WHITE PAPER

Moving from Vendor to Trusted Advisor
ABOUT THE TAS GROUP (www.thetasgroup.com)

The TAS Group® is a Sales Performance Automation company that helps you sell smarter, and manage your business better. Our industry-leading TAS® methodology has helped more than 750,000 sales professionals find and close more deals, and our proven sales process shows you what you need to do to move opportunities through the pipeline. The result is increased revenue, accurate sales forecast and pipelines, and timely information to make better decisions. It all gets delivered through our on-demand Dealmaker® technology that integrates with your existing CRM system to produce sustained, measurable results. And to ensure that your sales teams get the full benefit, Dealmaker virtual learning delivers on-the-job training worldwide – reinforced by expert coaching.

Dealmaker solves these problems:

- **We have a revenue problem.** Is your pipeline weak? Do you find yourself saying, “I don’t have enough deals in the pipeline, and I’m not sure about the quality of what I do have?” Or maybe it’s “We’re losing too many deals”, or “Our sales cycle is too long”. Companies like Xerox, Bluecoat and Kodak use proven sales methodologies and process from The TAS Group to improve pipeline quality and size, increase win rates, and shorten sales cycles. And with Dealmaker reinforcing and measuring best practices across the sales team every day, you get a revenue boost that lasts and actually improves over time.

- **I need to improve the effectiveness of my sales team - consistently.** Are all of your sales people working on the right deals? Are they customer-focused and can they identify and build relationships with the real buyer? Our proven TAS sales methodologies solve those problems, and show your team how to gain control of the sale and build an opportunity plan to win. TAS workshops are supplemented by Dealmaker virtual learning for pre-workshop knowledge transfer, and post-workshop reinforcement. This eliminates the average 87% drop in retention typical within 30 days of learning in traditional classroom sales training. Post-training, our Dealmaker Sales Performance Automation platform integrates with your CRM system so that the sales person applies what they learned – where they need it – on every deal.

- **Forecasting is time-consuming and isn’t accurate.** Sales people spend on average 2.5 hours per week on sales forecasting – and in most cases deals do not close as forecasted. The sales process science in our Dealmaker software takes the guesswork out of forecasting by removing sales people’s subjectivity and guides them to truly understand when a deal will close. Accurate sales forecasts result because of Dealmaker’s objective in-depth analysis of the team’s actual performance and knowledge of what it takes to close deals – based on your business.
INTRODUCTION

This White Paper addresses Account Management, and specifically the roles you play as an individual in working with your account(s) individually, or as part of a team. An important message we want to clearly communicate is that you should consciously choose the role you wish to play with your client, and align this with the goals of your business and theirs.

So what is Account Management? First, it’s about penetrating our key accounts, getting into every service or business unit that we desire to have a relationship with. This, of course, works on 2 axes. On the one axis it’s about serving all of the account. On the other, it’s about getting as many of our products and solutions into all of the account. If we’re doing this well, and have the right level of relationship with our customers, then we fulfil the second role of Account Management, which is to create the kind of relationship that effectively locks out the competition. Third, Account Management has a very important role in targeting and creating new business within the account base or accounts portfolio. This could be in the form of brand new accounts, new products, or finding new routes to market.

Among the readership of this White Paper there will inevitably be different levels of knowledge and experience in Account Management. Some readers will perhaps just be starting out on their Account Management career. Others may be sophisticated practitioners, looking to validate their own insights into the market. In fact, the complete spectrum from Vendors to Trusted Advisors will be reading this paper. This Whitepaper is aimed at the middle ground, to cater to the widest range of requirements. If you feel that your needs are not met, we urge you to get in touch with us individually. You can do this via email to: marketing@thetasgroup.com.

The agenda of our Whitepaper is going to cover 4 main topics. First, we talk about the roles - from Vendor to Trusted advisor and even a few in between that you will and can play in the context of Account Management as a whole. While the role you fulfil in a company’s decision-making process is an important one, it’s just one piece of the Account Management puzzle. Second, we explore what it means to be a trusted advisor, and contrast it with the other roles you could be fulfilling, from 'vendor status' and up. Third, we outline how you can become a Trusted Advisor, the path of enlightenment you take towards the Nirvana of total customer fulfilment. Fourth and lastly, we touch on some of the tools you can use to get you to where you need to be.

So what does successful account management look like? Is it all about being a Vendor, or Trusted Advisor, a bit of both, or neither? The TAS Group feels pretty qualified to answer this, from the hundreds of customers we have worked with, and the thousands of programs we’ve delivered since 1988. To give you some context on roles, let’s first review the steps you take towards account management excellence. We see a 5-step process to successful account management. These steps are: profile, segment, create, select and execute, and are illustrated here in a cycle that moves in a clock-wise direction.
Profile first - this is signified by the magnifying glass icon. Before you develop your ‘go to market’ strategy, you first need to do the market research. Only then can you begin to understand the profile of the market and your customer – the issues your customers think about and their organizational structure.

Segment – the jigsaw icon. Certain slices of an account are more attractive than others. So you need to segment the account – establishing which particular destinations in the account are of high value to both you and your customer.

Create – the opportunity map icon. Once you’ve prioritized the segments in your account, then you can look to create new opportunities. These solutions must address the business needs of the customer, based on your ability to understand those needs.

Select - this is the chess piece icon. With lots of new opportunities created, you need to select the appropriate strategy to approach the account and focus on those areas that will provide maximum return on your efforts.

Execute – the handshake icon. We like the saying that when a ship misses a harbor, it’s rarely the harbor’s fault. With the right strategy, you need to focus on great execution – building a business development plan for the account while leveraging marketing, partners and other resources to help you succeed.

So successful account management means adopting and using a structured account planning methodology to get to where you want to be. Now, let’s laser in on the Create stage of the process for the purposes of this Whitepaper - it’s the middle of the five stages we just reviewed. This is where we’re looking to create new opportunities within your accounts. We cannot overemphasize how important it is to understand your customer in order for you to do this. Account management is a partnership with your customer and this partnership can be thought of in three broad areas:

- The level of relationship you enjoy with them
- Their business drivers, business initiatives and how they measure success
- The mutual value of potential opportunities

THE ROLES YOU PLAY IN YOUR ACCOUNTS

It is the Level of Relationship that concerns us in our Whitepaper today. Vendor and Trusted Advisor are at opposite ends of the Level of Relationship spectrum. Vendor has the lowest level of relationship, and Trusted Advisor enjoys the highest. As you might imagine, there are levels of relationship between these two extremes that complete our spectrum.

So what are the Account Management roles, how many are there and what do they signify? We identify four possible roles to mark the level of relationship you enjoy with the business and service units in your account or the accounts in your portfolio. These may be terms you’re already used to, or you may intuitively think about them in a similar way but use different words, but in any event they describe four progressive points on the pyramid towards the pinnacle of customer intimacy. Think of these roles and the descriptions of them in the context of your own account portfolio.
The four roles or levels of relationship we define are Vendor, Credible Source, Problem Solver and Trusted Advisor. As you move up the pyramid, (illustrated below) you increase the depth of relationship with the customer. Now let’s take each one of these levels in turn, because in many ways each one is as important as the others to understand.

**VENDOR**

You will have heard the term before, and it can be quite a culturally sensitive word. In some quarters it can be quite demeaning, an anonymous, impersonal term used to describe the ‘lowest of the low’, rather like the Deltas and Epsilons in Aldous Huxley’s *Brave New World*.

They are quotation makers and order takers. In some industries, however, vendor is a perfectly acceptable term used to denote where someone falls in the supply chain. You are viewed as a Vendor where your products and company reputation attract Requests for Proposals (‘RFP’s’) or Invitations to Tender or similar terms. As such you are almost always in reactive mode, waiting by the phone, fax machine or email inbox for the nod to get involved. You are usually tactical, rarely strategic. Often companies find themselves as Vendors when they are considered to be commodity providers. A Vendor only gets involved when the customer is ready to evaluate products and exits soon after the deal is done. Being a Vendor isn’t always a bad thing – but we will touch on that later in the Whitepaper.

**CREDIBLE SOURCE**

This is the term we use to describe the level of relationship where you have become a steady, reliable supplier of products or services. You may have developed a few contacts apart from the purchasing or procurement manager in your account. You may be considered a Credible Source by lower management level contacts if you consistently meet or exceed their expectations. You can be counted on to give them what they want.

In contrast to a vendor, as a Credible Source, you enter the process just before the customer is ready to evaluate products, probably because you are on an approved supplier list already, which has the added bonus for you of providing a barrier to new vendors looking for a slice of the pie. You exit just after the product or solution has been implemented. Maybe you get a pretty fair share of the deals, along with the other suppliers. You’re not dominant, but you do have some traction. Being a Credible Source requires more interaction on your part, and it’s rewarded – relatively more so than a Vendor.

**PROBLEM SOLVER**

The penultimate stage in our model, the Problem Solver is more part of the account’s fabric than the Credible Source. This level of relationship takes on a more strategic dimension; is deeper and more rewarding. You’re getting to be pretty knowledgeable of the client’s industry and what makes it tick. Being more proactive at higher
management levels gives you visibility of existing business problems and you become their Problem Solver, perhaps helping to write the RFP and in so doing of course you can guide it in the direction that best creates mutual value for you and your customer.

As a Problem Solver, your involvement expands further and your appearance in the decision process cycle lasts longer. Now you enter the process just before the customer has initiated a project and you’re involved in the evaluating, proving, contracting and implementing stages. You exit the process after the measurement of the results. You are a valuable asset to your customer and you’ve every reason to feel pleased with yourself.

TRUSTED ADVISOR

This is the hallowed ground. As a Trusted Advisor you work with the executives to explore emerging needs and direction on a confidential basis, similar to the role of a consultant. At this level, in the context of the decision making process, you really don’t enter or exit. You’re part of the circle and when the customer and you - with your objective external perspective - identify an issue together, you both assess the problem and create a solution.

To Illustrate what a Trusted Advisor looks like in the real world, we’ll reference CEO of The TAS Group Donal Daly’s Select Selling Sales Fieldbook - about a man called Matt. It talks about the personification of the Trusted Advisor role.

“The most successful salesperson we ever met lives and works in a small city in upstate New York. Matt has four very large customers whose headquarters are based nearby. Over the 15 or so years we’ve known Matt, he has had three different employers, but he has always retained the same four major customers. The companies are in similar sectors, and Matt is considered locally to be an expert in that industry. Every year, Matt worked with his customers to develop their vision for the coming year and they looked to him for guidance and advice. For the few years that we had direct business contact with Matt, he consistently achieved more than twice his annual quota and was always one of the top three performing sales people in whichever company he worked.

“Matt’s laser-like focus on the business he knows helps him identify target opportunities that he can win. Because of that level of focus and restraint, he avoids the chaos of the numbers game and he can take the time to become a ‘thought leader’ in the issues that his customers worry about. He makes connections with customers rather than contacts. In our experience, his sales hit rate was outstanding. His forecasts were impeccably accurate. His customers viewed him as their ‘go-to’ guy to help them deliver on their business initiatives. He successfully transcended the relationship barrier to become a partner, rather than being perceived just as a vendor.”

Wouldn’t it be refreshing if we were all viewed and valued that way? ‘Matt’ seems to be reaping all the benefits of Trusted Advisor status, and there are some additional benefits that you can infer from this situation. First, you are insulating yourself from the competition because no-one is engaged to the degree that you are. Second, you have established longevity of relationship with your customer, which will help you overcome the little bumps in the road that inevitably occur from time to time. Third, you also get improved predictability in your business, because you have much better intelligence on the likelihood of opportunities coming to fruition.
Now that we have described the various levels of relationship we see in account management we can see how these map into involvement in the customer’s decision-making process.

Clearly being a trusted advisor carries some major implications for the sales person, and what we find is that a lot of sales professionals feel that they are already at Trusted Advisor stage, until they realize a number of crucial things:

- Exactly how much it involves
- That not all their customers want this level of attention from them
- That they are as the selling company wasting their effort with companies that do not want this level of relationship or who will not give them the return or the ROI that the effort needs.

This is when they tend to revise down their opinion. So having made those important caveats, if you’re not one already, how do you become a trusted advisor?

Perhaps obviously, you need to understand your customers’ industry. When you develop an account plan – it’s all about knowledge. Knowing your customer’s mind comes from understanding it. Understanding it comes from doing the homework, the research. Before you even start planning, you need to know a lot of things about the customer. These include: goals, markets, industry trends, competitors, relative market position, financial performance, merger and acquisitions activity, and the structure of the account itself.

THE VALUE OF CREATING “MUTUAL VALUE”

Today, the role of the professional Account Manager – indeed that of the entire Account team – is to create value, not just communicate it. You need to understand what the customer values before you know how to position your value. Understanding the landscape your customer is living on is critical and this puts us in the realm of what we call ‘mutual value’.

Mutual value is the desired destination you want to reach when building a business relationship with your customer and it’s where the investment levels of you and your customer are truly aligned. If you don’t get that alignment, then either you or your customer is not getting the return on effort. Undoubtedly, you know where you get the value for your own products or services. And this is where the homework comes in, because you can’t find the areas of mutual value until you know what is valuable to your customer.

There are also some specific sales skills you need to acquire to become a trusted advisor. You need to get in front of your customer earlier in the process, so that you can be in a position to collaborate with them. You also need to call higher in the business, so that you can have more meaningful conversations about business drivers, initiatives and critical success factors, rather than specific or tactical projects. You also need to have executive credibility, so that senior executives value your consultative input into their business deliberations. These sales skills don’t come easy, and there are organizations like The TAS Group that provide tailored training to help acquire them.
Let’s also not forget, if we’re talking about large accounts, to address business units as well as service units, and by service units we mean areas like purchasing, Human Resources or IT. Business Units manage the primary customer-facing activity of the company. Strategic decisions are made here. Service Units work internally to serve the Business. There is a tendency for account managers to focus their attention on service units as the easy-to-spot budget holders, at the expense of the opportunities lurking in the business units. And if the service units are not giving you access to the business units, insisting you channel everything through them, then you need to ask questions about the business units that you know the service unit can’t answer, and that should open doors for you.

Trusted Advisors form a true partnership with their customers and develop significant mutual value – and that’s what account management is all about. But, as outlined earlier, while most people don’t want to be just a vendor, it is not always good to be the Trusted Advisor either. There is no right and wrong here, the level of relationship needs to be appropriate to the business opportunity and reflect the customer’s commitment and it’s quite possible that the appropriate level of relationship in your business units may well vary. This is important enough to re-iterate as it’s one of the most important pieces of information we can pass along - *the level of relationship needs to be appropriate to the business opportunity and reflect the customer’s commitment* and it’s quite possible that the appropriate level of relationship may be Vendor, Credible Source, or Problem Solver.

It’s clear that there are also important implications for sales leaders and sales companies as well. Leadership needs to invest wisely to support and coach the sales person so that they can form the right relationships with the right companies with the right opportunities. As is often the case with selling, it boils down to value, and value propositions needs to be business based, not technically based, addressing the critical success factors for key business initiatives.

Leadership also needs to make sure to equip its sales force with the knowledge, skills and methodology it needs to take the higher road, the consultative approach. How this is delivered is crucial, and we will come onto this shortly. Companies also need to make sure that they are doing the research as well themselves, doing the macro segmentation to select the right industries and target customers, as well as providing important industry insight to the sales force.

With all of the above in place, it’s important to also make it easy for our salespeople to work, which is where technology tools come in, namely systems and applications which make it easy for the right behaviors to be adopted, used and reinforced for sustained use. Again, organizations like The TAS Group provide software applications that help Trusted Advisor ‘wannabes’ to create opportunities that feed all the way up to the business drivers that pressure and shape their customers, as well as online learning or knowledge mechanisms that help keep them repeating best practices.

The Holy Grail is selecting the customers with the greatest areas of mutual value, the greatest potential opportunities. When you identify that rich opportunity source, your understanding of the drivers that move and shape the business will, where appropriate, help you raise your level of relationship. Sales leaders should work with their teams to select the customers where the opportunity merits that level of investment, and therefore the investment in the creation of the Trusted Advisor relationship. Managing an account is all about balance and it would be too time consuming to aspire to be a Trusted Advisor to all customers. It can also be expensive to operate as a Trusted Advisor and, if your customer is not willing to invest with you, then you are wasting
resources. This unpleasant area can be thought of as ‘the unrequited love of sales’. We all need some love back, and sales is no different. The trick is to recognize when you’re not getting it and to move on.

There’s no doubt that membership of the Trusted Advisor club has its privileges, to paraphrase a well known advertising slogan. You are trusted by your clients and you get to influence them, and help frame any work that they need to get done. Have you ever been in a situation where you’re reading an RFP and it has clearly been written to favor the competitive advantages of another player? This is another unpleasant area.

HOW TO BECOME A TRUSTED ADVISOR

We know what a Trusted Advisor is at this point, and why it’s a good thing. Now let’s determine how to become one. Improvement in sales acumen is really a combination of methodology, the ‘how’ to do account management, process, the ‘what’ to do and in what order, and technology, the leveraging mechanism that improves personal productivity and reinforces repeatable best practice. It’s no different for specific parts of Account Management, including becoming a Trusted Advisor.

We see this as a cycle, a constant iteration. First you have some kind of Account Management event, where the principles of the methodology are instilled in you or refreshed to you by applying them to real life business situations, accounts and opportunities. This can be in a formal workshop setting, but there are other ‘in the field’ alternatives such as e-learning or some of the more collaborative web 2.0 facilities that we will touch on in a moment.

The next step is to assimilate this acquired methodology, a lot of which has been covered already in this White Paper, and use it in your Account Management approach, learning about your customers, strategizing on them and finding the happy places where value meets value for you and them. Then you need to apply this new found knowledge and skills to your sales situation and start the process of gaining trust with your target audience. Of course you then need to be able to report back on your progress, review how you did, and adjust your approach where necessary.

Finally, you repeat this process, using the tools at your disposal to continue to refine your knowledge, your application and your position on the Vendor-to-Trusted-Advisor spectrum.

This sounds pretty simple, and if it was - then everyone would be a great account manager. We know however that sales is an extremely demanding and challenging profession. This is because it is always changing. Things like the Internet have made our customers more informed, so they can often complete stages in the decision-making process without our involvement. There’s an entire Sales 2.0 movement which is changing the way clients act. At the heart of it though, this means we need to be even better as professionals who create value for our clients. Today the goal posts are constantly moving and the job of aligning yourselves to your buyers is getting even harder.

How do you overcome this? Well, organizations need to take, in our opinion, an integrated approach to improving sales performance, the appropriate blend of the methodology, process and technology elements we’ve discussed. Buyers are using technology, and account managers can embrace its enabling powers too, in the form of software built around their needs to create and win business, and coaching tools to sustain their knowledge and improvement.
Speaking of coaching, it might be useful to give you an example of this, in the form of Dealmaker Virtual Learning System (‘DVLS’), The TAS Group’s online sales knowledge portal. You’ve probably heard a bit about something called web 2.0, and along those same lines, sales 2.0 referenced above. Web 2.0 is about putting tools in the hands of the Internet community – you and all others – so that we can shape its content. Two obvious examples of this are blogs and Wikipedia. In a sales 2.0 world, therefore, sales professionals want to learn, leverage and contribute selling knowledge at their own pace, when they need to, as they work. This again is the power of technology in that it can be the delivery mechanism for learning and applying information this way.

DVLS is designed to complement training for reinforcement and sustained performance. The sales knowledge portal contains best practices from proven sales methodologies in streaming movies, audio, worksheets and other useful documents. Customers can also devise customized curricula for continued learning and coaching topics such as, of course, Becoming a Trusted Advisor. Technologies like DVLS can either be used in a self-reinforcing capacity or by sales leaders in a structured coaching capacity.

SUMMARY

This White Paper addresses what roles an individual can assume in Account Management, the options available to you, and the benefits & anticipated results of being a Trusted Advisor.

We looked at Level of Relationship as a part of the overall Account Management picture. Though small, it is nevertheless a crucial element in how you successfully create mutual value between you and your customer. Then we explored what it means to be a Trusted Advisor in relation to the three other roles you could occupy within your customers’ decision making processes. Next we explored the steps you as both sales professionals and sales leaders need to take to achieve a culture of ‘Trusted Advisorship’, within your organization and within your Accounts. We also covered why you can’t always be a Trusted Advisor to everyone. After that we addressed the ‘how’ you should go about doing this, and described a repeatable learning, applying and reviewing loop to engrain best practice and make success an operation of routine.

We also stressed the importance of an integrated approach to the path towards Trusted Advisorship and shared with you the DVLS sales knowledge portal as an example of how learning and application can be acquired, worked on, improved and reinforced in a format geared to the way sales professionals like to work.

We hope this has given you some depth and action-oriented content on how, when and where to gain Trusted Advisor status, both from what we at The TAS Group have seen and our customers’ perspectives too.

If you wish to find out more about The TAS Group’s Account Management approach, or direct any questions on the content in this White Paper, please contact us at marketing@thetasgroup.com.