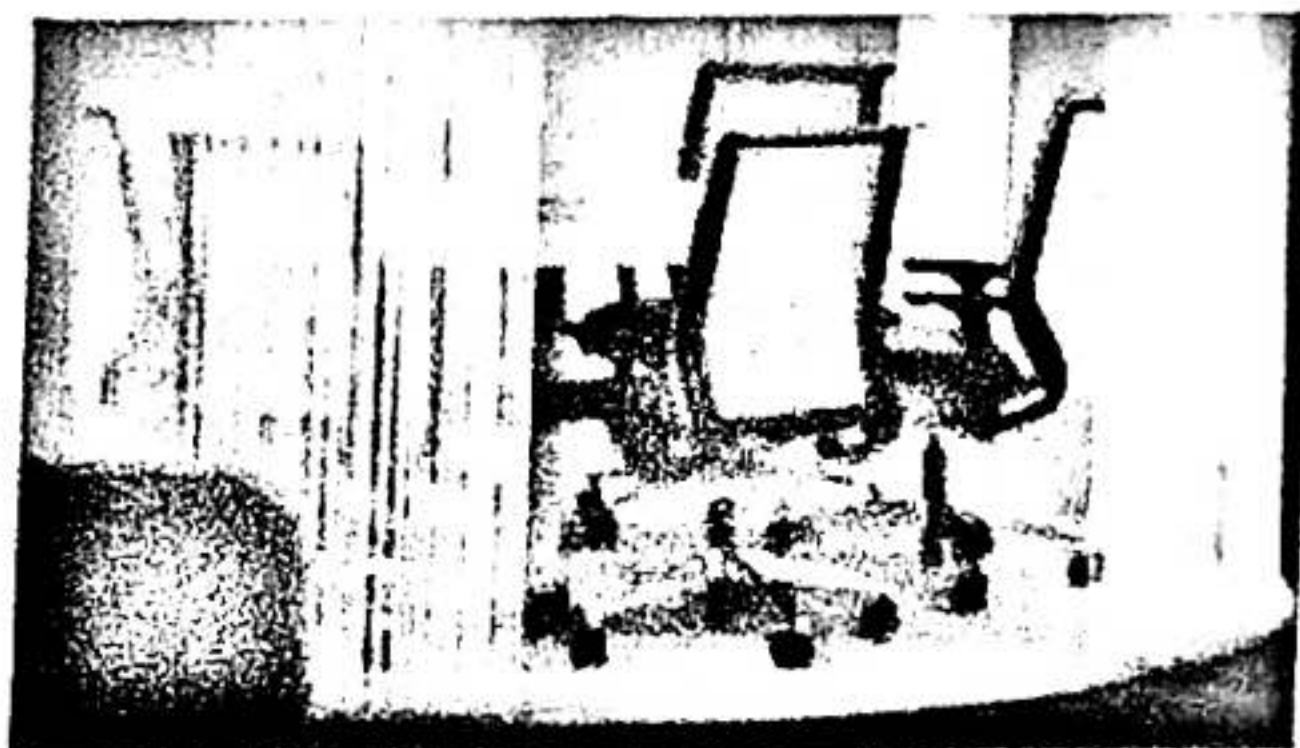




Reality Selling Case Problem: Selling New Products at Steelcase



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Many of the most profitable companies have discovered that there are “riches in market niches.” They have developed products and services that meet the needs of a well-defined or newly created market. Steelcase Incorporated, a leading source of information and expertise on work effectiveness, has been working hard to develop products that meet the needs of people who do most of their work in an office environment. The company’s motto is “the office environment company.” One of its newest products is the “Think” chair. Steelcase also developed the Personal Harbor Workspaces, a self-contained, fully equipped, and totally private podlike workstation. Steelcase sales literature describes the product as ideal for companies that are tired of waiting for the future:

They were developed to support the individual within a highly collaborative team environment, and they work best when clustered around common work areas equipped with mobile tables, carts, benches, screens, and other Steelcase Activity Products. These “commons” are meant to be flexible spaces that enhance communication and facilitate interaction.

Steelcase realized that selling this advanced product would not be easy, so a decision was made to develop an advanced sales team to presell the Personal Harbor before its major introduction. Once the team started making sales calls, it became evident that a traditional product-oriented sales presentation would not work. The Personal Harbor was a departure from conventional office design, so many customers were perplexed. Sue Sacks, a team member, said, “People acted like we had fallen from Mars.” Team members soon realized that, to explain the features and benefits of the product, they had to begin studying new organizational developments such as team-oriented workforces and corporate reengineering. The advanced sales team was renamed the “advanced solutions team.” Sales calls put more emphasis on learning about the customers’ problems and identification of possible solutions. Members of the team viewed themselves as consultants who were in a position to discuss solutions to complex business problems.

The consultative approach soon began to pay off in sales. One customer, a hospital, was preparing to build a new office building and needed workstations for 400 employees. The hospital had formed a committee to make decisions concerning the purchase of office equipment. After an initial meeting between the Steelcase sales team and the hospital committee, a visit to Steelcase headquarters in Grand Rapids, Michigan, was arranged. The hospital committee members were able to tour the plant and meet with selected Steelcase experts. With knowledge of the hospital’s goals and directions, Sue Sacks was able to arrange meetings with Steelcase technical personnel who could answer specific questions. The hospital ultimately placed an order worth more than a million dollars.