

Improving sales effectiveness to penetrate new markets

Selling is not a dirty word

Project Drivers

Although a national presence, the bank's franchise was seen as regional, because of its name and history. Potential growth from its existing customers had limits. It needed to attract new customers at the expense of better-established competitors.

Bank sellers had to become more confident and proactive. They needed to create new prospects by 'cold calling' for appointments in competitor accounts and then differentiate themselves not only by their services but also by the manner in which they sold them.

The bank wanted customers to see their sellers as different from their transactional and product-led competitors - more interested in needs and broader solutions.

The bank's market posture was risk-wary with prices that "would never be cheapest". It needed to enable its people to sell their 'soft' differentiators, like relationship and service, to overcome those of their competitors who had price advantages or a higher appetite for risk.

They asked us to help them use SPIN® to:

- Create a consistent approach to planning and conducting sales calls.
- Improve portfolio and prospect analysis.

- Generate more first appointments.
- Improve new customer acquisition rates and sales income per account.
- Enable Desk Heads, the sellers' immediate managers, to coach for continued improvements.

One Divisional Sales Director was particularly robust in specifying what she wanted from the project:

"We need to change the culture of the business from order-taking to selling. I want an ethical, but effective, methodology that stops 'selling' being a dirty word around here."

Project approach

Treasury & Capital Markets (TCM), with 90 sellers, was the pilot Division.

Views on selling had hardened within TCM, following an unsuccessful sales training project the previous year. Sellers had felt that the approach taught was incompatible with good and fair customer service.

We had extensive discussions with senior managers but also a series of interviews with some key front line staff – identified opinion leaders – to ensure that:

- We understood their environment.
- They understood that SPIN® would support, not undermine, their customer relationships.

The sellers' immediate managers were also key to the project and we secured their agreement and commitment to being coaches.

We agreed a synergistic delivery model that involved one Huthwaite consultant and an internal bank co-trainer.

Success measures

Together with TCM senior management, we developed the following factors:

Business levels

TCM business levels traditionally tracked those of the main bank.

If overall revenue and new customer acquisition levels outstripped them, managers felt that they could, with some confidence, credit the project with some contribution.

'Uptiering'

TCM measured its success with individual corporate customers by the 'tier' they occupied on that customer's banking panel, based on the share of business.

Uptiering a significant number of relationships would also indicate success.

Internal and external surveys

The bank conducted annual surveys of its customer over a range of criteria. It also took part in industry-wide external surveys.

Improved TCM ratings in related criteria would corroborate the project's effectiveness.

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Bank Divisional Sales Director

Seller reaction

The most immediate success criterion that TCM wanted to meet was a positive reaction from the seller group.

It would be helpful if they enjoyed the training, but the key measure would be their views on its relevance, applicability and organisational congruence.

Project set up

This phase consisted of six elements:

- Needs validation and refinement.
- Customisation of materials and roleplays, including scenarios requiring participants to 'cold call' by telephone for an appointment.
- Implementation planning and communication.
- Pilot SPIN[®] programme for the coaches.
- SPIN[®] Coaching programme for the coaches.
- SPIN[®] train the trainer programme.

Implementation

The SPIN[®] programme was rolled out over a period of 12 weeks.

Immediately thereafter, participants received a structured 6-week schedule of coaching from their Desk Head.

At the end of this first coaching cycle, participants attended a follow-up workshop focusing on Account Penetration and Sales Campaign Planning.

Results

At the nine-month project review meeting, a set of 'hard' and 'soft' results were identified.

Hard results

TCM's business performance had outstripped that of the rest of the bank: revenue by 17%, new customer acquisition by 11%.

Other variables could not be wholly eliminated, but Desk Heads and sellers could cite numerous individual examples of sales where they felt that their new SPIN[®] skills had had a major impact on success.

In an external survey, up-tiering had moved the bank from 25th to 7th in terms of its 'recognition as a supplier of a full range of corporate Forex products'.

In the bank's own customer survey, TCM improved its ratings in the areas of: 'understanding needs'; 'depth of relationship'; 'credibility'; 'reputation'; 'skills' and 'after-sales service'.

Soft results

Seller reaction to the training was overwhelmingly positive and, as a result, they were integrating many elements of the SPIN[®] methodology into their systems and procedures, such as call reporting, account records, etc.

Some of the other advantages that TCM felt they had gained from the project included:

- There was now a shared selling 'language' and this helped in resource flexibility and reporting.

- Being able to demonstrate a structured approach to sales training helped attract and retain the top quality people in competition with other parts of the bank.
- Induction of new sellers was vastly improved.
- A wider ethos of coaching was developing.
- The methodology contributed to the bank's goal of leveraging its relationship management principles.

Post project

Over the next three years, the bank implemented similar projects across many of its other divisions – Corporate Banking, Commercial Banking, Premium Banking, Cards, and International.

The bank's HR Department entered the TCM project for a National Training Award where it gained a commendation and the following comments from the judges: *"An example of exceptionally effective training because:*

- *It was relationship-based, unlike traditional approaches to sales training in the City.*
- *There were inextricable links to strategic business objectives.*
- *The models used were powerful and transferable into a range of learning processes, such as product training."*