

Executive Summary - Consultative Selling for Chemicals - Mike Griffiths

[Episode Replay](#) - June 2, 2022 10 am ET

[Executive Roundtable for Materials Growth](#)

Hosted by: [Growth Arc Advisors LLC](#)

Contact: [Kendall Justiniano](#) for follow-up consultations for your organization.

Summary

Shifting to more consultative approaches can yield 40X returns on the investment in sales force development.

Consultative selling in its simplest articulation is the ability to: frame the right client problem, effectively diagnose issues, giving advice, co-creating a solution.

Numerous industry pressures and sales pressure create the need to think beyond traditional selling methodologies. In the chemical industry - the sector has underperformed the broader market in the last 5 years after 2 decades of outperform. Trends include: supply regionalization and Asian competition, shifts in sustainability, and less reliance and trust from buyers in sales. In addition, research indicates that clients see through the pitch-centric approach most product sales methods start with.

Mike has spent 30 years developing the methods he uses. Began with early clients who were consultants or had consulting divisions, e.g. BP Chemicals was a key early client. He found that B2B sales groups also valued the consultative techniques.

Methods were improved upon through the research he helped guide at Cambridge and London Business School, to arrive at the mature approach in use today.

Contrast to Traditional Methods - Value Selling

Traditional product based sales methods which have been around for 20-30 years are primarily "pitch-based," moving from awareness to sampling to pitch rather quickly. Value selling approaches are a good improvement to that approach, whereby, sales professionals better qualify a match, and amplify the business case, making sure there is validated value that can be supported.

However, the notion that there is a single problem, and that the customer understands it clearly is naive. In fact, this mindset places one along side competitors pitching against the same problem. Research shows that customers aren't always clear on their problem, and many times hold beliefs that create blind spots or barriers to consideration. So that there is competitive advantage in being able to help the customer frame their problem correctly and reveal blind spots they may hold *before* you assess the possibility of a product match.

This ability to help clients frame their problems, and reveal blind spots is a key differentiator for trust building in a relationship, which is in turn a key advantage to closing the sale. This essential forms the heart of a consultative approach. The ability to develop trust forms the basis for a cycle of advisory potential where a rep can become a go-to source for advice and thought, and in so doing, prompt a customer's thinking about a topic. This is crucial both to winning new business and expanding existing business relationships.

Case - Coatings, Adhesives and Ag Chem leader

Mike reviewed work done with 3 divisions of a leading chemical producer (coatings, agchem, adhesives). Leadership was concerned that sales was not commanding the sort of margins they thought possible. Interviews with account managers, and review of account plans revealed a "1 size fits all" tendency in their sales approach.

Mike's team worked with the the sales team on consultative methods. First by creating, along with the technical and marketing teams, a sales "playbook." This playbook identified, by segment, critical success factors, possible key problems customers might be facing, questions to confirm and the suppliers unique point of view on various issues. Sales were then trained in methods and coached in the use of the playbook.

This work contributed to the winning of ~\$103M of new sales in the subsequent 18 months, and significantly improved margins.

Method Summary

This approach has been reduced to a 6 step process that has been reliably implemented.

1. Stakeholder analysis - how well you understand your client, corporate and individual.
2. Scope - understanding field of play and what aspects are critical to client success.
3. Hypotheses - What are potential problems, opportunities and root causes.
4. Inquiry Strategy - Developing a questioning strategy to confirm / deny key hypotheses.
5. Point of View - Our perspective that highlights critical issues and potential blind spots for the client. Designed to have client reconsider beliefs that may interfere with their success.
6. Value Proposition - developing a proposition where we can contribute and create the most value.

The method is commonly implemented through development of a playbook that codifies the key perspectives that sales may develop around their product base and customer issues. Subsequent training and behavioral coaching is used to ingrain these approaches in a sales professional's repertoire.

Critical Success Factors

Leadership as role models and sponsors. Leadership must be bought in and especially front line management must practice and advocate for the use of the methods. Critical momentum is lost if sales leadership do not have buy in.

Practice & coaching. Quality of coaching becomes critical. Assessment of gaps and activities to close is key to moving a sales professional to be a better practitioner of these tools.

With the need to hone skills, psychological safety within the sales force is critical. These approaches require new behaviors and without the ability to practice, fail, learn it is unlikely to

Cross functional involvement becomes critical. First in the development of playbooks which are core to implementation. In addition, as practitioners themselves. Many times, Tech service, Marketing have opportunities to be pivotal at a client with the use of these tactics.

About Mike Griffiths

Mike Griffiths is the Managing Director of Consulting Skill Ltd, and designs and leads Executive Education at Cambridge University's Moller Institute. He has worked for more than 30 years as a consultant and educator specializing in building consulting firms, and consultative selling techniques.

To date Consulting Skill has worked with 17 of the top 20 consulting firms, 5 of the 10 leaders in chemicals, and 7 of the top 10 tech firms. Notably his team helped design CISCO Systems' Services division which now accounts for 80% of their profitability.

Consulting Skill have generated over \$34b in increased profitability through applying these approaches, and Mike has worked directly with over 55,000 professionals.

About Growth Arc Advisors LLC

After a 30 year career as an executive in the chemical industry, founder Kendall Justiniano started Growth Arc Advisors to help chemical business leaders implement the new thinking required for changing fundamentals. We're experienced industry operators who know the old playbooks, their gaps, and the new pages required.

The firm delivers customized engagements for Materials Executives in 3 key areas:

Commercial Effectiveness: increasing growth revenue through proven next-level commercial practices, including digital sales & marketing.

Strategy: helping clients navigate threats generated by sustainability, digital, and global demand shifts.

Innovation: accelerating return on innovation through focused investment.

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