

DESIGN BLUEPRINT

SALES METHODOLOGIES

To earn customers in a B2B environment you deploy a sales methodologies. This sales methodology will dictate your sales process. The sales methodology is not the same for every customer or market. For example: you can't expect to apply a \$100,000 consultative sales effort to help a customer buy a \$5/month service. On the other hand you also can't expect to win a \$1M deal spending \$5 in effort! This indicates there are different B2B sales methods. B2B sales is governed by the following methodologies.

- **DIY Self Service:** A complete end-to-end web experience where clients educate themselves and complete the purchase online.
- **Transactional selling:** Help a customer buy the solution they picked themselves often through online research. These customers often are in a hurry and ready to buy.
- **Solution selling:** Customers already understand their problem and want sales to address specific issues with products and services. Customers buy in days to weeks.
- **Consultative selling:** The customer does not fully understand the problem. Sales has to diagnose the customer's situation to determine the right solution. Sales can take 6-18 months.
- **Provocative selling (ref: HBR Provocative Selling):** Sales experts can identify clients who will face a problem before the client himself knows. They provoke a client executive into action. Often applied to innovative solution this B2B sales methodology takes anywhere between 3 to 9 months.

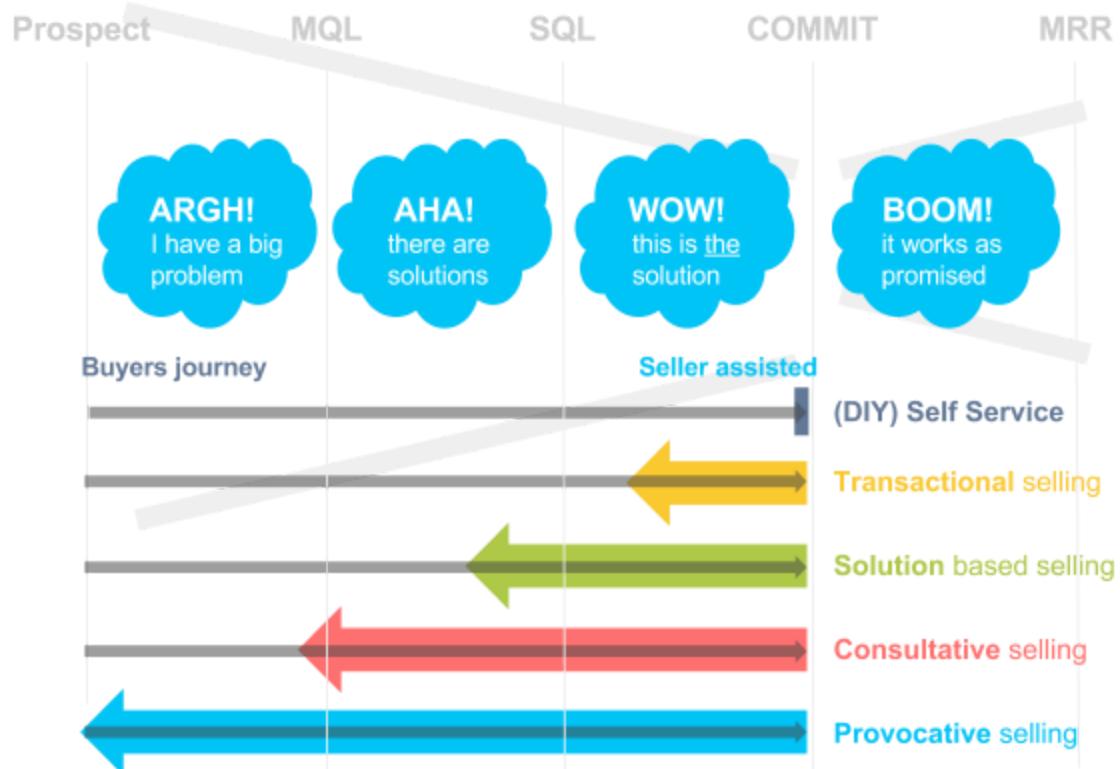
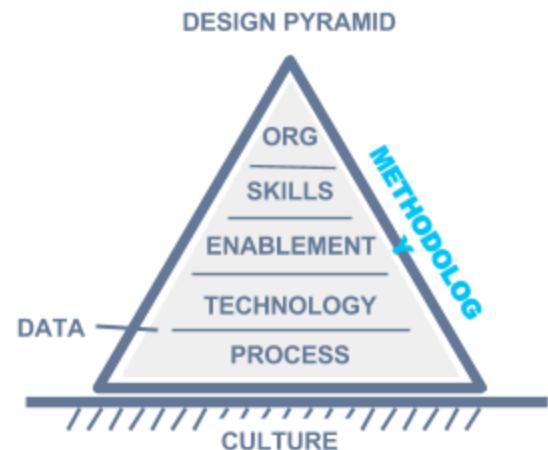


Figure 1. Different Selling Processes that govern B2B Sales

In this blueprint we will focus on Transactional, Solution, Consultative and Provocative selling.

TRANSACTIONAL SELLING

The transactional sales process is a reactionary one. Customers know what they want and they are price shopping for lead times. They may be willing to forfeit a specific feature if it can save them a lot of money. Clients don't value the role salespeople perform and prefer that salespeople be excluded from the process altogether, or replaced by web-based and text/chat in which they get to the point, short answers.



Figure 2. Transactional Selling in which clients do most of the education on their own

When to use? Transactional selling is best used in high volume, high velocity, inbound, low cost. Think of selling <\$1,000 ACV, <30 day sales cycle, and 20+ deals/month per AE

SOLUTION SELLING

The solution sales process is a reactionary process. A customer understands the problem and has a pretty good idea of what solution they are looking for. They are not quite price shopping (making it transactional) and looking for specific features they are willing to pay more for. They may have narrowed it down to 2 or 3 providers all by themselves, when they reach out to you.



Figure 3. Solution Selling often following an Inbound Lead

When to use? Solution selling is best used in medium volume, high velocity based inbound. Think of selling \$5,000 ACV, ~30 day sales cycle, and cutting 5-10 deals/month per AE

CONSULTATIVE SELLING

In consultative selling you are investing early-on in the client to educate them what is important based on what you have seen in the market. You are educating the customer and help them understand the real problem and how to look for the right solution. Your experience is represented in their requirements in the form of features and functionality. You may help them write the RFP/RFQ. This kind of deal is often earmarked with a Proof Of Concept making the consultative sale significantly longer. What you notice is that during the consultative sales process we gradually ramp up the quality of resources used, as we navigate through the client's organization.

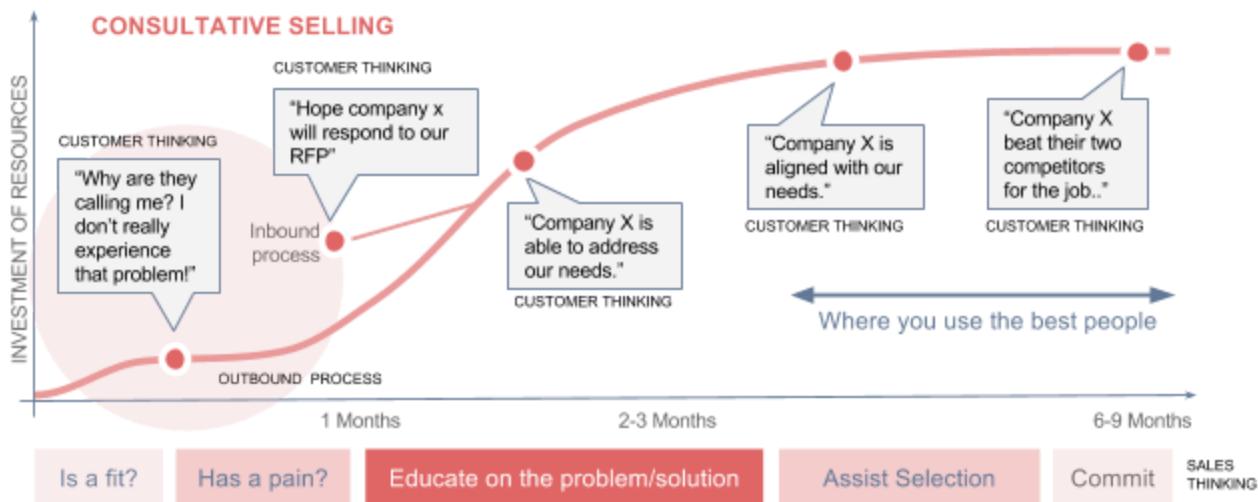


Figure 4. Consultative Selling often following Outbound Lead Generation/Development

When to use? Consultative selling is best used when you are selling platform like solutions, involving a number of decision makers. Think of a CRM for \$20-100k ACV, 6-18 month sales cycle, and 1-3 deals/quarter per AE.

PROVOCATIVE SELLING

When you are representing an innovative solution that challenges the status quo you cannot rely on the consultative process as most clients do not realize there is a problem lurking. In particular RFP/RFQ which is a process designed to flush out lowest price/minimal spec. Thus you have to rely on provocative Selling which has gained popularity through a methodology called the Challenger sale.

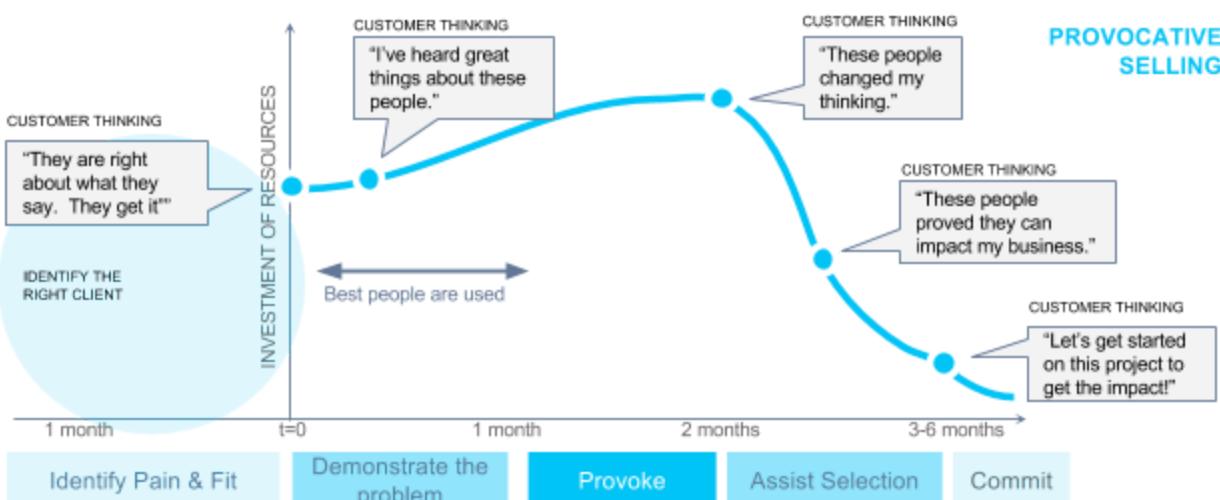


Figure 5. Provocative Selling Only recommended to deploy on specific accounts

When to use? Provocative selling is best used when selling innovative solutions that address a CEOs top issue. Think of a revolutionary way to do ERP, 6-9 month sales cycle, \$250k ACV and 1-2 deals/quarter per AE.