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SELLING SOFTWARE-AS-A-SERVICE: ANALYZING DIFFERENT SALES METH-ODOLOGIES

ABSTRACT

Olli Karipohja: Selling Software-as-a-Service: Role of Sales Methodologies and More
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Software-as-a-service industry is one of the latest phenomena to modify the software industry. Even though software-as-a-service is very popular, it has received fairly little attention in the academic literature. The researcher wished to contribute to the academic research of software-as-a-service industry by exploring selling of software-as-a-service applications and common themes that are related to it like sales methodologies. The research aims to identify if the sales methodologies truly are used in software-as-a-service businesses, how to position your sales efforts in a way that they consider the buying state of the prospect, and what are important factors related to sales success.

The literature regarding selling software-as-a-service applications is close to nonexistent. There is some literature in the field, but it mainly focuses to the processes of the buying side like how to select the correct software and how to implement it to one's processes. The sales methodologies are not researched at all, since they are not considered to be an academic topic, even though they are widely used by sales organizations across industries. The researcher had to familiarize himself with the literature on the field and discover the correct angle for approaching sales processes in software-as-a-service business.

The research begins with a literature review on software-as-a-service as an IT delivery model, modern sales environment, and overview on sales methodologies. The researcher clarifies that how is software-as-a-service seen in this research and what are the sales methodologies analyzed. The latter part of the literature review focuses on how the software-as-a-service applications should be evaluated and how a salesperson can make their sales communication more efficient by considering in which stage of their buying process the customer is in. Also, common important factors for sales success are identified from sales methodologies and selling in service business, which are then later on tested in the research.

The different theories and frameworks created are tested with a case study that includes a qualitative interview. Six case companies that all operate in the software-as-a-service business participated in the research. Based on the interviews it was discovered that software-as-a-service businesses really uses sales methodologies and considers them to be crucial for sales success. What especially has an impact to the cruciality of the sales methodologies is the complexity and the length of the sales cycle and the experience of the sales personnel. The sales methodologies are seen to especially provide value in structuring the sales process and onboarding of new salespeople.

An evaluation criterion for selecting software-as-a-service applications was presented in the research. Its relative accuracy was confirmed during the research and more dimensions was added to it due to the results of the interviews. A framework for aligning one's sales communication was also presented in the research. Its idea is to consider how the customer's concerns shift during the buying process. The framework's fundamental idea that one should modify what parts of their offering is communicated towards the customer was confirmed but the overall accuracy of the framework could not be confirmed with the case study. The important factors for sales success proposed in the research were: aligning one's sales efforts with the customer's buying process, doing pre-analysis on the customer, and having an internal champion. They were confirmed in the research and two more were proposed.

Keywords: software-as-a-service, sales, sales methodologies, selection of software-as-a-service applications

The originality of this thesis has been checked using the Turnitin OriginalityCheck service.

TIIVISTELMÄ

Olli Karipohja: Software-as-a-Servicen myyminen: myyntimetodologioiden rooli ja enemmän
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Software-as-a-service on yksi viimeisimpiä ilmiöitä, jotka muokkaavat ohjelmistoalaa. Vaikka software-as-a-service on hyvin suosittu, se on saanut melko vähän huomiota akateemisessa kirjallisuudessa. Tutkija halusi edistää ohjelmistojen akateemista tutkimusta palvelualalla tutkimalla software-as-a-service ja siihen liittyviä yleisiä teemoja, kuten myyntimetodologioita. Tutkimuksen tarkoituksena on selvittää, käytetäänkö myyntimetodologioita todella software-as-a-service-kentässä, miten järjestellä myyntiaktiviteetit niin, että ne ottavat huomioon prospektin ostoprosessin ja mitkä ovat tärkeitä tekijöitä myyntimenestyksen osalta.

Software-as-a-servicen myyntiä koskeva kirjallisuus on lähes olematonta. Alalla on jonkin verran kirjallisuutta, mutta se keskittyy pääasiassa ostopuolen prosesseihin, kuten siihen, miten valitaan oikea ohjelmisto ja miten se implementoidaan omiin prosesseihin. Myyntimetodologioita ei ole tutkittu lainkaan akateemisessa kirjallisuudessa, koska niitä ei pidetä akateemisena aiheena, vaikka myyntiorganisaatiot käyttävät niitä laajasti eri toimialoilla. Tutkijan piti perehtyä alan kirjallisuuteen ja löytää oikea näkökulma myyntiprosessien lähestymiseen software-as-a-service liiketoiminnassa.

Tutkimus alkaa kirjallisuuskatsauksella, joka käsittelee software-as-a-serviceä IT-toimitusmallina, moderniaa myyntiympäristöä ja tehdään katsaus myyntimetologioihin. Tutkija selventää, miten tässä tutkimuksessa nähdään software-as-a-service ja mitkä ovat tässä tutkimuksessa tarkemmin analysoidut myyntimetodologiat. Kirjallisuuskatsauksen jälkimmäinen osa keskittyy siihen, miten software-as-a-service applikaatioita tulisi arvioida ja miten myyjä voi tehostaa myyntiviestintäänsä pohtimalla, missä vaiheessa ostoprosessia asiakas on. Lopussa esitellään myös myyntimenestyksen kannalta tärkeitä tekijöitä, jotka ovat yhteisiä myyntimetodologioille ja palveluliiketoiminnan kirjallisuudelle. Näitä testataan myöhemmin tutkimuksessa.

Erilaisia teorioita ja frameworkkeja testataan tapaustutkimuksella, joka sisältää laadullisen haastattelun. Tutkimukseen osallistui kuusi tapausyritystä, jotka kaikki toimivat software-as-a-service-liiketoiminnassa. Haastattelujen perusteella huomattiin, että ohjelmistopalveluyritykset todella käyttävät myyntimenetelmiä ja pitävät niitä myyntimenestyksen kannalta erittäin tärkeinä. Myyntimenetelmien tärkeyteen vaikuttaa erityisesti myyntisyklin monimutkaisuus ja pituus sekä myyjien kokemus. Myyntimenetelmien nähdään tuovan lisäarvoa erityisesti myyntiprosessien strukturoimisessa ja uusien myyjien perehdyttämisessä.

Tutkimuksessa esiteltiin arviointikriteeri software-as-a-servicen valitsemiselle. Sen suhteellinen tarkkuus varmistui tutkimuksen aikana ja siihen lisättiin lisää ulottuvuuksia haastattelutulosten vuoksi. Tutkimuksessa esiteltiin myös puitteet myyntiviestinnän yhdenmukaistamiselle. Sen ideana on pohtia, miten asiakkaan huolet muuttuvat ostoprosessin aikana. Perusajatus siitä, että on muutettava sitä, mitä osia tarjonnasta asiakkaalle välitetään, vahvistettiin, mutta kehysten yleistä tarkkuutta ei voitu vahvistaa tapaustutkimuksella. Tärkeitä tekijöitä myyntimenestyksen kannalta tutkimuksessa olivat muun muassa myyntiaktiviteettien yhdenmukaistaminen asiakkaiden ostoprosessin kanssa, pre-analyysin tekeminen asiakkaasta ja sisäisen mestarin omaaminen asiakkaan organisaatiossa. Ne vahvistettiin tutkimuksessa ja kaksi muuta lisättiin-

Avainsanat: Software-as-a-service, myynti, myyntimetodologiat ja software-as-a-service valitseminen.

PREFACE

It truly has been a journey from moving to Tampere almost six years ago to now finishing up my master's thesis. This time included plenty of great friends, long days at the school doing assignments and most importantly amazing memories. For this time, I am forever grateful.

The six months that I was doing the thesis taught me a lot. It opened up the world of doing academic research much more than I though. It is a topic that usually has a negative tone when discussed about, so I was very surprised by the positive emotions that it gave me. The process opened my eyes on what it means to do academic research. For the first time I was really committed to a long project. Patience was the name of the game during these months.

During the project I got guidance from Jouni Lyly-Yrjänäinen. The regular check-ups and the acceptance that I got from them gave me confidence and much needed energy for pushing the project constantly forward. I would also like to thank Jouni for always providing honest insights related to school work and for keeping the barrier low for requesting assistance during the project.

I would also like to thank my mum Minna Laitinen and my sister Veera Karipohja for cheering me up all the way from elementary school until now. You both have been always there for me when needed. I am delighted to close this chapter of my life and move on to the next challenges and adventures that I know are waiting for me behind the corner.

Tampere, 5.4.2023.

Yours truly,
Olli Karipohja

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1. INTRODUCTION

1.1 Background

Software-as-a-service has been rising as the most dominant IT delivery model in the near past (Olivieira et al. 2019) but it has not received wide attention in aca-demic research and literature. What makes software-as-a-service an interesting research subject is its relative novelty in the software domain that dates back to early 2000s (Dubey & Wagle, 2007). In software-as-a-service customer purchases software from a vendor that is accessed by an Internet browser and is hosted in the vendor's hardware and datacenter, without the input of the customer (Choudhary 2007; Dubey & Wagle, 2007). The IT delivery model provides significant benefits compared to its predecessor licensing a software in the form of agility, ease of implementation, and faster return of investment (Waters, 2005). It sounds like the software should sell itself but with as in all novel disrupting phenomena, new methods and ways of working has to be internalized, which creates its own challenges to the selling and buying process.

The sales environment has evolved significantly during the time that software-as-a-service has been present. Different sales process frameworks (Kotler & Arm-strong, 2020; London & Lucas, 2012) and sales methodologies (Eades, 2003; Konrath, 2012; Rackham, 1988; Whyte et al. 2020) have been created for companies to follow. They are meant to offer structure to companies' selling activities and maximize sales success. When the sales process defines what to do from the beginning to closing a deal, sales methodology establishes the methods to be executed during the process. The sales methodologies are created by sales consultants through research or personal experience in the domain. According to the creators of sales methodologies, the results will be even magical when the methodologies are implemented to one's processes. The sales methodologies are created by sales experts themselves, so the claims should be observed with a grain of salt.

While the literature regarding software-as-a-service is not very extensive, the literature that discusses selling it is close to nonexistent. Some themes like adoption (Seetham-raju, 2015), implementation (Mero et al. 2022), evaluation (Afify et al. 2013), and selection (Srinivasa et al. 2020) of software-as-a-service applications have been researched to some extent. All of these literature streams are focusing on the topic from the buyer's

perspective. For providing some theoretical contribution to the selling domain, the re-searched topics of software-as-a-service are reflected to existing sales literature and sales methodologies. Different criteria that buyer considers when selecting software-as-a-service is identified from the literature. From the salesperson's point of view, this selection criteria can be seen as communication points that should be communicated for the buyer. For practical contribution, guideline on what criteria should be emphasized in what phases of the prospect's buying process is suggested in the research.

1.2 Research Objectives and Questions

The objective of the study is to give very practical suggestions for someone who is sell-ing software-as-a-service applications. From sales methodologies side, it is researched that how sales professionals see sales methodologies as part of their everyday business and how does the theory differ from the practice. The research goes rather deep when exploring how are the different methods presented in the sales methodologies actually taken into account in the sales activities of software-as-a-service companies. A criteria is proposed for selecting software-as-a-service applications and its accurateness is evalu-ated. A prioritization order for emphasizing different criteria is proposed and it is dis-cussed with sales professionals. As the final objective, important methods / factors are identified from selling services literature that are also present in the sales methodol-ogies. The research aims to explore what are the most important factors related to selling soft-ware-as-a-service. The research questions are the following:

- **RQ1**: are sales methodologies crucial for sales success in selling software-as-a-service and how one should consider to implement one to their business?

- **RQ2**: how are the methods presented in the methodologies addressed in soft-ware-as-a-service businesses?

- **RQ3**: what is the criteria that software-as-a-service applications are evaluated on and how it should be communicated?

- **RQ4**: what are the most important factors for increasing success in selling soft-ware-as-a-service?

The deeper purpose of the research is not to define a single sales methodology that should be used, important questions to ask, or form an effective sales pitch for selling software-as-a-service applications. The idea is to give some indication that should one consider implementing a sales methodology to their processes if it has not been done yet, how are the sales methodologies actually used, what are the benefits of it, and how to divide your communication efforts to larger entities for clarifying the process. The study

aims to be useful afternoon read for any sales professional operating in software-as-a-service business.

1.3   Research Approach

The research is executed as a case study because it enables the study of contemporary organizational phenomena in a real-life setting with an in-depth holistic study of few or single cases (Yin, 2009). Case study was chosen since it suits the objectives and the nature of the research questions well. In order to achieve more depth to the study multiple cases were studied. The rationale of using multiple cases focuses on whether the findings can be replicated on other cases as well (Saunders et al. 2016), hence increasing the generalisability of the research and making the research more credible.

The research consists of literature review and empirical research. The literature review is conducted for gaining knowledge on the main theoretical themes that are related to sell-ing software-as-a-service and for identifying possibilities for creating new theory. Qualita-tive research is executed for the empirical part, and more specifically semi-structured in-terviews are used. Hair et al. (2016) note that interviews are especially useful when deal-ing with complex and sensitive issues. Diving deeper into the companies' sales process-es and confirming the theoretical frameworks presented, requires more than simple quantitative questionnaires. Semi-structured interview is particularly useful in this type of research, since it allows the interviewees build on and explain on their responses and lead the discussion to areas that are significant for one's understanding and study (Saunders et al. 2016).

An interactive workshop - that took 10 minutes - was also conducted as a part of the interview. In two dry runs that were held with colleagues of the researcher, the discussion for studying the theoretical contribution turned out to be extremely difficult to understand. The researcher decided that there has to be a possibility to visually demonstrate what was discussed.

Structure of the Thesis

In the second chapter of the thesis literature regarding software-as-a-service is examined. The chapter discusses briefly the evolution of software-as-a-service as an IT delivery model, the defining characteristics of the delivery model, and also software-as-a-service is compared to its predecessor licensing a software. The third chapter digs in deeper to what sales is nowadays in B2B markets and quick overview of different sales methodologies is taken. In the fourth chapter, the selection process of software-as-a-service applications is discussed. A criteria that the buying side uses for selection of

software-as-a-service applications is identified from the literature and practi-cal guide-lines are suggested regarding how it should be communicated to the buying side. Also, some key characteristics of selling in service business is identified from the literature for further confirmation with the empirical research.

The fifth chapter explains the methodology used in the research. Research and data gathering methods are opened up and the reasoning behind the decisions made are ex-plained. In the sixth chapter the data gathered is analyzed and cross-case analysis is performed for finding the most meaningful insights. The seventh and the last chapter concludes the main findings of the research and gives managerial implications based on them. Also, the limitations of the research and suggestions for future research are dis-cussed.

2. SOFTWARE-AS-A-SERVICE

2.1 Evolution of Software-as-a-Service

Before the emergence of software-as-a-service, the traditional way of acquiring software was to purchase a license that entitles one to install the software on their own hardware, leaving most of the responsibility that is related to the software for the buyer (Waters, 2005). The need for software-as-a-service has especially emerged when customers do not want to spend time and money for keeping the software running. For answering this need, the software-as-a-service business model allows the customer to access the software, which is ran and maintained by the seller on their hardware in exchange for a recurring subscription fee (Choudhary, 2007). This kind of disruptive shift from a dominant operating method to another does not occur rapidly and to some extent the change is still ongoing.

In the earliest wave of SaaS applications - the beginning of 2000s – the applications were especially used for replacing software that require little customization, does not have high information security and are not mission critical for the company (Dubey & Wagle, 2007). An example of the first wave of applications is Salesforce, which has been one of the most successful companies offering software-as-a-service. Salesforce the biggest provider of CRM-systems in the world (Salesforce, 2022).

The second wave of SaaS-applications include transactional systems between buyer and seller, such as procurement, supply chain management, and logistics applications (Dubey & Wagle, 2007). These applications include Source-to-Pay software like SAP Ariba, which offer the customer possibility to standardize procurement processes on an enterprise-level (SAP Ariba, 2022) and analytics providers like Sievo, that provide leading-edge procurement analytics solutions for their customers (Sievo, 2022).

In the final wave of SaaS-applications more and more mission-critical processes, like hosted environments for software development, are allowed to be taken care of by an ex-ternal provider (Dubey & Wagle, 2007). Amazon Web Services (AWS) is the biggest pro-vider of cloud hosting environment, which offers scalable and secure applications for its customers. At this point in time, software-as-a-service is no longer a new and slightly un-familiar phenomenon, but something that's value has been recognized in the market.

The software-as-a-service has been increasing its popularity constantly and not just in the before in the beginning of 2000s. Oliveira et al. (2019) point out that software-as-a-service continues to rise to the most dominant form of IT service delivery. In the graph

below, Statista (2022) has defined the market size of software-as-a-service delivery model between the years 2008-2020.
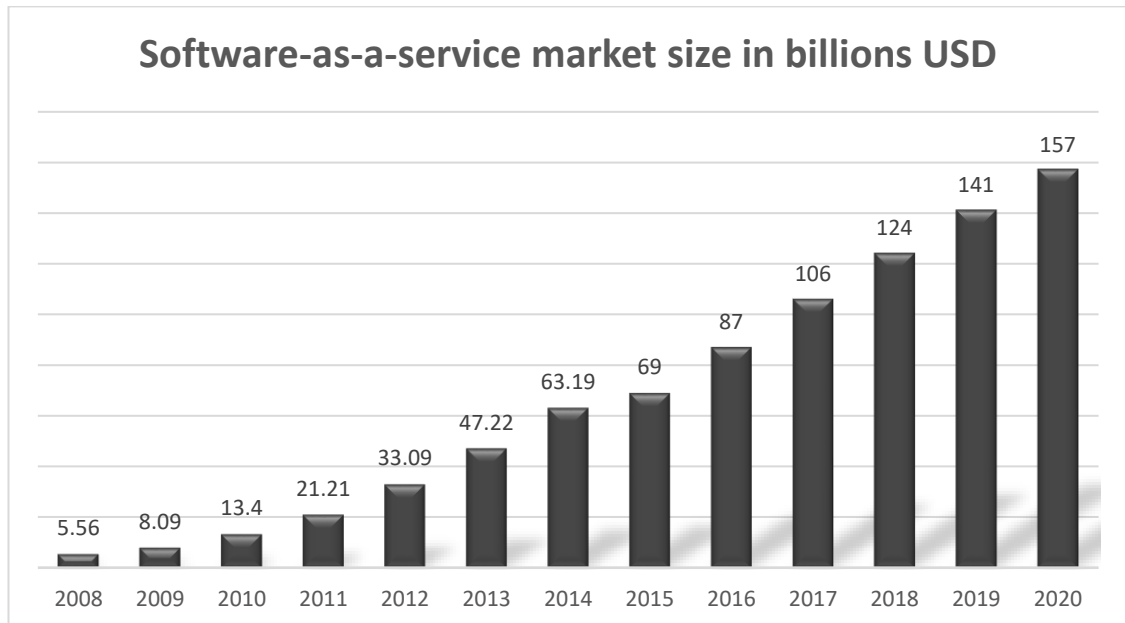
Figure 1. *Market Size of Software-as-a-Service between 2008-2020 (Statista, 2022)*

The graph demonstrates very well the major growth in the delivery model that has occurred in the near past and how it keeps on growing steadily throughout the years. The growth of the delivery model is explained by its characteristics and clear benefits for the user. Both of them are discussed in the following chapters.

2.2 Defining Characteristics of Software-as-a-Service

Throughout the academic literature, software-as-a-service has very different defining characteristics. To conclude software-as-a-service to a single sentence, the insights of Dubey & Wagle (2007) and Choudhary (2007) are combined for the following phrase:

…In software-as-a-service a customer purchases software from a vendor that is accessed through an Internet browser and is hosted in the vendor's hardware and datacenter, without the input of the customer…

There is still a lot more related to this business model than just the previous definition, but it is presented, so the reader gets an idea how the research sees software-as-a-service delivery model. As the main characteristic of software-as-a-service is the hosting of the software in the vendor's hardware and datacenter, and the customer is solely accessing the software through Internet browser.

Sukow et al. (2013) suggests the ease of implementation to the customer as one of the key advantages of software-as-a-service. After the implementation, the deployment of the software is always tied contractually to certain service levels (Waters, 2005). These Service Level Agreements (SLAs) discuss the performance of the software and what penalties are related to them if the service levels are not met. This relates to the nature of providing software-as-a-service, since idea of the arrangement is to provide the customer with access to the software in exchange of regular payments (Sukow & Grant, 2013).

Offering services on a multi-tenancy basis is very common in the software-as-a-service business (Makki et al. 2018). Mäkilä et al. (2010) even state multi-tenancy as one of the seven basic characteristics of software-as-a-service business. Kabbedijk et al. (2018) de-fine multi-tenancy as a property of a system where multiple customers, so-called tenants, transparently share the vendor's resources for operating the software. Sharing the re-sources among customers will naturally result in cost savings for the vendor, being one form of economies of scale in the software delivery model.

Even though the software providers are often operating with the multi-tenancy principle that serves multiple customers with one instance, they are answering differentiating customer needs by customizing the software. One method for customization is offering standard points of variation in the application, so the vendor can provide different variants of the software for answering needs of multiple different customers (Makki et al. 2018). This allows the vendor to capture a wider share of the market with reasonable amount of configuration per customer. Although, Mäkilä et al. (2010) discuss that in order to be considered as a software-as-a-service provider the software cannot be tailor-made for each client. They also point out the amount of client-specific integration and customization impacts the scalability of the solution, its maintenance costs and deployment speed of new software versions.

Software-as-a-service businesses are highly scalable for multiple reasons. First, the aggressive spreading of software-as-a-service was enabled by the homogeneity of working equipment in companies and everybody having access to Internet (Waters, 2005). Secondly, the current systems allow vast amounts of data to be transferred through the Internet (Sukow et al. 2013). Thirdly, the ease of implementation that was discussed earlier, which is also driven by the fact that software itself is in most cases agnostic of other systems (Sukow et al. 2013). Due to these three characteristics the companies delivering software-as-a-service applications can grow their business rapidly in new markets and scale up the business in the existing customer base quickly.

Based on the literature review, the researcher proposes six different defining characteristics for the software delivery model to be considered as software-as-a-service. The characteristics are presented in Table 1 below. An important thing still to highlight is when Mäkilä et al. (2010) were defining software-as-a-service, they concluded that it is impossible to define a criterion that would fit for all companies in the industry. It is still argued that for almost all software-as-a-service companies 4/6 of the characteristic will match.

Table 1. Defining Characteristics of Software-as-a-service delivery model

1.	Hosted in vendor's datacenter and servers
2.	Accessed by an Internet browser
3.	Performance tied contractually to SLAs
4.	Multi-tenancy principle
5.	Software not tailormade for each customer
6.	Software business is highly scalable

As presented earlier, the first two really are the pillar characteristics of software-as-a-service. The heaviest work, which is the maintenance and upkeeping of the software has to be the responsibility of the vendor and the customer must have easy access to the software through the browser. The third characteristic is relat-ed to the 'service' part of the delivery model. When it comes to service, there has to some level of agreement on how the service is supposed to perform, in order to be delivered successfully.

The fourth characteristic rouse, because almost all of the providers are operating with the multi-tenancy principle. The vendors are not reserving data centers, serv-ers, or just crafting solutions only for one customer. This brings us to fifth and sixth characteristic. The idea is not to tailor each of the solutions for a single customer but achieve big market share with little configuration. Otherwise, it would be more of a software consultancy rather than providing it as a service with mutually agreed on customizations.

2.3 Software-as-a-Service Compared to Traditional Licensing Model

When analyzing the benefits and characteristics of software-as-a-service, it is natural to compare it to its predecessor licensing of a software. The old way of doing things, acts as the comparison point on which the new benefits are perceived on. In the perpetual licensing model - "the old way of doing things" - the model includes a big one-off payment in the beginning when the software is installed and then irregular smaller payments re-

garding the future upgrades for new features and modifications (Choudhary, 2007). As discussed earlier, in the licensing of the software one installs the software in their own hardware and datacenters, leaving the buyer responsible for the maintenance, proper usage and upkeeping of the software that has been acquired (Waters, 2005). This is in many ways the exact opposite of software-as-a-service, where the updates are occurring in smaller batches rather than one big update (Dubey & Wagle, 2007) and they are usually included in the price (Waters, 2005).

According to Waters (2005), the need for the software-as-a-service rouse from the customers' unwillingness to make big capital investments in the beginning. Especially because large IT projects are very risky and present high failure rate (Choudhary, 2007), a software delivery model that has very low entry costs for the customer (Tyrväinen & Selin, 2011) is very much in their favor. In a way, acquiring the software-as-a-service is a method for the customer to mitigate their risks (Waters, 2005), because it is in the vendor's highest interest to ensure an undisturbed access to the software for the customer.

Choudhary (2007) presents predictable costs related to software-as-a-service as one of its key benefits. In an ideal scenario, the vendor is able to deliver according to the Service Level Agreement that was agreed on. Therefore, it is known in advance exactly how much has to be paid pay in order to have the software in use for a certain amount of time. In the licensing part, there are multiple plenty of hidden costs related to implementation, maintenance, and other unexpected occurrences in licensing of the software (Waters., 2005). An illustration of the cost structures of the two software delivery models are presented in the Figure 2.
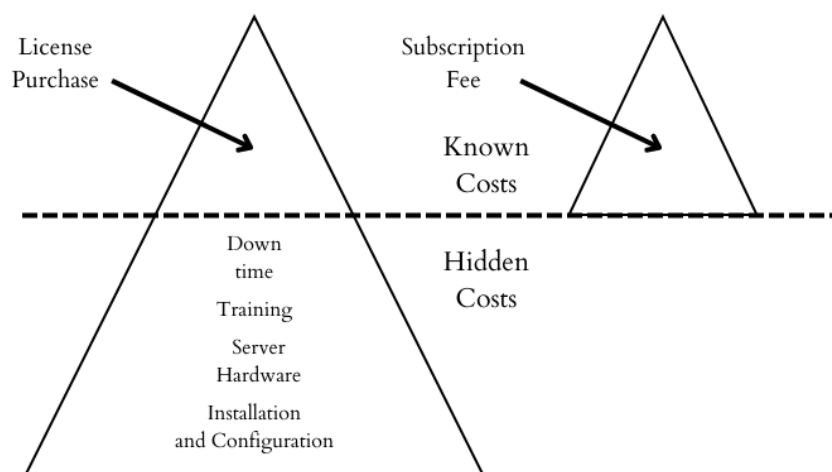
Figure 2. The known and hidden costs related to the software delivery models (Waters, 2005).

The view of costs presented with the software-as-a-service model does not fully apply, since there are some "hidden" costs in software-as-a-service as well. Mangiuc (2011) point out that in addition to the subscription fee there is usually some costs related to security, support, and additional services that customer might acquire. Still, the main idea of the difference between the cost structures is accurate.

Implementation time is very different between the two models. In the licensing model the implementation is done on the hardware of the customer, which can be a very time-consuming and heavy process (Waters, 2005). Mäkilä et al. (2010) state that not having to integrate the software to customer's processes is one of the fundamentals of the IT delivery model. According to Waters (2005), some software-as-a-service applications can be turned on almost instantly, making the time between investment and the realization of benefits extremely short. Although, some software-as-a-service applications might need integrations. Even in these cases the vendor is responsible for the implementation, so they can use their already gained experience on the process and make the process efficient and smooth for the customer (Sukow et al. 2013).

Due to the nature of the implementation and the fact that there are no big capital investments in the beginning, the customer has a possibility to switch providers, if they fail to perform (Dubey & Wagle, 2007). This increases the bargaining power of the customer and investments made to the product development by the vendor, since the main goal is to keep the existing customers happy (Choudhary, 2007). Sukow et al. (2013) points out that with the software-as-a-service it is easy to follow how the customer is using the software and improve the customer experience with the customers, especially because modifications made to the code benefit the whole customer base. The key benefits of software-as-a-service applications presented in this subchapter are gathered in Table 2.

Table 2. Benefits of Software-as-a-Service Applications

Recurring smaller payments
Upgrades included
Low entry-cost
Mitigation of risks
Predictable costs
Easy to implement
Possibility to switch providers

At its finest software-as-a-service benefit significantly both parties involved. It is a compelling business for the vendor and gives a reliable access to an up-to date software for the customer. It is an option to consider for the vendor and the customer as well.

3. SALES AND SALES METHODOLOGIES

3.1   Sales in B2B-Markets

Konrath (2012) states that getting a sale is an outcome, not a goal. The statement refers to the fact that the salesperson should not proceed in the sales process with just the possible sale in their sight, because then many important things and nuances will go unnoticed. Konrath (2012) also describes sales as a flow of doing numerous things right, starting from the identifying a potential prospect all the way to finalizing the deal. Martinsuo et al. (2016) remark that the needs of B2B-customers tend to be very complicated, which has a major effect on the flow of the sales process. When this is the case, the sales process tends to get very long, complex and require co-operation from both parties (Andersson et al. 2018). The customers need to be respected and heard, in order for the sales process to result in a sale eventually.

Sales have changed tremendously from the 90s and the change has been especially accelerated by: World Wide Web, advanced multichannel sales strategies, greatly improved telecommunications, and productivity tools (Eades, 2003). Moncrief (2017) agree on the impact of technological advancements to changes in the sales climate and add globalization to the list as well. Also, the attitudes towards sales have also shifted. Konrath (2012) points out that the "always be closing"-mentality is not anymore fashion and clever objection handling will insult the prospect if done too harshly. Aggressive approach does not work anymore. The prospect wants to get information and assistance when they need it and from the source they want to use it at that current moment.

Baumgartner et al. (2016) suggests that customers that use multiple channels for purchasing goods and services tend to spend more. At the same time, the customer is better served, and the relationship deepens. In accordance, Moncrief (2017) emphasizes that sales is a mutual effort from the organization and not just a responsibility of the salesperson. Baumgartner et al. (2016) highlight the importance of effective multichannel and lists four virtues to pay attention to when choosing multichannel strategy:

1. Blend remote sales and field sales together

2. Integrate online and offline purchasing to the business

3. Orchestrate direct and indirect channels selling channels

4. Bring service channels into the fold

The four principles address the main areas of doing sales: how the customer should be reached out to, how they can place an order, what the partner network looks like, and how are services related to the sales process. Moncrief (2017) explains, to thrive in the business landscape, one's day-today selling strategies have to reflect to the selling climate that prevails in their business. The four virtues have to align based on what serves the potential customers the best. Questions to be considered when choosing multichannel strategy can be for example:

1. Which prospects I am visiting onsite and at what stage of the sales process?

2. What products and/or services are to be ordered online and what not?

3. Which part of my offering I am selling in-house and what is then outsourced to be sold by partners?

4. How are up-sales arranged in the service phase?

The technological advancements have changed the sales climate significantly as discussed earlier. London & Lucas (2012) raise the availability of the information for the potential customers as one of the key phenomena in the new sales climate. Andersson et al. (2018) even argue that the information is so well available on the Internet, that the majority of buying companies make initial contacts to the vendors when it suits them the best, since they do not want to be disturbed by salespeople knocking on their doors. There definitely need and space for outreach from the salespeople, even though the tone of the discussion sometimes suggests outreach to be irrelevant.

In the new sales climate, companies are attracting more and more potential customers to their website by providing relevant content and information for them, creating so-called inbound traffic (Miller, 2015). This way, the vendor is creating a positive image regarding themselves in the potential customers' eyes. Nowadays, companies are increasingly relying on the inbound traffic bringing them new sales, so they are creating relevant content for the customers regarding their areas of business in order to gain positive traction towards them (Andersson et al., 2018). By creating relevant content, the potential customer will use the vendor's materials when doing their research, making them more aware vendor's offering, and giving them a professional image of the company. London and Lucas (2012) state that one of the major shifts in the sales climate is the need for a salesperson

to become a trusted advisor and a subject matter expert, on which the potential customer can rely on solving their business problems.

New tools that have been invented due to technological advancements have become essential part of the selling process. Andersson et al (2018) name CRM-systems and new methods for delivering content like webinars, blogs and social media as the most significant novelties for boosting sales in the B2B-environment. CRM-system is at its best an extremely valuable database of all of the interactions with the existing and potential customers that can be later on used for more efficient actions when doing sales (London & Lucas, 2012). Companies operating in global markets have especially benefitted from the development of communications tools. Video conferences over different platforms have become everyday life for companies (London & Lucas, 2012) making the distances between companies even less significant and doing business more efficient. The technological advancements are not only focusing on more efficient methods for doing sales, but the more advanced systems to procure products and services, and platforms to source vendor's from (Andersson et al., 2018).

3.2   Different Sales Processes and Shifting Buyer Concerns

It is a very long journey that the vendor goes through with the customer from making the initial contact all the way to closing a deal. This journey is called the sales process and it has multiple different phases in it. Kotler & Armstrong (2020) propose that the following eight-phases presented in the Figure 3 are required for building and maintaining profitable customer relationships.
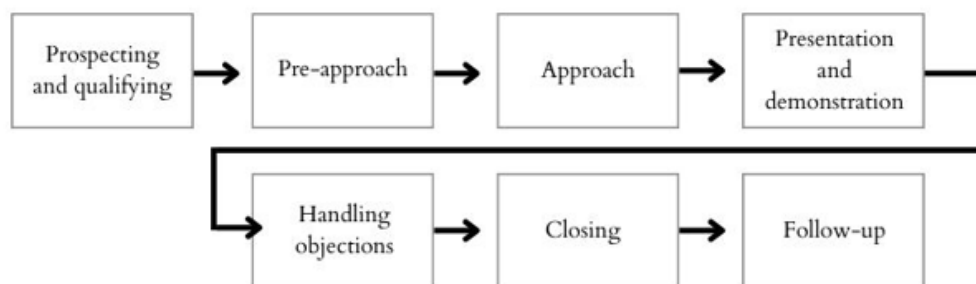
Figure 3. Sales Process (Kotler & Armstrong, 2020)

Often times it is forgotten that the first few steps of the sales process are actually as important – if not even more important – phases as the rest of them. In the prospecting phase potential qualified customers are identified that could receive the highest customer value from the offering (Kotler & Armstrong, 2020). By doing so, the vendor is building

up their sales pipeline. The pre-approach on the other hand does not mean preliminary messaging for the identified prospect. In the pre-approach phase, the vendor is conducting research regarding the prospect and deciding on the best tactic for moving the business case forward (Kotler & Armstrong, 2020). When doing so, the messaging in the approach phase is more efficient and convincing, making the possible transfer from the one phase to the next one more likely.

The four phases from approach onwards are the ones that one would consider "doing sales". Being in the customer interface, having presentations, negotiating, and closing. A very important thing to notice is that the sales process does not actually end to the closing part, but still requires follow-up from the vendor. For providing excellent customer experience the vendor should give proper instructions and details after the closing and agree on a follow-up call for ensuring everything is proceeding as it should (Kotler & Armstrong, 2020). The salesperson can also hand out the customer case to another function and continue the sales process with other potential customers and start the process again with new prospects.

The framework proposed by Kotler and Armstrong is highly relevant and has the important phases that are related to sales. London & Lucas (2012) present a sales process of their own for B2B sales. They have also added a forecasting aspect to their model. The closing probability considers how probable it is to close a case in each of the phases. This of course requires thorough assessment and honesty from the sales person when analyzing in which phase of the sales process the case is are there realistic chances of winning the case. The framework is presented in the Figure 4.

1. Identify territory	2. Prospect	3. Discover, qualify and influence	4. Confirm fit and decide to engage	5. Propose and/or demonstrate	6. Work strategy	7. Negotiate	8. Close
Objective of the sales rep							
Research territory and generate leads.	Prepare and contact prospect. Obtain 1st meeting.	Establish mutual interest. Understand business problems etc.	Evaluate if you should engage or not.	Providing formal proposal and/or demo of the offering.	Execute agreed-upon tactics to win the deal.	Formalize verbal and written commintments	Compelete deal contract.
0% Closing propability		20%	50%	60%	80%	90%	100%

Figure 4. Sales Process (London & Lucas, 2012)

The framework presented by London & Lucas (2012) emphasizes well that the actual decision on the qualification of the case occurs after multiple steps. In the prospecting phase there is a very limited amount of information available from the prospect, so the first two steps mainly gather a wider audience of potential customers to the sales pipeline. This pool is then narrowed down by having meetings and really understanding the

business problems and decision criteria of the customer. Eventually it is possible to decide with more certainty that is there a business case for both parties. A key thing that is missing from this framework is the follow-up phase, which is present in the previous one by Kotler & Armstrong. By combining the two, a following sales process framework is created and presented in the Figure 5.

1. Identify territory	2. Prospect	3. Discover, qualify and influence	4. Confirm fit and decide to engage	5. Propose and/or demonstrate	6. Work strategy	7. Negotiate	8. Close	9. Followup
Objective of the sales rep								
Research territory and generate leads.	Prepare and contact prospect. Obtain 1st meeting.	Establish mutual interest. Understand business problems etc.	Evaluate if you should engage or not.	Providing formal proposal and/or demo of the offering.	Execute agreed-upon tactics to win the deal.	Formalize verbal and written commitments	Complete deal contract.	Ensuring smooth transition from contract to business,
0% Closing propability		20%	50%	60%	80%	90%	100%	Business case for upsales!

Figure 5, *Sales Process Modified*

Martinsuo et al. (2016) point out that in B2B-markets the vendor-customer relationships tend to be very strong. By extending the framework with one extra step it emphasizes the fact that the sales process is not a transaction but more of a collaboration, where the sales person takes care of the customer's needs also after closing. In a more stereotypical view to sales, the salesperson would just make the sale and move on to the next case. The combined frameworks had a lot in common. The Kotler & Armstrong (2020) one brough the follow-up aspect to the entity and the one by London & Lucas (2012) the forecasting aspect.

3.3   Sales Methodology Definition

Sales methodology and sales process are both needed in a sales function. One is not meant to replace the other but rather work in harmony. Taking the definition all the way to a process and methodology level, the difference is in evident. Davenport (1993) defines process as a structured and measured set of activities that is meant to produce a specific output during its time. In other words, it is a chain of steps that is undertaken to proceed from state A to state B. In sales process the state A being identifying territory and relevant leads and state B being closing sale and maintaining the customer relationship.

Saunders et al. (2016) states that in research context, methodology refers to the theory of 'how' research should be undertaken. When process defines what to do, the methodology part then answers to the question how it is done. It can also be concluded from the word as well that methodology includes the different methods that are utilized during the

process. At this point, it must be emphasized again that a company should have its sales process and sales methodology in place simultaneously.

The purpose is the same when taking the definition of methodology to a sales context. Eades (2003) – the author of Solution Selling – defines sales methodology as a philosophy on how to approach sales. The methodology answers to more profound question than just what to do. Hanan (2003) raises as an example of sales methodology that when prospect asks the same question from multiple different salespersons they provide the same compelling reason to buy for them. Sales methodology unifies the opinions and tactics of the sale unit, making the processes and communication towards the prospect more coherent. By proper utilization of a sales methodology, every salesperson does not have to seperately come up with the best practices on how to sell. In the best case scenario, it is defined what are the most effective methods in each of the steps of the sales process and they are executed accordingly. To conclude how sales methodology is seen in this research…

A sales methodology includes the different methods and tools used combined with the attitudes and mentality taught for the sales organization in order to proceed in the sales process.

3.4   Brief Introductions to Different Sales Methodologies

3.4.1   The New Solution Selling

Solution selling is one of the oldest sales methodologies in the business world. The first version of solution selling prevailed already in 1975 by Frank Watts but the methodology has been then remodified many times. Whenever there has been a need for remodification due to for example a drastic change in the business market a new one has emerged. Keith Eades (2003) has made one of the most recent and extensive books on the matter called "The New Solution Selling", which is the base for the sales methodology in this research.

There is always discussion regarding products, services and solutions but their definitions may vary. Eades defines solution as a mutually shared answer to a recognized problem, which brings in measurable results. The definition addresses three key dimensions of a solution: recognized problem the solution addresses, co-operation between vendor and customer in the process, and helping customers solve their business problems and achieve positive, measurable results.

According to Eades, the fundamental principles of solution selling is that the sales person has to communicate a convincing concept of value in every step of the selling process. This is possible by mastering the four dimensions of a concept called Situational Fluency. The dimensions are people skills, selling skills, capability knowledge and situational knowledge. By having all four dimensions under control the sales person can be seen as a credible, trustworthy, sincere and competent partner to do business with.

The cornerstone of the whole sales methodology is the Solution Selling Flow Chart. According to Eades, the flow chart can be used for qualification of sales cases, determining the next-step selling activities, and predicting revenue attainment on an opportunity-level. In brief, the flow chart brings much needed clarity and standardization to the sales process, which is needed in order for the sales person to be effective. The Solution Selling Flow Chart is presented in the Figure 6.
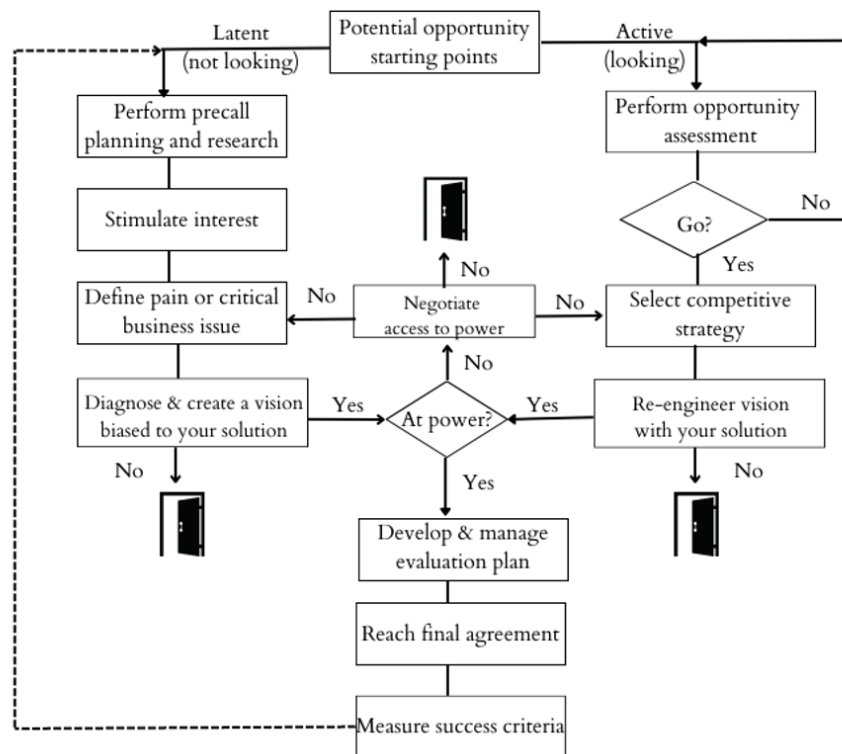
Figure 6. *Solution Selling Model (Eades, 2003)*

The foundation of the selling process is that there has to be a reason to buy for the process to start. Eades (2003) defines one of the principles of Solution Selling to be, if there is no pain there is no change. First step of the flow chart divides the cases into those that are actively looking for solution (inbound) and to cases that are not actively looking (outbound) for a solution. The different flows indicate the differentiating strategies that are related to inbound and outbound cases and the fact that they should be approached very differently. In the inbound-branch it is the salesperson's resposibility to

decide if there is an opportunity, ergo a pain that could be solved. If not, then the case must be dismissed. In the outbound-branch it is the salesperson who reaches out, stimulates for interest and tries to define the pain points through discussion.

Another principle of Solution Selling is diagnosing before prescribing. By mapping out the pain points customer is facing, one can prescribe their solution as the cure. In the diagnosing and re-engineering phase is the first mutual point of possibly qualifying out of the case. Qualifying out is one of the most important aspects of Solution Selling. If the sales person does not manage to create a compelling vision for the customer or re-engineer the idea of the possible solution, they must admit that sale is not most likely going to go through and start to look for new opportunities. If the vision has been created or re-engineered successfully there is another point of time, where one must assess does this particular person have the power to make purchasing decisions in the company. One of the principles in Solution Selling is that one can not sell to someone who can not buy. If the person does not have the access, the salesperson must realign their strategy and re-engineer the vision of the solution for the customer until they gain the access to the correct stakeholder or disqualify the case if it is not possible.

If the sales person has managed to gain access to power and they mutually agree on the problems company has and the solution that answers to the problem, they will develop collaboratively a structured evaluation plan. This way it is clear for both parties that how is the project going and how its success should be evaluated. According to Eades, if one has managed to proceed to this part of the flow chart, they have acquired the five things needed for making a sales, which are…

Pain: has the customer admitted pain?

Power: does the buyer have the authority to make buying decision?

Vision: does the buyer share the salesperson's vision of a solution?

Value: is there a compelling in the proposed solution that buyer concurs?

Control: is the salesperson able to extert elements of control over the buying process?

Pain x Power x Vision x Value x Pain = SALE

3.4.2 SNAP Selling

As discussed earlier, many of the sales methodologies emerge when the market dynamics change. The SNAP Selling by Jill Konrath (2012) answers to the new dynamic market atmosphere, where one has to stay relevant at all times or the prospects are dismissive. In the heart of the sales methodology are the typical buying persons of today and the four SNAP rules related to sales. Konrath points out that people are nowadays suffering from a frazzled customer syndrome. The syndrome is cause by the hecticness of the business-world because there is always too little time and too many options to analyze when making an investment. The typical symptoms for the syndrome are:

- **"Net it out" mentality**, one has to get into the bottom-line right away or the customer becomes dismissive

- **Customer is easily distracted** due to short attention spans

- **They are forgetful** because they are moving quickly from task to task

- **Customers are demanding,** they want their needs to be fulfilled extremely well but are not ready to make a lot of effort themselves

- **"Analysis Paralysis"** occurs when the customer faces lot of change and multiple acceptable options but lack the time for thorough research and analysis

- **Withdrawal from contact,** when the customer is buried under other priorities, they don't have any updates, or they have bad news they go silent altogether

If one's typical customer suffers from these symptoms it is increasingly difficult to survive, let alone thrive in the market. In order to deal with these kinds of customers, Konrath came up with the four SNAP Rules that has to be followed in order to be successful. The rules must be considered at all times when interacting with the customer or preparing material for them before a meeting.

The first rule of the four is keeping it **Simple**. According to Konrath (2012), one's ability to eliminate complexity from the prospect's decision-making process will improve the chances for sales success. Konrath (2012) points out also that the level of complexity and additional work that accepting the offering brings to the customer's life will impact the buying decision significantly. For example, if the value proposition of the offering is communicated in a way that the customer does not understand it or non-relevant features

are offered, it makes the wholeness more complicated and therefore less probable for the customer to accept it.

Second rule is being **iNvaluable**. Konrath (2012) says that in the world of similar products and services the value that the salesperson brings to the equation has an important difference. This is the point where the salesperson has to sell themselves with the offering. Especially in the cases, where the performance is equal in the market, the salesperson alone can be the differentiating factor by providing superior customer experience in the sales process. Konrath (2012) points out that people want to work with smart and savvy people who bring them new ideas and insights.

Third rule is staying **Aligned** at all times. According to Konrath (2012), the offering and the sales pitch presented for the customers with their objectives, needs, and issues. Anything that is not aligned with these three is not relevant for the customer, thus making the process more complex and creating undesired confusion. As explained by Konrath (2012) using proof resources that does resonate with the prospect, knowing little about their business and presenting values that are not in sync are one of the main reasons for not moving forward in the sales process.

Last rule is being on a **Priority**-list for the customer. Konrath (2012) says that the prospect cannot deem the services as non-urgent. Nobody can't deny the importance of the customer seeing you as a priority but this the rule that one can sometimes have the least impact on. The salesperson should consider this rule when choosing on which cases to focus on (Konrath, 2012).

Konrath (2012) introduces concept of D-Zone and GO Zone. According to Konrath, the prospect assesses the sales efforts constantly based on the four SNAP-rules. Every single interaction is evaluated and eventually it is decided on which one of the zones one is on. The zones are illustrated below in Figure 7.
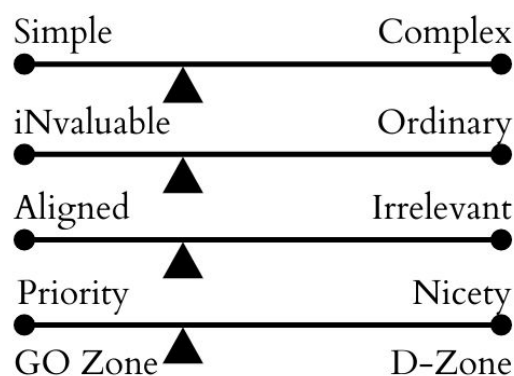
Figure 7. SNAP Selling factors (Konrath, 2012)

If one is put into to the D-Zone in any of the rules, the prospect will put the potential project on hold. Konrath (2012) explains that when planning on any of the interactions with the customers one must consider each of the four rules, because making fewer quality contacts bring better results rather than trusting on the "numbers game". If one manages to stay at the GO Zone at all times, the chances of making a sale increase tremendously.

3.4.3 SPIN Selling

SPIN Selling by Neil Rackham (1988) is one of the first – if not the first – sales methodology that focuses on enterprise sales. The methodology is based on a multi-million study that researched 35 000 sales calls over 12 years and picked up the best practices from them. The basis of the methodology is very simple, the customer needs to have a clear understanding of their own problems, which then ultimately creates the need to buy (Rackham, 1988).

According to Rackham (1988), a buyer can have implied and explicit needs. The needs are meant be discovered and then developed by the salesperson from the beginning of the sales process to closing. First, Implied needs are softer and indicate a lower-lever desire or dissatisfaction towards the current situation, which is not enough to justify a purchasing decision in enterprise sale. An example of an implied need could be "the data upload could be faster". Second, explicit needs on the other hand are strong wants and desires, which are needed in enterprise sales for justifying the purchase decision. An example could be "the data upload needs to be 50% faster".

The SPIN Model, which is the basis of the sales methodology, has three main components: questions by the salesperson, needs from the potential customers, and benefits received from solving a problem. Rackham introduces (1988) the model, which is meant to simplify often times complex sales processes and highlight parts of the sales process where one needs more development. The SPIN Model is illustrated in the Figure 8.
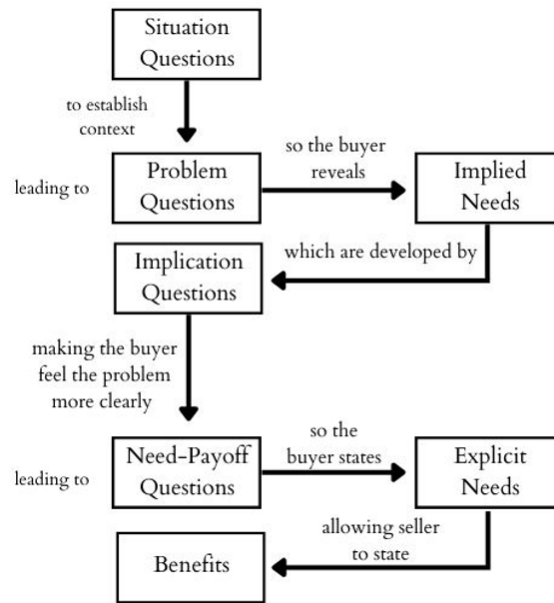
Figure 8. SPIN Model (Rackham, 1988)

Situation questions collect fact, information, and background data regarding the customer's existing situation (Rackham, 1988). This information is not in the heart of the sale but is needed though in the sales process for understanding of the prospect's business better. According to Rackham (1988), situation questions are usually overused by inexperienced people and will eventually bore the potential customer if asked too much.

Problem questions are meant to discover the Implied Needs, which are the problems, difficulties, or dissatisfactions that the prospect is facing in the current operations (Rackham, 1988). As said before, these Implied Needs have to be then developed from being minor problems into strong desires and it is done by asking Implication questions. Implication questions are meant to make the prospect understand the hidden consequences of the minor problem and connect it into multiple other problems it causes that the prospect does not necessarily perceive.

After the Implied Needs have been developed, it is time to present Need-Payoff Questions. These questions highlight the concrete benefits that the customer will receive from solving the needs discovered with the previous questions and gives much needed leverage for making the sale (Rackham, 1988). An example of a Need-Payoff Question and an answer could be: "how would it affect your business if your data upload time was reduced by 50%?" and the answer "it would allow us to cut the total cycle time with 12% and increase the delivery performance by 10%".

So, the salesperson's role in the SPIN Selling is to guide the conversation towards the leverage points that is needed for making the sale. Often times the potential customers are ready to admit minor difficulties but they do not understand the wider effects those

difficulties really have in their business. When doing enterprise sales, one must discover and develop the needs by asking the right questions at the right time, which is not an easy task.

3.4.4 MEDDICC

MEDDIC was originally created by Dick Dunkel and Jack Napoli back in 1996. Andy Whyte restructured the framework in collaboration with original inventors. An additional dimension was added to the original framework in 2020, creating the MEDDICC which is used in this research. For putting it briefly, MEDDICC is a qualification methodology for companies creating predictable revenues by more efficient resource allocation and increased forecasting accuracy (Whyte et al., 2020). Methodology is used for identifying the most probable cases for bringing in revenue and highlighting the cases that will only consume time, money, and resources from companies. MEDDICC is also part of the research even though it is considered to be a qualification methodology, since building a stable and effective pipeline is the cornerstone of creating revenue.

MEDDICC is a qualification methodology for enterprise sales, which is well known for its simplicity and depth because it can used across the organization (Whyte et al., 2020). The framework stands for seven dimensions that have to be inline, in order to close a sale. The seven dimensions of MEDDICC are the following:

- **M**etrics
- **E**conomic Buyer
- **D**ecision Criteria
- **D**ecision Process
- **I**mplicate the Pain
- **C**hampion
- **C**ompetition

Metrics is the first dimension, and it divides into two parts. First, the M1s - so called proof points - are used for convincing the customer of the value the solution provides with business outcomes that have been realized with existing customers (Whyte et al. 2020). These are useful especially in the beginning of the sales process for raising interest since

the claimed benefits of the solution can be backed up by realized results. Second, the M2s focuses on the potential business outcomes to be achieved in the prospect's organization on which the solution is evaluated especially in the later phases (Whyte et al. 2020). It is extremely important to be part of the creation of the M2s because they can be directed to the areas where one performs well. If they focus purely to areas which are weaknesses, qualify out.

Second, is the Economic Buyer. Whyte et al. (2020) define Economic Buyer as the person who has the overall authority on the purchasing decision. At the end of the sales process, it culminates to the point that is the economic buyer convinced of the value of the solution. Whyte et al. (2020) highlight that the Economic Buyer constantly evaluates the solution based on the three Cs: cost, completion, and confidence. For some clarification, three Cs are the total cost of the solution, time until the value of the solution is to be realized, and how confident people inside the buyer's company are around the solution. Whyte et al. (2020) explains that the Economic Buyer tests the stakeholders that are supporting the selection of one's solution and can at any point say no when others are saying yes.

Third, the Decision Criteria on which the solution is to be evaluated is also determined in the process. It is extremely important to be a part of the creation of the Decision Criteria, so they can be linked to the M2s of one's solution (Whyte et al., 2020). If some other provider is determining the Decision Criteria with the prospect, it is then evaluated based on the positive business outcomes that are favorable for them. According to Whyte et al. (2020), The Decision Criteria can relate to technical capabilities like integration possibilities, economic benefits such as the payback time of the solution, or relationship angle, where for example synergy benefits can be evaluated.

Fourth, the Decision Process includes the different milestones that are related to the prospect's buying decision. Whyte et al. (2020) points out that the steps must identified in the beginning and at every point one has to align their own activities with the prospect's decision process. Naturally, organizations have different steps if they are looking for differentiating capabilities from the solution and its provider. In most cases, there is some level of technical validation by for example conducting a RFP or POC, and business approval by assessing the commercial terms and impacts for qualifying the case (Whyte et al., 2020). One must strive at all times in proceeding to the next step in the process.

Fifth, Implicating the Pain is one of the bases in sales. According to Whyte et al. (2020), the pain in the prospect's process must be Identified through discussion, then Implicated

to the prospect by quantifying the cost of the pain in their processes, and lastly Implicating it the person who is affected by it, so they can feel the negative effects the issue has in their process. Moving to the latter stage of the dimension is the goal, but it can be a difficult process to do. A very important factor is to find the right persons that are feeling most of the pain but are still close to the decision-making authority, ergo it is possible to move forward with the deal.

Sixth, Champion is the key person from the prospect's organization for the salesperson. They have power, influence and credibility in the prospect's organization and most importantly are the ones who support one's solution and are selling the idea of implementing it to other stakeholders (Whyte et al. 2020). This is a very important aspect since the enterprise deals can be very complex. The solutions are evaluated in many meetings in the prospect's organization and there has to be someone to defend the solution proposed. Whyte et al. (2020) highlight the importance of coaching and mentoring the champion because the Economic Buyer and other stakeholders will test the Champion and her/his beliefs. Especially in enterprise sales, not having a champion is a very heavy reason for qualifying out from a case.

Lastly, the Competition is one of the major factors influencing sales success. Whyte et al. (2020) point out that the competition can be a rival vendor, but also any person or initiative that is competing for the budget available. There are multiple reasons for the budget to be delayed, transferred, or cancelled and often times they are detached from one's own performance. This is in many cases a battle between the Champions, so it is extremely important to prepare them well (Whyte et al. 2020).

Succeeding in enterprise sales is a very complicated process. As one can see, there are multiple factors related to the success and the success requires a lot of careful planning, preparation, and analysis. With the MEDDICC one can assess the strengths and weaknesses of the on-going cases and plan accordingly on which the invest valuable time and resources.

3.5   Most Relevant Methods Identified

Many of the methods presented in the sales methodologies are not some innovative new things that nobody has thought of. Because of this, it is assumed that companies are taking into consideration some of the methods that are presented in for example Solution Selling without declaring it as the official sales methodology of the business. It is also assumed that in many of the companies, a combination of methods is utilized in the sales

process. Methods and frameworks that are presented in this chapter and are in the researcher's opinion useful in increasing sales success are presented in Table 3. How the methods are addressed is later tested in the empirical part

Table 3. Most Relevant Methods and Frameworks from Chapter 3

Sales Process / Opportunity Framework
Identified Best Practices Shared in the Sales Organization
Qualification Methodology
Question Technique / Sales Mentality
Affecting the Decision-Making Process and Criteria
Financial Evidence of the Solution Impact

First, the sales / opportunity framework is a step-by-step illustration of the route that the prospect takes from the initial points of contact to the closing of the sale. Second, the identified best practices refer to different methods that has been proven to work in certain steps of the sales process. In other words, it discusses that are the best practices identified shared systematically in the organization which can be seen as creating an own sales methodology. Third, qualification methodology does not mean an ideal customer profile in this context. It refers that is there a methodology in place that is used for qualifying out from a sales case after it has been on-going for a while and decided to take in the first place as is advised in Solution Selling and MEDDIC.

Fourth, are companies really executing similar questioning techniques like in SPIN Selling and sales mentalities like Challenger Sale. Fifth, affecting the customer's decision-making process and criteria is emphasized a lot in MEDDIC and Solution Selling. It is interesting to see to what extent does the sales professionals see that it is possible to affect these. Lastly, Consultative Selling by Hanan (2003) claims that to be successful in sales one must present the financial impact that the solution will have in order to be convincing. The sales methodology was not presented in the chapter but was familiarized by the researcher.

4. SELLING SOFTWARE-AS-A-SERVICE

4.1 Selection Process and the Evaluation Criteria

When thinking about selling, often times one's thoughts circle around the salesperson and their processes. Naturally, when there are two parties involved the processes of both have impact on the outcome so the importance of knowing how the buyer buys should not be undermined. Eades (2003) lists the customer's buying process as one of the key elements in one's selling process, which emphasizes its importance well.

Purchasing in B2B-environment is known to be very complex and involve multiple stake-holders (Martinsuo et al. 2016). The bigger the project, usually more and more stake-holders are involved in the decision-making since the impact of the purchase extends in the organization. For clarifying this complex process, Srinivasa et al. (2020) have defined different steps that are taken by the prospect when evaluating software-as-a-service systems. The steps are illustrated in Figure 9.

Figure 9. Selection Process of Software-as-a-service System (Srinivasa et al. 2020)

The process starts when a need for a new system is recognized. In the planning and information search the content that is published on the websites of different vendors is utilized. Ercolani (2013) suggest that the premilinary research would be done without the participation of sales personnel by downloading the whitepapers and case studies available. Anderson et al. (2018) even suggest that companies often wish to make the initial contact by themselves. After these two phases, the salesperson also gets involved in the process and the more traditional selling part begins. In the pre-selection phase the buyer chooses few companies that could be potential providers of the system. Ercolani (2013) suggests creating an RFP-document for the evaluation phase. The answers are then evaluated and the preferred vendor is chosen, with whom the contract is then negotiated. Later on the vendor delivers the software and maintains it according to the contract.

The RFPs mentioned, can contain hundreds of rows and they tend to be very precise. Multiple different decision criteria have been defined in the literature on which the RFP

documents can be based on. Quality of the service (QoS) is naturally one of the most important aspects to consider when selecting a solution. Afify et al. (2013) propose the following criteria, for evaluating the QoS for software-as-a-service applications, which can be seen in Figure 10.
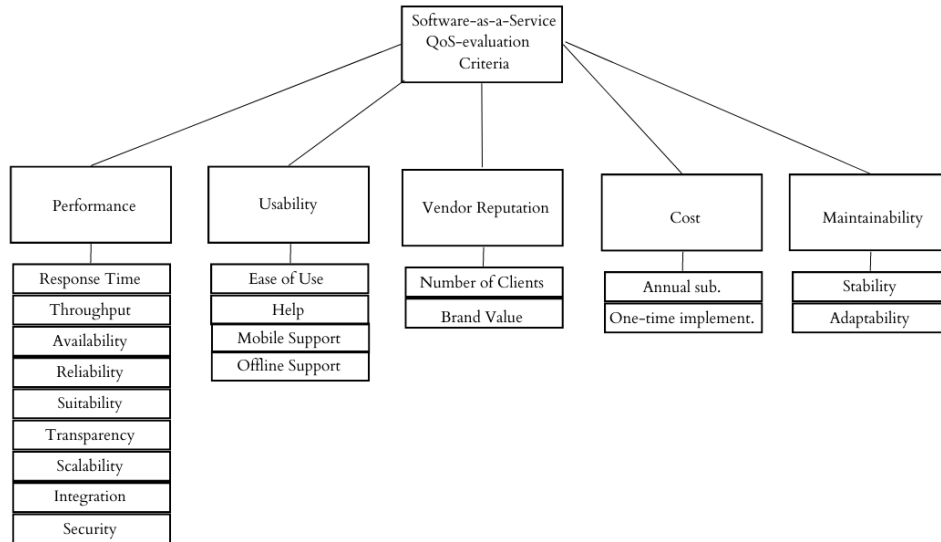
Figure 10. QoS-based Evaluation Criteria for Software-as-a-Service Applications (Afify et al. 2013)

In the overall quality, the hypernyms are performance of the solution, usability, maintainability, provider reputation, and cost. The performance side discusses many aspects such as response time and uptime of the solution, and throughput time of the activities. There are multiple attributes under performance like integrations, scalability, and security that could be under features or even its own hypernym. Maintainability considers the stability and customizability of the solution for the customer. Usability on the other hand is related to the ease of use with the solution and methods of receiving help if needed.

Godse & Mulik (2009) also recognize cost, vendor reputation, and usability as important hypernyms in the software-as-a-service selection process but two others as well. They propose a two-level criteria to be used in effective selection of software-as-a-service application pplications. The criteria is presented in Figure 11.
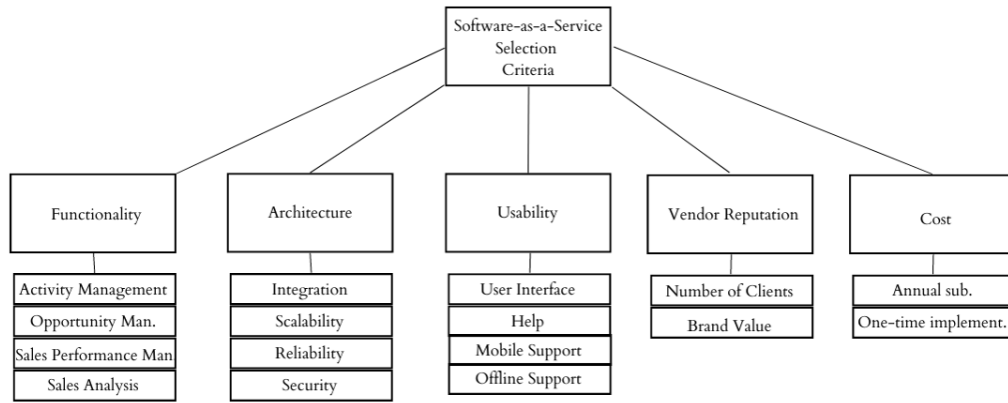
Figure 11. *Selection Criteria for Software-as-a-Service Applications (Godse & Mulik, 2009)*

In this criteria, the hypernyms are functionality, architecture, usability, vendor reputation, and cost. Functionality discusses the operational features that are desired from the solution and they may vary depending for what purpose the solution is planned to be purchased. The architecture of the solution describes how the solution is built and contains security measures and issues, possible integrations, scalability and reliability of the solution in the form of uptime achieved. Vendor reputation is taken into account for confirming that the promises given can also be delivered in the future and cost considers the economical aspect of the solution. The criteria presented by Godse & Mulik or Afify et al. does not discuss risk assessment or legal aspects on thorough basis. According to Benlian & Hess (2011), data security issues and contractual loopholes are the most significant risks that are related to the delivery of software-as-a-service. Tan et al. (2013) propose the following criteria for the selection that addresses these aspects deeper. The criteria is presented in Figure 12.
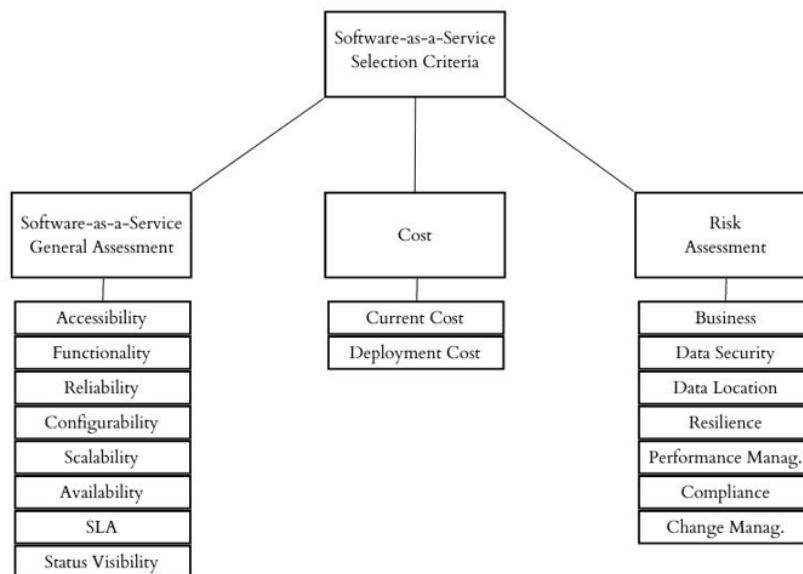
Figure 12. *Selection Criteria for Software-as-a-Service Applications (Tan et al. 2013)*

One can see from the sets of criteria presented that there are some differences on what are considered to be the most important hypernyms to consider. For example, where as Tan et al. (2013) has strong emphasis on the the total risk assessment and has security issues, the two others place security as only one small part of the total evaluation. Godse & Mulik (2009) and Afify et al. (2013) are more focusing on the actual performance of the solution, which is also very important. Scalability, reliability, vendor reputation, and usability is present in all of the criteria. The similarities identified in the three criteria and criteria that are relevant regarding the benefits and risks of software-as-a-service applications presented earlier in the research are combined to form a new criteria for the evaluation of software-as-a-service applications. The proposed criteria to be evaluated when selecting software-as-a-service applications is presented in Figure 13.
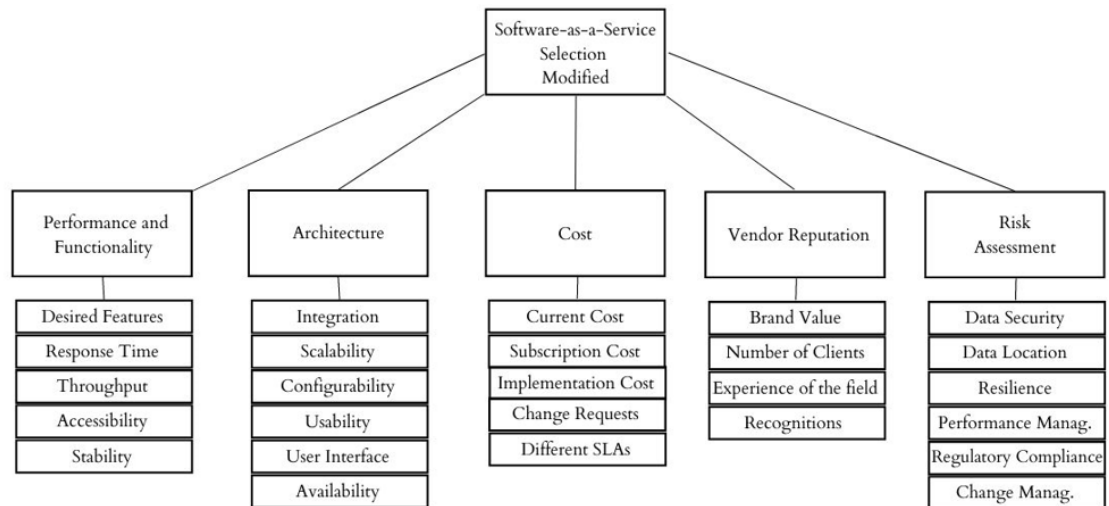
Figure 13. *Proposed Selection Criteria for Software-as-a-Service Applications*

With the presented criteria, one is able to receive a holistic view on is the solution com-patible for their use. It discusses its performance on an operational-level, fit for existing systems and future plans, total cost of ownership, the trustworthiness, and capabilities of the vendor, and last but not least the possible risks and overall risk-level of the deliv-ery. After the choice has been made using the criteria above, the process moves forward with only one vendor to negotiation then to acquisition and the process ends to mainte-nance of the software.

4.2   Connecting Sales and Selection of Software-as-a-Service

In the sales process, it is important to perceive in which part of the buying process the potential customer is. What is the most important criterion in the beginning can lose its significance over time. Eades (2003) demonstrates this phenomenon by his framework buyers' shifting concerns. He divides the buying process buying process into three major phases and presents four different dimensions that reflects what the prospect is most interested in during the process. The dimensions are needs from the solution, cost, being sure that this is the right solution for us, and risks related to making the investment. The framework is presented in Figure 14.
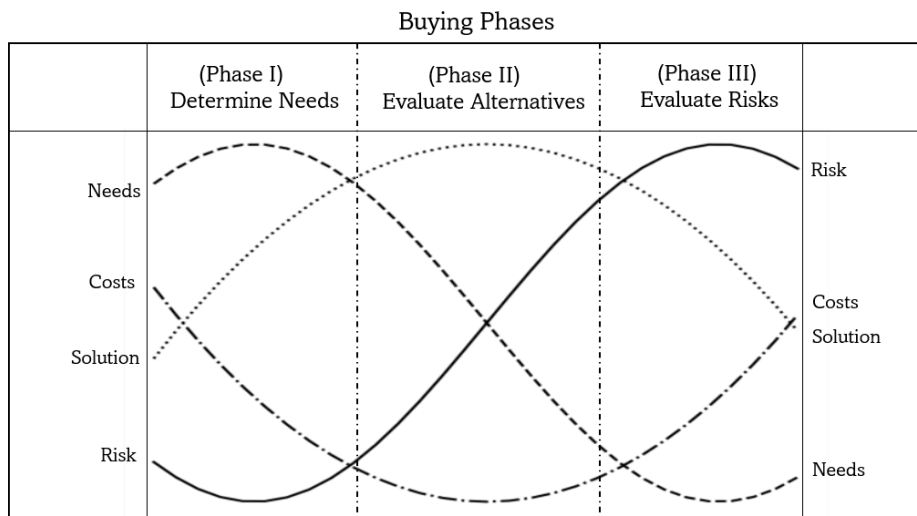
Figure 14. Buyer's Changing Concerns During Different Buying Phases (Eades 2003)

What is emphasized in the communications towards the prospect should shift over time. One should really internalize the buying process of the prospect and analyze are they currently at phase 1, 2, or 3. This affects the content and form of presentations had for the prospect and the material sent to them. The software-as-a-service evaluation criteria presented in the Figure 13 can be considered as different areas of the solution that is communicated to the prospect. In order for the salesperson to gain an optimal result of the selling process the themes communicated have to be in line with what is considered to be relevant in each of the phases.

For giving practical contribution for sales people in software-as-a-service business, the evaluation criteria proposed in the Figure 13 is combined with the shifting buying concerns. The idea is to propose different prioritization orders for the evaluation criteria (points of communications) in each of the buying phases. With the proposed prioritization orders sales people can analyze what should be emphasized the most and what the least in each of the buying phases. The framework is presented in Figure 15.

Buying Phases

	(Phase I) Determine Needs	(Phase II) Evaluate Alternatives	(Phase III) Evaluate Risks	
	Performance & Functionality Architecture Vendor Reputation Cost Risk Assessment	Vendor Reputation Architecture Performance & Functionality Risk Assessment Cost	Performance & Functionality Architecture Vendor Reputation Cost Risk Assessment	

Figure 15. Proposed Prioritization of Communication Points in Buying Process

In the Phase I of the buying process the prospect is determining their needs and mapping out what is needed from the software. In this point of time, the communication should focus on what the software can do for the customer and how it answers their needs. Its compatibility to the customer's IT infrastructure and adaptability to the possible changes in the future also has major effect in this phase. Cost and risk assessment are the least meaningful factors at this point. The prioritization does not mean that the factors would not be taken into account at all. If the cost of the software is two times bigger than the budget and the risks perceived seem significant already in the beginning, the option will be eliminated directly.

Once some number of suitable candidates has messaged sufficient level of performance, trustworthiness, and relevant architecture they are evaluated further in Phase II. Now the messaging is still focusing on the operational features of the software, but the vendor reputation rises to the most meaningful theme. Vendor's trustworthiness and credibility are the most important parts now. Ercolani (2013) suggest whitepapers and case studies of past customer successes as a method for boosting the vendor reputation.

In the Phase III different dimensions of risks and the total cost of ownership (TCO) are evaluated. Benlian & Hess (2011) list performance risks, strategic risks, and security risks among others as the most meaningful risks related to deployment of software-as-a-service. For example, one could consider the impacts if agreed performance level is not achieved, what are the effects of losing important IT skills to external provider, and

risks related to security breach on the vendor's side. Benlian & Hess (2011) also point out that the prospects tend to overestimate the TCO of the solution being acquired. It is why in phase III the financial calculations provided has to be very convincing so the project will not go on hold.

In order the communication to be efficient, the sales person must understand on what phase of the selection process the prospect is. Eades (2003) explain that there should not be any question whether the process has moved to the next step or not. Whyte et al. (2020) notify that in the best-case scenario the prospect even validates when one is moving forward in the selection process. When the salesperson has made sure that on which step of the selection process is the sales communications have to be aligned accordingly.

4.3 Key Characteristics of Sales in Service Business and Sales Methodologies

Selling software-as-a-service is not a topic that would have been researched significantly. The literature regarding software-as-a-service discusses different themes like adoption (Seethamraju, 2015; Kruja et al. 2019), implementation (Mero et al. 2022 ; Fithri et al. (2020), evaluation (Afify et al. 2013 ; Godse & Mulik 2009 ; Tan et al. 2013), and selection (Srinavasa et al. 2020 ; Tang & Liu, 2015) of different software-as-a-service applications. Even though providing software-as-a-service has become the most dominant delivery model of software as discussed, research is still to be made regarding its selling and describing the sales processes related to it.

For providing ideas that are to be tested later with the empirical research, literature regarding sales in service business is examined. Three areas of focus were identified that were present in selling services and sales methodologies. They are presented in Table 4.

Table 4. *Three Important Factors for Increasing Sales Success*

The Area of Focus	Aligning and Adapting One's Sales Process	Importance of Pre-analysis and Pre-Research	Internal Selling in the Prospect's Organization
References Discussing these	Viio & Grönroos (2016) Moncrief (2017) Eades (2003) Whyte et al. (2020)	Parvinen et al. (2013) LeMeunier-Fitzhugh (2011) London & Lucas (2012) Kotler & Armstrong (2020)	Panagopoulus et al. (2017) Whyte et al. (2020) Rackham (1988)

First, aligning and adapting the sales process with the prospect's buying process is meant to make flow of the process easier for both parties. Viio & Grönroos (2016) explain that properly aligning one's sales process with the prospect's buying process requires openness from the prospect's side. It should be in the best interest of the seller and the buyer to get the optimal result with as little resources as possible consumed during the whole cycle. It is also in the nature of service business and B2B-markets that the relationships tend to be strong and lengthy as stated earlier, so the withdrawal of information does not benefit anybody (Viio & Grönroos, 2016). Eades (2003) agrees with Viio & Grönroos on being there on the right time with the right resources for the prospect. An important aspect that Eades points out that one has to understand how the prospect desires to buy so enough resources will be available when they are needed.

Second, the research of Parvinen et al. (2013) confirmed that systematic and extensive preanalysis of prospect had strong benefits in the overall sales process when selling services like IT outsourcing. Le Meunier-Fitzhugh et al. (2011) highlight that knowledge regarding the prospects is central in the sales activities and overall knowledge of the potential customer can create competitive advantage for the vendor. The knowledge regarding the prospects is crucial since the aim is to initiate long-term business relationships that needs investments from both parties (Parvinen et al. 2013). The preanalysis relates to the fact that the vendor should also analyze who are the best clients for them. For example, some industries and type of companies can be acquired as customers but they consume vast amounts of resources during and after the sales process and still might result in short customership.

Third, the vendor should seek for an internal champion from the prospect's side who is backing up for the software when one is not present. Whyte et al. (2020) define the internal seller - or inner champion - as a person who has power, influence, and credibility in the prospect's organization. Rackham (1988) note that especially in enterprise sales there are constantly situations where one's offering is sold in the prospect's organization by these inner champions and that they are extremely crucial regarding sales success. Panagopoulus et al. (2017) point out that having close relations with a person from the buying side can allow access to very specialized information from the prospect's business, hence assisting in delivering and selling better solutions. So, the inner champion has big responsibility in realization of the sale. They do not only promote the solution in the internal meetings but also provide relevant insights and information for delivering more convincing value propositions.

These three characteristics are assumed to increase the chances of sales success significantly. In the empirical research phase, it is tested that does the experienced sales experts agree on these claims and how they are addressing them. Also, the software-as-a-service evaluation points and their communication priority is also researched.

5. METHODOLOGY

5.1 Case Study

Choosing the correct research method is essential for the research to be successful. Due to the nature of the research questions, the study was chosen to be conducted with a case study. Yin (2009) states that case study enables the study of contemporary organizational phenomena in a real-life setting with an in-depth holistic study of few or single cases, which applies well for studying selling software-as-a-service. Farquhar (2012) explains that one of the strengths of case study research is indeed the possibility to generate the researched insights based on how the phenomenon actually occurs in a given situation. This way, even complex phenomena can be observed carefully and analyze its true impacts.

Since the literature on selling software-as-a-service is close to being nonexistent the case study has an exploratory nature. According to Gummeson (1993), exploratory cases are especially suitable for areas which are not well known. Some known theory is attached to this unknown field and tested in the process. Hair et al. (2016) name identifying usage patterns and clarifying thinking as one of the key benefits of exploratory research which is very useful in doing this study.

Ketokivi & Choi (2014) explainsthat case studies can be used for three purposes: theory generation, theory testing, and theory elaboration. This studyis a theory testing case study, since the sales methodologies are researched as a theory and their practical implications are then studied in companies selling software-as-a-service. Since new theory is also created in the software-as-a-service by thorough literature review and combining suitable frameworks, the study is also a theory generation case study.

The study seeks to answer to question how to sell software-as-a-service and align one's sales activities accordingly. As one can probably point out, finding the absolute truth to this question is close to impossible, especially considering the resources available for the researcher. To achieve some depth to the research, it is conducted as a multiple case study, so it is possible to get multiple angles when researching the phenomenon. The rationale of using multiple cases focuses on whether the findings can be replicated on other cases (Saunders et al. 2016), which helps confirming some of the important findings when it is possible to analyze them in different cases as well.

5.2   Qualitative Research

Study was conducted as qualitative research. Hair et al. (2016) state that in qualitative research data is used to generate new ideas and theories. This way, the study strived to provide new insights on how to sell software-as-a-service. The main method in the research is qualitative interview. According to Gummeson (1993), qualitative interview is the most common method for generating data in a case study. With the interviews, the researcher was able to gain reliable and deep first-hand knowledge from the interviewees regarding their processes in selling software-as-a-service. Interviews are particularly helpful in gathering data when dealing with complex or sensitive issues (Hair et al. 2016).

A brief workshop was also utilized in the qualitative research during the interviews. Orngreen and Levinsen (2017) define workshop as an arrangement where people perform innovative problem-solving in relation to a domain-specific issue. The workshop was conducted for gaining data for the prioritization orders of different communication points in software-as-a-service selling process. The interviewees were tasked to arrange the attributes that software-as-a-service applications are evaluated on (present in Figure 13) and then place them to the communication order of their choice to the three buying phases (Figure 14) based on how they feel the buyers' concerns shift. The method was chosen since in dry runs with few colleagues the phenomenon was incredibly difficult to explain and understand without any visual assistance. Orngreen and Levinsen (2017) suggeststhat the workshop is meant to co-construct the research setting with both the participant and the facilitator adopt and adapt what is being discussed, studied, and learned.

5.3   Case Selection and Descriptions

The companies that were chosen were B2B software-as-a-service providers. Most of the companies interviewed were operating with annual subscription model and focusing on B2B enterprise deals. Two companies were also chosen to the interview whose majority of revenue was coming from smaller deals – still being thousands of euros and B2B – so the researcher could also analyze is the significance of sales methodology dependent on the size of the deal.

Industry that the case company is operating on was not an attribute that affected the decision. Majority of the companies had their headquarters in Finland. It was not a requirement but a mere coincidence since a person very close to the researcher was a well-known software-as-a-service entrepreneur in Finland and had access to a Chief-level (for example CEO or CSO) stakeholders in many Finland based companies.

First, Case A is one of the world's leading supply chain analytics providers. Case A is known for heavy expansion during its time which has been supported by efficient sales processes.

Second, Case B provides advertising optimization solution for its customers. Case B operates on global markets with heavy focus on Europe and US.

Third, Case C is one of the world's leading software-as-a-service companies and is known for innovativeness and ground-breaking strategies in the industry. Case C operates on global markets with customers ranging from small businesses to enterprises.

Fourth, Case D sells marketing solution that increases the conversion rates from website visitors. Case D gets most of its business from Finland but is expanding to international markets constantly.

Fifth, Case E specializes in contract management solution for small businesses to large enterprises. Case E gets most of its revenue from midmarket.

Lastly, Case F offers different solutions related to procurement processes and automation of procurement transactions. Case F also operates on global markets but have very heavy presence in the Nordics. These and some other relevant attributes are gathered in the Table 5.

Table 5. Case Descriptions

Case Company	Alpha	Beta	Gamma	Delta	Epsilon	Zeta
Industry	Supply Chain Optimization	Advertising Optimization	CRM System	Marketing Technologies	Procurement Process Automation	Contract Management
Revenue Bracket	>100M	>70M	>25B	>6M	>150M	>10M
Number of Employees	>1000	>600	>60 000	~100	>1200	>150

The differences between the industries and sizes of the case companies are seen to provide great depth for the study. What are the differences between the large and small companies is particularly interesting.

5.4 Interviews

5.4.1 Interview Method

A semi-structured interview was utilized in the study. In a semi-structured interview, the interview questions are put into a pre-established order and remain open-ended (Gummeson, 1993), so the interview remains to some extent informal. Saunders et al. (2016) r explain, that in semi-structured interviews, the order and logic of questions may vary, making the pre-established order an example structure for the interview. Focus on the different topics and even skipping the questions is one of the main characteristics of semi-structured interview (Busetto et al. 2020). Since the processes of the interviewees' companies were examinedpossibility to alter the interview structure, and open-ended-ness of the questions were crucial.

According to Saunders et al. (2016), semi-structured interview should be used when one desires the interviewees to build on and explain on their responses and lead the discussion to areas that are significant for the understanding and the study. Selling software-as-a-service has themes and concepts that's names, and definitions vary across companies, so the possibility to revise the answers and confirm that the interviewer and interviewee shared mutual understanding on the topics was important. Furter explanations and going into more detail on certain topics provided more depth to the data gained from the interviews.

Saunders et al. (2016) also highlight that a need to understand the reasons behind the decisions made and the underlying effects of the phenomena are reasons for one to choose semi-structured interviews. Before going into the interviews, the researcher had a feeling that the sales methodologies or some forms of them are always used in the companies, but they might be adopted just for the sake of adoption. Sales processes and sales methodologies are often brought up when discussing sales, so the researcher wanted to investigate further with the open-ended discussion how are they truly affecting the sales organizations.

5.4.2 Selection of Interviewees

The interviewees selected should have strong knowledge of the sales process by either executing it as a salesperson, participating in its development, or overseeing the other salespeople from managerial position. A person that would have also experience from

multiple software-as-a-service companies was preferred when making the selection. The desired positions for the interviewee can be some format of:

- (Enterprise) Sales Manager / Director / VP

- Sales Operations Manager / Director / VP

- Sales Enablement Manager / Director / VP

The title was not the most important factor in the decision. The researcher knows from personal experience that the wideness of the responsibilities that, for example, a Sales Director can have differ to significant extent based on the size of the company. Often bigger companies have more structure in their sales process. They have more resources to put in to the sales function, hence there are roles in Sales Operations and Sales Enablement that are only focusing on increasing the success of sales processes. For the sake of time difference, the interviewees were chosen from Europe even though some of the case companies have heavy presence in US markets. Short descriptions of the interviewees chosen are in Table 6.

Table 6. Interviewee Descriptions

Case Company	Date	Duration	Role of the Interviewee	Interviewee Description
Alpha	16.12.2022	51min	Sales Operations & Enablement Lead (~5 years domain experience)	The interviewee is leading the team that globally standardizes the sales processes and develops them even further.
Beta	20.12.2022	57min	Sales Director (~10 years domain experience)	The interviewee was in charge of the sales for Benelux area alone for many years. Due to the success achieved, the interviewee is director for two regions in the company.
Gamma	21.12.2022	60min	Senior Enterprise AE (+10 years domain experience)	The interviewee is highly experienced sales professional who has sold projects starting from tens of thousands to millions. The interviewee has strong knowledge and experience in the domain.
Delta	27.12.2022	1h 25min	Sales Country Lead & Partner (~15 years domain experience)	The interviewee has been in charge of the sales in Finnish market and has hit quota set by investors 18 months in a row. The interviewee trusts in standardizing sales processes and appreciates different frameworks.
Epsilon	28.12.2022	1h 5min	VP of Sales (~25 years of domain experience)	The most experienced interviewee has operated in different manager and director jobs for almost 25 years. The interviewee has strong experience in the software industry.
Zeta	5.1.2023	55min	Global Sales Director (~15 years domain experience)	The interviewee has developed an in-house sales methodology and provenly contributed to the sales success in the case company.

An ideal interviewee would have decade(s) of experience in the field. One thing that was though noted when scouting for interviewees was that, due to fast personnel changes, young age of people working sales in software-as-a-service, and the fact that often companies are relatively novel as well, it was difficult to find salespeople with a decade of

experience to interview. After a thorough search, interviewees were discovered that were fit and had the desired expertise in the business.

5.4.3 Conducting the Interviews

All of the interviews were pleasant for the interviewer and interviewees. Since the remote working has become the new norm, all of the interviews were held over Teams-call. The pandemic was accelerating again, which affected to this decision as well. All of the meetings were recorded with Microsoft Teamsfor making sure that something important did not go unnoticed. Recording of the interview allows the researcher to return to the data when they desire (Gummeson, 1993). The recording was highly important, becausesometimes important factors remained a bit unclear since there was a lot going on during the interview, so there was a possibility to return for these. One must also pay attention to the interviewee as well during the process and just only focus on making notes or the interviewee might feel neglected. The recordings were watched right after the interviews and the notes were complemented.

The interviews ranged from bit over 50 minutes to almost one and a half hours. Some of the interviews would have lasted for a very long time but interviewee had a hard stop. The interviewer also enhanced his skills during the interview process. The researcher became better at deepening to subjects, ergo the interviews could have lasted longer and longer when proceeding to the latter interviews. Especially two things were noted to affect the length of the interviews: does the person have strong experience in the domain and are they interested in the sales methodologies. The experience in the domain allowed the interviewees to reflect on the answers to real-life cases and examples, which provided significant amount of credibility during the process. The interest, on the other hand, reflected on deeper knowledge regarding the subject, hence providing often longer and more detailed answers.

Interview guides were sent beforehand after two interviews. Saunders et al. (2016) state that it is an effective method for raising the credibility of the research. The subjects discussed were very much based on the current processes of the companies and previous experiences, so it was really not seen as compulsory for a successful interview. Two of the interviews were held in English since they were not Finnish speaking persons but rest of them were held in Finnish.

For ensuring a pleasant atmosphere and building trust between the interviewer and interviewee a quick small talk took place in the beginning of the interviews (Hair et al., 2016). Having a serious and fast interview was not the purpose at any point and it does

not suit the personality of the researcher nor support a pleasant experience for both parties. The interview structure was divided into four entities:

- Gathering background information

- Are the interviewees familiar with the sales methodologies (RQ1)

- How are the methods presented in sales methodologies taken into account in the companies (RQ2)

- Testing the created software-as-a-service theories presented in Chapter 4 (RQ3 & RQ4)

The interviews were moving through the four entities in this order always since it was the most logical path in the interview. Sometimes the interviewees provided answers in the beginning to questions that was supposed to be asked in the end, but mostly it followed the structure proposed. Some areas were observed more carefully if the interviewer got an idea that the subject is addressed particularly well by the interviewee and their company. Hair et al. (2016) defines this as probing, where the interviewer delves deeper into a response to identify possibly hidden reasons for a particular behaviour, which was very useful during the process. There was not a lot of issues or misunderstandings during the interview process. A few of the questions were slightly modified after the first two interviews. The key concepts should have been highlighted more in these questions and phrasing was changed, so it would not be misunderstood. Two questions were removed from the structure.

The workshop was executed in the beginning of fourth entity. It was the most difficult part in the interview and required thorough explanation from the researcher so it would be understood currently. In the workshop, the interviewees proposed a prioritization order of their own for the communication points of the solution. Similar like in Figure 15. They were explained the concept of Buyer's Shifting Concerns and then presented with the evaluation criteria proposed by the researcher in Figure 13. Then the interviewees arranged the communication points to a certain prioritization order for each of the three buying phases. It caused some stress in the interviewees but the use of their intuition was strongly emphasized so the process would speed up. Even though it was a bit difficult to understand, the researcher still thought it was the most interesting part of the interview because it engaged the interviewees also on a deeper level to the research.

5.4.4 Internal Validity

A key property of validity is the extent to which a measure captures what it is intended to measure (Connell et al. 2018). It seeks to answer are the research's findings reliable. According to Saunders et al. (2016), internal validity is established when one's research accurately demonstrates a causal relationship between two variables, meaning that the research results can be trusted and accepted as the truth. On the same note, Andrade (2018) says that internal validity examines whether the study design, conduct, and analysis answer the research questions without bias. Internal validity is also referred as credibility in some contexts (Saunders et al. 2016).

Multiple methods were used for improving the internal validity of the research. After the first two interviews, list of themes and questions that would be in the interview were sent. This way, the inteviewees could seek material if needed for answering the questions and think about the answers beforehand as well. All of the meetings were also recorded and transcribed so there would not be room for misunderstanding or hearing answers incorrectly.

Probing was used a lot in the interviews, which is an effective method for increasing the internal validity of the research (Saunders et al. 2016). Probing allowed also occasionally the researcher to confirm the thoughts and conclude what the interviewees were saying. It was very important since sometimes the answers were lengthy, so the interviewee was able to correct the researcher if the answer was interpreted incorrectly. Validity can be improved by letting the questions develop in the course of a research project (Gummeson, 1993), but after using the second iteration of the interview structure it was concluded that it serves the objectives of the research well.

5.4.5 External Validity

External validity – or in other words generalisability – refers to the degree where the results of a research can be generalized to another setting (Gheondea-Eladi, 2014; Saunders et al. 2016). The purpose of the research is not to define the right format of selling software-as-a-service and determine what is the single best sales methodology for doing it but to explore does case companies really use sales methodologies, how they are present, and give indication how to align one's selling efforts in software-as-a-service business. Thestudy is meant to provide ideas and some guidance for people that are reforming their sales function in a strategic manner and analyzing if they should adopt a sales methodology or not.

The study does provide some level of generalization regarding whether sales methodologies are useful in selling-software-as-a-service. When conducting cross-case analysis it is possible to discover a sales methodology that is widely used, but the researcher leaves the conclusion on which is the most efficient sales methodology in selling software-as-a-service as the readers responsibility. After all, the purpose of qualitative research is not to completely generalize the phenomenon researched (Gheondea-Eladi, 2014).

One thing also affecting the generalisability of the research is the sample size chosen into the research. Six different cases were chosen to the research. Gummeson (1993) points out that good judgement is needed from the researcher when deciding on what is the sufficient sample size for conducting the research. With the sample size chosen, the research is seen to provide strong indication regarding the results, still not being generalized truths.

5.4.6 Reliability

The reliability of a research refers to replication and consistency, meaning that if the research provides similar results when replicated again it is considered to be reliable (Saunders et al., 2016; Gummeson, 1993). There are always some questions related to is qualitative research reliable. It also depends on what stage of the research is replicated. If another researcher would be given the same topic to research and they would start from the literature review, most likely the research would be different for numerous reasons. Different articles and sales methodologies would be observed, hence making the interview and the theoretical framework totally different. But if the person would be assigned with the same theoretical framework and set of questions to the first interview as the researcher used, the key findings would be probably more or less the same.

One thing that affects heavily the reliability in the interviews is the probing where clarifying questions are asked on interesting topics. Gummeson (1993) highlights that personal paradigms and preunderstanding of the topics to be discussed affects the direction and flow of qualitative interviews. In the researcher's opinion, this does not affect the key findings on how to sell software-as-a-service but does affect some specific areas that are discusses more thoroughly, hence providing additional and interesting insights on these topics.

6. DISCUSSION

6.1 Importance of Sales Methodologies in Software-as-a-Service Sales

Sales methodologies are used in all of the case companies when selling software-as-a-service applications. Their role in selling and what methodologies are used varies between cases but still they are utilized in each one of them. Varying on how one defines sales methodology, four out of six sees it as a crucial part of sales success or all of them sees it crucial to succeeding in sales. If a sales methodology is only seen as something that is created by an external sales consultant and it has to be used as it is or with minor modifications, case companies Alpha, Beta, Gamma, and Epsilon sees it crucial. If this research's definition of a sales methodology is utilized that includes all of the mutually shared attitudes and tools in the sales organization then all of the case companies see it as crucial for sales success.

Sales methodologies are seen as effective tools to be used companywide for harmonizing selling processes. They provide multiple benefits for the salesperson as an individual and for the sales organization that is overseen by people in managerial positions. Two things were identified that has the highest emphasis on how useful the sales methodologies are seen.

First, the deal size – and hence the length of sales cycle – has a significant impact on the usefulness and importance of sales methodologies. It was noted that the bigger the deal and the longer the sales cycle the importance of utilizing a sales methodology rose. Interviewee Gamma currently sells CRM-systems, deals averaging 500 000 euros of recurring revenue and over, but Gamma has also sold everything ranging from a few thousands to the current deal size. A reference from him on the matter:

> "During my career selling anything from point solutions to transformation projects I've come to realize that the smaller the sales cycle, the less significant is the meaning of sales methodology in sales" (Gamma, Senior AE, 21.12.2022)

The companies Alpha, Gamma, and Epsilon gave the highest importance for the sales methodology, and they were the ones selling the biggest deals. Interviewee Beta sells medium-sized deals but personally did not give such high importance to the sales methodology. Then in the smaller deals - case companies Delta and Zeta - the methodology was not emphasized significantly but other tools were. In these case companies the most crucial part is seen to be different sales techniques and tactics like buying personality

model DISC and questioning technique SPIN model. The sales methodologies are used, but since the volume is much higher, there is a need for more precise structure. The investments made are smaller, hence the direction of the sale can be turned more easily. Interviewee Zeta stated:

> *"For the higher volume deals we are not so reliant on sales methodologies but for the bigger ones they are very crucial. In the smaller deals it is much more important to have a good and repeatable sales process." (Zeta, Global Sales Director, 5.1.2023)*

Second, if the utilization of the sales methodology is observed on a salesperson level, how experienced the salesperson consider themselves to be has an effect to the importance of sales methodology. Interviewees Beta, Delta, and Epsilon do not see the sales methodology as the most meaningful tool in their everyday work but highlight the importance sales methodology has for their subordinates. They said for example:

> *"Sales methodology is a structure to follow if one is a bit lost. Personally, I do not feel that I need the structure very much due to my experience in sales but it is great tool for assisting my subordinates (Beta, Sales Director, 20.12.2022)*

> *"You have to have the frames in sales but in the end it is a tool to be used. It depends on how a salesperson sees the tool and is able to utilize it in real-life. For new sales reps they are especially useful and for older they are good reminders from basic principles." (Epsilon, VP of Sales, 28.12.2022)*

> *"Sales methodology we are using is like twisting the iron for the sales person. If some person is not so experienced, with sales methodology they will succeed faster." (Delta, Country Sales Lead & Partner, 27.12.2022)*

Interviewee Gamma is one of the most experienced interviewees in the research and has gone through all of the sales methodologies at some point. Regardless of the experience, he sees the sales methodologies as very crucial, most likely due to the size and complexity of the deals sold. For him, they are a tool for learning new and they provide security when feeling unsure regarding the outcome of the project being delivered.

In all of the case companies, different sales methodologies have been tried. What unites all of the cases is that some modification of MEDDICC – meaning the sales methodology itself or MEDDPIC / MEDDPICC – is utilized or it is a part of the sales methodology mix that is utilized in the company. A modification of BANT was used in case companies Alpha, Gamma, and Zeta. This is another great example that the sales methodologies should not be just taken as they are but analyzed carefully and then tailored to ones' own needs and processes.

In case companies Alpha, Gamma, and Epsilon the mix of different sales methodologies was the most extensive. Big deals and long sales cycles are their uniting factors. The sales methodology of case company Alpha has developed during the years by trial and error. After time, the most effective combination of different methods, which can be seen as an in-house sales methodology, has been identified and documented. According to interviewee Gamma, their in-house methodology consists of different methods that are picked from multiple methodologies and proven-to-work in their business. Case company Epsilon has even hired external consultants for creating their in-house sales methodology.

As said before, case companies Delta and Zeta emphasize the importance of different sales tactics and techniques in their business. In line with this, interviewee Epsilon stated that the importance of sales methodology rises in their business when selling large projects versus smaller add-ons. In case companies Delta and Zeta, the sales methodologies were present but mainly consisted of different operational aspects on how to complete the sales process based on what has been proven to work and not so much on the ready-made frameworks.

When discussing the most crucial benefits that the sales methodologies have for case companies, few of them were very much in line between all of the interviews. First, sales methodologies are seen to provide structure for all of the case companies. As discussed earlier, sales in B2B-environment tends to be very complex and therefore it is the salesperson's responsibility to guide the process to a favorable direction. According to interviewee Beta, the structure is much needed in the sales process. Interviewee Delta agreed on the same note and stated, that with the structure in place, one does not have to reinvent the wheel but replicate what is identified to work. Interviewee Gamma explained that the sales methodology allows one to observe the sales case and its structure holistically without forgetting some important aspects of it. He explained that:

> *"The sales methodology does not allow you to go to your own locker and focus on what is meaningful and pleasant for you at the time. It structures the sales efforts in a way that you consider most - if not all - important factors that are needed in order to eventually close the deal." (Gamma, Senior AE, 21.12.2022)*

Second, the sales methodology works as a good checklist and reminder of important things for sales. This is partly related to the fact that all of the case companies are using some variation of MEDDICC, which is a qualification methodology that should be used on a continuous basis. For example, in case company Epsilon one has to use the MEDDPIC framework in each of the steps of the sales process before proceeding to the

next one, hence confirming that the relevant factors are included in the process. Different ways to utilize sales methodologies was also identified. In case company Gamma, the utilization interval of the sales methodology is more frequent leaning more towards to every 2-3 weeks. Although case company Epsilon noted that they have a separate extensive checklist that MEDDPIC is only a part of. An important note to still keep in mind by interviewee Epsilon:

> *"Maybe there is a correlation between remembering to do all of the things that are present in the checklist but getting the sale is still not guaranteed." (Epsilon, VP of Sales, 28.12.2022)*

Third, onboarding of new salespeople was seen as a crucial benefit in all of the cases. This is highly related to having forma,l structure in sales, which makes it easier to teach it for others – especially to ones that are joining from outside of the company. If they have some context that they can attach the information being taught it is more efficient to learn. As said before, the more experienced salespeople do not necessarily need the sales methodology that much. For the novel salespeople it is seemed more important, hence increasing the importance of having a sales methodology if a company is recruiting also more junior personnel. An example on this by interviewees Alpha and Beta:

> *"In the sales process it is well-known what are the different activities executed and/or information that is needed for the case to be successful and move forward, so these methods are trained to the personnel." (Alpha, Head of Sales Operations, 19.12.2022)*

> *"We have an academy that is utilized in the beginning and also as a continuous process for the existing salespeople. It is good to have something mandatory in the calendar, since salespeople tend to be very busy." (Beta, Sales Director, 20.12.2022)*

The sales methodologies have a lot of benefits in them. They are not meant to be only for closing more and faster. They provide important reminders for salespeople regardless of the experience, structure to the sales function, and have important role in onboarding of new sales representatives.

6.2   Studying the Methods Present in Sales Literature

In the literature review, the most important methods were picked up from the sales literature and different sales methodologies. Many of the methods that are present in the two sources can be very intuitive, so they might be utilized in the sales organization out of instinct. With the study, it is determined in how many of the cases they are utilized, in

what form and some cross-case analysis is performed between each of the entities. Analysis of how the methods were present in cases is in Table 7.

Table 7. *How the Different Methods Were Present in the Cases*

Key Methods that were tested	Case Alpha	Case Beta	Case Gamma	Case Delta	Case Epsilon	Case Zeta
1. Sales Process / Opportunity Framework	X	X	X	X	X	X
2. Identified Best Practices Attached to the Sales Process Framework	X	X	X	X	X	X
3. Qualification Methodology	X	X	X	X	X	X
4. Question Technique / Sales Mentality		X		X	X	X
5. Affecting the Decision-Making Process and Criteria	X	X	X	X	X	X
6. Financial Evidence of the Solution Impact	X		X	X	X	X

First, the sales process framework is utilized in all of the cases, although, the meaning of the sales process differs across the case companies. As stated earlier, case company Zeta has especially invested into the sales process framework. In case company Delta, it is also very much present in sales, and it is called sales playbook, which then differentiates all of the steps and digs in deeper to each one of them. It can be noticed that in the smaller sales cycle and deal size, the importance and significance of even a single method and/or action becomes more important. Another notable thing in the smaller cases is that, since cycle times are much faster and the frequency of the sales cases executed is higher, it is much easier to determine effective methods and accurate sales process framework.

Forecasting is heavily involved in the sales process / opportunity framework. Its importance increases in the companies Alpha, Beta, Gamma, and Epsilon which are selling bigger deals. The forecasting is done with the similar basic idea as presented in the Figure 5 in Chapter 3.2. The different steps of the sales process / opportunity framework have the probabilities as proposed in the study. Then the sales pipeline is weighted and

to-be-realized sales is forecasted to the future. This is very important since, with all of the case companies selling bigger deals the deals can be anything from six months to tens of months. In comparison, in smaller deals interviewee Zeta stated that in the mid-market more activity is directly correlated to increasing sales, ergo decreasing the importance of forecasting.

Naturally, because forecasting is very important, it is also very difficult. The case companies have always clear criteria that what is needed before the sales case can be moved one step forward. In case companies Gamma and Epsilon, the criteria is the most extensive and requires lot of precision from the salesperson. Interviewee Epsilon also highlighted that moving from step to other can even take year(s) and a case can be also put one step backwards if the criteria are not fulfilled anymore or the potential has cooled off. Filling up the criteria requires honesty from the salesperson. If one provides misleading expected sales, it gives better image of the person and their success but in reality does not give any benefits. Interviewee Alpha and Gamma explained well that their process includes personal judgement from the salesperson, but the sales cases are then reviewed with the manager. According to Alpha, their forecasting is very accurate and its main reason is the CRO's expertise in evaluating the tenability of the cases. Interviewee Alpha quoted the CRO as follows:

> *"Forecasting sales accurately is half science and half art." (Interviewee Alpha, Head of Sales Operations, 19.12.2022)*

Second, identifying the best practices and sharing it in the organization has been done to wide extent in companies. It has been discussed already to some extent, so the discussion will not go into details now, but few observations are discussed. The ability and effectiveness of identifying and sharing best practices was noticed to be dependent on the deal size, sales cycle time, and also the maturity of the sales organization. If the success has been good without doing so – like in case company Alpha – there has not been heavy reason to do so. Interviewee Alpha explained that, so far, they have not put high importance to documenting the best practices. They hire very experienced employees that have a lot of silent knowledge related to the sales process and the success has been good. Interviewee Beta, on the other hand, stated that their sales cases are so different every time that it is nearly impossible to standardize the process. The researcher believes that it is difficult but since case company Gamma and Epsilon have succeeded in the process with huge deals sold, it cannot be impossible. Of course, they have the most resources in the sales organization, which has effect to it as said before.

One more aspect that effects the standardization of the best practices is simply the mind-set and values of the person in charge of sales efforts. The interviewee Delta has succeeded to document extremely thoroughly their best practices, even though the company has doubled their revenue for many consecutive years and the sales organization has been growing constantly. Starting to do it at an early stage, makes the analysis and documentation a continuous habit. It is done automatically, and it does not create very heavy extra burden, since it is not started too late. Delta also highlighted an important factor in finding the best practices:

> *"One of our strengths has been the desire to try new things constantly and learn from them. We experiment on different methods and frameworks but shut down projects very fast if they do not yield result. Naturally, it is easier to change the direction of a small and dynamic company rather than a huge global business."*
> *(Interviewee Delta, Country Sales Lead & Partner, 27.12.2022)*

Third, as stated earlier all companies use a qualification methodology since they are using some modification of MEDDICC in their qualification processes. The idea in the methodology is to acquire all of the letters of the acronym to one's sales case. If one is not able to do it, then they should qualify out. It was also researched that does the case companies really qualify out of the cases. Qualifying of the cases was mainly taking place in the beginning of sales funnel. When questioned regarding qualifying out of cases, four of six interviewees understood at as pre-qualification. It was perhaps partly due to unclear phrasing from the researcher, but also because the qualifying out mid-case is not so common. Due to the nature of the software sold in case companies Beta and Zeta, the sales case is always taken until the go or no-go decision from the customer side if they make it past the initial screening. Qualifying out of the sales process was described by Alpha as follows:

> *"We are moving cases away in the beginning of sales pipeline in order to save the resources. For example, cases that has a consultant in between us and the customer are not optimal, hence not having the highest prioritization of resources."*
> *(Alpha, Head of Sales Operations, 19.12.2022)*

Of course, when the interviewees were asked on the importance of qualifying out mid-case it is considered important but perhaps not done that much. The initial screening is very precise in case companies Alpha, Gamma, and Epsilon, hence decreasing the need for qualifying out mid-case. Interviewee Alpha pointed out that with the cases that they have decided to take they have very high win rates. A lot of heavy reasons for qualifying

out mid-case were not discovered. Interviewee Delta pointed out the most important reason. He explained that they research on the prospect company's financials and latest news if they are for example laying off people heavily. This is an indication that investments could be put into hold. Interviewee Delta further explained that their total cost of acquiring and implementing the software to a customer is higher than a subscription fee of one year. This can also be in the initial screening phase but has been noticed in later stages, ergo they qualified out. When asked about qualifying out mid-case interviewee Gamma explained that he has been in a case where the evaluation process with the customer has lasted a year, and when the RFP comes, it is done on the terms of another provider and does not include what was discussed. Then Gamma put it perfectly:

> *"Everyone should have the guts to drop a case even though lot of resources have been invested to it. The ability to do it comes through experience and the capabilities to notice it increase over time. A salesperson should always remain true for themselves and not get hopes up if it is not relevant." (Interviewee Gamma, Senior AE, 22.12.2022)*

Fourth, regarding the questioning technique, one differentiation has to be made. A questioning technique in this research defines how one forms the questions. It is also a way to guide the conversation and ask certain type of questions that are not necessarily pre-established, the SPIN Model being a great example of this. A set of questions that should be asked in the meeting is then more an operational tool rather than a philosophy to how questioning should be done. The questioning technique can include a set of questions, but it is only a part of it. The sales mentality is included in the same subject since it is also a way to think about sales process and how to approach it.

The importance of proper questioning was agreed on among all the interviewees. Questioning and the discussion derived from it is one of the fundamentals in sales, so one cannot dismiss the importance of it. However, its cruciality was emphasized in case companies Beta, Delta, and Epsilon. They have put significant effort to figuring out the right questioning technique for them. Case company Beta utilizes Consultative Selling in their sales efforts. According to him, open-ended questions that encourage the prospect to take lot of responsibility in the discussions are much needed in their sales process. In a way, the salesperson can be seen to facilitate the discussion. The case company Delta has adopted the SPIN model as their questioning technique. A set of questions is attached to the sales playbook for each of the sales process steps. The questions follow the SPIN model, but it is also heavily advised to ask different ones that suit the certain situation. Case company Zeta has taken the questioning techniques the furthest. Interviewee Zeta stated:

"Questioning technique is very much used in the company. We have created an own questioning technique and it is constantly developed. It considers different personalities in the market and mixes multiple existing questioning techniques." (Interviewee Zeta, Global Sales Director, 5.1.2023)

As said before, in case company Gamma their in-house mix of sales methodologies includes a bit of everything so both sales mentality and questioning technique are present. They are not seen as the most crucial part of the sales process compared to utilization of MEDDPIC and the structured sales process. Interviewee Epsilon said that they had been using Challenger Sales, but its usage was later stopped. Case company Alpha did not utilize a questioning technique or a sales mentality as they are. However, they have a set of questions ready for the sales representative to ask in the discovery phase and are thanked by the customers for challenging their views during the sales process. This does not fulfill the criteria of doing it as a philosophy systematically.

Effecting the decision-making process and criteria increases the sales success significantly. There are two occasions where one can affect these. First occasion is before the vendor has been selected and the criteria for the selection is to be defined. In these cases, the salesperson has the possibility to affect the criteria and the process on which the final selection is based on. According to the interviewee Epsilon:

"The possibility to affect decision-making and criteria are at their highest when the customer is just mapping out the needs. In many of the companies they do not have the capabilities to come up with the RFP themselves, so they need assistance with it." (Interviewee Epsilon, VP of Sales, 28.12.2022)

Case companies Alpha, Gamma, and Epsilon especially agree on the importance of forming the customer's vision of the solution and the scope that the software will be delivered. They receive a lot of RFPs and agree that, if one's company receives a cold RFP it has to analyzed very heavily that should one proceed with it or not. As presented in the earlier example with Gamma, even though one has been part of the evaluation process for a year, the RFP still might be suitable for some other company. In these cases, one has not been able to influence the decision-making criteria sufficiently, ergo qualifying out is relevant.

Interviewee Delta explained that the possibilities to effect the decision-making criteria has decreased lately since there has been uncertainties in the market. He has noticed that even smaller decisions often go through the board, who are outside of the communication pool. It makes the affecting process much more difficult. Interviewees Alpha and Gamma also brough out the same phenomenon. For interviewee Delta the optimal time

to affect the decision-making process and criteria is also before the decision has been made. Their software has very clear effects which are easy to measure, so the success criteria is not as important. According to Delta, the role of inner champion in the process has increased a lot since they take the presentations forward internally. Delta also explained how to figure out the decision-making process of prospect:

> *"You really have to understand their decision-making process. Why are they making certain decisions and who are making them? Ask questions on the acquisition of similar tool. Who were people deciding on it? Was it clear or heavy process and how did it proceed? This way you'll get something to grasp on." (Interviewee Delta, Sales Country Lead & Partner, 27.12.2022)*

Second, the process and the criteria can be affected after the selection has been made and one is in collaboration with the customer defining the success criteria of the solution. Interviewee Beta highlights that this needs honesty and good communication between the two parties. He also said that one has to be able to control the process and challenge the person during it. According to interviewee Gamma, salesperson has crucial role in bringing more dimensions to the decision-making criteria. Gamma noted that if high-level stakeholder has one metric for measuring the success of the software being delivered it can be opened up by considering the following:

> *"You have to do bottom-down analysis when defining the criteria. What does achieving this metric mean to you? How do you think we would achieve it? Then from the one metric one can derive new entities that are considered in the evaluation." (Interviewee Gamma, Senior AE, 22.12.2022)*

Case company Beta was the only one not using an estimation tool of the financial value that their software brings. Interviewee Beta explained that they used to have it, but due to nature of the services, accurate estimations are hard to provide and they were not seen extremely important tool when closing a deal. According to interviewee Zeta, the estimation tool is not crucial in their main market Sweden but in other countries ROI-calculations are used. As said before, the outcome of case company Delta's software is fairly simple, so very accurate calculations can be provided. The sales and marketing department has even put the calculator on their website, so prospects can try it on themselves and get indication of the value one could receive.

In bigger deals the meaning becomes more important. Case companies Alpha, Gamma, and Epsilon all use it and consider it to be important. Case company Alpha has a tool that one feeds multiple attributes to and it provides calculations. To 1st tier cases they also deliver Proof-of-Concepts which demonstrates the value more concretely than just

estimated calculations. Interviewee Epsilon considers this to be highly important. They have a tool for analysing the total economic impact. Also, a famous analyst company on the industry has analysed the impact of their solution in customer's processes which can be used also as a proof point. Interviewee Epsilon stated that:

> *"I think that it is more and more moving to the direction that one has to be able to show the financial value that the solution has for the customer. We even provided our first outcome-based pricing project that ties the value achieved with the customer to our financial compensation." (Interviewee Epsilon, VP of Sales, 28.12.2022)*

6.3 Selection Criteria and how to Prioritize it in Sales Communication

The discussions regarding selection criteria of software-as-a-service applications brought interesting results. The criteria suggested by each of the interviewees are gathered in the table 8. Each criteria that was also present in the framework suggested by the researcher is underlined in the table.

Table 8. Software-as-a-Service Selection Criteria from the Interviews

Alpha	Beta	Gamma	Delta	Epsilon	Zeta
Info Security	Costs	Costs (TCO)	Architecture	Architecture	Ease of use
Features and func.	Features and func.	Features and func.	Features and func.	Features and func.	Risk Assessment
Vendor Reputation / proof points	SLAs	Risk Assessment	Vendor Reputation	Vendor Reputation	Performance
Future roadmap	Technical capabilities	Implementation	Trust	Future Roadmap	ROI
	ROI	ROI	ROI	Services	
		Partnership network		Selling organization	

For confirming the criteria that was discovered with the literature review the interviewees were asked to name criteria that they find the most relevant. 72% of the criteria that was presented by the interviewees were part of the criteria proposed by the researcher. It is

not sufficient result for naming the criteria proposed as the one and only correct criteria for evaluation. It still gives indication that it can be considered useful for someone creating an RFP or to a salesperson when trying to perceive what entities the prospect evaluates. The presence of the criteria suggested by the researcher is discussed first.

In Table 8 one can see that features and functionality is the most suggested criteria for software-as-a-service selection with five out of six nominating it. In the criteria presented by the researcher it is named performance and functionality but based on the discussions they mean the same thing for the interviewees. Architecture on the other hand was mentioned by four out of six interviewees. Implementation named by interviewee Gamma is placed under architecture and technical capabilities named by Beta refers partly to the software's architecture.

Costs were also suggested in three of the six cases. A very interesting thing to notice is that criteria related to money was not present in interviews with Alpha and Epsilon. However, some criteria that the interviewees find relevant might not be named during the interviews. Vendor reputation was also present in three of the interviews. Interviewee Alpha discussed it in the context of what has been achieved with former customers and how it can be proved. Epsilon on the other hand considered it with an angle on trust. The prospects evaluate thoroughly who can they trust and can the promises given by the vendor be delivered as well. Risk assessment came up in three of the interviews. Interviewee Alpha saw info security as the biggest risk related to the software, Gamma mentioned risks in general, and Zeta discussed risk assessment by how much one can mitigate the risks of the customer. The different angles make sense. In Alpha's business they process sensitive customer data, which has to be protected carefully and with Zeta's software the customers reduce their risk of sensitive information ending up in wrong hands.

On the criteria that was not presented by the researcher but was deemed important by the interviewees, ROI was the most suggested one. Four out of six interviewees mentioned ROI as selection criteria. It is very meaningful to bring up the aspect of what the solution gives in return if something is invested in it. The ROI also considers the costs that are related to the acquisition. Interviewee Delta combined ROI with the absolute payback time of the investment, meaning the time span it takes for one to get their money back from the investment. Interviewee Gamma emphasized ROI the most and noted:

> "ROI has become increasingly important due to the uncertainty that prevails on the market. If investments are made, the decision-makers want it to yield results, since money is tight." (Interviewee Gamma, Senior AE, 22.12.2022)

Future roadmap of the solution being delivered was mentioned by Alpha and Epsilon. The roadmap of the solution includes the future updates that are planned for the software. It can be short-term (0-1 years) or long-term (+1 years e. g. 1-5 years). In their line of business, if the software is selected it is chosen hopefully for the next ten years. This makes the short and long-term plans for the updates highly relevant to consider for the prospect making the selection.

Some interesting criteria came up only once. Interviewee Gamma proposed evaluation of partnership network as one of the criteria. According to him, prospects evaluate that do the partners of one's company share the same values and principles and what synergy benefits do they provide. Interviewee Epsilon clarified that one's organization as a whole, meaning organizational structure and culture, is also evaluated in the process. It should be taken into consideration since the prospect is in touch with the rest of the organization on a regular basis after the sale has been made.

Researcher suggested an own criteria that the prospects are using when selecting software-as-a-service applications. The criterion are: Performance and Functionality (P & F), Architecture (A), Vendor Reputation (VR), Costs (C), and Risk Assessment (RA). Each criterion can be seen as a point of communication that can be communicated for the prospect. The researcher proposed a prioritization order for the criteria. The order considers what are the most significant concerns of the prospect in each of the buying phases they have during the process. This way the prioritization order gives guidance on what to emphasize in each of the buying phases for the prosepct. For receiving confirmation on the prioritization order of the criteria, the interviewees were tasked to propose a prioritization order of their own for comparing how they see the buying side's concerns throughout the process. Each of the prioritization orders for Phase 1 are presented in Table 9.

Table 9. Prioritization Orders of Buying Phase 1 – Determine Needs

Phase of Selection	**Proposed Prioritization**	Alpha	Beta	Gamma	Delta	Epsilon	Zeta
Phase 1 Determine Needs	P & F A VR C RA	VR C P & F A RA	P & F VR C A RA	A P & F VR C RA	P & F C A RA VR	P & F A VR C RA	A P & F C RA VR

Forming the prioritization order turned out to be a rather difficult task. The interviewees were advised to trust their instincts, so the too much time would not be consumed on

the. In Table 9 one can see that there are similarities with the prioritization order proposed by the researcher and with the interviewees. Alccording to the interviewees, Performance and Functionality (P & F) of an application is highly important for a prospect when they are determining their needs in the beginning of the buying process. Interviewees Beta, Delta, and Epsilon have ranked it as the most important criterion like the researcher as well. Interviewees Gamma and Zeta ranked it as the second most important one, which still highlights its importance in their vision. This makes sense, since, in this phase, the prospect is looking for a solution that can fulfill the needs the company has regarding the solution.

Another criterion that the interviewees share a unified vision on is the insignificance of Risk Assessment (RA) in the first phase. Interviewees Alpha, Beta, Gamma, and Epsilon rank RA as the least significant criteria in the first phase of the buying process. Interviewees Delta and Zeta rank it as the second last in the prioritization order. When every answer is the same or one step away the results can be considered trustworthy. In general, there is a lot of variation with the prioritization in the places 2-4 of the prioritization order. Besides Performance and Functionality & Risk Assessment there is no matches across three or more interviews on placing a single criterion to the same place.

Two more observations can be made from the data. With interviewee Alpha there was the most difference between the prioritization order of the researcher and the prioritization order of the interviewee. All except Risk Assessment had two steps of difference, meaning if the researcher proposed Performance and Functionality as the most important then Alpha proposed it on the third stage and so on.Highly differentiating from this, interviewee Epsilon proposed exactly the same prioritization order as the researcher. This gives notable credibility to the proposed prioritization order of the criterion. Now the differences of similarities in the next phase are analyzed. The suggested prioritization orders for Phase 2 can be found below in Table 10.

Table 10. Prioritization Orders of Buying Phase 2 – Evaluate Alternatives

Phase of Selection	**Proposed Prioritization**	Alpha	Beta	Gamma	Delta	Epsilon	Zeta
Phase 2 Evaluate Alternatives	VR A P & F RA C	P & F A RA VR C	VR C P & F RA A	VR A P & F C RA	A VR P & F C RA	A P & F C RA VR	C VR A P & F RA

The most meaningful similarities on a single criterion level are again in Performance and Functionality and Risk Assessment. Interviewees Beta, Gamma, and Delta also gave medium importance for P & F by ranking it to the third place. In the second phase, the prospect has chosen some vendors whose solution seems to have the sufficient features to answer their needs, so it is not anymore the most important criterion. The rankings of interviewees Epsilon and Zeta for P & F differs only with one stage, which is still very close. Risk Assessment rose one level in the criteria. This time only Beta and Epsilon gave the same ranking as the researcher, whereas everyone else's differed with one stage. It still gives good indication that the risks are not considered as the most crucial criterion by any of the interviewees, but it is approximately in the same range.

No exact matches were present as the in the overall rankings of the interviewees. The prioritization orders of Alpha, Delta, and Zeta especially differed from the views of the researcher. The most significant difference is in the importance of Cost in the process. The prioritization orders for the final phase are presented in the Table 11.

Table 11. Prioritization Orders of Buying Phase 3 – Evaluate Risk

Phase of Selection	**Proposed Prioritiza- tion**	Alpha	Beta	Gamma	Delta	Epsilon	Zeta
Phase 3 Evaluate Risk	RA C A VR P & F	RA C VR P & F A	RA VR A C P & F	RA A C VR P & F	RA C A P & F VR	RA VR C A P & F	RA C A VR P & F

For the final phase of the buying process – risk evaluation – there were significant similarities with the criteria proposed by the researcher and by the interviewees. There is a unanimous agreement on Risk Assessment being the most important one. It was very easy to pick for the interviewees since the phase is called risk evaluation. The rankings of cost and architecture are both rather well in-line with the proposed criteria. Interviewees Alpha, Delta, and Zeta placed Cost also as the second most important. Gamma's and Epsilon's placements only differ with one stage. For the architecture, interviewees Beta, Delta, and Zeta placed it also as third. Gamma's and Beta's placements differed again with one stage.

For the top three most meaningful criteria, Zeta proposed exactly same order as the researcher. Gamma and Delta have the same three criteria but the order differs. It still suggests that Risk Assessment, Costs and Architecture are important criterion at this phase. The costs have risen to its maximum by the interviewees as well. Its average

ranking in the phases are: 3.0 in phase one, 3.2 in phase two, and 2.7 in phase three. Performance and Functionality has also trended down with the interviewees as well. Beta, Gamma, Epsilon, and Zeta proposed P & F as the least significant criteria. The answers of Alpha and Delta only differed with one stage. An important observation, the prioritization order of Zeta was exactly same as the researcher's. The overall prioritization orders of Gamma, Delta, and Epsilon only differ with one criterion.

6.4   Important Factors when Selling Software-as-a-Service Applications

For the fourth research question, three important factors were identified from the literature of selling services that were also present in the sales methodologies. The research question had to be very open-ended. If any sales professional is asked that are pre-analysis of the prospect, aligning the sales process with their buying process, and having an internal champion important factors when selling software-as-a-service ten out of ten times they will say yes. Thus, the interviewees were asked to name important factors when selling software-as-a-service and see if the three previously named factors are among them. In the answers that did not include the factors identified in the literature were not present, very insightful information regarding important factors affecting sales success was gained. If there was still time left in the interview, the opinions and insights regarding the identified factors were questioned.

Aligning one's selling process with the prospect's buying process was not named as one of the important factors by any of the interviewees. Even though it was not named as one of the important factors, case company Epsilon has the customer's buying process right next to their selling process in the sales process framework. It emphasizes that the customer and how they desire to buy in each of the stages should be considered. When questioned regarding the benefits of alignment, Zeta defined being on the same side with the customer and knowing when the decisions are made as the most significant benefits. This relates to the current business environment. Business relationships are at the best case very close, and the co-creation of value is increased with collaboration. Interviewee Zeta explained that one has to align the selling activities and delivery of the software with the prospect's critical point of impact. This includes when do they need to have the software up and running and when the value needs to be realized.

According to interviewee Beta, the alignment requires openness from the prospect. The idea is to have the necessary resources and tools for making decisions available for the prospect when they require it. This also leaves responsibility for the prospect to deliver relevant information, because it is difficult to answer their needs if the needs remain

unclear. Generic buying process frameworks provide some level of direction, but the nuances and the details of the prospect's own needs and processes are crucial. Interviewee Zeta suggested that one should question the prospect that how a similar tool was previously purchased in order to get information needed for the alignment.

Interviewees Beta and Epsilon named aligning the sales organization as one of the important factors for increasing sales success. Interviewee Beta focused more on aligning the sales team and receiving feedback and assistance from multiple persons, whereas Epsilon discussed involving other teams from the sales function to the sales process. This relates to the aligning one's resources to the prospect's buying process. The sales activities in long and complex sales cycles are rarely executed by the sales person only, so having proper alignment internally on the upcoming projects will allow the vendor's organization to better answer the needs of the customer. Interviewee Beta suggested reduced cycle time of the sales process as one of the key benefits of proper alignment.

Doing pre-analysis and pre-research was presented as an important factor by interviewee Alpha. According to interviewee Alpha, the pre-analysis and pre-research is especially useful in the beginning of the sales pipeline where the business case is built in collaboration with the prospect. In their processes pre-analysis has two meanings. First, before contacting the prospect their personnel builds an effective and meaningful approach that resonates with prospect. It can be for example researching what are the common issues with similar existing customers or studying the annual reports from the prospect company and reflecting the approach on their strategic objectives and/or values. On the same note, interviewee Beta noted that the pitch must be linked to prospect's strategy because generic solution pitching does not yield the desired results. Second, after the initial approach there is a thorough needs mapping with the prospect. This can be considered as necessary pre-analysis before seeing if there is a business case for both parties.

The importance of pre-analysis varied a lot between the interviews. It was seen very useful especially in Alpha, Beta, and Gamma. The importance of aligning the interactions to prospect's strategy is at its highest when selling transformation projects like in case companies Alpha and Gamma. The transformation projects are always related to long-term direction of the company and relates to the strategic values. When asked about the pre-analysis and pre-research, interviewee Gamma considered to be extremely important. Gamma stated:

> *"Knowledge on the customer and their processes creates trust and builds credibility. Besides the researching the strategic values from annual reports, relevant information can be found on the financial situation of the company and figure out if they have money to invest"* (Interviewee Gamma, Senior AE, 22.12.2022)

On the smaller deal size the pre-analysis and pre-research focuses on different aspects. Interviewee Beta explained that they do analysis on the prospect's website. If they have marketing tools visible, it usually means they might invest to their solution. On controversy, interviewee Zeta elucidated that he even advises salespeople not to do pre-analysis in the smaller deal size. Their solution is suitable to almost all of the companies and is more operational asset rather than strategic so it would not yield much result.

Having an internal champion in the prospect's organization came up in the interview with Gamma and it was defined as one of the important criteria for sales success. As referred earlier by interviewee Delta, the champion is the one taking solution forward and selling it to the decision-makers internally, since they might be outside of the communication pool. Gamma emphasized that the internal champion also benefits if the deal goes through. When discussing the importance of having an internal champion interviewee Gamma highlighted:

> *"One has to have a champion and it does not matter on what hierarchical level they are, but you have to understand what their influence is up and down in the business. With their assistance one has to get idea on what is the agenda of the board and highest stakeholders."* (Interviewee Gamma, Senior AE, 22.12.2022)

Two themes regarding the internal champions were questioned also in the interviews where it did not come up spontaneously if there was time remaining. First, how to turn someone into an internal champion during the sales process. Most of the answers were focusing on figuring out the correct person and not directly how to do it. This is one of the most difficult tasks in sales and has a lot of differentiation in each of the cases. Interviewee Delta suggested that, when turning a person to an internal champion they have to be high enough in the company. He begins the process by determining who has been in charge of purchasingsimilar tools. Interviewee Zeta advised that one has to be able to connect with the potential inner champion on a deeper-level and even become friends. According to him, one has to understandwhat makes them feel comfortable and based on what they are evaluated on inside the company. So, if one is able to understand the person and their position inside the company the process becomes easier. Interviewee Epsilon stated:

"Turning someone into an inner champion is the art of sales. The person chemistry has to work and the person found has to also be trustworthy." (Interviewee Epsilon, VP of Sales, 28.12.2022)

Interviewee Gamma had a lot of relevant opinions and insights regarding inner champions, since in his line of work they are very crucial. Gamma explained well that turning someone into an internal champion requires plenty of critical thinking from the sales person. It is important to understand based on what the persons and the teams are evaluated on. According to Gamma, one has to assess that is the person open when asked questions because it indicates that do they also want the process to proceed well. For assisting the process he advised:

"You have to figure out how to connect the business benefits and how the champion is seen inside the company. It is also a big merit for the champion if they have major responsibility in delivering a project that save 20 million from the company." (Interviewee Gamma, Senior AE, 20.12.2022)

Second, how the interviewees ensure the inner champions are capable on selling the solution internally was asked. Interviewees Beta and Zeta provide relevant material for the champions in order to increase their capabilities for internal selling. The material can be anything from case studies, one-sliders, and presentation decks. Beta explained that the inner champions are mainly opening the doors to relevant stakeholders in their business, since most of the selling is done by the sales person themselves. In Zeta's case the person who is making the final decision is present in at least one meeting, so the champion sells the meeting internally in order to get the decision-maker to attend as well.

Interviewees Gamma, Delta, and Epsilon emphasized that it needs open communication and asking questions from the champions. Interviewee Delta highlighted that, if the person is truly a champion, there can be very open discussions between them. Delta has rehearsed how to present the case with the champions and reminded that the champion also benefits if the sales case pulls through. Epsilon explained that the openness from the champion side makes the case stronger, since they can tell if there any obstacles that are blocking the sale internally. Interviewee Gamma explained that feedback should also be required from the salesperson as well, so the sales activities can be adjusted accordingly. Gamma said that there should be timeouts with the champion where it is evaluated that are the needed factors present in the case in order for it to succeed.

Many important factors came up when discussing them with the interviewees. One of the main reasons for unsuccessful sales process in case company Alpha is not having good relations with the decision-maker. This does not directly mean that decision-maker has

to be the champion but some relation with the decision-maker or direct access to their communication pool is essential for closing a sale. Alpha stated well:

> "In some of the cases we have not just been high enough with the discussions. People that love us are below the decision-maker and the competition have been able to create better relationship with the high up decision-maker." (Interviewee Alpha, Head of Sales Operations, 19.12.2022)

Important difference between small and big business surfaced when the researcher asked what is high enough to create meaningful relationships. According to interviewee Alpha, in smaller companies high enough can even be some in manager-position, but in the big ones the people in the chief-positions and directors are the ones making the decisions. Alpha also pointed out that, in more uncertain times, companies include more stakeholders to the decision-making, hence complicating the process even more.

Interviewee Beta suggested coming across as a trustworthy partner as one of the important factors. This is again related to the nature of business nowadays. Vendor and customer are in it together and the aim is to provide value for both. Interviewee Delta also raised trust between the two parties as an important factor in sales success but had a more casual approach to it. In Delta's opinion, the trust is built through people knowledge and the ability to get along with the customers well. There should be a good person chemistry and the sales person should be able to adjust the presentation and its content according to the preferences and personality of the prospect.

Interviewees Gamma and Epsilon both agreed on having repeatable and standardized sales activities. Epsilon discussed this from the angle of how one executes the sales process. If there is a lot of differentiation on how one executes their sales efforts in each of the cases, it consumes a significant amount of resources, ergo there is less time to invest to other cases. According to Epsilon, having repeatable and scalable sales strategy and activities increases the efficiency of the sales force and sales success. For interviewee Gamma, repeatability means utilizing the recognized best practices in the sales process. Gamma explained well that:

> "Consistency is the key in sales. One has to pick their play. Focus on something that is proven to work and then do it again!" (Interviewee Gamma, Senior AE, 22.12.2022)

Interviewee Epsilon emphasized of having a selling strategy that is suitable for one's business and solutions. The selling strategy includes answers to the questions like who the customers are, why certain segments, and what are the selling channels. For interviewee Alpha, timing was also one of the most important factors. Alpha explained that

being late to the process and not having possibility to affect the requirements decreases the sales success significantly.

Interviewee Gamma suggested that one should do proper stakeholder mapping in the process that discusses the political atmosphere, decision-making process, and the inter-personal affecting possibilities inside the company. For interviewee Zeta, educating the sales people is very important. According to Zeta, the sales force has to be equipped with correct sales tools and frameworks, so they have the highest chances possible for sales success. In Table 12 are gathered the important factors that were presented by the interviewees. The factors that have brackets were not opened up in the chapter but was presented.

Table 12. Most Important Factors for Sales Success by the Interviewees

Alpha	Beta	Gamma	Delta	Epsilon	Zeta
Importance of the discovery phase	Trustworthi-ness	Having an internal champion	Trust be-tween the partners	Scalable and repeatable sales activi-ties	Educating the sales force
Relationship with the deci-sion-maker	Adapt sales pitch to their strategy	Consistency with sales efforts	(Attitude and persis-tence)	Having proper selling strategy	(Higher ac-tivity yields more sales)
Timing of the first contact	Make sales a team ef-fort	Stakeholder mapping	(Probing in the sales process)	Aligning the sales organi-zation	-

These are something to consider for every sales professional. All of the factors are not necessarily needed for closing a sale but they sure assist in the process. It should be taken into account that many of the factors are context specific.

7. CONCLUSIONS

7.1 Theoretical and Managerial Contributions

7.1.1 Role of Sales Methodologies in Selling Software-as-a-Service Applications

An in-house sales methodology should be implemented in all companies operating in software-as-a-service business. The sales methodologies really are used in the case companies and they are seen crucial for sales success (RQ1). Now let's open up the claim a bit. After all of the interviews and their analysis, it came clear for the researcher that the definition of a sales methodology that was used in this research can actually be seen as an in-house sales methodology..

… a sales methodology includes the different methods and tools used combined with the attitudes and mentality taught for the sales organization in order to proceed in the sales process…

Basically, anything that answers to the question 'how', is a part of the in-house sales methodology. It can be 'how to answer this question', 'how to do proper pre-analysis' or 'how to prove the value most efficiently in this phase of sales process'. The in-house sales methodology can have parts of different sales methodologies and sales techniques that has been proven to work in one's own processes. What is considered to be a sales methodology must be expanded from the ready-made frameworks and make them only small part of the bigger entity that is utilized in the sales function.

With the definition of this study, it can be concluded that all of the case companies find sales methodologies to be an important part of their sales success. If the sales methodology is defined only to be the generic frameworks created by the sales consultants, their importance decreases in the companies selling smaller deals. Even though the generic frameworks are not used that much in these companies, the in-house methodology of best practices receives more attention and gointo very detailed methods. Therefore, some level of sales methodology should be implemented to all software-as-a-service businesses. Which is more important, the generic frameworks that discuss the sales process on a higher-level or a very detailed best-practices framework depends on the deal size sold. How experienced does the salesperson consider themselves to be also affects significantly the usefulness of the sales methodologies.

If the company has success in sales, there is no urgent need to pay attention to the sales methodologies. However, the sales methodologies have other major benefits that will ultimately result to increased sales success. One should have high interest to implementing a sales methodology if they are experiencing pain with some of the following:

- Unstructured sales process

- Onboarding of new salesforce

- Cases failing for similar reasons

Having structure in one's sales process reduces the excess amount of resources spend in the sales cases and streamlines the processes, which is line with views of Whyte et al. (2020) on better resources allocation with MEDDICC. Eades (2003) also suggests that having a structured and repeatable sales process is the foundation of implementing a sales methodology. More efficient onboarding is a result of having more formalized way to teach the selling principles of the organization. As said before, the experience of the salesperson affects on how useful the sales methodologies are seen. Interviewee Delta stated that usually the more senior recruits have difficulties to adapt to their sales processes, since they feel that they do not need as much guidance and structure to their doing. However, it pays off to internalize the proven to work methods and not spend time in coming up with them by yourself. Lastly, if the cases are falling for similar reasons, proper win-lose analysis has to made. After the analysis, one is able to focus on the cases that have higher hit rates and figure out what makes those cases so successful. Then one should thrive to including the same success factors to the not so successful cases as well.

For the Research Question 2, the different methods present in sales methodologies were discussed with the interviewees. It was researched that is the method used at the case company or does the phenomenon really occur in the case company's sales activities. The idea was to gain insights how the theory manifests in practice. The results are gathered in Table 13.

Table 13. How are the key methods present in case companies

Key Methods	Method
Sales Process / Opportunity Framework	6/6
Identified Best Practices Attached to the Sales Process Framework	6/6
Qualification Methodology	6/6
Question Technique / Sales Mentality	4/6
Affecting the Decision-Making Process and Criteria	6/6
Financial Evidence of the Solution Impact	5/6

It can be concluded that the key methods identified inthe literature really are present in the real-life contexts as well and are not just theoretical frameworks.. Qualification methodology is used in all of the case companies. Where Whyte et al. (2020) and Eades (2003) emphasize qualifying out mid-case heavily in the sales methodologies, it is not done to wide extent in the case companies. The most meaningful qualification is done in the first phases of the sales process and, if the companies make it through that, then the cases are seen all the way through. For example, Interviewee Alpha said that it is well known what the optimal cases are for their and it is used in the qualifying of cases. Ideal Customer Profiles are very much used in the case companies with differentiating criteria and revenue thresholds.

Regarding the decision-making process and criteria, it was researched that does the salespeople really have the possibility to do so and how is it done. All of the interviewees agreed on that it is possible to modify them to a more favorable direction. For figuring out the decision-making process, interviewee Delta suggested asking the prospect to tell about the process of acquiring a similar tool. This one can gain strong indication how this decision-making process could go. According to the research, there are points of time to affect the decision-making criteria. First, the criteria can be influenced when the prospect is mapping out their needs. Interviewee Epsilon stated that the prospects might not have the sufficient capabilities to perform the investigating phase by themselves, so they need

assistance from the vendor. In this situation one has to promote the criteria that are their strengths. Second, the decision-making criteria can be affected after the software has been selected and the success criteria of the delivery are determined. Now the software has already been selected and the process is more collaborative.

All of the case companies had similar sales process framework like in Figure 5 in place. An important observation to be made was that the sales process frameworks of the case companies have very specific criteria to be filled in order to move the sales case to the next phase. It was not discussed when presenting the sales process in this research. Attaching the best practices to the sales process framework is one of the fundamentals of creating one's in-house sales methodology. It was done to some extent in all of the case companies, but interviewees Delta and Zeta gave very high importance to creating this kind of sales playbook for the salesforce. Case companies Delta and Zeta are the ones selling the smaller deals. Therefore, it can be concluded that the importance of determining the best practices related to the sales process is more important when selling smaller deals. Since there are less touch points with the customer during the cycle and more repetition, it is easier to determine very detailed instructions on how to maximize the sales success. Delta and Zeta both said that the best practices cover nearly every touch point one can have with the prospect and goes all the way to presenting counter arguments to prospect's objections. MEDDICC or some variation of it was used in both of them but it was not seen as important as the detailed best practices.

Rest of the case companies were also using MEDDICC or some variation of it, so it can be concluded that one should heavily consider implementing it to their sales processes if they are selling software-as-a-service applications. It was more important in the case companies Alpha, Beta, Gamma, and Epsilon that were selling bigger deals than Delta and Zeta. Interviewee Beta explained well that in their sales process there is always some similar structure but also so much difference between the cases that it is difficult to define best practices that would apply to each of the cases accurately. MEDDICC provides high point of view to the sales process. It is needed because it does not pay off to observe the finest details in the long cycle, since there are so many touch points with the prospect during it. With MEDDICC, one can observe that how healthy the deal is on the long run rather and get a holistic view to the important factors related to the sales cases.

How to then use MEDDICC is a great question. The idea is not to just list all of the letters that are present in each of the cases and state that is it considered in the case or not, but to analyze how well it is taken into consideration at the current moment and what

methods related should be used for mastering each of the letters. For example, the methods can be how to build the business case with the inner champion or how to affect the decision-making criteria effectively. For enterprise sales, the researcher suggests one month interval for using the MEDDICC framework. This way one can see is the deal moving to healthier direction or not and make correcting actions before it is too late. Interviewee Gamma gave good advice on how to utilize MEDDICC:

> *"It is very important to use MEDDICC already from the beginning. There is a critical point in time after which it is too late. The Economic Buyer can be for example tied to a different project if it is not considered early enough." (Interviewee Gamma, Senior AE, 21.12.2022)*

Defining the best practices and attaching them to the sales process framework should not receive significant attention in enterprise sales. Some preparation related to the most important selling points should be done. As Eades (2003) defined, with a sales methodology the salesforce should be able to provide unified compelling reason to buy if asked by the customer. This way the focus can be kept on a high-level without going too much into the details.

7.1.2 Software-as-a-Service Selection Criteria and Its Communication

The selection criteria for software-as-a-service proposed in the research turned out to be reasonably accurate. The interviewees were asked to propose criteria of their own for selection of software-as-a-service applications and 72% of the criterion suggested by the interviewees were present in the criteria proposed by the researcher. ROI was proposed by four interviewees and future roadmap by two and both of them were not in the criteria proposed by the researcher. If they are added, the coverage rises from 72% to 87%. So, a new set of criteria is proposed for selection of software-as-a-service applications, which can be seen in the Figure 16 below. The Future Roadmap is put under both Performance and Functionality and Architecture since they are both developed. Trust on the other hand is linked together with Vendor Reputation.
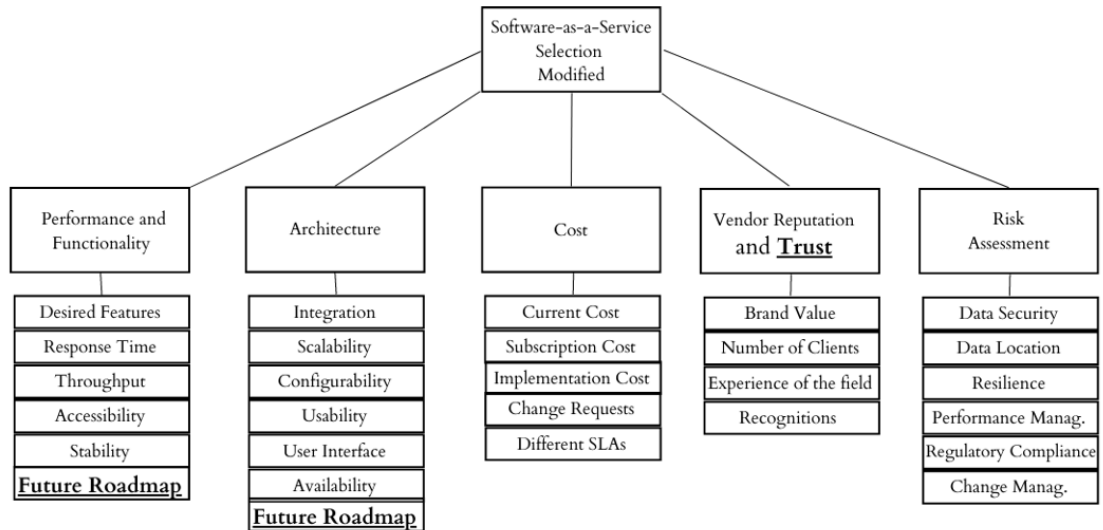
Figure 16. Modified Software-as-a-Service Selection Criteria

As was proposed by the researcher earlier, the different criterion present in the selection criteria can be seen as communication points that the salesperson has for the buyer. The interviewees were asked to form a prioritization order of their own for the initial selection criteria identified by the researcher. The idea was to consider the shifting buying concerns that the buyer has as well, meaning that the importance of each criterion shifts over time. It is acknowledged that forming a prioritization order of their own on the spot in less than ten minutes is very difficult, but the interviewees succeeded well in the task. The results are gathered in Table 14. Exact matches are colored green, answers that would be the same with making one change yellow, and the less accurate ones are red.

Table 14. Prioritization Orders Proposed by the Interviewees

Phase of Selection	Proposed Prioritization	Alpha	Beta	Gamma	Delta	Epsilon	Zeta
Phase 1 Determine Needs	P & F A VR C RA	VR C P & F A RA	P & F VR C A RA	A P & F VR C RA	P & F C A RA VR	P & F A VR C RA	A P & F C RA VR

Phase of Selection	Proposed Prioritization	Alpha	Beta	Gamma	Delta	Epsilon	Zeta
Phase 2 Evaluate Alternatives	VR A P & F RA C	P & F A RA VR C	VR C P & F RA A	VR A P & F C RA	A VR P & F C RA	A P & F C RA VR	C VR A P & F RA

Phase of Selection	Proposed Prioritization	Alpha	Beta	Gamma	Delta	Epsilon	Zeta
Phase 3 Evaluate Risk	RA C A VR P & F	RA C VR P & F A	RA VR A C P & F	RA A C VR P & F	RA C A P & F VR	RA VR C A P & F	RA C A VR P & F

As one can see in the tables above, 8/18 answers provided by the interviewees were exact matches or would be an exact match if the places of two criterion is switched. For example, if the places of P & F and VR is switched in Delta's answer above for Phase 3 it would be an exact match. All of the prioritization orders suggested by the researcher cannot be confirmed. For Phases 1 and 2, some similarities can be found from the orders proposed by the researcher and the ones suggested by interviewees, but they are not significant enough. The prioritization order for Phase 3 can be confirmed. It is up to the reader to decide if the similarities in the proposed order by the researcher and the interviewees is sufficient enough. Important conclusions can be made regarding some criterion within a phase and then overall during the buying process.

One can see that, in the Phase 1 there is one exact match and one almost exact with the criteria proposed. Two conclusions can be made. First, the Performance and Functionality (P & F) is ranked as the most important in 3/6 cases and as second most important in 2/6 cases. It is very rational since, in the beginning, the prospects are scouting for vendors whose software can fulfill their functional needs. The other aspects are also important, but it is the most fundamental aspect in the first phase. Second, Risk Assessment (RA) was ranked as the least important criterion in the first phase. It relates to the nature of the buying process since some possible vendors are scouted in the beginning not going into the details yet.

No exact matches and two almost exact matches were proposed for phase 2, which was the most inaccurate result of the three phases. Two conclusions can be made for phase 2. First, the importance of Performance & Functionality decreased from the most important to third place. When evaluating alternatives in Phase 2 it has been confirmed that the vendors chosen can answer to prospect's P & F needs but they are still relatively important part of the evaluation. Second, the importance of Cost (C) differs a lot among the interviewees. Therefore, one has to figure out if there is a strong need for proving the financial value of the software to the prospect in this phase.

In Phase 3, there was one exact match and three almost exact matches, making it the most accurate proposition by the researcher. With this level of similarity in the prioritization order it can be confirmed to be accurate, or at least it gives very strong indication towards it. Again, two conclusions can be made from the data. First, the Risk Assessment (RA) is ranked as the most significant criterion by all of the interviewees. Phase 3 is called "Evaluating Risk", which is probably a very significant reason for this consensus. Second, Performance & Functionality is considered to be least important criterion by 4/6 interviewees and as the second most important by 2/6 interviewees. At this point the needs have been determined (Phase 1) and the alternative options have been evaluated (Phase 2). Therefore, there is no need to have heavy focus on the different features of the solution at this point but rather focus on how the vendor is able to deliver on other areas.

Two important observations in the overall process can be made. First, the importance of Performance & Functionality decreases nearly linearly throughout the phases. It starts as most important, then has medium importance, and ends up as the least important. In the beginning the focus of the sales communication should be on how the solution can answer the functional needs of the prospect. Second, the interviewees did not share a mutual view on how significant – or insignificant – costs are as an evaluation criterion in any of the phases. It is an interesting observation since financial criteria were very much

present when discussing the most important selection criteria for software-as-a-service applications.

In general, the main idea of the buying concerns shifting over time can be considered to be accurate. All of the interviewees suggested different prioritization order for each of the phases. For example, according to the prioritization order proposed in the research one should emphasize how the risks are mitigated with their solution and give convincing estimations for potential financial value provided in the later stages of the selling/buying process. Then, in the beginning, of the process the communication should focus on more practical entities like the Performance & Functionality and not on the Risk Assessment or TCO of the software. The study suggests that every sales organization defines their most efficient prioritization order for different communication points and utilizes it during the sales process for maximal success.

7.1.3   Most Important Factors for Sales Success in Selling Software-as-a-Service

Three important factors were proposed that were present in the literature of selling services and in sales methodologies as well. The factors were aligning one's selling process with the prospect's buying process, pre-analysis of the prospect, and having an internal champion in the prospect's organization. The interviewees were asked regarding what they consider to be important factors for maximizing sales success. All of the factors came up once during the interviews.

Aligning one's selling process with the prospect's buying process was not named as an important factor, but in case company Epsilon they had the prospect's buying process included in their sales process framework. It emphasizes well the fact that both parties have major impact to the outcome of the process and the salesperson should not only consider what they are doing. Viio & Grönroos (2016) explain that in order to adapt the selling process to the buying process the buyer must provide relevant information and be open towards the vendor. They also state that profound adaption will result in better allocated resources from both parties. On the same note, interviewee Beta explained that with the alignment they are able to speed up the sales process and the alignment is possible due to honest questions. Interviewee Zeta explained that with alignment the customer and vendor are able to be on the same side during the process. The theory can be considered to be accurate. If one desires to shorten the sales cycle they should consider how the prospect is buying more and adapt their sales processes to it more.

Doing pre-analysis and pre-research was named as an important factor by interviewee Alpha. Their most significant pre-analysis occurs in discovery phase where it is determined if there is a business case for both parties. The pre-actions turned out to be most important when transformation projects are sold. Transformation projects are tied to the strategical objectives of the companies, so the sales efforts should align more to the strategic values of the prospect. In case company Beta salespeople study the annual reports of prospects, so the sales can be rather strategical than generic. It can be concluded that the pre-actions should receive more attention in bigger deals and be lighter in the smaller deals.

Interviewee Gamma listed having an inner champion as one of the important factors for ensuring sales success. Other interviewees also provided excellent insights regarding how to identify the inner champion and it can be concluded that inner champion is very important factor if one wishes to succeed in the sales process. Based on the interviews, its importance increases especially when there is no direct contact to the highest stakeholders. According to Delta, the inner champion operates as the messenger when the decision-makers are outside of one's communication pool. Besides this, Gamma saw inner champion as a resource for gaining relevant information on the agenda of the board and/or highest stakeholders.

It was very difficult to determine how to turn someone into an inner champion, but two key aspects were discovered. First, Epsilon said that the person chemistry has to be in order. Whyte et al. (2020) note that, even though one is friendly for the inner champion, it does not mean that the seller and champion would be best friends. Second, Gamma suggested that one has to be able to connect the business benefits to the enhanced image champion gets inside the company, which is in-line with Whyte et al. (2020) observation that Champion also receives recognition if the deal goes through.

Two other important factors related to sales success was discovered during the interviews. First, being a trustworthy partner was suggested as one of the important factors for increasing sales success by interviewees Beta and Epsilon. Parvinen et al. (2013) also define trustworthiness as one of the fundamentals of service-based businesses. Agreeing on this, London & Lucas (2012) suggest that, if one desires to succeed in the modern sales environment, they have position themselves as trusted advisors rather than external sales personnel. The researcher suggests appearing trustworthy also as important factor for sales success.

Second, having a repeatable and scalable sales process was suggested as the important factor by Gamma, Delta and Epsilon. This is in fact the most fundamental factor. With a

well-documented and proven-to-work sales process the organization is able to reduce time wasted and increase the hit rate. Interviewee Gamma advised salespeople to analyze what works best in their processes and then document it to a form where the same actions are easy to replicate on another case. This way one does not have to spend time on figuring out the correct actions for each case seperately. If there is no structure in the sales process, it often complicates the process more than would be necessary. Interviewee Delta gave an important reminder for all of the experienced and more novel salespeople who are making sales too complicated for themselves:

> *"You should not make simple things too complicated. Sales is not difficult. You just have to do certain things right in a sequence and it is f-ing easy!" (Interviewee Delta, Country Sales Lead & Partner, 27.12.2022)*

7.2   Limitations and Suggestions for Further Research

Sales in general is very much dependent on the particular context that one operates in. Therefore, using a different framework or methods than were presented in this research does not mean that one is doing it wrong as long as it is working for them. The generalizability can be questioned due to the sample size chosen, but with the resources available for the master's thesis and for the purpose of the research it was considered to be sufficient. Any sales professional can get new insights on how to use the frameworks and to the selection process of software-as-a-service applications.

If the research would be redone, the workshop for arranging the prioritization orders could be done differently. It was perhaps the most interesting phase in the interviews and also it put the interviewees to the test. In order to get well-thought opinions of the interviewees, the assignment could be sent beforehand and then the reasonings behind the decisions made could be discussed in the interview. This way, the decisions made would be more thought through. A thing to consider for anyone who is planning to do similar workshop in an interview.

There is definitely a need for more literature on how to sell software-as-a-service applications. It is not well researched, so there is a great possibility to create something new and be at the forefront of professionals in that subject. Software-as-a-service as an industry is constantly growing and keeps on doing so in the future. Most interesting topic on this would be how the salesperson should consider the buying process of the customer and position themselves most efficiently. Need for this also stems from the changed business environment where the business partnerships are more collaboration than transactions. The utilization of sales methodologies has not received any attention

in the academic literature in any industry. It of course relates to the fact that sales methodologies are done with research, but the research is not conducted according to the academic principles. Even though they are not academic they are still an important part of sales and therefore should be researched more.

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EXHIBIT A: THE FIRST INTERVIEW STRUCTURE

Background

- Could you please introduce yourself, your current role and responsibilities in the company
- How much of your business is coming from RFPs and how much from other sources?
- What is the average deal size and the sales cycle?

Sales methodologies

- Defining the difference between a sales methodology and sales process: sales process is a step by step flow that illustrates the whole sales cycle. It can have different things that are done in every step and what is needed to proceed and then methodology is what you do in order to get them. What methods are used?

- Are you familiar with the "common" sales methodologies that are often created by sales consultant?
    - o If yes, could you name some that you are most familiar with?

- Are the common sales methodologies used in your company?
    - o If yes, how crucial do you see it to your success in sales?
    - o Has it been analyzed and/or proven that it truly has positive effect on the sales success?

- What would you say are the biggest benefits of using a mutually shared sales methodology?

- Is there some training related to the methodologies?

Testing different methods present in the sales methodologies

- Does your salesforce have a structured sales process or opportunity framework in use?
    - o Is there a methodology of best practices that are attached to each of the steps?
    - o How do you make sure in the flow chart that you have proceeded from one phase to the other?
    - o Is this more of a sales management tool for sales forecasting or a tool to help individual salespeople?
    - o How easy you think it is to forecast sales with the current set up?

- Does your salesforce qualify out of the cases if you can not get the things needed in the sales process? How often does your salesforce qualify out if they have decided to take the case in the first place?

- The SPIN Model illustrates how to make the discussion flow to favorable points for you and Challenger sale a certain type of sales mentality
    - o Is your salesforce equipped with similar question techniques or sales mentalities?

- Do you see that a sales person has the possibility to affect the prospect's decision-making process and criteria? If yes, then when and how?

- Are you using some methods for estimating the financial value that your solution could provide for the customer?

Testing the theory recognized for selling software-as-a-service

- What are in your opinion the most important criteria that are evaluated when purchasing SaaS?

- (The workshop held at this point)

- What are the three most important things / methods you can do to increase your sales success in selling SaaS?

- Importance of pre-analysis and pre-research is highlighted a lot in the literature. How important do you see this and what are the biggest benefits of it?

- The role of internal seller / inner champion is present in many of the sales methodologies especially.
    - What are the steps that you do for turning someone into an internal champion?
    - How do you make sure that the inner champion has the capabilities to sell your product internally?

- Forecasting has been dropped. It took sometimes too much time and was not seen as that relevant regarding the research. If it was mentioned then further questions was presented.
- The qualifying out question reformed, since it was mixed with ICP, and characteristics related to it.
- Training question taken away. It came up though often anyway.

EXHIBIT B: THE SECOND INTERVIEW STRUCTURE

Background

- Could you please introduce yourself, your current role and responsibilities in the company
- How much of your business is coming from RFPs and how much from other sources?
- What is the average deal size and the sales cycle?

Sales methodologies

- Defining the difference between a sales methodology and sales process: sales process is a step by step flow that illustrates the whole sales cycle. It can have different things that are done in every step and what is needed to proceed and then methodology is what you do in order to get them. What methods are used?

- Are you familiar with the "common" sales methodologies that are often created by sales consultant?
    - o If yes, could you name some that you are most familiar with?

- Are the common sales methodologies used in your company?
    - o If yes, how crucial do you see it to your success in sales?
    - o Has it been analyzed and/or proven that it truly has positive effect on the sales success?

- What would you say are the biggest benefits of using a mutually shared sales methodology?

Testing different methods present in the sales methodologies

- Does your salesforce have a structured sales process or opportunity framework in use?
    - o Is there a methodology of best practices that are attached to each of the steps?
    - o How do you make sure in the flow chart that you have proceeded from one phase to the other?

- Is a qualification methodology used in your business that would make you qualify out of a case after you have decided to take the case in the first place?
    - o What are the factors that makes you qualify out?

- The SPIN Model illustrates how to make the discussion flow to favorable points for you and Challenger sale a certain type of sales mentality
    - o Is your salesforce equipped with similar question techniques or sales mentalities?

- Do you see that a sales person has the possibility to affect the prospect's decision-making process and criteria? If yes, then when and how?

- Are you using some methods for estimating the financial value that your solution could provide for the customer?

Testing the theory recognized for selling software-as-a-service

- What are in your opinion the most important criteria that are evaluated when purchasing SaaS?

- (The workshop held at this point)

- What are the three most important things / methods you can do to increase your sales success in selling SaaS?

- Importance of pre-analysis and pre-research is highlighted a lot in the literature. How important do you see this and what are the biggest benefits of it?

- The role of internal seller / inner champion is present in many of the sales methodologies especially.
    - What are the steps that you do for turning someone into an internal champion?
    - How do you make sure that the inner champion has the capabilities to sell your product internally?