Five Keys to Building a Competitive Sales Force

Carl Binder
Binder Riha Associates
www.Binder-Riha.com

Background

- Research-based Methods
- Fluent Performance
- Sales Knowledge Management
- Sales & Marketing Process Improvement
- Fortune 1000 and Fast Growth Companies

Accelerating Ramp-up of Sales and Service Performance
What’s At Stake - Competitive Advantage

- Sales Productivity - revenues per person
- Time to Full Quota – for new sales people
- Time to Market Penetration – for new products
- Sales and Marketing Agility
- Cost of Sales
- Return on Performance Investment

The Five Keys

1. Define Your Sales Process (not just sales behavior).
2. Value Sales Accomplishments and Milestones (not just $$ results).
3. Link Your Solutions to Customer Needs (not just features and benefits).
5. Build Sales Knowledge to Support Performance (not just “death by PowerPoint”).
1. Define Your Sales Process

- Typical Mistakes
  - Hire the best and leave them alone.
  - Everyone does it their own way.
  - “We’re too small for sales training.”

- A Better Approach
  - Create or adopt a standard sales process.
  - Use standard language to describe the process.
  - Document and continuously improve the process based on best practices.

---

How Performance Produces Business Results

<table>
<thead>
<tr>
<th>Enablers</th>
<th>Behavior</th>
<th>Job Outputs (milestones)</th>
<th>Business Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training</td>
<td>Asking</td>
<td>Appointments</td>
<td>• Product sales</td>
</tr>
<tr>
<td>Reference</td>
<td>Introducing</td>
<td>Next meetings</td>
<td>• Revenues</td>
</tr>
<tr>
<td>documents</td>
<td>Inviting</td>
<td>Proposals</td>
<td>• Profits</td>
</tr>
<tr>
<td>Expectations</td>
<td>Explaining</td>
<td>Customized Demos</td>
<td>• Reference</td>
</tr>
<tr>
<td>Feedback</td>
<td>Deciding</td>
<td>Buying Decisions</td>
<td>Accounts</td>
</tr>
<tr>
<td>Incentives</td>
<td>Writing</td>
<td>Signed Contracts</td>
<td>• Market share</td>
</tr>
<tr>
<td>Ergonomics</td>
<td>Speaking</td>
<td>Satisfied Customers</td>
<td>• etc.</td>
</tr>
<tr>
<td>Tools</td>
<td>Finding</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coaching</td>
<td>Information</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goal-setting</td>
<td>etc.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Job Design</td>
<td>etc.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Job Aids</td>
<td>etc.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>etc.</td>
<td>etc.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Carl Binder  Five Keys to Building a Competitive Sales Force  http://www.techcoire.com
2. Value Sales Outputs/Milestones

- **Typical Mistakes**
  - Place primary value on *activity* and *$$ results*.
  - Focus training, management, and coaching on behavior and “competencies.”

- **A Better Approach**
  - Identify key outputs and milestones that represent progress toward $$ results.
  - Discover and support best practices (behavior) and enablers that produce outputs/milestones.
Behavior is Valuable ONLY When it Produces the Right Outputs!

<table>
<thead>
<tr>
<th>Enablers</th>
<th>Behavior</th>
<th>Job Outputs (milestones)</th>
<th>Business Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Training</td>
<td>• Asking</td>
<td>• Appointments</td>
<td>• Product sales</td>
</tr>
<tr>
<td>• Reference documents</td>
<td>• Introducing</td>
<td>• Next meetings</td>
<td>• Revenues</td>
</tr>
<tr>
<td>• Expectations</td>
<td>• Inviting</td>
<td>• Proposals</td>
<td>• Profits</td>
</tr>
<tr>
<td>• Feedback</td>
<td>• Explaining</td>
<td>• Customized Demos</td>
<td>• Reference Accounts</td>
</tr>
<tr>
<td>• Incentives</td>
<td>• Deciding</td>
<td>• Buying Decisions</td>
<td>• Market share</td>
</tr>
<tr>
<td>• Ergonomics</td>
<td>• Writing</td>
<td>• Signed Contracts</td>
<td>etc.</td>
</tr>
<tr>
<td>• Tools</td>
<td>• Speaking</td>
<td>• Satisfied Customers</td>
<td></td>
</tr>
<tr>
<td>• Coaching</td>
<td>• Finding Information</td>
<td>• etc.</td>
<td></td>
</tr>
<tr>
<td>• Goal-setting</td>
<td>• etc.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Job Design</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Job Aids</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• etc.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Behavior is Valuable ONLY When it Produces the Right Outputs!

A Best Practices Sales Process
For each Major Accomplishment in the sales process...

<table>
<thead>
<tr>
<th>Milestones</th>
<th>Behavior (Tasks/Tactics)</th>
<th>Enablers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Each critical intermediate job output that represents an advance in the process.</td>
<td>What things does the sales person have to DO to produce the milestone?</td>
<td>Focus on Tools and Resources, Skills and Knowledge</td>
</tr>
</tbody>
</table>

* Example is a Best Practices Sales Process from a Medical Devices manufacturer chosen to avoid disclosure of proprietary information to potential competitors in the high tech industry.
Manage The Process

- Monitor and coach progress toward milestones (not just activity).
- Focus sales training, tools, and support on accomplishing milestones.
- Manage territory resource allocation and activity in relation to milestones.
- Embed the language of milestones in your sales culture - including channels.

3. Link Solutions to Customer Needs

- Typical Mistakes
  - Train needs-based selling but then provide features-oriented product knowledge.
  - Turn sales people into “walking ads” who push “messages” of unique features and benefits.
- A Better Approach
  - Develop a framework that links the features of your offerings to potential customer needs.
  - Build sales training and documentation around potential needs-solutions.
A Marketing Knowledge Architecture

- Features or Capabilities
- Advantages/Benefits
- Unique Strengths & "Sound bytes"
- Proof Points

A Sales Knowledge Architecture

- Categories of Needs
- Potential problems or needs
- Capabilities
- Advantages/Benefits
- Unique Strengths & "Sound bytes"
- Proof Points
Example: Software Needs Categories

<table>
<thead>
<tr>
<th>Business Needs</th>
<th>User Needs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment Protection</td>
<td>Ease of Learning &amp; Use</td>
</tr>
<tr>
<td>Technical Support</td>
<td>Customization and Programmability</td>
</tr>
<tr>
<td>Business Support</td>
<td>Product-specific Functional Needs</td>
</tr>
<tr>
<td>Reliability</td>
<td>Quality of Output</td>
</tr>
</tbody>
</table>

Structure of a Customer Needs Model

<table>
<thead>
<tr>
<th>Problem/Need</th>
<th>Product/Solution</th>
<th>How It Works</th>
<th>Payoff</th>
</tr>
</thead>
</table>
| ...organized by categories of customers’ needs | Your capability – product / service features | ...to solve customer’s problem/need. | - Increase  
- Decrease  
- Avoid |

Example

- Consistent results
- Automated sampling
- Eliminates user-to-user variabiliy
- Decreases cost of re-testing
4. Develop Competitive Analysis & Strategy based on Customer Needs

- Typical Mistakes
  - Create comparative feature/technology lists as a basis for competitive analysis.
  - Build competitive strategy on features where “we’re bigger, faster, cheaper, better.”

- A Better Approach
  - Compare offerings based on how well they address customer needs/problems.
  - Build competitive strategy on “whole offering” comparisons and by shifting buying criteria.

---

**Needs-based Competitive Analysis**

<table>
<thead>
<tr>
<th>Problem/Need</th>
<th>Our Solution</th>
<th>Competitive Solution</th>
<th>How We Compete</th>
</tr>
</thead>
<tbody>
<tr>
<td>...organized by categories of customers’ needs</td>
<td>Our capability – product / service features</td>
<td>Competitor’s capability - strengths and weaknesses</td>
<td>Sales tactics for winning</td>
</tr>
</tbody>
</table>

**Example**

- **Investment Protection (Data)**: Stress integrity of retrospective data
- **Data Import Tool**: Only reads native files
5. Build Sales Knowledge to Support Performance

- Typical Mistakes
  - Start with “What do Sales Reps need to KNOW?”
  - Rely on “subject matter experts” to define sales knowledge requirements.
  - Use “Death by PowerPoint” (or by web page).

- A Better Approach
  - Start with “What Sales Reps need to DO?”
  - Build knowledge around markets & customers.
  - Organize knowledge for learning & look-up.

Analyzing Knowledge Requirements

- What must sales people PRODUCE and DO?
- What must they KNOW fluently?
- What must they be able to LOOK UP fluently?

Avoid information overload!
Knowledge for Performance *Topics & Sequence*

1. Performance Expectations
2. Market Environment and Our Strategic Response
3. Potential Customer Problems/Needs/Opportunities
4. Products and Services as Solutions
5. Competitive Information and Strategy
7. Customer Materials
8. Fulfillment and Implementation
9. Post-sale Support and Problem-solving

Some Typical Results

- Productivity increases 20-60%.
- Sales executes market strategy more consistently and effectively.
- Sales Reps (including channel partners) are more confident and knowledgeable.
- Product Managers spend 5-20 hours less per week responding to emails and voice mails.
- Market penetration is 30 - 50% faster.
Key Take-Aways

- There is a huge potential for improving results based on how the organization enables sales performance.
- Competitive success demands a relentless focus on linking solutions to customer needs.
- Smaller organizations can do it right from the start – without having to undo mistakes.
- Research-based methods work better!

Thank You!