



Want to grow your sales? Don't hire a relationship builder...

This business breakthrough report has to challenge your thinking. It has to challenge you because, according to the research, the key to sales success is to challenge!

Whether you sell complex solutions or simple products and services – if you want to grow sales the evidence says you should avoid building *'the-customer-is-always-right'* relationships.

What's reassuring is that even big businesses make the mistake of not challenging, preferring to focus on building non-challenging relationships.

Here's a global head of sales in the hospitality industry saying:

"...this is really hard to look at. For the last ten years it's been our stated strategy to hire effective relationship builders."

Neil Rackham, founder of a world-renowned sales training company, says:

"...It (a customer relationship) is a reward that the salesperson earns by creating customer value."

If you help customers think differently and bring them new ideas – which is



...help your customers navigate their challenges

what the 'Challenger' rep does – then you earn the right to a relationship."

A subtle but vital distinction.

In a nutshell

You need to recruit **Challenger** sales people – not relationship builders.

And train all your existing sales people in the skills of being a Challenger.

Only then will you earn the right to a profitable customer relationship.

Towards the complex sale

The simple product or simple service sale is prone to commoditisation – and this drives prices down.

For this reason, it's not surprising that 75%+ of businesses express their desire to be

seen as a solution provider (complex) rather than a product provider (simple).

But for solution selling to work you have to be seen to be solving a genuine problem for your customer.

For this reason, you need to be seen as a Challenger to help your customers navigate the maze of complexity they are dealing with.

A proven solution for you...

Build 'Challenger' selling skills to grow sales.

This means getting better at teaching, tailoring to and asserting control with your customers.

5 types of sales person

A massive and sophisticated study of 6,000+ sales people across 90 companies points to 5 behavioural clusters of sales people:

- The Hard Worker
- The Challenger
- The Relationship Builder
- The Lone Wolf
- The Reactive Problem Solver

Which one best describes your business's approach to selling?

The evidence says it's the Challenger who is most likely to be a sales-star in more complex sales.

The Challenger pushes the customer, loves debate, understands the customer's business and always has a different view of the world.

As a result, they are best at dealing with known and unknown challenges the customer is experiencing. The Challenger helps customers navigate their maze of problems, delivers real value and earns the right to sales success.

Xerox show us the way...

When Xerox adopted the 'Challenger' sales approach in 2013 they achieved sales growth worth £52m:

"We want our sales force to deliver insight and value, not sales pitches. That's why our entire organization is being trained on the skills and behaviours that make Challengers successful."

– Kevin Warren, Xerox

Xerox set about challenging their customers on the importance of colour.

By using a challenging insight with customers – that 77% of students agree that colour boosts performance – Xerox saw a 17% increase in sales.

The most difficult time...

Matthew Dixon and Brent Adamson were driven to find out what made for successful selling in 2009.

You'll find their findings in the excellent book *'The Challenger Sale'* and more on the Corporate Executive Board (CEB) website – see the download tools for more information on both.

What drove their initial research was the impact of the 2008 financial crash and the recession that followed. If you could be successful at selling at this time it would make you good at selling anytime!

Learn to be a Challenger

Dixon and Adamson discovered that the skills, attitudes, behaviours and knowledge of being a Challenger can be learned.

And if your business installs the tools, training, coaching plus a reward and recognition process you'll build a more 'challenging' sales team.

It worked for SAP (a global software solutions business). Between 2012 and 2016, 5,500 sales people attended Challenger training.

As a result, they closed 26% more deals than before they were trained. They also generated 15% more sales opportunities than those who had not been trained.

What sort of difference would this make to your sales growth?

The challenge of 3 key skills

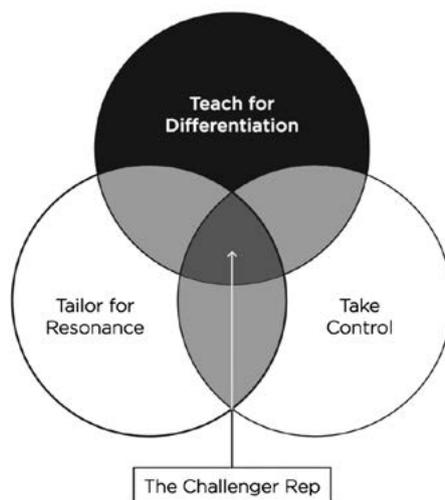
One skill is not enough. Success at being a Challenger depends on a **combination of 3 skills – teach, tailor, control**. Here's what Dixon and Adamson say:

"If you TEACH without tailoring your approach to the different individuals within an organisation, you come off as irrelevant."

If you TAILOR to but don't teach your customers something new, you risk sounding like every other supplier."

If you TAKE CONTROL but offer no value, you risk being simply annoying."

The combination of the 3 matters.



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1. Challengers teach customers

Dixon and Adamson's evidence suggests that 53% of what drives B2B purchase decisions is the salesperson's ability to teach the customers something new or challenge their thinking.

Work out and share new ideas with your customer that can make them money or save them money – these are even more potent if they're ideas your customer hadn't realised even existed.

Just like Xerox did around the insight that colour boosts performance – this boosted Xerox sales by 17%!

But be commercial.

"The sweet spot of customer loyalty is outperforming your competitors on those things you've taught your customers to be important."

This means your business has work to do to strengthen the strengths you have (like Xerox

on colour) that will also give your customers a win.

Share a commercial insight and bring a unique and provocative perspective on your customer's business – it's far more valuable than sharing features and benefits alone.

2. Challengers tailor their message

Successful Challenger sales people seek widespread support across a customer's team – because they know in a complex decision consensus will be sought to make the decision.

It's not enough for a sales person to get the approval of the highest-ranking decision-maker.

The challenges and the messages that are relevant to the MD are different to those of the engineer using, say, a new robotic arm or new software tool. The quality manager will have another different perspective too. And what about the packaging team?

Challengers will position their sales pitch to different types of customer stakeholders within the organisation – they'll tailor their message.

It's hard to do this 'on the hoof'. It requires preparation and planning. Start to anticipate the different people involved in a buying decision, what their issues will be and your unique insight that can help them.

3. Challengers take control

If 80% of buying decisions are lost to no decision at all, what do you do?

Take control.

"Challengers are assertive – they tend to 'press' customers a little – both on their thinking and around things like pricing."

"...being assertive does not mean being aggressive or, worse still, annoying or abusive. This is all about the reps' willingness and ability to stand their ground when the customer pushes back."

– Dixon and Adamson, *The Challenger Sale*

Challengers are comfortable with tension and are unlikely to acquiesce to every customer demand. When necessary, they can press customers a bit – not just in terms of their thinking but around things like price.

The challenge of being a Challenger?

You don't learn to be a Challenger overnight. Time and effort is required to learn and build the 3 skills – teach, tailor and control.

But you already know your business well. You already have a good understanding of your customers' businesses too. Investing time in seeking a unique insight for your customers that you can help with takes work. But it's work that can bring sales success.

To get a checklist of what to do in a Challenger sales conversation check out the download tools link you'll find on the last page.

TIME TO DISAGREE:**“We are trying to make selling our ‘stuff’ as easy as we can – this all makes it seem way to complicated”**

Selling is hard because buying is hard.

Different studies suggest there's anywhere between 5 and 10 people involved in a buying decision.

Worse, the diversity of expectations makes it hard for people to agree on the purpose, price and success metrics of your sales offer.

It pays to accept that sales isn't easy and put the work into figuring out how you can teach, tailor and control your buyers' experience.

This becomes even more important when you realise that 53% of the buying decision relies on the quality of your buyers' overall experience of the sales process (the value-to-price ratio has only a 9% influence) according to the research by the authors.

“My competition aren't challenging our customers, they are trying to make it as easy as possible to work with them!”

If by making it easy to work with them they are simply being nice and investing lots of time and networking across your customers, they are being relationship builders. These rarely grow sales.

As stated earlier, the research by CEB, from the book 'The Challenger Sale', suggests that in complex sales the star sales performers are 200% more effective than all the other types of sales people (including relationship builders). And the star performers are more likely to be Challengers than any other type of sales person.

Use the Business Bitesize Support Tools And Resources to help you make the most of this edition of Business Bitesize – go here: www.businessbitesize.com/pentlands

Your feedback is important to us. We'd love to know what you think of this edition of Business Bitesize and how you use it or plan to use it. Also we'd welcome your suggestions for future editions of Business Bitesize. To give us your thoughts please use the simple feedback form here: www.businessbitesize.com/pentlands

And Challengers have a deep understanding of their customer's business, using that understanding to push their customer's thinking and teach them something about how they can make their business more effective – like Xerox did using colour. They are creating a debate with the customer that's relevant to the success of their customer. And then driving them to take action.

“When business is tough it's about being in the right place at the right time whether you're challenging or not!”

The research by Dixon and Adamson kicked off in 2009 when the last recession was at its height.

At this time most sales people were wondering when things would pick up again. However, the research showed that a few sales people continued to win sales for their business – Challenger sales people were recession-proof.

Those that succeeded used a blend of teach, tailor and control – these Challengers were winners even when it was as tough as it gets.

“Please tell me more”

Neil Rackham left the UK and successfully built a global sales training company from the USA.

So, when Neil suggests that:

“...any sales force that ignores the message of this book does so at its peril.”



...it's worth taking note. He goes on to say:

“In recent years, customers have been demanding more depth and expertise. They expect salespeople to teach them things they don't know. These are the core skills of Challengers. They are the skills of the future”

'The Challenger Sale' is essential reading for anyone wanting to grow sales.

Get Your Bitesize Support Tools Now

**4 helping hands for you...**

It can be really hard to acknowledge that the relationship builders are not helping us grow the sales across our businesses.

We need to see ourselves and our salespeople as Challengers.

And we need to turn our attention to building the skills of 'challenging' if we are to grow sales:

- 1. Be clear that relationship builders can be useful, but they are not your best source of sales growth – Challengers are**
- 2. Build your sales team's teaching skills and knowledge**
- 3. Build your team's tailoring skills and knowledge**
- 4. And build your team's abilities to show control when it's needed.**

ULTIMATE ARGUMENT:

“How do I know that challenging our customers will help us grow sales for our business?”

Xerox added 17% to sales by challenging their clients on colour and helping them see how to get value from the use of colour. This has been worth tens of millions of pounds to Xerox.

When you start to focus on challenging your customers you too could realise sales growth. But only if you give it a serious try.

What's to lose from better understanding your customer's business, engaging in debate, pushing your customer a little and sharing a different view of the world? You'll be demonstrating a level of care and a determination to help not seen before.

STOP: seeing relationship building as the path to increased sales

START: challenging your customers to think differently about their business



Your next steps:

If you believe you can grow sales by building 'the-customer-is-always-right relationships', you're going to struggle.

SAP (global software solutions) increased the number of sales opportunities by 15%. They also increased sales-agreed by 26% – by being challenging with customers.

Xerox also challenged their customers and saw sales increase by £52 million.

Isn't it time you worked out how to hold more challenging conversations with your customers?

See relationships as a result of challenging...

Neil Rackham, the world-renowned sales trainer, says:

"To 'build relationships first and then sales will follow' no longer holds true..."

...a customer relationship is the result and not the cause of successful selling."

And successful selling to business customers requires you to challenge – to teach, to tailor, to control.

More tools and information for you:

Download the supporting tools and resources for more help on challenging your customers to grow sales in your business – use the URL link in the box below.

To grow sales start challenging your customers more...

Being nice and likeable, thinking 'the-customer-is-always-right', being generous with your time, working hard to ensure that your customers' needs are met, being accessible and ready to serve are worthy relationship building skills.

However...

1. Relationship building is not your best source of sales growth

Relationship builders are useful, but Challengers are your best source of sales growth. Challengers create constructive tension in customer conversations by using a combination of three skills...

2. Build your sales people's TEACHING skills and knowledge

Teach your customers something new or challenge their thinking to create some constructive tension in your customer conversations. Work out and share new ideas with your customer that can make them money or save money (like Xerox)...

3. Build your TAILORING skills and knowledge

Seek widespread support across your customer's team – in a complex decision your customer will seek consensus across their people, only then will they make a decision. Tailor your messages (and your challenges) to each of the people involved in the buying decision.

4. Build your sales people's ability to show CONTROL when it's needed

Don't acquiesce to every customer demand. When necessary, press customers a bit – not just in terms of their thinking but around things like price. But remember, if you take control but offer no value, you risk being simply annoying!

Check out the downloadable tools for more on these insights and skills – use the URL link in the box below.

Use the insights in this Business Breakthrough report to help you grow your sales success over time remembering that 'Rome wasn't built in a day' and that sustainable success comes from sustainable action on the 3 skills – like it did for SAP.

YOUR SUPPORT TOOLS ARE HERE: Go to the link below and you'll find a selection of practical support tools to help you better challenge your customers so that you too can achieve the sales growth you want for your business.

Find the support tools to help you here - www.businessbitesize.com/pentlands

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Want to grow your sales? Then don't hire a relationship builder...

Comprehensive research into successful selling is rare. Even more unusual is research that shows what sales skills work best when the economy is in deep recession. These selling insights will set any sales person or sales team up for success whether in recession or not. This is what Matthew Dixon and Brent Adamson discovered and then shared in their book *'The Challenger Sale'*.

Here's a question you should take seriously if you're committed to growing the sales of your business:

What are you and your sales colleagues doing to teach, tailor and control the conversations you have with your customers?

CONTENTS:

1. The one 'BREAKTHROUGH QUESTION' you must ask to challenge your thinking so that you successfully grow sales for your business
2. Your essential checklist for being a successful challenger sales person
3. The 5 different types of sales person profiles – who do you have in your team?
4. Why a combination of 3 skills makes a successful challenger
5. How SAP training transformed the results of their 5500 global sales team
6. The book and other resources

STOP seeing relationship building as the path to increased sales

START challenging your customers to think differently about their business

1. The one 'BREAKTHROUGH QUESTION' you must ask to challenge your thinking so that you successfully grow sales for your business

Challenging your customers to either make more money or save money results in sales growth, this in turn builds deeper more valuable relationships with customers. Building relationships on their own does not grow sales, according to the research results.

So, it pays to ask yourself:

What are you and your sales colleagues doing to teach, tailor and control the conversations you have with your customers?

Where is the value in this question?

The value in this question lies in the challenge it gives you to better understand the power of the three skills of *'The Challenger Sale'* which the authors have shown result in sales growth.

If Xerox can add £52million in sales by adopting this *'Challenger'* approach and SAP (a global software systems company) can raise sales conversions by almost 50% then can't you also improve your sales growth?

IMPORTANT:

The research suggests that challenging your customers is the most successful route to growing sales.

Challenging your customers to either make more money or save money results in deeper more valuable relationships with customers. Building relationships on their own do not grow sales, according to the research results.

It pays to build the knowledge and skills of challenging your customers. Learning how to teach, tailor and control your message is how you successfully challenge your customers, so they buy more from you.



Challenging Customers

Support tools and resources

2. Your essential checklist for being a successful challenger sales person...

The research by Matthew Dixon and Brent Adamson found that the most influential aspect of the customer's experience (and their willingness to buy) is tied to the sales process – 53%. Compare this with just 9% associated with the impact that the value to price equation has on the success of a complex sale.

Of seventeen attributes contributing to customer loyalty and therefore sales success, seven attributes rose way above the others in terms of impact on sales success – all are connected to the customer's experience of the sales process:

- 1) **Offer a unique and valuable perspective on the market** – help them save or make money
- 2) **Help your customer navigate alternatives** – be seen as independent as you can be
- 3) **Provide on-going advice or consultation** – be available as a sounding board to help them when they need help
- 4) **Help your customer avoid potential landmines** – help them anticipate curve balls and difficulties, challenges
- 5) **Educate me on new issues and outcomes** – future focused discussions that help your customers learn
- 6) **Make your business easy to buy from** – remove any and all hassles that make it hard or slow to buy from you
- 7) **Reassure and support your customer's team so they become fans of your business** – tailor your message to each person involved in the buying of your complex service or product

Take another look at the top five attributes listed here—the key characteristics defining a world-class sales experience are all about learning something (not so much about buying something).

Suppliers are seeking help. Help them identify new opportunities to cut costs, increase revenue, penetrate new markets, and reduce risk in ways they themselves have not yet recognized and you will grow your sales.

Here's what the authors have to say to emphasise the need to teach, tailor and control:

“what sets the best suppliers apart is not the quality of their products, but the value of their insight—new ideas to help customers either make money or save money in ways they didn't even know were possible. In this sense, customer loyalty is much less about what you sell and much more about how you sell. The best companies don't win through the quality of the products they sell, but through the quality of the insight they deliver as part of the sale itself”.

Dixon, Matthew. The Challenger Sale (p. 53)

3. The 5 different types of Sales Person Profile – who do you have in your team?

The research by Matthew Dixon and Brent Adamson of CEB pointed to 5 profiles of sales people. More than 6,000 data sets enabled them to see which profiles performed best for both complex and simple sales.

It's useful to assess yourself (and anyone involved in sales), or get your colleagues to assess you, on which profile you most closely match. Then have a look at which profile generates the most top performers (on the next page). The 5 different sales profiles:



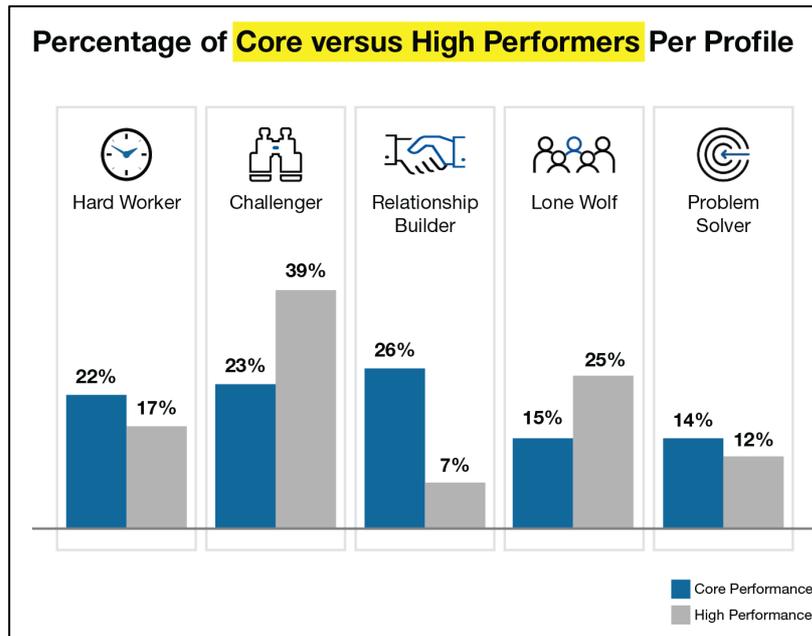
The Hard Worker – Normally first to work and last to leave, always does the extra work and will go the extra mile. Will make more calls in one hour and more visits in the week than anyone else in your sales team.

The Challenger – Looks at the world with an entirely different point of view. Understands your customers business the most of all your team. Understands your customers' needs and expectations and pushes customers to think about their business differently.

The Relationship Builder – Wants to be the customer's friend, thinks that the customer liking them will lead to more sales. Is not pushy, focuses on the customer's needs, with a 'customer knows best' attitude. Is very generous with their time.

The Lone Wolf – The most difficult sales person to control, they are self-assured, will do what they think is right, often ignoring the sales pattern. Use their own instincts with customers.

The Reactive Problem Solver – Is very focused on the detail, will deliver a quick response to the customer, and addresses service issues as priorities, they are always good at following up with the customer.



You stack the odds in your favour when you build your Challenger sales skills.

Challenge your customers – teach, tailor and control.

4. Why a combination of 3 skills makes a successful challenger...

The Challenger sale requires all three skills.

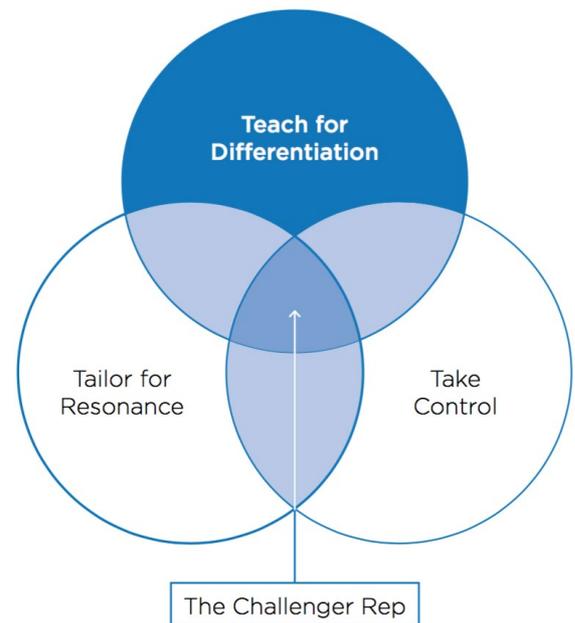
If one skill is missing, then the impact is much less and may hinder the result you seek – sales growth.

Here's how the authors describe the impact missing 1 of the 3 skills:

“If you TEACH without tailoring your approach to the different individuals within an organisation, you come off as irrelevant.”

“If you TAILOR to but don't teach your customers something new, you risk sounding like every other supplier.”

“If you TAKE CONTROL but offer no value, you risk being simply annoying.”



In the video on the last page of these tools Matthew Dixon suggests that:

“Customers are looking for the thing they couldn't learn on their own.”

What he's pointing to is instead of asking questions about the challenges that face your customers, in their role, in their business. Try telling them (teaching them) what should be keeping them awake at night and then have a discussion about this and how you can help them sleep! But make this relevant to each person that's going to be involved in and influencing the decision to buy.

Remember to be patient though. It took SAP 3 years to share the Challenger training across their 5500 sales people. You have fewer people so can make it happen faster and easier no doubt. Just be sure you get the blend of the three skills – teach, tailor and control.

The research suggests that 79% of sales fail through no decision rather than a competitor getting the deal! So stand firm when needed and help your customers make a decision rather than avoid making a decision.

5. How SAP transforms the results of their global sales team of 5500 people



You'd want to train your people on the right skills if those skills generated 15% more sales opportunities than before the training. And then if the training also helped convert 26% more of those opportunities, you'd know your investment in training had paid off.

Using the ideas and concepts of 'The Challenger Sale' SAP, the global software systems company, transformed the results of more than 5,000 sales people.

An increase of 44.9% of converted sales opportunities is radical.

- Instead of 100 sales opportunities trained people generated 115 sales opportunities.
- Instead of 100 sales conversions trained people converted 126 sales
- This is the equivalent of a 44.9% increase in sales ($100 \times 100 = 10000$; $115 \times 126 = 14490$)

Here's how Matthew Dixon and Brent Adamson describe the changes for SAP:

"In the past SAP mostly sold conventional business software helping resource planning and supply chain management.

But over the last decade not only has SAP's business changed but also so have the needs of their customers.

Because of these changes SAP's sales people need to have in-depth knowledge of their customers business sector, business challenges and key performance indicators.

In response to this at the end of 2012 SAP decided to retrain 5,500 sales staff members globally to use the Challenger model of selling within 3 years and from this developed a 4-step global training programme.



Challenging Customers

Support tools and resources

The 4 steps are:

- 1) *Teach the basic principles of the challenger method*
- 2) *Roll out the training programme*
- 3) *Communicate through the training session*
- 4) *Measure success at each level*

Those who had been part of the training session closed 26% more deals than before they were trained (the win rate), and those who had been part of the training programme generated 26% more sales opportunities (pipeline) on average (by way of comparison, sales people without training made just 9% - so challengers generated 15% more opportunities).”

For more on the SAP story check out the details on the Challenger website here <https://www.challengerinc.com/blog/sap-and-the-challenger-way-of-selling>

6. The book and other resources

Check out the book by Matthew Dixon and Brent Adamson – The Challenger Sale: How to take control of the customer conversation

In this book Dixon and Adamson share the secret to sales success: don't just build relationships with customers. Challenge them. Dixon and Adamson and their colleagues at the Challenger organisation have studied the performance of thousands and sales people globally and uncovered the biggest shock to conventional sales wisdom in decades.



The Harvard Business Review writes about this book:

“If you are looking for new ideas for your business on how to increase sales through real value differentiation this is a great concept and if everyone works together can make a massive difference.

Selling is an honorable profession, when done right. The Challenger Sale provides an excellent road map for the right way.

Dixon and Adamson did a great job with this book, they bring a new and fresh perspective to the whole sales process”

Here's the link to purchase the book: <http://bit.ly/challengersaleMDBA>

Do you want to come first or second when it comes to sales?

Clearly the answer is first as those coming second actually lose the sale!

This video has Matt Dixon, one of the authors of the book, giving some valuable insights into why sales interaction can be a force for good. 9 minutes and pure value, helping you see how you grow sales for your business. <http://bit.ly/MatthewDixonvideo>

