



## Succeeding with IT Solutions

---

### Abstract

**Previously successful IT product companies know that maturing IT markets mean they must now provide solutions to their customers' needs.**

**It is well understood that a different sales approach is required to sell solutions rather than products. Much less well understood is how solutions should be documented, described and deployed to make them attractive to buyers.**

**Frustration often results, as the field waits for HQ to “give us something realistic to sell”, while HQ cannot understand why the field force is not being more successful with solutions that have already been announced.**

**The question is “How should IT solutions be made attractive to buyers?” This paper considers the serious challenges faced by the solutions provider who wants to create a successful IT solutions portfolio.**

## Customers want solutions

The days when an IT company could achieve success just by selling technology products are gone, probably forever. Sceptical customers and tough competition mean that an IT company must work hard for its business, demonstrating to its customers that clear benefits can be achieved at minimum risk.

Consequently, many IT companies, seeing the evidence of falling hardware margins, have recognised that they must move into the “solutions” business if they want to be competitive, offset their pre-sales cost, sell services and leverage additional hardware and software sales.

“OK,” says the senior management, “clearly we need to sell solutions. Let’s start by telling the field that we are going to transform the company, focusing on our customers’ needs and selling solutions to those problems.”

“Oh really?” says the field: “great; so where are these solutions then? Let’s have them and we’ll get on the case.”

The field waits, but nothing much happens. After a while, senior management appoints someone called “Services Development Manager” or “Global Solutions Director”.

The brief is straightforward. “We need to make progress on this solutions thing, fast. Come up with some ideas. Write some flyers about how our hardware, software and services are used to address customer problems, and get them into the hands of the sales force right away.”

## We get busy...

So, the new SDM or GS Director gets busy producing “solutions”. Documents are written, some for internal use and some for the customer. Typically a solution consists of things like

- Internal guidelines to identify potential customers, including a generic customer problem statement and some qualification criteria
- A standard sales presentation, a facts-sheet and/or a brochure which describes the customer’s problem, and how the company’s hardware, software and



services combine to solve it (much better than the competition)

- Possibly, a description of the deliverables from the services activity
- A case study describing how the solution was installed elsewhere

Armed with this “solution” the sales team engages with the customer.

### ...but the customer isn't impressed

All too often, however, when these “solutions” are presented to the customer, the result is not what was hoped. Sure, the customer may agree with the problem statement, and even agree that it applies to them, but when the customer listens to the “solution” presentation or reads the facts-sheet, their eyes glaze over and soon it's “Hey, thanks for coming. See you again sometime. Goodbye.”

So what goes wrong? Why aren't these “solutions” as attractive to customers as they should be? Surely we are doing the right thing by talking to the customer about business issues and presenting a solution that addresses it?

### Why is the customer not impressed?

In short, if the solution is not described and documented in a particular way and then rolled out to the field effectively, it will never sell. Worse, the company will undermine its solutions credentials where it really matters; in front of the customer.

The reasons for this often-repeated failure are not at all straight forward, but a little study will save millions of pounds in wasted time and effort.

### Solution confusion

A large part of the problem is this. While everyone agrees that “solutions” are a good thing (for they solve customer problems) the very word itself is made to serve too many masters, leading to endless confusion.

There are three fundamentally different ways in which the word “solution” gets used to describe

1. A combination of **products**: hardware or software that is purchased, or licensed “out-of-the-box”, is a



product, but the word “solution” is frequently applied, as in *our hardware and software product suite is the solution to your problems!*

2. A **packaged solution**: a packaged solution is an “off-the-shelf” combination of hardware and software combined with a *service product*. The service product (or packaged service as it is sometimes called) is work done by people to produce pre-defined deliverables for the customer.

3. A **customised solution**<sup>1</sup>: a customised solution<sup>1</sup> is a combination of hardware, software and *customised services*. Customised services are defined only after the customer’s precise requirements are defined and they are described in a Project Definition.

In brief, the first of these is a misnomer; the second is a great idea that never quite works in practice; the third is what the customer wants, but is badly in need of some pizzazz.

## Product combinations aren’t solutions

IT companies moving into the solutions business usually start off by describing something they say is a solution, but is really just a combination of hardware and software products, with maybe a sprinkle of service thrown in.

Paying lip service to the idea of a “solution” the brochure describes a generic customer problem, but in no time reverts to saying how great the hardware and software products are.

This is not really a solution at all. It is a product sell dressed-up and will be recognised by customers as just that.

## Good things don’t always come in packages

Packaged solutions appeal greatly to IT company planners. By pre-packaging a combination of hardware, software and services to meet a generic need, the idea is that we can “push them out through the sales channel” in just the same way as we do with

---

<sup>1</sup> Service products and customised services can sometimes be sold without accompanying hardware and software.



our hardware and software products. This will (we imagine) give productivity improvements and a better business mix.

Unfortunately there are two serious problems with this approach.

### **One size doesn't fit all**

Firstly, try as they might, when the sales teams start trying to sell packaged solutions<sup>2</sup>, the pesky customer starts to find reasons why their own circumstances are unique and the one-size-fits-all package just doesn't shoehorn into their environment. Even if the IT company changes the packaged solution to meet the customer's need, before the ink is dry the customer has found another three reasons why the pre-defined package just doesn't fit.

The customer wants a solution to address sophisticated business requirements and integrate with complex technical environments. Most of them think that something "off-the-shelf" is most unlikely to achieve this and, even if it will, the customer wants to know that the vendor is taking the trouble to create something specific for him.

### **The wrong sales approach**

The second big problem with packaged solutions is that they encourage the wrong sales approach. People increasingly understand the difference between a product-selling and solution-selling style<sup>3</sup>. The first is "push" selling: knocking down doors; advocating product benefits; handling objections and closing early and often. The second requires first that we understand the customer's specific requirements and only then should we describe exactly what we could do to help.

---

<sup>2</sup> This problem is made more intractable because the company's early experience, with simple packaged service products and solutions (for example, those which provide for the installation and commissioning of hardware and software) can be that they do sell well. This makes the disappointment in the failure of more ambitious packaged solutions harder to assimilate.

<sup>3</sup> IT companies today are investing millions of pounds in training their sales forces to adopt a more solution-oriented (or consultative) approach.



But if we give the sales team a “packaged solution” it can undermine all the good work we have done trying to convert our sales team to be more consultative. If we give them a defined “packaged solution” they will try to sell it as if it were a product. If it doesn’t fit (and it usually won’t) they will try to handle objections, and push ever harder. Pretty soon the customer will conclude that, despite all the expressed good intentions, nothing has actually changed and the vendor is just there to unload hardware and software as they were before.

### A conflict of interest

Fundamentally there is a conflict of interest. IT company business planners like packaged solutions precisely because they hope they will avoid the tedious and time-consuming business of understanding the customer’s precise requirements. They also want to ensure the risk remains predominantly with the customer<sup>4</sup>, which, in all probability, is exactly what the customer does not want.

### Customised solutions

Customers want customised solutions. They want to know that what they are buying has been designed for them to achieve the benefits they require **in their environment** at minimum risk. In a buyer’s market we may be sure that if we refuse to give them this, then someone else will.

To customise a solution we need to understand the customer’s requirement in detail. We need to adopt a consultative approach. We need to list the deliverables, assumptions, milestones, risks, responsibilities and methodology as a part of a customised Project Definition. Only then will the customer be reassured. Only then can the solution be planned, costed, priced and sold.

However, there is a problem here too. A blank Project Definition is not a very compelling sales proposition. If we want to get the customer to act we must be able to discuss the problem we are trying to address, show the customer that we know how to address it and describe

---

<sup>4</sup> It is analogous to a packaged holiday. Whatever the customer wants, once they buy the package, they are going **exactly** where it says in the itinerary.



the process we will follow in order to bring the benefit to him.

## Describing the solution effectively

Now we can begin to see how challenging it is to define, document and describe a solution effectively. Our “solution” must:

- describe and discuss the specific problem in a compelling way
- convince the customer that the company has the capability to deliver the solution
- not encourage a “push” sales approach
- describe the process by which the customer’s exact requirements will be ascertained
- show how the delivery process will be efficient and risk free.

The solution must **not** be presented as a pre-defined package that will fix the customer’s problem, because we don’t yet know in detail what the customer’s problem is. Instead the solution is a set of skills, knowledge, capabilities and processes that will be combined (in some way as yet to be defined) to meet the customer’s need.

The solution documentation should clearly show

- The process by which we will define the customer’s requirement
- How we will use our capabilities to craft a solution to meet his needs
- The steps in that process
- The tools we have that will make the process efficient and the outcome assured

This points the way to how solutions documentation should be defined, presented and structured.

The solution documentation must **not** be a set of material that says: “Hey look... here is our solution, and it has more features and functions than anything else on the market.” Instead, the solution should be a toolkit that assists with each stage of the consultative selling approach. It is a set of ingredients: a kitchen, a team of chefs and some example recipes. It is not a cake.



For example

- The sales presentation (and customer facing brochures and flyers) should focus on the business issue and the practical issues of addressing the stated problems.
- Selling should be confined to broad statements of capability and clearly explain the process for defining in detail the customer requirement and the solution. Descriptions of particular products, features, function, performance (and especially competitive points scoring) should be kept to an absolute minimum.
- The documentation must help the sales team to demonstrate domain expertise and to reduce the customer's perception of risk. An important part of doing this is to have the following sorts of tools
  - \* Examples of specific Statements of Work that define a generic solution. Note it is vital that these are presented as examples, which will be customised and improved.
  - \* White papers that show an in-depth understanding of the business and technical issues.
  - \* Examples of deliverables that will be produced from the services elements of the solutions engagements such as reports, procedures manuals, process descriptions, screenshots and so on.
  - \* A detailed description of the process that will be elaborated upon to define the customer's requirement and the solution in detail, including the process by which risk will be managed.
  - \* Every customer-facing services or solutions document must look consistent and be of the highest quality, in terms of how it is structured, written and formatted. This is vital because much of it will be shown to the customer and it will play an important part in building the customer's trust and confidence that we can deliver at low risk.
  - \* An additional set of internal tools can be provided to help the sales team perform well at each step of the process; for example: meeting agenda, questions, qualification criteria, relevant open questions, diagnosing questions, examples of how to explain the business linkage and business case and so on.





## Following through

When all the hard work of documenting the solution effectively has been done, there are two more things that must be done if the solution is to be deployed effectively.

### Roll-out

It is no use publishing the solution documentation on the Intranet in the hope that the sales team will discover it for themselves. It needs to be rolled out to the sales teams as part of a planned and coordinated programme. The sales teams must be made familiar with the detail of the material, which supports a consultative approach, not forgetting the questioning phase of the sales call when a requirement is specified to a reasonable level of detail.

The sales team must then practice presenting the solution to the customer in such a way as to sell the company's broad capabilities and offer constructive next steps to define the solution in more detail.

Finally the incentive plan must be amended to reward the solutions approach.

### Continuous improvement

The solution collateral will not be static. It will rapidly get out of date and must be continuously improved if it is to remain a relevant and increasingly powerful solution description. This requires the solution developers to stay in close touch with the people using the solution in the field, acting on feedback received, and harvesting and improving material, which is created for customers. Having a detailed and secure Knowledge Management capture and retrieval process in place will provide an essential tool to support the pre-sales work.

## In conclusion

Product companies fall into a trap when they attempt to define, document and sell "solutions". Such offerings are not surrogate products, whatever the IT company business planners might wish. They are a set of capabilities, which need to be combined in a way that is specific to a customer.



Solutions must be customised to the customer's unique environment. The solution, therefore, should avoid function and feature comparisons but focus on the business issues and the company's broad capabilities. It should describe a clear process by which the supplier will work in order to understand their customer's needs and deliver on their proposal. Supporting collateral should underpin the process by which a unique solution is crafted to meet the particular customer's need.

High quality is vital to create the perception of low risk. The sales teams must then be taught to sell the solution in a consultative way and avoid push selling.

Finally the solution material must be kept up-to-date, and continuously improved.



*ChangeBEAT defines, develops and executes change programmes that help achieve enduring business benefit rapidly and reliably. Our people have practical field experience, and are equipped with WingBEAT, our proven change methodology, and our extensive tools. We are professional, pragmatic and action oriented. ChangeBEAT is a trading name and a trademark of Contact to ContRact Ltd.*

For further information call **+44 (0) 208 446 6946** or visit [www.ChangeBEAT.com](http://www.ChangeBEAT.com)