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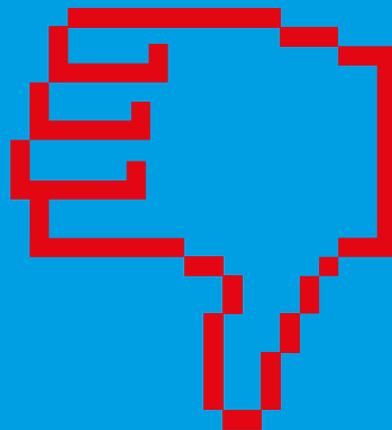
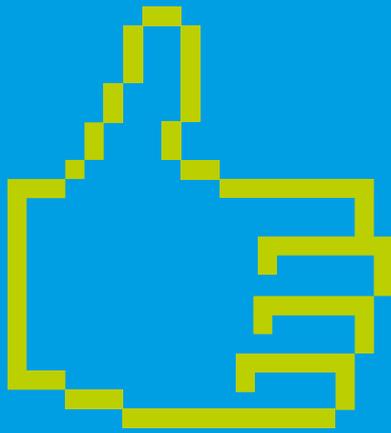
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Selling in a sea of sameness

✍ Dr Simon Kelly, Dr Paul Johnston & Stacey Danheiser

When your competitors are floating in a sea of sameness you need to make sure you are waving not drowning.

In the second of a series of articles in which Dr Simon Kelly and Dr Paul Johnston explore customer value and differentiation, they are joined by co-author Stacey Danheiser to ask: are you selling in a sea of sameness? In this article, they discuss the findings of the first phase of their research programme in which they are seeking to understand how differentiated organisations are from each other and, more importantly, in the eyes of the customer.

Their research has led them to conclude that customers are left swimming in a “sea of sameness”, where companies all seem to be telling the same story. In this article, they begin by providing some background on their research programme before discussing why lack of differentiation and distinctiveness is an important issue to tackle. They explore the implications for salespeople who are left selling in this sea of sameness.

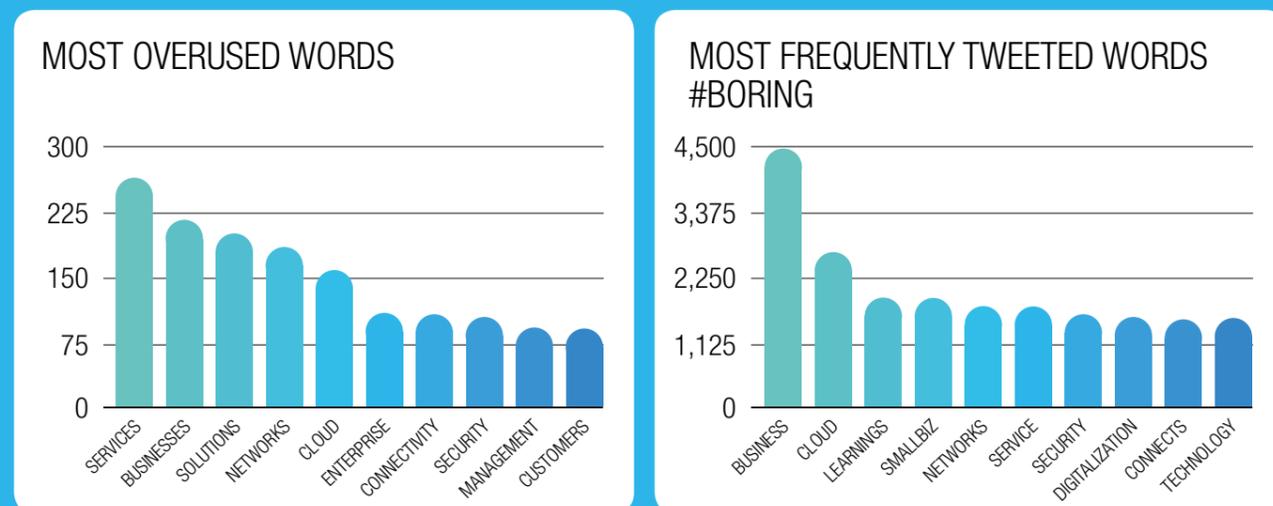
They offer a view on the heightened importance of the sales role in shaping differentiation before taking a forward

look at where their research is going, which the authors are hoping readers can help with. They draw on their book *Value-Ology: Aligning Sales and Marketing to Shape and Deliver Profitable Value Propositions* (Kelly, Johnston, Danheiser 2017) to help inform this discussion.

We became interested in how differentiated companies were in their marketing communications because credible research we found while writing “Value-Ology” pointed to customers typically being 60% of the way through the buying process before they contact a salesperson (CEB research) at which time 67% of the customers have a clear picture of the solution they want (Sirius Decisions).

The fact that the first 60% of the sales cycle is now spent interacting with company marketing communications through internet searches, company web sites, twitter feeds and the like places an extra onus on marketing to make it clear to customers why their organisation is better and different from competitors in ways that have relevance for those customers. We suspected that typical company marketing communications were not providing relevant value propositions, as 94% of customers claimed to have disengaged with organisations because they

▼ Figure 1: Most overused words, and most frequently tweeted.



were being sent irrelevant content that gave them no value (CEB research). We knew that for B2B organisations, this lack of differentiation was having a telling effect on sales success – as 58% of sales deals end in no deal because the customer has not been convinced of the value in moving from status quo (Qvidian Sales Execution research).

Against this backdrop, we set out to explore for ourselves how well-differentiated organisations were in their marketing communications. The main thing we were interested in was how easy companies were making for customers to make informed choices based on what was being communicated to them.

Research findings

We began by focusing on the telecommunications sector, as we had a lot of experience there. We analysed the websites and Twitter feeds of the top 30 global players in the sector and found that the telcos seemed to be hell-bent on telling their potential customers they are no different from their competitors.

We’ve included some key takeaways from our research below, and you can find the full results published in our whitepaper, *Lost in a Sea of Sameness*. (Note that while we will focus on our telco research here, we have taken a similar approach for datacentres and have almost completed analysis of UK Universities – and our findings are very similar.)

1. Generic business and technology claims dominated communications

Of the top 10 most frequently used words, generic terms such as “services” and “businesses” and “solutions” make up 60%, while generic technology terms such as “network”, “cloud” and “security” make up the remaining 40% (Figure 1). None of the most frequently used terms relate to customer needs or benefits. They are common descriptors of products, technology and business terms, which leaves the buyer to decipher why they should care and what’s in it for them.

Considering that 58% of IT purchase decisions are now being made outside of the IT department, this language is IT-centric and not reaching the executive or business decision maker. What appears to be happening here reflects a sales view expressed by Greg, a Consultancy owner and former Telecoms and IT Sales VP during qualitative research we carried out into value propositions:

“Marketing take very much an inside-out view of the world. You know: I’ve got some products or I’ve got a new thing in my portfolio? How can I present that to the customer...? And quite often that is very ‘me too’ in terms of how they position and present that in the market.”

2. Companies talked too much about themselves and not about the customer

Many of the words and themes we found are all about the telecommunications company. In other words, there was heavy use of “we” versus “you” phrases. We found that each supplier said virtually the same thing about the size and reach of their network, their provision of end-to-end solutions, their passion for customer relationships, their excellent customer support and world-class standards.

What we saw here is a perfect reconstruction of what Jeff, a Managing Director, at a Global Telco had observed in his own organisation:

“So, our ‘value proposition’ did revert to we’ve got this many locations in so many countries, this many people, this many installations, this many.... You know, it’s all very much

about me and my company and general company credibility stuff, which I think goes so far in establishing some sort of trust, but I think most customers would be sitting there thinking so what?”

3) Too many generic business claims were being made with no support

While most companies make some claims to be able to affect the business performance of their customers, we found that the claims were generic and unsupported. For example, we saw many promises to “transform” or “accelerate” the customer’s business. Underneath this veneer, however, it is unclear how the supplier will help take the customer from where they are today to where they want to be.

Instead, in all cases, the answer is simply to “buy our products” to achieve massive growth and transformation. But without real proof points or quantified results being shared, the customer is probably left wondering *will this solution really help me?*

How can you stand out in the sea of sameness, and why is this important?

“The common denominator of all the marketing communications we analysed was that the herd were standing in a field a long way from customer needs.”

In a recent lead article in *Marketing Week* “Distinctiveness doesn’t come at the cost of differentiation.” Mark Ritson (2019) provides an insightful discussion that has burned calories for academics and practitioners alike about the difficulty in developing differentiation. A unique selling point (USP) as first coined by Rosser Reeves in the early 1960s, can be hard to find in a competitive world.

Whilst we acknowledge this discussion, we were coming into this research knowing that 58% of B2B deals end up in “no deal” because the customer had not been convinced of the value in the proposed deal, and that lack of difference in marketing communications was making customer choice difficult. From this standpoint our research seemed to suggest that there were benefits in trying to stand out from the crowd and resonate with customers.

Imagine if you put yourself in the shoes of the customer in any of the three sectors we have researched to date. How can the customer possibly make an informed choice in this bland “sea of sameness”? Many are making a choice to do nothing.

Standing out is summed up by the author Seth Godin (2005) as being able to say what is “remarkable about your business”. Similarly, Justin Basini (2011) says “standing out” is giving an answer to the question of “why should anyone buy from you?” and marketing scholars such as Ted Levitt (1960, 1980) describe “standing out” as being able to express your competitive differentiation.

What’s happening with the similarity of offers in the telecoms sector, and elsewhere, is what Phillip Natterman

in his *McKinsey Quarterly* article “Best practice does not equal best strategy” calls “strategic herding”. It’s interesting that he uses the telecoms industry for perspective. When researching German wireless telecommunications service providers between 1993 and 1998, Natterman found that strategic herding led to copied pricing, sales, product and marketing strategies, which ultimately resulted in a price war and a 50% drop in industry margins.

“Herd instinct is a mentality characterized by a lack of individual decision-making or thoughtfulness, causing people to think and act in the same way as the majority of those around them.”

The common denominator of all the marketing communications we analysed was that the herd were standing in a field a long way from customer needs.

Go beyond industry table stakes

From what we could see, it seemed that most companies were barely offering table stakes (the basic products and services

“*Organisational learning may even be the only source of sustainable competitive advantage with a positive effect on customer-value-creation capability.*”

you need to offer in order to be in the sector you serve). Your customers expect your company to offer the basic table stakes just to be able to participate in the conversation. But the real difference between your organisation and your competitors is what you can offer that no one else can.

Differentiation comes from the unique relevance to the customer and distinction from other competitors. The biggest mistake is to fail to understand what the table stakes are and what will truly set you apart.

Implications for sales

We empathise that if customers are swimming in a sea of sameness that salespeople must be selling in a sea of sameness too, which of course places any sales professional in a challenging position. On the one hand, they have responsibility for selling in the company’s offer and, on the other hand, they have to take on the objections, criticisms and weaknesses in the offer identified by the customer.

Being at the interface between the customer and the organisation means that experienced sales professionals have to be experts in adaptability – a point underscored by Homburg, Workman, and Jensen, cited in Artis and Harris (2007), who observed that:

“The complexity of selling requires salespeople to continuously adjust to customer demands.... Demands by clients for customized solutions have required salespeople to develop and maintain the working ‘knowledge base’ of an expert.” (Homburg, Workman, and Jensen 2002).

This adaptability expertise also involves the ability of sales professionals to influence the adaptiveness of their own organisations, something that Kimura, Bande, Fernandez Ferrin (2019) identify as a bundle of emotional intelligence, social influence and political skills that are both customer and

internally directed and the key to adaptive selling.

An added challenge for sales professionals is the increasing use by buyers of web-based information in sourcing decisions. In the past, sales may have paid little attention to their company websites and other marketing communications. Now, they can’t afford to ignore them because research suggests that buyers are 60% of the way through their supplier selection process before they see or speak to a real person. This means that if your digital marketing communications don’t resonate with the value sought by your customers, you will be qualified out despite your best efforts. Indeed as Ulaga and Eggert (2006) identified:

“Sophisticated customers are increasingly more powerful and thus, seeking to achieve savings and capture more value by adopting supplier segmentation and other procurement strategies. This has often resulted in reductions of 40-90% in their supplier portfolio.”

The company that does the best job communicating their value to customers, wins. But this starts with understanding what your customer values in the first place, then quantifying it in a way that resonates with them. The only sure way to achieve this is by getting at the sources of offer differentiation in and from sales conversations with customers.

That said, suppliers need to ask themselves if they are really listening to what their buyers are saying. According to Merkle’s recent research, B2B buyers want help solving their problems – but what they are getting is more product pitches (Figure 2). In other words, sellers are not taking the time to listen to what the customer needs before jumping to a solution.

In a commercial world where creating customer value has shifted to co-created value-based, highly customised customer requirements (Vargo and Lusch 2006) value propositions have to be adapted to specific customer needs. Feedback from sales is absolutely crucial in making this happen.

Sales is a key boundary-spanning role that helps the company learn and adapt

Sales professionals therefore have a vital boundary-spanning job bridging the world of the supplier with the world of the customer (Lysons and Johnson 1983, Gieger and Finch 2009), such that sales professionals:

“Play an important role in presenting environmental information to the organization. They therefore contribute to sense-making processes both in the organization and its environment.” (Gieger and Finch 2009)

This boundary-spanning role is essential for customer value creation and ultimately for building a sustained competitive advantage. It is the experienced sales professional who helps their organisation learn and adapt to different market and customer expectations and needs.

Organisational learning

Sales plays a critical role in how a company learns about its commercial environment. A company that learns is a learning organisation, which is:

“An organisation skilled at creating, acquiring, and transferring knowledge and modifying its behaviour to reflect new knowledge and insights.” Garvin (1993)

Other academics describe organisational learning as: **“The development of insights based on new knowledge that has the potential to influence behaviour.” (Slater and Narver, 1995)**

“A method of successfully dealing with continuous change.” (Jordan, 2005, p. 456)

Bapujii and Crossan (2004) point out that organisational learning is a significant variable that explains a firm’s success.

Therefore, in a world of increasing customer complexity and rapid change, organisational learning is an essential salesperson-dependent capability because salespeople are the folk closest to the customer.

Sanchez et al (2009) go on to say that organisational learning may even be the only source of sustainable competitive advantage with a positive effect on customer-value-creation capability (Kandemir and Hult, 2005, Kang et al, 2007). This means sales has a pivotal role in the acquisition, distribution and interpretation of information that becomes an essential part of so-called organisational memory. Organisational memory is a very difficult thing for your competitors to copy so it becomes a valuable intellectual asset that further enhances differentiation (Bell et al, 2002; Tippins and Sohi, 2003; Kandemir and Hult, 2005).

So where does organisational learning happen? Bettis-Outland and Guillory (2018) describe the blend of internal and external learning spaces that are needed for organisational learning to take place ranging from departmental meetings, weekly sales updates and quarterly training sessions to conversations with vendors, reading new industry literature and attending conferences or trade-shows. Conferences and trade shows are particularly fertile organisational learning spaces due to the numerous opportunities for face-to-face meetings,

“*What is becoming clear is that the experienced sales professional is actually more than a collection of trained technical skills (knowing what).*”

informal hallway conversations, product demonstrations, technical workshops, industry updates and innovations that are shared with the added effect of strengthening of long-term business relationships.

The implications of organisational learning for sales and sales management are profound in terms of who is responsible for making a sale. Organisational learning invites us to take a more holistic view of how customer value is created and offered to customers. Chris Argyris (1992) said many companies are single-loop learners which focus on identifying and correcting errors in the environment that is external to themselves. Often this results in calling out the salesperson alone for the failure to sell. Really organisations should become what Argyris calls double-loop learners that take a candid look at themselves and critically reflect on their own thinking and behaviour and how that affects performance.

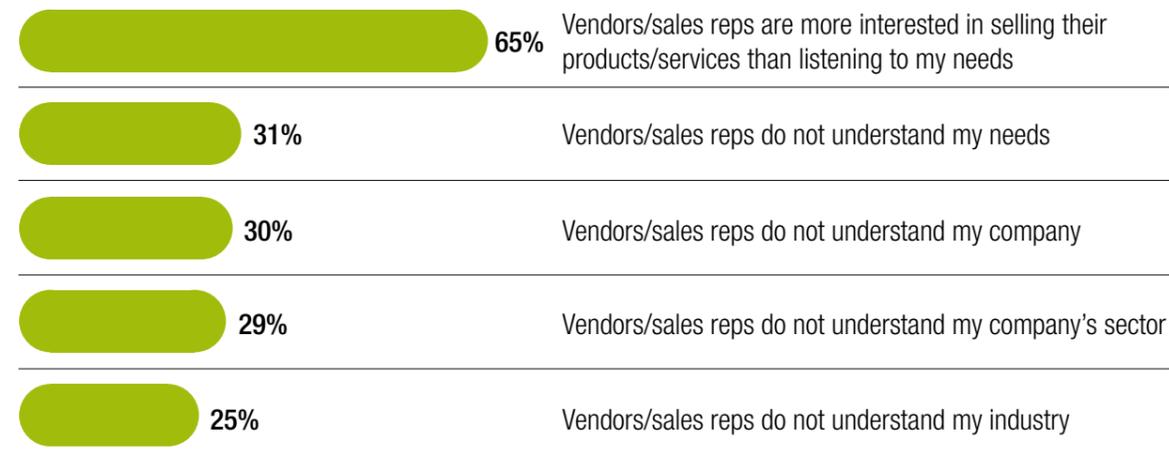
Argyris says: **“Whenever single loop strategies go wrong, people screen out criticism and put the blame on anyone but themselves.”**

Indeed, this is particularly evident in the so-called war between sales and marketing, where one side often blames the other for lack of sales and not hitting revenue targets (Rackham & Kirshnaswamy 2006). To avoid this unhelpful organisational behaviour, sales and marketing need to work more cohesively. Marketing needs to learn from sales and sales from marketing so that both functions can co-create the value specific customers are seeking.

Figure 2: Are sellers listening to what buyers’ want?

Source: <https://www.marketingcharts.com/industries/business-to-business-80300>

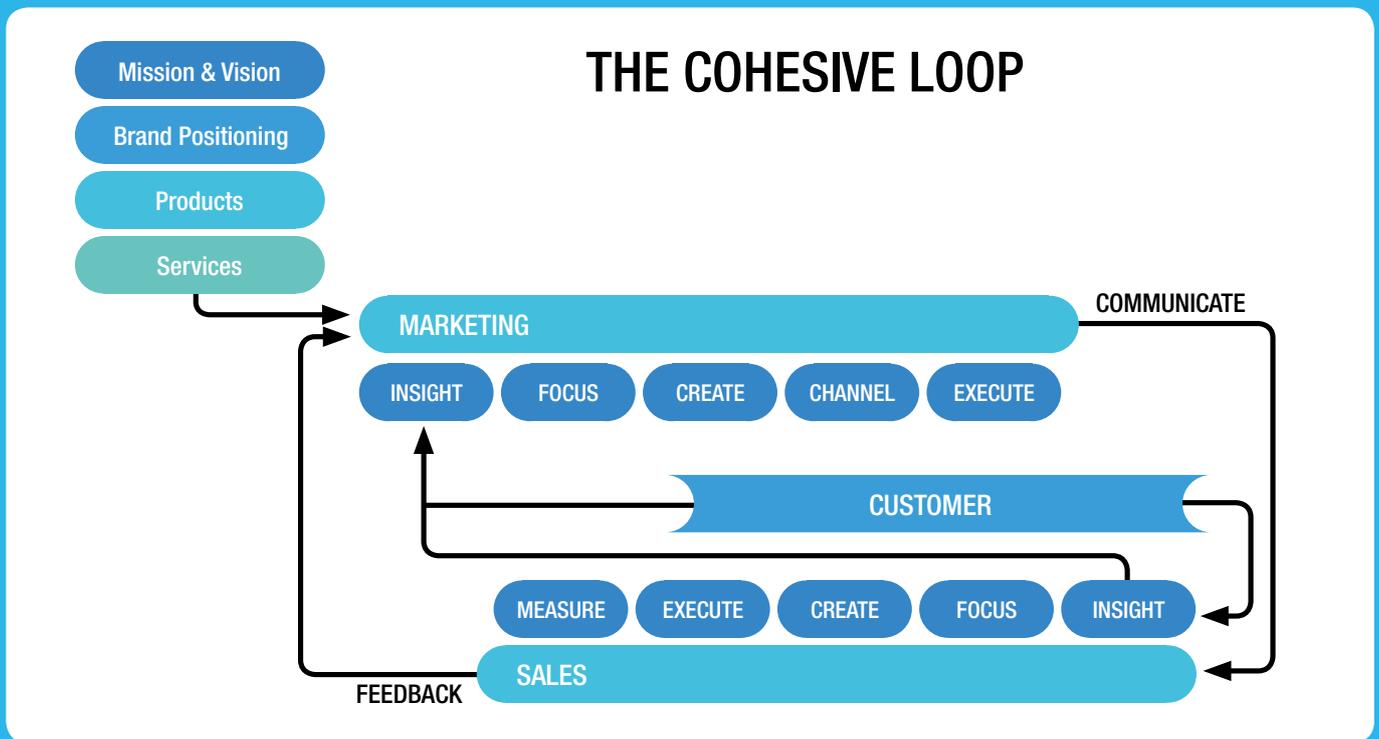
B2B BUYER’S BIGGEST CHALLENGES WITH VENDOR RESEARCH



Published on MarketingCharts.com in September 2017 | Data Source: Merkle

Based on a survey of 200 B2B buyers in North America (100) and Europe (100)

Q: “What are your biggest challenges in your process of searching for, indentifying, and considering which business products and services to buy?”



▲ Figure 3: Are sellers listening to what buyers' want?

The cohesive loop between marketing and sales

In the concluding chapter of our book *Value-ology*, we speculate that cohesion could be the new competitive advantage. We think our idea of a “cohesive loop” takes on board the principles of boundary spanning, organisational and double-loop learning. In fact, we would say that it goes beyond this by creating an integrated system for learning which is continuous. You could call this a perpetual learning cycle moving around a virtuous circle that is the cohesive loop (Figure 3).

From the organisation’s standpoint, cohesion is achieved by understanding your customers so well that you are able to lead them, in a frictionless way, to a solution that only you can provide, by uniting sales and marketing in the delivery of value at each stage of your customer’s journey.

This model recognises that, although the vision, mission, strategy and value proposition may have come from the marketing function, nothing has really happened until dialogue with the customer starts. In a world where you have “cohesive advantage”, marketing will have had the good sense to engage customers and sales in helping to shape these.

If you have done this then there is likely to be better buy-in from sales as you take your value propositions back out to the market. The customer should recognise the value you are promising to deliver as value because you based your propositions on what they told you was important. This model is a continuous loop taking feedback from “the field” in the shape of customers, sales and, ultimately, service people.

Our “sea of sameness” research suggests that marketing does not appear to be providing relevant and distinct value propositions to customers, so sales has a heightened role to drive for better from marketing, and by presenting a regular flow of dialogue back from customer conversations.

We acknowledge that in an immature state there could be some semblance of dialogue between the customer, sales and marketing that is really “single-loop”. If your conversations are just about marketing tactics not working, sales not executing against leads, or the need for more marketing events, you are

not standing back and “double-loop learning”. So, we only view a cohesive loop as working optimally if there is a virtuous learning cycle, not finger pointing to detract from your own performance.

Cohesive learning skills for sales professionals

So where does the future lie in terms of learning for abilities sales professionals and the organisations they work in? Heather McGown (2019) in her recent Forbes article describes the trajectory of different eras of human work that have moved from a time when we did everything ourselves, to learning a skill/ trade we could exchange (this would be selling in our case), to developing a highly focused specialism (we would describe this as learning sales techniques and methods, key account management, value-based selling, Challenger selling, etc) to the contemporary need to be able to “learn, adapt and create new value” (which we would relate to creating, delivering and communicating customer value).

The dynamics involved in learning, adapting and creating new value mean that, in order for salespeople to excel at boundary spanning, helping their organisations learn and operating cohesively, they need what McGown calls transdisciplinary skills: these are skills that are produced from learning agility. What is becoming clear is that the experienced sales professional is actually more than a collection of trained technical skills (knowing what). There is also a high degree of competence (knowing how and why) involved too, and our research into sales competence and transdisciplinary skills shows how technical ability, expertise in action, and wisdom from experience combine to create highly differentiated customer value.

Why is this happening – more than just a hunch?

For salespeople it looks like you are generally starting from a position 60% of the way through a sales cycle where the customer will have little or no clarity about what sets you apart ➤

from a competitor. So why is this happening?

We already talked about the human tendency towards strategic herding as a contributory factor. Informal discussions with sales and marketing professionals offer other potential explanations. Lorri, VP of Marcoms at a US Telco, told us that when she was involved in an acquisition there was a need to get a new website up fast, so using other company websites as a benchmark for what to say was the quick fix. Tony, a former Sales VP at a Global Telco pointed to the practice of hiring people from the same industry.

Our strong hunch is that there is a personal competence and organisational capability at play here. After all, it's people who write the marketing communications and have the customer conversations. In earlier research into how sales and marketing worked together to develop value propositions we were given some insights into potential competence gaps in marketing and sales. Laura, SVP of Sales at a Global Telco, seemed to suggest that getting the cohesive loop to function could be a major challenge:

“If marketing has no customer intimacy then sales has to translate very clearly and articulate a very good assessment of our customers and, if we're not good translators to share that intimacy of our customers or our industries with marketing, then marketing will have a very poor chance of creating things that resonate with our customers.”

Meanwhile, Terry, Vice President of Sales at a Global Mobile company, focused on a perceived sales competence gap in value proposition development:

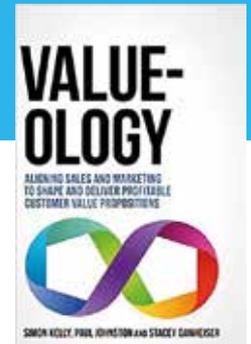
“Value propositions are really not easy in terms of do people understand the benefits. That's probably the hardest part of this. Certainly, a level of intellect and analytical capability that perhaps isn't always a requirement in an average sales force. I think it's still quite a rare skill in a way.”

We are about to embark on research to try and find an answer to the question: What competencies, attitudes, and behaviours are required to enable the development of competitive differentiation, to help organisations swim away from the “sea of sameness”? Over the next few weeks we will be interviewing sales and marketing professionals to get their take on this. If you would like to take part in this research, please get in touch. **You can download the “sea of sameness” whitepapers at www.shakemktg.com. To take part in the “Sea of Sameness research contact Dr Simon Kelly at simon.kelly@york.ac.uk.**



About the author

Dr Paul Johnston is co-author of *Value-Ology* and a former lecturer at Sheffield Business School. His research specialism is B2B marketing management. Prior to this, he spent 20 years in the gambling and electronic games industry with board-level roles in competitive strategy, key account management, marketing research and product innovation roles.



About the author

Dr Simon Kelly is a Lecturer in Sales and Marketing at York University. He has 35 years' experience in the ICT industry in customer service, sales and marketing. He was Marketing Director for BT Major Business where he pioneered the move from “product push” to “value-based” selling and marketing. He led a canon of knowledge for the Chartered Institute of Marketing on best-practice B2B marketing. Now a “pracademic”, he has developed innovative marketing and sales skills modules for Sheffield Business School. He is President of SHAKE Marketing Group, based in London.



About the author

Stacey Danheiser is co-author of *Value-ology* and President of SHAKE Marketing Group, based in Denver, Colorado. She works with B2B clients to implement integrated marketing strategies and teach them about customer-centricity. Prior to starting her own consultancy, she spent 15 years as a marketing and sales enablement leader at large firms across cable, telecommunications, financial services and banking sectors.