

Sales Process

How do prospects buy your product or service?
 Does a single decision-maker find a product and buy on the spot, or does s/he go through many steps and approvals first? Perhaps there are multiple departments involved in the decision, each with its own needs?

A sales process is a defined series of steps you follow as you guide prospects from initial contact to purchase. It begins when you first identify a new prospect:

STEP 1	STEP 2	STEP 3	STEP 4	STEP 5
A prospect responds to a campaign & requests information	A sales rep calls the prospect to explain your product	In-person meeting & product demo	Your team submits a proposal	Prospect signs an agreement & makes first payment

A documented sales process is a flowchart that explains

- ▶ **Each distinct step** a prospect takes
- ▶ **Knowledge** the prospect needs to move to the next step
- ▶ **Literature & tools** you can provide to help the prospect move forward
- ▶ **Length of time** a prospect needs at each step
- ▶ **Conversion rates:** the percentage of prospects who move from one step to the next

With a documented sales process, you have a powerful tool that enables you to

- ▶ Sell more efficiently
- ▶ Generate more accurate sales and revenue reports
- ▶ Estimate the revenue and return on investment (ROI) of your marketing campaigns
- ▶ See which stages take the most time and find ways to move prospects forward
- ▶ Create better literature and tools
- ▶ Improve your campaigns
- ▶ Minimize the amount of time your reps spend on estimates and forecasts

Do you see your company in one of these scenarios?

BEST CASE	NEUTRAL CASE	WORST CASE
<p>You have a well-designed process that measures the number of prospects you have at each stage, how long they stay in each stage, and the revenue your entire pipeline represents.</p> <p>You deliver the right amount of information prospects need at each step, which helps them make decisions more quickly and move to the next stage.</p> <p>You use your sales process to create more successful marketing campaigns because you can predict how many leads will become customers and what those leads will be worth to your company.</p>	<p>You may or may not have a defined sales process. You generally follow the same steps to close a customer, but there's a big variance in the amount of time it takes to close. In fact, even your strongest reps have trouble closing certain types of prospects.</p> <p>Your forecasts are probably all manual and generally accurate, but you wish you had a thorough snapshot to show exactly how many accounts are at a certain stage and what you need to do to close.</p>	<p>You don't have a process or use one that doesn't match how prospects want to buy.</p> <p>You deliver all of the information about your product but then seem to lose control of the prospect. Some prospects end up buying, but you don't know why the others don't.</p> <p>It's a constant battle to figure out how many real prospects you have and what they're worth. Your sales team often spends valuable time creating manual reports instead of selling, which further hurts your revenue.</p>

Key concepts & steps

Before you begin

If you don't have a defined sales process, it's a valuable investment that can improve your entire sales and marketing program. Create processes for each **distribution channel**, product and/or customer segment.

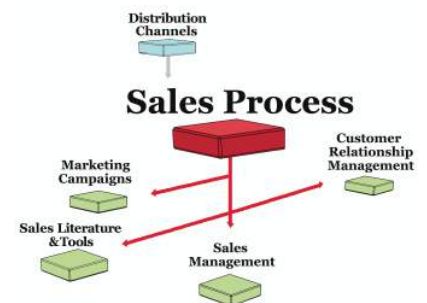
Determine how your prospects buy

List the steps you think prospects logically take from the time they recognize a problem to the time they buy. Talk with customers or ask your sales reps for more insight. Figure out what steps they take, what they need to know and how you can deliver that information most effectively.

Create your process

For each step your prospects need to take, list

- ▶ What the prospect needs to learn
- ▶ Literature & tools you can provide to help the prospect move forward
- ▶ The length of time a prospect needs at the step
- ▶ The percentage of prospects who move from each step to the next (your "conversion rate")



Project campaign results & revenue

When you have a sales process with conversion rates, you can generate solid pipeline and revenue reports. For example, if you have 50 prospects at the presentation stage, your process may show that 20% will become customers. That means those 50 prospects should deliver 10 new customers. Your process will also tell you when that should happen and how much revenue those prospect represent.

You can use a similar calculation to project results from new marketing campaigns. For example, if a campaign should produce 100 qualified leads, you can estimate the number of meetings, presentations, and new customers the campaign will generate.

Improve your process to maximize revenue

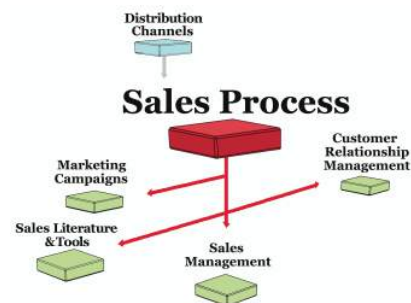
When you have a defined process, it's easier to test ideas for improving results. For example, you can

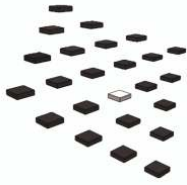
- ▶ Identify spots where prospects get “stuck” in the process and try new materials or messages to help them move forward
- ▶ Measure how well different reps convert at each step and help those that aren't doing as well
- ▶ See how leads from different marketing campaigns convert and improve your campaigns
- ▶ Create campaigns to “recycle” leads that fall out of the process at various spots

What's next?

After you've documented your sales process, develop the **literature & tools** you'll need to guide your prospects through each step. Add your process to your **customer relationship management** (CRM) software so that each account is assigned to a stage at all times. Then you can run reports and measure your progress and improve your **sales management**.

You'll also use your sales process to measure the success of **marketing campaigns**; for a specific campaign, you can see how many leads entered the process and made it to each step.





Marketing Campaigns

In many B2B companies, a sales team is the primary method for reaching out to the market. Salespeople call prospects and customers, but they can only do so much in a day. Marketing campaigns can dramatically increase your reach.

A marketing campaign is a series of touches with your market to communicate a key message. The key word is “series” since it usually takes multiple touches for your audience to recognize your message and respond.

Marketing campaigns can include many different media:

- ▶ Email, search, banners and other online marketing
- ▶ Publicity
- ▶ Direct mail
- ▶ Telemarketing
- ▶ Trade shows and events
- ▶ Print, radio and other “traditional” media

Here are three sample campaigns:

GENERATE NEW LEADS
<ol style="list-style-type: none"> 1. Use search to generate traffic to your website. 2. Prospect requests information via email. 3. Email the requested information. 4. Call the prospect; qualify the prospect further and determine next steps.

DRIVE EXISTING PROSPECTS TO YOUR TRADE SHOW BOOTH & VIP RECEPTION
<ol style="list-style-type: none"> 1. Mail a postcard to attendees 3 weeks before the show; invite them to your booth with an intriguing incentive. 2. Mail a special invite to key prospects and customers to for a VIP reception. Ask them to RSVP by phone, email or URL. 3. Call key prospects and customers as a second effort. 4. Send an email to all confirmed attendees and 3 days before the event. 5. Email the non-respondents one last time.

HIT YOUR MARKET WITH A SPECIAL OFFER
<ol style="list-style-type: none"> 1. Run banner ads on industry websites and targeted email newsletters. 2. Send out a special email to your house list. 3. Create an intriguing story and tie it to your offer. Write a search-optimized press release and post on your site; distribute releases and pitch to a key industry reporter. 4. Run a series of paid search ads.

In B2B it's always best to start with your company's annual goals and develop campaigns to meet those numbers. For example, when you know how many new customers you need, you can calculate how many leads you'll need, then design campaigns to generate those leads throughout the year.

With solid planning, a jolt of creativity and focus on measurement, you'll be in a strong position for success.

BEST CASE
<p>You plan and execute your campaigns to hit specific goals. You don't always hit them, but you test and improve different elements; the ROI on your overall budget is above your goal.</p> <p>You focus on an offer and call-to-action, and you touch your prospects several times and follow up when appropriate.</p> <p>You recognize the challenges in measuring results, but you do what you can; it helps you improve the next time around.</p>

NEUTRAL CASE
<p>Your campaigns aren't the most creative or the splashiest, but you've hit many of your marketing goals. You don't test but your response rate is fine. You don't know your ROI but you generally know which campaigns work best.</p> <p>Yet when you're faced with ambitious annual goals, you have problems gaining budget approval. Since you stick with the same campaigns year in and out, it's also difficult to figure out how to generate additional leads.</p>

WORST CASE
<p>Your marketing programs tend to be reactive -- suddenly you're low on leads or falling short of your goals and you launch a campaign to fix the problem.</p> <p>Since your programs don't seem to work, it's difficult to gain budget approval for future campaigns that could be more well-planned and executed.</p> <p>It's a vicious cycle and you don't know how to get out of it.</p>

Key concepts & steps

Before you begin

Your **brand** and **pricing** strategies play a significant role in your marketing efforts, so nail down those strategies before launching any major campaigns. If you sell through multiple **distribution channels**, don't forget to create campaigns for each. You'll also refer to your **sales process** to estimate revenue and ROI for each campaign.

Quantify your goals

- ▶ Plan your campaigns to meet your annual revenue and volume goals. For example, if you're trying to generate 100 new customers, figure out how many leads you'll need and when you'll need them.
- ▶ Think about how you'll use different media. For example, your sales team may be able to generate 30% of your leads through prospecting; the rest may come from telemarketing, email, direct mail, search marketing, webinars, trade shows and more.

Generate campaign ideas and strategies

- ▶ Identify all of the business goals that will need marketing support. You may need campaigns to generate and nurture prospects, sell direct or through a channel, or market to existing customers.
- ▶ Evaluate ideas and options: traditional sales activities, internet marketing, telemarketing, direct mail, email, publicity and more.

Target your audience

- ▶ With more specific targeting, you can speak more directly to the prospect and raise your response rates in the process.

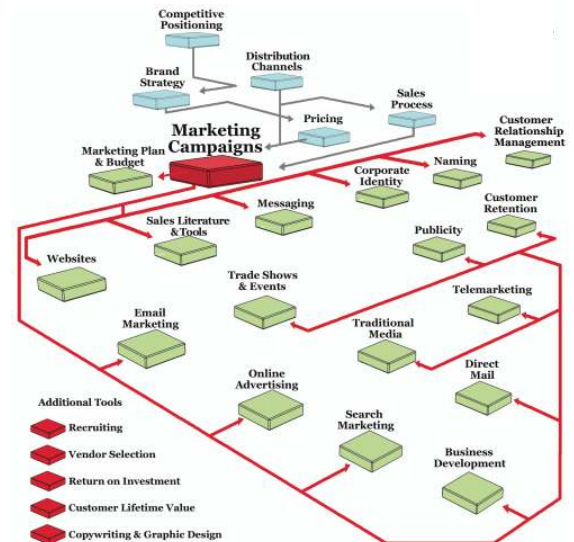
Deliver one or two key messages and your call-to-action

- ▶ If you include every detail about your product and company, it's easy for prospects to become overwhelmed. Just move a prospect one step at a time.
- ▶ Be creative -- your market is bombarded with messages daily, so grab their attention and engage them.

Plan to measure

When you measure your campaigns, it's easier to gain budget approval the next time around. You'll also know exactly which programs produce the highest return.

- ▶ Establish how you'll measure each campaign. If there are variables you can't measure, decide how you will account for those results.
- ▶ Identify how you'll capture the data you'll need – unique phone numbers, unique URLs, etc.



Plan your fulfillment

- ▶ Your fulfillment processes can help or hurt your close rate, so make sure you outline your requirements. For example, if you're running a campaign where prospects request a software demo and it doesn't arrive for a week, your prospects may lose interest.

Continually test and improve

- ▶ Even on a small campaign, you can evaluate your ad, copy, list or other factors before you spend your entire budget.
- ▶ Choose a subset of your list or two versions of an ad; test them in small quantities and choose the best one for rollout. Then you can test a second variable against the winner in the first test.
- ▶ Keep the testing cycle going and track your results over time. You'll improve your response rates and return on investment.

What's next?

Include your major campaigns in your annual **marketing plan and budget**, then implement your plans and strategies throughout the year: **email marketing, business development, trade shows, publicity, online advertising, customer retention** and more.

