

introducing Outcome-Centric Selling®
The what, why and how of outcome-centric selling

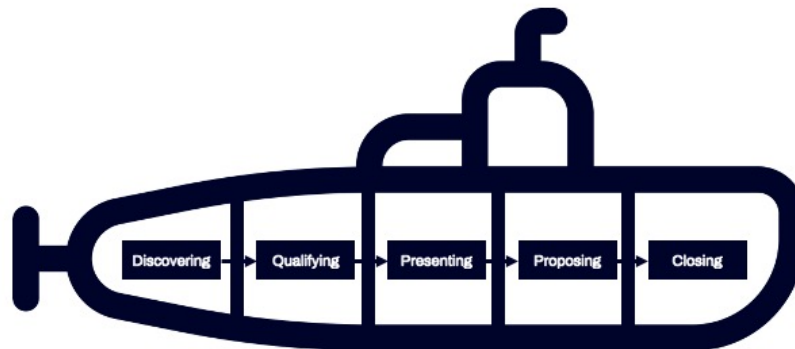
Bob Apollo - Founder, Inflexion-Point Strategy Partners

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Hi - I'm Bob Apollo, founder of Inflexion-Point Strategy Partners and the creator of the Outcome-Centric Selling® System - and in this webinar, I'd like to share with you the reasons why I believe the future of complex B2B selling is outcome-centric.

And after hearing what I've got to say, I hope that you'll want to learn more.

Conventional B2B “sales process”



What's wrong with this picture?

- ✘ Stage definitions based on **sales actions**, not **customer behaviours**
- ✘ Assumes a **linear, compartmentalised, one-way, “no-going-back”** process
- ✘ Process is regarded as **over** once an order has been **booked...**

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Let's start by thinking about how we conventionally define a B2B “sales process”.

It typically consists of a number of defined stages. And these stages typically have names like “qualifying”, “presenting” and proposing.

Some sales methodologies even go so far as to use a submarine metaphor, in which the sales process is seen as a voyage through a series of watertight doors through which you can only move forwards and never backwards.

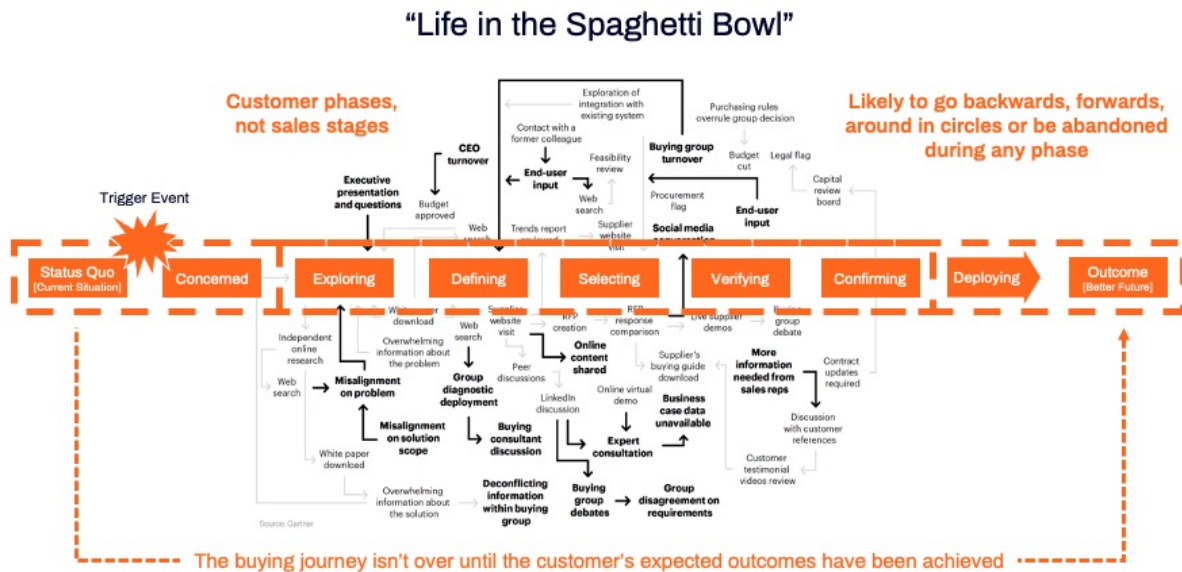
I was never keen on this metaphor and now it strikes me as being fundamentally flawed.

Can you see what is wrong with this picture?

Let me share three clear faults:

- First, the stage definitions are based on sales actions rather than on customer behaviours. In other words, this is a very vendor-centric, inside-out model rather than a customer-centric outside-in model
- Next, it assumes that successful sales are inevitably a linear, compartmentalised, one-way, “no going back” process. As we'll see, this is manifestly at odds with the real world
- And finally, this mindset assumes the process is over as soon as an order has been booked, with no regard for the subsequent success (or failure) of the project

Welcome to reality



Reality is very different.

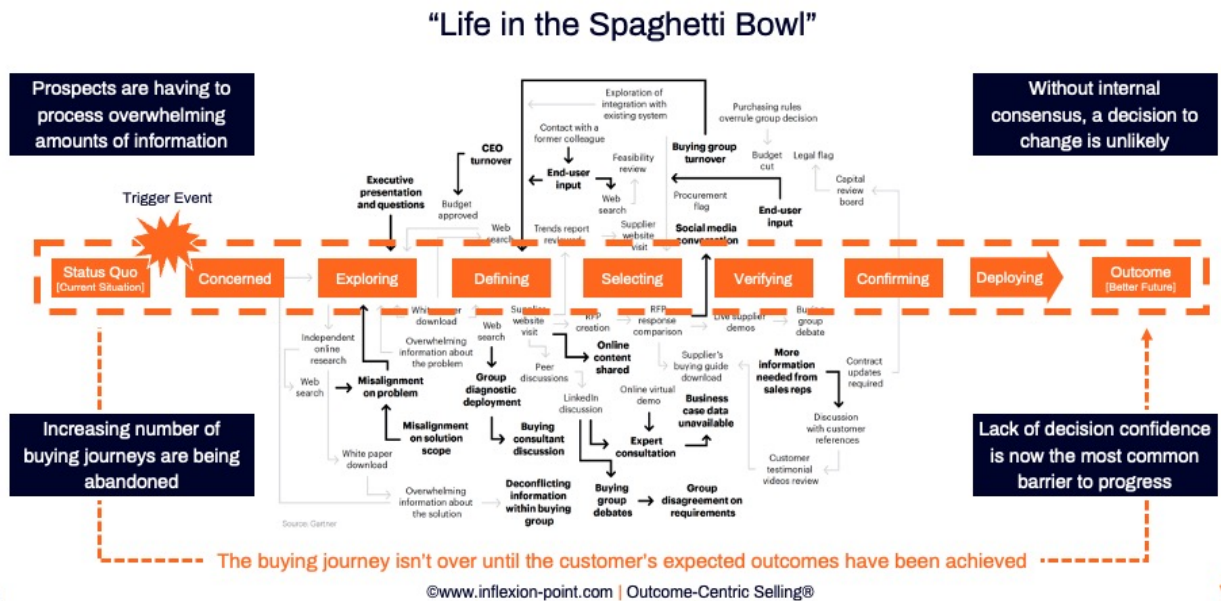
Some of you may be familiar with this diagram from Gartner, which reflects the real-world nature of a typical buying journey for any sort of significant decision.

First, your buyers don't recognise or respect your artificially-defined "sales stages". The real-world buying journey is much more organic, evolving from exploring through defining, selecting, verifying and confirming.

And it's very rarely linear. Your prospective customer can (and often does) choose to go backwards rather than forwards, to go around in circles, or to abandon the journey altogether.

On top of that, the actual buying journey typically starts far earlier than the beginning of a formally defined buying process, and continues long after the order. In fact the customer's buying journey isn't over until their expected business outcomes have been shown to have been achieved.

Serious consequences

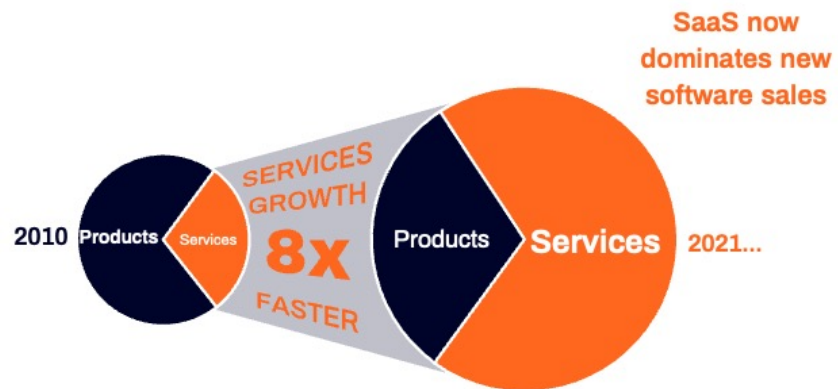


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This has serious consequences for the “sales process:”

- Your potential prospects are being exposed to, and having to process, overwhelming amounts of information. They need help to filter, interpret and reconcile often confusing or contradictory data. And if they don't get the help they need, they are likely to remain stuck
- If the decision-making team cannot reach consensus on any one of a number of potentially significant issues, they are unlikely to agree to implement the proposed change
- Gartner's research also found that lack of confidence within the decision-making group in the decision(s) they were being asked to make was one of the most common reasons why projects failed to progress
- It's no wonder that an increasing number of buying journeys are being abandoned, or that in many situations your most serious competition comes from simply preserving the status quo

From products to services...



Source: TSIA

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Another key trend is the accelerating shift in B2B customer preferences from buying products to consuming services.

A decade ago, the balance was overwhelmingly in favour of buying products, but now the balance has dramatically reversed in favour of consuming services, and services are growing 8 times faster than products.

This is perhaps most obvious in software, where Software-as-a-Service (SaaS) delivery models now dominate the market.

But it's not just software that has been affected...

Not just for software...



- ✓ Aero engines as a service
- ✓ Data as a service
- ✓ Industrial equipment as a service
- ✓ IT equipment as a service
- ✓ Knowledge as a service
- ✓ Location as a service
- ✓ Mobile devices as a service
- ✓ Network as a service
- ✓ Transportation as a service
- ✓ **XaaS**: anything (and everything) as a service...

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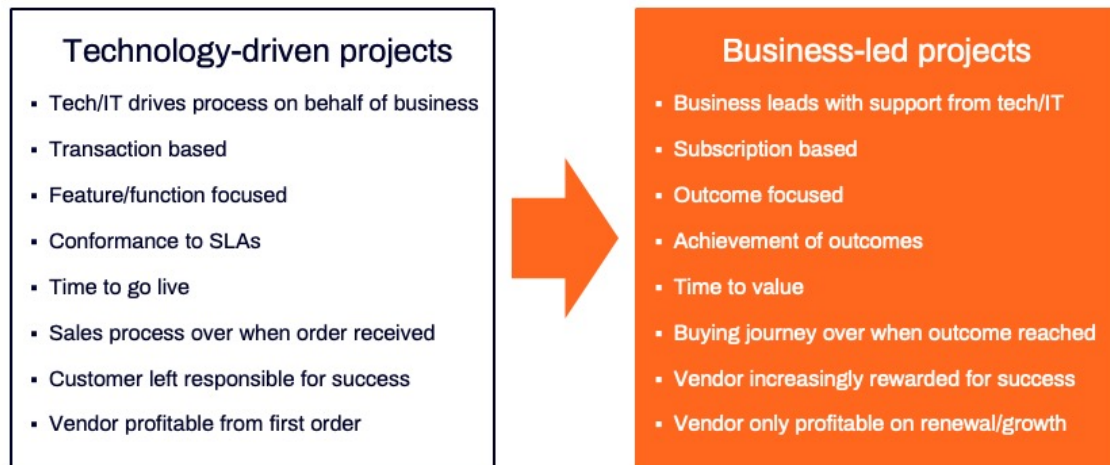


On fact, across a wide range of industries and offerings, the as-a-service approach is being increasingly widely adopted.

Whether it's aero engines, data, industrial or IT equipment, knowledge, location, mobile devices, networks, transportation and a growing number of sectors, as-a-service delivery has become the norm.

And, as we'll see, this has dramatic implications for the relationship between vendors and their customers.

From technology-driven to business-led projects...



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There's another significant trend we need to take into account: the inexorable shift from technology-driven to business-led projects.

Instead of the technology or IT functions driving projects, business executives are increasingly responsible for leading projects, supported by their technology or IT experts.

This has huge implications: the projects themselves are increasingly subscription rather than transaction based, prioritise desired business outcomes over features or functionality, measure success by the achievement of those outcomes rather than conformance to SLAs and focus on time to value and not just time to go-live.

And rather than the "sales process" being over when the order has been received, there's a recognition that the customer's buying decision journey isn't over until the expected business outcomes have been achieved.

This means that the vendor is increasingly rewarded for the success of the project and that given their initial costs of sale, the vendor is only ever likely to make a profit from a project if the customer is satisfied and the contract is renewed.

The past, present and future of B2B selling...



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So - what are the implications for B2B selling?

In past times, many vendors were able to succeed with a product-centric approach - one that focused on features, advantages and benefits, and this mindset still exists in some less advanced industries (and in certain types of transactional sale).

But most B2B sales organisations have adopted a "solution-centric" approach - one that involves uncovering the potential customer's pains and aspirations and demonstrating how the vendor's offerings can address them. But most of today's solution-centric methodologies still assume that the sales journey is over when the order is booked - and of course this isn't aligned with today's complex buying journeys.

This is why we're seeing a growing shift to an outcome-centric approach to B2B sales - one that works backwards from the customer's expected business outcome rather than forwards from the "solution" you are trying to sell to them.

In an outcome-centric world, discovery and value creation look very different from a product- or solution-centric approach. It's recognised that the customer journey isn't over until the expected business outcomes have been achieved and visible business value has been generated.

The role of customer success becomes critical to the successful completion of this journey and to ensuring that clearly-defined valuable business outcomes are seen to have been achieved.

Taking an outcome-centric approach has been proven to be highly effective in driving the prospective customer's change agenda, in persuading them to choose you over their other options, and of making sure every project is seen to be a success.

Four critical transformations...



From Buying Products to Consuming Services



From Technology-Driven to Business-Led Projects



From "Solutions" to Outcomes



Taken together these are four critical transformations:

- From thinking from driving our “sales process” to understanding, influencing and facilitating our customer’s buying decision journey
- From buying products to consuming services
- From technology-driven to business-led projects
- From selling our “solutions” to ensuring that our customers achieve their expected business outcomes

These are just some of the forces behind the move to outcome-centric selling

The new building blocks of Outcome-Centric Selling®



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So - what are the essential building blocks of Outcome-Centric Selling®?

The critical foundation is ensuring that our sales “process” is aligned with our customer’s buying decision journey, and that we recognise the need to engage early and remain actively involved until they have achieved their expected outcomes.





Then we need to ensure that we craft and co-develop a unique value story for every customer that answers their 4 key questions: why change, why us, why now and who benefits?

We then need to ensure that our salespeople master the key functions of targeting, planning prospecting, having value-creating conversations, qualifying, identifying, engaging and assessing all the key stakeholders, and building mutual success plans with our prospective customers.

This all underpinned by four key pillars:

- Ensuring that we recruit the right new sales hires and making sure we train and equip our existing salespeople to achieve their full potential
- Establishing simple but effective frameworks that guide our salespeople in what they need to know and do at every stage and in every situation
- Supporting our salespeople through appropriate, easy to use sales tools that reinforce our sales guidelines and make it easy for them to do the right thing
- Underpinning our guidelines and tools with appropriate technologies that increase each salesperson’s productivity and effectiveness

People, process, tools and technology

People	Guidelines	Tools	Technology
<ul style="list-style-type: none"> Recruiting the right people [skillset <u>and</u> mindset] Assessing your existing sales organisation Identifying key priorities for improvement at the organisational and individual levels Organisation-wide skills development programmes Personal development and coaching plans Particular emphasis on developing critical front-line sales manager capabilities 	<ul style="list-style-type: none"> Establishing customer-journey-centric sales guidelines Equipping salespeople to accurately diagnose which phase the customer is currently in Proactively guiding salespeople in what they need to know and do during each phase Measuring progress in terms of visible advances in the customer's decision journey Identifying, analysing and acting on key indicators of success and failure to continuously improve the effectiveness of the process 	<ul style="list-style-type: none"> Creating simple, easy to use sales tools that support salespeople in their day-to-day application of the process Embedding these where necessary, appropriate and proportionate into the CRM system Eliminating guesswork and assumption and insisting on verifiable evidence for the judgements salespeople make Encouraging collaboration between customer and sales organisation through co-developed mutual success plans 	<ul style="list-style-type: none"> Membrain: sales enablement platform for prospecting, opportunity management and account growth  OMG: Science-based evaluation platform for both recruiting new hires and assessing current team development priorities  Refract: call analysis and coaching platform to analyse and improve conversational effectiveness  cuvama: collaborative value discovery tool to interactively develop and verify compelling customer-specific value stories 



It's worth exploring those four pillars in a little more detail:

- Let's start with people. If we don't get this right, none of our remaining strategies can succeed. In the words of Jim Collins, author of "Good to Great", we've got to get the right people on the bus, in the right seats and headed in the right direction, and we've got to get the wrong people off the bus before they take us in the wrong direction. We place a great deal of emphasis on hiring the right people in the first place, and on systematically developing the people we have to their full potential
- In complex B2B sales environments, salespeople need to work within flexible frameworks that support creativity whilst embracing best practices rather than forcing them to follow rigid processes that offer no scope for initiative
- These guidelines need to be supported through simple sales tools that support the key day-to-day tasks salespeople are expected to perform - such as qualification and stakeholder assessment
- Finally, these guidelines and tools can be supported and reinforced through the intelligent use of technology - but we must always remember that technology can help to reinforce effective tools and processes, but can rarely influence results on its own

Your outcome-centric sales journey starts here...

- Equip/encourage salespeople to focus on the customer's **business outcomes**, rather than their products/solutions
- Recognise that the customer's buying journey **does not end** until these expected outcomes have been achieved
- Primarily target **key business sponsors**, rather than IT
- Answer the 4 key questions that underpin each customer's **unique value story**:
 1. **Why** do they need to **change**, rather than continue on their current path?
 2. **Why** should they choose **you**, rather than any other approach?
 3. **Why** do they need to **act now**, rather than later?
 4. **Who** is going to **benefit** from the change, and how?
- Progressively align the entire organisation around delivering **visible customer value**
- **Inform, educate** and **involve** colleagues in other departments - particularly **marketing** and **customer success**



The future of complex B2B selling...

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Here's how we recommend setting off on your outcome-centric sales journey:

- You need to establish a sales mindset that thinks backwards from the customer's desired business outcome, rather than thinking primarily about the "solutions" they seek to sell
- This requires that everybody in your organisation recognises and believes that the customer's buying journey does not end until and unless they achieve their expected business outcomes (or decide to abandon the quest)
- In most situations, you need to be targeting and engaging the key business sponsors, rather than hoping to rely solely or primarily on technical functions
- It's critical that your salespeople are able to craft compelling answers to each prospective customer's 4 key questions:
 - *Why do they need to change, rather than continue on their current path?*
 - *Why should they choose you, rather than any other approach?*
 - *Why do they need to act now, rather than later?*
 - *Who is going to benefit from the change, and how?*
- In an outcome-centric world, the whole organisation needs to be aligned around delivering visible customer value - and this involves informing, educating and informing your colleagues in other departments - most particularly marketing and customer success, but also including development, operations and many other functions

Image: winding road by Davo Sime from the Noun Project

What's your sales organisation's value story?

WHY CHANGE: Why do you need to change, rather than staying on your current path?

- *Because B2B buying behaviours have changed, and traditional sales methodologies are progressively less effective*

WHY US: Why should you choose to work with Inflexion-Point, rather than any other option?

- *Because our Outcome-Centric Selling® framework brings together the latest B2B selling proven best practices*

WHY NOW: Why do you need to act now, rather than later?

- *Because the longer you delay, the more potential business you will lose - and you'll never make up the shortfall*

WHO BENEFITS: Who will benefit from the change, and how?

- *Your organisation will benefit from shorter sales cycles, higher win rates, less pressure to discount, more accurate forecasting, stronger customer relationships and greater lifetime customer value*
- *Your customers will benefit from more effective buying decisions, stronger business cases, better business outcomes - and will value your organisation as a trusted partner*

WHAT NEXT: How can you find out more?

- *Book a Zoom call, tell us what you're seeking to achieve, and we'll come up with a plan to help...*

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If you've stayed with us to this point, you're hopefully starting to wonder what your own sales organisation's value story might look like.

We believe we have compelling answers to your “why change, why us, why now and who benefits?” questions, and we'd also like to suggest an answer to “what next?”

That's pretty simple - let's set up a Zoom call, and see where our journey towards mutual success takes us from there...

A dark blue banner with white and orange text. The logo 'IP inflexion-point' is at the top left, with 'Outcome-Centric Selling®' below it. The main text reads 'The future of B2B Selling is Outcome-Centric®' followed by 'Take your next step:' and the URL 'www.inflexion-point.com/book-a-call'. At the bottom, there is a copyright notice and a small IP logo in the corner.

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