

MASTERING THE DIGITAL TRANSFORMATION OF SALES

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Background of Study

Companies struggle with digital transformation

Many companies are investing heavily in their digital transformation found it difficult to **capitalize** these effort.

One of their primary fields of action is the **sales organization**.

One of the example, research by *Accenture* in 2016 found that although 75% of sales executives said that sales tools today are an integral part of the sales process, only 15% described their sales tools as truly effective.



Aim of study

To advance managerial practice by developing a **prescriptive model** of how to develop and **implement a strategy** for the digital transformation of sales.



These article have Studied:

- Literature Review
- Study 1: Conceptualization of a Prescriptive Model of Digital Transformation in Sales
- Study 2: A Cross-National Quantitative Study of Their Framework
- Guidelines for the Managers



Literature Review

Defining Digital Transformation



Digital transformation refers to **“the process of using digital technologies to create new—or modify existing business processes, culture, and customer experiences to meet changing business and market requirements.”**

Advances of knowledge about the **digital transformation of sales**, the existing literature have **2 key limitations**.

Key Limitation 1:

Prior research typically focuses on **selected phenomena** and thus builds **partial models** covering one specific aspect of transformation. Such partial models cannot guide sales managers' digital transformation endeavors holistically.

Key Limitation 2:

The impact of digital technologies on **sales processes**, and consequently on the activities of salespeople and the related relationships with B2B customers, distributors, and partners in channel relationships.

To investigate the digital transformation of sales processes, the processes should be identified first.

How to investigate digital transformation of sale processes?

01

Preselling phase

including subprocesses such as prospecting, qualifying leads, and preparing a call



02

Selling phase

including subprocesses such as making a presentation to a customer as well as negotiating terms and conditions



03

After-sales phase

including subprocesses such as servicing the customer and keeping the relationship alive through follow-up calls



What steps are done to investigate this?

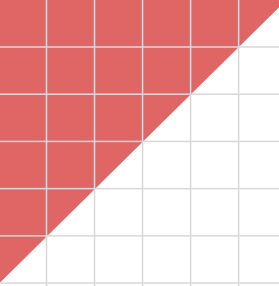


Study 1

It developed a model, which prescribes an in-depth analysis of sales processes, the identification of current pains and potential gains in effectiveness and/or efficiency, as well as a structured set of digital responses.

Study 2

Using study 1 model, it analyzed the current state of digital transformation in sales processes in an international sample of companies (N = 540) and highlighted the distinctive features of the most successful companies. It also discussed practical examples of how leading companies manage the digital transformation of their sales processes to better create and capture value.

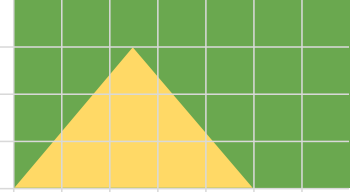


Study 1:




**Conceptualization of a Prescriptive Model of
Digital Transformation in Sales**







Selected Sample



- 8 managers and 11 salespeople from seven leading companies in different industries.

Name of Company	Headquarters Location	Industry	Interviews
Company 1 	US	Specific: Business Unit Personal Safety	<ul style="list-style-type: none">• Marketing and Sales Director• Account Manager• Account Manager
Company 2 	Europe	Pharmaceuticals	<ul style="list-style-type: none">• Distinct Manager• Account Manager• Account Manager
Company 3 	Europe	Market Research	<ul style="list-style-type: none">• Sales Manager• Account Manager

Selected Sample

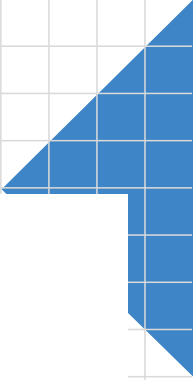
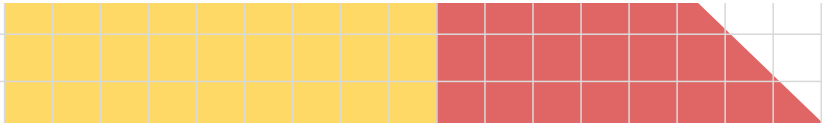
Name of Company	Headquarters Location	Industry	Interviews
Company 4 	Europe	Building and Construction	<ul style="list-style-type: none">● Head of Digital & Brand● Account Manager● Account Manager
Company 5 	Europe	Eyewear	<ul style="list-style-type: none">● Trade Marketing Manager● National Account Manager
Company 6 	US	Fast Moving Consumer Goods	<ul style="list-style-type: none">● Area Manager● Digital Sales Support Manager
Company 7 	Europe	Telecommunications	<ul style="list-style-type: none">● BU Director● Sales Transformation Manager● Key Account Manager● Key Account Manager

Methodology

- Done with interviews that were audiotaped and transcribed verbatim.
- Semi-structured questionnaire aimed at carving out common practices in the digital transformation of sales.
- Started by asking respondents how digital technologies had transferred their salesforce everyday working activities.
- Depending on their answers, they are then asked how and why these companies specifically digitally transformed the respective sales activities.

Analyzing The Interviews

- All transcripts are processed and then similar statements are grouped together into clusters.
- These clusters are then abstracted into a more generalized statement.
- Doing this will help the researchers infer how companies should make decisions about digital transformation of sales processes.



GAIN STRATEGIC CLARITY ON THE CORE FOCUS OF TRANSFORMATION: DEFINING THE “WHAT”

On a macro level, digital transformation is not confined to particular areas of the sales organization, but comprehensively affects all sales-related processes.

Preselling Phase

Selling Phase

**After-sales
Phase**

...However, on a micro level, companies typically do not aim to digitally transform all sales processes simultaneously, but they prioritizes some processes over the other.

Preselling Phase

*“In the prospecting and qualifying phases of the selling process, we have started using **social selling tools and social media**, like LinkedIn, or even simply our customers’ website, to **search and gather information about members of the decision making unit we may contact**. We now also use the **new CRM system** to see, for example, if some colleagues from other business units in our company have already worked with that client in the past. All these changes have been driven by digital innovation, and they certainly affected the way we work.”*



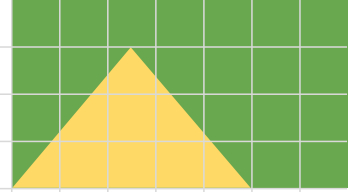
- Company 1

Selling Phase

*“In the most important trade show of our industry, we typically presented our new products using the strongest theatricalization possible. However, this year **we did not present any physical product**: we only used **virtual mirrors** and gave customers the opportunity to wear our sunglasses only virtually. And we have started doing the same in our meetings with retailers . . . Historically, our salespeople typically had to bring with them to the customer’s stores approximately **420 physical samples** of products for every new collection. Now they only bring about **150 physical samples**, whereas **the rest of the collection is presented in a digital version**, on the sales force tablets and in the digital control room in our showroom, depending on the type of customer. Clients can easily **filter** the products by brands, price, gender, materials, type, front shape, and colors.”*



After-Sales Phase



*“We sell our products through distributors. Since many of these resellers are small and de-specialized, they usually cannot solve customer problems related to our products, because they don’t know them well enough. Therefore, **when a customer has a problem**, say, for buying a spare part, he sends me by **WhatsApp** a picture of the product and **asks me for assistance**. Then **I can give him in real time the solution**, and by doing this I am actually providing a valuable service not only to him, but also to our distributor. The key advantages of sharing photos are the **speed** of response to the customer needs and requests.”*



Outside Preselling, Selling and After-Sales Phases

*“All contents are available on a digital platform and automatic reminders are periodically sent to salespeople. We have a very rich collection of programs: some are mandatory, some others are optional. Every salesperson has a **personal account and a dedicated section**. It is a very efficient system.”*



- Company 6



Looking At Those Three Phases Is Not Enough!

Customer Interaction Processes

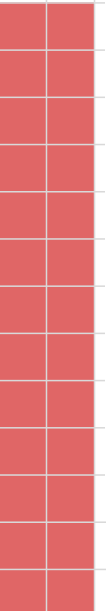
Processes that **involves customer interaction** such as the examples that we have given before for the three phases.

Internal Processes

Processes that **does not involve customer interactions** such as planning the calls and preparing a presentation, as well as **salesforce management processes** such as salesforce training and sales planning and control.

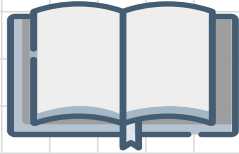
GAIN STRATEGIC CLARITY ON THE CORE FOCUS OF TRANSFORMATION: DEFINING THE “WHY”



- The interviews highlighted that the two fundamental reasons for digital transformation in sales are to increase **effectiveness** and **efficiency** of processes.
 - Thus, taken together with our previous insight, the foci of digital transformation can ultimately be summarized in two dimensions:
 - **Core Focus of Digital Transformation** (Internal Processes and Customer Interaction Processes)
 - **Ultimate Goal of Digital Transformation** (Increasing efficiency or effectiveness)
- 

Some central themes around the responses

Lack of Knowledge



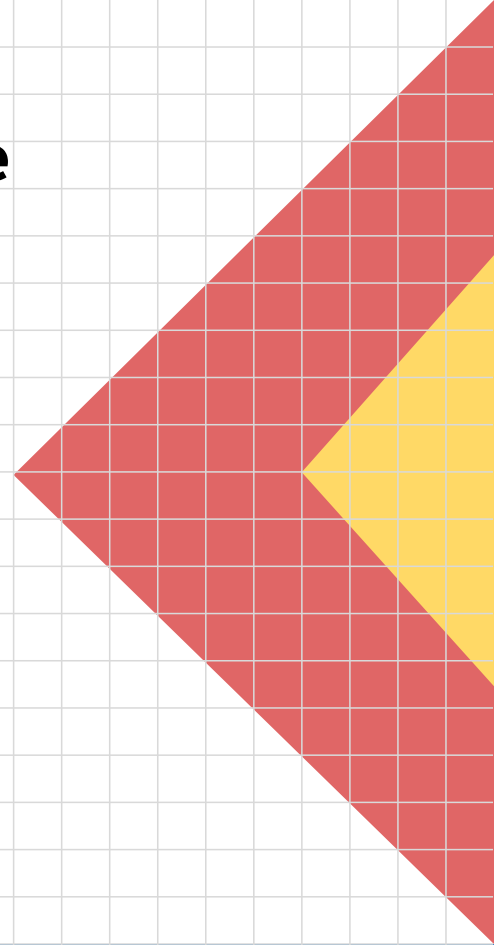
Lack of Speed



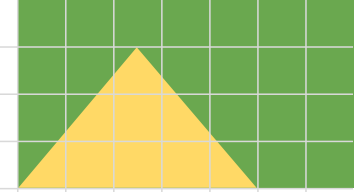
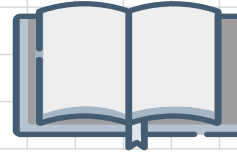
Lack of Reach



Lack of Perceived Value



Lack of Knowledge



- Respondents noticed that in nondigitalized sales-related processes, employees are frequently unable to access all knowledge required to **make adequate decisions**.
- In these situations, respondents regard digital technologies as an avenue to remedy lack of knowledge.

*“In the case of **well-established relationships with long-time customers**, the typical problem was that these clients oftentimes have more information on the **history of the relationship** than our salespeople, especially because the members of our **sales force change over time as a consequence of turnover and job rotation**. This information asymmetry complicated the entire selling process. Now, thanks to digital innovation, this situation has been re-balanced, since our **CRM system** gives our sales force the opportunity to get a **comprehensive picture of the history of the relationship with every single customer** before approaching that client.”*



- Company 4

Lack of Speed



- Respondents frequently perceive the lack of speed in nondigitalized sales-related processes as a major hurdle to **higher effectiveness and efficiency**.
- Again, companies use digital transformation to remedy such lack of speed.

*“Especially in some instances, like in the case of tenders and with international key accounts, we must improve the ability to more **rapidly submit consistent, well-structured and financially sustainable proposals and quotations**. The bidding process is therefore undergoing major changes. Digital technologies are helping us in several ways. For example, we need to share more and better information on a specific customer or opportunity across divisions, regions, etcetera, and we need to become **faster and faster** in using digital tools for **estimating** the cost of a specific project.”*



- Company 3

Lack of Reach



- Digital transformation can also help in remedying a lack of reach, that is, compensating for the fact that members of the salesforce **cannot** (or **should not**) manage all company **interactions with customers** during the selling process, and/or **customers cannot interact with the seller** when, where, and how they prefer throughout the customer journey.

*“Historically, clients placed the order directly to the field salesperson visiting them, or by the phone. Today, our customers can place the orders mainly through **three different channels**. The first is when they **meet in person** our salespeople, which happens especially when we launch our new products, three times a year. The second channel is our **portal**, which customers use mainly for re-ordering products and for orders of special version specifically requested by the end consumers. The third channel is the **telephone**, that has now been largely replaced by our portal, which frees up time not only to our salespeople, but also, and mainly, to our customer service call center.”*



Lack of Perceived Value



- The examples raised by respondents illustrate that gains in effectiveness and efficiency through digital transformation result from alleviating a lack of perceived value.

*“For example, digital technologies **help select and communicate the right product with the right message for each customer**. One of the main problems is that, when communicating with our customers, **salespeople should be able to deliver more tailor-made, value-adding, and engaging messages** that customers cannot find on digital touchpoints. Consider that we have more than 18,000 B2B clients and obviously each of them wants to be treated differently. So we want digital technologies to help our sales force **deliver more customized messages** to every single customer. We are increasingly trying to do so, for example, by investing in **sentiment analysis**, better **analyzing historical data in our CRM**, and **providing salespeople with higher quality and easier-to-customize sales contents**”*



CHOOSE CONSISTENT DIGITAL PATHWAYS FOR THE TRANSFORMATION: DEFINING THE “HOW”

Substitute

Supplement

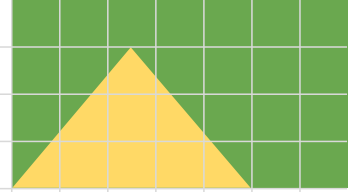
Service

Simplify

Support

Share

6 S Pathways: Substitute



- Digitalization in sales takes the form of a pure **substitution of human beings** (salespeople), for example, with digital channels or robots.

*“In our business, the management of orders from our clients is now totally digitalized. Customers place orders directly through their portal, with no involvement of salespeople at all. For salespeople, **these changes can be quite scary**, because they suggest that for some processes human beings can be completely replaced by digital technologies. Digitalizing means **reducing the number of salespeople in the field, but it is also an opportunity**, because only the best ones will remain, and they will have to make the most important decisions and will be given more responsibilities to create value for the high-stakes customers.”*



6 S Pathways: Supplement

- Research suggests that more frequently companies aim to give their clients more options to interact with them, that is, companies aim to supplement salespeople with other channels and touchpoints that customers may use.

*“The opticians cannot find the new collections on our portal before the **new products are presented to them by our sales force** . . . This is because we want to **incentivize the face-to-face meetings** between our clients and our sales force. We **don’t want to substitute the salesperson with digital channels**, also because, among other things, the average order sizes placed on the online channels are usually much lower than the one made after a visit in person.”*



- Company 5

6 S Pathways: Service

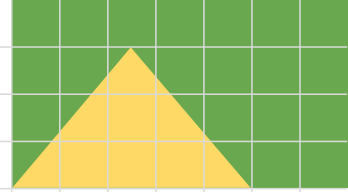
- Companies **increase effectiveness and/or efficiency** through digital technologies by providing digital **service** to customers, especially in the form of helping their partners better manage their value chain and business model.

*“We completely **replaced any printed, paper-made, point-of-sale materials with digital screens** in more than 6,000 stores of our customers and partners. This allows the **customization**, store by store, of the contents presented on the screen, depending for example on the trends in sales as well as on the specific nature and characteristics of the end consumers visiting that specific store.”*



- Company 5

6 S Pathways: Simplify



- Digital technologies are frequently used to **simplify** activities (both for the customer and for the salesperson) and therefore typically **increase efficiency**.

*“In the past, our salespeople had to waste a lot of time for collecting orders from a highly fragmented customer base, since in our market clients are characterized by a high geographical dispersion. With the introduction of e-commerce and electronic ordering, our salespeople can save a lot of traveling time for such a basic task like order taking. Usually, the salesperson helps the customer place the first electronic order, and then the client becomes autonomous. Recently we have simplified the order placement process, especially for the small customers with a low familiarity with digital technologies, by **introducing a system where they receive a pre-defined e-mail with a PDF version of the offer and a clickable “place the order” icon**. The big and more technology-savvy clients, instead, **place the orders through portals directly connected to our e-commerce platform, where orders are automatically generated with no contact at all with salespeople**. In general, these digital innovations in the order taking phase allow our sales force save a lot of time for adopting a consultative selling approach and therefore focusing on more value-adding processes and relationships, and ultimately become more relevant for selling complex solutions that customers typically do not buy online.”*



6 S Pathways: Support

- Many salespeople and managers interviewed underlined that digital technologies are aimed at **supporting** the salesforce, usually through sales enablement initiatives, such as the provision of digital, customized sales contents tailored for a specific opportunity, or of digitalized training programs for their salespeople, or after-sales, follow-up activities.

*“I now can **choose** from 37 different types of **pre-defined follow-up e-mails** to sent to my clients after the visits. Thanks to the system we currently use, depending on the type of customer I met and the nature of the visit I did, a **tool** on my iPad suggests the most appropriate follow-up e-mail to send, with **personalized messages and contents for that specific customer.**”*



- Company 2

6 S Pathways: Share

- Digital transformation fills prevailing lacks and hereby improves **effectiveness and efficiency** by facilitating the **sharing** of information.
- For example, this pertains to sharing of knowledge (e.g., price lists) between the field salesforce and the company as well as to sharing best practices among different members of sales teams, across different units and departments of a company, and between sellers, buyers, partners, and distributors.

*“Our **Integrated Customer Engagement strategy** largely relies on our **Integrated Customer Plan**, which is mainly based on the **sharing of information provided by the salesperson, the Marketing department and the Med Info unit**. This tool allows our salesforce to **better analyze data and hence select and deliver**, for example, **customized promotional and scientific contents** to our customers.”*



IMPLEMENT CONSISTENT ACTIONS TO DRIVE THE TRANSFORMATION

The interviews was coded for the **specific transformational actions** that managers took, which aggregated to **three** higher-level themes:

Digitalization
of Information

Digitalization
of Internal
Processes

Digitalization
of Customer
Interaction
Processes

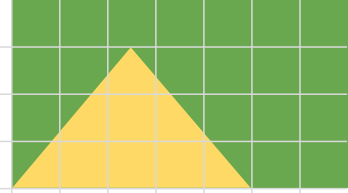
Digitalization of Information

- Managers consistently emphasized the importance of **collecting**, **analyzing**, and **disseminating** data to pave the 6 S pathways.
- To illustrate, to substitute or supplement salespeople, machine learning algorithms may help customers efficiently navigate through online portals.
- To service customers, companies may provide them with digital rather than analog information.
- To simplify activities, companies may analyze salespeople's traveling data to optimize routing and avoid unnecessary calls to customers.
- To support the salesforce, companies may run predictive analytics on customers' conversion or churn probability and share this information with salespeople via the CRM system.

Digitalization of Internal Processes

- Managers implemented the 6 S pathways by using digital technologies to **automate processes**, **harmonize processes** (standardizing them across different members of the salesforce), and **prioritize processes** (allocating resources across different opportunities).
- To illustrate, companies may speed up back-office processes particularly for A-level customers through robotic process automation, resulting in faster response times and consistent service quality vis-à-vis customers.
- This example shows how the digitalization of processes can simultaneously pave the way for the substitute, supplement, service, simplify, support, and share pathways.

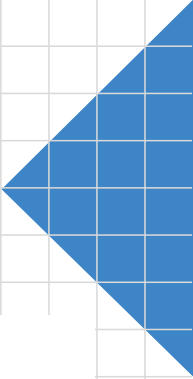
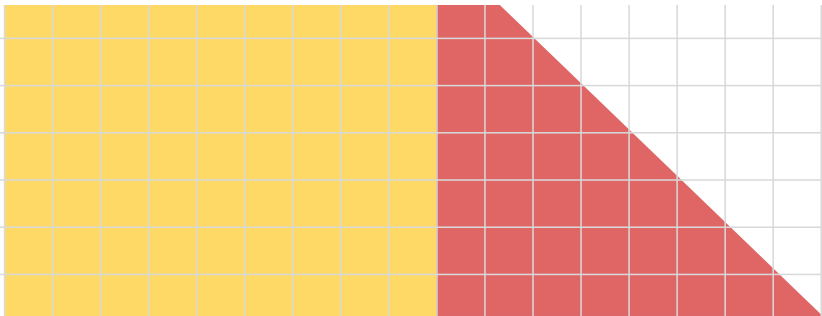
Digitalization of Customer Interaction Processes



- Managers implement the 6 S pathways by providing **digital channels of interaction** with customers, **digitally enhancing services** to offer more value-adding solutions to customers, and **personalizing the marketing mix** to better adapt contents, messages, and interaction channels across different opportunities/customers.
- As noted, digital channels in the form of online portals with personalized content may substitute, supplement, or support salespeople.
- Digital services such as remote monitoring or industrial software systems may improve service to customers and simplify activities, such as operating and maintaining machines.

MONITOR THE TRANSFORMATION THROUGH CONSISTENT KEY PERFORMANCE INDICATORS (KPIs)

- **Building on Kaplan and Norton's seminal balanced scorecard model**, managers can be effectively structure KPIs in terms of bottom line, cost, process, customer, and learning and innovation.
- The KPIs to monitor should be chosen **closely in line** with the goals companies aim to achieve through digital transformation (i.e., effectiveness or efficiency gains by remedying prevailing lacks).



SUMMARY of Study 1

- Depending on the goals sales organizations pursue for different processes, they should **carefully select consistent 6 S digital pathways** as well as actions to implement these pathways and KPIs.
- As an example, if the goal of the digital sales transformation is to increase effectiveness in the interaction with customers by filling a lack of perceived value, companies may choose to invest in digital technologies and solutions supporting their salesforce and aimed at servicing the customer, mainly by adapting value propositions, proposals, and communications – as well as by augmenting the customer experience – and they should set clear customer KPIs (e.g., customer satisfaction, net promoter score) as well as bottom-line KPIs (e.g., growth in sales).
- In sharp contrast with this example, if the main goal of the digital transformation is to increase efficiency in internal processes by filling a lack of speed, then companies may invest in digital technologies that help simplify processes, mainly through automation.

1 TRANSFORMATION STRATEGY DEVELOPMENT

Gain strategic clarity on the goals and focus of the transformation

WHY?
Ultimate goal of the digital transformation

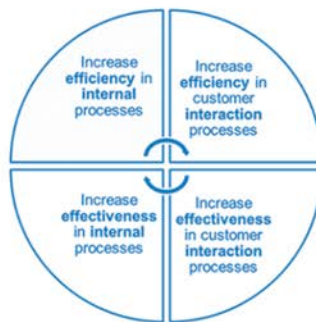
Increase efficiency

Increase effectiveness

Internal processes

WHAT?
Core focus of the digital transformation

Customer interaction processes



Choose consistent digital pathways for the transformation

Substitute

Supplement

Simplify

Share

Support

Service

2 TRANSFORMATION STRATEGY IMPLEMENTATION

Implement consistent actions to drive the transformation

Digitalization of information
Collect data | Analyze data | Disseminate data

Digitalization of internal processes
Automate processes | Harmonize processes | Prioritize processes

Digitalization of customer interaction processes
Provide digital channels | Digitally enhance services | Personalize

Monitor the transformation through consistent KPIs

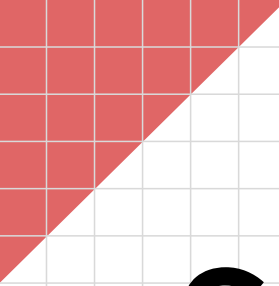
Bottom line
e.g., % of online sales

Cost
e.g., savings

Process
e.g., speed, DIY

Customer
e.g., users, RF1


Learning & innovation
e.g., new ideas



Study 2:

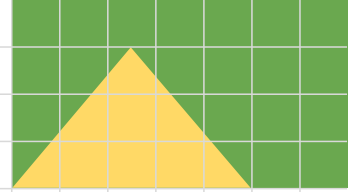
**A Cross-National Quantitative Study of Our
Framework**





**RESEARCH APPROACH AND DATA
COLLECTION**

Aim of study

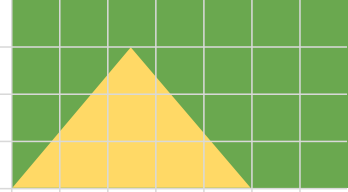


1. To empirically identify dimensions along which companies' status of digital transformation of sales differs
 2. To empirically identify typical configurations of these dimensions and develop a corresponding taxonomy
 3. To explore the outcomes of the different configurations.
- Their approach to configuration uses cluster analysis to group organization empirically

Sample Size

- Cross-national survey study spanning the United States, the United Kingdom, Germany, and Italy
- Approached senior sales managers through a professional panel provider and collected final sample of 540 sales managers:
 - 34% from the United States
 - 31% from Italy
 - 18% from Germany
 - 17% from the United Kingdom

Variables



- Input variable for clustering procedure: selecting using categories from their prescriptive model (Figure 1)
- They also explore variables that are purely descriptive and do not enter the cluster analysis:
 - Outcome variables (e.g self-reported assessment of market performance)
 - Control variables (e.g industry and strategy type)

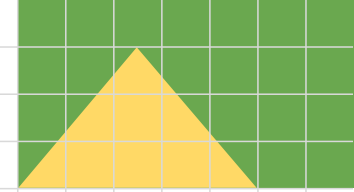
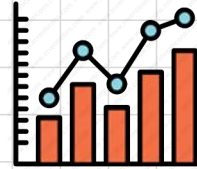
The methodology

- Study uses online questionnaire where respondents were asked to evaluate their sales organization along variables for digital sales transformation strategy
- Precisely, study asked the following questions which draws on the “what” “why” and “how” component of their model from study 1, respectively:
 - evaluate to what extent their digital sales transformation strategy had been designed starting for systematic analysis of sales-related processes
 - The degree to which their digital sales transformation followed a clear strategic plan
 - The extent of their digital sales transformation strategy built on each of the 6 S pathways of transformation

The methodology

- For the implementation of respondents' digital sales transformation strategy they asked:
 - the degree in which they use each of the 9 actions and
 - the extent to which they monitored their digital transformation on each of the five KPIs
- Collected set variables that they use to characterize the clusters to be developed.
 - This represent the companies performance-related-variables as well as their industry and strategy, and further variables pertaining to digital transformation
- All items were measured on nine-point Likert-type scale, from not at all to very much to completely

STATISTICAL ANALYSES



To **limit analytical complexity**, study reduced number of items included in the cluster analysis to 5 factors:

- Factor 1: “**Strategic clarity**”; which shows process-basis of digital transformation and the formal specification and communication of the strategy in the organization
- Factor 2: “**Salesforce replacement**”; substitute and supplement pathways
- Factor 3: “**Salesforce enablement**”; all internal factors supporting work of salespeople
- Factor 4: “**Action**”; incorporates seven out of the original nine digital transformation actions
- Factor 5: “**KPIs**”; three of the five KPIs mention

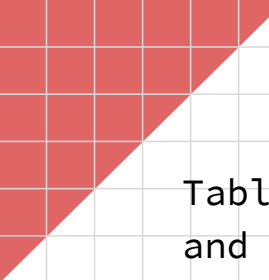
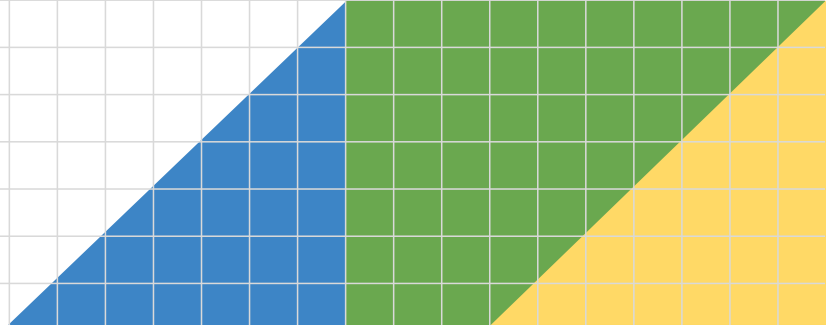


Table 3 on the next slide shows **the results of the factor analysis** and yielded five factors with a total variance explained of 71.36%.

Moreover, all the factors extracted from the measures meet the reliability criteria in terms of Cronbach's alpha.

Keiser-Meyer-Olkin Measure (KMO) of sampling adequacy is also acceptable ($KMO = 0.962 > 0.5$), and Bartlett's Test of Sphericity (BST) is significant ($p < .001$) for the five sets of variables.

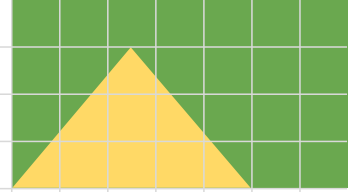
Furthermore, these five factors have **adequate face validity**.



Factor ID:	1	2	3	4	5
Factor Label:	Strategic Clarity	Salesforce Replacement	Salesforce Enablement	Actions	KPIs
α :	.86	.60	.87	.91	.81
Digital sales strategy designed around the analysis of all the relevant phases of the selling process	.74	.16	.20	.29	.19
Digital sales strategy designed around the analysis of all the relevant phases of the customer journey	.74	.15	.22	.22	.27
Clarity of digital sales transformation strategy	.69	.08	.27	.16	.33
Formal and detailed plan for the digital transformation of sales	.57	.10	.37	.14	.46
Substituting salespeople by technology	.25	.44	.28	.18	.24
Supplementing/integrating salespeople with other interaction channels	.21	.76	.02	.16	.31
Supporting salespeople in carrying out the processes	.39	.13	.72	.25	.01
Improving salesforce training and development	.081	.07	.71	.26	.36
Improving salesforce planning and control systems	.21	.09	.70	.35	.22
Sharing more and better information with other units	.22	.13	.66	.33	.22

Factor ID:	1	2	3	4	5
Factor Label:	Strategic Clarity	Salesforce Replacement	Salesforce Enablement	Actions	KPIs
α :	.86	.60	.87	.91	.81
Servicing the customer	.42	.21	.59	.31	-.03
Automate processes, actions, initiatives	.18	.11	.27	.74	.21
Add value to customers	.17	.17	.38	.71	.14
Analyze data and information	.40	-.03	.24	.70	.23
Add new channels of interaction with customers	.08	.34	.24	.68	.20
Acquire data and information	.42	-.03	.19	.63	.32
Facilitate salespeople's access to data/information	.19	.09	.43	.60	.21
Allocate resources	.23	-.06	.32	.52	.48
Learning & innovation-oriented KPIs	.39	.014	.13	.25	.65
Bottom-line performances KPIs	.36	.12	.15	.30	.64
Cost-based KPIs	.25	.15	.28	.36	.61

CLUSTER TYPOLOGY DEVELOPMENT & DESCRIPTION



The statistical analysis result above produce 4 clusters of firms, which is defined through the significant differences as well as their digital sales transformation approaches:

- Digital Sales Transformation Leaders
- Digital Sales Transformation Laggards
- Digital Sales Enablers
- Digital Sales Replacers

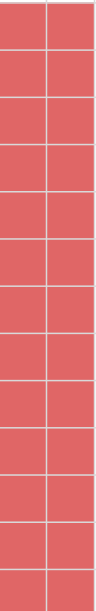
The table below presents the mean scores of the five underlying common factors for each cluster

Cluster ID	1	2	3	4
Cluster Label	Digital Sales Transformation Leaders	Digital Sales Transformation Laggards	Digital Sales Enablers	Digital Sales Replacers
Factor: Strategic Clarity	.86	-1.58	-0.12	-0.25
Factor: Salesforce reinforcement	.77	-0.80	-1.36	0.22
Factor: Salesforce enablement	.61	-1.45	.88	-0.51
Factor: Actions	.86	-1.63	.11	-0.28
Factor: KPIs	.89	-1.50	.26	-0.16

Cluster 1: Digital Sales Transformation Leaders



Characterized by:

- Highest market performance and success in digital transformation of sales
 - Score above average on Factors 1 (Strategic clarity), Factor 3 (Salesforce enablement), Factor 4 (Action) and Factor 5 (KPIs)
 - Sees digital sales transformation as evolution rather than revolution
 - Digitalize preselling and selling phases for most attractive customers and for attracting new customers
 - Overrepresentation of companies from new economy and ICT
 - Their strategy is mainly brand/product leadership
- 

Cluster 2: Digital Sales Transformation Laggards

Characterized by:

- Worst market performance
- Below average score on factors 1 (Strategic clarity), Factor 3 (Salesforce enablement), Factor 4(Action) and Factor 5 (KPIs)
- See digital transformation of sales as revolution
- Digitalize least attractive customers and for existing customers
- Overrepresentation of B2B firms
- Their strategy focused on developing solutions to their customers

Cluster 3: Digital Sales Enablers

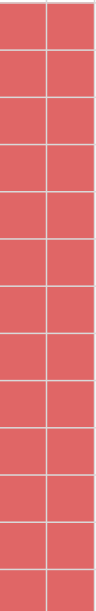
Characterized by:

- Average market performance (sales growth below average)
- Average in managing the digital transformation of sales
- Average scores on all the factors but above average on factors enablement and action
- Perceive digital transformation as revolution and extremely important
- Digitalize both offering and selling process (preselling, selling, and after-sales).
- Digitalize the same emphasis on all customers
- Mainly belong to traditional, old economy
- Main goal is to develop adaptive solutions, customized around the requests and needs of their customers

Cluster 4: Digital Sales Replacers



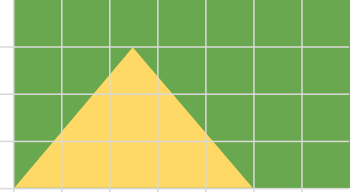
Characterized by:

- Scored average values on factors strategic clarity of digital transformation of sales, key actions, and KPIs for the digital transformation of sales
 - Scored above average for factor replacement
 - Have average view on the importance of digital transformation of sales
 - Focus on digitalizing sales processes
 - Digitalize for least attractive customers, existing and new customers
 - Score average performance in terms of management of the digital transformation of sales, and below average market performance (especially in terms of profitability)
- 

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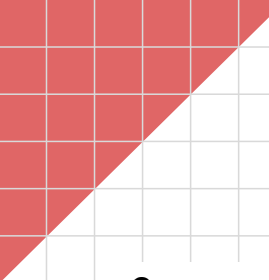
Guidelines for Managers

The 3 Guidelines



1. Managers can use the **prescriptive framework** to steer their digital transformation endeavors.

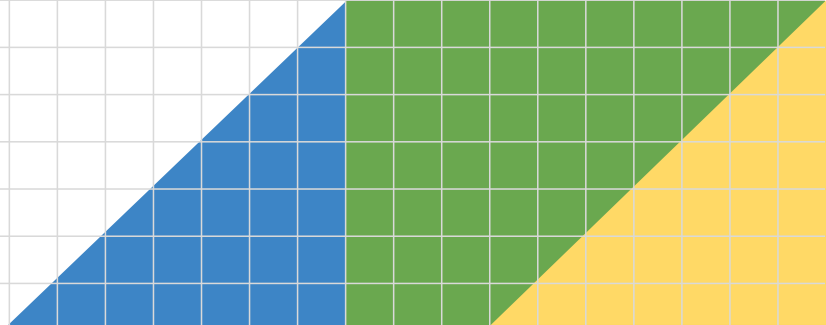
- Carefully mapping their sales processes
- Reduce complexity by briefly juxtaposing the importance of each process against its current performance
- Identify critical pains that digitalization can help resolve and choose digital pathways accordingly
- Juxtapose the projected investment against the projected effectiveness or efficiency gains.
- Subsequently deduce key actions required to transform their sales processes and set adequate performance indicators.



2. Managers can use the result from the **cluster analysis** as a benchmark for their own digital transformation endeavors.

(Shown in Study 2)

3. Managers can take the **examples provided** here (in the article) as an inspiration for their own digital transformation endeavors.



THANK YOU!

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