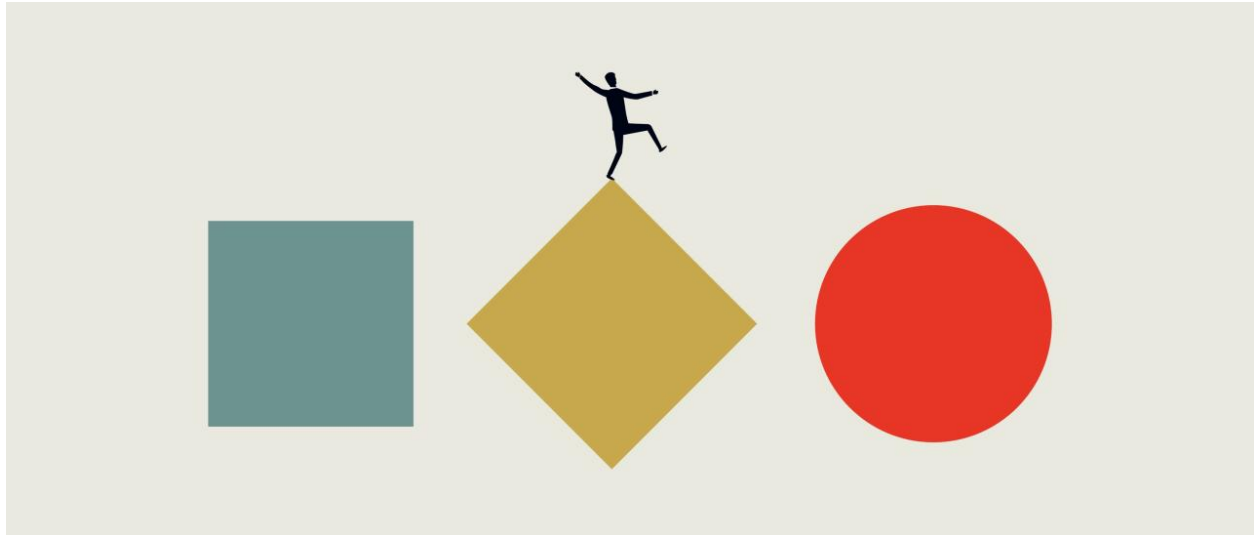

Tackling the Third Sales Transformation



By INSEAD Knowledge with Jean-Claude Larreche , INSEAD

A new business reality has shifted the role of sales professionals within firms.

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Today's **uncertain** and **disrupted** world has had a major impact on how firms do business. It has led to a gradual strategic shift from the era of “bigger is better” and a narrow fixation on increased sales growth to a more nuanced, broader vision of corporate value growth.

In this podcast, Jean-Claude Larreche, an Emeritus Professor of Marketing and the Alfred H. Heineken Chaired Professor of Marketing, Emeritus, builds on the themes of his new book ***Value Capture Selling*** to explore this transformation further, examining the reasons behind the shift and what it specifically means for the role of salespeople within firms.

Defining corporate value

While customer value remains a cornerstone of sales success, corporate value takes a broader view, encompassing a firm's overall financial health and competitive advantage. It directly impacts a company's ability to:

- Attract and retain investors and strategic partners
- Secure funding for growth initiatives
- Foster employee satisfaction and loyalty
- Maintain a competitive edge in the marketplace

This shift in strategic focus necessitates what Larreche defines as a third sales transformation, which demands a new set of skills from the sales force. Although the number of salespeople in firms has decreased as many simpler sales transactions move online, there is a pressing need for the remaining sales teams to upgrade their skills to be better equipped for value capture selling. Salespeople must not only understand customer needs but must also be able to negotiate deals that capture a fair share of the value created for the customer.

Value capture selling: a strategic imperative

Value capture selling is not a replacement for traditional sales techniques. Instead, it should be seen as a complementary stage that looks to build upon the customer-centric focus of traditional sales.

After establishing the value proposition for the customer, salespeople must now also leverage negotiation expertise to ensure they secure the most favourable terms for both the firm and the client during procurement discussions. To do so, they require nine key skills ranging from business acumen and mastering negotiations to reconciling objectives. By developing these competencies, they can hope to maximise corporate value creation, and in turn establish a significant competitive advantage.

Investing in the future

Identifying and understanding the impact of this third sales transformation is equally important for leaders. It allows them to appreciate the pivotal role of the sales function in driving corporate value creation and highlights the importance of investing in dedicated training programmes to equip sales teams with the necessary value capture skills.

By embracing value capture selling, companies can ensure their sales force is aligned with the firm's strategic objectives and well-positioned to contribute to long-term success in the era of corporate value creation.

Find article at

<https://knowledge.insead.edu/leadership-organisations/tackling-third-sales-transformation>

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INSEAD Knowledge is the expert opinion and management insights portal of INSEAD, The Business School for the World.

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About the research

[Value Capture Selling: How to Win the 3rd Sales Transformation](#) is published by Wiley.