

# *The End of Solution Selling:*

## Engaging decision makers in an era of 'stable instability'.

22nd July 2013

# *Harvard Business Review – The End of Solution Sales*

*“The hardest thing about B2B selling today is that customers don’t need you the way they used to.”*

*“Our customers are coming to the table armed to the teeth with a deep understanding of their problem and a well-scoped RFP for a solution”.*

*“Insight-based selling rests on the belief that salespeople must lead with disruptive ideas that will make customers aware of unknown needs”.*

## **Today...**

1. Why do we need to change?
2. What do our customers care about?
3. What can we do to change?
4. Case study: PwC Digital Change Services

### *About the speaker:*



**Cameron Webb** is a Director in PwC's Consulting organisation with a focus on helping clients improve the value created by their technology organisation.

At PwC, Cameron leads the strategic relationship within Australia with Microsoft and also leads the Microsoft consulting capability. In addition Cameron is a key member of the PwC Global Dynamics community.

*Customers are becoming better at understanding their problems and scoping solutions*

*Companies must become more agile and innovative to meet increasing consumer adoption rates*

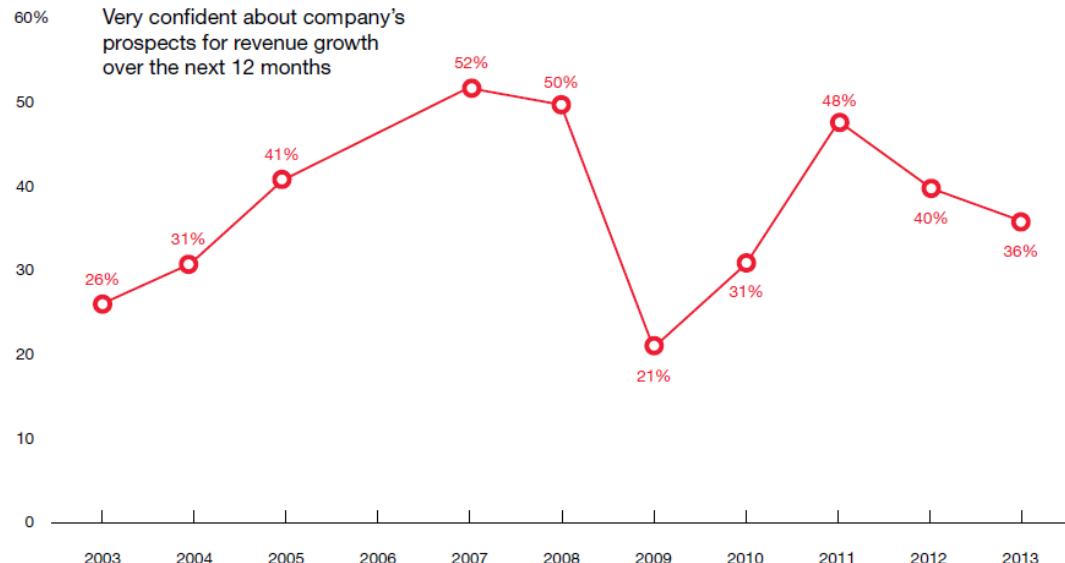
*Traditional approach to selling is no longer working. We need a new way to engage.*

*Power has shifted to the customer*

*82% of Australian CEO's say they will need to make a significant investment in IT in next 12 months*

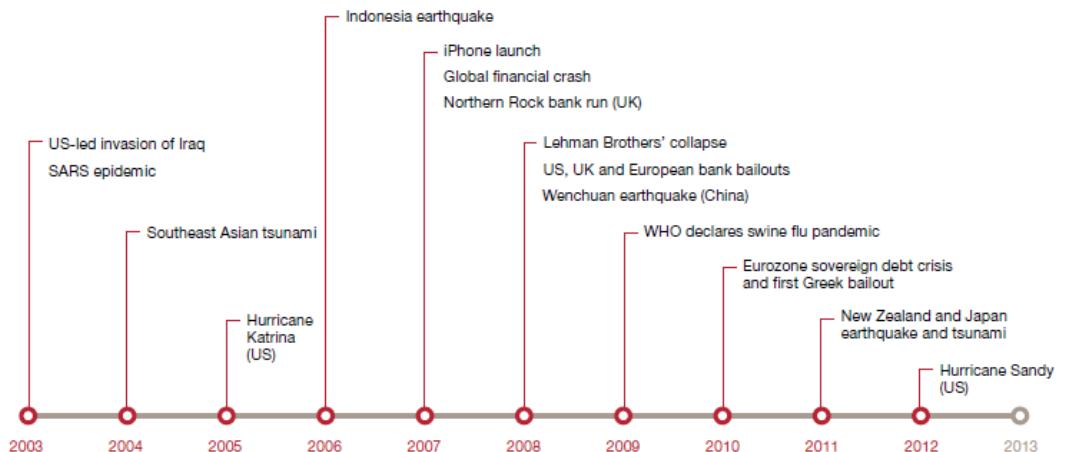
# **What do our customers care about?**

We are in an era of ‘stable instability’



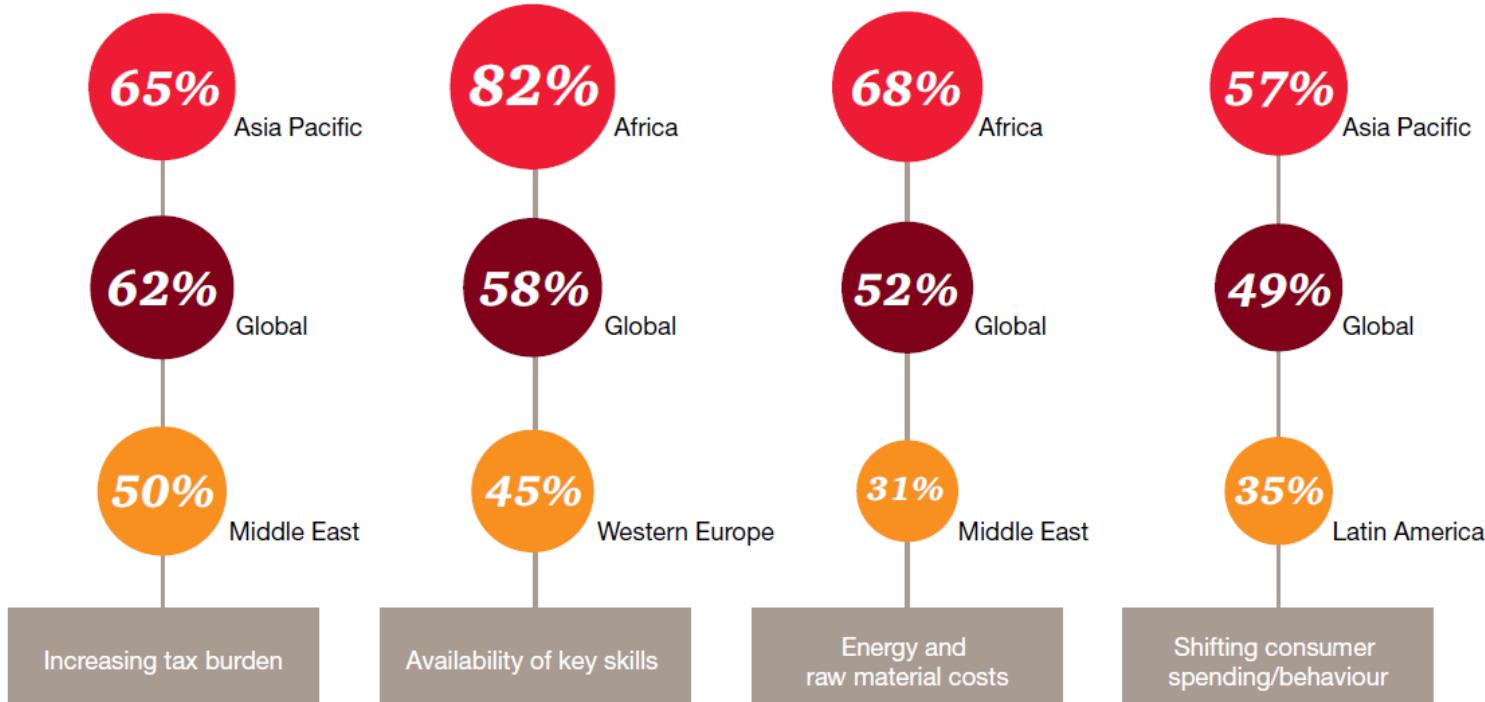
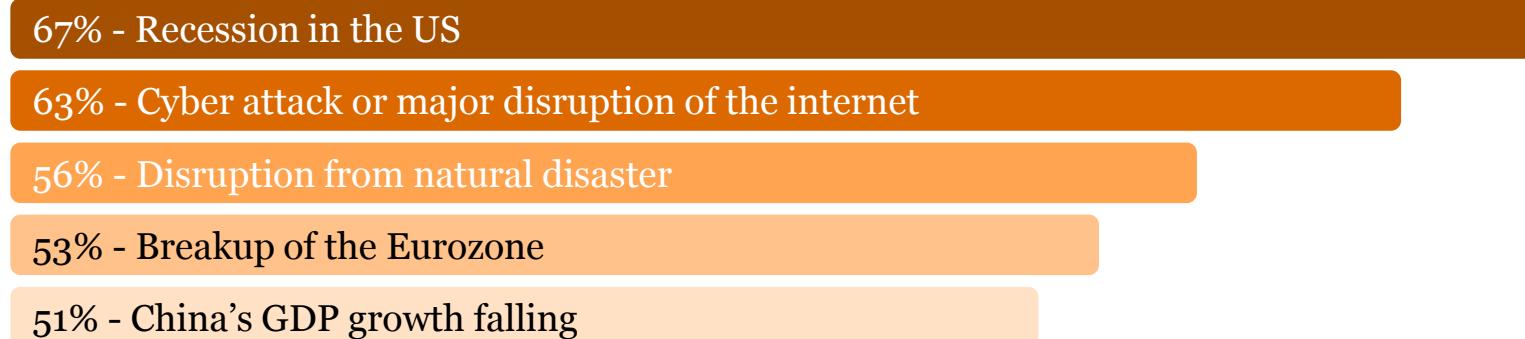
*The global economic outlook is certainly enough to test even the strongest enterprises. The eurozone is still mired in recession and the US economy is forecast to expand by just 2.2% this year.*

*Far-reaching changes are happening – and happening faster than before. Between 1970 and 2011, the number of manmade disasters nearly tripled, while the number of natural disasters surged sevenfold.*



# ***What do our customers care about?***

What are our CEO's most concerned about?



*Eighty six per cent of Australia's CEOs believe governments must prioritise increased infrastructure investment, compared with 60 per cent globally. Concerns over key skills shortages also rate highly in Australia.*

*“To be honest, we wouldn’t dare to predict the future. The fact is the world has been changing a lot more quickly in recent years. And looking back, we find that many forecasts of the global economy turned out to be incorrect.*

*In our company, we just try to do well everything we need to do today. There are so many things out of our control that we feel it’s unnecessary and impractical to make too many predictions about the economy.*

*Instead, we focus on building robust systems that can operate under a variety of conditions”.*

**Alex C. Lo**, President, Uni-President Enterprises Corporation, Taiwan

## ***What do our customers care about?***

Targeting pockets of opportunities

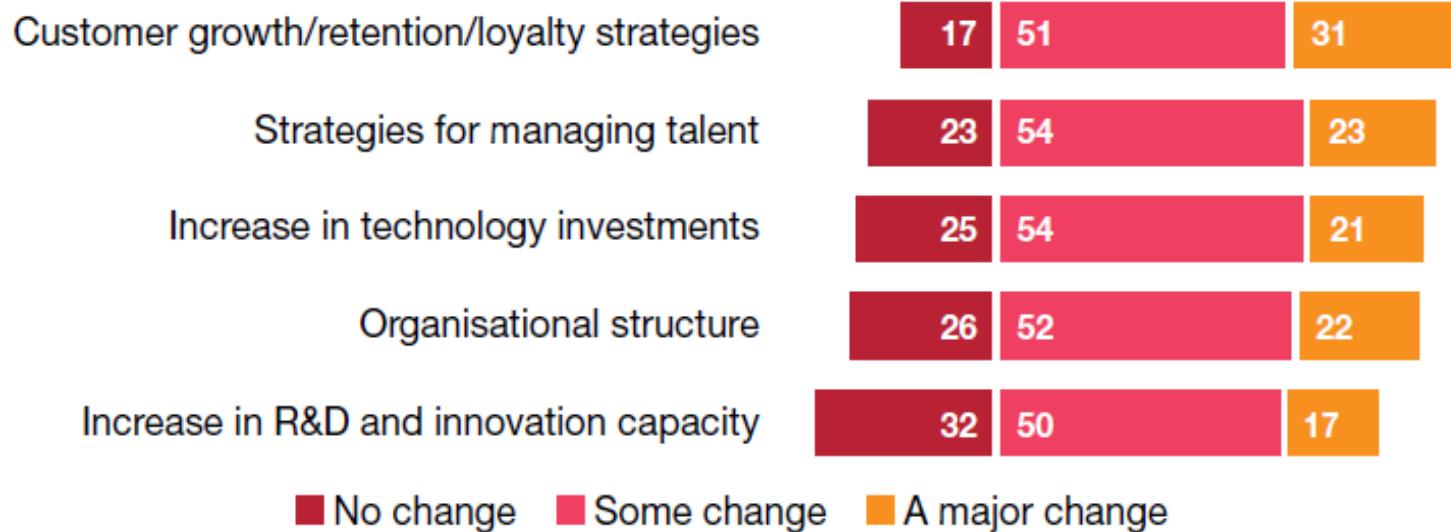


***So what are they focusing on?***

*"Two-thirds of all CEOs are focusing on a few carefully selected initiatives rather than nurturing numerous different ideas and then weeding out the weakest" - PwC 16th Annual Global CEO Survey*

# **What do our customers care about?**

Concentrating on the customer



*“Irrespective of the markets they’re in, CEOs have one overwhelming goal: to grow their customer base. Indeed, 51% say it’s a top three investment priority for the coming year”.*

## ***What do our customers care about?***

Improving on operational effectiveness



*Cost-cutting is still high on the agenda: 77% of CEOs have undertaken cost-saving initiatives in the past 12 months and 70% plan to do so in the next 12 months”*

CEOs are also wary about inadvertently cutting value in the course of cutting costs – and slashing the workforce is one action that can certainly backfire.

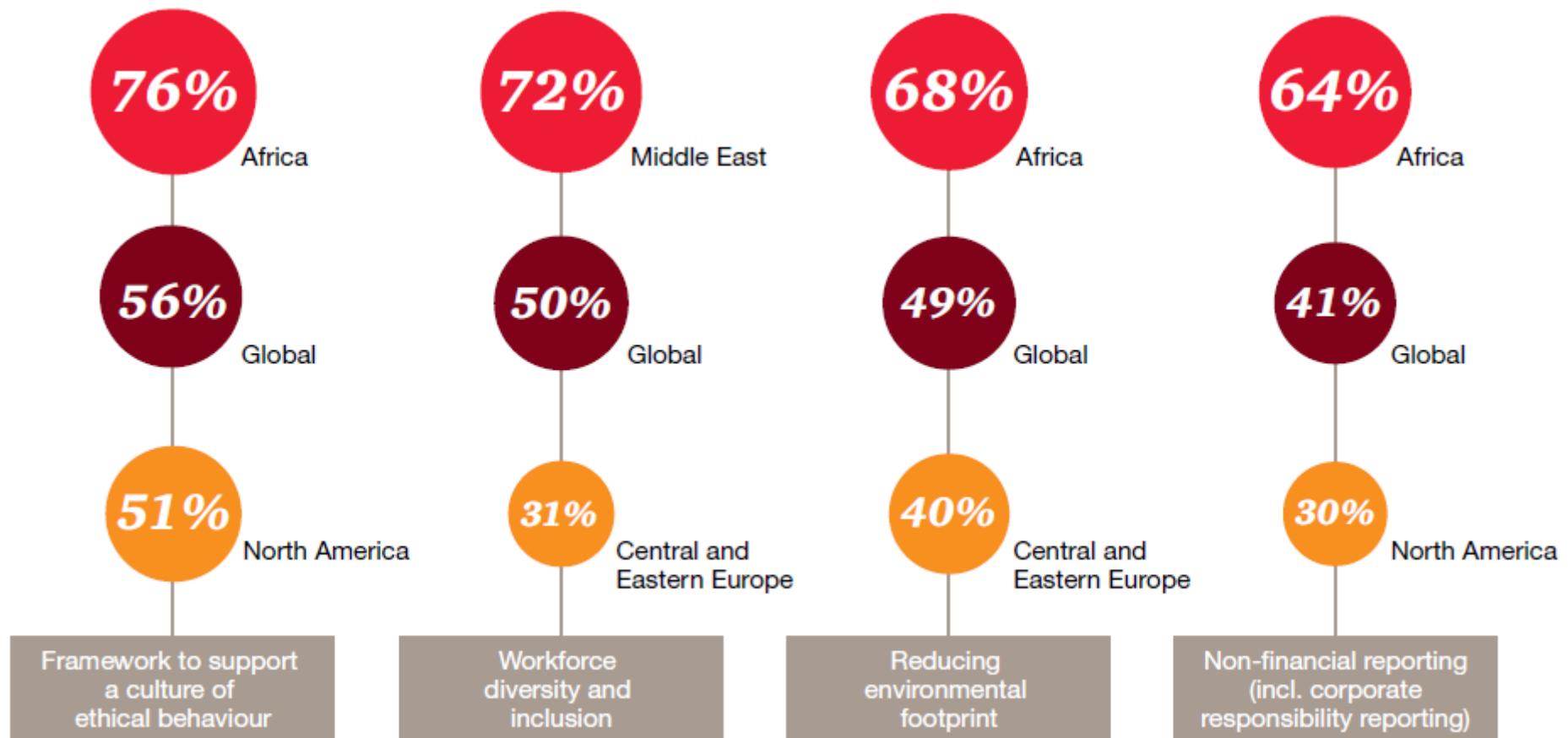
**25%** have kept their headcounts the same

**48%** have actually increased it

**77%** of CEOs plan to revise their strategies for managing talent in the coming year

# ***What do our customers care about?***

## Non financial priorities



## **But what about back at home? What changes do Australian CEO's believe they will need to make in the next 12 months:**

- Technology investments - 82% (74% global)
- Increase in capital investments - 77% (64% global)
- Customer growth/retention strategies - 80% (82% global)
- Organisational structure - 86% (74% global)
- Talent management - 77% (77% global)

# ***What is the research telling us?***

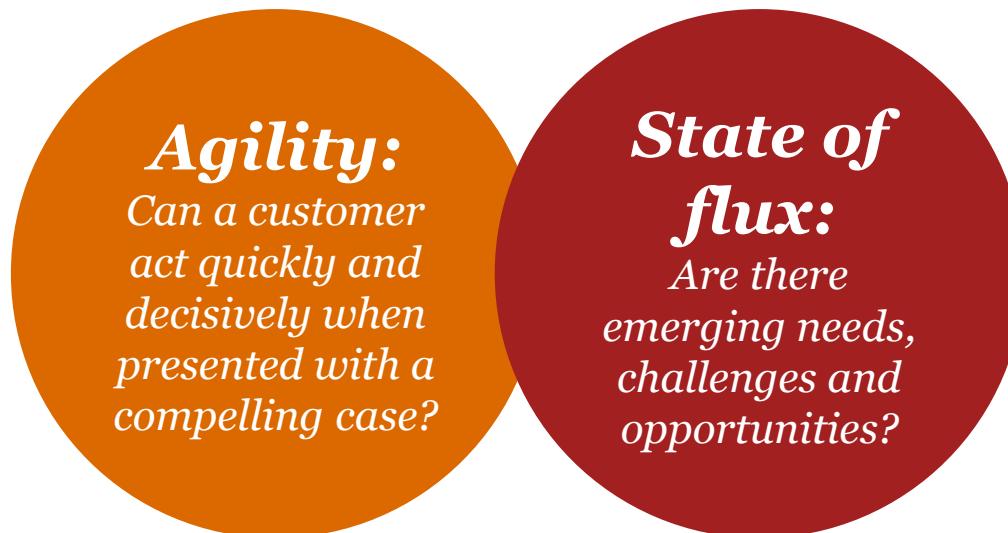
What kind of company to target?	
Organizations that have a clear vision and established demands	Agile organizations that have emerging demands or are in a state of flux
What sort of initial information to gather?	
What need is the customer seeking to address?	What unrecognized need does the customer have?
When to engage?	
After the customer has identified a problem the supplier can solve	Before the customer has pinpointed a problem
How to begin the conversation?	
Ask questions about the customer's need and look for a "hook" for your solution	Offer provocative insights about what the customer should do
How to direct the flow of information?	
Ask questions so that the customer can steer you through its purchasing process	Coach the customer about how to buy, and support it throughout the process

## ***A call to action?***

Take stock of what you know

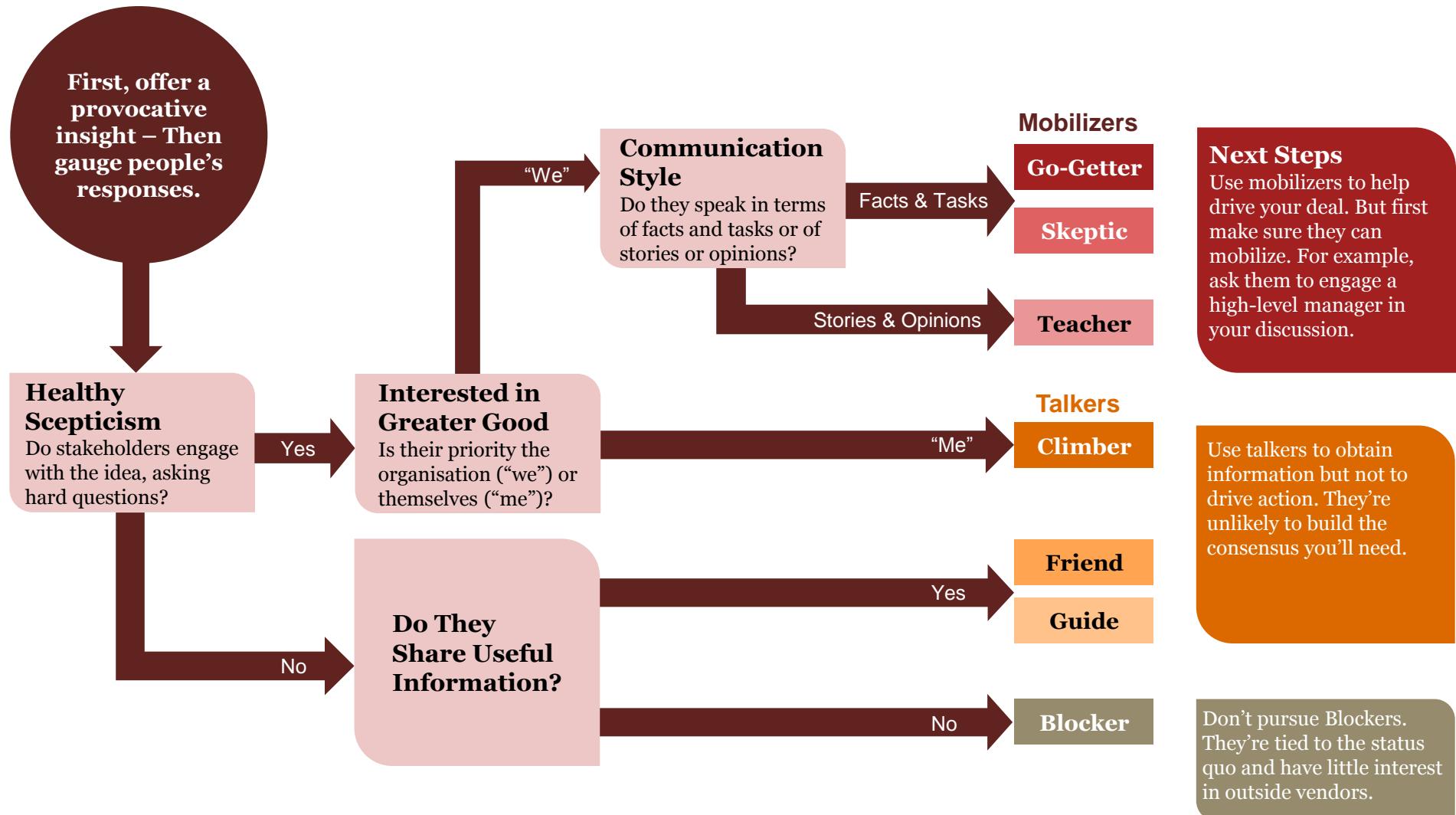
Work with your teams to identify:

- What are the challenges faced by your customers in relation to their economy, industry, market, performance, suppliers and customers?
- How do you currently engage them? When was the last time you did something for them?
- What insights can your offer?
- Who are you targeting?



# **A call to action?**

## Start talking to the ‘mobilisers’



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## **A call to action?**

Convert the insights into a challenge that can be met with your solutions

### **Some ideas for generating challenges: *How can we...***

- Support empirical creativity?
- Grow our productive paranoia?
- Improve control and consistency of change?
- Try new things with low risk before taking on larger investments?
- Create durable operating practices
- Make them more agile and able to take advantage of opportunities (i.e. your return on luck)

### **How can your solutions support the above?**

Source::

Jim Collins, 2011. Great by Choice: Uncertainty, Chaos, and Luck—Why Some Thrive Despite Them All. 1st Edition. HarperBusiness.  
Matthew Dixon, 2011. The Challenger Sale: Taking Control of the Customer Conversation. 1st Edition. Portfolio Hardcover

## ***How has PwC started to challenge customers?***

Vision:      ***To realise and discover the potential of...***

Values:



*Performance  
matters*



*Have a go*



*Be open and  
authentic*



*Hunger  
for growth*



*Embrace  
differences*



*Care*

# ***How has PwC started to challenge customers?***

PwC Digital Change Services

*Challenge?*



*Response*

- Traditional services are coming under threat from changing consumers and new entrants.
- Our customers are getting better at defining problems and are less likely to ask us to solve open ended problems.
- Our customers are ‘craving’ insights and innovative ways to solve problems – like many of us they are striving for new ways to deliver services and grow customers.
- **PwC Digital Change Services**
- Services focused on helping our customer’s meet expectations on change customer expectations and extract greater value in the evolving digital economy.
- They develop new ways of working that challenges the normal – they focus on delivering faster outcomes for complex problems.
- Also focused on finding new ways of working within PwC to meet evolving staff expectations.

# **How has PwC started to challenge customers?**

PwC Digital Change Services

## *Case study:* Sydney Trains

- Engaged to put real-time public transport information into customer's hands.
- Traditional approach may have involved 12-18 months work to implement a solution with a price tag of \$1M - \$2M.
- **Our Challenge: How can we deliver something faster and for less money?**
- Take an agile approach and hold a 'App Hot House' with third party developers
- **Result?**
- 3 real time bus apps delivered within 3 months of first App Hot House
- 6 real time train applications within 3 months of first App Hot House
- Approx. 2 million combined downloads to date

## ***Why do we excel as a business transformer***

Positioning as a **Business Transformer** to transform the clients' business and charting a successful course together from strategy through execution.

- Full-service, business-led delivery model
- Deep and broad industry knowledge with dedicated teams
- Delivering quantifiable results through global collaboration and knowledge transfer
- Holistic approach by covering Tax/Legal, Assurance and Advisory insights
- Proven, customizable methodologies
- Organizational change management expertise
- Global network and expertise on Microsoft solutions

***“Worldwide, PwC is seen as much better than its peers at helping clients identify and implement options for growth.”***

Source: IDC MarketScape - Worldwide Business Consulting Services 2011 Vendor Analysis, Cushing Anderson, January 2011

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***Thank you***

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## **References**

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