LETTER</p>	<p>Once we have had a business conversation to explore and conclude about cooperation and value creation potential between our organizations, a powerful tool to document and engage the key person is the "champion letter", which is an email in a pre-specified format.</p> <p>The first hand purpose of the champion letter is to document essentials of the conversation to ensure mutual understanding, but the letter also supports a multiple other important functions.</p>
<p>RELATIONSHIP MAP</p>	<p>The relationship map is a summary sheet of all relevant key persons in a customer organizations.</p>

CUSTOMER RECEPTIVITY

ROUTINE

Supplier's product are critically important, but relatively easy to replace.

Customer target is process optimization.

STRATEGIC

Supplier's products and services are both critically important and difficult to replace.

Customer target is deep strategic relationship

COMMODITY

Supplier's products are non-important and easy to replace.

Customer target is to leverage buying power for best price

BOTTLENECK

Supplier's products are not critical, but difficult to replace.

Customer goal is to ensure availability and to seek alternatives

KEY PERSON PROFILE

People buy, not companies. The single most important sales task is to build relationship to those people that matter. These attributes characterize key persons:

Influence

- Is anybody interested in this person's opinions?
- How is her career development?
- How is her treated in group situations?
- When was she appointed in her current position?

Personal goal

- What are this person's personal goals?
- How would buying help this person to achieve her goals?

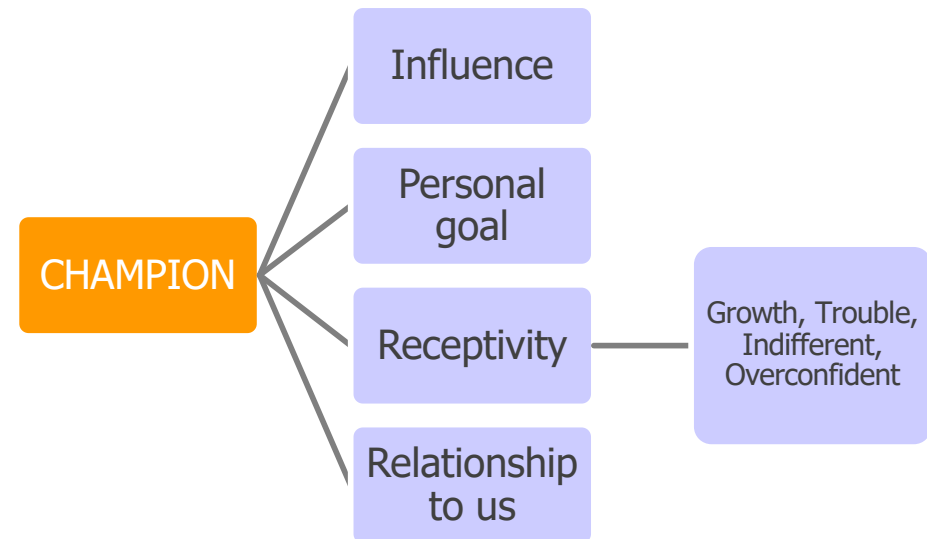
Receptivity

- What is the mindset of the key person toward change?

Relationship to us?

- Why would she buy from us?
- Is her on our side or on the enemy's side?
- How do we know?

"Our goal is to identify the key people, their influence on decision making and build relationship to these people by helping them to achieve their goals".



KEY PERSON RECEPTIVITY (IN KEY PERSON PROFILE)

GROWTH

Personal goal is much higher than current performance, ambitious and open for improvement

TROUBLE

Has identified problems in the current situation that require attention

INDIFFERENT

Does not care, "don't rock the boat"

OVERCONFIDENT

"Everything's under control"

CHAMPION QUALIFICATION WORKSHEET

CRITERIA	DESCRIPTION	YES/NO
Personal goal	Has compelling goal. Actively driving change	
Influence	Knowledgeable about the company, influential within the organization	
Receptivity	Is the key person in growth or trouble mode (to give us an opportunity to influence)	
Relationship	Positive, trusting relationship with us, willing to share their goals and challenges, provides valuable information. Helps us getting in contact with other key players	

ASSIGNMENT

CHAMPION LETTER

CRITERIA	EXAMPLE TEXT
	"Thank you for the meeting on 2nd of October. In this message I summarise my understanding your objectives, business concerns, plans, and our agreed next steps."
CUSTOMER GOAL	"I understood that your two short-term goals are to reduce machine downtime and reduce energy consumption"
CUSTOMER CHALLENGES	"I understood that the key reasons for downtime and excessive energy cost are too frequent and too long process shutdowns and the energy consuming quality fluctuations caused by outdated technology"
SOLUTION VISION & VALUE	<p>"A potential solution combines on-site spares for the critical consumables and organising predictive maintenance.</p> <p>As discussed, a recent analysis indicates that the machine uptime could be increased by 1% by having quick access to critical spare parts on-site. We estimate that this solution could improve profit by approximately 0,25 million euros a year. Additionally, predictive maintenance is anticipated to reduce the energy cost by six million euros annually. As discussed, our recent modernisation projects have successfully addressed these issues."</p>
NEXT STEPS	<p>"If you agree that I have correctly understood your situation and that the suggested solution warrants further investigation, I would like to suggest as the next step that our specialists interview your mill manager and maintenance manager to refine the analysis and agree on a proof-of-concept study."</p> <p>Best regards Tom Waits</p>

RELATIONSHIP MAP (1)

NAME	ROLE	GOALS & CHALLENGES	PRIMARY CONTACT

RELATIONSHIP MAP (2)

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 >>](#)

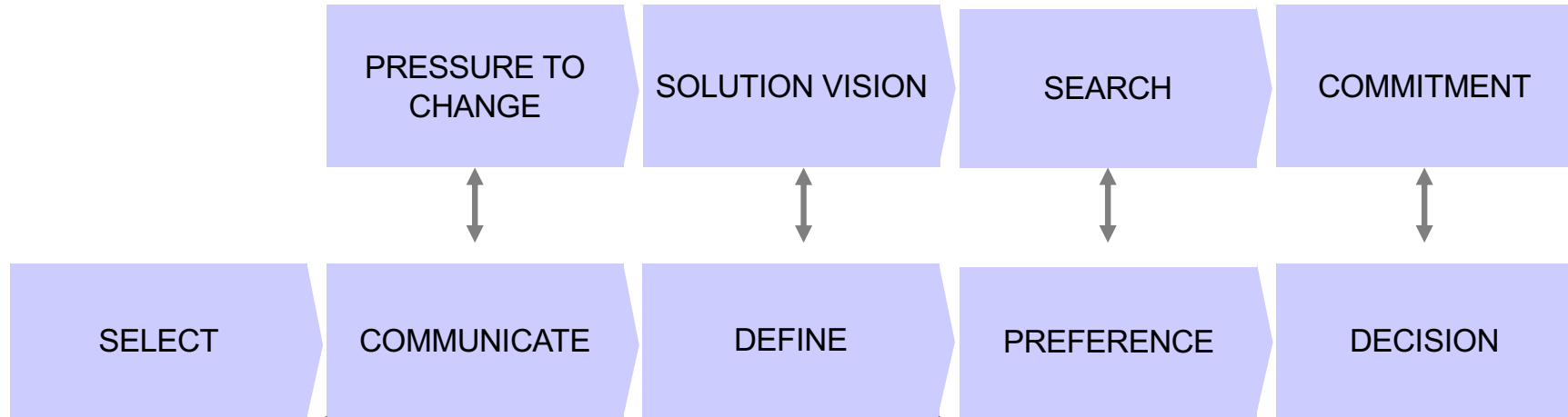
Open an ADVERSARY profile description [here >>](#)



ENGAGE WITH VALUE:

The “value” process

THE VALUE DISCOVERY



MORE, LOWER-COST & SAFER TONNES
WITH INFORMATION AND AUTOMATION



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 Log
- Multi-Year Mill Maintenance Agre
- New Revenue Streams Through Printing & Writing Paper Machine
- Top Shape Mechanical Paper Pa
- Focus on Machine Performance

Key player challenges

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

Scenario 1	Current	Improvement Target	Production	Additional revenue	Energy savings
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/t	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 102 gm2	Trim width 6,1 m	Speed 695 m/min	Calculated current production 253 000 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	

VALUE INFLUENCING TOOLS

The following pages illustrate a number of value exploration and communication tools. These tools support the sales process at different stages.

EXPLORE GOALS & CHALLENGES

Instead of directly asking about customer goals and challenges, it helps to show a list of relevant business challenges, and explore the importance of those in the customer situation

SUCCESS STORIES DATABASE

Success stories are a great way to demonstrate the impact of solving a problem or engaging in an opportunity

SUCCESS STORY

Individual success stories are all built the same way: 1) what was the challenge, 2) how did we solve it?, and 3) what was the impact

VALUE QUANTIFICATION

Value quantification is about producing a concrete assessment of the value proposition impact. The value quantification seeks to express the "bundle of benefits" in terms of an important customer goal, such as increased revenue, decreased cost, reduced risk, improved safety, or similar

CASE KONE
CTU SOLUTIONS

3 – CREATE INTEREST WITH SUCCESS STORY

“Getting workers and goods safely to the right place at the right time”

LESS WAITING

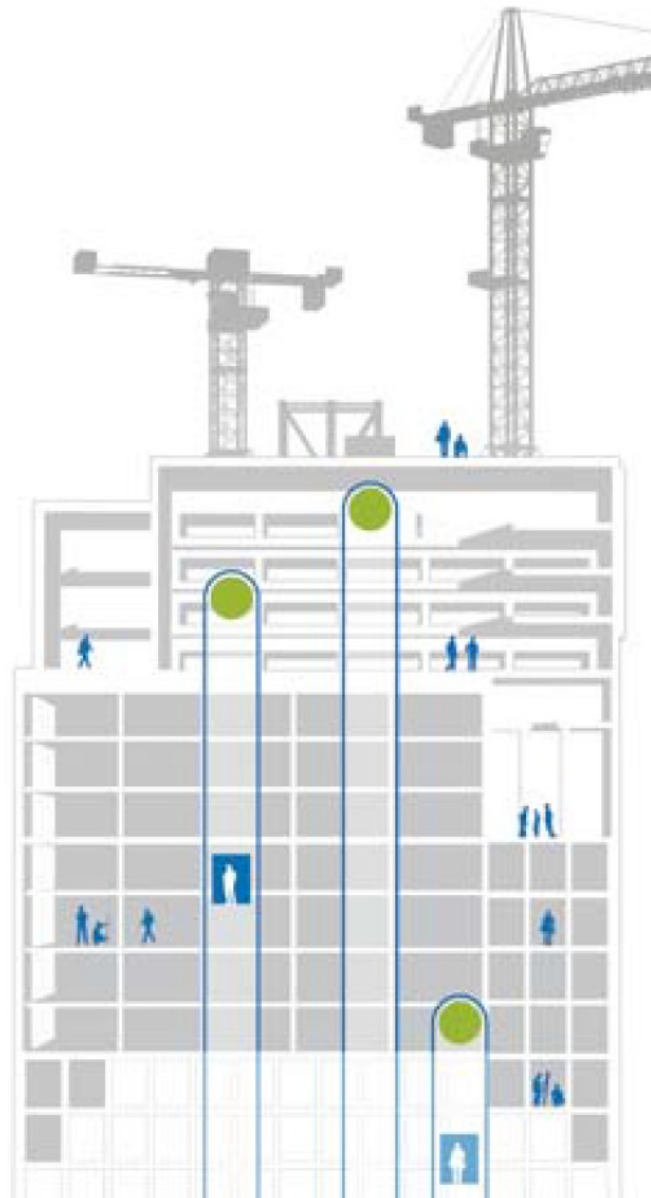
Faster transportation than with exterior hoists

CUT ENERGY COSTS

Better energy efficiency than with exterior hoists

REDUCE DOWNTIME

Maximise availability



LESS CONSTRAINTS

Façade of the building can be closed sooner for weather protection and concurrent construction work

RESULT:

SHORTER CONSTRUCTION TIME

4 – EXPLORE OPPORTUNITIES AND 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

5 – LINK OPPORTUNITY TO A SUCCESS STORY

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
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- ◆ Top Shape Mechanical Paper Production Line
- ◆ Focus on Machine Performance and Productivity
- ◆ Increased production, improved quality
- ◆ New Technology Improves Productivity and Quality

5 – LINK OPPORTUNITY TO A SUCCESS STORY

CHALLENGE

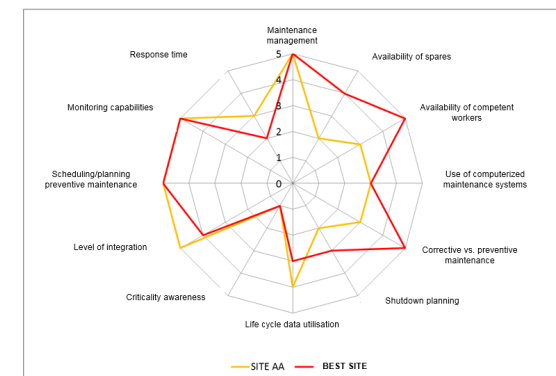
The need for a systematic assessment framework for concretising value, benchmarking it and ultimately optimising the offered solutions has been the motivation behind this study. Due to the arbitrariness of value estimation and value definition in general, an additional target of the study has been to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



CASE
VALMET CARTOON
PRODUCTION LINE

6 – QUANTIFY VALUE

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CASE
OUTOTEC
FLOTATION

6 – QUANTIFY VALUE

Increase of copper recovery by 1% equals to of **2Meur increase** of sales revenues

VALUE OF EXTRACTED METAL

VALUE OF EXTRACTED METAL

50 % energy decrease equals to **100keur decrease** of utility cost

ENERGY COST

ENERGY COST

MAINTENANCE COST

MAINTENANCE COST

50% life time decrease equals to **50keur saving** of maintenance expenditure

EXISTING PROCESS

NEW PROCESS

ENGAGE WITH VALUE:

The “control” process

SALES PROCESS CONTROL TOOLS WORKSHEET

<p>The following pages illustrate a number of tool and templates for controlling and managing the key person interaction</p>	
CHAMPION LETTER	<p>Directly after a business meeting the seller needs to write an email to summarize the conversation in a pre-specified format. The champion letter helps controlling the sales process with a key person by asking for the key persons commitment</p>
ACTIVITY PLAN	<p>Once an agreement about a solution vision is achieved, the rest of the sales process focuses on the implementation, roles, responsibilities, risks, and pricing. The activity plan is a tool to agree on milestones for the rest of the sales process, including joint workshops, piloting, planning, reference visits, and similar activities.</p>
CLOSING CHECKLIST	<p>The closing checklist is a seller tool to make sure everything relevant has been done prior to asking for the business.</p>

CHAMPION LETTER

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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"/>

Save worksheet

Print worksheet

Send worksheet