

Building a more intelligent sales force

How to compete in today's content-driven marketplace



By Dr. Peter F. Mathias
chief executive officer
Mathias and Co.

Many companies now recognize that the more difficult it is to differentiate their products in the marketplace, the more important it is to differentiate the way in which the product is sold and serviced. In these companies the sales function can readily become a source of sustainable competitive advantage. As a consequence, over the past decade there has been a concerted effort to completely redesign the processes that underpin the entire sales and customer cycle within business-to-business companies. (See Figure 1.)

The drivers of improved returns have been very different at each stage of the sales cycle. In the post-sale servicing stage the emphasis has most often been on better and faster service, greater accuracy and improved responsiveness through increased use of technology. In the sales transaction stage the drivers have been price transparency, speed and convenience. While

both of these sales cycle stages are important to reduce "friction" costs for the customer, they nonetheless do not materially differentiate the company in its marketplace.

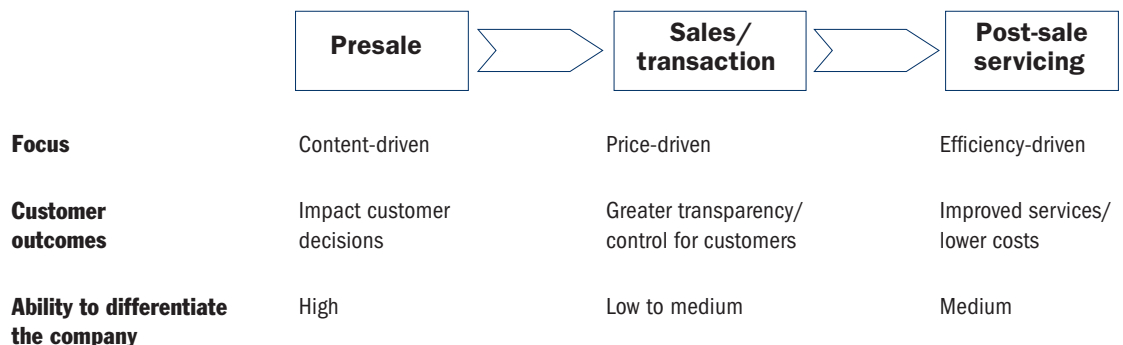
The focus of this article is on the pre-sale processes that influence customer thinking, impact the customer's decisions and result in deeper and more profitable customer relationships. Along the way I will include case examples and quotations from our client companies with whom we have worked to develop more effective customer-oriented content for their sales organizations.

High-quality content drives sales growth

We live in the age of content where we all have access to abundant information on virtually any subject. How does one define content within today's sales environment?

We found that customer-related content can

Figure 1. Redesigning the sales and customer cycle



The greatest ability to differentiate sales comes at the start of the sales cycle even though most of the costs are at the back end.

Source for all graphics: Mathias and Co.

be defined as:

- The **material** that is used in the sales process, is read by the customer and might influence a decision
- The **message** that is embedded in the material and how the message aligns with the customer's decision-making criteria
- The **medium** through which the material is delivered, recognizing that in today's wired world the customer accesses content remotely and in a self-directed manner

The objective of customer-related content is:

- To **inform** the customer as it enters into its decision process
- To **influence** the customer as it frames the decision that has to be made
- To **impact** the customer's ultimate decision in such a way that the supplier is better positioned than its competition to meet the customer's needs as it implements that decision

In today's information-rich environment the ability to create high-quality content and distribute it to the client base is perhaps the single most important sales asset a company has. However, the sales organizations of today were not set up to create and distribute content of the scale, consistency and quality needed to effectively differentiate themselves among today's well-informed customers.

Head of sales at an industrial company:

"We recognized we had a major sales productivity problem during the last recession. Our sales operations team has completely redesigned the key customer processes—for example, how we develop a price for a complex sale and how we prepare requests for proposals. Getting a price approved was a very cumbersome process with constant back and forth between sales, product and finance. Now it is done in real time. RFPs are no longer done in 40-plus offices. This efficiency has

allowed our sales force to spend more time on where it can really add value—with the customers. Our salespeople now spend 50 percent or more of their time on the customer: preparing for the sales call and then delivering the prepared material. Our focus today is on improving the effectiveness of that customer-facing time."

Head of sales operations at a technology services company:

"The way customers make their purchasing decisions is quite different today. They are much better informed and prepared before we show up. Before I make a cold call on a client today, I have a much deeper understanding of the issues relative to what I had a few years ago. The Web sites and just Googling a company or person allow me to be much better informed.

"I often wonder how we come across to our key customers. For example, what information do they read about us? Research shows that the consumer does his research on the Web before showing up on the sales floor. The old sales role of merely informing customers has virtually disappeared. What bundle of information presents us in the best light? What is the information profile of our biggest customers? What makes them want to buy from us versus our competitors?"

Over the past several years we have worked with companies to help them develop "content factories" that systematically create and distribute content to drive revenue. We have found that these companies faced four common problems in converting their sales forces into effective content creation and distribution machines.

- 1) Lack of content standardization: Most sales forces are at one end or the other of a continuum. Either individual salespeople develop their own sales content (total customization), or the entire sales force delivers a single undifferentiated message (no customization). Neither of these strategies is likely to produce optimum results in today's competitive marketplace. So the question becomes, what is the optimum level of content customization for your unique sales strategy?
- 2) Lack of content aggregation: Many sales organizations have no effective way to categorize the content being created and used by the sales force. Content is widely dispersed across the entire sales force, and as a result it is inaccessible at the critical moment to the sales professional who most needs it. Content aggregation allows for systematic benchmarking and



improvement of content as well as efficient content distribution that can drive sales and sales growth.

3) No linkage of content to outcomes: The successful use of content by the sales force requires a correlation with results and outcomes. As a result companies fail to identify and distribute the content that has been most often associated with successful outcomes across the sales force. For example, most companies cannot answer these questions:

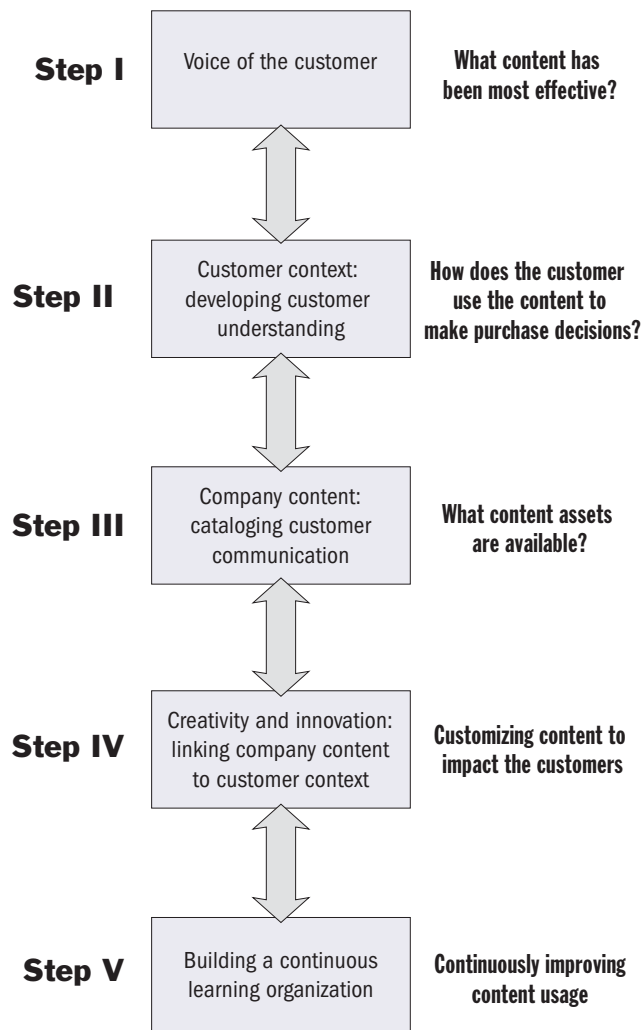
- What content has been used by your most successful salespeople?
- What content has been used in your most successful sales campaigns?
- What content has received the most favorable comments from customers?

4) Lack of sales force training on how to effectively utilize content to impact customer decisions: Most sales organizations have had extensive training on how to sell products. However, as products commoditize, the return on product training declines. The challenge for the content sales force becomes how to customize generic content for the specific context of the customer sales organization. This means the salesperson will have to learn how to effectively link generic content to the specifics of the individual client relationship and specific client decisions.

In our work with clients, we have identified five steps for creating a content advantage in the sales organization:

Step 1: Voice of the customer (VOC)—building your content strategy around customer impact

Figure 2. Five steps for redesigning your sales force to create and distribute content



Step 2: Building content around customer context

Step 3: Creating company content

Step 4: Linking the customer context with company content

Step 5: Building a content-driven sales organization

Head of sales at a technology services company:

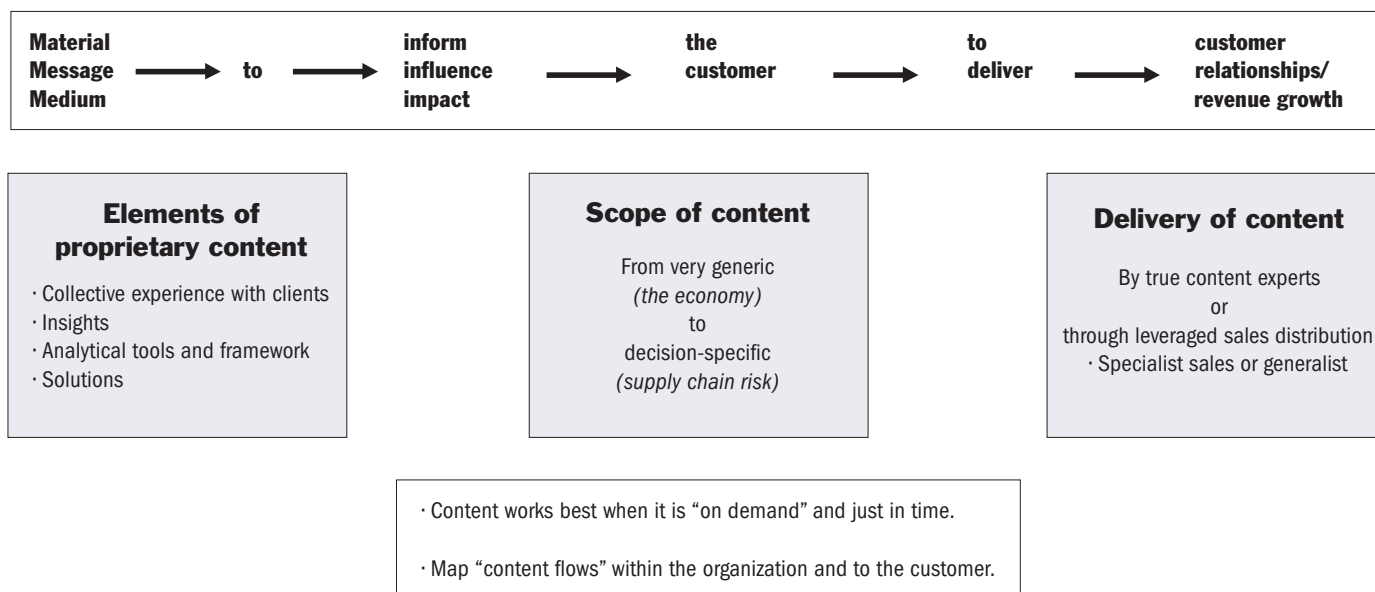
“We have taken a ‘zero-based’ approach to our content assets. We recognize that our content quality along with our individual salespeople’s relationships will drive revenue. Our content creation

and distribution had to be redesigned over the past few years. (See Figure 2.) We took a five-step process to make this happen.

“First, we did very detailed voice-of-the-customer interviews on how customers wanted to be covered and how they made purchase decisions. We were not totally surprised to learn that they did not read much of what our marketing department produced. We found that the biggest issue for our customers was that our salespeople did not know much about the customers’ business and therefore were unable to optimize the fit between our products and the customers’ needs. We had also added a large number of specialist sales forces that knew even less about the customers’ business, thereby introducing further cost and complexity to the entire customer interface. As a consequence we committed ourselves to having a sales force with a much higher customer IQ and reflecting this in all of our communication with the customers.

“Second, we defined customer content for our strategic sales and relationship. We developed a common language and framework for all of our client-facing people, requiring them to think about our customer’s use of our product and our role within the customer’s value chain. This was more than a series of simplistic benefit statements, which are often product-specific and generally self-serving. Rather, it represented a more detailed understanding of why some customers used a lot more of our products and services than others. As our sales force began speaking a consistent language we began educating our customers to think

Figure 3. Defining a content strategy



that way. We want all of our salespeople to be customer experts with genuine customer insight—to know their customer from the inside.

“Third, we created a best-practice database of all our marketing and sales collateral. We have a vast library of content that was dispersed all over the company, including presentations and analytics. We aggregated this content and made it readily available and easily retrievable for all. More importantly, many of these presentations had an accompanying call report on the sales outcomes, which included the questions asked by the clients and the things the sales team would have done differently. Our sales force found these knowledge assets to be powerful contributors to higher sales effectiveness with the customers. Just having a list of most-used presentations was very helpful to our junior salespeople.

“Fourth, we revamped our account planning process to move away from a routine budgeting exercise to one where we systematically link a deeper understanding of our customers with our content assets. Account planning

had become a ‘check-the-box’ exercise as opposed to a creativity session where we used all available sales assets to develop insights into how the customer can achieve better results by using more of our products. By putting the emphasis back on the customer and focusing on innovation, we made our account planning more content-driven and an engine of differentiation at the point of the customer.

“Fifth, we redefined sales as a profession, borrowing the practices of professional services firms where the sales professionals really do not sell any tangible product. For these businesses their product is their people, and the sales force both sells and delivers the service. We found that their approach to creating ‘communities of practice’ was directly relevant to our building a smarter sales organization. Our sales organization is now a learning organization that is continually focused on deeper customer understanding, sharing of best practice, leveraging our experience bases and, finally, delivering differentiated content to our customers.”

Step 1: VOC—building your content strategy around customer impact

Head of client development at a professional services company:

“Our previous chief executive officer invested considerably in a marketing department that held frequent conferences and was active in publishing materials around a multimedia campaign. Our sales force was quite skeptical of the effectiveness of this approach, given our customer base of large, sophisticated buyers. We therefore had separate sales and marketing strategies, which we realized was dysfunctional.

“The situation today is quite different because we are continuously getting feedback from the customer on what it is reading. Our knowledge assets are on our Web site, and our customers have the ability to customize the Web site around what is relevant to them. Our successful salespeople help their customers use the Web site with greater frequency. We now track which material gets the most hits and then correlate the hits with follow-up results, like invitations to make presentations and growth in customer revenue.

"We were startled to find that 90 percent of our material was read by fewer than 20 people and therefore did not justify the cost of production. Our top customers read the same three publications. The more content that was downloaded by more people within the customer organization, the better our sales growth was with that customer. Our top salespeople were those who helped the customer navigate the knowledge assets available.

"Surprisingly, the most successful sales growth was experienced by salespeople who customized the existing content rather than develop their own. Knowing what content our customers actually use allows us to invest more in the right content and eliminate unneeded costs in creating content with low demand."

The VOC in content creation and generation is built around simple measures of outcomes.

- What content is associated with the top-performing salespeople, and how do we make that content available to the less effective salespeople?
- What content do our best customers value and how do we get our less developed relationships to read the same content that works with our better customers?
- What are the smartest and most sophisticated customers saying about our content, and how can we improve the sales impact of the content we develop?

The bottom line on developing a content strategy is to develop hard data and metrics on what has worked in the customer marketplace. Content creation and distribution can be managed as a well-defined process with clear outcomes—i.e., a sale or deeper relationship. Unless one develops a detailed understanding of which content is associated with which successful outcomes, it is difficult to build an investment strategy for content creation and distribution. (See Figure 3 on Page 35.)

Step 2: building content around customer context

The work we have done to develop effective content strategies for sales organizations highlights the critical importance of building a common customer framework that focuses on the key buying channels, the issues that these channels face and ultimately the decisions the customers must make. Previous efforts within fields like knowledge management have fallen short of delivering on their potential because they have focused only on the company's knowledge assets rather than on actually delivering insights and solutions targeted at a customer's strategy and decision making. A simple test of a company's content strategy effectiveness is the degree to which it impacts the customer's key decisions and the efficiency with which any unneeded resources are not deployed.

Head of equity sales at a major investment bank:

"We spend over \$100 million a year on our equity research effort. The research is delivered to our top institutional clients. For many years we delivered the full range of resources to all of our clients

even though we recognized that when all of the costs were allocated we did not make any money because we offered clients research they did not need.

"In order to address this we asked each of the salespeople to map out the top 10 holdings of the key portfolio manager's who they cover. We found out that the top 10 stock holdings were often 40 percent of the total assets of the fund and represented a disproportionate share of the commission pool. We then targeted the trades into and out of the top 10 stocks because these were the critical decisions made by the customer and because the 'engine room' of the portfolio manager is represented by the strategic trades that drive overall performance.

"Our success needs to be measured by the extent to which our research content is capable of influencing when and how the portfolio manager makes these trades so that these trades will then be executed through our firm."

Head of global accounts at a technology company:

"Our sales strategy starts with what we want to get done with the customer. In technology the name of the game is to





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have relationships with the end user, as it is the business units that really drive tech investments. However, our relationships have typically been with the buyers in the information technology department and not the end user. Getting the sales force to cultivate these end-user relationships has required us to focus on the finance function, where we have an excellent track record, as well as on the human resources function, where our people and human capital systems capability are very credible. Our services organization has invested in building a solid track record in cultivating advisory relationships with these buyers. Developing 'share of mind' with these buyers requires that all our salespeople be trained to speak the customers' language better than any of our competitors. Our entire sales force is now trained to deliver a consistent message about the role we want to play with the finance and HR parts of the company."

Step 3: creating company content

The simple practice of cataloging a company's sales force experience across the full range of the client dialogue – by industry, issue and solution set – allows substantial improvement in the sales force's knowledge base. The challenge for content creation is to create it once but use it everywhere.

Knowledge manager in industry practice services:

"The challenge that companies have in creating best-practice presentations and other content is that there is very little joint development of content but rather a multitude of 'parallel universes' working on similar projects with the end result that the salesperson using a content database is given dozens of slightly different versions of the same material with little of the cross-fertilization and sharing that create best-in-class content.

"My task as the knowledge manager in our industry practice is to codify best practice and make it common practice. Our industry depends on generalist salespeople for the majority of our new business. These salespeople often cover six or seven other industries and therefore need a lot of hand holding. We would love to have an industry specialist go out to every client with the generalist salesperson, but this is not affordable. Our task is to provide a 'sales kit in a box' along with some connectivity to a 'content coach' for the generalist (salesperson) to close the sale."

Step 4: linking customer context with company content

The most challenging part of the content cycle is to link the customer context with the company content in a creative, innovative manner. In our experience this has been a major problem to overcome for nearly every traditional sales organization. This linkage requires a different mindset and the development of a skill set that is not widely found in most sales professionals. Our experience suggests that the most practical solution to this shortcoming is to involve others in the effort, including industry experts as well as product and content specialists. Bringing together a multispecialist group allows for the degree of creativity required to make this critical linkage and deliver greater revenue impact with the customer.

Head of capital markets at a major investment bank:

"The capital markets group in our bank is the creativity engine for ideas that are sent to the client. The challenge is to combine the salesperson's insight into the customer with our comprehensive market knowledge. The salespeople provide a gateway and are customer advocates, but our team that brings together the various products and functions on our trading floor is the

place where the transaction ideas are formulated.

"The world is much too complex to have this simply be a part of a normal sales function. As the business has become more global and more complicated, the salesperson has become more dependent on other parts of the business to provide integrated insights, ideas and solutions. The salesperson has considerable leeway in delivering the pitchbook, but we do most of the work. This plays to everyone's strengths."

Step 5: building a content-driven sales organization

The challenge of turning a sales force into a content-driven organization entails embedding a change strategy for the organization around incentives and content ownership. Our experience suggests that salespeople have a natural reluctance to share their content with others, much less to think of the content sent to their client as a corporate asset available to the common knowledge pool. Practices that are well-accepted in professional services firms need to

become a common part of managing a content-driven sales organization. These practices include: peer review; the continuous development, improvement and innovation of content around both customer context and proprietary solutions; rigorous training on presenting content; and measurement of client outcomes related to the delivered content.

Head of industry practices at a financial services company:

"Building a scalable content machine has been one of the greatest achievements of our organization. The amount of material that can be customized to any customer issue for any type of customer is astonishing. We have made it a mandatory requirement for all of our salespeople to use the relevant content available in their sales process.

"This is no place for 'content cowboys' who want to start from scratch. This is not about stifling creativity but rather about focusing additional resources on those points that are leverage-able

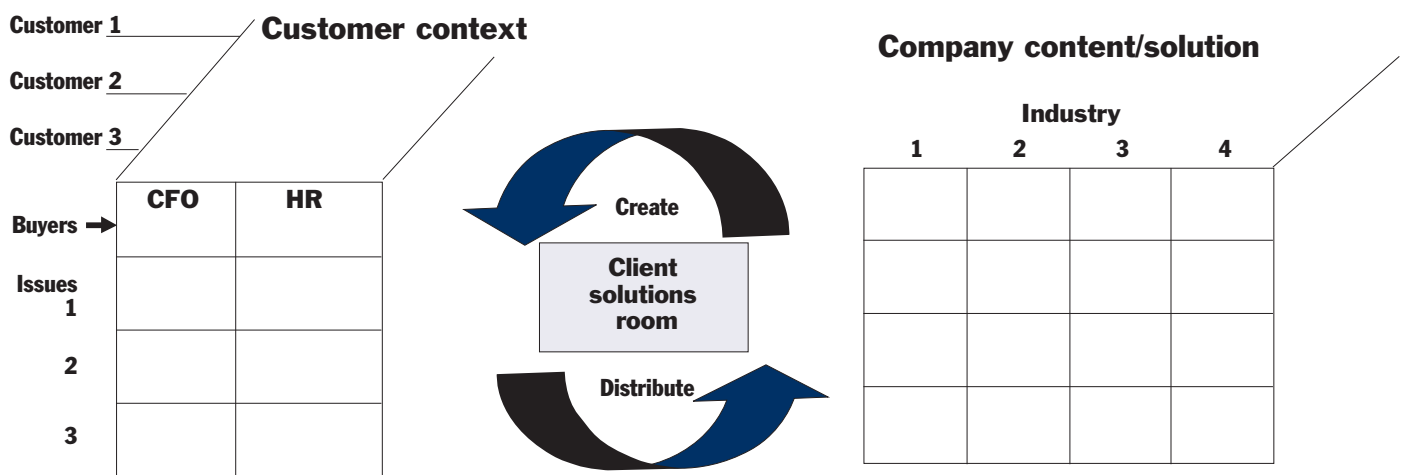
with the customer and then using our experience base to deliver standardized content where it make sense. We are constantly holding customer and solution clinics that expose salespeople to best-in-class content. Our salespeople have learned that one sells well what one knows and that the more they learn the more they earn."

Case study: building a content organization

ABC Services sells a full range of financial products and services to a national account base. The company operates out of more than 50 offices in the country and has grown through acquisitions in the past 50 years. Each office is an independent profit center with its own sales force covering a wide range of accounts within its area. All clients regardless of size are covered locally in the belief that the customer relationship with the local client manager is the key driver of economic value in the business.

During the 1990s, ABC's sales began

Figure 4. Linking customer context to company content



- Specialization of the content creation
- Aggregation and distribution of content through industry networks
- Creativity and innovation by connecting customer context with content in a centralized process

to stall and it lost market share to more specialized, focused product companies that seemed to be more sophisticated in the clients' view. While the customer very often liked the familiar ABC client manager – who frequently was a well-known and respected member of the local community – the feedback was unmistakable that familiarity could not trump a more specialized, industry-driven approach to clients.

ABC was a very client-responsive company but also one that prided itself on its local relationships and was unwilling to change its local sales structure at the core of the firm's approach to doing business. What could be done to add a dimension to the sales organization that would allow it to compete with national firms that did not have the intimate local client relationships? Could ABC combine best-in-class content with the best local relationships?

National client development (a hitherto inconsequential job) was given the task of developing a content strategy that supplemented the local offices. This was a major investment by the firm.

The outlines of the strategy were as follows:

- A growth strategy for ABC would entail a dual focus on customers' HR and finance functions, both of which purchased financial products. Historically the company had focused on the finance buyer and not fully appreciated the role of HR in purchasing financial products for the employee base. By opening a new channel there would be greater leverage of the sales force. This effectively doubled the total customer wallet for the salesperson.
- The key client issues for the finance and HR buying chains were identified by industry specialists who helped develop the content that would allow the locally based salespeople to have value-added discussions with clients.
- The industry practices (seven in all) created focused teams of local client

managers from across the field offices to develop scalable, replicable solutions for the HR and finance buying chains. Again, content developed for the solution sets in each of the industries was now easily accessible to the entire field sales organization.

To bring all of this together, national client development created a "client solution room" where all RFPs with more than \$100,000 in fee potential were reviewed and discussed. Each client manager went through a review of the RFP with content experts who coached the client manager through the client session. Additionally, an analysis was conducted for all accounts with annual revenue of more than \$500,000, then "innovative initiation strategies" were put in place. These strategies allowed the local client manager to have a much more robust dialogue with the client than in the past. (See Figure 4 on Page 38.)


Head of client development at ABC Financial:

"This effort took us over two years to complete given our limited resources. We had to create networks of industry resources around the country so that each client manager would often join two or maybe three of these industry networks, which allowed him or her to upgrade the client dialogue through these learning communities. At first it was very difficult to gain acceptance because of the long tradition of autonomy and independence of our local offices who generally did not share resources, much less accounts.

"The client solution room provides national focus to our high-priority pursuit efforts. The bottom line is that our industry networks of local people have changed the way our firm goes to market. Our ability to systematically create and distribute content to the field has steadily improved; the field's ability to effectively use this content with clients is now recognized – and rewarded – in the marketplace."

Conclusion

The challenge for sales organizations today is to differentiate themselves in the marketplace. Companies have already made progress in realizing significant productivity benefits from redesigning sales processes related to the customer fulfillment parts of the sales cycle. This productivity improvement has allowed sales organizations to reinvest these savings in areas that have greater leverage with the customer. The remaining opportunity is to achieve similar gains at the front end of the sales cycle to better enable the sales force to achieve more impact on customer purchase decisions.

The greatest economic value the sales function can add is the institutionalization of a company's ability to create demand and not just fulfill it. This occurs when a supplier begins to shape the customer's thinking rather than simply responding to the customer's needs. 

Peter F. Mathias, a member of SAMA's board of directors, is CEO of the consultancy Mathias and Co. (www.mathiasco.com), which specializes in strategic customer programs. He can be reached at peter.mathias@mathiasco.com or 480-940-4739.

Additional resources

For more information on this subject in SAMA's library, the editors recommend: Peter Mathias, "Creating the wallet of the future," *Focus: Account Manager*, Vol. 3, No. 1, Spring 2006, www.strategicaccounts.org; and Peter Mathias, "Redefining the role of sales in the 21st century: selling to customer decisions, not customer needs," 2006 Pan-European Conference, Feb. 27, 2006, www.strategicaccounts.org.