



## WHAT IT MEANS TO BE PROFESSIONAL

CONSULTATIVE SELLING TODAY

by ANNE SMITH and SELESTE LUNSFORD

*What transforms an occupation into a “profession” has been the subject of debate and the topic of numerous scholarly articles by sociologists, business people, and others for years. However, what is generally accepted by all parties is that when an occupational group or discipline reaches professional status, the level of trust and respect for that discipline by society is raised dramatically.*

A perfect example of this transformation is the medical profession. Medicine has changed dramatically from its early beginnings when individuals calling themselves “doctors” sold herbs and potions. Today, medical professionals are seen as sanctioned professionals with a national association, uniform educational requirements, and a code of ethics. In contrast, sales professionals have not yet achieved that status. Noted in a 2004 Journal of Personal Selling and Management article, “Assessing the Development of the Sales Profession,” Jon M. Hawes, Anne K. Rich, and Scott W. Widmier noted that it does have this potential.

In the paper, the authors describe six characteristics that an occupation must meet in order for

society to label it as a profession. The six characteristics or constructs include:

1. The existence of a knowledge base/training school
2. Autonomy/public confidence
3. Service to society
4. Culture/organization of colleagues
5. Ethical code
6. Necessary task/exclusive skill

The majority of these characteristics currently exist in the sales field, although the discipline itself has not yet emerged as a recognized profession. Yet, a “professional” sales organization has the ability to operate within the constructs of what makes an occupation a profession, and yield the same trust and respect from its customers, regardless of whether or not the field is recognized as a profession. Through this professional behavior, the salesperson helps elevate himself/herself in the minds of customers and contributes to the elevation of the field.



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## WHAT DOES IT MEAN TO BE PROFESSIONAL?

Certainly, professionalism includes behaviors such as responding promptly to inquiries, remaining ethical in all interactions, and exhibiting sound knowledge of the particular profession. It also includes the ownership of exclusive skills, such as consultative selling, which is commonly possessed by higher performing salespeople. Consultative selling is not new, but it is emerging as a skill that differentiates the transactional/supplier role from the business partner and trusted advisor role—the common denominator of successful salespeople.

Organizations have begun to re-examine their use of consultative selling. Many, if not most, sales organizations now view consultative selling as the baseline, regardless of industry, geography, or target model. While transactional sales models will continue to have a place in many sales organizations, transactional selling has taken a less prominent role for many salespeople. Through the use of consultative selling, a salesperson intrinsically elevates his/her role as a professional inspiring confidence in customers. Furthermore, consultative selling also elevates the characteristics of a profession and demonstrates a “Service to Society,” one of the ultimate requirements of a profession.

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## WHAT IS CONSULTATIVE SELLING?

Consultative selling goes by many names: “consultative selling,” “value-added selling,” “professional selling,” “need satisfaction selling,” and many more. Each phrase can have a slightly different meaning to the person who uses it, but in general, each definition shares several key elements. These include:

### **Need-based conversations**

During a consultative sales cycle, all sales conversations revolve around a customer need. This is a marked departure and differentiator from the “product push” approach that, unfortunately, still dominates many sales calls today.

The core component of a sales call will be a mutual exchange of information in which the salesperson uncovers and develops an understanding of customer needs (or helps the

customer become aware of a need). Subsequently, the language the salesperson uses to provide information to the customer should be benefit-oriented and linked to the needs identified, rather than feature-oriented.

Let’s look at an analogy to further develop this concept. Taking an example from the printing industry, a feature-oriented statement for a large sheet-fed printing machine would be a machine with “remote inking control, automatic ink control guidance, automatic cylinder washers, and complete pressroom networking capabilities.” A benefit-oriented statement would look more like this: “A printing machine that provides huge time savings to your pressroom resulting in a dramatic increase in productivity and more profitability.” Both are accurate statements, but the latter helps the buyer see how the product helps meet his/her need.

Is this groundbreaking information? No, but despite its basic nature, many professional sales organizations are still focusing on the features or characteristics of a product, rather than developing the trust of the customer and focusing on understanding and being able to address needs.

### **Multi-offering, creative solutions**

Another key component to this sales approach is the ability for the salesperson to act as a consultant and select products and services from a broad portfolio in order to create a unique solution for a client. This presents many challenges as mergers and acquisitions have increased, often tripling product sets. As a result, there are cases in which it is not realistic for a salesperson to be a product expert in every offering. What typically results is a sales force which is well-versed in some product features, but not adept at using the information to assemble integrated solutions to meet a client need. Instead, these salespeople will “feature dump,” or rely on recommending products they are more comfortable explaining.

However, the solution does not necessarily lie in ramping up product knowledge training. Instead, respondents in an AchieveGlobal survey indicated a more current view of product knowledge, advocating that the ability to tap into

product experts within the selling organization (people or online) has become more important than the individual product knowledge itself. Furthermore, salespeople who are more confident with the skill of selling are more likely to appropriately use product knowledge. We would never say product knowledge is not necessary. In fact, Schaaf (2004) found that product knowledge is one of the biggest reasons why purchasers value one salesperson over another.

However, we would advocate that product training is better delivered in the context of selling skills, focused on how key features yield valued results.

### **Unwavering focus on value**

Another aspect commonly associated with consultative selling is a focus on value. Over time, this concept has become less vague around “speaking in benefit language” and developed into a skill of being able to articulate a quantitative business benefit. Obviously, some of this is due in part to the impact of a slow economy in recent years, but articulating a quantitative business benefit is no temporary requirement. Increased customer sophistication makes it a mandatory part of the sales cycle.

Furthermore, being able to talk about a solution in term of ROI (return on investment) or TCO (total cost of ownership) assists in the ability to sell on factors other than just price, and combat the product and service commoditization which continues to dominate the marketplace. The challenge for the salesperson lies in helping customers understand where value comes from. Value lies in a variety of places such as:

1. Benefits of the product or service being sold.
2. The ancillary support services or customization that accompanies it.
3. The reputation of the supplier organization.
4. The information, expertise, and professionalism provided by the salesperson.

In this manner, the salesperson becomes part of the value proposition. Being able to articulate

value in this manner allows for deeper relationships with customers and, in the B2B world, at higher levels in the organization.

### **Aim for trusted business advisor**

The last element is the concept that every salesperson should aim to become a trusted business advisor for their client base. To be a trusted business advisor with a client means you have superceded the role of vendor or supplier and are now viewed as an advisor by your clients. To earn such a position with a client, salespeople need to possess superior sales skills, as well as industry expertise and client insight. It might not be practical to invest in this kind of relationship with all clients, nor would all clients desire this kind of relationship. Salespeople need to be capable of determining where these relationships are appropriate while having the ability to build and maintain them. By providing information and advice as trusted business advisors, salespeople are able to add value to the relationship by differentiating themselves from the competition.

As we move forward, we will use the following as a sum of the parts or a working definition for consultative selling: Consultative selling is the process of partnering with prospects and customers to create lasting, mutually beneficial relationships. Salespeople who successfully construct and build upon these relationships do so by continuously understanding the current and future issues and needs of the customer and the organization, and by providing solutions that provide value in helping customers reach their goals.

The proposed outcome for this process would be for a salesperson to deepen and strengthen the relationship over time, ultimately becoming a trusted business advisor in the customer’s eyes. We refer to a “working definition” because nothing in sales is ever static. Markets change. Customers change. Consultative Selling has changed—from referring, to any non-aggressive sales approach, to the much higher approach outlined above. In the future, the bar will continue to rise.

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#### IT HAS BEEN DECADES, WHAT HAPPENED?

During a study of sales organizations conducted in 1986, we constantly heard how the move to consultative selling was the next big frontier for sales professionals. It was somewhat surprising to hear the same strategy expressed some 17 years later. Why has it taken so long to transition from philosophy to standard practice? Why is consultative selling still the next big thing? One reason relates to the ever-changing nature of sales. Consultative selling today transcends the standard envisioned in the past. For many organizations, achieving it is like trying to hit a moving target.

Timing is another factor that has set consultative selling back. Consultative selling as a practice takes considerable investment by the supplier. When the market was in a buying mode, like the mid- to late-'90s, anything that lengthened a sales cycle was considered a waste of time. As a result, sales organizations shifted focus and interpersonal selling skills often atrophied in favor of product knowledge and order processing. As the situation began to change and sales cycles became more complex, consultative selling was re-introduced into the mix, at least from a training perspective. Pockets of success were achieved, usually in the areas of national and global account management.

However, management reinforcement and the support infrastructure were missing. As a result, consultative selling never made the transition from philosophy to consistent, standard practice across sales organizations.

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#### WHY BOTHER NOW?

Having established that consultative selling is necessary, and requires extensive knowledge and a resource-intensive process, the question becomes, "Why are organizations still chasing this strategy?" The answer lies in the need for a long-term strategy. There are different kinds of market conditions that impact sales organizations. Some of these, such as economic factors, tend to be cyclical and thus short-term in nature. Underlying economic factors are a series of long-term conditions that, although showcased or

masked by cyclical conditions, are by no means temporary. This is clearly illustrated by the 2001 recession and the slowdown that followed. Although market challenges, customer demands, and competitive pressures had been growing for a long time, they were somewhat hidden or at least countered by market conditions of economic prosperity.

When the cycle reversed, severe budget cuts accompanying the economic downturn put the spotlight on these factors. By that time, many organizations were playing catch-up. As a result, the overwhelming feeling among sales organizations today is that factors which make sales an increasingly complex process are becoming permanent. Even as economic growth returns, the need to address these challenges will remain.

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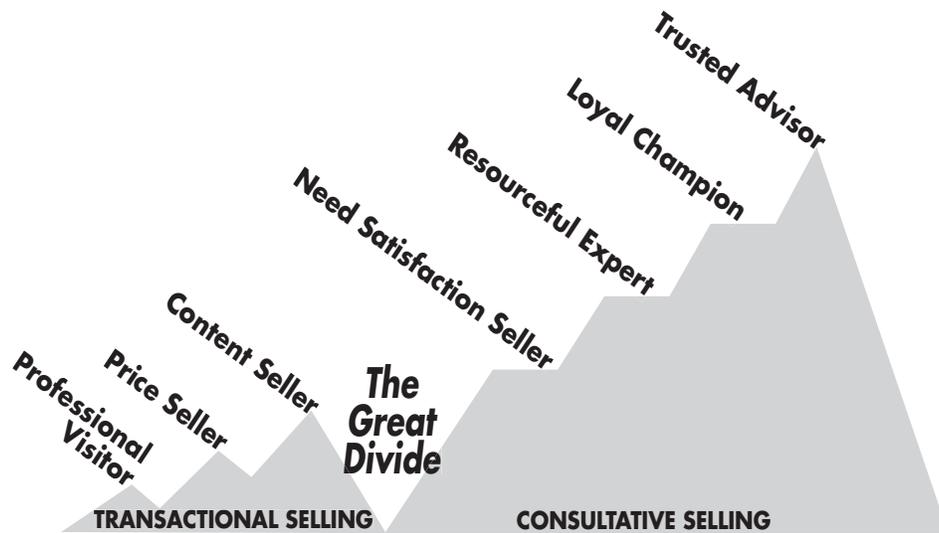
#### IS CONSULTATIVE SELLING ALWAYS THE RIGHT ANSWER?

As noted earlier, it may not be practical for all salespeople to try to practice consultative selling with every client. The critical success factor to the adoption of consultative selling is a flexible approach which allows a salesperson to determine the degree of implementation. When, for example, will it make sense for a salesperson to become a trusted business advisor to a client?

Let's look at this issue using a relationship model. The following model, called The Great Divide, describes how sales behaviors can impact a relationship with a customer. A salesperson's position on this model is driven by how the customer perceives him or her. These perceptions can range from transaction-oriented to more consultative in nature.

The first three selling levels describe transactional selling and are characterized by short-term relationships during which the customer asks for something and the salesperson provides it. Sales are based on rapport, price, or product features.

- A **Professional Visitor** succeeds on personality or shared interests, forming limited relationships with customers, rather than long-term alliances that promote future sales.



- A **Price Seller** highlights costs, deals, and quotes. While price sellers may meet customers' financial needs, only coincidentally do they meet other needs, reinforcing a perception of their products or services as commodities.
- A **Content Seller** emphasizes product or service features, often without linking them to key issues for the customer. This “feature focus” is long on technical information and short on explicit benefits to the customer.

The Great Divide creates a chasm between the two major types of selling behaviors, transactional selling and consultative selling, and represents sales challenges such as commoditization. By leveraging critical selling skills, knowledge, and attitudes, a salesperson is able to improve the customer's perception of the relationship—and stay on the consultative side of the divide, forging a deeper, more profitable relationship with the customer.

The next four levels represent consultative relationships, which are defined as proactive, in-depth relationships in which the salesperson seeks a deeper understanding of the customer's needs and circumstances, providing value beyond the product or service itself.

- A **Need Satisfaction Seller** creates mutually beneficial relationships, uncovering a customer's critical needs and tailoring solutions to each customer's situation. When

customers view the salesperson as a **Need Satisfaction Seller**, a new world of sales possibilities can emerge. Need satisfaction selling is the very foundation to all subsequent levels of consultative selling.

- A **Resourceful Expert** applies in-depth product and industry expertise to configure solutions that meet customer needs. This deep knowledge often creates value for a variety of decision makers who interact with the solution in different capacities.
- A **Loyal Champion** possesses deep insight into the customer's situation (e.g., individual challenges, nuances of their business and industry). As a result, the customer views a **Loyal Champion** almost as an employee, often providing access to future plans and upcoming decisions. In these close relationships, the salesperson often acts as an advocate for the customer within the sales organization.
- A **Trusted Advisor** has achieved the ultimate customer relationship. **Trusted Advisors** consistently use their in-depth knowledge and highly developed sales skills to the customers' benefit. Over time, they earn the right to influence all stages of the buying cycle. A **Trusted Advisor** discovers and meets critical needs in unparalleled ways by providing not only products and services, but also advice and assistance.

No matter what level the salesperson is operating at, he or she can be successful. Clearly, deeper relationships would be preferred by most selling organizations as they prove most resistant to client turnover. However, they are not always the most appropriate, and so the question a salesperson must ask is, “Which level should I be targeting for this customer relationship?” To determine this, there are two additional questions that should be asked:

1. What kind of relationship does this client desire from a supplier?
2. What makes good business sense?

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#### WHAT DO CUSTOMERS WANT?

Let’s start with the customer perspective in which decision-making generally covers six major stages.

**Plan and Prioritize** – Determine organizational goals and objectives and outline the actions needed to achieve them. During this process, customers will uncover barriers, issues, and challenges which must be addressed in order to succeed.

**Identify Options** – At this point, the question becomes, “What are my options to overcome this challenge?” During this phase of the process, customers are concerned with make/buy decisions and identifying supplier candidates.

**Evaluate Options** – Evaluating involves narrowing the supplier universe down to a select few, often using formal criteria.

**Select the Best Option** – Possibilities are further narrowed down to one alternative.

**Contract** – Parties agree on how to work together (often includes negotiations around terms and conditions such as price, duration, and service-level requirements).

**Build and Track** – This deals with the ongoing implementation, use, and maintenance of the solution.

Customers may find value in having salespeople participate in all of these phases or they may find value in only limited participation. For example, if a customer is already in the “evaluate options” stage, then a transactional approach may be more appropriate. On the other hand, if the client is open to salesperson involvement throughout a broader portion of the process, then a more consultative approach may be more effective.

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#### BALANCING CUSTOMER POTENTIAL AND COST OF SALE

At the same time this process occurs, a salesperson has to consider his or her internal customer needs. A client may be looking for a salesperson to advise on decisions throughout the phases, but he/she may represent a very small opportunity for the business. In such cases, it can make sense for the salesperson to look for ways to more efficiently deliver value (delivering newsletters as opposed to financial reviews) to the client without over-investing his or her limited resources.

When we surveyed various organizations in the most recent AchieveGlobal study, we discovered transactional customers were being served by inside sales teams and distributor networks or were incented to use self-service channels such as e-commerce more frequently. Face-to-face sales teams, as well as some groups of inside sales resources, were reserved for customers with whom a consultative relationship was desired. The goal in these situations is to preserve the investment in a direct sales force for those segments and opportunities which had the highest potential. That is not to say that face-to-face sales teams can never engage in transactional sales or that inside sales resources cannot have consultative relationships with clients. In fact, the opposite may occur, depending on what the buyer and seller are looking for in the relationship. But in general, the most expensive resources are deployed against those customers who value a consultative approach and who are considered key to the selling organization.

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#### CAN A RELATIONSHIP CROSS THE GREAT DIVIDE?

Relationships may cross The Great Divide in either direction. Salespeople may find themselves in different stages depending on the opportunity and decision maker in an account (e.g., the business manager may view you as a need satisfaction seller while the procurement manager may view you as a price seller). However, it is rare for a client to grow the relationship from being highly transactional to highly consultative. If it occurs at all, such a progression would be gradual. As this progression occurs, salesperson requirements shift as well. Research conducted by Michael Beverland (2001) indicates that as relationships with clients grow, the balance of relationship-based (understanding client industry) and performance-based (closing sales calls) activities will shift towards more relationship-based.

Caution should be exercised, however. Clients may grow their relationship with a salesperson if one exceeds performance expectations, or if they are considering entry into a new market in which your company has expertise. However, they may be content to keep the status quo relationship at the lower end of the divide. Even if a customer is very large, he or she may always view your relationship as transactional, and you might not be able to cross the divide in terms of relationship or revenue. In these instances, it makes sense to control the investment in sales rather than chase the “big elephant”—even consider passing the opportunity to a channel with a lower cost of sale, such as an inside salesperson who will be able to meet client-relationship expectations with lesser investment. On the other hand, it may make sense for an inside sales rep to hand an account off to a face-to-face sales team if the client prefers a deeper relationship and the account potential merits a higher cost of sale.

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#### BEST PRACTICES

The focus of every sales organization that participated in our research study was to fight off commoditization and meet the needs of an increas-

ingly sophisticated customer base by leveraging a consultative selling approach executed through face-to-face meetings and, occasionally, inside sales forces. This was true regardless of the sales model, solution set (e.g., cell phones, large outsourcing solutions), or industry. The key to success in each sales cycle was the right resources having the right capabilities to execute on the right relationships. For some organizations, this may translate into looking for ways to move an account over the divide (to fulfill its potential), being flexible enough to scale down a consultative approach for a less-involved client, or even handing off a consultative opportunity to a different channel.

Clients who have embarked on this journey to consultative selling have yielded some critical success factors. These can be summarized by three major criteria:

- Use a holistic approach.
- Put everything in the context of a formal sales process.
- Make sure you have the support infrastructure in place.

#### **Use a holistic approach**

A consistent success factor throughout our organizational studies has been the presence of a holistic approach. This starts with an executive vision and cascades throughout the organization from managerial reinforcement down to consistent field execution. When asked why consultative selling had been so slow to achieve its potential, the majority of answers indicated a fragmented message to the sales force. Managers weren't modeling consultative selling skills; different parts of the sales and service organization were trained on differing skills and philosophy.

The learning was that if an organization truly expects any results from adopting a consultative selling approach, it needs to view the approach as a strategic initiative—enlisting the resources

and delivering the communication across the organization to make it successful. Another noteworthy observation is that a consultative sales approach should not be isolated within the sales organization. Customers deal with organizations through a number of contact points: marketing, customer service, fulfillment, etc. Experiences throughout the relationship should be similar whether dealing with a relationship manager, someone who is installing purchased equipment, or someone researching an account transaction.

### **Frame everything around a formal sales process**

Once the philosophy is communicated across the organization, it must become actionable. For salespeople, this means consultative selling must be part of their daily sales interactions; it must be embedded in a formally defined sales process. Although such processes will vary by organization, the following represents a typical example.

Defining a sales process is a complex project involving a cross-functional team comprised of marketing managers, salespeople, customer service representatives, operations, and customers. Once assembled, this team analyzes customer touch points and determines the desired process for creating and maintaining customer relationships. While defining this process represents a huge milestone, the real value comes in defining the detail which supports it. Every phase must become actionable by defining what the customer expectations are, what the sales activities are, and how the success will be measured. From this a salesperson is able to understand how consultative selling behaviors link to what he or she does for a living and how they assist in creating relationships with clients.

Perhaps the biggest temptation to overcome in these situations is what is known as “analysis paralysis.” “Analysis paralysis” occurs by collecting large amounts of data and conducting so much planning that the output is not actionable. Make sure to look at things in manageable pieces. Here’s an example.

#### **1. Create parameters for the sales process.**

Map out a process which starts when you first receive a prospect as a lead and follow through to post-sales activities. Start with a small

customer focus group and find out what the expectations for each phase are and how you match up currently.

#### **2. Confirm that your infrastructure support is in place.**

Even if you have a holistic vision and an integrated sales process, you will need to enable execution through a support infrastructure. Notes Thomas Ingram (2002), “Selling function activities including selling strategy, internalization of selling activities, extent of supervision, focus of control, and compensation systems enable the conversion of business strategy into marketplace success.”

The biggest pitfall uncovered in our research is when a disconnect between desired and actual sales behavior occurs due to misalignment with the compensation and incentive system. All too frequently, we will work with sales organizations that are frustrated with the lack of consultative selling they witness in the field. Further investigation reveals that salespeople are being tasked with a consultative selling approach but being compensated for transactional behaviors. For example, a salesperson for a mid-sized services firm admitted, “I have a monthly quota. I may accept longer sales cycles at the beginning of the month, but when the end of the month comes around I give up on selling solutions—I’m back to selling units [of hardware].” Therefore, once that sales process is developed, organizations need to take a step back and do a gap analysis. What is the difference between this process and the way selling occurs today? What needs to change? What support is needed? And of course, never forget to incent people for what you want them to do—this means compensation and incentive systems, integrated measurement and evaluation, and aligned performance management.

With the infrastructure in place and your salespeople equipped with the necessary skills to determine the type of relationship the customer desires, your sales organization will truly be professional and begin to provide a “Service to Society;” in this case, your most valued customers.

Hawes, Rich and Widmier state in their article, “Service to society is a necessary criterion for members of a work group to be viewed by members of society as a profession. Adherence to the marketing concept and an acceptance of relationship selling or partnering as a mantra requires salespeople to devote considerable attention to customers, fellow employees, business partners, investors, and indeed to society in general. There is abundant evidence that most successful salespeople have fully embraced this concept.”

By winning the hearts and minds of society, or your most valued customers, sales will one day be elevated to the status of a profession. In order for this to become a reality, sales organizations must continue to act professionally and exhibit the characteristics of a profession. What better way to distinguish oneself in the minds of customers and winning their trust, but through acting as a partner or trusted advisor through the use of consultative sales?

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#### ABOUT ACHIEVEGLOBAL

With its world headquarters in Tampa, Florida, AchieveGlobal helps organizations translate business strategies into business results by improving the performance of their people. Clients around the world rely on Achieve-Global’s proven expertise in leadership development, customer service, and sales effectiveness. By implementing research-based learning solutions, AchieveGlobal empowers clients to successfully develop leaders and acquire, grow, and retain profitable customer relationships.

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Seleste has contributed to numerous articles in national publications, including *Selling Power* and *Pharma Voice*, and is a regular presenter at business conferences on making sales performance a success in organizations. She has co-authored a book regarding best practices in sales, *Secrets of Top-Performing Sales People*, recently published by McGraw-Hill. Seleste also has co-authored a new book, *Strategies that Win Sales*.

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