



04 Sales and Marketing

Is your product sold or is it bought? The significance of the distinction is more than just philosophical. It reinforces the importance of your company's Vision, Mission and especially, Strategy.

Professional 'marketeers' may tend to view sales as a subset of marketing, and it's easy to see why - after all, aren't they both about shifting product? I take an opposite view: marketing is about creating company and product awareness and understanding the market at a strategic level; selling is about influencing people to buy. A pro-active sales force may also contribute to creating awareness as a by-product of their activity, and marketing campaigns may result in customers 'giving themselves up'.

Essentially, though, there is a clear distinction between the roles, and in larger companies the marketing department is separate from the sales team even if they both ultimately report to a Sales and Marketing Director. In smaller companies it is not unusual for the two functions to be managed by one person.

Marketing

It has been said that marketing is too important to be left up to the marketing department. What this is driving at is that unless everyone in the company is informed about the company direction, the importance of quality in everything they do and concerned to put the customer's satisfaction at the forefront, any official marketing effort may quickly ring hollow.

Conversely, it can be a disaster if a wonderful marketing campaign takes no account of circumstances within the company. In one company I know, the marketing team were revising product specification up to and including the proposed day of launch, with every change having immense ramifications on the ability of the IT team to deliver. The culture of the company is therefore highly significant to the marketing function and can make the difference between success and failure of any campaign.

'Brand' falls within the marketing brief - the responsibility to create a value association with the company's name. For instance, consider Virgin's brand. Do values such as innovation, freshness, value for money spring to mind? In their case, the brand is largely associated with Richard Branson though, and some commuters

may have formed a different impression. Larger companies are jealous about their 'brand', and smaller companies should be. In a sense, every company has a brand (sometimes unknowingly). It is what customers associate with the company, not its logo; expectations of, for example, quality levels, customer service and product value for money all go together to either encourage continuing customer commitment or turn it off.

Having a good brand, or reputation, can be useful when diversifying. This is known as 'brand stretch', the ability to use the halo effect of the company brand in one sphere (for example Virgin Records) to enhance an entry into another (for example Virgin Airline) - Virgin Megastores were value for money, therefore Virgin Airline will be, is the internal dialogue.

The marketing function will negotiate the strategic product pricing policy with the Financial Director, based upon the research that they have carried out. Such things as competitor activities and prices, size of market and perceived value of the product or service will inform the debate. Gaps in the market or opportunities for new products would also be spotted as part of the research, but such information can also be a valuable spin-off from the activities of the sales team.

However, marketing strategy should not be formulated without careful reference to the guiding principles of the company. Every idea must be questioned as to its relevance to the company Strategy and its impact on the rest of the organisation. It is no good to run a campaign to increase sales volumes if production capacity to cope is not there, if transport is not available to deliver to an increased number of customers and if the back-office administration team cannot manage extra order processing.

Sales

Unless a marketing campaign generates leads, it is down to the sales team to discover prospective customers. If you have more than one sales person, you may well have more than one sales process.. Where one representative will take 10 minutes to close a sale, another may take 40 minutes. Some may confine themselves to being order-takers rather than pro-actively seeking new sales, whereas others are alive to cross-selling opportunities with existing customers and aware of new businesses that have arrived in their area.



Transforming Business Performance

The key is to have a standard sales process - a track to run on. This implies training the sales team to do it the company way. In that way, the good reputation of the company can be protected by a carefully-scripted process and the closing rate of all sales staff can be brought to the same (hopefully healthy) levels.

People who enjoy selling tend to share certain characteristics:

- Dominance - theirs is quite high, they are ready and willing to take control of an interview and tackle objections.
- Influence - even higher than Dominance, they use a combination of persuasive arguments and expressive personality to win a sale.
- Stability - in this context it means the aptitude to do repetitive or mundane tasks, or to be happy dealing with columns of figures and analysis. Sales people tend to have a very low Stability.
- Compliance - the willingness to be bound by company rules and regulations. In salespeople, expect this to be almost as low as their Stability factor.

Please note, though, that I only alluded to a *tendency* for these characteristics to be present. There are many people engaged in selling who do not share this profile at all and are still successful. However, using the generalisations above, it is not surprising when sales people resist any attempt to standardise their sales habits.

The most frequently-heard objection to a sales script is 'But I don't believe in scripts'. Additionally the biggest objection to having a standard sales track is 'But every client is different'. Both objections are ill-founded. If an actor can learn a part to the extent that an audience believes in the character, then a salesman can learn a script well enough for it to sound natural coming from them. Clients are all different, that's true, but the process need not be. If a salesperson doesn't use the same process on every call, how are they to judge which ones were lost because of the prospect's situation rather than a lack in their own skill?

Training of salespeople is therefore key. Apart from having an agreed sales track and script, they obviously need to know the product range and product applications inside out. They should be attuned to spotting opportunities to sell deeper as well as wider in existing customers and training in this is valuable. They should also be apprised of any scope to negotiate price and understand the pricing

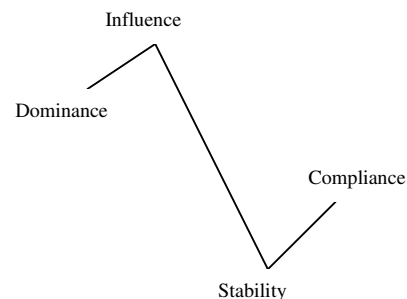
structure of the products. Knowledge of the competition's offerings should be provided by the marketing function, and if it is possible to identify all of the objections that are likely to be raised by customers a set of overcoming responses can be formulated and trained in.

Proper marketing campaigns and sales training then need a 'positive sales environment' in which to operate. A positive sales environment implies that customers have relinquished any resistance to buying from you, and are comfortable with the company and the sales person. It comes about by continuous evaluation of the company and the sales team.

Total Quality Management has a huge role to play here. Apart from anything else, the provision of metrics will enable the monitoring of sales activity levels and the vital sales ratios - calls to appointments, appointments to sales, value of sales, profit of sales. This will then enable you to calculate some vital statistics, such as who your most valuable customers are (you may get a surprise) and which sales person is generating the most profit.

In Summary

- Marketing tends to be about creating awareness, sales tends to be about influencing to buy.
- Marketing is too important to be left to the marketing department
- The culture of the company is highly significant to the marketing function.
- A good brand may aid expansion.
- Marketing must be kept in line with company strategy.
- There should be one sales process for the company, not one per sales person.
- A typical 'sales' profile of an individual is:



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