

SMART selling not selling harder

Part of the Anderson Baillie White Paper series

Sell, sell, sell. The rally cry from the 'charge of the 80s profit brigade', where sell harder was the rule of the land and make as much profit as you can the measure of success.

Unfortunately, markets have evolved, competition strengthened and the customer base has become more sceptical towards the claims of the software vendors, which seem to fail time after time. In short, sales have become fewer, profits thinner and the share prices of organisations reflect this, falling from stratospheric heights to the cellars of hell.

It's now time for smart selling.

Dishing out the targets – so where can we make the money?

"Oh, it's all very well and good saying here's your target for the next financial year, but how will I achieve it? Just look at the state of the market, and we have no skills or resource available". Sounds familiar? This is probably the most common response by sales staff when first introduced to their new sales targets.

They do, however, have a point. Companies, often in a drive to present better performance figures to the city, push sales targets forward and expect sales teams to simply 'make the numbers' - regardless of business conditions! As sales managers, how do you improve the results? How can you motivate a sales team that is completely aware of the market's conditions and their customer's behaviour patterns – whether positive or not?

The handing out of new targets is no longer the opportunity for presenting new commission streams, it has now become a matter of motivation. In the past motivation was administered through two simple camps, those adopting the carrot and the other the stick. No camp considered using process and guidance to help their teams 'make the numbers'. This way forward is called intuitive motivation.

Intuitive motivation, is only possible if sales teams can see the way forward and where it is possible to achieve targets clearly – not necessarily comfortably - but clearly, all the same. We all know the process they adopt as soon as sales teams get their target. They reach for the low hanging fruit. Their first port of call is the revenue they've tucked from the previous year as rollover! Then the problem is where else to turn? The only way to motivate from here is through SMART selling – where plans isolate buyers, revenues are broken down across segments and campaigns generate intelligent leads, which close quickly. It's a matter of meeting targets through 'baby steps' and not large CAPex projects that are all or nothing in the strategy.

This intuitive approach is driven by a SMART selling engagement plan. It is not a plan of fiction, but an approach driven by Sales Cycle Marketing that demonstrates how the revenue opportunities will be found, qualified and closed.

What is a SMART engagement plan?

The foundation of the SMART selling approach has to be the engagement process - setting out the way forward. To most sales teams, this is a quick assessment of the business they have carried over from last year and then scream for marketing to deliver the pipeline top-up.

Few will set out their markets, or bother to consider reference matches and then plan out their 'go-to-market' campaigns. To many, this approach is a marketing thing – wrong! Marketing plans generally are too large and cumbersome to change at the whim of a sales idea. What sales teams need to do, is work with marketing to secure an ad-hoc funding agreement to support individual 'sales driven' lead generation campaigns, which effectively makes the sales person self sufficient.

Marketing planning should incorporate a sales fund driven by the needs of individual sales staff to execute specific sales driven campaigns.

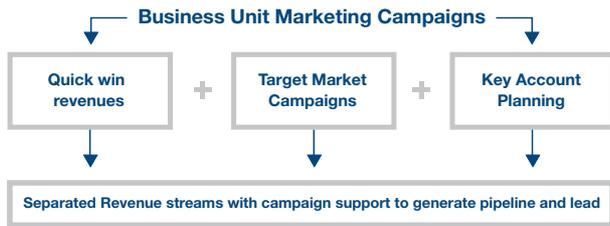


Fig 1. SMART selling, breaking down the sales target into visible revenue 'chunks'

There will of course be certain new business accounts, which will be worthy of the 'target account status'. These, being big enough to hold high value, require both a new business and branding aspect to their campaign – as well as a penetration tactic from the sales team.

This leads us to consider the issue of key account penetration, vital to a SMART engagement plan. How many companies ask for a revenue plan, which details the step-by-step approach to infiltrating an account and then pursuing new revenues through the introduction of business propositions? Well, as part of a SMART engagement plan, this would have to be detailed, the business opportunities found and how they are to be approached with pier mapping and problem ownership.

Now, how many sales managers receive a presentation, such as the plan just described, following the allocation of new targets?

1. Complete visibility of the revenue strategy
2. Isolation of easy wins and reasoning/milestone planning documentation
3. A list of key accounts and penetration plans with reasoned sales engagement
4. Sales driven lead generation campaigns in addition to traditional marketing support

Very few! Some will have certain aspects somehow hung together with a potential revenue forecast, but certainly no planning and step-by-step segmentation of markets, or analysis of pain points within their key or target accounts. This is unfortunate, because as a sales 'business' plan, it would easily answer so many of the questions targeted at not just the sales person, but the sales director as well – where are you making the numbers from, how and in what timescales?



Fig 2. Breaking down the target to manageable chunks

SMART needs a proposition

Understanding where to go and find the revenue is still fundamental to the success of a sales person, but they also need to understand their engagement arguments. Far too many sales staff use the same repetitive and unimaginative sales arguments to 'push' products and services at clients, they now need to consider the argument in full.

The foundation of any good sales engagement plan has to be the proposition. This underpins the sales efforts – no propositions or sales arguments results in little revenue. But, who writes the propositions? Often this is the problem of marketing, created in isolation and with little external consultation – but this is only at a very generic level. The sales team may need individual propositions to a target group of companies, key accounts or a specific segment.

Sales teams need to be given a framework, which in conjunction with the marketing 'spin doctors'; allows them to quickly produce tactical sales arguments which may only be used a few times before being abandoned. With no framework the company is at the mercy of the sales teams imagination and completely out of control.

In a workshop environment, not only will the proposition be formulated and fine tuned, sales will also be able to ask how these arguments may be articulated through sales collateral and indeed how it fits within the corporate branding programme. Nothing should be isolated, it should all form part of an integrated message plan.

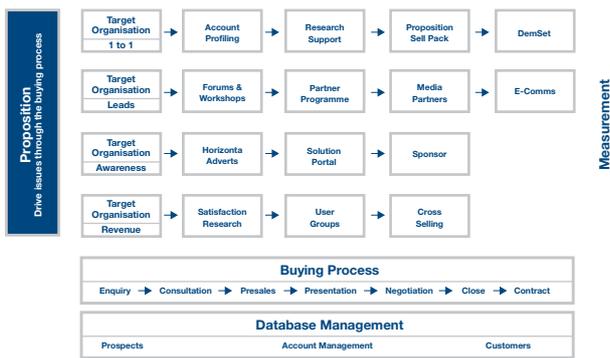


Fig 3. Business Growth services help to create a compelling proposition framework on which to evolve communications and branding

How can you manage in the tough times?

It's a recession, that's why no one is buying right now! A common and to some degree understandable reason for slow sales. Nevertheless, how many times is this the excuse, covering the fact that little or no engagement planning exists and if the immediate pipeline doesn't close? There is little or no contingency planning to add new ideas to the sales argument or re-targeting to less 'spend' restrictive organisations. It is, therefore, a position of failure and not one of engagement.

Tough times call for greater planning and defined action. It starts with the pipeline and the management of enquires through to the stage of presentation for both proposition and solution. Failure to manage the pipeline and seek new accounts will result in 'lumpy business without longterm opportunities.

How can you manage so many different activities?
Only through a SMART engagement plan.

It's not limited to new business, what about KAP in account management?

When you think 'sound business planning' in sales, you immediately look to new business development – you rarely consider account management as well. However, the arguments in your marketing and sales messages are similar to new business, the only restrictions to business activity all come down to breadth of market in which you may seek and derive revenue – normally limited to a few accounts. However, the basics of segmentation planning, marketing and education still apply so why shouldn't account managers do the same?

Account management has one huge advantage over new business development – intelligence. Yes, an in-depth understanding of the companies it has to deal with, the motives of the personnel and the politics. So identifying revenue segments and how these targets should be achieved couldn't be easier.

Getting the best from account management, again, needs a framework to enable quick opportunity development, alongside the more traditional account development efforts. Above all your SMART sales engagement plan should also consider key account development.

The Key Account Planning (KAP) framework is a way of bringing together the sophisticated information gathered through sales and past relationship history, with the targets and revenues of the business alongside the power of the marketing communications team. This allows for a 'micro campaign' to be instigated, marketing to a business as a one-to-one organisational relationship, driving and supporting the sales effort through the use of sales cycle marketing techniques. KAP simply plans efforts, identifies the revenue for forecasting and develops a business plan of actions and co-ordinated efforts to pursue sales through to completion within the financial year.

However, the importance of KAP is the ability to plug in new opportunities for sales, as and when they are thought of or new references occurring through alternative avenues of business. Only through a planned structure of efforts and activities can new ideas be grasped and delivered as new business messages with both consistency and determination.

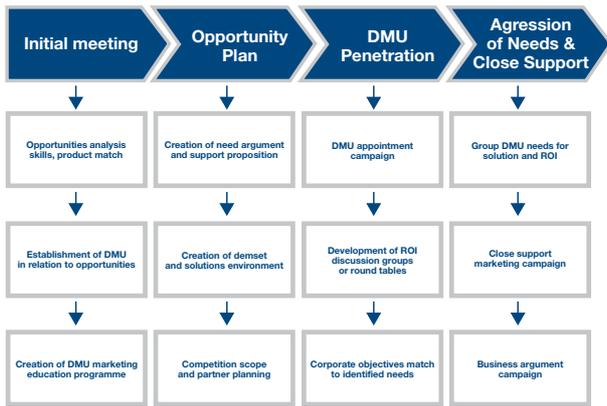


Fig 4. Key account management – a matter of selling smarter not harder

What is the role of marketing in SMART and KAP?

The fundamental change in SMART and KAP planning, is the use and involvement of marketing. For many organisations, the two functions, sales and marketing, operate separately, the latter focusing on the bigger picture and the former the revenue side of the operation. SMART and KAP plans derive their success from the use of marketing communications as a tactical sales tool they react decisively and in a highly reactive manner.

For SMART selling it is a matter of micro marketing with communications plans targeted at delivering sales support not necessarily brand. This is driven by the sales persons own business planning activities, perceptions of the market and the need to focus upon revenue generation.

The aim is to develop a planning process that initially fills the tactical sales pipeline with engagements and then helps drive sales through proposition arguments, decision-making-unit education and pre-sales promotion.

Sales cycle marketing. Where marketing educates the decision making unit in advance of the sales effort by the controlled introduction of new propositions based upon the increased understanding of the sales process.

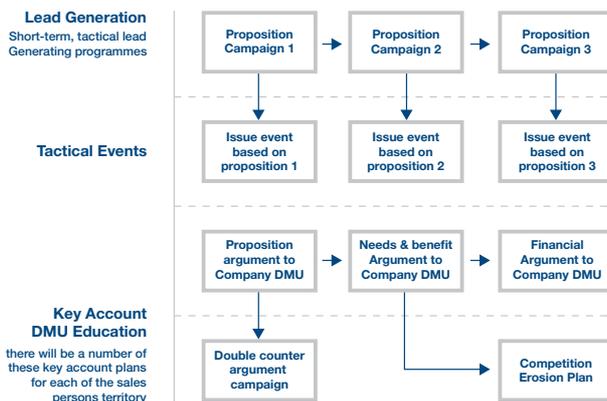


Fig 5. Marketing supporting the SMART sales plan

How does sales cycle marketing work?

Sales cycle marketing is about shortening the sales cycle. We all know this is often frustrated and lengthened through poor understanding of the issues within the clients business as well as the solutions that you intend to sell. The figure of 70% is typical for extended lapse time in just going over the same issues with different members of the buying team. So instead of sales teams doing this, why not get the marketing team to do it.

Nothing new here some might say, the difference is that sales cycle marketing is dynamic. The plan is to educate influence and persuade.

The information that enables this to take place has to be generated, and exploited at each stage of the selling process, so that all members in the buying team see an evolving story that becomes more and more specific to their own individual problems and the business as a whole. This means that half the education takes place before the sales team engages with them. The members of the buying team may alter – perhaps having core influencers, periphery members, frustraters and drivers.

Profile the company and drive the business arguments, sales gathering the arguments visit or conversation by conversation, marketing should then exploit these in the target company specific marketing plan.

How can hunter campaigns make all the difference in lead generation?

Hunter campaigns are designed for rapid turnaround. They take a single sales suggested proposition, refined by specific segment and then targeted to the DMU in their language and by business issue. As these campaigns are delivered to ‘small target audiences’ they are rapidly deployed and can then be followed up by the sales person to generate leads. These campaigns do not form part of the corporate marketing plan, they are additional.

As they are unsophisticated they are low cost and can easily fit into the adhoc marketing budget or be co-opted out to work with partners.

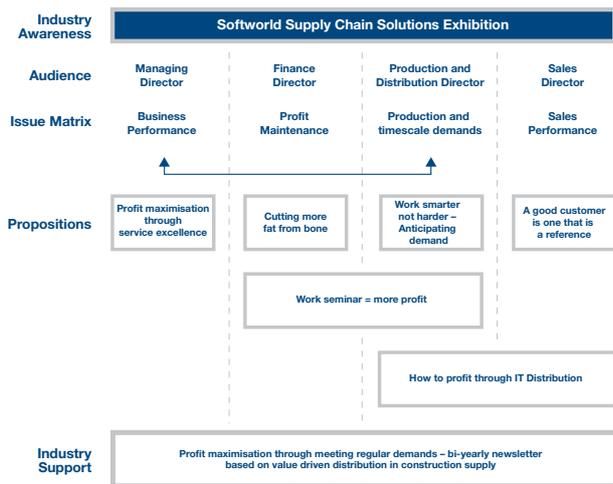


Fig 6. Hunter campaigns are 'drivers', hunting for new business not waiting for responses.

Now you need an intelligent lead, not just an enquiry

The next step or evolution of hunter campaigns is the creation of intelligent lead programmes. Such campaigns exploit valuable research information as a lead generative piece, not simply a supporting data exercise. Here propositions must first be created that determine the research that is then instigated and conducted.

Any information that is positively attributed to the proposition is then used to drive the campaign and enforce the proposition. Information is then further added about the proposition to determine an 'intelligence' driven lead – the buyer responds to a given business issue rather than a generic sales argument and they understand that a business solution is possible through the highly targeted and research support proposition. No more cold-calls, you begin to create intelligent lead generation programmes, business issue driven quality not quantity.

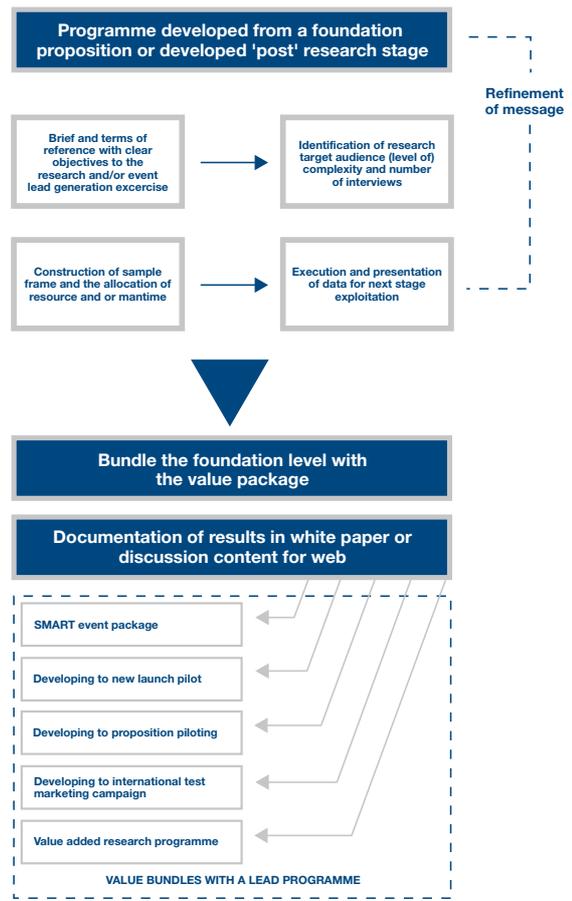


Fig 7. Creating intelligent lead campaign arguments

Summary

Selling into more saturated and complex markets needs to be more structured. Whilst charm and tenacious charisma may help in closing the business, sound business planning will help find it in the first place. From here it is then a matter of using marketing skills to drive key campaigns to achieve targets and ultimately reduce sales cycle times which may if not planned extend beyond the sales year.

Further Reading from Anderson Baillie

Developing compelling propositions for marketing communications and sales delivery – August 2002
Developing a framework to allow rapid turnaround and delivery at both sales and marketing communications level.

Creating multi level communications models to support brand generation and lead generation programmes – March 2002

Managing the demands of brand management and lead development through interacting multi-tier marketing campaign models for hunter sale strategies and industry awareness.

Evolving channel management into a proactive sales strategy – October 2002

Developing a channel management approach which reflects the needs and demands of corporate goals and targets as well as those of the partner base.

Business Growth – the ability to see the wood from the trees – November 2002

Defines new approaches to strategic planning and implementation – from audit through to delivery – for sales and marketing to help meet short-term targets and long-term aspirations.

Notes about the Author

Anderson Baillie provides its IT and high-tech client base with integrated marketing solutions and business growth consultancy. Currently the UK's sixth leading business-to-business marketing agency specialising in the IT sector. With over 12 years of industry practice, Anderson Baillie has developed its own methodology of strategy development through to communications planning and deployment for companies operating throughout Europe. Business Growth and Analytical Lead Development is an Anderson Baillie Research Solution.

More information may be found from:

Anderson Baillie Marketing Ltd
Walton Lodge, Hill Cliffe Road, Walton, Warrington, Cheshire, WA4 6NU, UK.
Telephone: +44 (0)1925 217250
Website: www.andersonbaillie.com

ANDERSONBAILLIE

Walton Lodge, Hill Cliffe Road, Walton, Warrington, Cheshire, WA4 6NU, UK
Tel: +44 (0)845 680 6053 Fax: +44 (0)1925 266 234 Email: enquiries@andersonbaillie.com



Member of the Association
of B2B Agencies

www.andersonbaillie.com