

Marketing & Sales Practice

Building next-generation B2B sales capabilities

The pandemic has converted B2B buyers to e-commerce in a big way. B2B sellers need new capabilities to meet their new expectations.

This article is a collaborative effort by Michael Harney, Lia Ketola, Kedar Naik, Nicolas Probst, and Steve Reis, representing views from McKinsey's Marketing & Sales Practice.



Key takeaways

- Sales leaders worldwide recognize that driving B2B revenue growth will require significant reskilling among their teams. Of more than 400 sales leaders surveyed, 55 percent said that only about half of their sales force has the required capabilities.
- Equipping sales with next-generation capabilities takes effort, but the payoff is significant. Top-quartile teams can deliver four to five times higher sales growth than bottom-quartile players.
- B2Bs with the fastest rates of revenue growth are approaching customers sooner and with a more consultative mindset. Approximately 85 percent of sales leaders said they believe solution selling will be a core sales capability, requiring strong product knowledge and solution design as well as account-planning skills.

McKinsey has been researching B2B buyers and sellers around the world intensively over the past six years. What we've learned is that average buyers now use ten or more channels as they journey through the buying process, choosing digital self-serve for certain activities and video or in-person for others. Assumptions that once seemed unassailable—such as e-commerce being limited to small-ticket items—have also been roundly busted. Globally, 62 percent of B2B decision makers are now willing to spend \$50,000 or more in online purchases—and one in five would spend more than \$500,000.

To deliver excellence in today's environment, B2B sales organizations will need to make three seismic shifts in the way they approach clients and lead teams: become omnichannel orchestrators, adopt a value-creation mindset, and enable continuous change management (Exhibit 1).

These shifts will require sales organizations to reskill significantly. Of the more than 400 sales leaders in Europe and the Americas polled in our most recent survey, 55 percent said that only about half of their sales force has the required capabilities.

Change is never easy, especially after two years of pandemic-related upheaval. But our research and client work indicate that companies staffed with top talent achieve significantly higher revenue growth. Here's what's required to deliver that outperformance.

1. Become an omnichannel orchestrator

As buying habits evolve, sales excellence has increasingly come down to delivering the right experiences over the right channels. But with different stakeholders involved at different purchasing stages, sales leaders will need granular data and AI analytics capabilities to discern what information and which interactions are most helpful to reach specific audiences.

Our research shows that B2Bs with the fastest rates of revenue growth are far more likely to equip reps with deal-level insights and account-specific customer intelligence. By comparing search data with sales data, for example, one B2B sales leader isolated which customers were using chat and which preferred email, so they knew the best channel on which to engage. Other analytics tracked competitor movements in specific regions, so reps could anticipate customer questions and prepare helpful responses.

Data-driven insights can also help leaders align and allocate coverage and resources more effectively. Instead of reviewing account coverage once a year, as is typical, outperforming organizations update account priorities and realign resources as frequently as once a month with the help of resource modeling and planning tools. These skills require investment in analytical and quantitative abilities, account planning, negotiation, and relationship building—but that investment pays off in four to five times higher growth (Exhibit 2).

Exhibit 1

B2B sales teams need to make three seismic shifts.

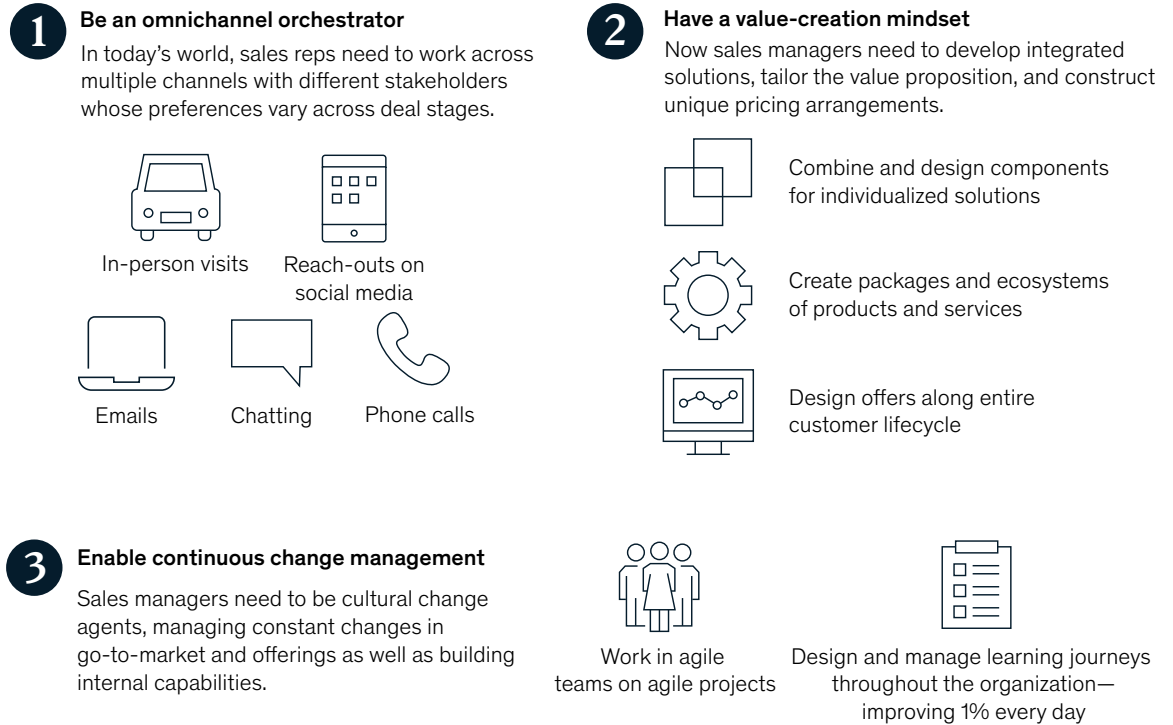
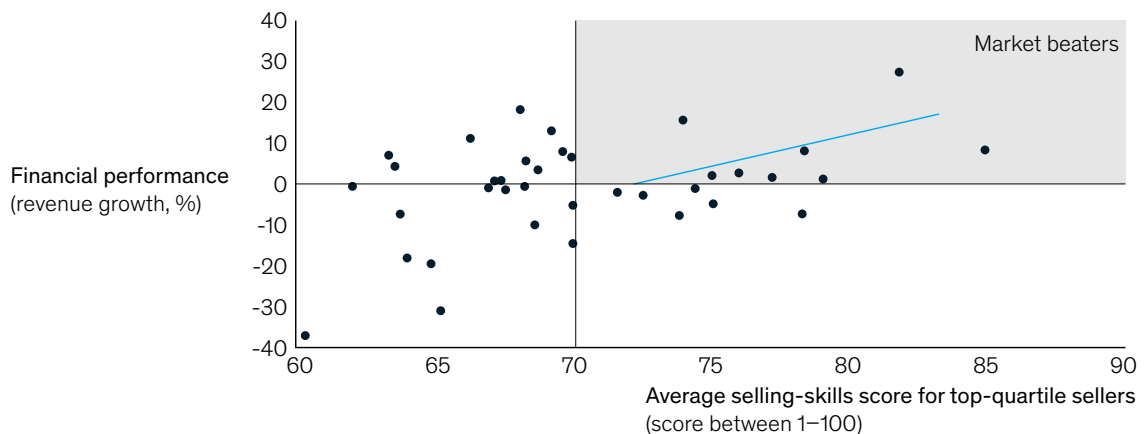


Exhibit 2

Next-generation sales capabilities can drive four to five times higher growth.

Market growth

Revenue growth related to selling-skills score



Equipping sales with data-driven account planning, negotiation, relationship-building, and networking capabilities can result in **4–5x higher growth** than bottom-quartile players.

2. Adopt a value-creation mindset

B2Bs with the fastest rates of revenue growth are approaching customers sooner and with a more consultative mindset. They're partnering with customers more in designing tailored value propositions, eschewing the more typical B2B sales transaction- and product-led focus. The new approach can be transformative.

One B2B packaging company approached a top manufacturing customer with a proposal to create a fully integrated packaging offering. Instead of simply selling the customer corrugated boxes, plastic wrap, and labels as usual, sales leaders hashed out a customized solution with the company, creating prototypes tailored to its top product line. Running the numbers showed the approach would cost the company less than purchasing component packaging elements separately. The B2B would gain as well, since the solution would embed the company's packaging into the customer's operations, creating an annuity revenue stream and the potential for additional cross-selling down the line.

In our survey, approximately 85 percent of sales leaders said they believe that solution selling will be a core sales capability, requiring strong product knowledge and solution design as well as account planning skills (Exhibit 3).

To excel, sales leaders will also need to sharpen their communication skills and facilitate ideation with customers, pulling in technical experts when needed, running pilots, and establishing mutually-agreed-upon targets and goals. Pipeline development, upstream engineering processes, and the sales cycle itself will all need to adapt to this joint planning structure.

The value mindset underlying the solution sales construct should also extend to pricing. Sales leaders can play an important role in raising the account aspiration. For example, they might wish to establish performance-based pricing and align the fee scale to mutually-agreed-upon outcomes. This approach can involve more upfront risk, but it can result in a win-win for both parties and build greater customer lifetime value.

3. Enable continuous change management

Next-gen sales leaders address all core elements of change management. They move with speed through agile workflow. They tell compelling, "what's in it for me" stories, and they refresh their training, development, and incentive programs regularly.

In our survey, roughly 65 percent of sales leaders said they believe that the speed of change has increased over the past few years, and 85 percent believe that adopting agile working methods will be critical for success in the coming years. One sales leader at a B2B manufacturer noted, "It was during the depths of the pandemic when we realized things needed to be different. We started trying new things in small groups to see what worked and what didn't. This agile mindset helped us so much."

Instead of taking on big, complex projects and implementing them over many months, for example, top-performing teams lean on practices that support rapid test and learn and break projects into smaller sprints of one to two weeks, with an emphasis on getting a minimum viable product out to customers quickly. They place similar emphasis on adapting the culture of the sales organization, role modeling desired behaviors, and helping sellers understand what they can gain by embracing new ways of working. As one sales VP explained, "The 'aha' moment for our team was when we

Exhibit 3

B2B sellers say they need to develop three top capabilities.

Analytical and quantitative skills

80% of sales leaders surveyed ranked analytical and quantitative skills among the top capabilities to develop.

Solution selling

85% believe solution selling will be a core sales capability, requiring strong product knowledge and solution design as well as account-planning skills.

Agile working practices

85% believe that adopting agile working practices will be critical in coming years.

asked reps for their thoughts on the transformation and it became clear they didn't really understand why we were making it. So we spent time making the change story very clear, empowering the frontline, tying incentives to the new behaviors, and reinforcing these behaviors through our performance-management systems." None of this can be left to chance. Sales organizations need to carve out time for peer coaching and weekly check-ins and make mentorship a requirement for all leaders.

Training needs to change as well. Instead of broad-brush approaches, organizations generally find more success making the learning individualized and experiential—enabling sellers to focus on specific capability gaps and apply what they're learning to active sales opportunities. Our research shows that most organizations need to reskill roughly half their sales force and plug key gaps in core commercial roles (Exhibit 4).

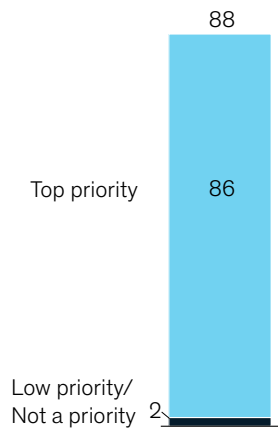
Exhibit 4

B2B sales organizations need to reskill front-line reps and add leadership roles.

Sales leaders see reskilling as their immediate top priority...

Which best describes how your company thinks about upskilling your sales force?

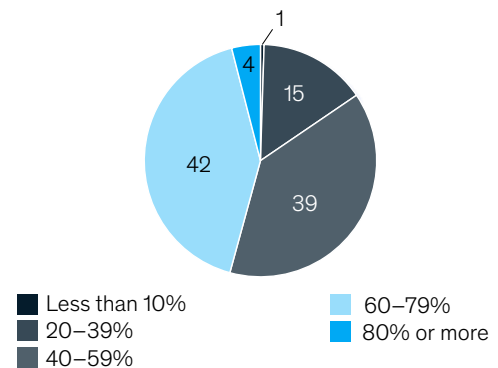
% of respondents



...as only ~50% of reps are seen to have the right capabilities to succeed.

What percentage of your company's sales force currently has the right capabilities to be successful in the coming years?

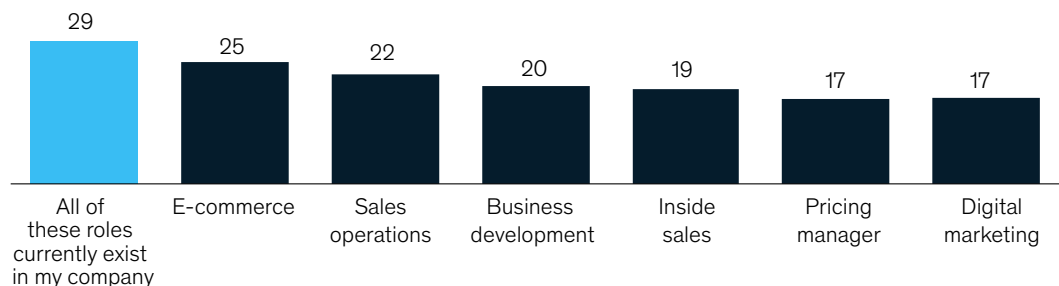
% of respondents



Many organizations also still lack core commercial-leadership roles.

Which of the following leadership roles do NOT currently exist in your company?

% of respondents



To ensure changes stick, leaders also need to revisit their performance-management and incentive structures, adjusting metrics and rewards to maintain momentum and sustain gains.

teams to the demands of today's B2B environment; they can lead in delivering a new level of performance. Organizations that lean into acquiring the capabilities required to deliver excellence in next-generation sales will be able to forge mutually beneficial, long-term customer relationships and deliver significantly greater ROI.

By learning from this convulsive period of change, sales leaders can do more than simply adapt their

Michael Harney is a partner in McKinsey's New York office, **Lia Ketola** is a senior expert in the Luxembourg office, **Kedar Naik** is a partner in the Brussels office, **Nicolas Probst** is an associate partner in the Berlin office, and **Steve Reis** is a senior partner in the Atlanta office.

The authors would like to thank Bastiaan Dillmann, Boudewijn Driedonks, Liz Harrison, Ryan Paulowsky, Kate Piwonski, Candace Lun Plotkin, and Jennifer Stanley for their contributions to this article.

Copyright © 2022 McKinsey & Company. All rights reserved.