

Resonant Value Communication in B2B Enterprise Sales

Communication challenges and solutions

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1. EXECUTIVE SUMMARY

This paper attempts to provide practical pointers for increasing the effectiveness of value communication in enterprise sales. After a general assessment of the various issues encountered in typical enterprise sales, I propose a structured methodology for analyzing communication challenges from macro- to individual dimensions and designing effective messaging to minimize or overcome these roadblocks. All steps can be combined into a series of mutually amplifying measures that together constitute Resonant Value Communication (RVC).

Resonant Value Communication uses elements of classic economic analysis (Porter's Five Forces), organizational behavior, and cognitive psychology. Its goal is not manipulation or exploitation of human weaknesses but rather to attune the sales professional to the communication needs of the target audience and to facilitate effective sales messaging for win-win results.

Section 2 will establish a general picture of enterprise sales; sections 3 and 4 provide an increasingly focused analysis of the interaction environment (from high-level industry and corporate considerations to individual communication and learning styles). Section 5 then synthesizes these elements into concrete recommendations for boosting communication effectiveness in each messaging dimension.

2. B2B ENTERPRISE SALES OVERVIEW

This section will provide an overview of the inherent complexities encountered in a typical enterprise sales environment. They include complex decision making structures, restrictive or overly vague procurement processes and lengthy sales processes with infrequent, large payoffs for the sales professional. To address the overall complexity of enterprise sales, several dozen methodologies have emerged to improve sales effectiveness and success rates. For a comprehensive list of sales methodologies, please see <http://www.etechsys.com/Sales-basics/sales-methodologies-list.htm>.

In addition, sales platforms and CRM tool providers offer highly structured hosted and on-premise solutions to facilitate comprehensive prospect and customer lifecycle management. Examples include Oracle, SAP, Right Now Technologies, Salesforce.com, and NetSuite.

2.1 GENERAL CHARACTERISTICS

2.1.1. Decision Making Complexity

By their very nature, enterprise sales impact a wide variety of stakeholders within the customer's organization. Depending on the organizational structure and culture of the enterprise, these diverse interested parties will – formally or informally – shape the decision making process and provide key requirements to the ultimate decision making units. Key influencers may occupy various levels of the organizational pyramid and relatively "low ranking" technical experts may provide crucial input to executives who ultimately budget and execute a deal.

Additional complexity arises from two extremes of "purchase process entropy." On the one extreme are rigidly organized companies with all-powerful central purchasing departments that have codified their purchasing process into a dogmatic RFP/RFQ (Request for Proposal / Request for Quotation) methodology. The documents and corresponding processes must be followed to the letter and while they provide for a relatively level playing field when comparing offers, they run the risk of emphasizing "measuring things right" over "measuring the right things."

On the other end of the scale are companies that have conflicting, highly departmentalized purchasing criteria that are inherently contradictory and thus unsuitable for procuring an enterprise solution. This type of internal confusion is often found in relatively young companies or larger enterprises that are the result of several merger and acquisition passes. In the latter case, legacy cultures and purchasing priorities have not been sufficiently integrated and the lopsided selection process will likely result in a risky implementation fraught with cost and schedule overruns.

2.1.2. Deal Size and Required Approvals

With typical deal sizes ranging from hundreds of thousands to tens or even hundreds of millions of dollars, enterprise solutions typically require CXO or Vice President level approval and often involve ultimate signoff by the company's board. This level of executive decision making incorporates financial, organizational, and long-range strategic considerations and correspondingly demands a sophisticated set of quantitative and qualitative supporting documentation, including detailed ROI models with sufficient internal rates of return and commensurate payback periods.

2.1.3. Sales Cycle Duration & Deal Frequency

Enterprise sales cycles are typically measured in months, may progress in a non-linear fashion and are often among only a handful of active deals worked by an individual sales executive. This leads to a comparatively small number of deals that each constitutes a significant portion of annual quota and income targets. They carry a correspondingly higher risk to the bottom line if lost or delayed and may occur in extremely “lumpy” or uneven intervals. In combination these factors can lead even seasoned sales professionals to fall victim to the “sunk sales cost” fallacy as they continue to pursue dead-end opportunities simply because of the previously invested time and effort and the relative importance to the personal bottom line (“too big to fail”).

3. “MACRO-DIMENSIONS” IN B2B VALUE COMMUNICATION

Given the organizational and procedural complexities outlined above, effective value communication in enterprise sales needs to address a wide variety of situations and target audiences. The following sections provide an overview of “macro-dimensions” that apply to these situations and communication settings.

3.1 CONVERGENCE VS. DIVERGENCE

I will first explore two fundamentally different approaches to ideation and problem solving that may be encountered iteratively throughout the sales process: *divergent* and *convergent* thinking.

Divergent thinking involves “idea generation techniques (such as brainstorming) in which an idea is followed in several directions to lead to one or more new ideas, which in turn lead to still more ideas. In contrast to convergent thinking, (which aims at solving a specific problem) divergent thinking is creative, open-ended thinking aimed at generating fresh views and novel solutions.”¹

Convergent thinking can be employed to bring together information focused on solving a problem (especially solving problems that have a single correct solution)². This step ideally takes place after using divergent thinking and framing techniques to identify core needs and requirements that the solution ultimately needs to address. It typically emphasizes background knowledge, applying conventional and logical techniques, and using

¹ <http://www.businessdictionary.com/definition/divergent-thinking.html>

² Definitions based on <http://www.thefreedictionary.com>

decision-making strategies. Given the overall complexity of enterprise projects, multiple convergent and divergent phases may be traversed until the full solution is thoroughly defined. For instance, an initial divergent needs analysis may produce a comprehensive set of user and owner needs. Convergent thinking can then be used to whittle down this initial set to the core needs. Subsequent divergent (brainstorming) techniques help sketch out possible ways to fulfill the identified needs and a final stage of convergent thinking produces tangible solutions.

3.1.1. Convergent vs. Divergent Selling

As outlined above, any major fact-finding and decision-making process in B2B enterprise sales will contain elements of both convergent and divergent thinking. Depending on the preferred overall decision making process of the purchasing organization, a strictly convergent RFP approach may govern all vendor/customer interactions, yielding uniform and readily comparable competitive submissions. Alternatively, a more divergent operating model may allow for creative solution selling and incorporate highly productive divergent conversations with key stakeholders. This process can ultimately help shape a satisfying, if difficult to compare, solution not previously envisioned by either party.

Special challenges arise when

- a decision maker's thinking style is incompatible with the inherent convergent or divergent nature of a particular step within the sales process
- a strictly convergent model is chosen too early, leading to the omission or incorrect identification of core needs due to insufficient divergent thinking at the beginning of the solution discovery process
- excessive divergence is injected late in the decision making process, or if
- decision making units purposefully send deceptive signals about their operating model and sales cycle stage.

3.1.2. Stakeholder / sales cycle thinking style mismatch

A highly convergent thinker may find it very difficult to sit through an initial, high-level presentation that more closely resembles a brainstorming session than a product pitch. He or she may immediately start firing off detailed requests for product specifications, prices, and project plans. On the other extreme is the highly divergent thinker who continues to crave fundamentally different alternatives and options late in the sales process.

3.1.3. Early-stage convergence

Often favored by highly regulated industries and government agencies, the early-stage convergent sale is characterized by extremely detailed RFP / RFQ documents, exceptionally rigorous itemization requirements for all services and products offered, and a strict communication and submission policy. Creative solutions that do not exactly fit the template are often dismissed without serious consideration. If the convergent phase is based on insufficient internal divergent thinking, the selected solution will likely be highly conventional and rigidly based on internal stakeholders' personal preferences.

3.1.4. Late-stage intra-organizational divergence

With insufficient internal coordination, strongly divergent thinking driven by internal stakeholders may cause disruptions late in the sales cycle in the form of shifting or newly introduced solution requirements or inter-departmental sniping and sabotaging. This results in stranded investments in presentation and sales collateral and can greatly inflate the cost of sales and duration of the sales cycle.

3.1.5. Deceptive divergence

Purchasing organizations may send deceptive signals about being at the very beginning of the decision making process when in reality the vendor has already been chosen by internal fiat. Other vendors bids will simply serve as "column fodder," i.e., they will serve as evidence of having fulfilled due diligence or purchasing process requirements without a realistic chance of being selected.

3.2 COMPETITIVE LANDSCAPE

To fully participate in sometimes rapidly shifting convergent and divergent thinking cycles within the sales process, a seasoned sales professional should be able to draw upon a wealth of product and industry knowledge. This includes a clear understanding of the immediate competitive landscape as well as larger macro-economic, demographic, and technological trends in the client's industry. Such a thorough grasp of the competitive landscape is also useful in identifying qualified target accounts and confers instant credibility from the very early stages of the sales cycle.

3.2.1. Industry Analysis: Porter's Five Forces

Michael Porter's framework gives a "snapshot" view of the relative attractiveness of an industry by judging the bargaining power of customers and suppliers as well as the threat of new entrants and substitute products. Together, these five forces shape the overall competitive behavior of companies in an industry and provide clues to the most likely successful competitive strategy. Section 5.2.1, [Putting Porter to work](#), will provide specific recommendations on how to adapt messaging for specific "Porter challenges" that may be present in the client's industry.

Bargaining power of customers

- Buyer concentration to firm concentration ratio
- Bargaining leverage
- Buyer volume & price sensitivity
- Buyer switching costs relative to firm switching costs
- Buyer information availability
- Availability of existing substitute products

Internal Rivalry

- Number of competitors
- Rate of industry growth
- Exit barriers
- Diversity of competitors
- Informational complexity and asymmetry
- Fixed cost allocation per value added
- Level of advertising expense

Bargaining power of suppliers

- Supplier switching costs relative to firm switching costs
- Degree of differentiation of inputs
- Presence of substitute inputs
- Supplier concentration to firm concentration ratio
- Cost of inputs relative to selling price of the product

Threat of New Entrants

- Barriers to entry (patents, rights, etc.)
- Brand equity
- Switching costs
- Capital requirements
- Cost & Learning Curve advantages
- Government policies



Substitute products

- Buyer propensity to substitute
- Relative price performance of substitutes
- Buyer switching costs
- Perceived level of product differentiation

³ Image source: http://en.wikipedia.org/wiki/Image:Porters_five_forces.PNG

3.2.2. PEST Analysis

For a longer-term perspective, the PEST Analysis (Political, Economic, Social, and Technological) may yield insights into the mid- and long-term attractiveness of an industry and its relative attractiveness and challenges.

Specific examples of possible dimensions within a PEST analysis are shown below:

Political trends

- Increasing privacy legislation
 - HIPAA compliance regulations
- Regulatory developments in a country with significant offshore assets
 - Privatization of oil production infrastructure in Venezuela

Economic trends

- Macro trends
 - Housing bubble
 - Liquidity crisis
 - GDP growth
- Currency risks
 - Fluctuations of dollar vs. Euro

Socio-cultural and demographic trends

- Shifting social values
 - Backlash against globalization / outsourcing
 - Increasing participation of women in the workforce
- Population trends
 - Gen X / Gen Y / Millennials
 - Age distribution within population

Technological trends

- Communication access
 - Wireless vs. landline access
- Computing power and technological progress
 - Mobile, multimodal devices
 - GPS-based, location-aware mobile computing
 - Next-next generation devices (e.g. fingerprint reader on cell phone)

3.3 CORPORATE PERSONA AND BRAND POSITIONING

After assessing the overall competitive landscape and pertinent trends, a closer look at the target organization's intrinsic "persona" and brand positioning will yield additional clues to resonant value communication opportunities.

3.3.1. Corporate "persona"

Key factors that shape any organization's "persona" include its history, core cultural values, key players, competitive strategy, product offering, and life stage. Representative examples of these dimensions are shown below.

Company Genesis

- Organically grown
- Venture financed
- M&A creation

Company Culture

- Egalitarian vs. hierarchical
- Centered around single founder / visionary / guru
- Innovative vs. status quo
- Quantitative focus (e.g., Six Sigma)
- Hard charging vs. "feel good"

Product Offering

- Disruptive vs. familiar
- Relative market success and penetration

Company Age

- Early stage (Facebook)
- Midlife (Google)
- Mature (The Hartford)

Competitive Strategy

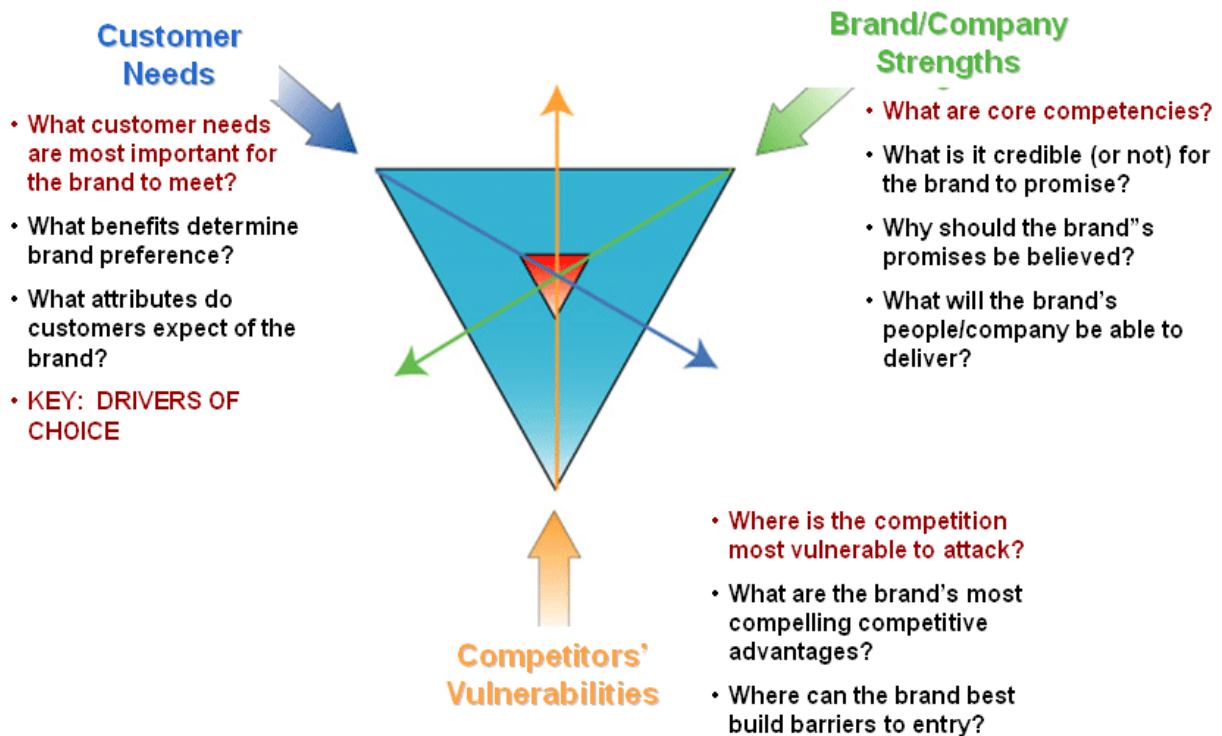
- Differentiation vs. cost leadership
- Customer intimacy
- Feature leadership
- Straddle strategy

3.3.2. Brand Positioning

Beyond individual brand elements like trademarks, logos, and names, a brand can be thought of as "a collection of perceptions in the mind of the consumer."⁴ These perceptions include all the tangible and intangible qualities of the company or product as well as the user's experiences while purchasing and owning the product or service. Positive brand equity (e.g. Apple) adds value and differentiation to a product or service, negative brand equity subtracts value (e.g. Firestone).

Lynn Upshaw's Strategic Leverage Triangulation provides a structured approach to both generating and analyzing the positioning of individual brands and corporate entities. To the sales person, this triangulation may yield interesting insights into potential positioning weaknesses that may be effectively addressed by the solution at hand.

⁴ http://www.buildingbrands.com/definitions/02_brand_definition.php



Source: Course materials for EW MBA 262-1: Brand Management, Haas School of Business, © Lynn Upshaw

3.4 SOCIOLECT

A sociolect is a dialect used by social group, i.e., a variety of speech that is used by a particular social class or group.⁵

In enterprise sales communications, correct handling of sociolects can provide critical advantages by establishing rapport, credibility and resonance. A sociolect serves to both make communication more efficient between members of a group (linguistic shorthand) and as a "verbal uniform" that readily identifies individuals belonging to the sociolect's group.

3.4.1. Corporate sociolect

Companies, much like other groups and organizations, develop their own internal sociolect comprised of applicable industry and technical terms as well as references that are unique to the company's history, key players, management methodologies (e.g., Six Sigma) and other dominant memes.

⁵ http://encarta.msn.com/dictionary_561535120/sociolect.html

3.4.2. Corporate hierarchy sociolect

Each level of the corporate ladder develops a form of communication that most closely matches its task profile. Executive management is typically concerned with shareholder value, overall competitive strategy, financing, and corporate governance while front-line employees care about clock cycles, teraflops, and other highly tactical aspects.

3.4.3. Technical specialty sociolect

As with any sociolect, highly technical language uses specialized terms as a type of shorthand to make communication more effective while simultaneously identifying speakers as belonging to a certain group of experts. Acronyms and abbreviations are especially valuable for both purposes mentioned above; they are the "medals on the verbal uniform." Extreme forms of technical language may also serve manipulative purposes to create a perceived power imbalance between speakers and to further exclude the recipient from the "insiders."

4. INDIVIDUAL COMMUNICATION DIMENSIONS

4.1 IDIOLECT

An even more individual form of language, the idiolect is the special variety of language spoken by a single person. Idiolects contain references to the person's history, personality, politics, and individual interests. They are also crucially influenced by differences in learning and cognitive styles and preferences for convergent or divergent thinking.

4.2 VISUAL / AUDITORY / KINESTHETIC REPRESENTATIONAL SYSTEMS

The concept of "representational systems" is a Neuro-Linguistic Programming (NLP) model that examines how humans process, store, and recall information. Originally applied quite rigidly by sorting individuals into purely visual, auditory, or kinesthetic (VAK) communicators or learners, representational systems are now thought to be used flexibly depending on the learning or communication situation. One modality may be dominant in a business context, with the other representational styles being secondary and tertiary (or

recessive). Research by NLP Pioneer H. Skinner⁶ and empirical evidence from sales guru Steve W. Martin⁷ also indicate that representational systems can be used to build rapport with target audiences and communicate marketing or sales messages more effectively.

4.2.1. Visual Learning Style

Visual learners focus their cognitive processing and recall on sight, mental imagery, and spatial awareness. Typical keywords and phrases preferred by visual learners are listed in the table below.⁸

chart a course	map out	draw a picture	hazy recollection
put on display	clear image	focus	blindsided
illustrate a point	provide an overview	get perspective	provide a snapshot

4.2.2. Auditory Learning Style

Auditory learners center their interaction and recall styles around auditory (or linguistic) thoughts, including sound, speech, dialog, musical metaphors and noises.

ring a bell	articulate a point	be attuned to needs	drone on
strike a chord	sound off	harmonize	chime in
give me your ear	be tuned in	say a peep	be heard loud and clear

4.2.3. Kinesthetic Learning Style

Kinesthetic learners focus on the things we can feel (in both the physical and emotional sense of the word), taste, or smell.

squash an idea	bind together	plug holes	clinch a deal
press forward	move on a project	grab attention	nip in the bud
get a handle on something	be in the hot seat	have a gut feeling	heated argument

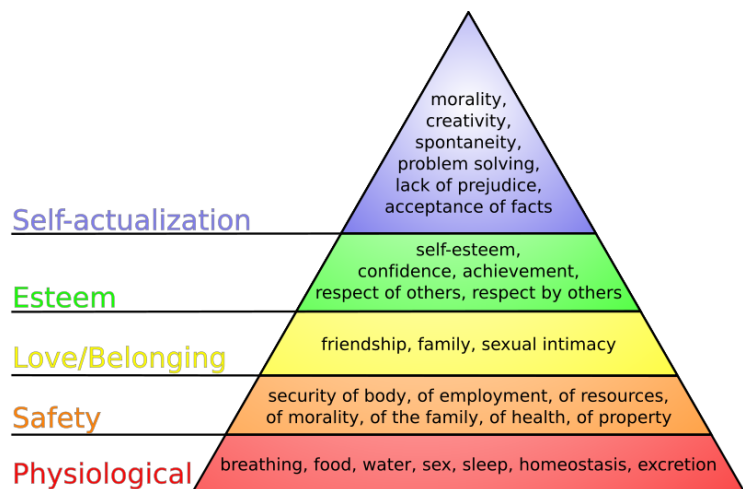
⁶ Skinner, H. and Stephens, P. (2003). "Speaking the Same Language: Exploring the relevance of Neuro-Linguistic Programming to Marketing Communications". Journal of Marketing Communications Volume 9, Number 3 / September: 177–192.

⁷ Heavy Hitter Selling: How Successful Salespeople Use Language and Intuition to Persuade Customers to Buy, by Steve Martin, 2006

⁸ A more complete list of relevant keywords for visual, auditory and kinesthetic representational systems can be found on pages 65, 66, and 67 of "Heavy Hitter Selling: How Successful Salespeople Use Language and Intuition to Persuade Customers to Buy," by Steve Martin, 2006

4.3 MASLOW'S PYRAMID OF NEEDS

Originally developed by Abraham Maslow, the Pyramid of Needs classifies human needs into five, mutually dependent categories of physiological, safety, belonging, esteem, and self actualization needs. As originally proposed, a person first has to satisfy the lower-level needs before being able to move on to the higher levels. In sales communications, these needs



Source:
http://upload.wikimedia.org/wikipedia/commons/5/58/Maslow%27s_hierarchy_of_needs.svg

can be mapped to both the product or service dimension as well as the sales process itself and a purchase decision may ultimately impact a variety of layers of the pyramid of needs, including:

- **Safety:** Will I get fired if I make the wrong decision? Will I get a bonus if I make the right decision?
- **Belonging:** Does my purchase get me into a cool or exclusive group of customers/owners of a technology? Who else owns this technology? Does my purchase decision make me a "fit in" within my organization?
- **Esteem:** What will my colleagues think of my decision? Will they respect my approach and choice? Will they think I got the best value for my money?
- **Self actualization:** Will this decision and/or product allow me to grow as a person? Does it free up time so I can solve other problems, be more fulfilled and creative?

5. CREATING RESONANT VALUE COMMUNICATION

Taking into account both macro dimensions and individual communication components, resonant value communication aims at crafting optimally effective messaging tailored to the interaction context and individual participants. The following section provides a step-by-step process for identifying and leveraging such “resonance boosters.”

5.1 STEERING CONVERGENT AND DIVERGENT THINKING

To effectively utilize convergent and divergent thinking as outlined in [Section 3.1, Convergence vs. Divergence](#), we first need to determine the primary thinking mode of key decision makers. The following descriptions of convergent and divergent thinkers are based on Alice and David Kolb’s experiential learning theory⁹

“Convergent Thinkers: People with this learning style are best at finding practical uses for ideas and theories. They have the ability to solve problems and make decisions based on finding solutions to questions or problems. Individuals with a converging learning style prefer to deal with technical tasks and problems rather than with social and interpersonal issues. These learning skills are important for effectiveness in specialist and technology careers. In formal learning situations, people with this style prefer to experiment with new ideas, simulations, laboratory assignments, and practical applications.

Divergent Thinkers: People with this learning style are best at viewing concrete situations from many different points of view. The style is labeled “diverging” because a person with it performs better in situations that call for generation of ideas, such as a “brainstorming” session. People with a diverging learning style have broad cultural interests and like to gather information. They are interested in people, tend to be imaginative and emotional, have broad cultural interests, and tend to specialize in the arts. In formal learning situations, people with the diverging style prefer to work in groups, to listen with an open mind, and to receive personalized feedback.”

⁹ Learning Styles and Learning Spaces: Enhancing Experiential Learning in Higher Education. Academy of Management Learning & Education, 2005, Vol. 4, No. 2, 193–212.

In enterprise sales, convergent and divergent thinkers may exhibit one or more of the characteristics in the table below:

Convergent Thinker (Extroverted Thinkers in MBTI)	Divergent Thinker (Introverted Feelers in MBTI)
<ul style="list-style-type: none"> ▪ Expects one “right” answer or enterprise solution (and wants to drive to that conclusion quickly/early) ▪ Very quantitative and precise ▪ Requests specific measurements <ul style="list-style-type: none"> • Clock cycles • Throughput speed • Line item costs • Etc. ▪ Prefers “multiple choice” over “essay” answers ▪ Prefers detailed RFQs with excruciating detail 	<ul style="list-style-type: none"> ▪ Prefers creative problem statement and collecting diverse solutions ▪ Qualitative focus ▪ Less focused on metrics, more focused on business outcomes and ownership experience ▪ Prefers “essay” over “multiple choice” answers ▪ Prefers higher-level RFPs over extremely detailed RFQs

Both thinking styles are necessary and valuable components of enterprise decision making. In a typical sales cycle, the opportunity to foster divergent thinking can occur early on or at multiple times throughout the sales cycle as discussed in [3.1, Convergence vs. Divergence](#). Resonant value communication includes an honest assessment of a key decision maker’s preferred thinking style (regardless of corporate rank) and tailored spoken or written messaging to optimally resonate with the individual’s preferred style.

In addition, resonant value communication uses awareness of potential convergence vs. divergence “disconnects” to pro-actively inject a balancing influence into this dimension of the communication process. The grid below contains illustrative examples and suggested solutions.

Challenge	Convergence / Divergence	Suggestions
Vendor offering does not optimally fit rigid purchasing criteria	Deal-breaking convergence	<p>Encourage divergent thinking</p> <ul style="list-style-type: none"> ▪ Perform deeper needs analysis away from functions and specifications (ask “why?” to detect needs vs. purely feature/function-centric responses) ▪ Brainstorming / mind-mapping with customer ▪ If time and money was no object...
Detailed RFP / RFQ at the start of sales process	Early-stage convergence	<p>Inject divergence into convergent tool</p> <ul style="list-style-type: none"> ▪ Use executive summary to inject maximum amount of divergence into description of

Challenge	Convergence / Divergence	Suggestions
Late-cycle shift in purchasing criteria and key decision making units	Late-stage divergence	<p>problem and solution space</p> <ul style="list-style-type: none"> ▪ If possible, append RFQ with divergent questions. Determine why certain features/functions are requested? What does the client expect to get from them? ▪ Use vendor / client feedback cycles to shift and relax purchasing criteria <p>Identify source of divergence</p> <ul style="list-style-type: none"> ▪ Evaluate client's decision making process and units with a focus on company history and internal politics <p>Attenuate divergence</p> <ul style="list-style-type: none"> ▪ If possible, slow response cycle time to avoid "chasing a moving target" ▪ Request increased executive direction

5.2 INDUSTRY-RESONANT SALES COMMUNICATION

A solid understanding of the client's industry and competitive landscape is a natural starting point for prospecting and client evaluation. The sections below provide additional concrete recommendations on using Porter's Five Forces and PEST analyses to shape the linguistic inventory of sales and marketing messages.

5.2.1. Putting Porter to work

Porter's Five Forces provide a general measure of an industry's attractiveness and the likely competitive pressures that will be faced by incumbents and new entrants. By clearly articulating a solid understanding of the unique challenges present in the client's industry, a sales professional can add value to his or her presentation and buy "instant credibility."

The table below outlines possible communication strategies to address specific challenges inherent in the competitive environment surrounding the client organization. For simplicity, the table below defines "clients" as the enterprise purchasing the solution and "customer" as that enterprise's target consumers. For instance, the client maybe a large electronics manufacturer while the customer will be the individual purchasing the manufacturer's products in a retail setting.

Porter Industry Challenge

Resonant communication

Bargaining power of customers – High

- strong buyer concentration
- low buyer switching costs
- no information arbitrage
- buyer leverage
- readily available substitutes

Threat of New Entrants – High

- low barriers to entry
- weak brand equity
- low capital requirements
- few cost & learning curve advantages
- unfavorable government policies

Bargaining Power of Suppliers – High

- differentiation of inputs high
- no substitute inputs
- high supplier concentration
- high input cost

Substitute Products – Abundant

- high propensity to substitute
- low price substitutes available
- low buyer switching costs
- low level of product differentiation

Internal Rivalry – High

- high number of existing competitors
- slow rate of industry growth
- strong exit barriers
- mature market with diverse competitors
- thorough information disintermediation – no information asymmetry
- high advertising expense
- gain share vs. industry growth model

- How does the enterprise solution boost customer loyalty? Customer Lifetime Value?
- Can the enterprise solution increase switching cost for the customers? Does it provide differentiation in the expected or expanded product offering (incl. service)?
- Will the enterprise solution reduce the substitutability of the client's offering?
- How does the enterprise solution boost customer loyalty? Customer Lifetime Value?
- Can the enterprise solution increase switching cost for the customers? Does it provide differentiation in the expected or expanded product offering (incl. service)?
- Will the enterprise solution reduce the substitutability of the client's offering?
- Are there any other ways that your solution can reduce the threat of entrants? Increase barriers of entry in some way? Allow clients to move down learning curves faster?
- Will the solution unlock new supplier channels?
- Does the solution create input substitution potential?
- Can the solution reduce input costs?
- Will the solution make it easier to work with suppliers, thus reducing relative bargaining power of the supplier?
- How does the enterprise solution increase differentiation?
- Can the solution raise the "minimum bar" for acceptable substitutes?
- Can the enterprise solution increase switching cost for the customers? Does it provide differentiation in the expected or expanded product offering (incl. service)?
- How does the solution boost operational efficiency?
- Will the solution be a key differentiator vs. existing competitors?
- How will the solution lower exit barriers?
- Can the solution reduce advertising and marketing expenses?
- Does the solution provide an opportunity to redefine the industry boundaries?

5.2.2. PEST Analysis Resonance

The PEST analysis provides a less static and more forward looking view of the competitive environment and can unearth valuable medium- and long-term value drivers.

As with Porter's Five Forces, the organizational framework of the PEST analysis can also be used to create a comprehensive sales positioning inventory. By considering the dynamic forward-looking elements of the competitive landscape, the sales professional will be able to map value drivers to fit the customer's current and future needs in an approach that may be drastically different from standard feature/function-centric presentations.

PEST Analysis Dimension	Resonant Value Communication Examples
Political trends	<ul style="list-style-type: none"> ▪ Will the solution address current and future regulatory requirements? ▪ Are built-in reporting and documentation features insurance against "unknowable unknowns" in the regulatory environment by providing rich data for possible future reporting requirements? ▪ Is the solution enabled to suppress sensitive and private data?
Economic trends	<ul style="list-style-type: none"> ▪ Does the solution directly or tangentially address current and medium-term macro-economic trends, e.g., housing & subprime crisis, liquidity crisis? ▪ Can the deal structure adapt to economic circumstances, e.g., by reducing capital expenditure requirements in favor of operational expenses? ▪ Will the solution be able to buffer rapid swings in consumer demand and related growth, e.g., customer support automation that allows for flexible support staffing depending on overall demand?
Socio-cultural and demographic trends	<ul style="list-style-type: none"> ▪ Can the solution leverage larger demographic trends? Relevant trends in the US include <ul style="list-style-type: none"> • increases in single households • growing minority (especially Hispanic) populations • the "thin middle" in the demographic pyramid comprised of the quantitatively smaller group of millenials, and • large numbers of retiring baby boomers ▪ Is the solution aligned with dominant cultural trends? For instance, can it help with increasing numbers of location-independent workers who telecommute and need to maintain virtual offices?
Technological trends	<ul style="list-style-type: none"> ▪ Does the solution incorporate and leverage current technological trends, e.g., mobile computing, SaaS, GPS location aware devices, cloud computing, etc.? ▪ Which elements of the solution are "future proof?" ▪ What steps is the vendor taking to stay abreast of technological developments? ▪ Does the vendor have a structured innovation program, incl. a managed innovation pipeline (roadmap) and corporate innovation strategy?

5.3 SOCIOLECT RESONANCE

5.3.1. Resonating with the Corporate Persona and Brand Positioning

Encoded within any organization’s culture and mythology are core operating assumptions about shared values, goals, and aspirations. Companies with strong cultures can rely on this shared value system to govern everyday activities and interactions, thus diminishing the need for excessive procedures and rule systems. Ideally, this value system will also be congruent with the overall brand positioning and persona.

Beyond the standard sources for clues about corporate values and brand (web site, marketing collateral, investor relations, annual reports), account preparation should also include specific questions about the self-perception of the customer’s organization. For instance, the sales executive may ask which large retailer the client company is most like (Costco, Nordstrom’s, Target, Wal-Mart?), even if the area of operation is entirely unrelated to retail. The answer can give valuable clues about the relative importance of employee satisfaction, customer care, and corporate social responsibility. Together with Porter’s Five Forces and a PEST analysis, these insights will also round out the view of the client’s actual and aspirational competitive strategy. The table below provides examples for subtly incorporating key elements of the corporate persona into the vendor’s value communication.

Corporate Persona Element	Resonant Value Communication Considerations
Company Genesis	<ul style="list-style-type: none"> ▪ How is the vendor’s company history similar to or different from the client’s? Do they share heroic start-up trials and tribulations? Investors? ▪ If the client’s company is the result of repeated M&A cycles, specifically address <ul style="list-style-type: none"> • Potential “inter-tribal” conflicts between formerly independent entities and how vendor solution can work to remediate them • Intermediary “diplomatic” role of sales executive
Company Age	<ul style="list-style-type: none"> ▪ How is the company’s age reflected in maturity of processes & procedures? Can the vendor shape and define the purchasing process? ▪ Does the company’s language match its lifecycle stage? Are executives trying to make it sound more mature and settled than is indicated by its actual age? ▪ Is an early stage company full of words like “disruptive,” “revolutionary,” “game changer,” or does it gravitate to “me-too” language indicating parity with industry leaders?
Company Culture	<ul style="list-style-type: none"> ▪ How rigidly hierarchical is the company culture? ▪ Are titles important? ▪ Who addresses whom first? By their first or last names?

Corporate Persona Element	Resonant Value Communication Considerations
Competitive strategy	<ul style="list-style-type: none"> ▪ If personalization is part of the offered solution, whose name should be used in examples? For instance, if a personalized phone menu is demonstrated, should the vendor use the CEO's first name, last name? The key technical influencer's? ▪ Is there a central critical figure (the "Steve Jobs") that is vital to company's survival? ▪ How congruent are stated values with living culture? ▪ How many individuals within the organization interact with customers? Are customer contacts isolated to the field sales organization or dispersed throughout engineering, marketing, etc.? ▪ Does Porter indicate high internal industry rivalry? If yes, does the company's operating model match a margin pressure environment? Does the customer speak in terms of efficiency, cost savings, and operational excellence? ▪ Does the client pursue a coherent overall strategy based predominantly around technology leadership, differentiation, or cost leadership? Does the client try to straddle both (e.g., Ted by United, a low cost carrier with the operating model of a hub-and-spoke major airline)? ▪ How does the company work with its partners and other "complementors" within its value network?
Product offering and market penetration	<ul style="list-style-type: none"> ▪ Is the company horizontally or vertically integrated? ▪ Is the customer's offering disruptive or a "me-too"? ▪ What is the relative market share and dominance? Does the company see itself as the underdog or the dominant player? Is the role of the company congruent with actual market share and penetration? ▪ If the company is the leading provider of a product or service but sees itself as the underdog, what is driving this "heroic" self-perception?
Brand positioning	<ul style="list-style-type: none"> ▪ What are the brand elements that employees truly resonate with? Do they agree with the more aspirational elements of the brand platform? ▪ How can the enterprise solution in question further accentuate the relative strengths of the brand vs. its competitors? ▪ Is the brand represented by the enterprise solution congruent with the client brand?

5.3.2. Hierarchical Sociolects – Focused Audiences

As discussed in 3.4.2, *Corporate hierarchy sociolect*, each level of the corporate ladder uses a specialized language that closely matches its task profile. High technology companies (especially startups) with strongly engineering-driven cultures often favor feature-centric value communication that resonates extremely well with like-minded engineers and "hands-on" levels of the organizational pyramid. To successfully communicate with higher ranking business stakeholders, however, the proposition has to be

translated into the sociolect of the managerial and executive level. Instead of features, functions, and mechanical details, the CXO of an organization will focus on headcounts, shareholder value, operational efficiencies, and resonance with the competitive strategy of the firm. The sales professional should carefully review all presentation slide ware, collateral and speaking notes before presentations to a focused audience (i.e., a sociolectically homogenous group) and translate relevant value elements into the appropriate sociolect as needed.

For extremely technical audiences, a non-technical presenter should also balance the desired resonance (created by using technical lingo) with the risk of being perceived as an impostor who merely parrots the sociolect of the technically savvy elites. Implicitly acknowledging the superior technical understanding through careful (and even self-deprecating) use of key marker words can establish credibility while simultaneously communicating respect and an understanding of the technical pecking order.

The table below shows examples of “translated” value propositions.

Tactical	Business / Strategic
Self-help automation application server for up to 2,400 concurrent sessions with 99.994% uptime	High-availability, brand-extending self help for head-count neutral top-line growth
A fully integrated development environment with comprehensive base-class frameworks, sophisticated inheritance and service-architecture based extensibility	Immediate ROI on development tools through short learning curves, staffing scalability, and fast time to market
Secure Socket Layer connection with Server Gated Cryptography (SGC)-enabled SSL Certificate in a public/private key schema	Peace of mind for critical enterprise data with proven, standards-based, best-in-class encryption
Customer SQL database with optimized indices, a visual query builder, locale-aware sorting, and configurable aging.	Our data warehousing solution provides greater customer intimacy through detailed transaction records distilled into actionable intelligence for maximum Customer Lifetime Value

5.3.3. Hierarchical Sociolects – Mixed Audiences

One particularly challenging element of resonant value communication in enterprise sales is the hierarchically diverse set of participants present at many pitch and discovery meetings. When mixed audiences are present (e.g., an executive with the required budgetary authority as well as key technical influencers), lop-sided technical or managerial

language can damage credibility and lead the respective audience members to “switch off.” In these scenarios, the value communication should either be split cleanly between a “business voice” (e.g., the sales executive) and a “technical voice” (e.g., the sales engineer) or mixed to proportionately reflect the composition of the audience. Interlacing both types of sociolect on the same or alternating slides can help to retain the attention of both groups throughout the presentation.

5.4 IDIOLECT RESONANCE

5.4.1. Linguistically leveraging shared interests

Most sales professionals naturally use standard “warm-up” techniques at the beginning of a meeting to create initial rapport and attempt to find hobbies, interests, or lifestyle elements they have in common with the customer. If such a shared interest becomes apparent, it can be used to further amplify idiolect resonance throughout the presentation. For instance, if the customer shares a story about his daughter’s softball practice during warm up, the sales person may include additional baseball and softball metaphors sporadically during the presentation (e.g., “home run,” “hitting it out of the park”).

5.4.2. Creating a Visual / Auditory / Kinesthetic (VAK) Inventory

The VAK inventory is used to quickly identify the preferred representational system of the customer contact. This inventory can be created ad-hoc by silently scanning statements made in real time for visual, auditory, or kinesthetic markers. Alternatively, a VAK inventory can be generated in advance by reviewing written communication (emails, slides, formal documents) and keeping a checklist of the respective frequency of VAK keywords.¹⁰ It should be noted that the person may have a single strongly dominant category or two leading and one recessive style. Once the preferred representational system is identified, the sales professional can “test” the resonance value of additional visual, auditory, or kinesthetic catch phrases. Does the person become more engaged in the conversation? Lean forward? Quickly understand and begin echoing the vendor’s key value propositions?

¹⁰ A more detailed discussion on VAK inventories can be found on page 68 of “Heavy Hitter Selling: How Successful Salespeople Use Language and Intuition to Persuade Customers to Buy,” by Steve Martin, 2006

As larger audiences will necessarily contain a mix of representational preferences, the sales professional should create a balanced mix of visual, auditory, and kinesthetic expressions and make a point to use them equally throughout written collateral and spoken commentary.

5.4.3. The Maslow Impact Ratio (MIR)

Depending on a person’s role in the corporate hierarchy and within the purchasing process, a given transaction may impact a variety of layers within Maslow’s Pyramid of Needs. A key technical influencer working as an individual contributor will associate different safety, belonging, esteem, and self-actualization rewards with the successful acquisition of enterprise software than the CEO with ultimate signature authority. As a useful proxy, the sales professional may calculate the “Maslow Impact Ratio”¹¹ expressed by dividing the deal size (\$) by the estimated income of the client contact (\$).

$$MIR = \frac{\$DS}{\$EI}$$

A high MIR indicates a recommended focus on allaying safety and physiological needs while a low MIR points towards a messaging strategy that is more focused on the higher levels of Maslow’s Pyramid.

The table below lists representative sample scenarios and maps potential Maslow Impact elements to each ratio.

Maslow Impact Ratio	Scenario	Maslow Communication Dimensions
$MIR = \frac{\$750,000}{\$50,000} = 15$	Programmer making key technical recommendation about enterprise software purchase	<ul style="list-style-type: none"> ▪ Safety Needs: may be dominant as an incorrect recommendation may directly jeopardize immediate or long-term job security and career advancement opportunities. Recommendation: If possible, emphasize similarly situated individuals at other customers who received promotions and bonuses after making a favorable purchase decision for the vendor’s product

¹¹ The MIR shown here represents a hypothesis that will require additional empirical research and field testing for validation.

Maslow Impact Ratio	Scenario	Maslow Communication Dimensions
$\text{MIR} = \frac{\$750,000}{\$2,500,000} = 0.3$	CEO acquiring enterprise call center automation software	<ul style="list-style-type: none"> <p>▪ Esteem Needs: will be met by making a recommendation that carries a high “feature / function yield,” i.e., a technologically elegant solution with appeal to highly technical peers. Success will be measured by “cool” and cutting edge features and advanced design. Recommendation: Highlight features, functions, technical specifications, especially “wow” features that are cutting edge</p> <p>▪ Self Actualization: may be met by productivity and knowledge gains for the individual at hand. Recommendation: Emphasize unique learning opportunity enabled by the deal and highlight individual labor-saving aspects</p> <p>▪ Safety Needs: may be minimal. An individual purchase decision is unlikely to jeopardize the CEO’s position or overall career path</p> <p>▪ Esteem Needs: will be met by making a recommendation that increases shareholder value by boosting top and bottom line results. The decision will be measured in market share, FTE reductions, Net Promoter Score increases, etc. Purchaser will be viewed by the board as competent and making wise decisions. Recommendation: if possible, describe business results and corresponding esteem boost of similarly situated executive at another client organization who has implemented this solution</p> <p>▪ Self Actualization: may be met by using the solution as a proof point in building the CEO’s personal brand and leveraging this proof point in the pursuit of bigger and better opportunities Recommendation: Emphasize career-boosting potential of the “right” purchasing decision at hand. These career implications can be based on the company’s short- and long-term success and measured in financial terms or by evaluating impact on employee morale (e.g., lower turnover, increased employee satisfaction and productivity).</p>

6. CONCLUSION

At its core, Resonant Value Communication is a translation process. As is the case with all translations across linguistic and cultural barriers, the quality of the outcome depends on a solid understanding of languages, their respective native cultures and the ultimate function of the text. Resonant Value Communication provides a framework for a comprehensive and structured exploration of the target culture and language to aid sales and marketing professionals in efficiently and effectively creating and communicating value.