

# PIVOTING TOWARDS AN INSIGHT SELLING METHODOLOGY WITH A SALES PROCESS

Insiktsförsäljning som del i försäljningsprocess

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Degree Project in Engineering and Management, First  
Level

Stockholm, Sweden 2013  
Kurs IK120X, 15hp

TRITA-ICT-EX-2013: 148



**KTH Information and  
Communication Technology**



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Spring 2013

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## **Abstract**

Sales are a subject that most people consider to be an art. The truth is that there are several sophisticated methodologies on how to successfully close a deal. However, time goes by, customers get smarter and the markets shifts. As a result sales methods start to fade away and do not necessarily work the way they used to.

This thesis was conducted in co-operation with SimCorp A/S and aims to examine the concept of *Insight Selling*. The concept was developed by analysing top performers and how they manage to sell in an economic downturn. The purpose is to investigate how an organisation can apply the core principles of the new sales strategy on an existing sales process and current customer relationship management system.

A qualitative research method was used and interviews were conducted to gather data to gain a deeper understanding on the topic of sales. The result exhibits a situation analysis that was conducted to create a representation of SimCorp's current sales process. With the key elements of insight selling a proposed model of a future state was presented. Lastly, a requirements analysis of the customer relationship management system currently deployed at the company was designed based on the findings. The result indicated that it was possible to apply the key elements of insight selling on the current sales process. The method might be suitable for some situations but it does not replace or eliminate earlier practices.

### **Keywords:**

Sales, Solution Selling, Insight Selling, Sales trends, Business process modelling, Customer Relationship Management, Marketing Management.

## Sammanfattning

Det är vanligt att uppfatta försäljning som en konst. Sanningen är att det finns väl beprövade metodiker för hur man ska lyckas för att sälja. Med tiden har konsumenter blivit smartare och marknaden förändrats. Detta har resulterat i att många säljmetoder blir avlägsna och inte lika användbara och pålitliga som de var innan.

Examensarbetet utfördes i samarbete med SimCorp A/S där syftet är att undersöka begreppet insiktsförsäljning. Konceptet utvecklades från en studie där man analyserade de högpresterande säljarna och identifierade hur de lyckades sälja under en ekonomisk lågkonjunktur. Syftet är att undersöka hur en organisation kan applicera de nya strategierna som presenteras inom insiktsförsäljning på en befintlig försäljningsprocess och det nuvarande kundhanteringssystemet.

En kvalitativ forskningsmetod applicerades och intervjuer utfördes för att ackumulera data och få en djupare förståelse av ämnet försäljning. I resultatet presenteras en nulägesanalys av SimCorp's nuvarande försäljnings-process. Vidare presenteras ett förslag på hur en försäljningsprocess med inslag av strategierna från insiktsförsäljning kan se ut. Slutligen utfördes en kravanalys på insiktsförsäljnings metod för att implementeras och testas på det nuvarande kundhanteringssystemet. Resultatet indikerade att det var möjligt att applicera nyckel elementen från insiktsförsäljning på den nuvarande säljprocessen. Metoden är lämplig för att användas i vissa situationer men ersätter inte eller eliminerar tidigare rutiner.

### **Nyckelord:**

Sales, Solution Selling, Insight Selling, Sales trends, Business process modelling, Customer Relationship Management, Marketing Management.

## **Acknowledgement**

First of all, I would like to thank SimCorp and our supervisor Lau Harting Jeppesen for taking the time to help us with this thesis and with any questions we had. Many thanks to Anders Sjögren for being our examiner and answering all the questions we had and guiding us through this thesis work. I would also like to thank my family and friends that have been very supportive during the time I spent working on this thesis. Last but not least I would like to thank my friend and thesis partner Nils for all the hard work and encouragement.

**/Tjan Chao Ooi**

I take this opportunity to thank the following people who made this thesis possible.

**Anders Sjögren**, *supervisor KTH*

Thank you for allowing and supporting us to explore and investigate a non-traditional subject in regards to engineering and management. You have always been available and helpful as a supervisor when we needed directions.

**Lau H Jeppesen**, *supervisor at SimCorp*

Thank you, for challenging and motivating me to realise this project when the idea only was at a conceptual level. You were always available to provide us with information. We know how much this subject matter to you and hope that you one day can start to pivot towards insight selling.

**SimCorp**, *Stockholm Office*

Lastly, thanks to everyone at the Stockholm office for putting up with us for the last two months. Working alongside you all the past year has been **brilliant**, both on a professional and on a personal level.

**Tjan Chao Ooi**, *Friend, classmate & Co-author*

Was it luck, fate or my obsessive behaviour of checking e-mails, even when on vacation, that initiated this collaboration? Whatever it was thank you I hope you relished the world of sales and the last hours spent finalising the report as much as I did.

We can finally call ourselves graduates from the best technological institute in Sweden!

**/Nils Pundurasi**

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# Terminology

The reader should be familiar with the following list of terms and abbreviations before proceeding.

<b>B2B</b>	Business-to-business, commerce transactions between businesses
<b>BPM</b>	Business Process Modelling
<b>BPMN</b>	Business Process Modelling and Notation language.
<b>CSR</b>	Corporate social responsibility.
<b>CRM</b>	Customer Relationship Management.
<b>RFP</b>	Request for proposal. Document that an organisation offers to receive bids for a business proposal from a supplier.
<b>Roadmap</b>	In this report the roadmap is a guide for SimCorp sales organisation on how to conduct a sales case.
<b>Scorecard</b>	A strategy performance management tool to aid with keeping track of executed activities.
<b>Vanilla version</b>	Standard version of a system that is not customised from the delivered form.



# 1. Introduction

*This initial section will introduce the outline of this thesis. It includes a short background, an introduction and a problem statement. This will support the reader to gain an understanding of the purpose of this study and problem statement.*

## 1.1 Background

Back in 2009 when the financial crisis affected the American market the most, an organisation called the Sales Executive Council (SEC) wanted to find out how to sell effectively in a time when the market was hesitant to make new purchases. Business processes within the logistics and purchasing industry has been well studied and explored compared to processes in sales. In contrast the processes in sales management are mostly based on *know-how* and seem to lack a clear identifiable structure. SEC conducted a thorough investigation where over 6000 professionals in sales and their managers were interviewed in order to identify attributes of a top performer. From the interviews, 44 attributes were collected and by applying a factor analysis SEC identified five main roles with common skills or behaviours.

### THE FIVE SALES ROLES

» **Relationship builder** has a strong network in the customer organisation. Willing to spend time with other helping and are easy to get along with.

» **Challenger** has a different view on how things work. Loves to debate, pushes the customer and understands the business.

» **Hard worker** do not give up easily, willing to go the extra mile, self-motivated, interested in feedback and development.

» **Lone wolf** self-assured and follows own instinct. Difficult to control.

» **Problem solver** detail-oriented, ensures that all problems are solved. Responds to internal and external stakeholders.

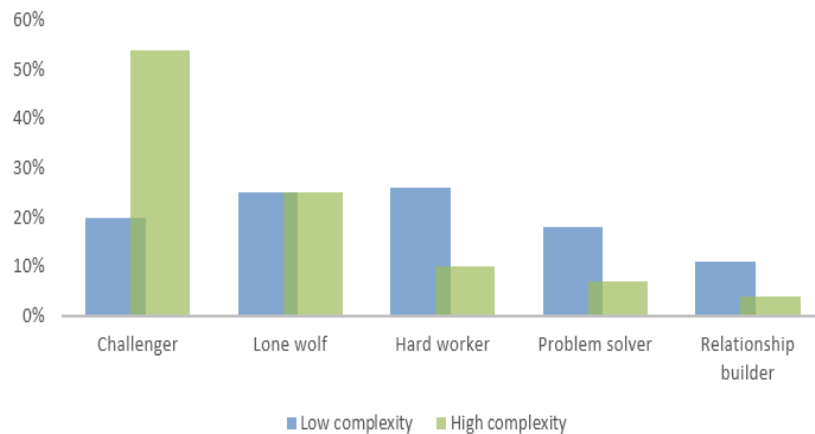
## 1.2 Problem

The results of the study exhibited that the majority of the companies aspired to transition from a transactional sales method toward delivering a combination of both services and products. The conducted survey further revealed that 75 % wanted to transform from their role as a supplier towards being a trusted partner and advisor (Dixon and Adamson 2011). The advantage with offering a product and service combined is that the company will be able to satisfy a larger part of the customer's business need. However, combining the two will often lead to higher complexity and thus making it harder for the customer to calculate the return on investment.

The complexity issue in addition with the financial crisis led to customers adopting a more defensive stance when negotiating deals. For example, the economic downturn led to customers being more aware of their own problems and would write well scoped request for proposals (RFP) and had these evaluated by consultants with expertise within the area of topic. All of these actions were done before suppliers had initiated contact with the customer, making the customer the one with more leverage (Dixon and Adamson 2011). SEC's hypothesis is that the underlying problems can be traced down to the explosion of the internet that provides a purchaser with vast amount of detailed information at any time; this is something the sales representatives cannot provide. As a consequence, sales representative becomes less influential during the initial procurement phase and only needed at a later stage when the customer already have made its choices.

The study also revealed that companies often hire representatives that are categorised as relationship builders. These sellers perform well when it comes to less complex solutions but their performance decrease when the complexity of the solution increases. The challenger seller was identified as the most suitable role for selling complex integrated solutions.

To reclaim the advantage over the well prepared customers a new process and method is required. The authors of *The Challenger Sale (2011)*, Brent Adamson and Matthew Dixon, believed to have found such a method. They call it insight selling.



**Table 1 Top performers:** demonstrate that the relationship builder – the most common new hire – is out of depth with high complexity solutions. It is instead the Challenger that stands out with 54 % (Dixon and Adamson 2011).

To help us investigate insight selling further we have the support of SimCorp A/S. Founded 1971 in Denmark, SimCorp is a leading provider of investment management software solutions and services for the global financial industry. The product SimCorp Dimension comprises of 15 individual business solutions fully modular and seamlessly integrated (SimCorp Financial Statement 2012). SimCorp is a publicly listed company on OMX Copenhagen and has more than 1,100 employees. SimCorp is a business-to-business (B2B) firm and the client basis includes financial institutions, asset and fund managers, insurance companies, pension funds, mutual funds and banks.

Lau H. Jeppesen is the Nordic Vice President of Sales and Account Management and has been at SimCorp since 2001. He will act as our main supervisor throughout the project and finds value in exploring and incorporating new sales strategies in SimCorp’s daily work

### 1.3 Purpose of study and question statement

The purpose of this study is to evaluate the new concept of *Insight Selling* - a new framework for sales organisations to adapt to the volatile market conditions. Our role is to determine if value can be leveraged and applied from a theoretical perspective. Thus it is not intended that the new approach is to replace the current processes and best practices, merely provide

a new perspective and viable strategies for a possible future transition.

This leads up to the questions this thesis will attempt to answer:

***1. How can the insight selling methodology be incorporated into a sales process?***

- How would SimCorp's current sales process look like, in theory, if it were implemented with insight selling and what are the contrasts between them.
- Is insight selling replacing traditional solution selling?

***2. What kind of requirements does insight selling have on customer relationship management (CRM) systems?***

- The purpose is to find out if SimCorp's current system can be aligned with the new activities added in the proposed future state to leverage the whole process.

Our contribution will thus be, to implement the activities into an existing, well defined sales process. This means that we are leveraging best practices from the challenger profile and will apply them to a sales process. Further the strategic elements from insight selling will be extracted in order to conduct a requirements analysis to find out if the current CRM system can be customised after the requirements.

## 1.4 Delimitation

Even though this thesis will cover various sales methodologies in the extended background, focus lies on comparing solution selling that emphasises a relationship builder against insight selling and its challenger. The results presented in this thesis are meant as a theoretical basis for the Nordic division of SimCorp and can serve as a foundation for a future transition towards an insight selling strategy.

Activities out of scope for an insight selling strategy includes identifying and mapping the current account managers to one of the five profiles, we will neither create a framework for how to identify and recruit a top performer - the challenger.

## 1.5 Stakeholders

The research published on Insight Selling has brought new strategies and perspectives for the sales and marketing departments. This thesis can provide the first cornerstone for organisations that consider adopting an insight selling approach. This thesis will benefit key personnel looking for new takes on traditional sales processes. To gain most value the reader should have general knowledge about the current sales strategies and business process modelling, though the intention is that people without any prior knowledge in sales finds it understandable and interesting.



## **2. Extended background**

*The extended background will present the reader with a more detailed explanation of the concepts and evolution of sales methodologies that laid the foundation of insight selling and this thesis.*

### **2.1 Perspectives on sales**

Sales can be defined as a set of activities conducted between two parties providing a service or product in exchange for money (Oxford Dictionaries). While the word sales and selling are often used interchangeably in literature and by the media there is in fact a difference between the two words. The noun sale is referring to the work of exchanging product or service for money while selling is the action of executing the transaction between organisation and customer or business (Spiro 1979). This thesis will explore methods in selling in order to close a sale.

Sales have a long history and an important role in developing and forming the modern world of today and companies that realised the importance of the sales department would flourish (Powers 1987). IBM was an early adopter as Thomas J. Watson Sr; former CEO identified this and transformed the company into an international selling organisation. He would also create a prestigious club for the sellers that achieved their annual sales quota. The recruiting process was highly selective and even schools dedicated to sales were set up (Robert L. Shook 1995). Even though the importance of sales quickly caught on with many companies early on, the amount of academic studies on the subject are lacking compared the other industries such as logistics or manufacturing. Despite a tremendous growth in the sales market for the past decades, leading to new emerging subtopics such as personal selling and sales marketing, most research in sales is still concentrating on who to select and how to motivate (Sheth 2008).

### **2.2 Sales force**

The customers are a company's most important asset as they determine the value and need of the product or service. Further the relationship between a company and its customers are

important since they generate revenue and hopefully profits for the company. Companies in a fragmented market, consisting of many competitors with similar products and value propositions, can differentiate themselves by having a successful sales force. One could therefore argue that the sales force can deliver a competitive edge for the organisation.

Since companies reckoned that the sales force could provide an edge in gaining market share (see profits) they started to invest more into the sales force, on average 10 per cent of annual revenues (Zoltners 2009). Setting up and running a sales force is not as easy as it might sound. Zoltners estimated that combined cost of all the companies' sales force in the US market exceeds \$ 800 billion. This reason alone has led to a large number of companies focusing on maximising the effectiveness of the internal sales force. As the market and the sales force associated with it grow, changes are introduced. These changes cause a shift in the market and for the business. Organisations must adapt to this shift or face the risk of having their business disrupted. A modern example of this can be seen with the advances in technology has led to more activities being more automated (Moncrief and Marshall 2005).

### 2.3 CRM system

Fierce competition in the market have led to companies focusing more on their customer retention and acquisition to remain competitive and even gain market share (Kalakota 2001). Customer Relationship Management (CRM) is a tool to manage data of an organisation's interactions with customers, clients and future prospects. A CRM system combines several modules to organise, automate and synchronise processes within an organisation. While a CRM system mainly focuses on managing sales activity it is also common that it is used in related activities such as marketing, customer services or technical service (Shaw 1991). Shaw further argues that since the introduction of CRM systems, the importance of having a system to automate activities has become more important.

Implementing a CRM system was a big investment in the early days, like any other large scale system implementation it could potentially take a lot of time and cost a lot of money if not done properly (A View Inside the Cloud, 2011). With the rise of cloud based applications (applications that did not require a

user to purchase physical hardware and instead depended on the supplier to deliver an application through the internet), more industries started to see the benefits with it; one of these industries was the enterprise sector. Compared to legacy systems, cloud based systems were often easier to deploy and cheaper. A former employee of the computer technology corporation, Oracle, named Marc Benioff saw the potential of cloud based applications and decided to start Salesforce.com (Benioff and Adler, 2009). Salesforce.com was of the first cloud based CRM systems and was in 2012 one of the world's leading CRM system vendor with a market share of 14% (CRM Market Share Update, 2013). Technology has reached a stage where it is integrated in an organisation's process and to a point where many companies are leveraging the data provided by CRM systems not only to gain an advantage but to uphold status quo.

## 2.4 Sales process

Processes consist of a number of activities that are carried out in a certain order to achieve a specific goal (Davenport 1993). A process is beneficial as it creates a standard for the task, a best practice. A sales process refers to the way of applying steps or actions required to sell the product or service. William H. McNeese (1991) claims that the advantages with approaching a sale with a process perspective opens up the possibility of using design and improvements tool from other process oriented fields. A well-defined sales process will account for risk and other factors that can affect the outcome of the sale.

### **The Dubinsky model**

One of the most well-known sales processes is the Dubinsky seven step sales process (Dubinsky 1980). As the name suggests the model comprises of seven sequential steps ranging from the situation where the seller is scouting for a potential customer to where the seller has signed the deal and is following up on the customer to see how satisfied he is with the end result. This seven step model laid the foundation for many of the sales processes used today and is further explained below.

### **1. Prospecting**

In the initial prospecting phase is where the salespeople are in search for potential customers. The main reason for prospecting is to expand the customer base. Prospecting usually includes a screening procedure and qualification of the potential customer.

### **2. Pre-approach**

This step includes activities of post-prospecting, the planning stage before approaching the customer. It requires salespeople to do research on the customer to familiarise themselves with the customer's need and organisation.

### **3. Approach**

The approach consists of tactics and strategies employed by sales representatives to establish an initial connection with the potential customer, a good first impression.

### **4. Presentation**

After the salespeople have determined the customers need and made a good first impression it is time for the presentation. Proposals and attributes are presented around the agenda. This step is considered complex and requires salespeople to be prepared.

### **5. Overcoming objections**

This is the step where the customers comes with questions, are reluctant about purchasing our service and product (or collaborating with our company). This step should have been anticipated by the salespeople.

### **6. Close**

To close is defined as a when the customer is committed to buy the product/service once a salesperson have overcome the objections.

### **7. Follow-up**

When the salesperson have closed the deal and accepted an order the follow-up phase is initiated. After the sale it is important to make sure that the customer is happy with our product and service and that everything that was promised is delivered.

## AIDA

As the industry and methods used in a field grew, many of the processes started to evolve into structured sales processes as the seven step model (Sheldon 1911). However they all share many similar traits with the AIDA model that predicates them all. The AIDA model which stands for *attention, interest, desire and action* originated from the marketing world and is credited to E. St. Elmo Lewis (Lewis 1908). The AIDA model is credited as the *sales funnel* for its characteristics, starting off with large field of potential customers and narrowing it down to end up with the best and suitable prospects. The early model of AIDA has also been evolved and adapted throughout time and the sales world was one of these adaptors. One of those evolved models is the AIDAS model. It includes the additional step, *satisfaction* and captures value by confirming that the customer is satisfied for the long-term goal of becoming a repeat customer (Sheldon 1911). The additional step (S) is very similar to the Dubinsky model step number 7. The matrix below demonstrates how sales and marketing shares similar traits on the Dubinsky and AIDAS model.

Dubinsky model:	AIDAS model:	Awareness	Interest	Desire	Action	Satisfaction
Prospecting	Selecting whom to approach					
Pre approach & Approach	Creating awareness					
Presentation	Creating interest					
Overcoming objections	Overcoming objections					
Close	Buyer taking action					
Follow-up	Creating satisfaction and report for the future					

**Figure 1. Dubinsky and AIDAS matrix:** The matrix demonstrates how the Dubinsky process shares similar traits with the AIDAS model.

## 2.5 Transactional selling

In general terms, a sales strategy usually defines the value proposition and the customers and prospects to target (Zoltners 2009). In contrast to strategy or marketing, sales strategies are mostly based on best practices even though early sales models can be traced back to the 1920s (Moncrief and Marshall 2005). Transactional selling was one of the earlier sales methods and can be summed up by basically showing the Dubinsky model. The idea was that more knocks on doors would generate more sales, a matter of statistics and likelihood. The sales representatives' method would sound scripted and lead with the

products benefits and features. It also meant that the seller would need to focus on how to convince the customer that their product was just what they needed. The method is in line with the research done by Dubinsky (1980/81) more precisely step number six: Overcoming objections, where the customer ask questions and are reluctant to purchase.

In other words, the transactional selling combines a process methodology with psychological aspects that lies in finding a customer with the needs which the organisation can fulfil. The sellers' role in this is to be a provider and persuader. They have a small amount of influence but the customer's decision is based on feature, price and availability.

## 2.6 Value bases selling

### **Solution selling**

The era of solution selling began when companies desired to move from transactional selling towards offering products in combination with services in order to meet the new market and customer requirements (Cova and Salle 2008). In contrast to the seven steps of selling (Dubinsky 1980/81), solution selling would differentiate itself by not focusing on overcoming objections and emphasise more on identifying and understanding the customers' needs, acting as a "consultant" (Rackham and DeVincentis 1999). The solution selling method emphasises a relationship building approach which involves securing, developing and maintaining long-term relationships with profitable customers (Johnston and Marshall 2003).

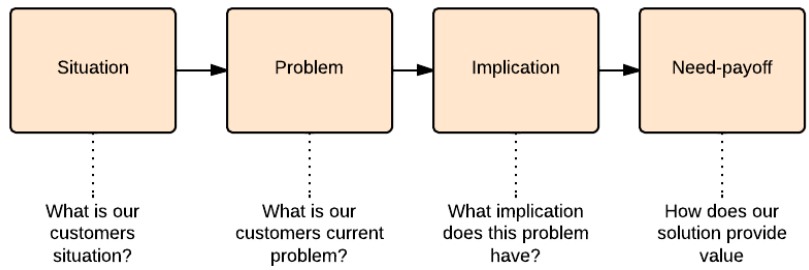
The solution selling business models are often conversed in terms of moving from transactional selling towards solution selling (Brady, Davies and Grann 2005), transitioning from product to services (Oliva and Kallenberg 2003), consultative selling or SPIN-selling (Rackham and DeVincentis 1999). With this innovative business model that was solution selling, Moncrief and Marshall (2005) suggest that the process of sales has changed from a transactional and operational role towards a more strategic, customer-oriented and interpersonal process. The statement is aligned with further research in the sense that firms desires to be more of a strategic partner than just a supplier (Cova and Salle 2008).

Moncrief and Marshall (2005) are critical towards Dubinsky (1980/81) stating that the sales process has evolved along the advances in technology and makes a comparison to Darwin's theory of natural selection. Species (see organisations) that adapt to change in environment thrive and those who do not, cease to exist (see lose deals/market share). They further suggest that the seven step process can be counterproductive due to its sequential order and a lack of customer orientation.

The transformation and innovation of the business model, moving from transactional selling towards solution selling has also required firms to reconstruct internally. To begin with, sales went from being an independent and isolated part of the company with minimal cross-function to a fundamental part of the whole company with integrated cross-functional parts (Arnett and Badrinarayanan 2005).

The most notable contribution to the solution selling era was called SPIN selling. Introduced and written by Neil Rackham (1988). SPIN is an acronym and the framework for categorising questions based on Situation, Problem, Implication and Needs-Payoff.

When SPIN Selling was released in 1988 Rackham's research concluded that it was the buyer that did most of the talking when it comes to large scale sales and the most successful salespeople were those who asked the most questions (Rigg 2011). That has become the core concept of solution selling. Be customer oriented and identify needs by asking questions then tailor your solution to fit the problem.



**Figure 2:** SPIN selling methodology.

## 2.7 Insight Selling

The insight selling method suggests that sellers should start to take on the role as a consultant to be more effective. The method addresses a lot of qualities that resembles the role of a consultant in that it takes the initiative and offer new perspectives. A top performer should not only listen and confirm the needs of the customer but already be well aware of the problems that the customer is facing (Dixon and Adamson 2011). The challenger approach highlights three main pillars - teach, tailor and take control.

### **Identify friends and allies**

Insight selling suggests that sales representatives should identify and profile stakeholders as *talkers*, *mobilisers* or *blockers* (Dixon and Adamson 2011). The desired profile is the mobiliser as these kinds of personnel in the organisation has the potential to drive change. Having the support of these kind people will ease the process of influencing the rest of the organisation (Sales Leadership council). It is therefore important to identify these kinds of people early on in the process. If the sales organisation can recognise what kind of profiles they are dealing with at an early stage, they have a better way of preparing and dealing with potential problems ahead. It should be noted that the profiles are not mutually exclusive.

### ***7 Stakeholder profiles***

#### **MOBILISERS**

##### **» *Go-Getters***

Will be engaged in conversations. Motivated by organisational improvements and are more agreeable on new ideas and insights. Communicates in terms of facts and tasks.

##### **» *Teachers***

The role that loves to share, teach and engage in conversations revolving our solution. Teachers are

generally a good ally as they are great at persuading other. Communicates in terms of stories and opinions.

» ***Sceptics***

Cautious in nature and identifies weaknesses and risks in every project. Sceptics advocate a “slow and steady” approach of new ideas. Communicates in terms of facts and tasks.

TALKERS

» ***Guides***

Will not be so engaged and ask hard questions. Knows the organisation and is helpful and candid. The main source for “insider information”

» ***Friends***

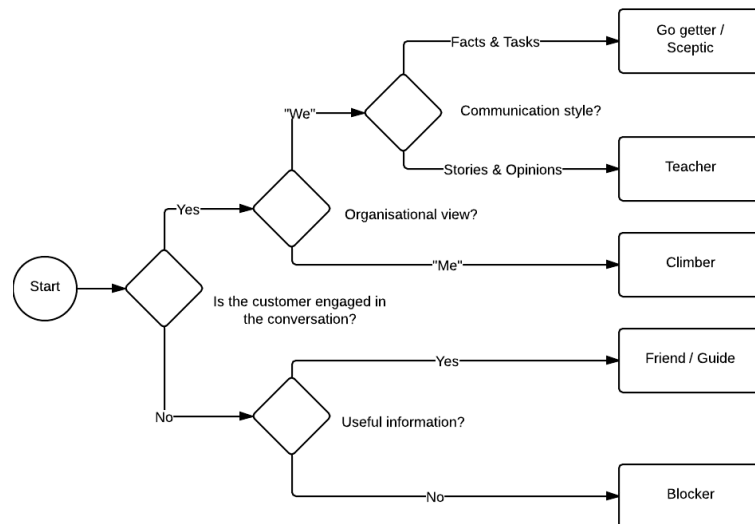
As the name would suggest, friendly minded individuals that facilitates networking to other stakeholders within the organisation and provide you with information. Unlikely to drive change.

» ***Climbers***

Ambitious individuals focused on personal gain and will engage by asking hard questions. Will only back the project if they can profit themselves.

BLOCKERS

Reluctant towards change and only interested in the status quo. No interest in consulting with outsiders.



**Figure 3 Identify allies:** A proposed framework for profiling (Dixon and Adamson 2011)

### Target the right organisation

An insight selling approach highlights the customer’s mobility (Dixon and Adamson 2011). More precisely, can the customer act rapidly and assertively when presented with an opportunity? Secondly, challengers will pursue a customer that has an organisational need for change. Examples of such conditions include external or internal pressures such as regulatory reorganisation or recent acquisition. These organisations are discontent with the status quo and more receptive for new insight since they already are looking to transform. Thus the top performers places more emphasis on change rather than buy.

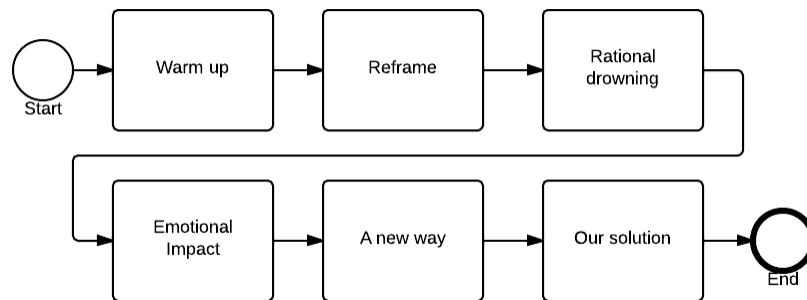
To capture these requirements a scorecard can be created. A scorecard can be used as a strategic performance management tool to aid with keeping track of executed activities (Kaplan and Norton 1996). To complement the stakeholder analysis insight selling suggests a preliminary qualification based on five different aspects which can be seen in table 2 on page 17.

### Developing the teaching pitch

Top performers in solution selling highlight the action of building up the bonds between them and the customer. Insight selling argues that the relationship is an outcome of the way you interact with the customer during the whole process from start to the end. It is something you earn and is needed because

in an economic downturn, a good relationship will not help you make the sale. To close a deal in a time when the financial state is uncertain the seller must engage with the customers. Have the customer rethink their current situation and other unexplored options on how to solve the problem that the customers did not realise that they had (Dixon & Adamson 2011).

The proposed framework is a process consisting of 6 steps seen in the figure below.



**Figure 4 Commercial teaching pitch:** Developing a teaching pitch leveraging the challenger approach. See appendix B for how to construct a teaching pitch and engages the customers rational and emotions (Dixon and Adamson 2011).

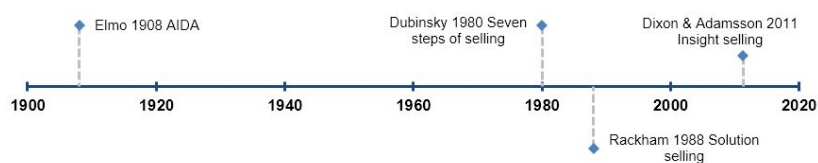
Organisation environment		Yes	No	
Is the customer financially sound?	<input type="checkbox"/>	<input type="checkbox"/>		
Similar opportunities in previous cases?	<input type="checkbox"/>	<input type="checkbox"/>		
<b>If both answers are no, do not proceed</b>				
Operational environment		Yes	No	Unknown
Does the customer face external pressures? (e.g. regulatory reform)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Does the customer face internal pressures (e.g. new leadership)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>1 point for each yes</b>				
Status quo		Yes	No	Unknown
Is large part of the organisation discontent with the current state?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Does current supplier fall short of expectations?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>2 points for each yes</b>				
Receptive of new insights		Yes	No	Unknown
Does the customer attend client conferences and other trainings events?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>3 points for yes</b>				
Emerging needs		Yes	No	Unknown
Does the customer continue to seek conversations about trends and benchmark in the industry in question?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Have you identified a mobiliser within the company?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>4 points for each yes</b>				

**Table 2 Preliminary qualification:** Five aspects of a challenger scorecard (Dixon and Adamson 2011).

## 2.8 Summary of sales evolution

After the era of transactional selling that applied a sequential sales process (such as the Dubinsky model), organisations became more customer-oriented and started to pivot towards solution selling, providing products combined with services. A well-known and accepted methodology was introduced by Neil Rackham called SPIN Selling which asks a set of structured questions to identify the customers need. After the publication of his book, *SPIN Selling* in 1988, not much has been published to be considered a “game changer” in the world of sales management. Technology advances automated activities but the methodology remained the same.

The book *The Challenger Sale* by M. Dixon and B. Adamson was published in 2011. The authors challenged the solution selling methodology by introducing a new perspective of sales. They claim that the typical relationship builder is inadequate when dealing with complex solutions. They propose a framework called Insight Selling - The challenger approach. Their main hypothesis is that the relationship builder and solution selling is fading away. The customers do not need the sales representative the way they used to and to reclaim a strong position a company should challenge and provide insight to the customer. The main competency that defines a challenger consists of identifying allies, targeting the right organisations and taking control of the sale with a teaching pitch.



**Figure 5:** Timeline of sales evolution



## **3. Methodology**

### **3.1 Research method**

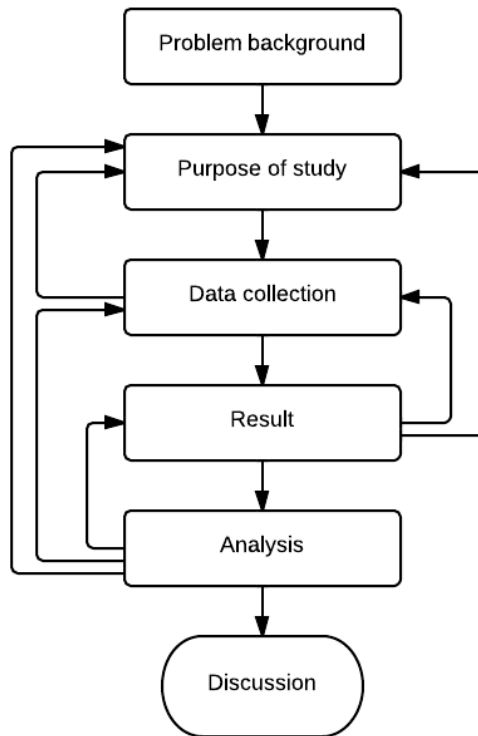
The thesis has thus far presented and analysed the sales processes that are currently considered to be the norm which led up to the evolution of insight selling.

A situation analysis will provide an overview of how SimCorp conduct a sales case today. Based on the best practices and strategies from the challenger approach the current sales process will be redesigned to for with an insight selling methodology. To achieve the purpose and to approach the world of academic research on sales a literature review was conducted. The main literature presents itself in the form of books, journals and reports on the topic of sales and marketing originated from primary and secondary sources. The differences are that a primary source of data is considered more reliable as the data is closer to the main source (Repstad 2003). However Repstad further argues that secondary data is essential as it provides the researcher with the background and knowledge.

There are two scientific research methods that deal with the relationship between theory and empirical data: induction and deduction (Rotchild 2006). Using an inductive approach implies that the researcher's conclusion of observing empirical data is based on theory. In deductive research a hypothesis or a set of questions are synthesised early on and tested by the result from empirical data, this suggests that the researcher should have some indication of the problem beforehand

From the framing of questions and proven theories in the scientific and academic world, a deductive research method was applied. The method was appropriate mainly as we relied on secondary data, some knowledge or indications in regards to insight selling and the set of questions proposed.

We will work iteratively throughout the thesis. As the thesis proceeds, new findings are analysed and theory will be build up from the data. The report will continuously be improved and figure 6 demonstrates the work flow.



**Figure 6 Methodology:** Representation of the work process

### 3.2 Data collection

There are three methods of data collection in scientific research: qualitative, quantitative and the mixed method. Qualitative research is often of textual nature where a hypothesis or research question is formed from the content analysis of the data collection. Quantitative research begins with a hypothesis or research question and provides numerical and statistical data to confirm the assumptions (Silverman 1993). The mixed method is simply the combination of qualitative and quantitative data collection.

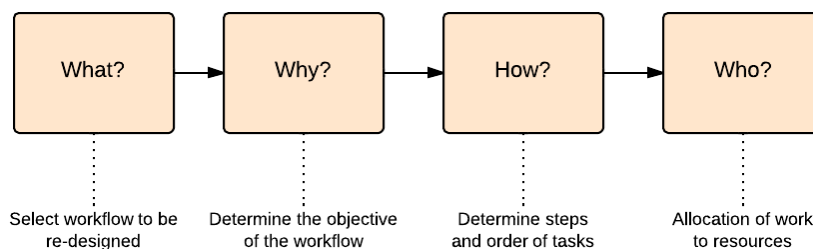
A qualitative research approach was selected as the sets of questions are formed and will test the study conducted by SEC. In qualitative research, three techniques of data collection are used: interviews, observations and documentation (Silverman 1993). The primary focus will be on the documentation technique to gather scientific articles, previous research, white papers and books. Semi structured interviews and weekly discussions will be held with our supervisor and sales representatives. The semi structured interview implies that the interviewer has a set of prepared questions to bring up but in no predetermined order which allows the respondent to elaborate more by discussion around ideas and opinions.

### 3.3 Method for notations and results

The first step is to identify how SimCorp execute a sales case today. This is done by conducting a situation analysis where interviews and discussions with the supervisor and sales representatives will lie as a foundation. Further, a roadmap of a sales case was provided by SimCorp. To illustrate the current and future state a method for representation and validation needs to be decided.

Business process modelling (BPM) can be seen as a representation with sets of activities that are carried out under certain conditions to achieve a specific result (Wil van der Aalst 2002). It will provide a platform to investigate and analyse the current situation for improvements and the potential structure of an adaptation of insight selling. To apply this we will be using the Business Process Model and Notation language also known as BPMN. The notation will provide the reader with a graphical view which is easy to follow even for an individual without prior experience of BPM (Appendix C).

A framework has been used to further validate the current and future sales process. The framework was developed by Wil van der Aalst and Kees van Hee (2002). It consists of 15 guidelines divided in four phases shown in Figure 7. The first phase is selecting the process to be re-designed. In the second phase the objective of the process is determined. The third phase establishes a structure for the process and lastly, the fourth phase establishes the allocation of work to resources i.e. is it a manual task executed by employee A or automated.



**Figure 7:** A framework for workflow design (Wil van der Aalst and Kees van Hee 2002)

### 3.4 Method for evaluation of CRM

A CRM system is an essential tool in today's sales force and SimCorp are currently using Salesforce.com. To answer the second question in the question statement, a requirements analysis on insight selling was conducted. The requirements will be based on the activities added to the future state sales process to align the CRM system with it. The requirements will then be implemented and tested on a vanilla version of Salesforce.com, a version that has not been modified from its delivered form.

The result should provide evidence if the system is customisable and a good fit for any future transition. The requirements will have one of the following priorities and points: May (1 point), Should (2 points) and Must (3 points). A high score will indicate that the system is suitable for this methodology; a low score indicates that the system is missing the ability to handle some of the requirements and may not be a good fit for future transitions towards insight selling. (See appendix A for specification)

### 3.5 Method and source criticism

A qualitative research method was selected. Information has been collected from academic literature and journals to gain a further understanding of sales methodologies. A weakness in our study is that the majority of the materials on insight selling are taken from SEC (Sales Leadership Council) and some articles from journals that has not been peer reviewed. The research done by SEC is not backed up by traditional academic sources. Instead a large survey was conducted across small to major organisations to find out how the companies executed the sales processes and other activities which resulted in the insight selling methodology.

Since qualitative research depends on previous literature and studies to arrive at a conclusion (Buston et al 1998), it is suggested that the method can lead to a subjective view in the end result. In this case, a mixed method would be useful as quantitative research will further validate and generalise our findings. To mitigate the risks that might occur, a triangulation was conducted on the collected data. This means that the data

gathered from SEC and other sources are cross-examined in order to find out if the research lines up with previous studies.

There are multiple reasons why a vanilla version of the CRM system was used for the evaluation. Since a part of this thesis purpose is to find out how customisable the system is, it is not recommended to have direct access to SimCorp's already configured setup of Salesforce.com as that could be seen as a risk factor. Further the end-users of the system only use basic features with minor adjustments on page display. By configuring a vanilla version we would be able to test the gathered requirements and the result would still deem relevant for SimCorp's configured system. The requirements that are tested only revolves around the activities added to the future state process which are deemed as the core strategies on insight selling and follows the previously states delimitation.

### 3.6 Reliability of the study

A study with high reliability implies that a future study of the subject in question can be replicated and produce similar results (Bell 2005). it is important to note that the situation analysis is the foundation of the study. Since all companies have their own ways of executing tasks it is possible to replicate this specific method but the results will differ based on what findings the researcher discover in the situation analysis. By triangulating the collected data from SEC and selected journals the risk of errors in the data will be mitigated.

A study with high validity implies that the result of the study corresponds to and describes the subject in question (Buston et al 1998). An incorrect method, corrupt data or misleading metrics will lower the validity of our study. A weakness in this study may be that the specific results (models, metrics etc.) presented will only be aligned with our case company business processes.

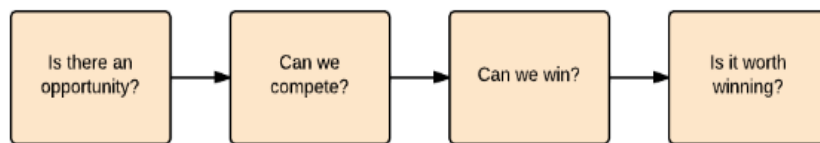


## 4. Result

*In this section the result from the study on evaluating and implementing the insight selling strategy are presented. The results will include workflow designs and a requirement analysis which is based on the questions listed in the purpose of this study.*

### 4.1 Current state

The current state of the sales process is derived from the roadmap that SimCorp use when conducting a sale and conversations with account managers. SimCorp have adopted a sales method called target account selling (TAS) which is based on solution selling. This method focuses around four key aspects:



**Figure 8:** Key questions of the TAS method.

These points are constantly referred to during the whole sales process. Similar to the AIDA model the current sales process applies a sales funnel. The sales funnel is starting off with a large scope of potential customers and narrowing it down to end up with the best suitable prospects. Demonstrated in Figure 9, the sales funnel applies a numeric value for each stage. It is interpreted as a percentage of how ready and committed the prospect is which naturally escalates the further a prospects goes down the funnel.



**Figure 9 Sales funnel:** SimCorp’s sales funnel

The current sales process can be seen on the next page in Figure 10. It starts with sales stage 10 - “Universe”. The seller will establish a total sales potential in the market segment by working with leads. A seller may then decide to allocate resources and move the prospect to sale stage 15 where a case is assessed on if there is an opportunity and can only be active for a total of 60 days (best practice).

When a case enters sales stage 20 it is considered to be a fairly good prospect and the seller will start to initiate qualifications to confirm that they can compete. If the prospect is still considered it will move further down the sales funnel (stage 30) and enter a second round where the case will be assessed based on the qualification criteria, “Can we win?” (Close the deal). The sales funnel should thus far have disqualified the lesser prospects and the remaining cases in stage 40 will be fully pursued. If the case is won and contracts are signed it will move to sale stage 50, else sale stage 00 (lost).

No fallbacks in cases where the process is cancelled are officially documented on the roadmap. However, after the interviews it was discovered that this is simply a matter of preference and the ways to handle a cancellation depends on the person in charge of the case.



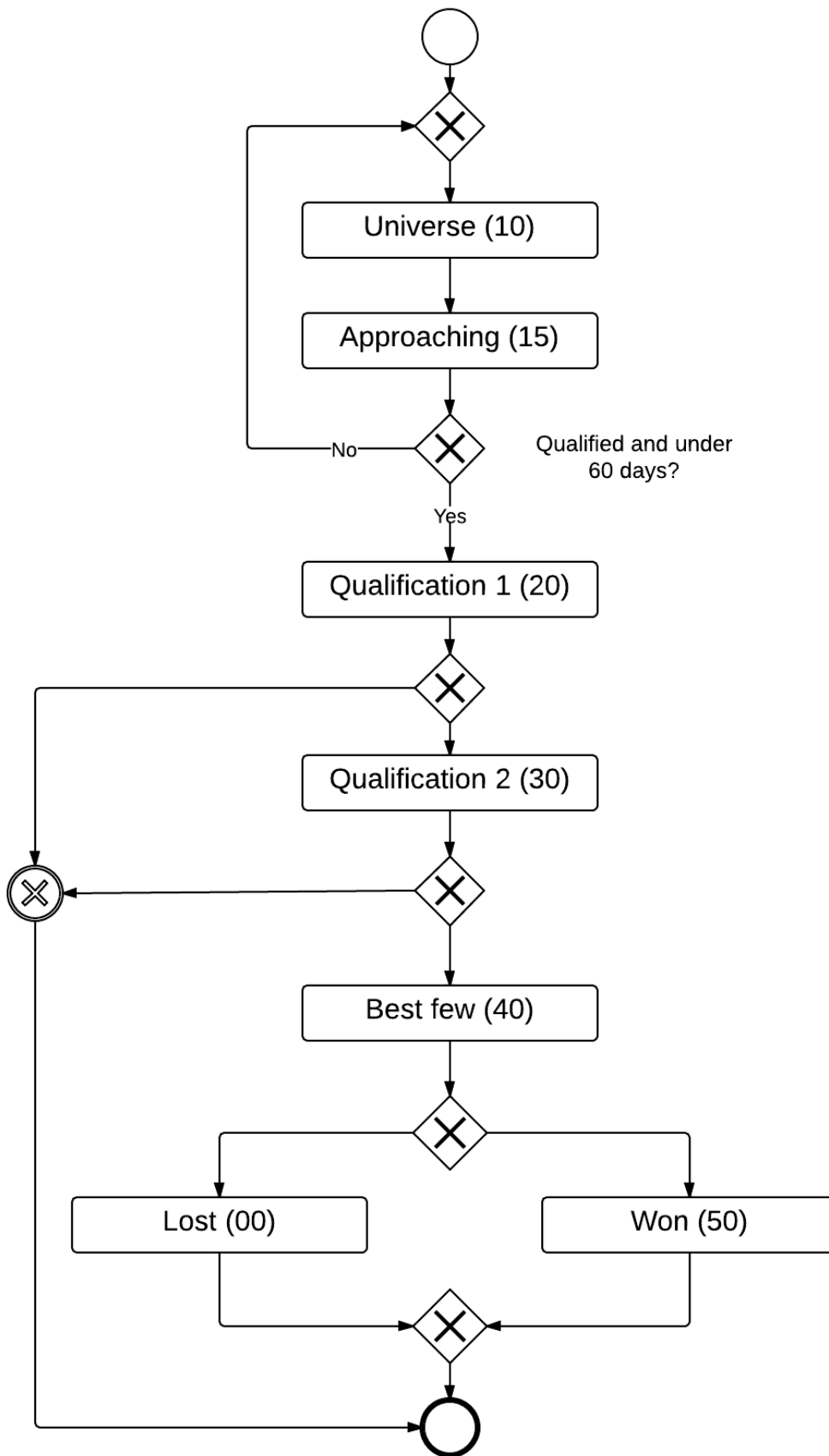
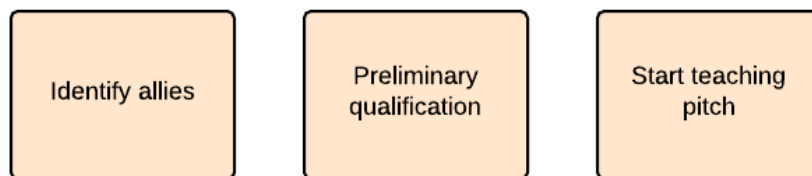


Figure 10 Current state: The representation of SimCorp current sales process.

## 4.2 Future state

### ***Q1. How does one incorporate the insight selling methodology into a sales process?***

The proposed future state is based on the current sales process that SimCorp use but includes and enhances the steps that are key aspects of the insight selling methodology. It resulted in three additional activities seen in the figure below.



**Figure 11 Key aspects:** Key elements of insight selling.

The result demonstrates that the two first activities: identifying allies and preliminary qualification are executed in parallel early on in the process as they complement each other, while the teaching pitch starts when a case is in the sales funnel. The remaining activities remains the same and the analysis section will provide perspectives on how the new activities may affect or transform the current sales process.

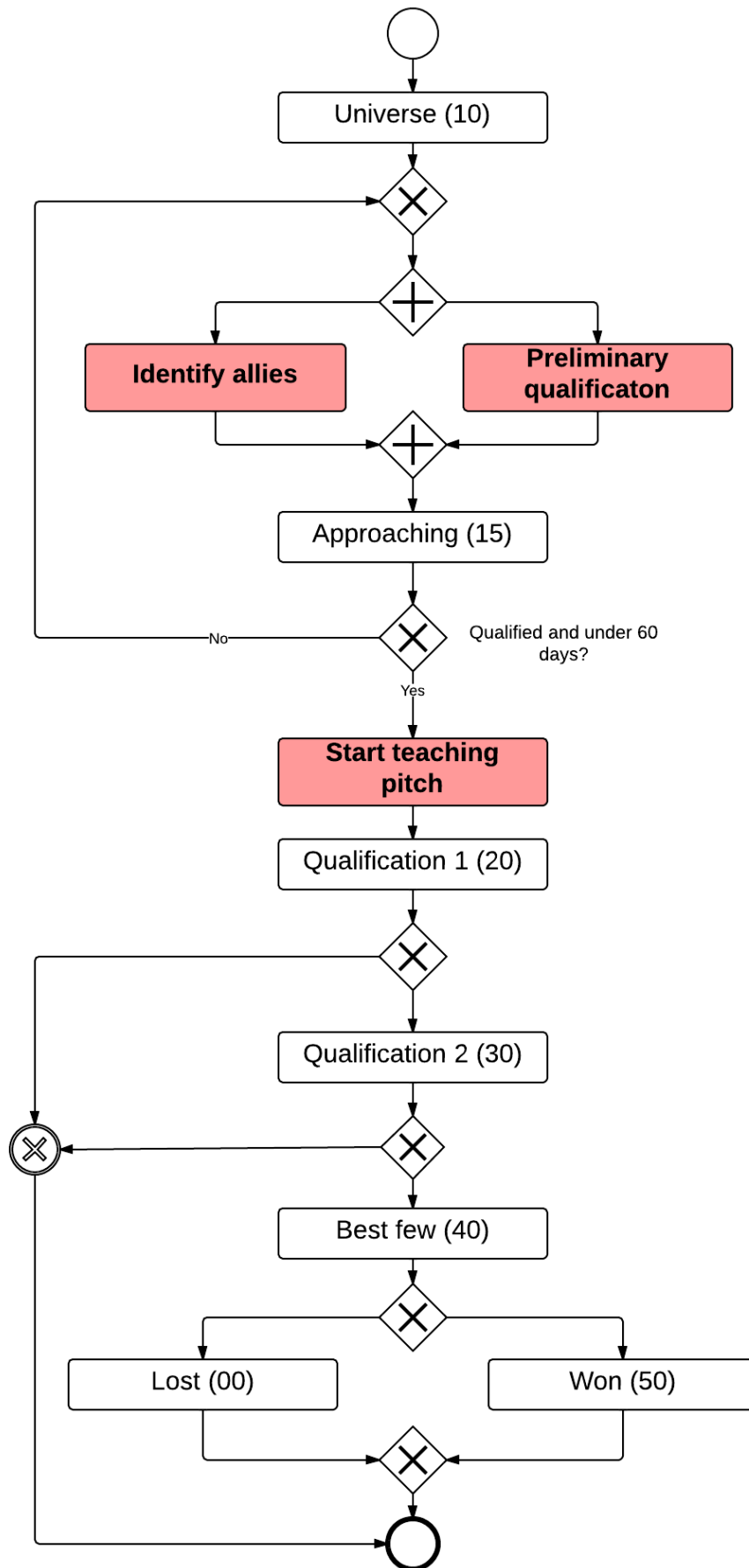


Figure 12 Future state: Applying and integrating an insight selling perspective.

### 4.3 Evaluation of CRM system

***Q2. What kind of requirements does insight selling have on customer relationship management (CRM) systems?***

The requirements were conducted based on the new activities added to the sales process in order to align the CRM system. It consists of: customer profiles and stakeholders (1), prioritisation and qualification of leads (2) and qualification of leads and opportunities with scorecards (3). The requirements has a priority where each step represents a certain amount of points ranging from 1-3 (Appendix A).

The result from implementing and testing the requirements using a vanilla version of Salesforce.com scored 18/19 and can be seen in table 3 on the next page.

The score attests to that Salesforce.com can capture an organisations needs and requirements by being simple to configure and customise, making Salesforce.com a suitable platform for a future transition of implementing insight selling in the organisation.

<b>Insight Selling requirements</b>	<b>Salesforce.com</b>	<b>Value points</b>
<b>1. Profiling</b>		
1.1 Profiling may exists	<input checked="" type="checkbox"/>	<b>(1)</b>
1.2 Profiles must be created and/or customized	<input checked="" type="checkbox"/>	<b>(3)</b>
1.3 Profiles may be easy to implement	<input checked="" type="checkbox"/>	<b>(1)</b>
<b>2. Qualification of leads and opportunities</b>		
2.1 Qualification of leads and opportunities may exists	<input checked="" type="checkbox"/>	<b>(1)</b>
2.2 The functionality of qualification must be created and/or configured	<input checked="" type="checkbox"/>	<b>(3)</b>
2.3 The functionality may be easy to implement	<input checked="" type="checkbox"/>	<b>(1)</b>
<b>3. Scorecards of leads and opportunities</b>		
3.1 Scorecards for qualification and assessment may exists	<input type="checkbox"/>	<b>(1)</b>
3.2 Scorecards must be created/imported or configured	<input checked="" type="checkbox"/>	<b>(3)</b>
3.3 Scorecards must be automated and calculate the final assessment	<input checked="" type="checkbox"/>	<b>(3)</b>
3.4 Scorecards should be easy to implement	<input checked="" type="checkbox"/>	<b>(2)</b>
<b>Σ</b>		
<b>TOTAL SCORE</b>	<b>18</b>	<b>(19)</b>

**Table 3 Evaluation of CRM system:** The total score of test and implementation of insight selling requirements in Salesforce.com

## **5. Analysis**

In contrast to the SimCorp current state, leveraging the TAS method, insight selling has somewhat of a reversed approach. Instead of letting the customer do most of the talking and ask clarifying questions the challenger will enter and reframe the customers' assumptions around their problem and guide them throughout the purchase. What insight selling mean by challenging the customer is essentially to reach the customer in a state where they have not realised and defined their problems and needs. This approach works well due to the nature of the current market where customers are very cautious over purchasing in economic downturns.

### **Sales funnel**

After analysing each step more in depth we find a common theme. The suggested activities require that the sellers do more research on the prospect. Thus the seller will be better prepared. Our proposed model suggests that the first two activities: identify allies and preliminary qualification are done before the prospect enters the sales funnel - this is in line with the insight selling approach of eliminating less profitable prospect early on in the process. As the sellers gets better at analysing the prospect and targeting the right organisations the sales case will be more concentrated and lean when entering the sales funnel.

To conclude the sales funnel will take on a lean form when the sales organisation manage to capture the right customer at an earlier stage, the outcome of this is that lesser profitable and/or unsure cases will be filtered out at an early stage.



**Figure 13: Lean sales funnel:** Transforming the sales funnel with insight selling

### **Identify allies**

The current state of the sales process identifies the profiles after you enter the sales funnel, more precisely sale stage 20. Our proposed model suggests that you should identify stakeholders before you enter the funnel. By identifying the allies early on the seller can get an understanding of the stakeholders' value drivers and adapt. In contrast to the current sales process, the new activity and framework can be used to explicitly say how to identify and profile a stakeholder, something that is not clear in the current sales process.

A clear contrast in strategy can be seen with this activity when comparing solution selling and insight selling. Traditional sales methodology targets and profile key personnel at a higher position in the organisation, an advocate, to help them get the deal done. The logic is sound as a person with a higher position should have more weight and able to drive change in their own organisation. Insight selling suggests that such an advocate does not exist and that sellers should instead target the mobilisers. That does not mean that sellers should stop targeting higher key personnel. The mobilisers have little to do with role or seniority as they are just as likely to be a blocker. To conclude, instead of only profiling a stakeholder as an economic buyer the seller should also include the individual's insight selling profile to gain an understanding of his or her value and economic drivers.

### **Preliminary qualification**

Our analysis indicates that solution selling tend to ask questions to identify needs and then tailor a solution to fit the problem. The challenger will reframe the customer's perspective by providing insights on what the real underlying root cause of the problems are and what the customer should worry about. In the current sales process we noticed that the path from finding your prospect to initiating the first qualification was straightforward.

Preliminary qualification was added to the new sales process, this was done to make sure that the seller assesses the case before deciding to allocate resources. At this stage, the prospects that do not move on is not immediately cancelled, they simply returned back to sale stage 10 where it will remain inactive until further notice. The seller will filter out customers in an early stage and be more prepared for the pursued cases and in the long term minimise the amount of possible fallbacks. As a tool the seller should use the scorecard based on the best practices of the challenger approach. On contrary to traditional qualification this one is done at an earlier stage (i.e. the word preliminary).

An insight selling scorecard is based on five perspectives: organisational and operating environment, view of the status quo, if they are receptive of new ideas and the potential for emerging needs. The interesting part is that the scorecard itself does not step away from the traditional topics such as customer needs and budget as the research from SEC would suggest. Observing SimCorp current state we can find similar questions and aspects on it as the challenger approach suggests. One could argue that the roadmap has a scorecard for each sales stage. That being said our contribution with the additional qualification activity is not to disqualify every lead early on but to provide the seller with a broader initial perspective on the sales case to gain an understanding of how it might turn out in the near future.

### **Developing a teaching pitch**

This activity was added to the new sales process to further adapt the current sales process to the insight selling method. The pitching step is also one of the main reasons why the challenger profile differentiates itself from the rest of the seller profiles.

The framework is designed so that it maps out the important points in the steps required to “teach” the customer and get their attention. Compared to the traditional seller who will propose a solution to the problem or ask questions to define it, a challenger will be a step ahead and enlighten the customer with new insight that will reframe the customer’s assumption of the original problem. According to Dixon and Adamson (2011) this one of the major reasons why the insight selling approach is superior. This would further suggest that it is important that the first two steps of the strategy (identify allies and preliminary qualification) are conducted thoroughly as the seller will need the data to complete a teaching pitch.

### **Contrasting the different approaches**

Task	Current state	To-be state
<b>Identify allies</b>	After entering the sales funnel. No specific profile to target	Identify allies early on. Focus on mobilisers
<b>Preliminary qualification</b>	No preliminary qualification. Prospect advances from sales stage 10 into 15	Tailored scorecards early on to confirm the prospects situation and interest
<b>Pitch</b>	Ask questions to identify needs and then create a fit	Reframe the problem and the customer assumption
<b>Sales model</b>	Sales funnel	Sales pin/nail

**Table 4: Contrasting the different approach:** Summarising how insight selling differentiates from traditional methodology.

### **Analysis of CRM system**

The total score of Salesforce.com was 18/19 which demonstrates that the system is a good choice for a future transition towards insight selling. The system is highly flexible and the vanilla version is delivered with advanced functions to create and manage processes. We are able to implement the seven stakeholder profiles and qualify opportunities without much trouble. By automating such processes the organisation should be more effective in the sense that the seller can focus on more critical business issues without having to think about the newly added activities.

We were not able to create scorecards for automation with the vanilla version of Salesforce.com. This is however a requirement that SimCorp already has solved by using a third-party application called *Dealmaker*. With the additional application they are able to prioritise and qualify opportunities with a scorecard and calculate the likelihood of a sale. This further demonstrates and confirms that the system is customisable and a good contender when choosing a CRM to apply insight selling with.

Although we were able to extract explicit requirements from the research on insight selling we argue that we see similarities to the activity of targeting the right organisations, more specifically the preliminary qualification. The requirements identified have the same top-down structure and shares similar traits to the current methodology employed by SimCorp - Target Account Selling (TAS). What we mean by this is that the kinds of requirements found in our preliminary study are not unique in itself which is in line with the analysis done on preliminary qualification. Even though Salesforce.com almost manage to fulfil all the requirements we find it highly likely that other CRM systems such as Microsoft Dynamics or SAP CRM can handle these kinds requirements as well. The requirements might not be unique for the challenger approach alone but that being said we believe to have accomplished the purpose of evaluating and implementing such strategy in a CRM system.



## 6. Discussion

While we do believe we achieved the set out goals for this thesis we feel that we could have done a better job regarding the content. The reasons for this are time constraints and sensitive data handling. As the thesis is public the collected data from SimCorp was one of the major concerns and risk to begin with. We had several discussions and suggestions from the supervisors on how to manage this risk. In the end we agreed upon that this thesis would only include material that had been approved by the supervisor at SimCorp. We kept our work on a very theoretical level which made it easier for us but might have decreased the value for SimCorp.

We were able to present a new sales process containing the key elements from insight selling. These elements did not exist or not properly aligned with the current sales process. As previously mentioned our result is strictly theoretical. We manage to incorporate the core factors of insight selling into the current sales process, but it is important to keep in mind that the success of insight selling relies on working from the challenger profile's perspective entirely. We have adopted a sales process based on solution selling, this have not been tested before and we cannot know if the current sales process will be successful before it is implemented in reality.

Although we present how a sales process can look like, we have not touched upon other important factors that are needed for it to be implemented. Any change at all in any large organisations must be aligned with how a company works and what goal they are aiming for. For example we have not covered the organisational management changes that might be needed to implement all these changes. Our work is therefore only suitable as a suggestion and larger investigations should be done before considering implementation.

The activities added to the future state sales process are mostly about disqualifying bad leads early on. An important aspect of this is to acknowledge that the activities merely provide the sales organisation with more data on how the prospect in question is qualified at a certain stage. It is still up to the seller to decide if further resources are to be allocated. Therefore the activities provide a more structured approach, a guideline, and

can provide the organisation with new and interesting metrics to observe and analyse.

The result indicates that the insight selling method differs from solution selling, which is among the most commonly used methodology today. While the authors of insight selling might claim that this method is new, we are not entirely sure that it is revolutionary as they propose. The goal with every sales method is in the end to close a deal, the difference lies in how you do it. Insight selling brings up some very interesting points, why to focus on the right stakeholders, how to do it and how to get the customers more engaged. After exploring the insight selling method we get the impression that insight selling is only as revolutionary as they claim because the authors (Dixon and Adamson) might have the wrong impression of what the current state of selling lies, or at least how it was before they uncovered the challenger seller.

From our study we find that there is no doubt that the market has changed and that sales methods do not necessarily work as they used to. Customers have gotten smarter and do extensive research on their own problems, but the challenger role might not be the solution to all the challenges the sales people of today faces. Dixon and Adamson states that the conventional sellers only sell when there is an identified need, and this is a scenario that the challenger role can break out from. However even the conventional sales persons of today need to have the ability to research and understand the customers need to satisfy the customers, these abilities are not restricted to the challenger role.

The insight selling method emphasises that it is important to “teach, tailor and take control” of a sale and give a detailed explanation of how to do it. What might be missing from the method is how to approach customers that are not willing to “learn”, the challenger approach seems to target a specific problem area where buyers are hesitant to buy, and i.e. they want to do it but are not sure if the risk is worth it. So how would the challenger approach a customer that does not have this attitude?

It is clear that the insight selling methodology provides some fresh ideas to the sales industry when comparing the current sales process with the sales process incorporated with the

challenger approach. The insight selling methodology highlights some important and interesting aspects of how to approach a sales case with a different angle. The suggested activities in the to-be state are not unique by themselves but the approach of identifying allies and preliminary qualification does bring a new approach to the sales funnel.

The research that Dixon and Adamson have conducted is impressive and very extensive. But claiming that the challenger approach is not a by-product of the great recession is doubtful, since it is a high likelihood that the research would not even have been conducted by SEC in the first place if the great recession did not take place. The insight selling methodology does a good job on identifying existing seller roles and how the challenger role performs better. But we are not entirely sure that the challenger approach is suitable for all situations. The best option would be to use the methodology that works with the current business and adapt some of the strength of the challenger seller.

### **Social and ethical considerations**

Initially the reader might think that insight selling provides sales representative with values of eliminating client relationships. Tools to misguide the client by bringing new insights with no value and provoke them into purchasing our products and services. As previously discussed we suggest that insight selling can provide the sales organisation with a new strategic approach in qualifying leads and opportunities and from there on guide the customer through the purchasing process. From an ethical perspective It is therefore still down to the individual sales representative to act with integrity, both from a personal ethical perspective, company policies and we are in no position to control this.

From a general sales perspective it is safe to say that selling is a profession that is criticised as most people have been sold a product that either did not live up to its promise or did not need in the first place. Companies such as SimCorp, acting in a niche market, run the risk of decreased market share, damaging the brand, negative publicity, losing goodwill and future prospects if they conduct business with no regards to social or ethical responsibility.

From a social, ethical, and legislative standard it is common to publish an annual Corporate Social Responsibility (CSR) report to demonstrate the commitment of responsibility. In a letter with regards to SimCorp CSR 2012, Klaus Holve, CEO, writes the following (SimCorp Corporate Social Responsibility 2012):

*“...Implementing and preserving sound social responsibility may enhance our attractiveness as an employer – but equally important, it will also improve the company’s efficiency to the benefit of all stakeholders; clients, employees and shareholders alike.*

Focusing on the sales department an important aspect must be to represent the company with integrity. To reach an annual sales quota and budget can be very difficult and stressful for a sales organisation in today's economic downturn. It is therefore very important that a sales organisation act professional and ethical by not misrepresenting and misguiding a client for short term profits to reach a sales quota. It is instead the objective to provide the customer with the smart and strategically decision to build and maintain a long term relationship with the customer.

Ethical considerations must be brought up when conducting a thesis in collaboration with a company. SimCorp’s sales organisation were informed early on in regards to the purpose of this study and agreed to act as the participating case firm. Even though the company is publicly listed, information in regards to a specific area and business processes might be a sensitive topic and a risk factor which might hinder the data collection process for this thesis. To act with integrity and professionalism, as well as mitigate risk, we had several discussions with our supervisor Lau H Jeppesen at SimCorp to demonstrate progress and only publish data with his consent.

Another aspect to consider was that our supervisor, Mr Jeppesen, is located in Denmark. Since most of the time was spent at SimCorp Stockholm office it was important to inform the managers of our purpose and arrival. Although no disclosure form was signed it was important to act with integrity and not disrupt the workplace as representatives from the Royal institute of Technology.

### **Sustainable development**

The work in this report is only of a theoretical and strategic perspective. We are in no position to judge if implementing a challenger approach will transform the (sales) organisation on a

general level. The challenger was one of the five profiles presented in the introduction based on the research. A social and economic aspect of this is around the role that is the challenger. Whereas our perspective on this thesis has revolved around the challenger and relationship builder we do not believe that an organisation should remove the traditional relationship builders and only focus on the challengers. We further do not believe that the sales department has to be re-organised in the sense of that someone might lose their job after the transition. Although it will require the organisation to provide material on the subject to help the sales representatives transition to this new methodology.



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## APPENDIX A

The purpose of the requirements analysis is to find out if SimCorp's current system can be aligned with the new activities added in the proposed future state to leverage the whole process.

Below are the requirements and specifications the CRM system should be able to handle in order to move on to adapt an insight selling strategy. The requirements consist of three blocks with a total score of 19. A requirement for teaching pitch has not been declared since we do not deem it necessary for the CRM system. What could be done is to implement a field on the page display with a drop-down box with the six alternatives seen in appendix B similar to figure 15 below requirement 2.3 as a status bar on where the seller and prospect currently stands.

### 1. Profiling

Profiling is a method to assess and categories an individual based on how he/she can influence the sales case. This requirement is tied to the insight selling activity of identifying allies. To remind the reader, seven stakeholder profiles were identified to help a seller assess what kind of individual they are dealing with and what kind of value and economic drivers the individual most likely will have. A framework for identifying these stakeholders can be seen in figure 3. Since the profiles are not considered to be a best practice yet, such profiles will not exist in a system today. We should therefore prioritise requirements around creating new or modifying current profiles to fit our need and align the first activity with the system.

- **1.1 Profiling may exist**
  - **Definition:** Profiling exists in the current system and delivered with the standard implementation.
  - **Priority:** May (1)

### Result 1.1 Profiling may exist

In a Salesforce.com profiling is represented by a drop-down box with descriptive titles linked to a person associated to the case in question. It is a very useful tool to have since it makes it easier for sales representatives to keep track of the people involved. The profiling can be found at *Contact Roles* using an administrator login and are based on best practices from a solution selling perspective.

Action	Values	Default	Chart Colors
<a href="#">Edit</a>   <a href="#">Del</a>	Business User	<input type="checkbox"/>	Assigned dynamically
<a href="#">Edit</a>   <a href="#">Del</a>	Decision Maker	<input type="checkbox"/>	Assigned dynamically
<a href="#">Edit</a>   <a href="#">Del</a>	Economic Buyer	<input type="checkbox"/>	Assigned dynamically
<a href="#">Edit</a>   <a href="#">Del</a>	Economic Decision Maker	<input type="checkbox"/>	Assigned dynamically
<a href="#">Edit</a>   <a href="#">Del</a>	Evaluator	<input type="checkbox"/>	Assigned dynamically
<a href="#">Edit</a>   <a href="#">Del</a>	Executive Sponsor	<input type="checkbox"/>	Assigned dynamically
<a href="#">Edit</a>   <a href="#">Del</a>	Influencer	<input type="checkbox"/>	Assigned dynamically
<a href="#">Edit</a>   <a href="#">Del</a>	Technical Buyer	<input type="checkbox"/>	Assigned dynamically
<a href="#">Edit</a>   <a href="#">Del</a>	Other	<input type="checkbox"/>	Assigned dynamically

Figure 14: Profiling in Salesforce.com

- **1.2 Profiles must be created and/or customised**
  - **Definition:** The existing profiles can be modified or a new category of profiles can be configured.
  - **Importance:** Must (3)

### Result 1.2 Profiles must be created and/or customised

As the figure above would suggest it is easy to customise or create new profiles by clicking edit or delete in the *Action* column.

- **1.3 Profiles may be easy to implement**
  - **Definition:** The word easy suggests that this requirement is subjective. We suggest that in order to be categorised as easy one should be able to do this without a guide or manual. Modifying the source code should not be required.
  - **Importance:** May (1)

### Result 1.3 Profiles may be easy to implement

The profiles are easy to customise and create simply by editing the profiles to fit our need. No new implementation on the page display is necessary.

## **2. Qualification of leads and opportunities**

In parallel to the newly added activity of identifying allies a preliminary qualification is executed. The activity is split up in two requirements. In this first part (requirement 2) we find out how the system handles qualifications today and if we can modify it. Requirement 3 will focus on the scorecard aspect and automation.

Qualification is an important requirement since it enables us to be more effective in terms of internal resources. To remind the reader again, the qualification should be done early on in the process to give an indication of how the organisation should prioritise a lead. It is a question of is they should pursue or drop the case in question. In CRM systems the qualification are often represented by a drop-down box with graded denominations.

- **2.1 Qualification of leads and opportunities may exist**
  - **Definition:** Prioritising exists in the current system and delivered with the standard implementation.
  - **Priority:** May (1)

### **Result 2.1 Qualification of leads and opportunities may exist**

Salesforce.com is delivered with three priority status: Hot, Warm and Cold

- **2.2 The functionality of qualification must be created and/or configured**
  - **Definition:** Existing functionality can be configured or a new category of prioritising can be created.
  - **Priority:** Must (3)

### **Result 2.2 The functionality of qualification must be created and/or configured**

Using our administrator account we can add a customised field and enter our desired status of prioritising leads and opportunities. Just like in the previous case by simply creating new or modifying the current status bars the first part of the qualification can be aligned with the system and can be seen in figure 15 below requirement 2.3.

- **2.3 The functionality may be easy to implement**
  - **Definition:** The word easy suggests that this requirement is subjective. We suggest that in order to be categorised as easy one should be able to do this without a guide or manual. Modifying the source code should not be required.
  - **Priority:** May (1)

### Result 2.3 The functionality may be easy to implement

By implementing a declaring variables and implementing a simple drop- down box seen above we have accomplished the second requirement.

The screenshot displays the 'Opportunity Edit' form in Salesforce. The form is divided into two main sections: 'Opportunity Information' and 'Additional Information'. The 'Opportunity Information' section includes fields for Opportunity Name, Account Name, Type, Primary Campaign Source, Priority, Opportunity Owner, Close Date, Stage, Probability (%), and Amount. The 'Additional Information' section includes fields for Next Step, Description, and Lead Source. A dropdown menu is open for the Priority field, showing options: '--None--', 'Consider not pursuing the opportunity', 'Consider pursuing with limited resources', and 'Consider pursuing with full resources'. The form also features 'Save', 'Save & New', and 'Cancel' buttons at the top and bottom.

Figure 15: Implementing prioritisation in Salesforce.com

### 3. Scorecards of leads and opportunities

The second aspect of preliminary qualification revolves around a scorecard. Scorecards are used to gather information and qualify if the organisation should pursue the case in question. The information is gathered by predetermined questions or financial data that are then summarised and evaluated. The final score can then be translated to an understandable priority designation such as to pursue or stall. To remind the reader, an insight selling scorecard is based on five aspects: organisational

and operating environment, view of the status quo, if they are receptive of new ideas and the potential for emerging needs. We should therefore prioritise requirements around being able to create scorecards with the system. The scorecard should also be able to summarise the case in question by itself, thus being automated.

- **3.1 Scorecards for qualification and assessment may exist**
  - **Definition:** Scorecards exists in the current system and delivered with the standard implementation.
  - **Priority:** May (1)
  
- **3.2 Scorecards must be created/imported or configured**
  - **Definition:** Existing scorecards can be configured or a new set of scorecards can be created based on insight selling.
  - **Priority:** Must (3)
  
- **3.3 Scorecards must be automated and can calculate the final assessment**
  - **Definition:** Can questions of the scorecard be assigned a value to be automatically calculated?
  - **Priority:** Must (3)
  
- **3.4 Scorecards should be easy to implement**
  - **Definition:** The word easy suggests that this requirement is subjective. We suggest that in order to be categorised as easy one should be able to do this without a guide or manual. Modifying the source code should not be required.
  - **Priority:** Should (2)

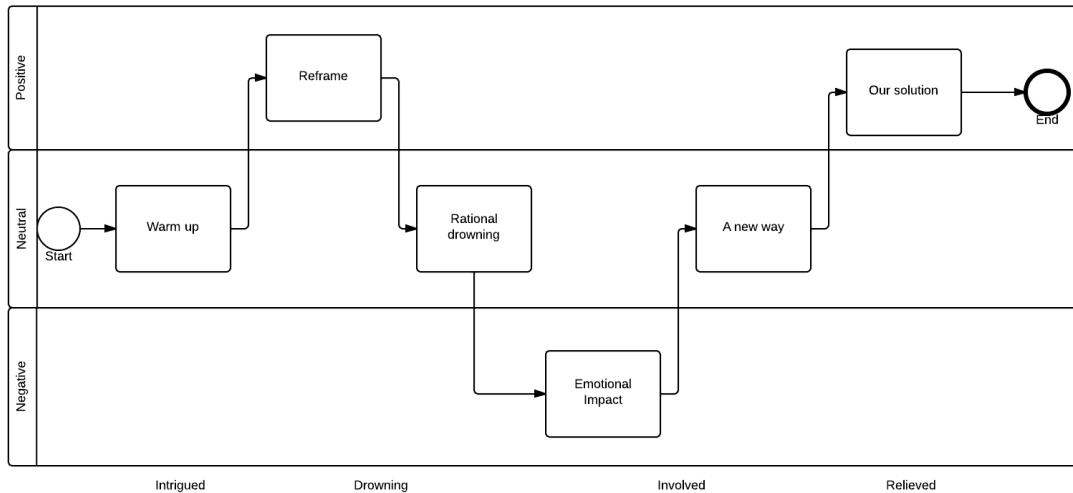
### **Result for requirement 3**

Salesforce.com is delivered without a scorecard for qualification. Scorecards can be implemented by using combo boxes and checkboxes with the administrator account although it might not be as efficient or look too well. To help with situations, such as this, Salesforce.com has a market place called AppExchange which provides users with third party applications where developers can share modules and extra

features. This is something SimCorp are working with at the moment. They have implemented a third party application called *Dealmaker* to match this requirement. By applying a third party application that is developed just for Salesforce.com it is very easy to implement a scorecard. The application is delivered with a short but concise manual on how to declare statements for the variables. With the opportunity management application scorecards are easily created and are automated to calculate the likelihood of a deal based on our provided data. Unfortunately this is something we cannot display in this guide due to its customisation.

## APPENDIX B

The framework is sequential and used to guide the customer through the process. What is interesting is that each step can be mapped out to see at what we expect the customer emotional state and level of involvement should be at any specific task.












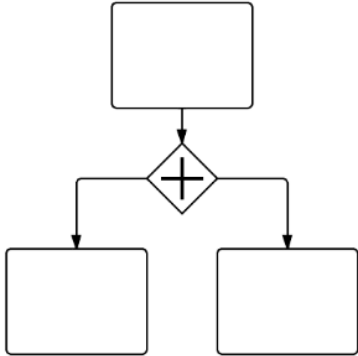
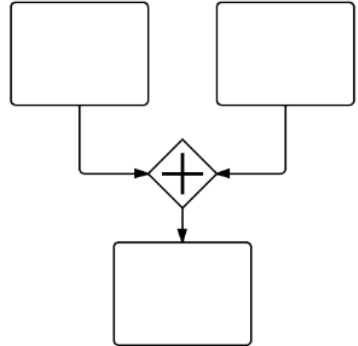
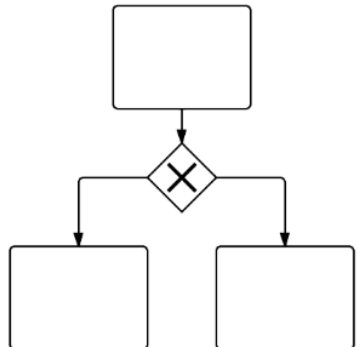
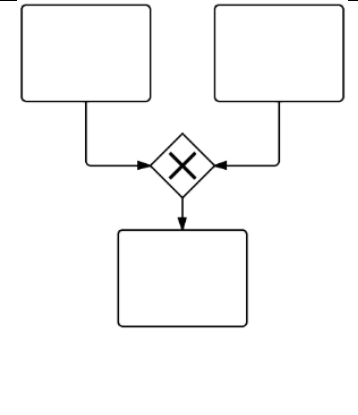
**Figure 15 Deconstruction of a Commercial Teaching Pitch:** 1) Warm up: build credibility. 2) Reframe: Bring insight of unrecognised problems. 3) Rational drowning: gradual intensification of the problem. 4) Emotional impact: Personalise the problem. 5) A new way: create new value proposition. 6) SimCorp unique solution. See the book *The Challenger Sale* p.67 for narrative of a teaching pitch



## **APPENDIX C**

A Workflow notation was used to demonstrate the processes. Such notations of processes always consist of tasks, conditions and a flow to explain the relationships between them. Every model has a start and end condition. The following table is a summary of all the elements we use in this thesis to represent the business processes.

Element	Description	Notation
Start	Is an event that indicates where the process starts	
End	Is an event that indicates where the process ends	
Activity	A work task that is performed by the company	
Gateway	A gateway is used to control the divergence and convergence of the flow in a process	
Gateway – exclusive	An exclusive decision or merge	
Gateway - parallel	A parallel forking and joining	
Normal flow	Path of the sequence flow	
Cancel	An event that will cancel the process	
Pool	A pool is a graphical representation of a container of all the activities that should be handled by a specific participant	
Element	Description	Notation

Fork	Fork refers to the path dividing into two parallel path	
Join	Join refers to combining two or more parallel paths into one path	
Exclusive	This decision represents a branching point where only one of the path can be selected	
Merge	Merge refers to the exclusive combining of two or more paths	

**Table 5:** Workflow patterns used in this thesis (Object Management Group Specification)