

What Every Business Leader Can Do to Rapidly Grow Their Company's Sales

by

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"Jeff Roberts is a true marketing visionary. His innovative, fresh ideas are some of the best to rapidly grow a company's business to business sales." Former CEO, Fortune 100 Company

Introduction

My name is Jeff Roberts, CEO of Integrity Sales Solutions. Integrity is considered to be one of the nation's leading experts at helping business to business companies rapidly grow their business, solve mission-critical sales challenges, add new customers, enhance sales force productivity, fill sales pipelines with qualified, useable sales leads, hire top performing salespeople, and much more. Over the past 11 years, my senior staff and I have helped generate more than \$2 billion in new sales for more than 400 business to business companies ranging from start-ups to Fortune 500 giants such as IBM, Oracle, Sprint, Bayer, Motorola, 3Com, Spherion, and Deloitte & Touche.

My innovative sales-building concepts have been featured on the cover of *President and CEO Magazine* and I've had the privilege of sharing them with hundreds of CEOs at the *Presidents' Forum* and other national business conferences. Integrity's sales building programs and strategies can help any B2B company, but we have special expertise growing sales for businesses in such fields as: software development, technology, consulting, outsourcing, supply chain, insurance, medical, manufacturing, accounting, finance, and HR.

Overview of the Problem

In today's fiercely competitive business world, growing your company can be more difficult than ever. When sales fail to meet expectations, stocks fall, executive compensation declines, and the pressure is on CEOs, presidents, and senior managers to quickly turn things around. Over the years, I've heard business leaders make some variation of the following statement literally hundreds of times:

"We've got great products and services. Why aren't our sales better? We've tried everything to increase our sales but nothing seems to work!"

Thousands of business to business companies spend huge amounts of time, money, and resources attempting to grow their business. Unfortunately, in the vast majority of cases, companies are unable to achieve the sales results they are seeking. Why is it *so* hard to get a company's sales to match the company's sales expectations? Before we explore what you as a Business Leader can do to facilitate the rapid growth of your business, let's begin by taking a brief look at how your company is doing compared to your peers in the business to business world.

How Many of these Universal Sales Challenges Can Your Company Identify With?

How can you know how your company stacks up against others in the B2B world? One indicator of how well your company is doing in the sales and marketing arena can be gleaned from your candid answers in the following informal quiz. Please give yourself 5 points for each of the following sales challenges you answer “True” to (maximum score 100 points).

1. “Last year, we had no way of knowing which of our prospects were in the market to purchase a similar product or service to ours before they made their purchase”
2. “Once again this year, we have no way of knowing *which* of our prospects will purchase our type of product or service before the buying decision is made”
3. “We feel there’s a lot more business out there than we know about. We sense that a lot of business is falling through the cracks and ending up in our competition’s win column”
4. “We don’t have a good handle on our prospect universe. We don’t have a complete list of prospects. We’re not sure exactly *how many* prospects we have, or in some cases *who* they are”
5. “We don’t know the names of the individuals at each prospect who would sign off on our type of product or service.”
6. “Our sales pipeline is too weak. We don’t have a way to generate qualified, useable sales leads”
7. “Our sales cycle is too long. Can’t something be done to reduce it?”
8. “Some of our competitors are bigger than we are. We’re not sure how to compete against competitors with more money, name recognition, and feet on the street”
9. “The decision makers at our prospects don’t have a clear understanding of know who we are, and what products and services we offer”
10. “Our ‘close rate’ isn’t what it should be. We don’t close enough sales in situations where our company is being actively considered”
11. “Our salespeople rarely sell at the C/VP level where buying decisions are made. They don’t seem to have the skills or confidence to sell at the decision making level”
12. “We’re not sure we’re going to market with the right message and value proposition”
13. “Our sales force is too reactive. They spend too much time ‘farming’ existing relationships, and not enough time ‘hunting’ new business”
14. “We don’t have an effective way to know which new markets and verticals represent the best ones for us to expand into”
15. “We’re not sure we have the right salespeople. Our sales reps are always making too many excuses... the economy is bad, no one is buying, etc. Not only that, we have too much turnover in our sales group. We need a better way to find, screen, hire, and retain top-performing salespeople”

16. “We don’t have enough consulting firms and third parties actively recommending our products and services”
17. “Our marketing people have trouble quantifying a positive ROI on many of our marketing and advertising expenditures”
18. “We don’t have enough good quality business intelligence about our prospects, competitors, and markets. It makes it tough to make good decisions”
19. “Every year we miss many of our sales and marketing goals. The same sales-related problems seem to reoccur every year”
20. “I’m not comfortable that we have the right long term plan in place to grow the company to where I envision it ought to be in 3 to 5 years”

Keeping Score. Although there are no “right and wrong” answers to the above questions, in the most basic terms, the more questions you found yourself answering “Yes” or “True” to, the bigger the sales challenge your company is facing. But take heart. If you weren’t satisfied with the grade you gave your company, there is a silver lining - fast, cost-effective programs and strategies exist to address each of these and most other common sales challenges.

The Impact of Not Solving Universal Sales and Marketing Challenges

It should come as no surprise that there are consequences to having each of these sales challenges. For example, if you don’t know which of your prospects are actively in the market to buy, how can you sell them your product or service? If your sales pipeline is weak, your sales will follow suit. If your salespeople sell too “low,” your company will experience unnecessarily long sales cycles and reduced close rates. If you have no way to know which new markets will be most receptive to your products and services, you face the prospect of burning up a great deal of time, money, and resources trying to sell your products and services to the wrong market. You get the idea.

Illustration of the Millions of Dollars Most Companies Leave on the Table Every Year

One major impact of not having solutions for the common sales problems listed above is underperforming sales. The following example illustrates the amount of money hypothetical company XYZCO left on the table in 2004. Although the company in this example is fictional, the numbers contained in this section are reflective of the type of money most business to business companies annually leave on the table. Let’s suppose:

- XYZCO has 5,000 prospects
- Their average sale is \$100,000
- Last year XYZCO closed 15 new sales
- XYZCO typically closes 20% of the sales where they are under consideration by buying prospects
- XYZCO estimates that 15% of their market will purchase a similar product or service each year

In this illustration, XYZCO closed \$1,500,000 in new business (15 sales x \$100,000 each). Since they close 20% of the deals where they are “in play,” this indicates they were considered by 75 companies which purchased a competitive product or service (15 sales equates to 20% of 75). XYZCO estimated that 15% of their market bought a competitive product or service last year. This means that roughly 750

of their prospects purchased a competitive product last year (15% out of a prospect universe of 5,000 companies). Using these numbers, XYZCO was in play in only 10% of all potential buying opportunities (75 out of an estimated 750 purchases)! The value of the 675 prospects who bought without considering XYZCO's product equates to **\$67,500,000 in lost opportunities** (675 buying prospects x \$100,000 per sale).

The cost of not knowing which of prospects are going to buy before they make their buying decision can be astronomical! In the example we just completed, since XYZCO closes 20% of all prospects where they are actively considered, had they been under consideration by the other 675 prospects that purchased a competitive product, they would have been able to close 135 more sales (20% of 675 buying prospects). At \$100,000 per sale, this equates to \$13,500,000 in additional business... 9 times more business than they actually closed! Please feel free to use this formula to calculate how much money your company may have left on the table last year.

The Fatal Flaw with Most Sales and Marketing Approaches

Without fail, almost every company I have ever spoken with will inevitably make a statement similar to the following:

“We’ve got a great product (or service). Our clients love us. We’ve got great technical and support people. Our product (service) is way better than our competition. We bring great value to our clients. With all we’ve got going for us, why aren’t our sales better?”

This next statement comes as a surprise to many companies:

“In the vast majority of cases, the real reason for under-performing sales has little or nothing to do with the quality of a company’s products and services”

This is so important; let me say it again for emphasis:

“In the vast majority of cases, the real reason for under-performing sales has little or nothing to do with the quality of a company’s products and services”

If the real reason for under-performing sales is not the quality of the product or service, what is it? This is, literally, the million dollar question!

A number of years ago, a popular business book was published called, *The Goal*. In the book, the author postulated that most big business problems have their origins in small, often unnoticed bottlenecks located somewhere in a business. After working with and reviewing the sales and marketing practices of over 1,000 companies, I am convinced that the real root cause for most underperforming sales can be traced back to tactical and strategic problems in B2B company’s sales and marketing plans, tactics, and personnel. Unfortunately, as we have seen, failing to address these chronic problems can have a dramatic negative impact on company sales. Moreover, not only can sub par sales substantially reduce a business leader’s income, in extreme cases, underachieving sales has cost many business leaders his or her job. Fortunately, most sales and marketing problems can be easily fixed *if you know where* to look, and *what* to do to fix the problem(s).

Most business to business companies make the mistake of assuming that because they have an excellent product or service, success will beat a path to their door. The following paraphrase from a partner at a well known venture capital firm illustrates the flaw in this line of reasoning:

“Many companies assume that if they have a great product or service they will automatically be successful. Unfortunately, even a great product or service will never be fully successful if the company can’t figure out an effective way to bring it to market and close sales.”

Before continuing, let me say that the intent of this White Paper is *not* to point fingers or fix the blame on sales and marketing people. Earlier in my career I served as Vice President Sales and Marketing for a high growth entrepreneurial business. Based on this experience, I have tremendous empathy and respect for those in the sales and marketing profession. Unfortunately, most sales and marketing professionals are laboring under a major handicap - outdated sales and marketing tools and strategies. Most sales and marketing “tools” available to sales and marketing managers have simply not kept up with the times. For example, when I give speeches, I often say:

“Today’s business to business companies need to stop marketing 21st century products and services with 18th century marketing!”

I’m not kidding. Despite glitzy websites and large marketing expenditures, the strategies and marketing vehicles used by most sales and marketing professionals simply aren’t effective. Want proof? After reviewing more than a 1,000 companies sales marketing practices *not one* was able to document that they had an effective way to determine which of their prospects were in the market to purchase their type of product or service. *Not one!*

Remarkably, here in the early years of the 21st century, three of the top 5 marketing vehicles used to market business to business products and services have their roots in the 18th century (or earlier!) Take direct mail. The U.S. Postal Service was founded in 1775. How about magazine or trade journal advertising? Ben Franklin’s *Pennsylvania Gazette* accepted ads more than 250 years ago! Trade shows? People have been marketing their products in bazaars for thousands of years!

What about cutting edge *new* marketing vehicles such as web seminars, video conferences, email advertising, and teleconferences? Surely, they’re not hundreds of years old. True. But, as we’ll see in a moment, they too share the same inherent sales challenges as their “tried and true” long-established marketing cousins.

Here’s the problem... virtually all current marketing approaches (both cutting edge and long established) are *passive* in nature. What do I mean? A company sends out direct mail and *waits* to see if any *useable* sales leads are generated. They exhibit at an expensive trade show and *hope* a few *real* prospects take the time to stop by their booth. They *hope* that at least some of their website visitors are *real* prospects - not just “literature seekers.” They plan a web seminar, then invite people by direct mail. Etc. Etc.

If the marketing tools available to today’s marketing and sales professionals worked, thousands of companies would not face uninspiring sales, extended sales cycles, and sales falling through the cracks.

The bottom line with most existing go-to-market approaches is they don’t get the job done. Why? Because the company loses control of the new customer acquisition process. In too many cases, after a company launches a marketing activity, they must sit back passively and *hope their prospects take the initiative to contact them!* Ironically, while most companies are sitting around waiting for their prospects

to get back to them, as illustrated in the earlier example, large numbers of winnable sales opportunities fall through the cracks and land in their competitors win column.

Steps Business Leaders Can Take to Grow Their Sales

Without speaking with you, there is no way I can know which sales and marketing issues your company may be facing. Accordingly, I will not waste your valuable time outlining dozens of sales and marketing fixes which may not be applicable to your company and situation. However, here are a few generic steps you can take to prime your sales growth pump:

1. Market Consistently

An article in the *Wall Street Journal* stated that, “an analysis of 600 companies in the 1981-1982 recession found that companies which maintained or increased their marketing expenditures during this slow period averaged new sales growth of 275% between 1981-1985. Companies which cut back their marketing expenditures during this slump averaged just 19% sales growth during the same five year period.” The point is you need to continue aggressively marketing your products and services during good *and* bad times. Remember, it’s all but impossible to crawl out of a sales hole by *cutting back* on sales and marketing personnel and expenditures.

2. Lead by Example

Even if it’s not your “cup of tea,” you need to become more involved in your company’s sales and marketing issues. Many CEOs and Presidents take a hands-off approach when it comes to sales and marketing:

“Sales and marketing isn’t my area of expertise. That’s why we have a Vice President of Sales and Marketing.”

Here are a number of very good reasons why you need to get more involved in the sales and marketing aspects of your business:

First, whether you like it or not, you *will* be judged on your company’s sales performance. If your company’s sales are down, or your sales expectations go unmet, shareholders and other stakeholders will look to *you* for answers.

Second, your people watches how and where you spend your time. The key players in your company will follow your lead and invest their time and energy where they see you investing yours. If they see you placing more emphasis on sales and marketing issues, they will as well.

3. Think “Outside” the Box

Try fresh approaches. Don’t continue throwing marketing and advertising dollars at the same tired, old programs that aren’t producing acceptable results. If your sales and marketing professionals can’t verify a program or strategy is working, why continue doing it? Cut your losses as soon as you can. Try something different.

4. Demand ROI for Sales and Marketing Activities

Every year, companies waste hundreds of thousands, or even millions of dollars on ads, trade shows, direct mail, and other questionable strategies. Where is the ROI? Insist your Sales and Marketing Vice Presidents quantify an acceptable ROI on all advertising, marketing, lead generation, and sales outlays. Ask tough questions. Expect specific, measurable answers.

5. Obtain a Sales Assessment from an Independent, Outside Sales-Growth Expert

Even the best run companies can benefit by engaging the services of a knowledgeable, independent, sales-growth expert who can review, assess, and make recommendations to improve your current sales and marketing programs and strategies. Most Sales and Marketing VPs have held just 3-6 similar positions at prior employers, and some of this experience is probably not applicable to your company. Face it. If your sales and marketing professional *had* the answers, they would have implemented them by now. Consider bringing in an outside sales and marketing expert to conduct an independent assessment of your sales and marketing personnel, programs, and strategies. A sales growth expert will bring broad experience gleaned from working with a dozens or hundreds of companies. Often, they can quickly “see the forest for the trees” and quickly pinpoint problems. Plus, they should be able to offer viable solutions to long-time problems that have been negatively impacting your sales. Should you choose to partner with an independent, outside sales-growth expert, I guarantee the report they will submit will make for eye-opening reading.

Author's Note

Thank you for the time you have invested to read this report. In this type of generic overview, it is difficult to focus on the specific issues that may be negatively impacting your company's sales. Therefore, to thank you for your time and interest, if you are not satisfied with your company's sales, I invite you to contact me to schedule a convenient time for a **complimentary Sales and Marketing Assessment Teleconference**. During this one hour “get-acquainted” phone call, you'll have the opportunity to discuss your company's toughest sales and marketing challenges. Then, I'll provide you with some preliminary observations and recommendations. We can also discuss the benefits your company could achieve by partnering with Integrity Sales Solutions to help you rapidly grow your business and *exceed* your 2005 sales goals.

To schedule a complimentary Sales Assessment Teleconference, please contact me at 800-845-7720 (direct) or via email at: jroberts@integritysalesus.com. I look forward to speaking with you and helping grow your business.

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