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Sales

Where Do Salespeople Fit in the Digital World?

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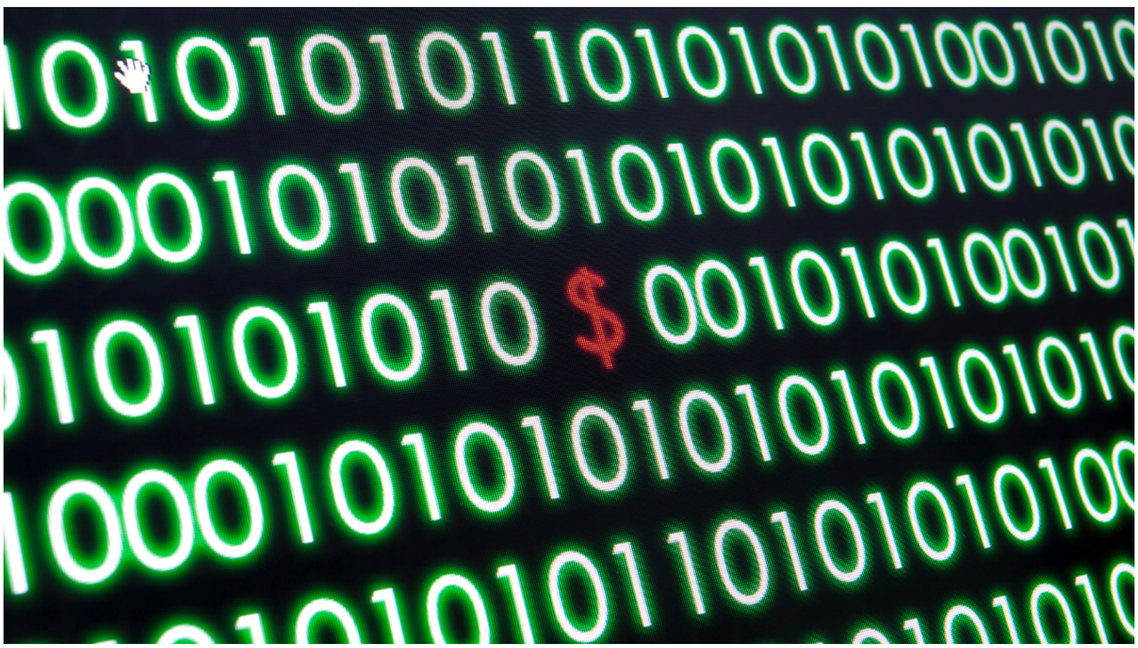

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Summary. Business-to-business selling used to rely primarily on face-to-face meetings. Even before the pandemic, many interactions were shifting to digital; during the pandemic, video meetings have become the norm. As companies look toward the future, they must... **more**

In-person meetings between customers and salespeople were once at the heart of B2B buying and selling. Now digital communication is embedding itself in every aspect of business.

This had led some organizations to look at the future and ask a simple question: Will we still need salespeople?

This question is not new. However, two powerful forces are reshaping the answer. First, personal and organizational digital savvy are skyrocketing, even among those who were once digitally challenged. Second, evolving technologies make it possible for companies to engage customers in ever-richer experiences, both digitally (e.g., websites, mobile apps) and virtually (e.g. live video calls).

Where *do* salespeople fit in the digital world?

The Critical Roles They Play

The role of salespeople as talking brochures and order takers has been dying for some time. Yet salespeople continue to play critical roles in many circumstances. Even as customers spend more time interacting through digital channels, salespeople bring value to both new and existing customers, while helping align buying and selling organizations around a mutually valuable solution.

They bring in new customers.

Salespeople still have an important role with customer acquisition. In early 2019, the sales team at Google Cloud Services (GCS) was less than one-tenth the size of the leading competitors, AWS, and Microsoft. Seeking to expand share of the fast-growing enterprise cloud market, GCS went on a hiring spree. It tripled its sales force coverage within a year, hiring industry-focused sales executives. The move helped GCS penetrate many more enterprise accounts, driving revenue growth meaningfully above the overall cloud market. In such complex situations, digital connections alone can’t match salespeople’s ability to bridge mutual knowledge gaps with new customers. Salespeople can learn about customer needs and uncover latent needs. Salespeople can orchestrate the shaping of the offering and highlight the sources of customer value. This is especially critical when solutions are not completely defined (e.g., services) or have uncertain dimensions (e.g., logistical requirements).

They bring value to existing customers.

With expansion sales, the role of salespeople as mutual-knowledge-gap closers continues. And even as more cross-selling and up-selling shift to digital self-serve channels, companies are adding roles to help customers realize value, especially when products or services are subscription-based (e.g., SaaS) or consumption-based (e.g., cloud services and consumables). Usage by customers is the key to renewal and growth, and usage depends on value. Technology companies have customer success managers who work mostly via phone and video to help existing customers maximize the ongoing benefit of their purchase.

They align buying and selling organizations around a mutually valuable solution.

When a buying organization has multiple decision influencers, salespeople strive to build consensus. An under-appreciated role for salespeople is to also harmonize thinking within their own organization. While a sales manager focuses on sales metrics, a marketing manager thinks about product mix, and a finance person pushes to maintain margins. A technology buyer at our consulting firm, ZS, praised an account executive from our cloud services provider: “She connects us to their experts around the globe. She also negotiates on our behalf to ensure her company gets us the best deal.”

Finding the Sweet Spot for Virtual Connection

As simple seller-buyer engagements pivot decidedly to digital, customers continue to turn to salespeople for help with addressing complexity. However, many of the connections once made in-person have moved to virtual. Inside sales roles and hybrid roles (i.e., where salespeople interact with customers virtually and occasionally in-person) are fast replacing traditional field sales roles.

Virtual works when sellers and buyers have a trusted relationship.

In such cases, almost any sales activity can be done virtually. Examples abound. A seller of customized enterprise software established an inside sales team to sell ancillary products to customers after installation. A seller of business supplies replaced its entire midmarket sales force with inside salespeople. Other examples show field sales roles morphing into hybrid roles. A media industry sales team moved 80% of sales retention activity for midsized customers from in-person to digital and virtual channels, refocusing in-person effort on acquiring new customers. A nonprofit now uses informal small group virtual discussions to complement in-person meetings with loyal donors. The strategy has been highly effective for generating ideas and support.

Virtual works for motivated buyers and differentiated offerings.

In these instances, virtual selling can work for new customers and products, not just for repeat sales. The pharmaceutical industry has traditionally launched new products by having salespeople meet in-person with healthcare providers. During the pandemic, there were several successful mostly virtual launches of novel treatments for severe conditions. But launches of new drugs that were less differentiated from existing therapies achieved less success without in-person sales effort.

Leveraging the Power of Virtual Selling and Avoiding the Pitfalls

Sellers are quickly learning that effective virtual selling requires more than merely shifting what was once done in-person to a video or phone interaction. Yes, it's easier to jump on a call than to jump on an airplane. And virtual meetings are practical for remotely located customers. The true power of virtual is realized by leveraging its unique advantages. Both buyers and sellers can assemble stakeholders and experts from multiple locations. Meetings can be recorded. Participants can quickly look up information and share it on the screen. Digital and AI-driven prompts (for example, about what similar customers find useful) can guide discussions.

Still, virtual selling isn't right for every situation. Virtual doesn't work for some hands-on activities, such as demonstrating physical aspects of products. And virtual is less effective with customers who don't typically spend time at a computer. (For example, an agricultural products company found it difficult to interact with farmers virtually). A key account manager succinctly summarized some reasons to interact in-person: "Half my opportunities come from informal customer discussions. And off-the-record conversations never happen over video." And another salesperson shared, "I sense what customers are feeling when I am with them."

Adapting to Changing Buyers and Evolving Technology

Customizing offerings to customer needs has always been part of a successful sales playbook. Now it's also about customizing communication modes, finding the right mix of face-to-face and virtual personal selling, along with digital outreach and customer self-service. Success requires tailoring connections at each buying/selling step to the knowledge and preferences of buyers, which in turn are evolving rapidly.

As technology continues to advance, the metaverse promises increasingly immersive remote virtual experiences. So the inexorable move from face-to-face to hybrid connection continues. The question is no longer: Will digital replace salespeople? Instead, the question is becoming: How can salespeople and digital work together to create unparalleled customer value and trust?

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