

THE NEXT GENERATION VIRTUAL SALES MODEL

Insights from our 2020 Virtual Customer
Engagement Study

October 2020

COVID-19 has disrupted the classic commercial sales model, offering new opportunities and challenges ...

Crisis: danger or opportunity?

The Chinese word for crisis is made up of two symbols: one symbolising **danger** and the other symbolising **opportunity**.

At Implement Consulting Group, we are curious about how commercial organisations, particularly sales functions, are tackling the opportunities and ongoing challenges we are facing during the global COVID-19 pandemic.

One question we are asking is whether opportunities such as productivity improvement and reducing cost of sales have been outweighed by challenges, e.g. building trust online, technical issues and poor virtual meeting skills. Or perhaps vice versa.

CRISIS



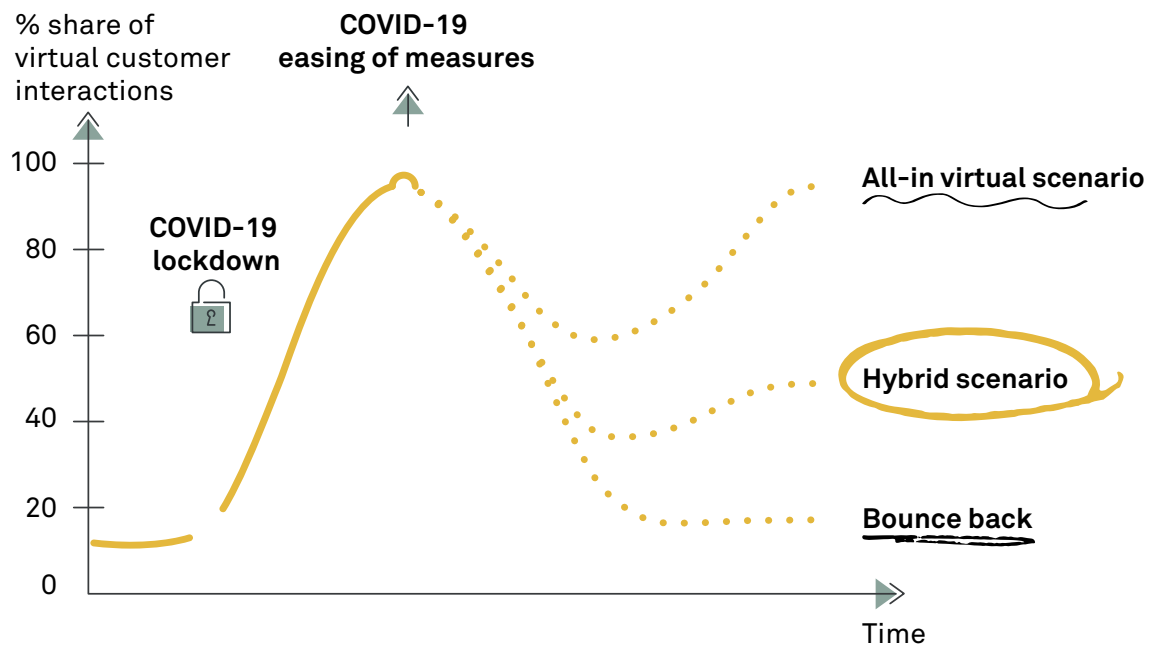
Danger



Opportunity



... and we have learnt through our Virtual customer engagement study that virtual selling is **here to stay** – successful organisations will need to combine the best of the old and new world

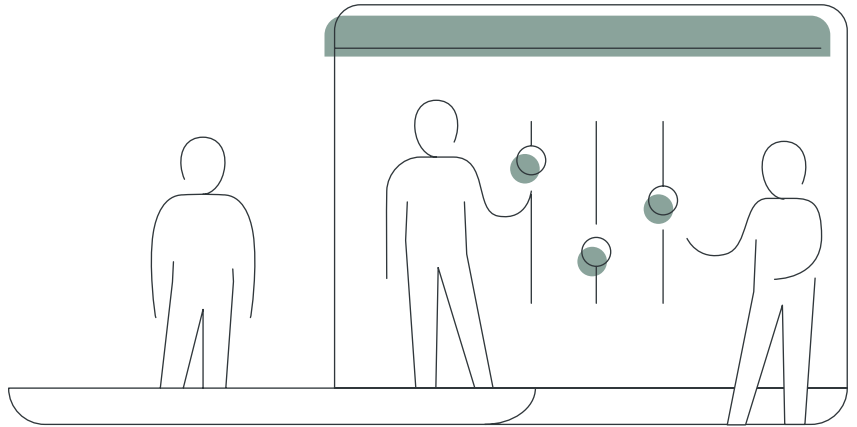


Source: 2020 Virtual Customer Engagement Study, n=302

To uncover the extent of the impact of the pandemic, we conducted a global study

The Virtual Sales Study

Our robust study targeted commercial executives to uncover how customer engagement has changed as a result of the pandemic.



Purpose of the study

What are the **key improvement opportunities** that a virtual engagement model will enable?



How will we need to **reconfigure our commercial operating model** to realise this potential?

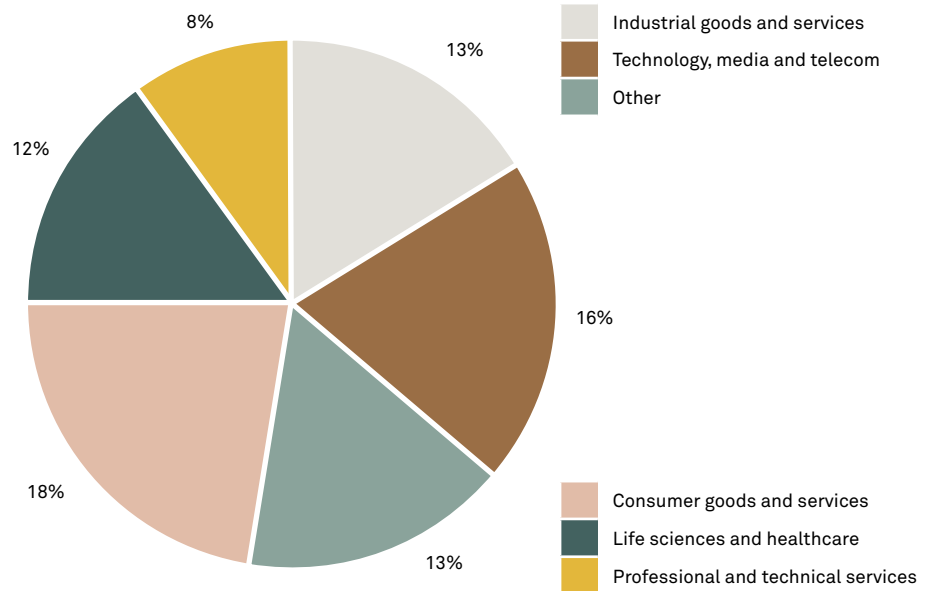


Respondents included over 300 commercial executives

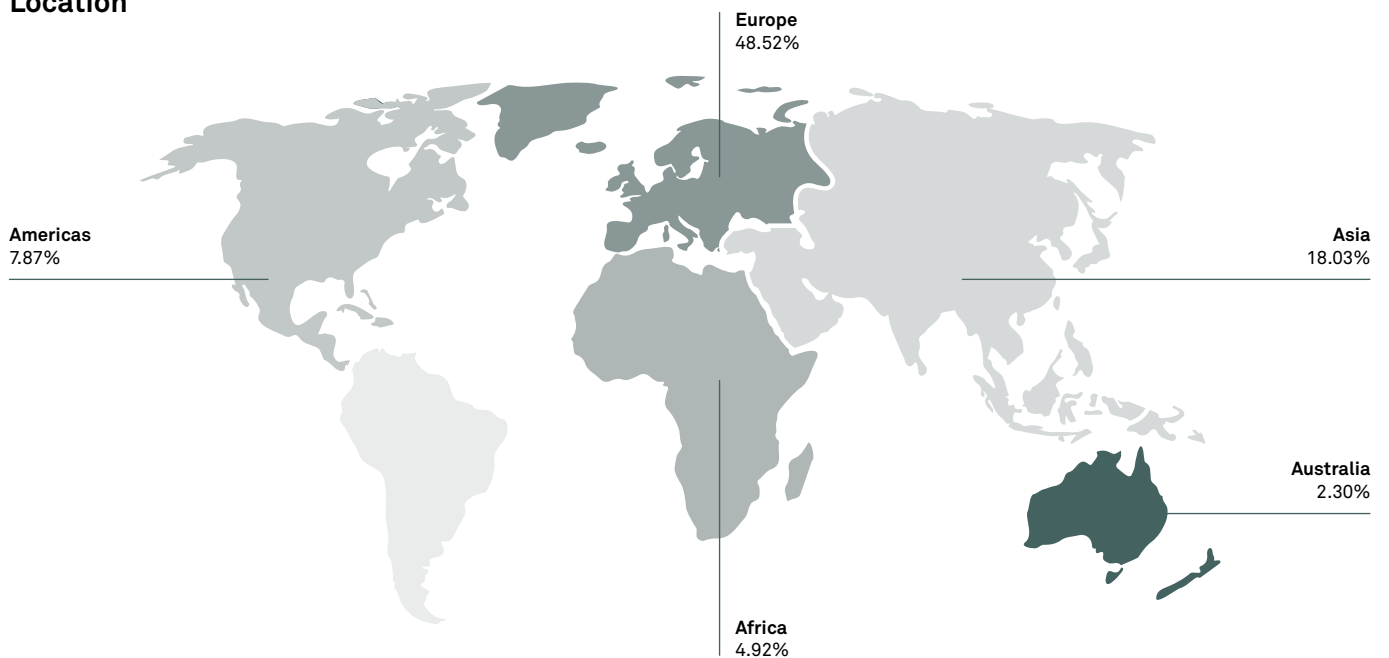
The study was conducted between June and August 2020. Respondents are characterised by the following:

- Over 300 executives from varying commercial functions
- Spanning a large variety of industries, markets and countries
- Over 40% have more than 15 years of experience in their field

Industries



Location



Our findings indicate that the customer engagement model has changed

A DIFFERENT BUYING BEHAVIOUR REINFORCED BY CUSTOMERS' OPENNESS TO CHANGE



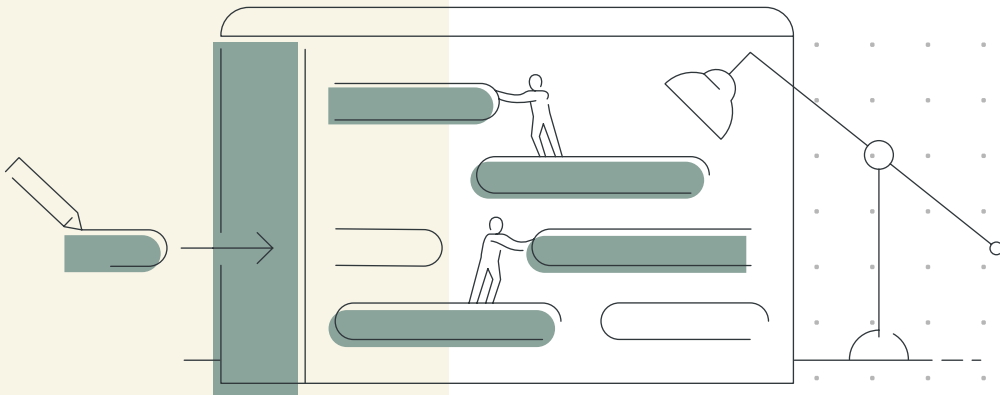
Findings indicate that companies are increasingly adopting virtual sales meetings

- The average commercial executive has had 7.3 virtual customer meetings in the past four weeks.



Existing customers are open to meeting virtually

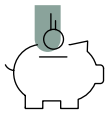
- Six out of ten respondents agree that existing customers are likely to accept virtual meetings.



Virtual customer engagement increases sales efficiency ...

Increased efficiency

– time freed up for better engagement



20%

Time and money saved due to less travel.

On average, salespeople can save ~34 hours per month by converting physical meetings to virtual meetings.

This frees up one fifth of their work month to focus on more important things.



63%

Virtual meetings are shorter and more to the point.

63% say that their virtual customer meetings have become shorter than those conducted face-to-face.

This frees up time for more engagements of higher quality.



60%

The majority of physical meetings can be done virtually.

60% of the virtual customer meetings held during COVID-19 were originally conducted face-to-face. This underlines that despite barriers, most physical meetings can be converted to virtual meetings.

... as well as sales effectiveness

Increased effectiveness

– win rate boosted and sales cycle shortened



57%

Rethinking value messages and adapting presentations to a virtual format improve win rates.

57% of respondents agree that we can improve win rates by adjusting the form and content of our sales presentations to be suited for a combination of physical and virtual meetings.



40%

Access to more stakeholders shortens the sales cycle.

40% agree that easier access to relevant stakeholders shortens the sales cycle.



37%

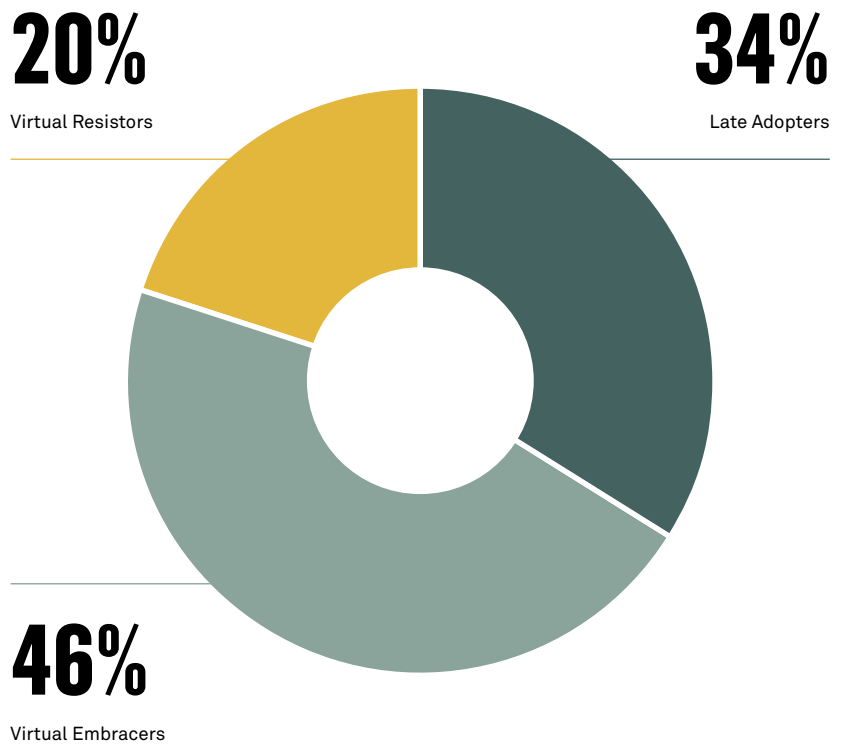
Access to subject matter experts (SMEs) is likely to be better in a virtual environment.

37% use specialists/SMEs in physical meetings to share insights and inspire customers. Experience from working with businesses on virtual selling shows that it is easier to use SMEs in a virtual setting.

As with any change, not everyone is quick to adapt

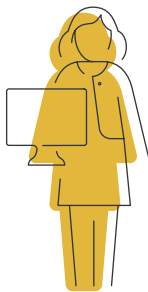
True to the standard change curve, there is a varying degree of acceptance of virtual customer engagement.

- **46% Virtual Embracers.** Respondents who will pursue the virtual engagement model in the future and have increased their number of sales meetings by going virtual.
- **34% Late Adopters.** Respondents who will pursue the virtual engagement model in the future but have not increased the number of sales meetings by going virtual.
- **20% Virtual Resistors.** Respondents who will not pursue the virtual engagement model in the future.



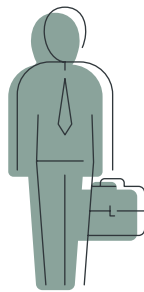
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Interestingly enough, people can be moved along the change curve



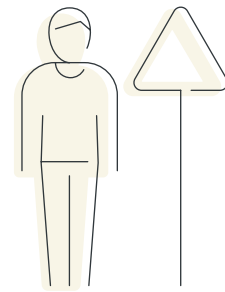
The **Virtual Embracers** have the ability to create good quality virtual meetings, and therefore they will not revert back to their old ways of working.

- Only 1/4 of Virtual Embracers expect customers to revert back to their old ways of working.
- 86% of the Virtual Embracers believe that we can create a better customer experience by mixing virtual and physical touchpoints.
- 66% of the Virtual Embracers believe that the quality of their virtual meetings is the same or better relative to physical meetings.



The **Late Adopters** will pursue the hybrid model in the future, but they still have to build their virtual meeting capabilities.

- 7 out of 10 Late Adopters will conduct a higher portion of their future sales meetings in a virtual setting.
- 69% of the Late Adopters also believe that we can create a better customer experience by mixing virtual and physical touchpoints.
- Just over half of the Late Adopters, however, believe that the outcomes of their virtual meetings are worse relative to physical meetings.



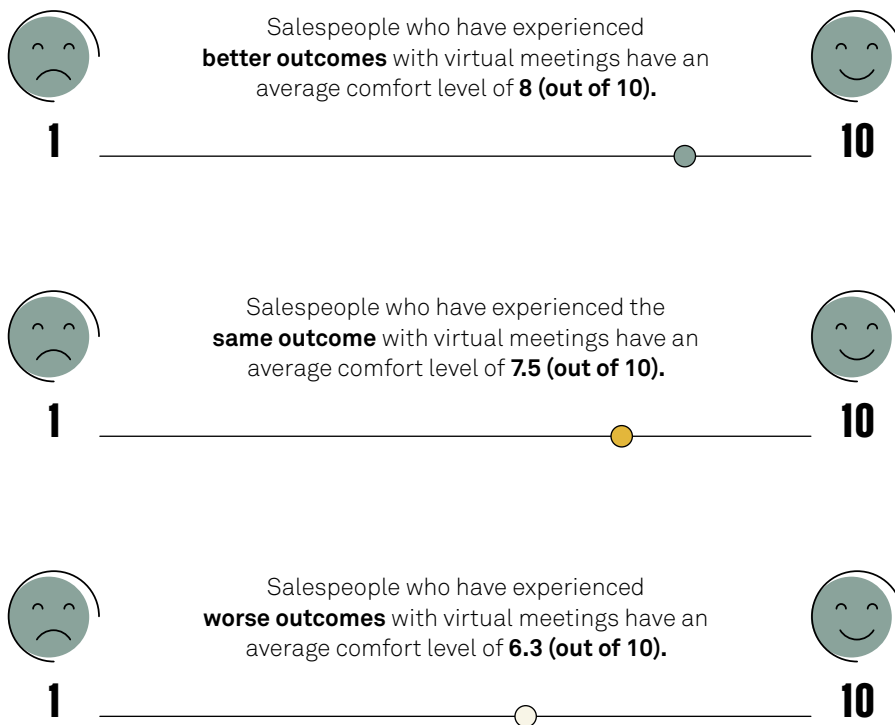
The **Virtual Resisters** will not pursue virtual meetings in the future, primarily due to their low comfort level with virtual sales meetings.

- 7 out of 10 Virtual Resisters expect to return to their old ways of working.
- 56% of Virtual Resisters believe that their customers do not prefer future meetings to be virtual.
- On a scale from 1 to 10, the Virtual Resisters have an average comfort level of 5.4 when it comes to running virtual sales meetings.



The correlation between meeting quality and comfort level highlights a key need: virtual engagement capabilities need to be strengthened

The correlation between meeting quality and how comfortable salespeople are running virtual meetings highlights the need to invest in capability building to help sales teams navigate the change.



This highlights the need to upgrade commercial capabilities to facilitate virtual meetings with high engagement. Training for successful change should focus on three areas:



Confidence

Increasing the level of personal comfort in leading virtual interactions with customers.



Competence

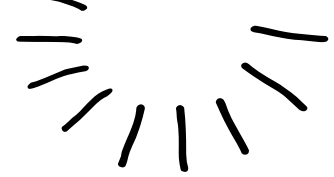
Building the skills and capabilities needed to effectively engage customers in a virtual setting.



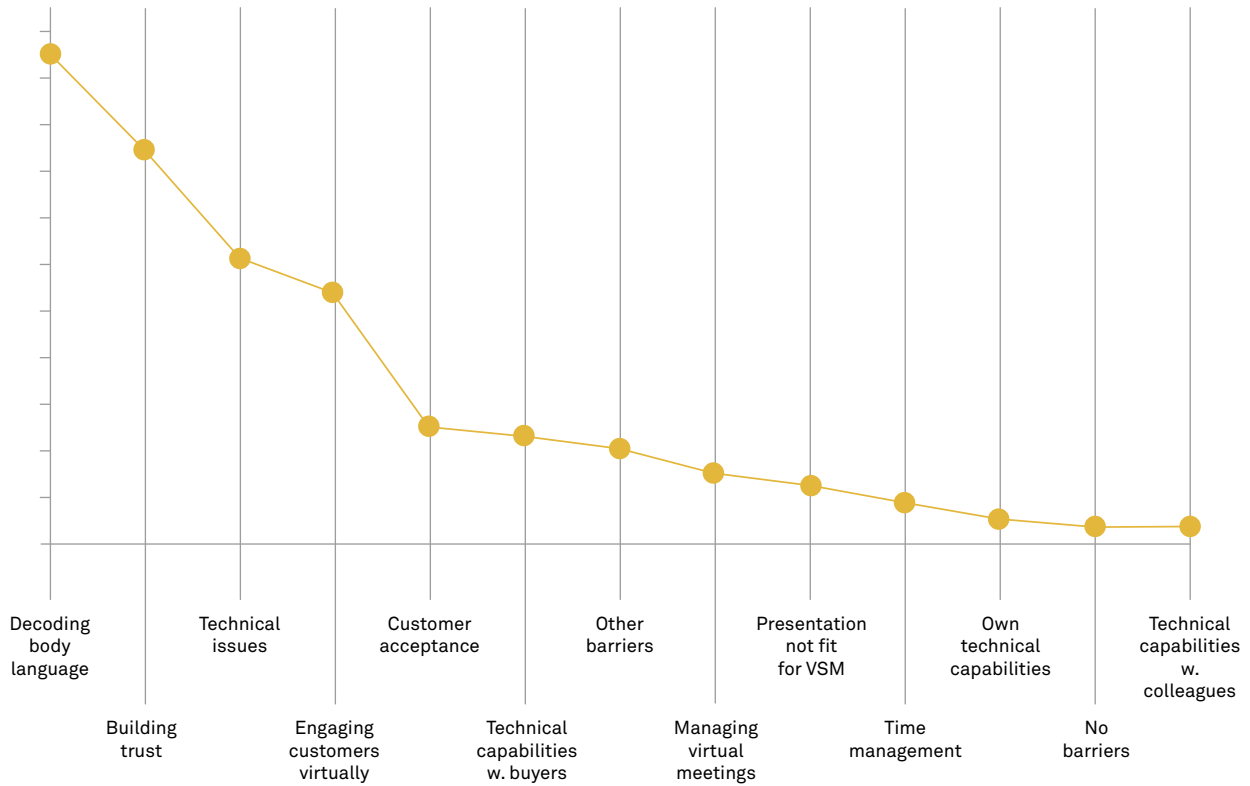
Toolbox

Supplying salespeople with hands-on tips and tricks that can be applied immediately.

Impact case: An organisation that completed virtual selling coaching demonstrated an increase in comfort level from 6.0 to 7.7 out of 10.

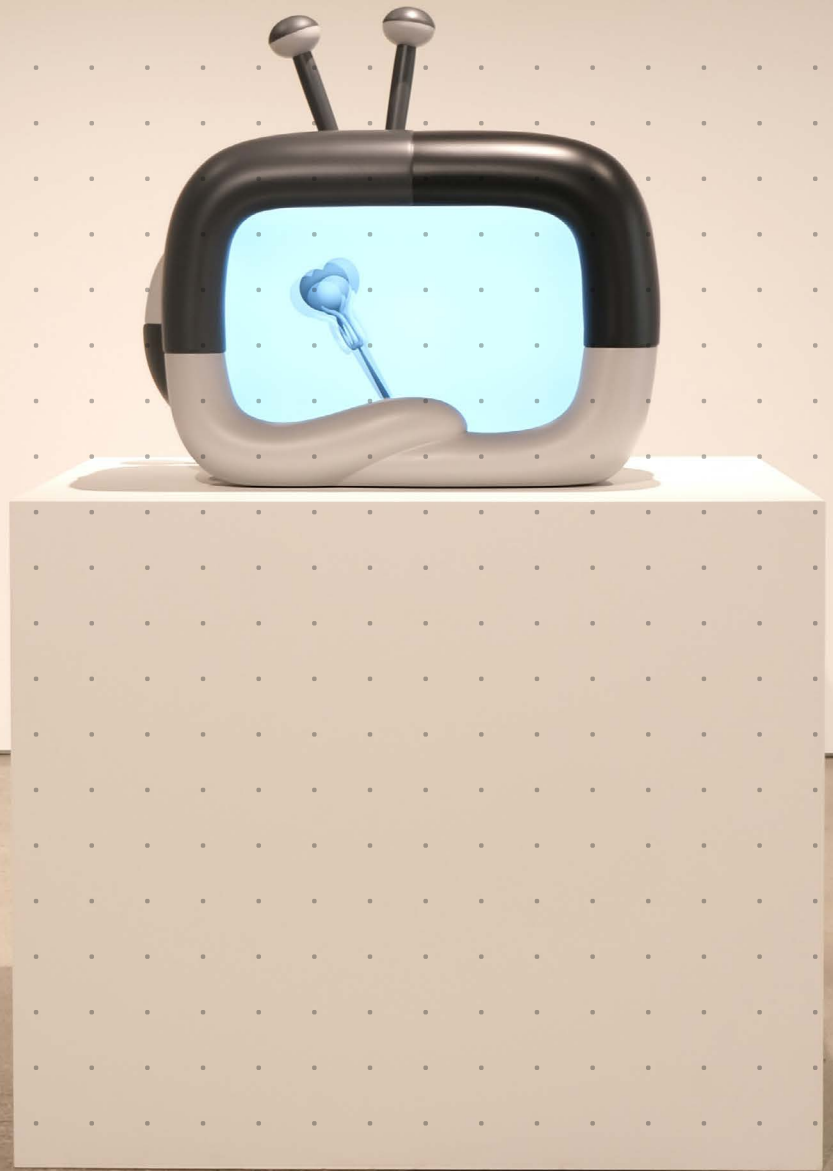


Key barriers to overcome for successful virtual sales meetings



**YOU CAN OVERCOME
KEY BARRIERS
WITH TRAINING AND
CAPABILITY BUILDING.**

The next generation virtual sales model



VISION FOR THE FUTURE



A hybrid engagement model is the way forward

Our findings indicate that a combination of virtual and physical touchpoints is the future of sales



The increase in virtual meetings is likely to continue in the future.

- 70% say that they are likely to run virtual customer meetings in the future.
- 60% say that they will conduct a higher portion of future customer/sales meetings virtually compared to the pre-COVID-19 situation.

The sales model of the future will be a combination of virtual and physical touchpoints.

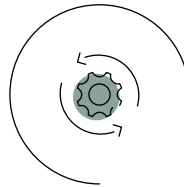
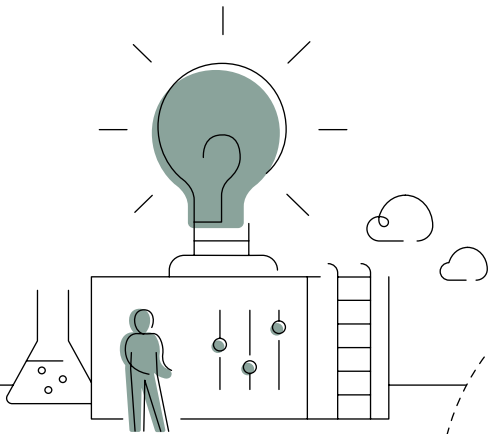
- 74% believe that they can create an even better experience for their customers by mixing virtual and physical touchpoints.

Source: 2020 Virtual Customer Engagement Study, n=302

Now what?

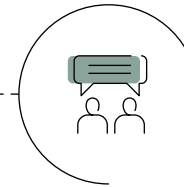
**Want to get started?
We recommend aiming for
six success factors.**

Virtual operating model



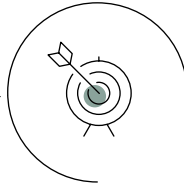
Design a hybrid engagement model

Reassess and redesign your sales process and account cycle to capture a strong combination of virtual and physical touchpoints based on new customer requirements and priorities.



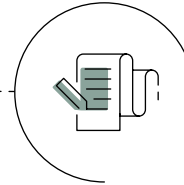
Rethink how you engage in your virtual touchpoints

Re-examine your virtual meetings to ensure a unique customer experience – moving towards shorter engagements with involvement of relevant experts and multiple stakeholders.



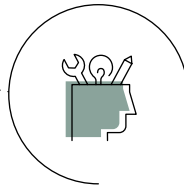
Develop digital tools to support conversations

Implement a few digital tools in selected touchpoints to improve customer engagement and ensure better preparation of customer meetings.



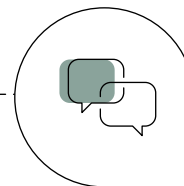
Rethink your value messages

Re-evaluate your value messages to ensure that they resonate with the changing needs and requirements of your customers. Rethink how you reach your target stakeholders in the channels where they seek information.



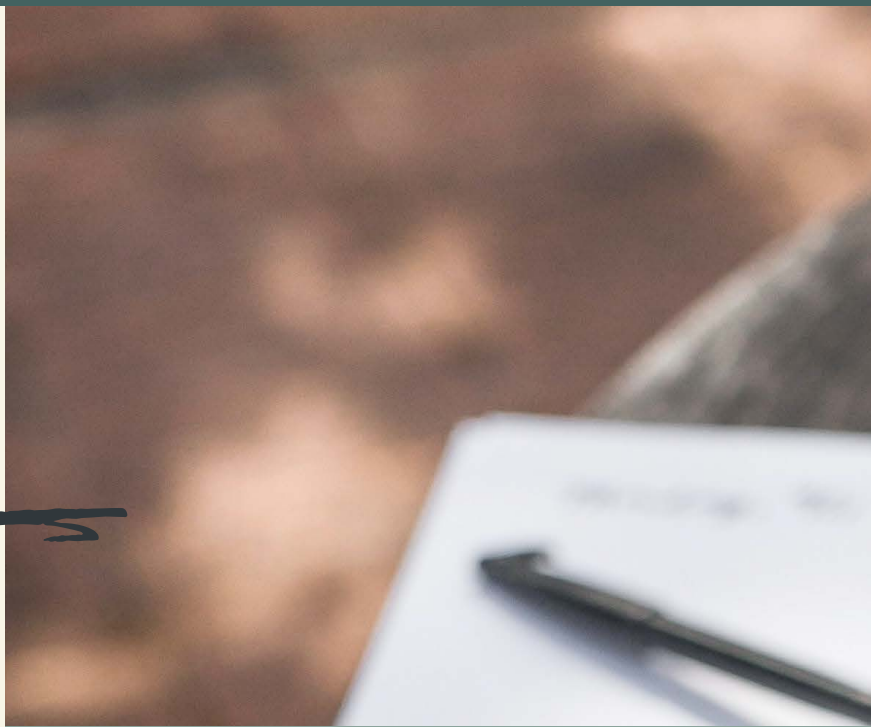
Strengthen virtual engagement capabilities

Upgrade your current account manager capabilities to facilitate virtual meetings with high engagement as well as orchestrate multiple customer interactions with multiple internal and external stakeholders.



Adjust commercial leadership conversations

Modify your commercial leadership conversations to focus on supporting and coaching account managers in how to improve customer satisfaction in virtual engagements.



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