MAVEN TM

Funnel wide inside sales

THE NEW SALES ENVIRONMENT AND HOW TO MANAGE IT

A MAVEN TM WHITEPAPER

INTRODUCTION

The business environment has changed and so has the process of selling. The traditional “I can sell anything to anyone” approach is becoming outdated as the customer increasingly gains the upper hand in the sales process.

It is no longer enough to only fully engage with the customer and understand what they want at the end of the process and magically bend your solution to fit. If you wait for that to happen there may be no customers. You now have to understand what the customer wants at the start of their buying journey and help them come to you.

WHY HAS THIS HAPPENED?

In the past, it was very difficult for B2B customers to find out anything but basic information on any product they were interested in, without paying large sums of money for access to industry analysts. This gave all the power to the salesman who relished in demonstrating this power - particularly in the black art of pricing.

Now, with pricing more readily available online – particularly with SaaS companies – and with people regularly sharing information and intelligence via Social Media, the sales landscape has changed. Customers and prospects are better informed, have access to products from more companies and increasingly do research online before they start the purchasing process.

How Customers Research

- 94% of B2B buyers report that they conduct some form of online research before purchasing a business product
- 55% of B2B buyers conduct online research for at least half of their corporate purchases
- 40% of buyers research more than half of goods under $10,000 online

2014 State of B2B Procurement Study
Accenture, November 2014
www.accenture.com/us-en/insight-state-b2b-procurement-study-uncovering-shifting-landscape

ARE YOU HELPING CUSTOMERS GET THE RIGHT INFORMATION?

Customers and prospects are not only interested in learning about your product or service, but may also need to learn more about how to make the most of their investment. More prople are getting involved in the buying process so it is likely that your contact will be passing their findings to others in the organisation.

To help them represent your products properly, they need to have all the information they need to be your internal champion. In the past this would happen at the end of the sales process, but in the new sales model, they need this information earlier to make the case for further engagement.

Involvement in Purchasing Decision

- On average 1.5 people involved in researching potential suppliers
- On average 2.5 people involved in B2B decision making process
- 75% of purchases worth more than £100,000 involve at least 3 people
- The Business Leader and Finance Function have most influence in Final purchasing decision

Buyersphere Report 2015
Base One, B2B Marketing
www.slideshare.net/HamletB2B/buyersphere-2015

WHERE CUSTOMERS GO FOR INFORMATION

You are now not the only source of information about your products. There is a wide choice of information sources customers could use and the information they want has also changed. They do not want the hard sell from the start of the process but now, increasingly, want engaging content to help educate them about the solution. They haven't got time to go hunting for this, so look for reliable sources. If you can be that source of this general information then you will always keep your brand at the front of their mind.

While supplier websites still remain a leading source of information, this does not mean customers are looking for the same information as they always did. If your website does not have the information they are looking for, they will go elsewhere

Pre-purchase Research Sources

- 56% went to supplier website
- 38% Used a Search Engine
- 36% asked colleagues/friends
- 32% went to an industry specific intermediary
- 20% went to an industry specific forum
- Only 2% went to suppliers directly

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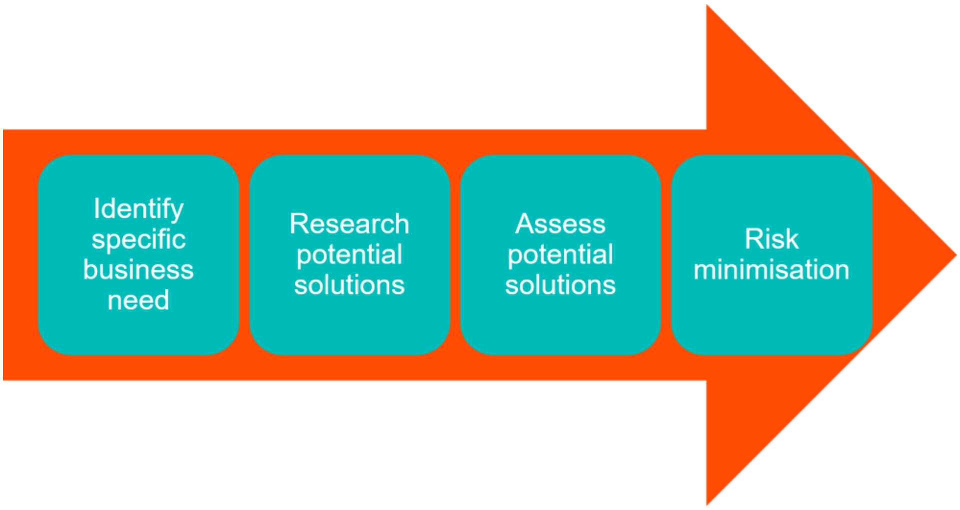
THE NEW CUSTOMER BUYING PROCESS



Identifying Need

The process starts when the prospect realises they have a problem that needs an external solution. It is important that you have content they can easily find that helps them understand that you may offer a solution to their problem.

Researching Potential Solutions

At this point the prospect starts putting some shape on their requirements to help identify and assess potential solutions. You need to make sure that more detailed information about your product is readily available and it shows that you understand their problem in detail.

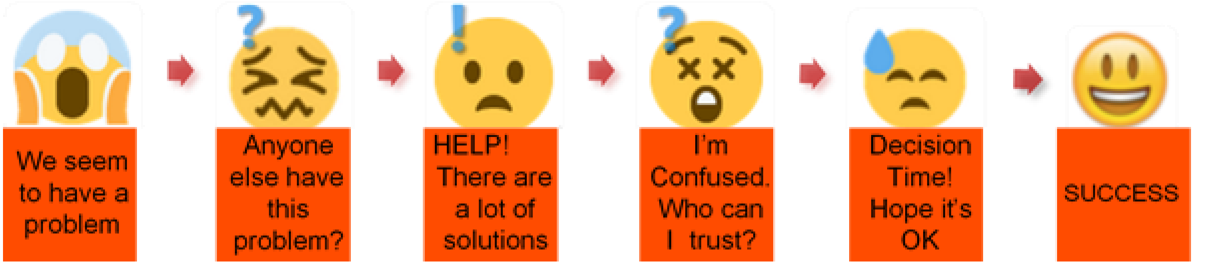
Assess Potential Solutions

This is where the process gets serious as decision makers will probably have a short list of potential suppliers and will be looking at them in more detail. At this stage it should be easy for interested prospects to have easy access to what they need in terms of demonstrations, benchmarking information, references etc. Remember they are still in control so if you don't make it easy then they can easily look elsewhere. They probably do not want to engage directly at this point for fear of triggering a pushy sales process.

Risk Minimisation

At this point the prospect has focused in on one or two solutions and is looking for information to help them feel confident that they are making the right decision. This could include details on items such as the implementation schedule, payment arrangements and availability. This is the chance for your sales team to work closely with the prospect and guide them to the right conclusion. Remember, they have probably shared experiences online with other customers so it is imperative that your sales team approach such interactions in a collaborative manner. Prospects don't just want a solution – they want one they believe in that is delivered by people they trust. This is not the time to forget that the customer is still in charge!

To fully understand the new process it is important to have insight into what we can call the buying journey:



AN INVITATION TO SELL

Your prospects are everywhere, but in this new sales environment the relationship has changed. You no longer impose yourself - and your no doubt finely honed sales patter – onto potential customers. They now invite you to sell to them. A lot of this selling is not face to face but, as we have seen, using other sources. If prospects are happy with what they find, then they may contact you directly to discuss further.

The better you know someone, the more likely you are to invite them into your home. In the same way, you are now more likely to get to speak to a prospective customer if they know you, trust you and believe you can solve their problem.

The only way for them to get to know you is for you to meet them wherever they happen to be. And as with meeting socially, people will quickly find you boring if you keep repeating the same old stories. You need to have something new and interesting to say whenever you bump into them. This can be on your website, on social media, in an online community, during a webinar, etc.

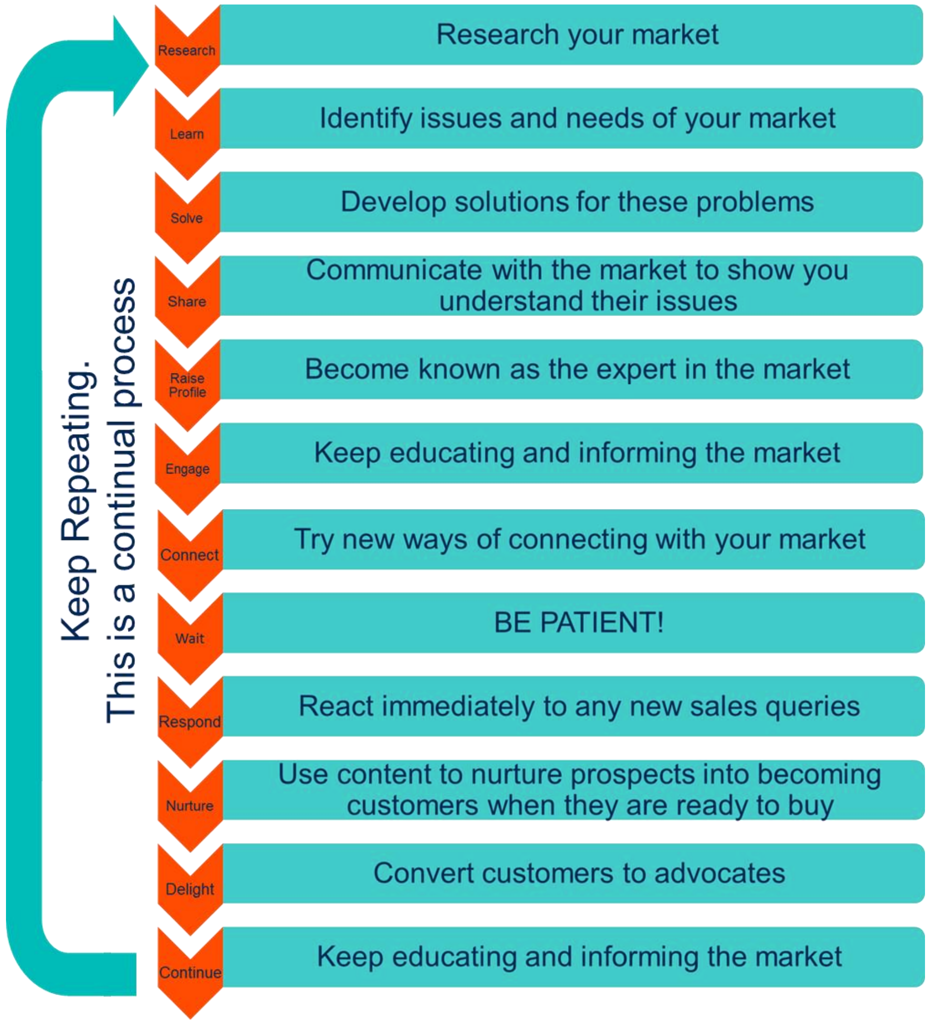
As a result it is important that you are where these customers are throughout their buying journey and they know you are there. You also need to make sure there is consistent and appropriate information to help them make the right decision at every stage! The earlier in their buying journey this happens, the easier it is to build up a long term relationship.

WHAT DOES THIS HAVE TO DO WITH THE SALES PROCESS?

Customers have fundamentally changed the buying process. If you still cling to the "Salesman is King" model, these changes do not impact your selling process – apart from over time making it less successful. You now need to match this new "Customer is King" model with a new approach to sales. In this, the role of the salesman has changed – as you can see below…

The Salesman is King

The Customer is King



Sales and Marketing – The new power couple

To be successful in the new sales environment, Sales and Marketing teams must work closely together…

Marketing must work with sales to produce engaging content.

Sales must react quickly to leads arising from this content and communicate with Marketing on results, next steps and what works best.

Sales & Marketing must regularly monitor progress, develop new approaches and ensure consistent messaging in line with company objectives.

THE NEW SALES PIPELINE

For traditional sales managers the new sales environment can present some challenges. They have to foster very close working relationships with their marketing colleagues as these are now an integral part of the sales team.

Pipeline management has also become more complex. Marketing should have direct responsibility for the early stages of the pipeline, passing leads on to sales to progress through the final stages. For this to work successfully, sales and marketing must learn to agree and speak the same language, particularly around what contributes a lead and what criteria is used to progress it to a prospect.

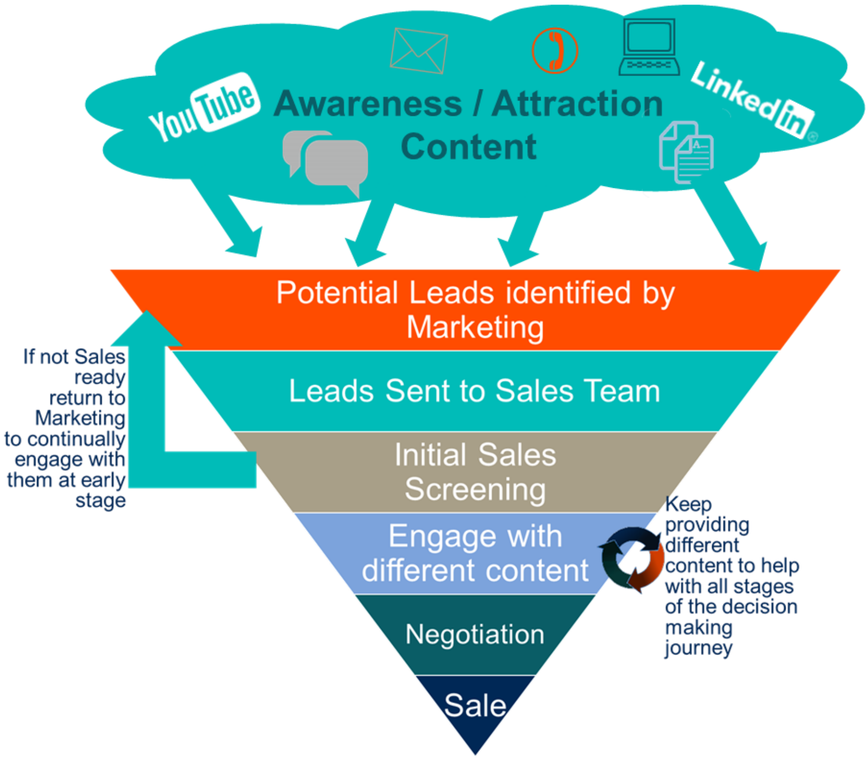
For this to work successfully, it is vital that openness and transparency exists between the teams.

What does this new process mean for the sales pipeline – the traditional measurement of sales progress?

Often, as shown here, the sales pipeline is structured around stages defined by the CRM software in use in an organisation. Unfortunately this tends to reflect the seller's perspective of the sales process.

Although these seem to offer some kind of measurement of progress through the sales process, they do not reflect on the impact of these things or what activity was the most valuable.

As a result, the pipeline really kicks in before any sales activity does, as marketing will have been creating awareness of your product and the issues it solves. This creates a number of leads that visit your various channels and engage in some way to as they investigate if you can solve the problem they have. These are interesting to monitor as it can show what activities generate the most interest, but the real pipeline activity occurs after they decide to engage further.



The success of this sales pipeline model is dependent on sales and marketing having a clear understanding of what a good sales prospect is. In a process, this can be automated to some degree based on customer activity, but for Marketing to instigate this, they need to be absolutely in agreement with their sales colleagues. The other key difference is that this is not just a single direction funnel, as there will be continual interaction and sales can easily send leads back to Marketing, so they can be nurtured in the future when the time is right for a sale.

MANAGING THE NEW SALES PROCESS

All businesses are different, but for a sales manager to successfully manage the new sales process, here a few key facts they need to remember.

- The Customer is in Control – Customers are now running the B2B sales process. They no longer appreciate being sold to, unless they are ready.
- Content is King – B2B buyers crave content. They are no longer prepared to take the word of a salesman and need to investigate for themselves – then they are ready to talk to you.
- Be Patient – a lot of what is classed as sales activity is out of the sales department’s hands. You will feel frustrated at feeling out of control, but this will pass as sales leads start to build up.

- Learn to Love Marketing – Your marketing colleagues are now part of the sales team. You need to work closely as they will produce the content that you need to attract buyers. It is important you trust them to do their job, but there should be regular communication so both sides are telling the same story.
- Be consistent – It is important that the materials and messaging your sales team pass on to your prospects and customers are consistent with the pre-engagement materials they will have seen. This includes sales presentations delivered towards the end of the process. There is no longer room for the maverick sales guy with his own unique version of what you do!
- Customers have enough problems, don't invent new ones – At all stages, show how you can solve their problems by talking benefits and approach. Don't invent a problem that you happen to solve.
- Train your sales teams as product experts – someone customers will trust not avoid! No point being a top salesman unless you come across as someone who understands the issues. If you don't you may not get the chance to show off your legendary closing skills.
- Don't just measure activity – Traditionally, sales managers measured activity such as number of meetings and number of leads. This only tells part of the story as it did not record why sales really were lost or what made someone ultimately buy. The new sales pipeline can be a source of valuable information as, with proper monitoring, it can help identify what messaging, what content and what activities yield the highest results. This helps sales and marketing management direct their efforts in areas which are proven to deliver success.

The new sales environment may seem confusing to a traditional sales manager, but if properly embraced, it can deliver a better professional experience and more, sustainable, success.

If you think you need help navigating this new sales reality, Maven TM and our team of experts are here to help.