

Why Shaping Customers is the Next Big Thing in Selling

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Or, Why We Need Challengers and Not Relationship Builders

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Some years ago, we witnessed the relationship building hype in sales and marketing. Many researchers in marketing fell for this hype. In research, a hype is always a bad sign. It means that researchers, in marketing in this case, are not thinking for themselves as much as they should be. Instead, they are just following the herd so that their research on one-track paradigms will get accepted by research peers and colleagues who, of course, think just like them.

Honestly, I could not go to one more sales conference and hear another marketing specialist scream "Relationshipppppps!" I've never fully understood this hype. It was instantiated by Shelby Hunt in his Journal of Marketing paper, which as of this day has been cited 7505 times. What a record!

My doubts about relationships: Hunt's theory rests on the basic idea that the relationship between, let's say, a customer and a firm, is the key to marketing. This long-term relationship is based on the shared values of these business partners. But that idea is, to me, somewhat vague:

- 1) Framing interactions between customers and companies is wrong because companies do not buy, people do! And most of the time people in firms have different perspectives on business and life.
- 2) We live in a knowledge-based economy. What counts are the capabilities that firms develop over time that allow them to produce solutions that solve their customers' needs. These days many firms develop radical capabilities that give them potential competitive advantage. They've got to hunt for new customers almost by definition.
- 3) People in companies buy because they see other people buying in other companies (better than their own). In other words, imitation or emulation is a big part of marketing, and it results in bandwagon or path-dependency effects.

Companies don't buy, people do: The first rule of companies is 'people do the work (the buying)'. Things must get done. People 'doing' things is perhaps the most important aspect of what a firm does. Pankaj Ghemawat of the Harvard Business School calls it the 'commitment hypothesis'. Think of banks, or firms like Shell and Wal-Mart. They have been doing and improving what they do for nearly a hundred years. But when people work with their firm's routines, they might not always be

aware of what is happening outside their core business. They need salespeople to bring them new ideas and challenge their current practices. So, how do you get customers thinking differently?

Shaping or challenging customers: For the last 15 years I have been suggesting that salespeople shape their customers (see my book, "The Successful Shaping of Key Accounts". That is, salespeople act as knowledge brokers who possess knowledge about their industry. They gather this knowledge when they visit and talk to their customers. Visiting many customers means that salespeople get to see a great many different cases. This allows their brains to create patterns out of all of those cases and that allows salespeople to recognize and relate to the issues specific to a customer's firm.

Customers know that salespeople possess this knowledge and the expertise to use it and that's why they like talking to them; they are likely to have a lively conversation. In fact, salespeople who can make and summarize insightful comments about the firm's issues can help customers structure their ideas. That's how you shape customers, by getting them thinking differently.

In a Harvard Business Review article, Dixon and Adamson argue that good salespeople challenge their customers and urge them to think differently: they bring unique, even provocative perspectives to customers. They have a profound understanding of their industry. I can only agree!

Knowledge brokering is the next big thing: I am so glad that people in selling are finally discovering that although relationships might be nice, possessing and applying new knowledge might be more important. So why are more salespeople not doing this? In the end, we all know that knowledge is key! But, something else might be going on. A while ago I did some research into sales-call anxiety and I learned that many salespeople are afraid to challenge their customers. Perhaps we need salespeople who don't just have knowledge, but are not scared to be assertive with customers.

Sales conversations are the key to selling: When I talk with my sales colleagues, I often hear them say how much they like to focus on CRM information systems. These allow firms to structure processes – a CRM system provides background information on customer relations. But, and I can't emphasize this more strongly, the key to selling is and always will be the sales conversation with the customer. You must remember that sales conversations are embodied in real life. In such situations, people look each other in the eye, and you can spot hesitations , which could signify changes in thinking. During sales conversations, people think better and remember what is said better. There are neurological reasons for this. Let me tell you more about this in my next blog post!

Interested in more of this? Please visit the <u>Professional Capital</u> website and order one of the books by prof. Willem Verbeke. You can order the book *The Successful Shaping of Key Accounts* as mentioned in this article, by clicking <u>here</u>. Available in English and Dutch.