

Chapter 5

Four Eras of CRM Selling: Why Big Data and Predictive Analytics Will Unlock the Science of Selling

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ABSTRACT

This chapter examines the evolution of selling, as well as the software solutions that sales professionals have used to support Customer Relationship Management (CRM) practices. Tracing over four eras of selling, spanning 30 years, including product to solution selling, customer centric selling, social selling, and big data: predictive analytics selling. This chapter examines the stark reality that after three generations of CRM: less than 50% of sales organizations do not achieve their sales quotas. It is time to seriously challenge the current approaches to Customer Relationship Management (CRM), as quota attainment is seriously underperforming, despite what sales software leaders espouse. Research from CSO Insights, Accenture (2013), and Sales Choice (2014) is compelling to pause to Think Big and Smarter! The next era's growth resides in Big Data and Predictive Analytics as advanced sciences and mathematics will pave the way to unlock productivity growth challenges that have plagued the first three eras.

INTRODUCTION

The future of sales lies in the advanced mathematic and science disciplines to drive top line revenue growth in companies. Current approaches to CRM are flawed. Today, with increased customer communication being driven by: email, mobile, social, and text and increased web and online interactions, the traditional CRM approaches, which only rely on data entry by sales professionals, no longer offers a competitive advantage. With billions of investment into the CRM market, it is

now time to move from collecting data to creating connections with “insights” to accelerate growth. Recognizing each human node has brand and influence power irrespective of depth of history in a company. It only takes one voice to ruin a company’s reputation on a viral social channel as Fiegerman outlines in 11 Biggest Social Media Disasters (Fiegerman, 2012).

To appreciate the history and evolution in CRM and the science of selling roots, this chapter takes a historical retrospective on the four generations of sales (CRM) to demonstrate the imperative for

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breakthrough thinking in sales solutions. Empirical research at SalesChoice (Gordon, 2014) has validated in numerous customer product trials over the last three years that the new order in CRM lies in big data and advanced science approaches that have the power to unlock the hidden patterns to optimize sales quota attainment and disrupt current CRM “input only driven solutions,” as these older methods do not crack the chronic underperforming cycle of sales reps not meeting their sales quota and performance goals.

SALES 1.0: THE ERA OF PRODUCT TO SOLUTION SELLING (1980-1995)

During my tenure at Xerox in the mid 1990’s, I was responsible for leading business transformation programs in: Total Quality Management (TQM), Sales and Service Innovation and Business Productivity. Xerox revenue worldwide is currently over \$21B and the company is known for its invention of the first xerographic copier, a machine that outperformed every copying process, then in existence. One of the global programs of strategic imperative in the early 1990’s was Sales and Service Force Automation. At this time, the personal computer growth panacea was in full swing and equipping talent with specialized technology tools inherently was regaled to significantly increase sales and service performance. There were also only a few solution-selling methodologies in the market that were enabling sales professional behavioral foundations to achieve sales excellence. One of the most significant sales productivity approaches developed to improve sales a professional selling practice was: SPIN, a solution selling methodology (Bosworth, 1994).

Solution Selling Defined

The Xerox SPIN methodology framed the solution selling approach for tackling sales; it remains today

as the most dominant form of sales methodology used in businesses globally. SPIN Selling stands for: (S) Situation, (P) Problem, (I) Implication, (N) Need and (P) Payoff. In 1983, a Xerox’s sales representative, Michael T. Bosworth left Xerox and licensed the Xerox Sales (SPIN) methodology and published the book *Solution Selling*. His book was very unique, as it created a framework that was particularly useful to sellers selling in an “*expert to non-expert*” scenario. His book changed the sales focus from selling the features of a product to a situational use by the customer to solve previously unsolved problems.

Ideal for selling disruptive technology to corporations; the SPIN solution selling approach helped sales professionals unlock customer potential, help decision makers visualize how they can achieve their goals and solve their problems, without contextual reference to a product’s functions & features. It was not too long after *Solution Selling* had saturated the market that Michael T. Bosworth upped his positioning to market by writing a second book, *Customer Centric Systems (CCS)* (Bosworth, Holland, and Visgatis, 2010). This enhanced solution selling methodology framework was designed to help companies re-engineer their marketing messages, and help them become more customer-centric.

The CCS framework took the SPIN (Solution Selling) logic a step further to help organizations to identify, codify and institutionalize best practices. Sales Professionals schooled in CCS were trained to delay dispensing product information in favor of asking questions that enabled them diagnose problems and, help customers visualize “proposed” solutions more accurately. This helped sales professionals to initiate and manage opportunities with actual decision-makers. Sales managers were also able to quantify the results through an auditable sales process.

Bosworth’s methodology continued to evolve through the years. He subsequently sold the intellectual property in 1999 to one of his original

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