

Telstra Business: From Product to Solution Provider, from Transactional Vendor to Trusted Advisor

I honestly believe that the adoption and reinforcement of VBS (Value-Based Selling) has not only raised the bar of expected performance but allowed our account executives to continue to sell in this very difficult economic climate.

—Sales Manager

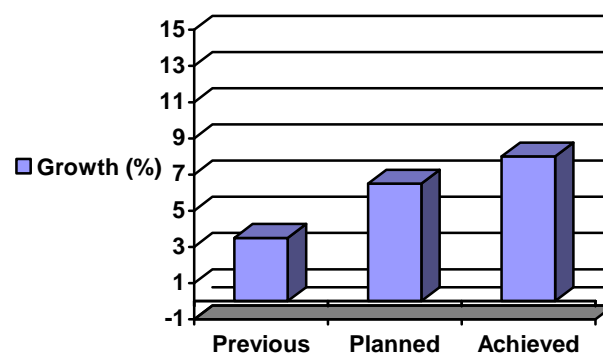
To my customer, Telstra Business is no longer just another utility; we're a trusted advisor.

—Account Executive

I used to avoid price objections, because I didn't like conflict. VBS gave me both the method and the confidence to face the objection directly and then get to the heart of my customers' issue. I discovered that they valued the increase in productivity more than price.

—Account Executive

Revenue Growth



The Situation

How do you change a customer's view of you from being a transactional, run-of-the-mill product vendor to being a trusted advisor and provider of solutions to the customer's critical business issues? And how do you do that and, at the same time, increase revenue and profitability? This was the challenge facing Telstra Business.

client stories



Telstra is Australia's leading telecommunications and information services company and one of the best-known brands in the country. Telstra Business, a division of Telstra, provides a range of voice and data services to medium- to large-enterprise clients. In a commoditized market, Telstra was looking to break out as a distinctive, customer-focused provider of services and to win back old clients, while needing to roll out price increases. Account executives also wanted to be viewed by clients, by other business units, and by the industry as professional business consultants rather than perceived simply as "trusted suppliers." Telstra had flat growth of 3.5 percent, in line with the rest of the market, and was looking for growth of nearer 6.5 percent.

The Solution

Forum and Telstra Business created an overarching learning-and-practice framework to support 350 account executives (AEs), 110 technical sales staff, and 40 sales managers in five regions.

Real-world application and practice were the focus of the solution. The design was oriented around five important elements:

1. **Partnering.** A combination of Telstra Business' own expertise, Forum's learning solutions and experience in sales force transformation, and a third-party "business acumen" provider
2. **Trust.** A very trusting and collaborative relationship between the Forum facilitator, the sales managers, and the participants for the duration of the program and beyond
3. **Skill practice.** Focused attention and practice on a particular skill, over a 6- to 8-week period between face-to-face sessions
4. **Role-play with peer feedback.** Role-plays of client conversations that were filmed and then reviewed by peers and the facilitator
5. **Sales management involvement.** Sales manager teaching and coaching of AEs in the face-to-face sessions, in between those sessions and ongoing

Phase 1 of the solution consisted of a 2-day Consultative Skills and Business Acumen program to enable AEs to uncover their customers' strategic needs and business goals. AEs then each selected a particular module or skill to focus on, such as "helping the customer explore consequences of inaction," over the next 6 to 8 weeks.

Phase 2 brought a whole team together for several days. Each morning, six members of the team would go through a 30-minute videotaped session to practice a conversation with a "client" using the skill they had been working on. The group as a whole would review the tapes with a facilitator, identifying areas to improve but focusing on what was done well. When all members of the team had completed this, the whole team would gather on the final day with their sales manager to work on more advanced business acumen and practice "developing and conducting conversation strategies."

The Impact

Speed up the sale by slowing down the process. Using the questioning skills and the customer focus framework taught in VBS enabled an AE to uncover the customer's need *beneath* the stated need of "cheap and efficient." VBS gave the AE a structure that created more space for the customer to articulate what they wanted than the AE to tell them what he thought. This slowed down the sales process, but it ultimately got to the heart of the issue more quickly. The customer realized it was worth paying a premium for that kind of business collaboration, signing in the end for a 2-year \$250K/year deal.



Confidence and strategy to approach senior buyers. Increase in the confidence and skill of the AEs was evident almost immediately. One AE spent 2 years making no progress with her clients, none of whom was a decision maker. Strategic planning and conversations that focused on the customers’ buying steps—rather than her own sales process—enabled the AE to gain access to C-level stakeholders within a few short months, secure almost \$30K of retained business, and put another \$80K of business on the table for discussion.

Focus on the customer’s business, not price or the sales process. The customer’s business was in a free fall, and he had stalled for almost a year on signing a new deal because of price. VBS gave the AE structure and courage to focus on the customer’s business issues, asking, “How do you plan to keep your customers?” and “How will you differentiate yourself?” Almost immediately the customer started asking the AE for advice, treated her as a partner and a trusted advisor, and provided her with valuable information. When the AE asked for the business, there were no objections left, and the customer signed for \$143K of business.

Telstra Business has exceeded its goals: revenue growth last year was over 10.8 percent, and customer testimonials confirm that the perception and experience of Telstra has changed as hoped.

Forum helps business leaders execute their strategies through people. Using a combination of advisory and learning services, Forum accelerates strategy implementation, minimizes risk, and maximizes earnings for clients.

Drawing on nearly four decades of experience and research-based insights in learning design, consulting, and facilitation, Forum brings about changes in attitudes, beliefs, and behaviors that enable employees to achieve and exceed the desired benefits of strategic change, to reduce time to improved performance, and to sustain the change over the long term.

Forum helps organizations transform their sales force, refocus on the customer, shift to a performance culture, and develop leaders at all levels. Its work contributes not only to increased profitability for clients, but also to increased market share, revenue growth, and customer and employee loyalty.

Since 1971, clients worldwide have trusted Forum to bring their most important strategic initiatives to life.

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