



# Buyer 2.0 and Solution Selling<sup>®</sup>

Part II of a II part series:  
**Adapting to the New Paradigm**

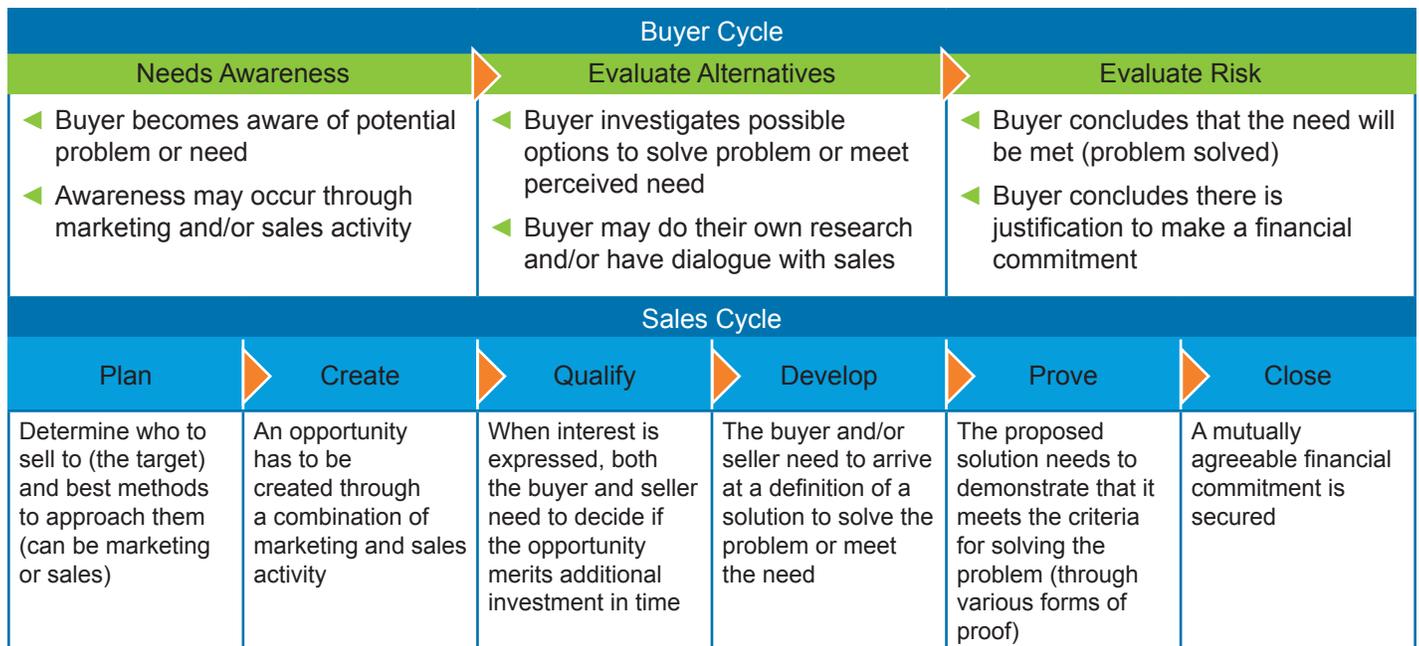


# The B2B Buyer/Seller Framework

Part II of a II part series...

In part one of this white paper, we closed with an illustration that depicted the diminished involvement of the salesperson in the early and middle stages of today’s buying process. Before delving into how sales organizations need to adapt to Buyer 2.0, it is useful now to consider an integrated “buyer/seller framework” that has a general application for typical B2B scenarios.

While there is no “universal” sales process for B2B, some combination of marketing and sales resources typically navigate a sequence similar to the one illustrated here:



The variations in this framework are typically driven by the following:

- **Role variations** – some roles may be involved in a subset of these steps [for example, a telesales group might only focus on the first two steps and pass off leads to sales for additional qualification and development]
- **Solution complexity** – simpler offerings may require much less elapsed time between steps and less activity within each step
- **Customer status** – existing customers may require less early stage activity because your organization is a proven entity

But the important aspect of this illustration is in the *Buyer 2.0 World*, these steps are still navigated – but the way this occurs is becoming very different than in the past. As a result, sales (and marketing) organizations need to adapt how they navigate the overall sales process in a number of ways.

## Adapting to the Buyer 2.0 Paradigm

For companies that strive to market and sell high value solutions, there are many potential ramifications of the new buyer paradigm. In addition, the “Sales 2.0” phenomenon has produced an avalanche of new ideas, techniques, and technologies that purportedly will drive success in this new selling environment. As a result, many organizations are in reactive mode, with highly fragmented approaches for dealing with new types of selling (and marketing) challenges.

To simplify and organize our thinking, there are three key factors of the new buyer paradigm that, if thoughtfully considered, can help your organization successfully evolve:

1. Marketing and sales are becoming more blurred than ever
2. B2B buyers are becoming highly informed “comparison shoppers”
3. Risk aversion is the “new normal”

Each of these factors relate closely to distinct stages in the “buyer cycle.” In the paragraphs below we will discuss each of these, and ultimately tie them to an updated buyer/seller framework that can serve as a model for effectively selling solutions in today’s marketplace.

## Marketing and Sales Blur

The tenets of business development (“stimulating interest”) within traditional Solution Selling® are still very relevant for marketing and sales - don’t lead with product, focus on critical business issues, focus on how you’ve helped others and be concise! The dilemma for salespeople today is that they are to some extent being forced out of the early, “interest stimulation” aspects of selling. The downside of this scenario is that win/loss ratios typically favor sellers that are involved earlier in the buying cycle, as opposed to reacting to an active need.

In addition, marketing has far less control of the perception of your company in the marketplace. With the emergence of blogging, discussion boards, improved search engine optimization, third party information aggregation services, and social networks with communities (think groups on LinkedIn, etc.), there are more conversations, opinions, experiences and information about you, your company and your products and services in cyberspace than ever.

While you can’t control the message, you can monitor, listen to, and participate in it as well as help to shape it. Messaging and credibility-building is no longer just the role of “formal” marketing. Many marketing organizations simply don’t have the bandwidth to operate at levels this granular. To get back to the “front” of the sales cycle, the sales professional must now extensively engage in “informal” marketing. So salespeople need to participate actively in industry or community discussion groups to demonstrate thought-leadership and credibility. They need to regularly engage in discussions that are talking place in relevant communities. To accomplish this, sellers need to become “social media literate” – they need to become power users of new tools and technologies that allow them efficiently engage when buyers are forming their initial ideas about a potential problem or need (more on this later). Marketing and sales need to be better connected than ever before... selling is shifting into traditionally pre-funnel activities and marketing is shifting in-funnel.

- ◀ Key Sales Takeaway: Sellers must become highly effective “micro-marketers.” They must become capable users of new social media tools and technologies to get back to the “front” of the sales cycle. “Micro marketing” is about building relationships, credibility, providing value but not about overtly selling.

## The B2B “Comparison Shopper”

Armed with an abundance of information resources, the new buyer is empowered to conduct extensive research and fact finding when they suspect they have a problem or need. More often than not, by the time an actual sales conversation takes place, the new buyer usually has a premise that is already forming about the nature of their problem and how to solve it. This doesn’t mean they are fully aware of the scope of their problems, the underlying reasons for them, or the financial impact to their business. It also doesn’t mean they are objectively informed; but, their perspective has already been shaped and influenced by a variety of resources and mediums.

This means that a different level of sales conversation needs to occur – one that is somewhat of a hybrid between traditional “vision creation” and “vision reengineering” consultative conversations. The seller needs to quickly ascertain where the buyer is in the buying process (phase I, II or III), what the buyer knows about the selling organization and its offerings, what they know about competitive offerings, and diagnose the overall state of the buyers “premise.” The ramifications here are clear; the seller must be highly “situationally fluent” with respect the buyers industry, issues, competitive alternatives – as well as be able to objectively validate or challenge the perception of the buyer.

In addition, buyers may already have formed an opinion of the value a seller will bring to them if and when (and whether) they decide to engage them. They may have searched for you on LinkedIn, Facebook, etc. to formulate an opinion of you. Not only should that search put you in a favorable light if your information and content is appropriate, but the search needs to foster “social credibility” – participation in thought leadership conversations, authorship of white papers, associations that suggest professionalism in your job, etc. Buyers are looking for relevant mutual connections that they can reach out to. Likewise, you can explore the same avenues to build up a better understanding of the buyer once you are aware of them. In essence, buyers are “comparison shopping” not only solutions but the people behind them.

- ◀ Key Sales Takeaway: Sellers must become “consultative challengers.” They must be “situationally fluent” consultants who can quickly and objectively validate or re-frame a buyers existing premise.

## Risk Aversion as the New Normal

Recent industry research indicates that nearly 50% of forecasted opportunities fail to close. It isn't that companies fail to perceive problems they need to solve, or opportunities they can capitalize on. It's that for some combination of reasons, taking action and making financial commitment just doesn't happen on half of “qualified” sales opportunities. There are a number of potential factors that contribute to this “failure to close.”

The overall economic climate has undergone multiple forms of trauma in the past decade. The Internet bubble was closely followed by events of 9/11, and more recently the instability of the global financial system has suppressed corporations' willingness to invest. A by-product of this environment has been the emergence of increasingly sophisticated purchasing functions in corporations. These organizations have typically undergone extensive training in effective procurement and negotiation practices, and create a new layer of “sponsorship” for sellers to navigate successfully.

So the Buyer 2.0 environment is not just a more informed consumer, it also involves an increasingly more risk averse and sophisticated purchasing function. As a result, salespeople will need to elevate their abilities in multiple areas to drive more acceptable close rates. Sales professionals in the Buyer 2.0 world will need to be exceptional in their abilities to position, articulate, and defend the value of their offerings. Purchasing organizations are also arming themselves with formidable negotiating capabilities. In many In addition to increased levels of business acumen, sellers need to be well versed in principles of effective negotiation.

These higher levels of proficiency will require investment in both education and tools that integrate business acumen and value-based execution through the entire sales process (we call this the “value cycle”). The sales professional must be insightful and effective at legitimately helping the buyer rationalize the need to take action – in a manner that is mutually beneficial to both buying and selling parties.

- ◀ Key Sales Takeaway: Sellers must become effective “risk managers.” They must be able to skillfully position and demonstrate defensible value to increasingly sophisticated buyer organizations.

## Adapting Sales Process and Methodology to Buyer 2.0

As we re-visit the integrated buyer/seller model and consider the ramifications of Buyer 2.0 on the marketplace, we can begin to form a clearer, more structured picture of necessary changes with respect to sales process and methodologies. The demands of this new environment suggest three distinct “sub-roles” for sales professionals.

- The “micro-marketer”
- The “consultative challenger”
- The “risk manager”

These sub-roles align with closely with the buyer cycle, and the illustration below depicts an updated buyer/seller framework.

Buyer Cycle					
Needs Awareness		Evaluate Alternatives		Evaluate Risk	
Sales Cycle					
Plan	Create	Qualify	Develop	Prove	Close
New Roles					
Seller as “Micro-Marketer”		Seller as “Consultative Challenger”		Seller as “Risk Manager”	
New Activities					
<ul style="list-style-type: none"> <li>▪ Proactive territory/account planning</li> <li>▪ Monitor / react to business triggers</li> <li>▪ Monitor / participate in social conversations</li> <li>▪ Monitor relevant web “content” and route to prospects</li> <li>▪ Influence your perception as SME (forums, blogging, etc.)</li> <li>▪ Network and leverage industry connections</li> </ul>		<ul style="list-style-type: none"> <li>▪ Establish credibility quickly</li> <li>▪ Quickly validate or challenge buyer premise (“situationally fluent”)</li> <li>▪ Industry knowledge</li> <li>▪ Capability knowledge</li> <li>▪ Solution knowledge</li> <li>▪ Competitive “knockouts”</li> <li>▪ Agile with research and alternatives</li> <li>▪ Value based on differentiation</li> </ul>		<ul style="list-style-type: none"> <li>▪ Clearly define differentiated value</li> <li>▪ Provide quick, effective forms of proof</li> <li>▪ Clearly define solution evaluation approach</li> <li>▪ Negotiate effectively</li> <li>▪ Access to capital</li> </ul>	
New Tools and Resources					
<ul style="list-style-type: none"> <li>▪ Marketing automation (participation)</li> <li>▪ Campaign &amp; Lead tracking</li> <li>▪ Nurture marketing</li> <li>▪ Open business directories (Jigsaw, ZoomInfo)</li> <li>▪ Social media (LinkedIn, Twitter, Facebook))</li> <li>▪ Business intelligence tools (InsideView)</li> </ul>		<ul style="list-style-type: none"> <li>▪ Social media (Twitter, LinkedIn, Facebook, industry blogs/forums)</li> <li>▪ Business Intelligence Tools (InsideView)</li> <li>▪ Easily accessible sales tools</li> <li>▪ Diagnostic models</li> <li>▪ Problem/solution maps</li> <li>▪ Competitive comparisons</li> <li>▪ Case studies</li> </ul>		<ul style="list-style-type: none"> <li>▪ Web presentation tools (WebEx, GoToMeeting)</li> <li>▪ Value (ROI) calculators</li> <li>▪ Collaborative tools (wikis, etc.)</li> <li>▪ Online proof of concept demonstrations</li> </ul>	

## Summary

While this model is neither universal nor exhaustive, it provides a framework and direction for the types of skills, activities, and tools that are becoming new essentials for effective sales execution. This updated thinking is a significant driver for new sales learning and development programs.

In early 2012 we’ll be announcing Solution Selling 2.0. This major update to the proven, results-driven methodology and training curriculum will directly address the Buyer 2.0 impact to sales process, methodology, and the sales training approach.

## About Us

Sales Performance International (SPI) is a global sales performance improvement firm dedicated to helping the world's leading corporations elevate their sales relationships and drive measurable, sustainable revenue growth and operational sales performance improvement.

Founded in 1988, SPI has been the leader in helping global companies successfully transition from selling products to marketing and selling high-value solutions.

With extensive sales performance expertise, deep industry knowledge, global resources and a proven track record, SPI collaborates with clients to deliver strategic, operational and tactical solutions.

SPI has assisted more than 1,000,000 sales and management professionals in more than 50 countries and 14 languages achieve higher levels of performance.



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