

## Who's the Customer?



*Complex selling processes are becoming more prevalent simply because buying is a more controlled process with more participants on the buyer's side all contributing to their process. Sales people still have to manage many deals to achieve or exceed quota and that means more data to manage overall. Visualizing deal data is a good way to help manage more complex sales processes. Rather than relying exclusively on text-centric content to share information among a growing sales team, graphical representations give everyone involved in the sales process a clear view of everything known about a deal. Graphics, better than text alone, reveal where a deal stands and what the shortcomings are enabling the team to take action to eliminate problems before they impact a deal.*

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## Introduction

Purchasing by committee is one of the greatest challenges facing sales people today. Add to this increased territory size and the expectations that come with it and a picture of overworked sales people comes into focus.

This isn't a guess, it's backed up by some of the best research on selling in the industry from CSO Insights. Also, Beagle Research data shows sales organizations are reducing the size of their staffs and raising quotas. Customers, when they can purchase anything, are tighter fisted and their committee buying processes add more work to already harried sales people. The committee approach makes even a simple sale complex and spreading sales resources thinner makes responding effectively extra difficult.

Smart sales organizations are taking a more team oriented approach to selling. But adding people to the process requires a focus on sharing information and the tools to mediate it. This Beagle Research white paper examines the many advantages of the dynamic sales process and a tool that supports it.

## The business problem

It should not surprise anyone that the marketplace is filled with a profusion of sales automation software. Selling, which was once a straightforward endeavor performed by people armed with little more than a demo or a sample case, has evolved into a business process that is significant not only for the revenue it produces but for the nuances of each deal. In effect each deal becomes its own small project to be managed by a sales team.

In early markets selling is simple and the results are almost immediate. Early markets are often green fields and though competitive the customer population is large and well aware of its deficiencies for not having a particular product. A stampede develops as everyone seemingly tries to acquire the new product at once. For vendors this means exponential growth and their biggest challenge is keeping up with demand.

Eventually exponential growth ceases, customers regain the upper hand and vendors have to adjust their tactics to a new reality. In place of the stampede, the buying process becomes deliberative and customers become more discriminating and analytical. Often purchases that were once driven by a single individual with insight into a specific business problem are now exercises governed by committee.

Sales people who must compete in this new reality suddenly have a great deal more information to juggle as each buying influencer insists on having his or her needs met. Buyers are often led by the CFO and the discussion quickly turns to price. If a sales person is to succeed in this situation and not enter a bidding war with the competition, the sales process must turn into an effort to demonstrate value — beyond low price — to the buyers.

But who are the buyers? Who is the customer? Often sales people make the mistake of assuming that the person with the authority to generate a purchase order is the only buyer of consequence but in thinking like this the seller forfeits the right to make a case based on value. It happens all the time; sales

people address every objection with a discount even when buyers ask for and want to understand the value proposition of a particular product. The result is a sale but at a steep discount and resulting poor margins for the vendor.

In these recessionary times vendors are cutting costs by reducing their sales staffs to a smaller nucleus of proven performers. As a natural consequence, vendors increase territory sizes as well as the responsibilities of those still employed sales teams. The result is over committed sales people who are juggling more deals and trying to manage more data. The increase in the number and kind of sales tools available today can be attributed, at least in part, to changes in customer demand patterns and the availability of salespeople.

In this environment, every deal takes on its own characteristics and each buyer represents a new set of requirements to the sales person. Consequently, each deal becomes a unique project that is not easily governed by a standard methodology beyond a basic level.

Under the circumstances a wise approach is to identify all of the buyers including those who make the purchase, those who manage the day-to-day use of the product and even the actual users. But identification is only the first step. The next and, perhaps more important step, is to synthesize this data into information that the sales project team can make strategic use of.

CRM systems have given sales people a way to capture deal data but analysis — the art of turning the data into meaningful information — still eludes them. Unfortunately data is not information and gaining and leveraging information is the key to success in a complex deal.

### **Getting organized**

Many methodologies today call for transforming the information about the customer buying influencers into an organization chart. An “org chart” can visually display more information in a way that is easier to grasp than a series of reports or text descriptions. But making this transformation is often a manual job that overworked sales people tend to prioritize so low that it rarely is done.

A well-crafted organization chart can do a lot to improve how a sales person sees an opportunity and manages the sales process by making more information available to all participants on the sales team. In a complex selling environment, multiple team members can access the information in the org chart as well as contribute their knowledge and new findings as the deal progresses. More than a simple map, an org chart can minimize risk in the deal by identifying all key players, their dispositions, needs and their degree of influence in a deal. In other words, the org chart makes data visible turning it into information and making it actionable. What the harried sales person needs is an automated approach to generating and editing an org chart from the data already stored in a company’s CRM system.

### **The dynamic sales process**

In these challenging times for selling, conventional forecasting can be slow and it can hide information about a deal between reporting cycles. When a deal

changes because a buyer asked a question obviously planted by a competitor, the sales team needs to know about the change and react to it without waiting for a formal pipeline meeting with the sales manager. Many people refer to this as managing by exception and the key to this approach to selling exists in having timely information provided to relevant members of the sales team.

Managing by exception is part of what CSO Insights refers to as a dynamic sales process. While many organizations have formalized their sales processes — and some have done a good job of it — formalization without mapping is only half of the job. Formalizing a sales process without displaying data for all team members to interact with hides information and slows down the process. By making information visible all members of the sales project can be kept informed and take action.

#### *Making CRM data actionable*

It's not enough for a sales representative or even the rep and a manager to know the details of a deal. Selling has evolved to be a team effort analogous to the buying effort's committee system. That means everyone from the sales representative to the manager to the sales support people need to be aware of changes in deal status. And because no one has time to spend looking for daily changes to information, it is important to have the data stored in the CRM system available for graphic display so that all relevant sales team members can work off the same information. That means displaying the data in meaningful ways such as using an org chart rather than row and column reports because a picture really is worth more than words.

Providing actionable data in an easily intuited format makes for fast action by sales people when the need arises adding an important element of dynamism to each deal. If each deal is coming to resemble a separate sales project, then a dynamic approach to selling makes it possible to treat each deal uniquely by taking timely actions rather than following a script.

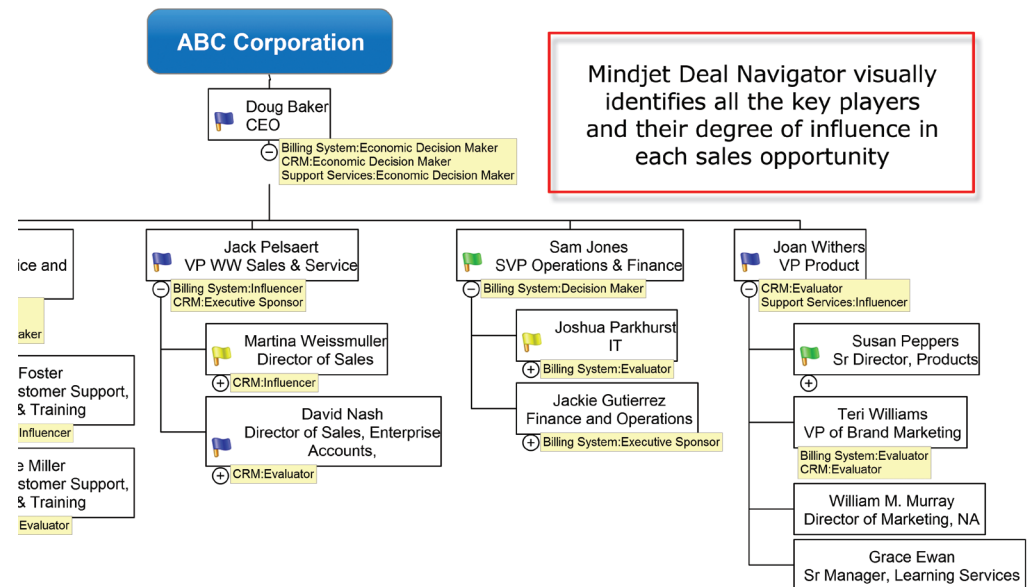
#### **Deal Navigator from Mindjet**

Deal Navigator (Figure 1) makes CRM data available and actionable to all parties and at the same time keeps all internal parties who are involved in the deal fully informed. Deal Navigator does this in two ways.

First, working with Salesforce.com, Deal Navigator can access and display information stored in Salesforce SFA and present it to all sales team members as a well annotated map of the opportunity — or org chart — complete with buying influencers, their roles and dispositions as well as any informal relationships between contacts. Additionally, Deal Navigator's drag and drop interface enables users to add and edit deal information in the org chart and save it back into Salesforce SFA.

The result is a visually rich and highly intelligible display of all known deal data, which all parties can use to understand their position in the deal and more easily uncover information deficiencies that could delay or prevent success. Most importantly, as changes are made to the org chart all relevant parties can be alerted. Consequently, rather than waiting until a formal forecasting period which could be days or even weeks away, the stakeholders in a deal

Figure 1 Deal Navigator screen cutaway.



Source: Mindjet Corporation, September 2010

are automatically updated on changes in a deal’s status. For instance, a sales manager can communicate to field representatives through notations in the chart. This reduces the need for phone calls and face to face meetings and keeps the sales person in the field.

In these days of trying to do more with less, this automated org chart approach to selling enables people at all levels of the sales organization to manage their deals by exception rather than by laboriously sifting through all of the data every time someone needs to touch a deal.

### Conclusion

Buying has evolved into a team-based activity so selling must adapt to meet this new challenge. As more buyers come into a sales process managing their different needs becomes a challenge unless sellers are equipped with tools that manage the relationships and all of their data. A new set of best practices based on dynamic selling is based on the ability to push relevant information to all sales team members so that they can take action when it can be most effective.

New tools such as Deal Navigator from Mindjet are based on graphic representations of the sales situation. The graphics capture and communicate

more information about a deal process than either simple reports or by viewing just the contact information within Salesforce and can be used effectively as communication tools for the entire sales team. Using data stored in the CRM system, this approach adds no overhead to basic selling and it can save time and effort because it automatically provides information to the people who can use it.

Organizations that are struggling to find more effective approaches in a very different sales environment are advised to examine dynamic selling and the application of this technology.