



Selling is About More Than Sales

by

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I am constantly amazed at how companies, from start-ups through to the giants, think that the achievement of sales results falls solely within the domain of the sales organization. This often leads to the illogical conclusion that, if sales targets are not being met, then it must be the fault of sales. As a single, maybe extreme, example let me share with you the true story of Pete...

Pete worked for a well-funded dot.com start-up. The organization had hired some 60 folk, and had brought a service to market. But, like bringing the proverbial horse to water, the market was only sampling; not drinking.

The initial sales team consisted of four individuals who collectively had managed to sell \$800,000 in a little over a year. In the successive year, the chosen strategy was to achieve market dominance by growing revenues by a mere \$60M! The brilliant path chosen to achieve this mean feat was to hire an additional 15 sales people and assigning each of them a quota of \$3,200,000. My guess is that this sales quota was arrived at by taking the revenue goal for the company and dividing it by the number of sales people.

Fast-forward nine months. The sales people were each averaging around \$75,000 per quarter - a revenue number that, although falling very short of the quota, represented a growth of 50%, per sales professional, over the previous year. The inevitable, however, came to pass and the CEO announced lay offs of more than half the staff. In his comments to those left behind, he stated that the reason for the layoffs was that "sales had not sold enough to meet the financial targets". Pete was one of the few guys left in the sales force and he related to me that, after the CEO's remarks, the rest of the company essentially ostracized the sales team. They were the bad guys. After all, wasn't it their inability to sell that was causing the demise of the corporation?

This may be an extreme case but, in company after company, we see that the achievement of the revenue target is considered exclusively the domain of the sales organization - whether or not those targets are based on sound business plans and strategies. It is only at times of extreme and unarguable pressures - for example, during a major economic downturn or a market shift such as the entrant of a new category killer -



that many companies are willing to assert that something else may be impacting their sales results.

The odd thing is that sales organizations, full of highly competitive people with a high achievement orientation, are usually willing to rise to these often-absurd challenges. The bigger the challenge; the better! In the same way that some people enjoy extreme sports, many sales people enjoy the extreme challenge of taking on the world and beating the odds– it's what turns them on.

And, thank goodness for their outrageous enthusiasm because if it wasn't for this fact, why would anyone opt for a career in sales? Think about it. To be in sales means you have to go out and convince people who have likely never heard of you, your company, or your product, to stop what they are doing and invest time with you. You have to be prepared to handle “no”, not once, but likely a hundred times for each time you get a “yes”. And the only way in which you are successful is to convince a person over whom you have no authority, in an organization over which you have no control, to give you money based solely on your relationship with them. It's like playing roulette with the odds worse than 100:1 – but that's what makes it fun, at least for these people.

So the sales organization accepts the responsibility and takes on this challenge, often gladly. Oh sure, they might whine a bit, complain about pricing or product features, but basically, they strap on the armor each morning and out they go - to do battle with the market, with the competition, and with the closed ears of their potential prospects. And what about the rest of the organization, the folk who remain in the castle, the battle strategists, happily waving goodbye to the sales folk as they march out to the battlefield? Herein lies the problem, as those that remain behind believe that their castle has the best market offerings, that their products and services return great investments for their clients, and that they are unparalleled in the industry. Surely, the market enemy will cower and fall with nary a thrust nor a blow and the prospects will buy, buy, buy! So, isn't it now up to the sales force to go out there, simply spread the word, and bring back the prize?

Far too many organizations suffer from at least a degree of this style of thinking. If the sales results are not what we expect, everything else is perfect so then look to the sales force. "Perhaps it's training they need, or additional technology. Let's send them off on a two-day training course, or implement a new CRM system". And, for those that travel down this road, the results have been very disappointing indeed! A good example of this flawed approach is blindly investing in a presentations techniques course. If the sales force is presenting the wrong message to the wrong audience at the wrong time, then improving their presentation skills will have little or no impact on results. The emphasis has to be placed on addressing the real issues.

The truth of the matter is that, when sales results are not what we would expect, the root causes often lie outside of the sales force. Although the sales force is indeed where the rubber hits the road, there is a lot going on around that rubber to allow it to achieve



traction rather than slip and skid. The sales process is a highly interconnected and highly dependent end-to-end business process. In order to gain traction when our selling activity hits the market, many other aspects of what we refer to as the *Sales and Marketing System*[™] have to be aligned and coordinated.

Let's look at a few of the elements of this *Sales and Marketing System* and the impact that they have on the success of an organization's sales process.

❖ How are Customers Buying?

It is tough to be successful selling if you are not engaged with someone who is buying. A simple, perhaps humorous, statement, but companies often don't understand this equation. It comes down to that word, "engaged". If you are truly engaged with your prospect's purchase process there are few surprises and little waste in the sales process. Business can be accurately forecasted, resources applied to the right opportunities, and opportunities rarely lost to the competition.

Selling must take place in the same fashion as our customers are buying? For example, if prospects issue RFP's and view you as one of many potential suppliers that can meet their needs, it may well be unproductive to try to use the techniques of solution selling. In many cases, this mismatch results in a time consuming, wasteful, and frustrating exercise for both parties. [For further reading also see [Solving Solution Selling](#)]

❖ Where is the Market?

At what stage is the market on the market maturation curve? For example, if the market is in the early-majority phase, then the use of plenty of testimonials and success stories will facilitate the sale while continuing to use the "grand vision about how you are enabling a revolution to occur", that worked so well when you were selling to the visionaries, is now actually turning your clients off.

❖ Where is the Competition?

Most companies significantly overestimate the value of their own offering or their differentiation in the marketplace, and under-estimate the value of competition. Is there a real understanding of the competition throughout the company? Do you know how the competition is really being contrasted against your own offerings in the current market place? If you don't, then you are sending your sales force out to do battle with potentially dangerously outdated armor.



❖ What is the Go-to-Market Strategy?

Is there a solid go-to-market strategy, backed with well-crafted communication plans, value propositions, programs, and pricing? How was the pricing strategy arrived at, is it appropriate for current market conditions in the target market segments? Does your sales force understand the strategy and are they equipped to articulate the market messages?

❖ What are the Organization's Management Practices?

Do the management practices across the organization align with the overall selling strategy? For example, I have talked with many organizations that have a strong desire to elevate their sales professionals to “trusted advisors”. In the outstanding book “Clients for Life” by Jagdish Sheth and Andrew Sobel, the authors define, in part, the characteristic of a trusted advisor as “being able to develop relationships over long period of time and to do the right thing, without regard for monetary outcome”. Doesn't that sound at odds with sales commission! In the same vein they quote Chuck Lillis, CEO of MediaOne, as stating “ In the ideal, a professional advisor should be independently wealthy. He would then be objective, independent, and less likely to be pushing his own agenda”.

In companies, for example, that are asking their sales professionals to take on this task, do the sales management - and even the executive management - practice, support, and build an environment that fosters such characteristics as those described? In most cases I would suggest that they are far more interested in the attainment of quarterly quotas.

I hope you think that I have posed some interesting questions that affect sales success that have nothing to do with sales training or CRM implementations. Yet, these are just a few of the 637 potential factors that we have identified that impact upon the success of the sales organization. And, of those 637, less than 20% are in the direct domain of most sales organizations.

Not for one moment am I suggesting that you need to have a perfect system, with the best products, best strategy, and superior marketing to be successful – if only! What I am saying, however, is if you want to impact sales results and find the real performance-levers to pull, don't just look at sales, at least 70% of the root causes are actually outside of sales.



The Five Rules of Achieving Optimal Sales Results

#1. You must consider sales as part of a much larger internal and external sales and marketing system.

The point has been made above. Sales is a highly connected/highly dependent discipline. There are a multitude of factors, both inside and external to the company, that significantly impact the effectiveness of our sales organizations. Some of these factors we can control, and some we can't, but we should build our go-to-market strategies to manage those we can control and to mitigate the impact of those that we cannot.

#2. There is usually a significant lack of alignment in the internal sales and marketing system.

If most organizations were to map all the activities and investments that are occurring in the name of generating revenue, they would usually see, not only a lack of a common strategy, but also elements that are inconsistent and even in conflict with one another. An integrated battle plan is a must with clearly defined short, medium and long-term goals that lead to the fulfillment of a market objective. Without that integrated plan, there is just activity and expense.

#3. Any sales process that is engineered without consideration for how the target customer is buying is likely to meet with very limited success.

The most significant process that the sales process has to mesh and integrate with is the purchase process. A tough concept, as this is one process that is often thought of as outside of the control of the company. However, it is largely futile to endeavor to design a sales process without a true understanding of how the market buys, or can be influenced to buy.

#4. Investments and changes made in isolation in the sales organization rarely yield positive sustainable outcomes.

Don't simply turn to sales training, or implement technology without the context of a greater strategy, or the knowledge of where the real issues in the total system lie.

#5. Developing a deep understanding of what is really happening in the external market and organizationally, then addressing the underlying issues and opportunities is the only way to positively and often massively impact sales results.

By examining the entire *Sales and Marketing System*, and by looking at the factors both internally and externally, an organization can identify what is really happening, why it is happening, and therefore formulate what to do about it.



So, what goes wrong?

The five rules above are not rocket science. Then, why is there such an opportunity in most organizations engaged in complex businesses-to-business sales to reengineer their organizations to achieve a far higher level of success? We have identified five major reasons that companies tend to miss the massive opportunity that, quite frankly, is often staring them in the face.

1. Failure to understand the interconnectedness of sales

Often organizations fail to see how so many factors do indeed impact sales results. Organizations tend to tolerate a lack of coordination and alignment, as the direct impact on sales effectiveness is more insidious than highly visible. Sometimes you can tell you are in an organization that is failing to understand the interconnectedness of sales, when they state their goals as “hiring great sales people, and then standing back and letting them get on with their job”. If only it were that straightforward!

2. An intrinsic and unrealistic belief in your own products and services

Passionate beliefs in the company’s own a market offering tend to be a good thing. After all, who would want to work at a company where you don’t believe in your own offerings? This has an interesting impact on the equation however, as it leads to the belief that the sales force only has to get out there and “tell the prospects our message”, and then they, too, will develop the same fervent enthusiasm for our products. In these organizations I often hear folk say that they only wish that the sales people would “get it”. Seemingly, if sales people could “get it” then they could do their supposed job and go out there and get everyone else to “get it” - and the business would flood in.

The fact is, in most of these cases, the market isn’t as poised and ready to invest in the company’s offerings as the companies would like to think.

3. Can't tell the forest from the trees

Companies, or more precisely the people that comprise the companies, tend to get very caught up in their own day-to-day world. Again, and perhaps ironically, this is largely a good thing because any company wants their employees to be dedicated to what they are doing. But the danger is that this may lead to simply being too close to the issues. Assumptions are made, then become fact, and these organizations continue to operate in ways that they always have, rather than looking at different approaches to adapt to the changing market dynamics - until it's too late!



4. Important vs Urgent

Steven Covey, in his book “First Things First”, draws the simple, yet extremely powerful, difference between matters that are important and those that are urgent. We tend to place our emphasis on the urgent, whereas important things can continually slip onto the backburner. He also makes the point that perhaps if we were to shift our emphasis and dedicate a little more time to the important matters, a number of the urgent matters may actually disappear as we become more organized and proactive.

The sales arena is an illustration of this concept in the extreme; it is a breeding ground for the tyranny of the urgent. There is always the month-end to close out, a customer situation to resolve, a big deal to close. It is tough to have the fortitude to seemingly withdraw from the frontline to take any time out to plan, organize, and invest in the overall sales process.

I also see many organizations expect employees that already have full time jobs, mainly dealing with the urgent, to be able to take time out to understand their sales models. Even the best-intentioned individuals sometimes fail; simply because there really are too many urgent demands each day to dedicate time to such a significant reengineering task.

And, as many organizations are finding out, this is a treadmill syndrome. If it was tough to make this quarter’s numbers, next quarter will likely be even tougher and require even more “unnatural and urgent acts”.

5. Perceived time, cost, and energy

Faced with the challenge of improving sales results, most organizations look for a “silver bullet”. A single initiative that can be embraced, that will be readily and quickly implemented without a huge cost, or the associated turmoil. It turns out that most of these silver bullets fall very short of their targets. Seldom do these quick fixes result in any significant or sustainable impact on results. They can feel good, at least for a short time, as it feels like you are actually doing *something*.

However, the approach we would recommend need not be dramatically more costly, or take significantly longer than the silver bullet. Perhaps I can liken the overall process of increasing sales effectiveness to building a brick wall. A metaphor that anyone without the professional masonry skills, who has tried laying bricks, is able to relate to. We are still suggesting that the wall is built one brick at a time; we just take a little time up front to understand how the wall is going to be used, and then put down the appropriate foundation and plan where the bricks will go. The individual that simply starts building may appear to be ahead, but just wait until that wall is four feet tall and needs to support a window frame!



Summary

If you want to improve the results from the sales organization, look at the total *Sales and Marketing System*. Don't just look to the sales organization. Understand everything that is impacting upon your success in the marketplace. Question old assumptions and build a true understanding of your customers, prospects, the market, and the competition. Examine all the activities and practices within your organization and determine how aligned and coordinated they are to the overall go-to-market strategy. Based on this new understanding of the overall system, the real opportunities for success should become readily apparent. There may well be things you need to do inside the sales organization, but I am willing to bet that there will be at least as many things to address or change that are outside of the control and domain of sales.

Resist the temptation to reach for that silver bullet. It will seldom impact results, and very rarely have any sustained effect. Have the fortitude to take a look at the entire process of customer acquisition and business development, based on the fact that sales is, indeed, about more than selling.