



## **White Paper**

Consultative Selling is outdated and no longer adds value to B2B organisations

By Peter Gerlach, MBA

## **Consultative Selling is outdated and no longer adds value to B2B organisations**

Over the last years, the way people sell has evolved vastly. In the early days, we experienced 'manipulative' selling, whereby the sales individual delivered a well-rehearsed sales mantra that manipulated and wrapped the potential customer so strongly into the offerings - like a spider with its prey - that the potential buyer had limited options to escape the sales process.

Customers became increasingly unhappy and over time the sales industry and its professionals transformed themselves by 360 degrees and developed a much softer and more of a consultant / adviser approach to their clients by adopting the 'consultative selling' method.

Consultative selling is now mostly the standard and is the complete opposite to manipulative selling as it concentrates on building long term relationships with customers, getting the purchaser involved in the overall process, listening and asking good questions as well as understanding the buyers strategy, needs, wants and desired outcomes (Rackham, N, (2001).

All this is well and good but there are three big challenges.

- a) The sales approach has changed but not the sales force and their behaviours (Adamson et al, 2012)
- b) Sales people continue to only communicate value without delivering it (Rackham, 2001)
- c) Sales managers, leaders as well as sales professionals are much too focused on revenue than on adding value to customers (Rackham, 2001; Gerlach, 2014)

While sales professionals, managers and leaders may catch up on finding solutions for these issues, buyers continue to become more sophisticated. They gain an increasingly good understanding of their own challenges and what products and services they want, need and purchase. This results in consultative sales professionals no longer adding as much value to clients

and their businesses, which means that sales leaders find that their sales crews are continuously relegated to price-driven bake-offs (Adamson et al, 2012) thus resulting in lost valuable sales, especially when loyalty to brands is diminishing simultaneously.

If clients find - despite their own research - that they still need advice, they then put a much higher level of demand onto their sales forces, which – if not handled correctly and with the right skills - over time weakens the existing level of credibility and trust, and results again in further loss of sales or even jeopardises the entire account (Ryals and Davies, 2011).

The solution to this requires all those involved in the sales process to accept that it is no longer enough to focus on profits, large revenues, long term relationships and client's needs and wants in order to be the client's supplier of choice.

Companies ought to understand that revenue and profits never ought to be the prime objectives. It is only a by-product of what one gets when passion meets demand (Sharlini, 2014), when clients trust a person because of the belief that the sales person acts in their best interest, has a high level of confidence that their problems can be solved (Crist, 2014) and the client perceives a high level of value for themselves (Ryals and Davies, 2011).

The wealthiest individuals and entrepreneurs in our world, those who contribute enormously to our global economy have long understood this. For them it is simply the desire to create, such as new technology, new solutions and new companies. This gives them that great feeling, the competitive edge and makes those individuals who they are. They feel that they are doing something significant — changing the world and making it a better place. They are absolutely certain that when they create, money will follow and it always has (Port, 1997).

Instead, organisations become increasingly risk averse, they are managed by finance people who are strangling their companies, like a snake getting

themselves more and more stuck in a rut of never ending selfishness and greed (Steen, 2010; Landberg, 2003; Brown, 2007). Everything gets leaner, exploited and measured to the very limit. Pressure increases and when eventually most of the assets are destroyed, management continues to squeeze its employees and clients and in the end, kills the 'golden geese', who have been laying the golden eggs and paying the bills for the past decades (Covey, 2004).

To reverse this and to create organisations that continue to make a positive dent in the universe and perform highly, we need different business mind sets, new management thinking and leaders who take personal responsibility and ownership (Drucker, 2006). We need people who are selfless not selfish. Lee Iacocca is a great example. When he had fired executives and pushed the United Auto Workers to accept salary and benefit cuts, he led by example and lowered his own salary to \$1 a year. Five years later, and with the support of everyone, the company was restored to financial health (Herbst, 2007).

For the sales force, using only consultative selling techniques is very limiting, outdated and is simply not enough anymore. It requires individuals with highly and deep diverse sets of skills, a good range of general business expertise, different behaviours and a much extended insight ability into all the client's internal and external environment, business wants and desires, and of immense importance is a much deeper and wider level of business and personal understanding of the clients' clients and even better the clients' clients clients.

What works and makes significant differences for organisations is to have sales professionals with deep insight sales abilities combined with an adaptive selling approach, where professionals have an intrinsic interest in the task of selling, own a wide range of skills, strategies, behaviours and abilities and like chameleons, are able to alter their approaches based on the nature of the situation and client to whom they are selling to (Sujan et

al, 1988). The sum of those skills, ideally on an unconsciously competent level, will enable sales professionals through monitoring the client's reactions and insight into their business to quickly change from an open-friendly to a business-like approach, or from stressing one product benefit to emphasising another benefit (Sujan et al, 1988).

Pumping more and more money into standard and even consultative tailored sales courses, as CEO's have done previously is most certainly money down the drain and Cranfield University, Prof Ryals and Dr. Davies, (2011) confirmed this too as this behaviour has brought very little return for companies in the past (Ryals and Davies, 2011).

Part of the reason may be that training consultants still use the so called "happy sheets" to measure success and in reality this can be nothing but an 'ego booster' for the trainer as it has no value whatsoever for the organisation nor for the sales person. It does not say anything about the changes in behaviours that has or will take place over time (Phillips and Phillips, 2005).

Further reasons may be that sales professionals are forced to take part in the training, they have had no single input into the content of the program as senior managers have decided for them, and it is of no relevance to them, the wrong individuals attend the program, the intention or timing is wrong. The list is endless.

To get sales professionals to a deeply insightful and highly adaptive level, top executives in organisations must first desire it, take action and whole heartedly support this approach over time.

Besides, organisations must ensure that sales professionals have an excellent level of education as it makes life a lot easier (Glenn, 2008). Although higher education has increased over the years (HEFCE, 2013; Lumina Foundation for Education, 2013) it is critical to recruit to the highest

possible educational level and employ people with an attitude of openness to adopting and supporting a continuous learning organisational culture.

In addition to education, it involves consistently up-skilling and nurturing the current sales force with short and effective interventions and by adapting to an overall **holistic approach**, such as how **'Peter Gerlach International'** operates, that is highly tailored to each individual and organisation. It looks at all angles of the sales process, the person, client, client's clients, overall market, its products, services, people, processes and technologies.

This is all executed and supported by people inside the organisation, as this is more cost effective and yields a higher impact on the organisation. Internal champions and thought leaders are built from within who will then drive and create the desired sales environment to a new level. The results will be like 'Minesweeper', when one skill, behaviour and attitude is enhanced, others will shift and adjust accordingly (IGN, 2002).

You may have great strategies for creating a high-performance sales organisation and assisting prospective clients, and buyers discovering their conviction that you understand their issues, can solve them and add tremendous value to them personally and their organisation.

What about the people in your firm who have not yet reached that level of how to do these things? How will they discover dependable strategies that will help build a strong and sustainable high performance sales environment where everyone wins? Who is teaching them how to succeed in this increasingly competitive professional world? See more at: [www.PeterGerlach.com](http://www.PeterGerlach.com)

If you wish to find out more about Peter Gerlach's approach, or direct any questions on the content in this White Paper, please contact us at [Success\(at\)PeterGerlach.com](mailto:Success(at)PeterGerlach.com).

## About the Author

### Peter Gerlach, MBA



Peter is a thought-provoking and inspirational business thinker, rule breaker, innovator and visionary leader. He has worked over 25 years with more than 10,000 managers and leaders across a wide spectrum of different business sectors.

Peter's relentless curiosity encouraged him to investigate, why some firms constantly outperform their competition and others struggle, so he deeply analysed 264 C- and board level executives and their organisations from 33 countries and 50 different business sectors and published his four yearlong findings in his MBA dissertation "High Performance Organisational Culture – The Impact of Innovation and Empowerment on High Performance Organisational Culture".

Peter consults, trains and speaks on organisational culture transformation and high performance business development and delivers in his mother tongue German and English. He resides in the South of Germany and London.

### About 'Peter Gerlach International'

Peter Gerlach International works with you to build effective sales methodologies for future growth through our unique streamlined methodology and trusted approach - all with the focus on long term behaviour change and intrinsic passion for performance.

*Simply put, we build great sales organisations*

If you want something that you have never had in your organisation, then you've got to do something you've never done\*.

*Find out exactly what Peter Gerlach International can bring to your organisation.* Contact our office now for a **free 30 minute consultation about your organisation.**

Simply call or email us at **Success (at) PeterGerlach.com**

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