



The Changing Role of Decision-Makers



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Today's executives and managers—your customer decision-makers—have experienced a fundamental shift in what they're rewarded to do. Have you recognized that shift? More importantly, have you adjusted your sales approach accordingly? Our research would say probably not.

In a recent Huthwaite survey, we asked over 400 sales managers to answer the following question:

Which of the comments below would you most likely hear when asking prospective customers for their view of your sales process?

- Their sales team listens to my problems, and then shows me which of their menu of products and services can help.
- We spend a lot of time discussing their products, and I find some of the features and advantages they talk about very interesting.
- They stop by pretty regularly to make sure everything is going well, and see if we would like to order anything new.
- They help me explore the depth and scope of issues I didn't even know I had. I feel like I should be paying them for a consultation at the end of each sales call.

How would you respond?

Our participants' responses—which we'll review later—are disturbing because they reveal an outdated focus on the present. But as we'll demonstrate, decision-makers are no longer paid to worry about today's problems. They are paid to anticipate and shape the future. If your sales organization isn't prepared to help your customers look over the horizon and get ready for "what's next," then it's a costly—and probably unnecessary—function.

The reason for the seismic shift in the role of management lies at the nexus of two fundamental market changes: the *velocity of information* and the *quality revolution*.

The Changing Role of Decision-Makers

The Velocity of Information

Apace with the advancement of the internet over the last fifteen years, customer attitudes toward buying have changed drastically. And much of what passed for selling in years gone by has become obsolete. For an illustration of this point, you need look no further than your computer screen. Run a Google search on “corporate banking.” We did and were rewarded with 2,080,000 results in .06 seconds. If you were in the market for a new bank, you could find everything you wanted to know—indeed, everything there is to know—about corporate banking, from products and services to best prices on the planet. And you could find that information literally in seconds. The same can be said of “data processing” with 24,100,000 results in .11 seconds. And consider these as well:

- “accounting”—331,000,000 in .08 seconds
- “management consulting”—10,700,000 in .17 seconds
- “packaging”—153,000,000 in .12 seconds
- “healthcare”—211,000,000 in .14 seconds

Add some qualifying search terms and—thanks to the ingenious algorithms used by Google—most of the vital information you’re looking for will most likely appear in the first few pages of results. Search engines today are so sophisticated they can ferret out exactly what we’re looking for in a fraction of a second. Buyers, therefore, can quickly identify and even evaluate many of their options in any industry in a very short period of time.

Before this flood of information, customers *had* to see salespeople in order to learn about products and services—or at least it was the quickest and easiest way. The salesperson as talking brochure was, in a sense, legitimate. Today, that no longer holds true. Information is available faster, easier and cheaper elsewhere. Buyers today are awash in useful information and can begin to solve a vast array of common business challenges with a few mouse clicks.

The availability of so much information has created a general impression of commoditization, even where it needn’t exist. Sifting through and sorting out the torrent of information, everything begins to appear homogenized. Pick any industry and read the website homepages of the top five competitors. Do they

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sound the same? Can you discern any real differentiation? If you removed their company names and logos, could you still tell them apart?

So, herein lies the crux of the matter: common business problems are now so easily solved that it makes no sense to pay a manager to solve them.

The Quality Revolution

Over the past two decades there has been a quantum leap in reducing product defects and improving complex processes. Today, products are far more reliable than they were in the recent past—whether consumer goods like appliances, automobiles and computers or more complex offerings like aircraft and environmental control systems. TVs rarely break down anymore; your stereo will probably be obsolete before it falls apart. When was the last time you had a repair person out to look at a relatively new piece of equipment?

In short, the quality revolution...has in many ways eliminated the product differences that customers once considered valuable.

There is plenty of anecdotal evidence regarding warranties to suggest that products are getting better and better all the time. Take the automobile industry as an illustration:

- Warranties cost Ford \$20 million on the 2005 Focus compared with \$160 million on the 2000 model.¹
- For General Motors' domestic fleet, the number of warranty claims is down 36% over the past five years. Warranty costs are down 21%.²
- In 1980, owners of 88 out of 100 new vehicles, domestic and import, told *Consumer Reports* that they'd had problems the first year. Today, the number is 16 out of 100.³

In short, the *quality revolution*, like the *velocity of information*, has in many ways eliminated the product differences that customers once considered valuable—worth paying for. And, interestingly, the velocity of information has accelerated this quality revolution by ensuring that competitors get information just as fast as customers. A competitor today can produce the “me too” version—perhaps even a slightly improved version—of a product without the market knowing which came first. In the mid-80s, it typically took five years in the business-to-business world to introduce a product. Which means the window of uniqueness and differentiation was long while competitors took several years to introduce competing products.

¹ Greve, Frank (*Knight Ridder Newspapers*), “Want a reliable car? Buy American,” *The Seattle Times*, November 4, 2005

² Ibid.

³ Ibid.

The Changing Role of Decision-Makers

The cascading impact of the *velocity of information* and the *quality revolution* on managers, especially at the “C” level, is that there are far fewer of *today’s* problems to solve. Thus business leaders are no longer paid to solve *today’s* problems. They are paid to look over the horizon—to identify opportunity and anticipate difficulty. Business is now much more about the future.

Business leaders are no longer paid to solve today’s problems. They are paid to look over the horizon.

So what does all this mean for the sales professional?

First and foremost, it means that the modern seller needs to be conversant in the language of business. A salesperson must talk the new language of decision-makers. If we revisit Huthwaite’s survey described at the beginning of this paper, you’ll see now why the responses were so disturbing. When managers were asked what they most likely would hear from prospective customers about their sales process, by far the most common answer (39%) was “Their sales team listens to my problems, and then shows me which of their menu of products and services can help.” Talk about commoditizing your offering! To their credit, 90% of the managers at least *recognized* that this is not the desirable answer. Nonetheless, only 4% responded with “They help me explore the depth and scope of issues I didn’t even know I had. I feel like I should be paying them for a consultation at the end of each sales call.” That response reveals the language of business—the language of today’s decision-maker. But too few sellers know that they need to speak that language. And even fewer know *how* to speak it.

It does need to be said that today’s problems have not completely disappeared. There are still genuine problems with genuine implications that can be legitimately explored. But the vast majority of managers have neither the time nor inclination to expend much effort studying current problems. Issues of the “here and now” are most often dispatched to an assistant for remediation. Indeed, the process for dealing with today’s problems has migrated lower and lower on corporate food chains over time. Today’s problems are the domain of influencers and implementers. Decision-makers concentrate on the future.

The *velocity of information* and the *quality revolution* have combined to change the role of your customers’ managers. No longer paid to solve today’s problems, they are expected to anticipate tomorrow’s—and to identify future opportunities. They need help. Can you speak their language? Are you prepared to leverage your expertise to assist them in their new role?



With more than three decades of delivering client results, Huthwaite is the leading sales performance and change management firm. As pioneers in the application of behavioral research and analysis to improving sales effectiveness, we impart the skills and processes to drive lasting change and measurable business outcomes.

Building upon our prestigious research legacy, broad subject matter expertise and success-based sales models, Huthwaite's approach integrates implementation and training strategies to cultivate critical competence across the client enterprise. In short, we help clients diagnose challenges, define success, prepare for change, implement sales performance solutions and support ongoing improvement. By continually revisiting this process, we empower clients to adapt to changing markets, anticipate new needs and stay ahead of the competition.

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