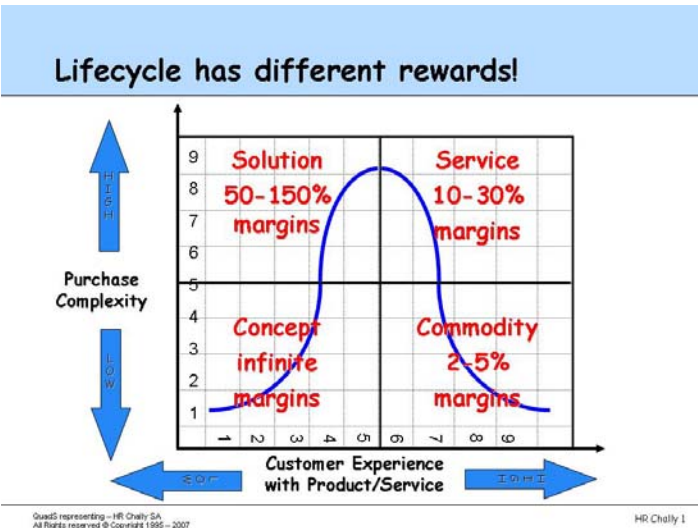


## The killer application

I have just downloaded a "Killer Application" for my Windows Mobile Smartphone and it reminded me of the days when Word Process and e-mail were killer applications and we even stopped writing ROI documents on e-mail as the customers just had to have the



product irrespective of the cost-to-company or the return on the investment. This quadrant graph shows the importance of designing that killer application, because I can bet you I didn't need a "world-wide-clock" on my cellular phone but I can assure you I wanted it at (virtually) any price!

Which brings me to the matter of the correct sales resource operating in the correct market, product, customer, skill set etc., I didn't need a sales person when I "bought" my killer application and I didn't care about margins. However, a lot of my customers are deploying high cost resources to service Commodity Products in mature markets and the only way they can win the business and differentiate themselves is through price action. Everyone else has a like product and the feeds and speeds (the "WHAT") translated to the benefits (the "so WHAT") have been churned out by every competitor and the only way the customer can differentiate is through the price tag.

If we didn't need a salesperson in the bottom left hand quadrant of the Life Cycle matrix because of my urgent need to have the killer application, then we also don't need an expensive, living breathing salesperson in the bottom right hand quadrant. Here the margin is low and is being continually squeezed. At a call on one of the cellular providers recently, I was struggling to understand their go-to-market model and the sales director mentioned (in passing) that it won't be long before voice calls are FREE. Yet, they were thinking of "training" their sales team that operates in that quadrant on commission! Who'd want that job?

A training associate once called this quadrant RFM or Replaced by FAX machine. Innovative ways must be sought to service these customers in a least-cost way. In my sales career we had 2 salespeople and 3 dedicated system engineers on just one of the major mining houses when they were in the top left hand quadrant. But as they got to know mainframe computers, and most fixes and even upgrades became available on the internet, they were quickly serviced by NO staff and their only contact with the vendor was through an on-line "configuration machine", ordering and tracking system delivered over the internet. I might add that they still spend many millions with that vendor who deployed NO sales force! They migrated from HIGH complexity and LOW knowledge to HIGH knowledge and LOW complexity.

You get the picture; we need different sales resources at different times in the life cycle of the product, market or customer skill level.

So, if you find your product or service in the Service or Commodity quadrants and you hanker after the higher margins of the left most quadrants what do you do? Firstly, wrap your product or service in a layer of added value that YOU THINK only you can supply and call it a solution. If it is (HIGH) complex enough that the customer feels they have a LOW Experience with the "solution" then viola, you are there. This is why most teams talk about moving from a commodity to a solution sell. There is actually no such thing! It is the product or service that has the characteristics of a Complex or Commodity item and the customer treats them accordingly. A very expensive mistake is to take a commodity and wrap it in a complex service package just to try to differentiate. The customer often sees through this, and if you want to sell that box anyhow, you'll either have to strip away the "added value" or give them away for FREE as you are caught in the price reduction trap - that is a "clothed commodity" not a solution.

### ***How do you create a solution?***

Well, almost never by yourself, you have to identify an extended need in the client and cobble together a solution for the need that may take into account a number of disciplines. These, once delivered, bring a solution to bear on the clients' problem. To do this, you have to act differently to the sales resource in the other quadrants.

## Trusted Partner

To ferret around in my business and have the trust and credibility granted to you to do that, you need to become my trusted partner. In these results from the [Chief Sales Officer \(CSO\) 2009 insights](#)

### 2009 survey results



Trusted Partner				
Strategic Contributor				
Solutions Consultant				
Preferred Supplier				
Approved Vendor				
Source CSO Insights	Random Process	Informal Process	Formal Process	Dynamic Process

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[Chief Sales Officer \(CSO\) 2009 insights](#)

survey, to become a Trusted Partner requires that the salesperson has certain skills, the vendor can deliver on this promise and the sales process follows a "Dynamic Process".

Trusted Partner status can be achieved by very special sales people that operate with a

formal or even informal sales process but this is becoming increasingly rare as sales team vie with each other to become world class. Even if they should try to do this, as they come up against a sales team who operates in a dynamic process their chances of winning decrease exponentially - IRRESPECTIVE of their skill! Equally, a random sales process will enable you to become an approved vendor in the commodity quadrant but it is unlikely that you'd ever become a trusted partner.

Now, process is not just having a few phases that the sales opportunity passes through on its way from a suspect, to a prospect and finally to an order. Most CRM systems apply these most basic stepping stones to the sales process and the **United Professional Sales Association**

### Levels of Sales Process

#### Process Maturity Levels



- 1. Random Process** - Your company may be perceived to be anti-process, though what you really lack is a single standard process. Essentially, every salesperson does their own thing their own way
- 2. Informal Process** - Your company exposes your sales people to a sales process and indicates that they are expected to use it, but the use is neither monitored or measured.
- 3. Formal Process** - Your company regularly enforces the use of a defined process and you conduct periodic reviews of the process to ascertain how effective it is making changes where necessary
- 4. Formal Process** - Your company regularly enforces the use of a defined process and you conduct periodic reviews of the process to ascertain how effective it is making changes where necessary
- 5. Dynamic Process** - Your company dynamically monitors and provides continuous feedback on salespeople's use of the formal process which can be proactively modified when you detect market changes

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([UPSA](#)) defines these steps as follows;

Corporate Selling Strategy	SP1	SP2	SP3	SP4	SP5	SP6	SP7	SP8	SP9
	Strategize	Market	Target	Support	Accept	Commit	Fulfill	Protect	Expand

Transaction Focus

You can call it just about anything and at QuadS we like to use 5 fingers to tick off, FIND, QUALIFY/CRAFT, CLOSE, DELIVER EXPLOIT. These 5 basic phases have been in operation since the late 1930's. But defining them doesn't define a process, only steps in the opportunity cycle. Process is the manageable steps which the salesperson must do and the sales manager must manage which make up each of these individual phases. But that is another discussion. The proficiency that your team adopts in delivering on these process steps, defines their ability and maturity of process and we have defined them as follows:

## Sales Relationship Process

### Relationship Maturity Levels



1. **Approved Vendor** - You are seen by the majority of your customers as a legitimate provider of the product or services but are not recognised as having significant, sustainable competitive edge over alternative offerings
2. **Preferred Supplier** - Based on your marketplace reputation and past dealings, while competitors may offer alternatives, you are seen, for whatever reason, as a preferred vendor.
3. **Solutions Consultant** - Based on a specific set of product related, value adding, insights or services, they see you as a consulting resource on how best to implement solutions consisting of like product and services.
4. **Strategic Contributor** - Above and beyond the products or services you offer, customers see you as a source of strategic planning assistance for dealing with broader based challenges they are currently facing
5. **Trusted Partner** - At this the highest level you are seen as a long-term partner whose contributions - products, insights, processes - are viewed as key to your customers long-term success

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Following a process allows one to be proactive and behave predictably in customer contact, and because the process is carefully managed by the vendor manager, it becomes **repeatable, effective and efficient**. This means, that the customer experiences good service, not just from

the current salesperson but from the enterprise as a whole and this allows them to gain the credibility and trust to be elevated to the rank of Trusted Partner. Once that status has been achieved, then the customer sits down with a vendor and defines a solution using their help, that no-one else can even come close to understanding. It may be made up of commodities and services that a number of vendors could deliver. But only one has the trusted status to collaboratively put it together.

Are the margins attractive enough for you to build the **Maturity and Capability** model of **Relationship and Process**? The one depends on the other, depends on the other, depends on the other. . .