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## **Selling at the Executive Level**

**A summary of studies examining  
how client executives view their  
relationships with  
professional salespeople**

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## Overview

The author has conducted a number of research studies with senior client executives to identify and understand the factors that help professional salespeople establish trust, credibility and long-term relationships with them.

Over the past ten years, three studies were conducted as follows:

- Originally in conjunction with Hewlett-Packard Company and the Kenan-Flagler Business School at the University of North Carolina, we interviewed nearly 70 CXO-level executives (in person or via the telephone)
- Later, in conjunction with the Center for Business and Industrial Marketing at Georgia State University, we conducted additional interviews with different CXO-level executives
- Again in conjunction with Georgia State University, we conducted our third set of interviews with CXO-level executives

During the course of the three studies, more than 125 senior executives were asked how professional salespeople establish trust and credibility with them, why they granted access to certain salespeople and denied access to others, as well as the executives' role in the buying process for major purchases.

These high-ranking executives were asked questions like the following:

- When and why do senior executives get involved in the decision-making process for major purchases?
- When and why do senior executives agree to meet with a salesperson?
- What is the most effective method to use to gain initial access to a senior executive?
- How do senior executives screen or test salespeople?
- What has to happen in meetings with salespeople for the executive to feel it was effective?
- How do salespeople establish trust and credibility with executives, thereby securing return access?

- What are executives looking for in “strategic relationships” with suppliers?

## **Methodology**

Prior to this groundbreaking research involving CXO-level executives, most academic research and discussion of the executive’s role in the buying process was anecdotal or was approached from the salesperson’s perspective.

Following is the methodology used in these research projects:

- Researchers interviewed CXO-level executives but excluded participants from purchasing and procurement
- Researchers interviewed executives either in person or by telephone, with each interview lasting between 30 and 60 minutes
- Participating CXO-level executives came from a variety of industries including financial services, manufacturing, telecommunications, technology, and computer hardware/software

The senior executives developed their own definition of “major purchases” and used their recent major purchases as a reference as they responded to both quantitative and qualitative questions posed by the interviewers. Specific buying issues were investigated, thereby limiting some responses to lists or rankings to show the relative importance of certain factors. For other responses, open-ended questions were used. Varying the approach made it possible to identify and understand a broad spectrum of issues confronting senior executives in the decision-making process.

## **Overview and Executive Summary**

### **When Do Senior Executives Get Involved in Major Purchase Decisions?**

- The first two studies revealed that senior executives are more involved during the beginning and ending steps of the buying process and less involved in the middle steps
- At the beginning of the buying process, executives get involved to:
  - Understand current business issues
  - Establish project objectives

- Set the overall project strategy
- Executives get involved at the end of the buying process to:
  - Plan the implementation
  - Measure the results of the project

### **How Can Salespeople Gain Access to Executives?**

- Executives identified six common reasons for granting a meeting to a salesperson
  - A recommendation from a credible source within the executive's organization (the top reason to grant access)
  - An external referral from a respected source (business associate, consultant or friend)
  - An existing relationship with the seller (or the seller's company)
  - The reputation of the salesperson's company
  - An identified need for the product or service the salesperson is offering
  - The timing of the salesperson's request for the meeting (related to the buying cycle)
- The studies revealed that "cold calling" is typically the least effective method for obtaining a meeting with the executive, even if the salesperson precedes the call with a letter or an email
- The last two studies indicated that email and voice mail are only effective once a salesperson has already established a relationship with the executive and then, only if the communication is brief and "to the point"

### **How Do Executives Test Salespeople?**

- Most executives give salespeople only five minutes (on an initial telephone call) to establish some kind of relationship. During those five minutes, salespeople need to:
  - Speak from a business perspective, demonstrating the homework they've done to develop an understanding of the executive's key business issues

- Introduce relevant questions and share new business perspectives
- Listen and understand, rather than attempt to sell their product or service during the first meeting with a client executive
- Executives are most likely to grant meetings to salespeople who:
  - Understand the client's key business drivers and initiatives
  - Convey how they can create and deliver value to the executive's company (and personally to the executive)
  - Have the power to make decisions and move the relationship forward
- Executives expect professional salespeople to be confident, professional, flexible and honest

### **How Can Salespeople Establish Credibility with Senior Executives?**

- Executives rank the salesperson's "ability to marshal resources" and their "willingness to be held accountable" as two of the most important criteria in establishing credibility with them
- Executives also stated that they want salespeople who "understand their key goals and objectives" and those who are "responsive to their requests"
- Executives made a point of saying that "they don't value salespeople who disparage their competitors"

### **What are Executives Looking for in "Strategic Relationships" with Suppliers?**

- Eighty-three percent of executives in the initial study have "partner-level" relationships with at least one key supplier, but nearly half felt they do not derive any benefits from such a relationship
- In the second study, the gap between the benefits executives expect and receive closed somewhat, possibly because many sellers have:
  - Increased the use of strategic account teams
  - Formed closer relationships with their clients
  - Communicated the value of their solution more effectively

## Conclusions

- Senior client executives will more likely meet with salespeople early in their buying cycle, but only to identify and learn about business issues related to the purchase decision. It is critical for salespeople to understand the difference between the client's buying cycle or process and their sales cycle. A sales cycle typically starts only after several steps in the client's buying process have already occurred.
- Executives also want to meet with salespeople late in the buying cycle to plan the implementation and measure the results. Salespeople should take advantage of opportunities to meet with executives at this time and communicate the value their solution has delivered to the client.
- Salespeople are most likely to secure an appointment with a senior client executive if a credible person within the executive's own organization recommends them. Strong existing relationships within an organization (with other managers and executives) can be instrumental in gaining access to other senior executives.
- Some senior executives consciously block salespeople from seeing them. Once salespeople overcome those obstacles, executives will further test salespeople to see if their solution delivers value.
- During the initial face-to-face meeting with a key client executive, salespeople must convey their accountability and listen and understand the client's business goals, objectives and challenges.
- Salespeople need to be prepared for the initial meeting with a client executive with information about the client's industry, the client's company and the client executive him/herself.
- Some senior executives welcome meetings with "like rank" executives from the sales organization; however, those meetings must be substantive and not merely "gland hand" encounters.
- To maintain a trusted advisor relationship with a senior client executive, salespeople must demonstrate:
  - An understanding of the client's key business drivers and initiatives
  - A level of accountability and responsibility
  - The ability to marshal resources (to solve problems and address Issues)

## **Bibliography**

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*Selling to Senior Executives: Part 2. **Journal of Selling and Major Account Management.*** Stephen J. Bistriz, Ed.D. Volume 4, No. 3, Spring, 2002. The Sales Research Trust Limited. Southampton, United Kingdom.

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