

WINNING CONSENSUS- BASED SALES

WHITE PAPER

Challenger | *Sales*

Winning Consensus-Based Sales

Think about a recent purchase your company made in which you played a role.

Perhaps your company installed a new CRM system or modernized a production technique. Maybe you outsourced a back-office process or hired a new service provider. Whatever the purchase, how did it go? Was it easy? Was it quick? Was it painless? Or was the experience something else altogether?

As you reflect on the purchase, make a mental list of all the people involved. Who entered the purchase process early? Who came in late? How many people were there total? How effectively did that group reach a quick decision?

If you were to describe your overall purchase journey with a single word—a single adjective—what word would you choose?

We asked senior executives that very question for the better part of a year, and the answers are often the same. Most executives describe their purchase process as *painful, long, inefficient, and frustrating*. We've even heard the highly evocative *landmine-ish*.

In one extreme example, a senior executive at a global logistics company told us that the purchase of a new enterprise software system required no fewer than 100 different people across his company. Simply coordinating their input and aligning their views, he said, proved nearly impossible.

Let's face it: **buying's not easy**.

The Hardest Part of Selling Solutions

Let's flip perspectives. Imagine a supplier navigating that tough purchasing environment, seeking to sell solutions to organizations barely able to effectively buy them.

The key challenge of B2B selling today: customer purchase processes are overwhelmed by an increasingly large and diverse number of customer stakeholders who can't agree on a common

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course of action. As a result, suppliers' primary challenge isn't improving their own ability to sell; it's addressing their customers' inability to agree.

Ultimately, it is far less the failure of individual customer stakeholders to connect to the supplier and far more their inability to connect with each other that undermines suppliers' sales efforts. In this environment of dissension, the best companies don't focus on building an ever-tighter connection between their capabilities and individual customer priorities. Rather, they focus on building a broader, more productive connection among customer stakeholders that is essential to the buying process and purchase decision.



The Rise of the 5.4, Now 6-10

The customer consensus challenge is nothing new. Various stakeholders have always been involved in—and have always slowed down—the B2B purchase. But our research as part of CEB indicates the problem has become far worse. In fact, nearly 80% of senior sales leaders report that the number of customer stakeholders involved in a typical sale continues to rise, further complicating the customer purchase process.

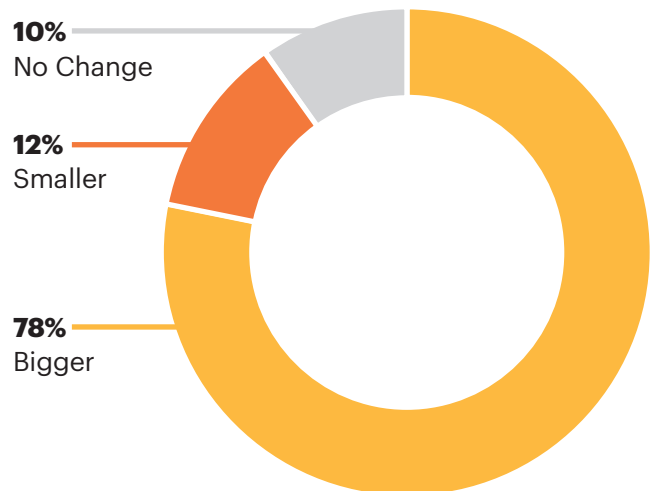
Why the increase? According to our research, four factors boost the number of stakeholders involved in a deal today:

- **Diffusing Risk**—A sustained and widespread aversion to risk in the face of greater volatility, uncertainty, and perceived risk
- **(Re)organizing Work**—Flatter, more networked organizational structures that place a premium on frequent cross-silo collaboration
- **Going Global**—Customers' efforts to expand operations, attracting new regional players
- **Broadening Impact**—The simple fact that most supplier "solutions" today are purposefully designed to integrate more customer functions and tasks than ever before in order to provide higher impact, greater value, and improved ease of use

Each of these trends contributes to additional people getting involved in a typical purchase: more people across more roles, more geographies, and more levels than ever before.

Long gone are the days of the single senior decision maker whom suppliers have relied on for decades. In fact, after analyzing a few years of

Change in Number of Customer Stakeholders Required to Close a Deal



n = 51.
Source: CEB 2013 Member Poll

data on individual stakeholders involved in typical B2B purchases, we've seen the number grow consistently. What began as an average of 5.4 different stakeholders formally involved in a typical purchase decision has grown to 6 to 10.

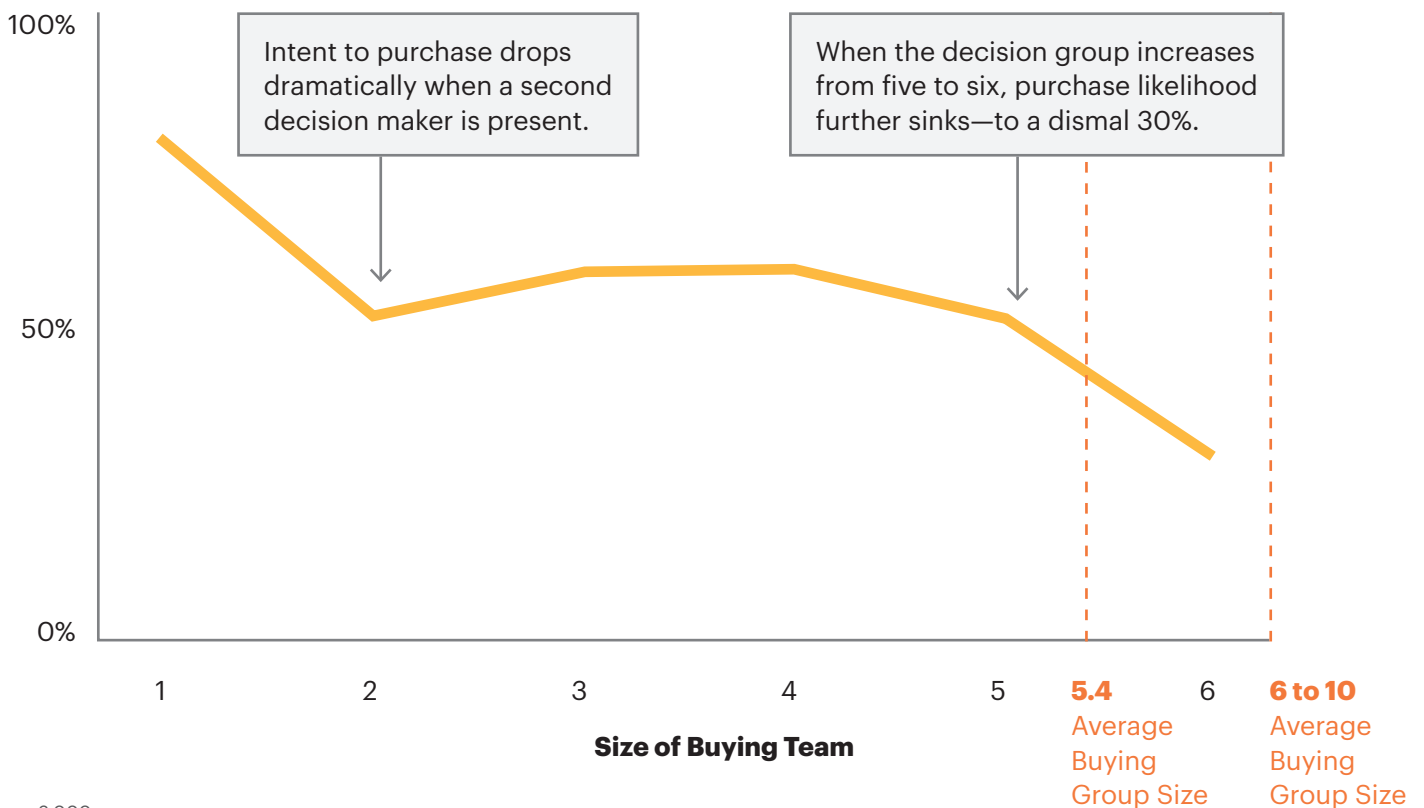
Unsurprisingly, when this broad range of stakeholders comes together to make a decision, things almost inevitably fall apart.

In our survey of customer stakeholders, we asked respondents, on a scale from 1 to 10, how much they agreed with this statement: "We will definitely



Purchase Intent, by Buying Team Size

Percentage of Respondents Stating “We Will Definitely Buy from This Supplier in the Next Six Months” (Answers of 8, 9, or 10 out of 10)



n = 3,000.
Source: CEB analysis.

buy from this supplier in the next six months.” (We tested other time horizons and got virtually the exact same results). We then plotted their answers according to the number of people involved in the purchase. The result tells a dramatic story, featuring two distinct downward inflection points:

- **From One to Two Decision Makers**
Purchase likelihood dramatically drops, from about 80% to 55%, just by adding one more person to the purchase
- **From Five to Six Decision Makers**
When the number of stakeholders increases from five to six, purchase likelihood further sinks from 53% to a dismal 30%.

For suppliers selling to a group of 5.4 (or larger), the graph above is difficult to look at. And it’s even more difficult to know how to manage this kind of challenge. After all, suppliers can’t simply tell customers to eliminate 4.4 people from the purchase decision.

Even if they could, sellers who’ve tried have found they only defer the consensus problem rather than eliminate it altogether, as individuals who are cut out of a solution’s purchase inevitably undermine its eventual implementation.

So why does the larger group struggle so mightily to agree? Our analysis indicates a clear answer: stakeholder diversity.



The Dysfunction of Diversity

The customer consensus challenge does not stem from the quantity of stakeholders nearly as much as from their diversity.

To demonstrate this relationship, we correlated stakeholder diversity (e.g., roles, levels, functions, geographies) with a concept we call “stakeholder dysfunction.”

Stakeholder dysfunction arises when stakeholders do not have a fair say in group deliberations, fail to address important aspects of a purchase altogether, or disagree about the overall purchase process.

Predictably, as stakeholder diversity increases, so does dysfunction—rather dramatically, in fact. The more diverse the interests and perspectives of the buying group, the more dysfunctional the decision-making process.

This close relationship between diversity and dysfunction makes a lot of sense. As colleagues from across a company come together to deliberate a possible purchase, each has a different, sometimes even competing, perspective. They’re certain to disagree—perhaps not

personally, but almost certainly professionally, as individuals prioritize what makes the most sense for their specific part of the business.

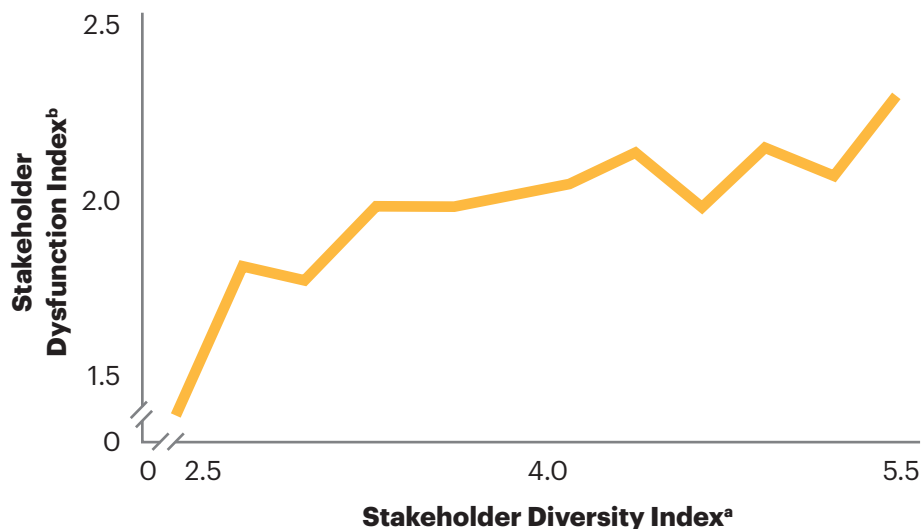
To better understand the different perspectives at play here, think of each stakeholder’s “mental model”: the unique goals, priorities, means, and metrics specific to that individual.

Imagine each model as an overlapping circle within a Venn diagram. Each circle represents individuals in different roles, functions, or even geographies, and each has its own goals, priorities, means, and metrics.

Among the overlapping circles, some goals, priorities, means, and metrics are shared, but the majority differ from one another. This simple, but powerful, model displays just what sellers are up against when trying to create broad-based customer consensus on purchase decisions. By using a diagram like this, sellers can easily see just how much overlap there is across the stakeholders’ different mental models.

The overlap at the center of the diagram is the single point of agreement across all those

Impact of Group Diversity on Group Dysfunction



n = 911.

Source: CEB 2013 Sales Customer Panel Survey.

a The Stakeholder Diversity Index includes the following variables: number of stakeholders from different roles/ teams/geographies, total number of functions involved, and differences in stakeholder interests/priorities/goals.

b The Stakeholder Dysfunction Index includes three variables (outlined below).

Components of Dysfunction

- Stakeholders did not have a fair say in group discussion.
- Stakeholders avoided discussions on the most important issues regarding the purchase.
- Stakeholders had multiple disagreements related to the purchase.



stakeholders' mental models. It's where they connect—or, more accurately, where they agree. And if that overlap is very small, then that group can agree on only very little.

Ultimately, the source of buying group dysfunction isn't that individual stakeholders have different backgrounds but that those different backgrounds often bring with them different, even divergent, mental models.

So, left to their own devices, stakeholders with different mental models come together to consider a purchase. And if they find few shared priorities or little common ground, they will inevitably settle on the lowest common denominator where they're most likely to agree. Things like avoid risk, move cautiously, reduce disruption, and save money.

And every supplier knows all too well what it's like to face that kind of customer consensus. Indeed, as the small overlapping triangle at the center

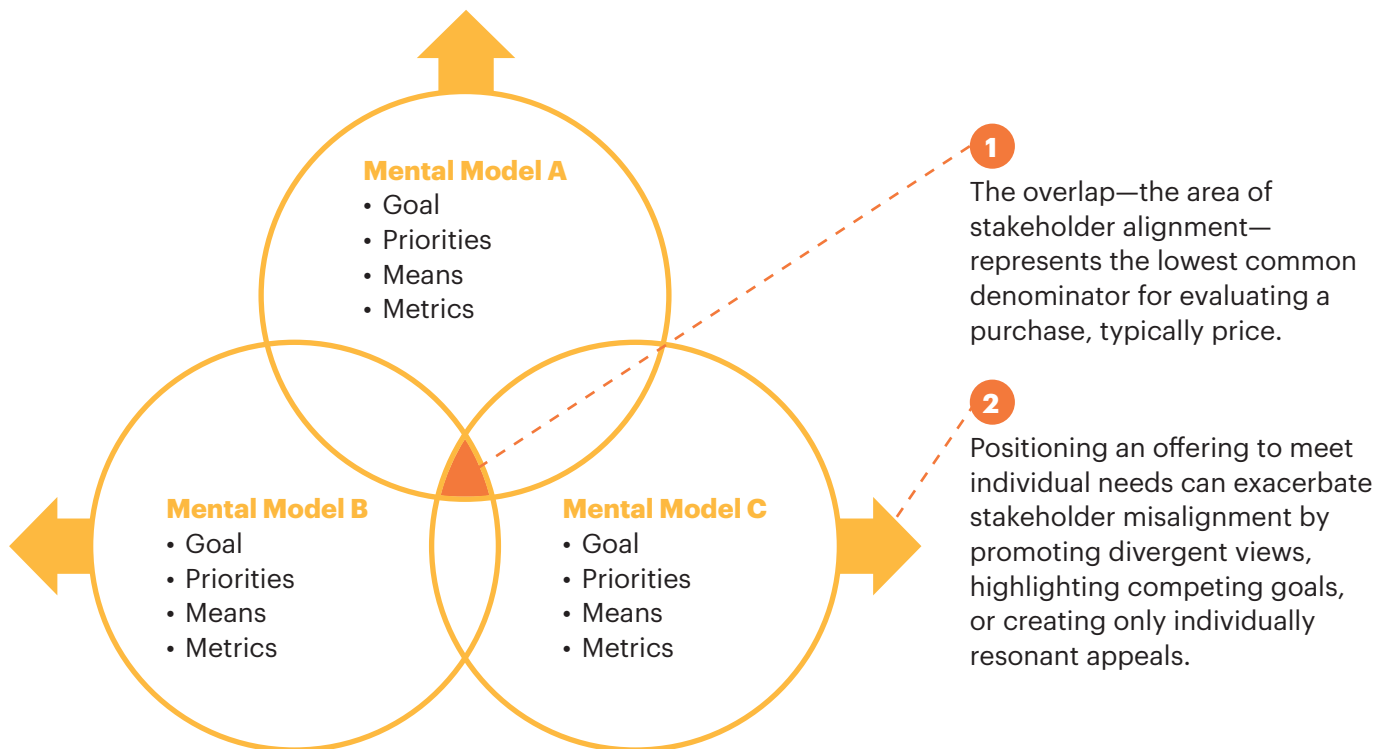
of that Venn diagram continues shrinking, it's no wonder that suppliers are all competing with the status quo.

However, just because diversity and dysfunction are highly correlated doesn't necessarily mean they need to be. Unlike customer diversity, which is largely out of suppliers' control, customer dysfunction is something suppliers can actually influence.

- **What Won't Work:** Suppliers can't rely on conventional sales and marketing tactics that are specifically designed to better connect individual customer stakeholders to the supplier.
- **What Will Work:** With an average of 6 to 10 stakeholders and increased customer dysfunction, suppliers must instead find a way to better connect those same individual stakeholders to each other. To do that, they must understand exactly where customer dysfunction first begins to undermine a purchase.

Stakeholders' Divergent Mental Models

Illustrative



Source: CEB analysis.



Solving for the Right Problem

To find a solution to customer dysfunction, we divided a typical purchase process into three distinct phases: problem definition, solution identification, and supplier selection. We then asked thousands of customer stakeholders to rank the relative difficulty of reaching an individual and a group decision during each of those phases.

Not surprisingly, we found that group decisions are nearly twice as difficult to make as individual ones. More importantly, however, when it comes to making these group decisions, one phase in particular especially challenges consensus achievement: solution identification. Customer stakeholders can agree they have a specific problem, but data and common experience tell us they will likely debate the best way to solve that problem.

This is valuable information for suppliers because it means if they are going to devote time and effort to creating customer consensus, the place where they really need to rally agreement is the specific solution to the customer's problem, irrespective of the supplier.

By the same token, our analysis also reveals what is, relatively speaking, least likely to create disagreement among stakeholders: supplier selection.

Why is that? By the time the group has agreed on a well-defined, high-priority problem and on a clear course of action, there's little left for the group

to debate. From that point forward, the biggest question left to answer is simply which supplier (among many) can deliver a well-aligned solution at a reasonable price.

In many ways, winning over the 6 to 10 on anything other than the lowest common denominator is less about getting customers to value a supplier solution and more about convincing them to agree on a common course of action. Finding that common course requires helping customers confront disagreements, engage in (productive) debate, and consider alternate views—often behind closed doors, where supplier sales reps can't directly influence the outcome.

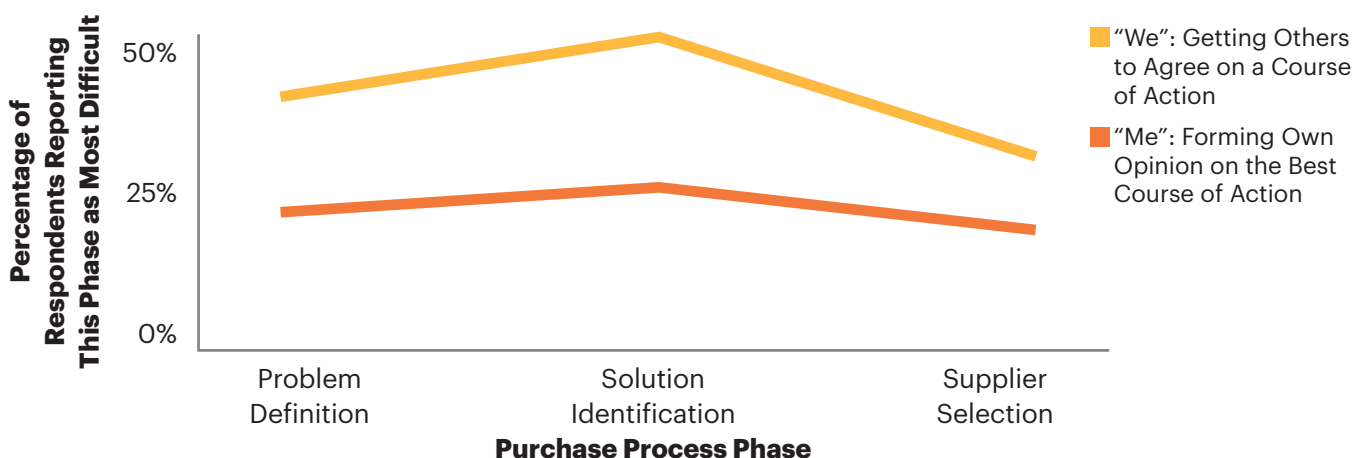
Addressing that challenge will require a very different commercial strategy going forward.

According to our research as part of CEB, finding an answer to customer consensus requires rethinking the entire purchase process from the customer's perspective. To do this effectively, suppliers must focus on connecting individual customer stakeholders to a far broader vision of what to do, not just where to buy.

Ultimately, suppliers must convince stakeholders that they need to embrace change—the one thing that virtually any buying group seeks to avoid.

Perceived Difficulty of Individual Conclusion Versus Group Consensus at Each Purchase Stage

Q: "What are the two most difficult phases of the purchase decision?"



n = 3,000.
Source: CEB/Motista 2013 B2B Brand Survey.



Mobilizing Customers to Change

All B2B suppliers essentially sell the same thing: change. Sometimes it's convincing customers to buy from them instead of the competition, or to outsource to them what the customer traditionally did on its own. Or perhaps it's persuading customers to upgrade to a supplier's newer or broader solution instead of maintaining an older or smaller one.

Whatever the case, nearly every solution sale revolves around a supplier's attempt to convince customers to change their behavior.

Unfortunately, most organizations seek to avoid change at all costs rather than embrace it, as many executives see change as unacceptably disruptive, expensive, unpredictable, and risky.

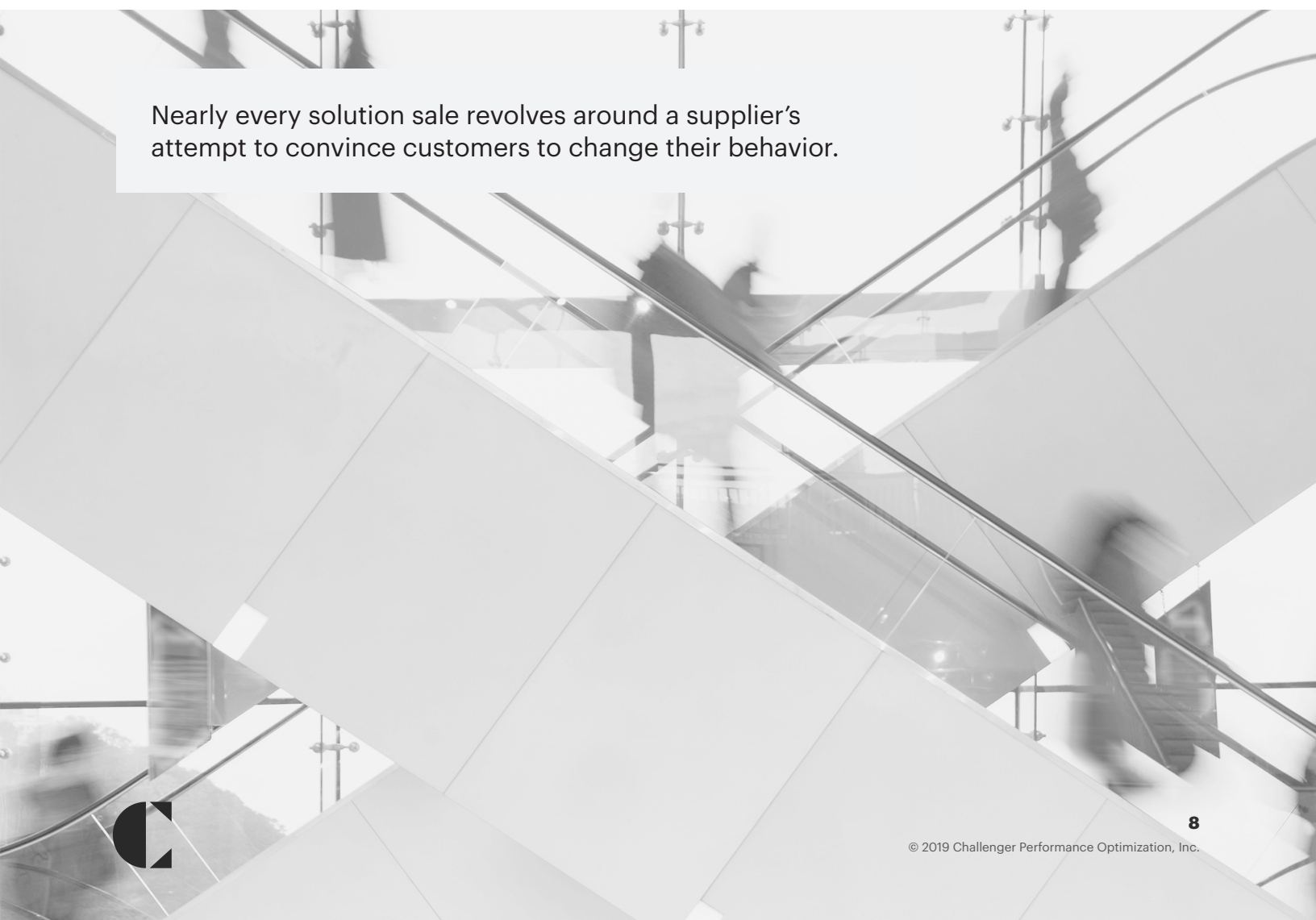
From that perspective, it's no wonder that creating customer consensus is so difficult—or that most suppliers' single biggest competitor today is

actually the customer's own status quo. Getting all 6 to 10 stakeholders on board with disruptive change is no easy feat.

So how should a sales rep help the entire team reach consensus? CEB research indicates that the best sales reps pursue a very specific kind of customer stakeholder. After analyzing a survey of over 2,000 B2B sales professionals, we found that the best reps target customer stakeholders who exhibit these two criteria:

- Willingness and ability to build consensus
- Openness toward driving organizational change

Instead of prioritizing stakeholders with title, seniority, or decision-making authority, the best reps seek those who can win over others and marshal the internal resources necessary to push the organization to change its behavior.



Nearly every solution sale revolves around a supplier's attempt to convince customers to change their behavior.



Finding the Mobilizer

So, who are these targeted stakeholders?

By analyzing customer stakeholder behavior—both relative to suppliers and to their colleagues—we found that almost every customer stakeholder falls into one of seven distinct profiles.

When we measured the ability of individuals in each of these profiles to do what the best reps care about most, we found that only Go-Getters, Teachers, and Skeptics were particularly good at building consensus and driving change. We collectively refer to this group as “Mobilizers”—they mobilize the organization to act, forging consensus and championing change.

Meanwhile, Guides, Friends, and Climbers have relatively little impact on organizational change. They’re still accessible, often willing to share, and happy to talk, but they’re relatively ineffective when it comes to convincing others to take action. As a result, we’ve labeled them “Talkers.”

Bottom line, core-performing sales reps sell to Talkers and fail, while star-performing reps sell to Mobilizers and win. It’s the key to winning the consensus-based sale. And the difference here can be significant: sales reps who engage Mobilizers are 31% more likely to be high performers than those who don’t.

Stakeholder Profiles



The Go-Getter Focused on organizational improvement and prone to champion new ideas and their implementation



The Skeptic Open to new ideas, but moves forward cautiously after much deliberation



The Friend Receptive to supplier meetings and willing to network reps with colleagues



The Teacher Effective at rallying others to action, but weak on process management



The Guide Willing to share information unavailable to others to demonstrate credibility and status



The Climber Focused largely on personal advancement irrespective of organizational success

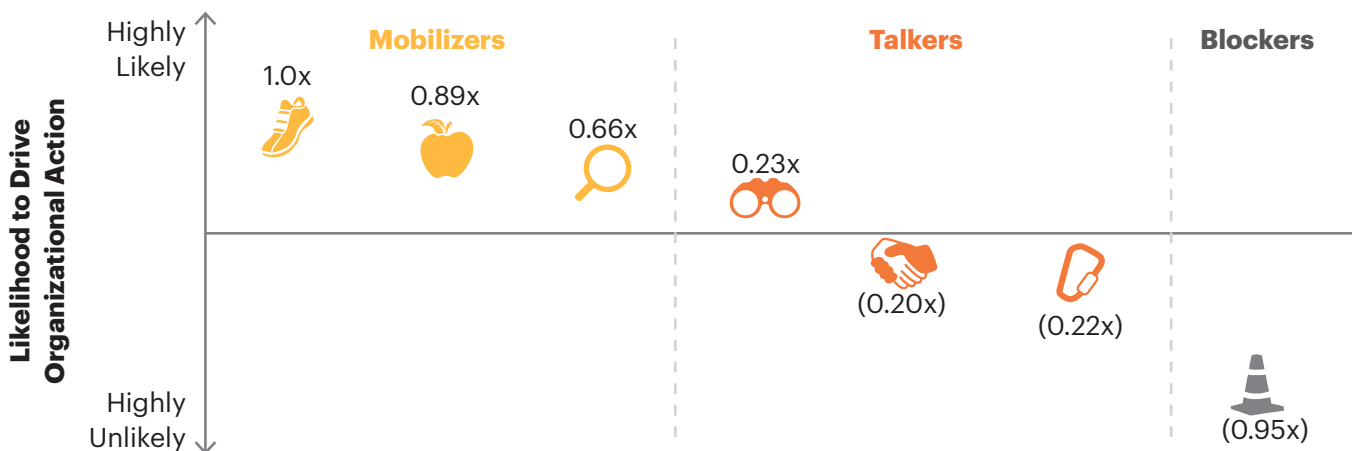


The Blocker Strongly oriented toward the status quo and generally averse to change

Source: CEB analysis.

Effectiveness of Customer Stakeholder Profiles at Driving Organizational Action

Indexed



n = 717.

Source: CEB analysis.



Defeating Dysfunction: Winning the Battle for Customer Consensus

To overcome buyer dysfunction and guide their customers to consensus, progressive companies must align their commercial strategy with four defined steps:

1. Identify Mobilizers versus “champions.”
2. Engage Mobilizers with Commercial Insight, not thought leadership.
3. Equip Mobilizers to coach customers toward collective change.
4. Track Mobilizer progress through a customer-verified pipeline.

1. Identify Mobilizers versus “champions.”

Identifying Mobilizers is, seemingly, a relatively straightforward task.

Presumably, they’re the customer champions or advocates whom every sales rep is trained to find. But that’s actually not the case.

Similarly, sales leaders often ask, “What do I do if my customer is a Blocker for me and a Mobilizer for the competition?” But this question is actually misdirected.

The key to identifying Mobilizers is understanding what they’re mobilizing for in the first place. Ultimately, Mobilizers aren’t looking to buy something so much as do something—or, perhaps more accurately, to change something.

As a result, Mobilizers aren’t champions of a specific supplier at all. Rather, they’re champions of an idea supported by a course of action. Most

Mobilizers are relatively supplier agnostic.

Mobilizers are distinguished not by their support of a supplier’s value proposition but rather by their engagement with an insight (see step 2). For Mobilizers to be engaged with an insight, it must provide them with a credible, surprising way to operate more effectively or profitably than they had previously thought possible on their own. And that insight should simultaneously lead Mobilizers back to a supplier’s unique strengths.

That said, most Mobilizers will initially be cautiously skeptical—not highly enthusiastic—about a supplier’s insight. Mobilizers typically seek to understand an idea from every possible angle prior to lending public support. As a result, they will examine an idea aggressively, testing its credibility and applicability through what often feels like a barrage of pointed questions.

This kind of healthy skepticism can often feel intimidating to core-performing sales reps, who interpret tough questions as a dismissal of an idea rather than engagement with it. Consequently, core reps naturally steer clear of Mobilizers, the very individuals who would most likely help them drive change. They instead seek out Talkers, who are much more likely to engage in less frightening conversations.

That said, just because a customer stakeholder wants to mobilize doesn’t necessarily mean he or she actually can. To be certain, star reps test those they believe are Mobilizers. They suggest a concrete next step to the would-be Mobilizer (e.g., setting up a meeting with additional stakeholders, winning organizational buy-in to conduct a diagnostic exercise). Then the reps closely monitor the outcome.

Star reps find Mobilizers through a process of elimination—ruling out Blockers and Talkers step by step and then asking Mobilizers to demonstrate their ability to actually move an idea forward through their organization.

This process only works, however, if suppliers have the right insight to win that initial conversation in the first place.



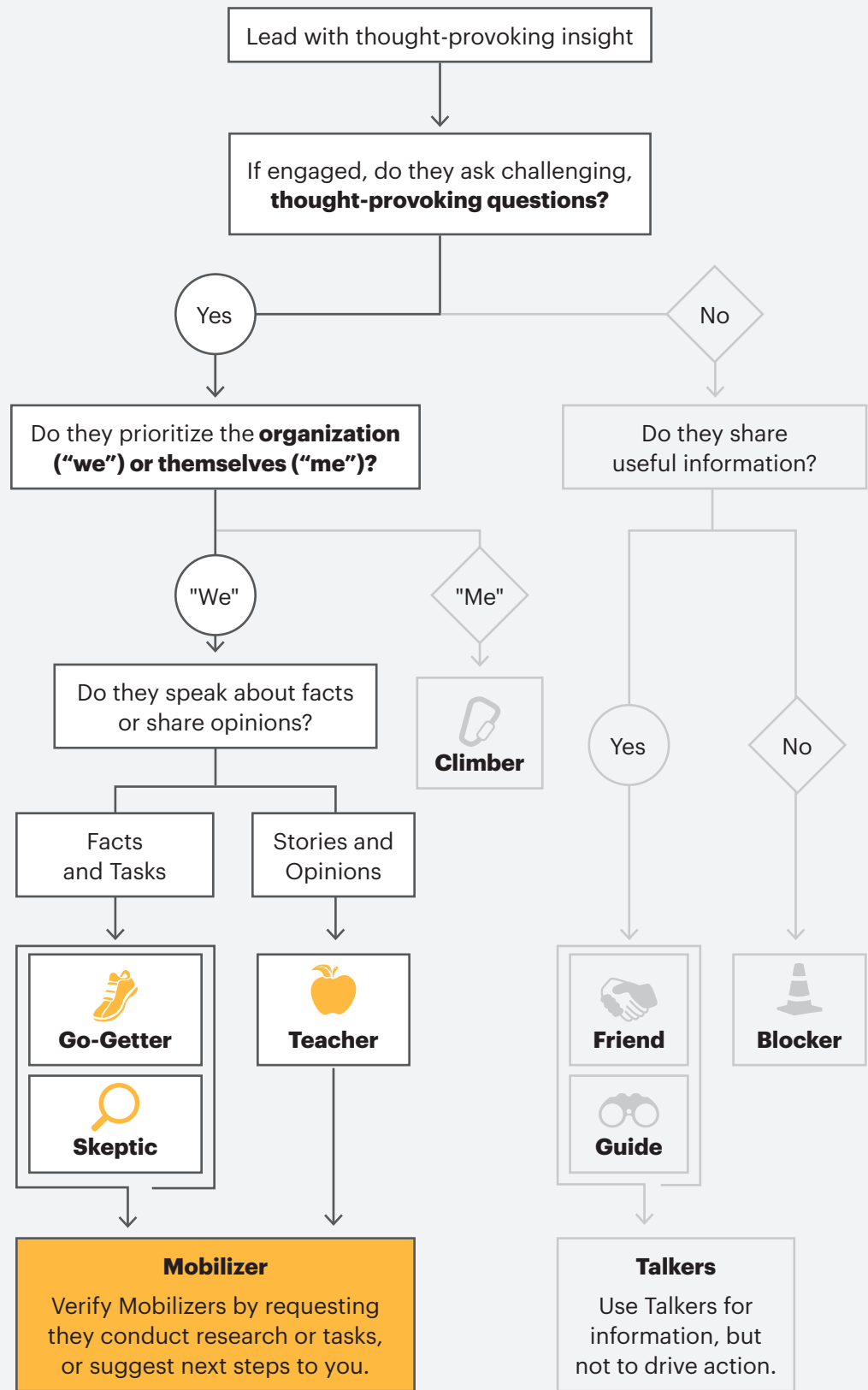
Mobilizer Qualification Screens

Commercial Teaching

Healthy Skepticism

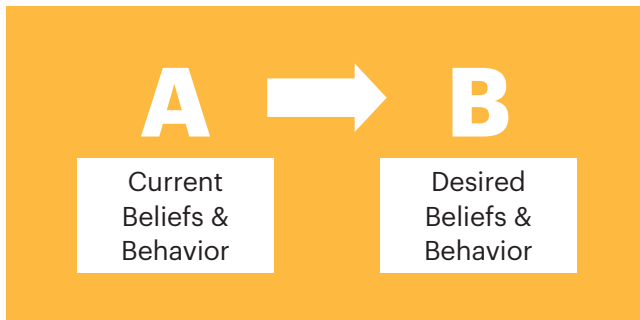
Interested in Greater Good

Communication Style



Source: CEB analysis.





2. Engage Mobilizers with Commercial Insight, not thought leadership.

To capture Mobilizer attention (and support), supplier insight or content must credibly demonstrate that the customer's current behavior exposes his or her organization to costs or risks that members of the 6 to 10 fail to fully realize on their own. We call this kind of content "Commercial Insight." However, most supplier-created content—anything from blog posts, to white papers, to sales collateral—fails to meet that bar.

Ultimately, Commercial Insight must shift customers from their current beliefs and behavior to a set of desired beliefs and behavior that lead directly to the adoption of that supplier's unique solution. We often represent this shift simply, with a large "A" (i.e., current beliefs and behavior) connected by an arrow to a large "B" (i.e., desired beliefs and behavior).

As simple as it is, this basic model allows us to ask a telling question: If you were to consider all the collateral, all the pitches, all the content you currently create to get customers to buy your solution, what's it mostly about, the A or the B?

For most organizations, the answer is B. Suppliers bend over backward extolling the virtues of B—beliefs and behaviors supported by their solution. They explain the utility of B, calculate its return, demonstrate its worth, enumerate its benefits, and even recruit existing customers to testify to its value. Suppliers do this all to convince potential customers that whatever they're doing now couldn't possibly be as good as what they could be doing instead. By and large, it is a battle for B.

More often than not, suppliers will win that battle, but they will lose the war. Customers will emphatically and decidedly agree that B is indeed better, but they will then fail to shift their current behavior nonetheless.

Why? Our research has found that the real challenge behind winning Mobilizer support and changing customer buying behavior isn't better articulating the benefits of B. The challenge is better articulating the pain of A. Without this focus, B may seem great, but A still remains good enough. And "good enough" is insufficient to win Mobilizer support.

To mobilize a Mobilizer, supplier content must first break down A before building up B—teaching customers that "the pain of same is greater than the pain of change," as one sales leader once put it to us.

At the end of the day, in contrast to the thought leadership content created by most suppliers, Commercial Insight designed to engage Mobilizers and ultimately win a sale isn't meant to prove that the supplier is smart. Rather, it's meant to demonstrate—diplomatically, empathetically, and culturally sensitively—that the customer is wrong.

Nor is Commercial Insight built solely on a traditional value proposition designed to articulate a supplier's capabilities. Rather, it provides a credible, compelling case for customer behavior change—and behavior change is exactly what a Mobilizer is looking to drive.

3. Equip Mobilizers to coach customers toward collective change.

Just because Mobilizers are looking to drive change doesn't necessarily mean they'll know exactly how.

By studying thousands of sales professionals around the world, we discovered that star reps engage customers—and particularly Mobilizers—very differently. Most reps rely on customer stakeholders to share their needs, guide them through the buying process, and connect them to other members of the 6 to 10 group. Star reps, however, flip that traditional dynamic on its head. They aren't led by the customer; they coach the customer.



Star reps aren't led by the customer; they coach the customer.

Recognizing how difficult it can be for even the most enthusiastic of Mobilizers to win consensus, the best sales reps guide Mobilizers step by step through the entire purchase process—helping them identify whom to connect, when to connect them, the best way to win them over, and how to handle their most likely objections.

Creating consensus across a diverse 6 to 10 is never easy, and even the best Mobilizers will need some help.

Understanding this challenge—and cognizant that much of the purchase process now occurs before a sales rep is even present to guide it—the best marketing organizations build what they call “Mobilizer toolkits.” These toolkits comprise easy-to-use, step-by-step guides that Mobilizers can use to effectively drive change and win consensus.

To create the toolkits, marketing teams do the following:

- Carefully examine past deals (both wins and losses).
- Break down the purchase process into step-by-step stages.
- Proactively identify the customer stakeholders most important for ultimate approval.
- Pinpoint these stakeholders' most likely concerns and objections.
- Design strategies and use language most likely to win them over.
- Package everything in very tactical, easy-to-use tools that Mobilizers can readily find and employ on their own.

Whether led by Marketing or Sales, the core of this approach is a strong belief backed by extensive experience: customers may not necessarily know the best way to buy a supplier's solution— not because it is difficult to work with a supplier, but because it is difficult to work within their own organization.

That said, it's challenging to effectively coach customers in this manner without a clear understanding of where they are in the purchase process to begin with. And that means rethinking internal supplier tracking processes as well.

4. Track Mobilizer progress through a customer-verified pipeline.

Our data and our members' collective experience tell us that it takes time— often a lot of time—to build the customer consensus necessary to sell a solution.

The purchase process is typically fraught with fits and starts, well beyond the direct view of the supplier's commercial team. As a result, suppliers increasingly struggle with nurturing leads, qualifying opportunities, and even forecasting sales because they can't easily pinpoint where the customer is on the purchase journey.

Marketers often mistake individual stakeholder interest for a proxy of organizational readiness to buy, leading them to pass leads to Sales far earlier than they should. On the sales side, reps trained to engage in highly discrete sales activities in a very specific order often lose sight of the customer's purchase progress altogether. As a result, deals often collapse very late in the sales process, as reps fail to effectively help customers move beyond the early stages of their buying process.

As the dysfunction of diverse customer buying groups continues to expand, these mistakes and challenges will only become worse. To proactively address these issues, the best companies are reengineering their commercial engine to directly align with the customer's purchase process itself.

By carefully mapping the customer's step-by-step buying journey—from problem definition through solution identification to supplier selection—these suppliers can identify the specific, objective behaviors they'd expect to observe from customer stakeholders to indicate exactly where they stand on the customer's buying journey.

As a result, they track deal status not according to supplier action (e.g., sending content, doing a demo, deploying an expert), but according to customer reaction.



Having a direct line of sight to the customer side of the equation is absolutely crucial in a 6 to 10 world, where much of the challenge to sell solutions lies in customers' struggles to buy them.

When designed properly, a customer-verified pipeline specifically tracks customers' progress through the individual steps of their overall purchase decision process.

For example, a marketing team can design individual, narrowly scoped pieces of content that each poses a single, highly targeted question. As Mobilizers consume that content, marketers can then determine the status of that purchase, based

on where that question typically occurs in the customer's purchase process.

That kind of view into the customer's purchase journey is impossible through the consumption of more typical marketing content, which is designed to answer many questions simultaneously across many stages of the purchase process.

Likewise, sales organizations that are moving toward a customer-verified pipeline determine deal status and forecasting based solely on customers' demonstrated readiness to engage in the next stage of their purchase process. Reps can only commit those organizational resources that are predetermined to align with that specific stage. These sales organizations are far better equipped to accurately forecast both pipeline health and sales velocity. And they efficiently reduce the cost of sale by better targeting the opportunities truly worth additional investment.

Overcoming the Hardest Part of Selling Solutions

As difficult as it is for suppliers to sell complex solutions today, our research as part of CEB consistently indicates that the far bigger challenge is often customers' struggles to buy them.

To win in this 6-10 world, suppliers must identify the customer stakeholders who are most willing and

able to successfully mobilize their organization to embrace change and make a decision.

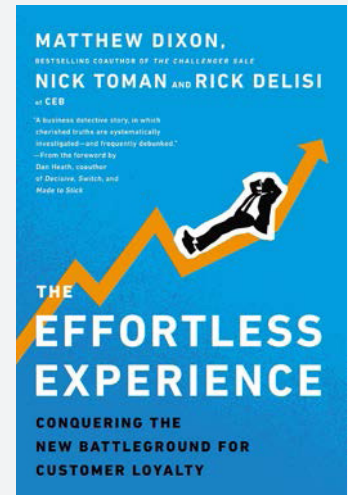
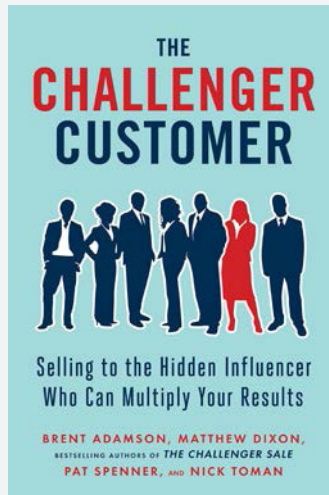
Sales reps must focus less on selling their product and more on working with Mobilizers to build customer consensus on achieving something beyond the status quo.



Our Mission

We challenge conventional thinking to unlock growth and enable an uncommon customer experience.

Challenger is dedicated to driving exceptional growth by changing behaviors in Sales, Marketing, and Service teams. Our commercial transformation programs, including message creation, skill development, and implementation support, have provided performance improvements and significant financial results to hundreds of clients around the world. Each program is supported by ongoing research and backed by our best-selling books, *The Challenger Sale*, *The Challenger Customer*, and *The Effortless Experience*.



Learn more at www.challengerinc.com





About Challenger

Challenger is a global best practice consultancy dedicated to changing behavior in Sales, Marketing and Service teams. What began as a research question in 2007, has changed the mindset, behavior and performance of hundreds of thousands of sales, marketing and service professionals in over 50 countries. More information available at **challengerinc.com**

