



## CHAPTER 6:

# STRATEGIC SALES

Sales is, without question, one of the most complicated beasts to conquer when it comes to successfully starting and running your own company. The importance of the department can't be overstated - after all, without sales revenue you'll cease to exist quite quickly. Despite its widely accepted importance, though, we've found that all three of our major demographics - technologists, entrepreneurs and investors - often struggle with offering a clear, unified definition of sales.

Now, this isn't necessarily cause for panic, but it is something that you should be taking careful note of. The moral here is that sales strategy and effective sales process differs greatly depending on an entire range of organic factors. These might include - but are by no means limited to - things like your industry, your timeline (how far along you are, where you need to be, and when), your product verticals, staff size and geographic location.

Regardless of the factors that you choose to observe when setting your own sales strategy, the most important thing is that it's just that: strategic. Particularly when your business is young, you may find that it's easy to become trapped in a cycle where you're simply chasing the closest lead. While this can bring you enough revenue to get you to next month's rent check, it is by no means sustainable, and is generally something you'd like to avoid.

In order to ensure that you and your business don't fall into the trap of simply trying to sell, it's important to ask yourself to think critically about exactly how you're going about that process. More than anything, we think it's pivotally important that you learn to continually evaluate your company against its ability to plan and sell strategically.

*SO - WHAT EXACTLY DOES STRATEGIC SALES MEAN? GOOD QUESTION.*

When a sales department of a given business or organization is aligned strategically, it means that the entity in question has taken the time to think beyond profit. What we mean by that is that companies, believe it or not, are often looking for more from a sale than the plain cash that they'll receive for the exchange of goods or services. Sure, the money is important, but there's often an entire slew of tertiary objectives that a company is looking to accomplish with a sale beyond the money. Regrettably, more often than not companies don't take the time to look for these hidden opportunities.

For example, imagine that you're a consumer packaged goods company selling some sort of widget with a relatively reliable demand cycle. At this point in time, you've got established consumer relationships and your sales cycle is relatively sustainable - that is to say, you aren't panicking about keeping the lights on. In this instance, your company could do one of two things. The first is very simple: just keep selling as you are and hope for the best. The second - though potentially a great deal more complicated, is the one that you'd be better off choosing nine times out of ten: take time to identify exactly what else these sales can do for you, and how you can go about pulling that hidden value out of your sales process through strategy.

Whether you're going for client retention, market share, product recognition, image or anything else, strategic sales present an opportunity for you to receive more than just profit in

exchange for your products. In turn, your company becomes more likely to stand the test of time and survive into longevity.

Of course, when you put it this explicitly, it seems that every company out there would want to be selling strategically, and would likely already be implementing plans and processes to ensure that they were hitting this mark. Of course, since it's clear that many companies aren't, it becomes important for all organizations - but particularly startups - to determine exactly how to go about organizing their sales functions strategically.

In our immediate post-launch period, we had many of the same difficulties with strategic sales that all young companies encounter. There was, of course, the constant pressure to be selling and providing tangible return on our investment, as well as the desire to simply maintain clients from project to project. What we learned, though, was that maintaining focus on a few key factors allowed us to build a sales structure that was not only meaningful, but also strategic enough that it set us up for growth beyond what we could have imagined in our first few months.

In keeping with the structure used throughout the book so far, we've broken the key facets of managing strategic sales for startups down into three primary areas.

First and foremost, it's key that your business or organization makes the sales cycle work for you. While this may sound like something of a trope, it's not. The fact of the matter is that the sales cycle can be your best friend or your worst enemy, and we're sure you can guess which of those is more strategic. In outlining this point, we'll address things like sales cycle structure, the content marketing funnel, technical tools and even employee

compensation. Through stitching these things together, you can create a sales cycle that's both responsive and reliable.

Secondly, we're going to talk about morale. Frankly, you don't find low morale in well-run sales departments - even when things aren't going well - because there simply isn't enough time for that. In order to establish sales processes that are truly strategic, it's absolutely pivotal that your staff remain motivated, and we'll discuss exactly how to go about doing that.

This, of course, leads us naturally into our third subsection of this chapter, which will focus on what, exactly, makes a successful salesperson. Specifically, we're going to talk about some of the tangible and intangible qualities that you need to look for when making sales hires and how those things may come back to either help or haunt you down the way. While this may seem like an overly redundant chapter, you'd be surprised at what we've found truly matters in a salesperson.

## UNDERSTANDING STRATEGIC SALES CYCLES

Before you can understand what a strategic sales cycle looks like, it's important that you understand the more basic concept of a sales cycle as a whole. With that in mind, let's go ahead and offer a working definition of a sales cycle, which we've pulled here from TrackMaven.

**Sales Cycle:** The process that companies undergo when selling a product to a customer. It encompasses all activities associated with closing the sale. Many companies have different steps and activities in their sales cycle, depending on how they define it.

TrackMaven really couldn't have put it better. The sales cycle, in short form, encompasses all of the processes and phases necessary to take your company from completion of a unit of a product through the actual sale of that product, and then also through the collection of the associated fees from the sale.

One of the places that companies struggle the most with strategic sales is with the sales cycle. Largely, this is due to the fact that individuals and companies alike tend to think that there's really only one way to go about establishing a sales cycle, and that's the by the book method. While there's a lot of value to be had in establishing a traditional sales cycle, it may not be the best option for you and your company, and this is particularly true if you're a startup, as you're more likely to have complex and specific needs.

So how do we go about making the sales cycle strategic? The first, and perhaps most obvious place to turn, is to the actual structure of your sales contracts. While it may seem overly obvious, the ways in which you structure these contracts can have a great deal of impact on the value that you pull out of your sales.

For example, many startups tend to structure their contracts simply by stating the amount due and a payable period of 30 days, 60 days, or what have you. In this instance, though, these companies are missing a valuable opportunity to capitalize on their active cash by offering a small discount for a shorter payable period.

Indeed, by looking at more established companies, we can see that many offer a discount of 2% or less of the total purchase price for payment in 10 days on a 30 day payable. While this may

not seem wise (as it sacrifices up to 2% of the total revenue of a sale) it does bring cash into the company a great deal faster, which can improve your earnings report and instill confidence in investors and the market.

Consider the following: if the ways in which we structure our sales cycle when it comes to collecting cash resources can affect how strategic we're being, then doesn't it follow that the way we disburse our cash resources could do the exact same?

As Optymyze has pointed out in the upper right hand corner of their chart, one of the most important questions that we need to ask ourselves as sales institutions is whether or not our "compensation plan is a strategic tool."

Indeed, the ways that we choose to compensate our employees has a great deal to do with how strategically our sales departments are aligned. Look at any successful sales department, and you'll find that the ways in which they choose to lay out compensation initiatives for their sales people are far from arbitrary. In fact, any company that offer incentive plans is likely doing so in order to establish a tertiary sales objective beyond simply bringing in revenue.

One of the simplest examples of this is one that we see in plenty of sales structures within the United States. Often, companies will offer their sales staff an incentive structure that rewards new business a bit more heavily, or at least in a way separately distinguishable from making a sale to a legacy client.

This is because these companies know that, in order to succeed, they need to be doing more than just selling. They recognize that they need to be bringing in new business at all

times in order to maintain their foothold and market share. So they offer incentives, such as higher commissions or bonuses on deals where their sales staff brings in a client that hadn't previously done any business with the firm. In short, the company recognizes that one of its strategic goals is to continue to aggregate valuable information regarding new customers, and in turn they structure their compensation plans in accordance with this belief.

Since we've talked about structuring contracts - both on the employee side and on the client side - to ensure strategic alignment of your sales cycle, it's natural that we'd want to consider the other side of the spectrum, as well. More clearly, both the points that we have made deal with strategic sales at or after the actual point of sale. Of course, we'd be remiss here not to discuss what happens before the point of sale in terms of customer attraction and acquisition.

One of the most undervalued aspects of a sales cycle is client attraction. Companies often fail to realize exactly how much of an impact adding a meaningful digital marketing funnel can have on their strategic sales processes.

On his website, online business strategist Eugene Mota offers an infographic to illustrate how digital marketing can lead to an increase in strategic lead conversion, you should check it out.

While the impact of this chart may not be readily apparent at first glance to the casual observer, it actually says a great deal about the relationship between digital marketing processes and strategic sales.

In short form, the primary takeaway here is that conversion is almost always the last (or, in this case, penultimate) step in the

sales cycle. In order to reach the actual conversion of a lead, a sales organization or department has to jump through countless hoops and travel a long road. The most strategically aligned sales organizations, however, aren't jumping through hoops when it comes to digital marketing.

On the contrary, these organizations are recognizing the potential for digital marketing to inform the ways in which their sales occur, and with what frequency these sales happen.

Now, what this means for your organization, is that the more that you can put into the top of that funnel, the more that you're going to be able to expect conversions to come out of the bottom of the funnel. Far too often, sales organizations develop a habit that we refer to as "chasing their tail" in which they designate the vast majority of their sales personnel resources to trying to convert existing prospects and customers into current sales.

While this makes sense, it isn't the best or most strategic use of the resources available to your organization. Indeed, part of your sales staff should be primarily dedicated to the top of the funnel activities from the above infographic.

As you look through the chart, consider how the largest spaces in the funnel (attract, engage, capture) are predominantly business development intrinsic activities more than they are true sales. It's important to be able to recognize the difference here and capitalize upon the value of having certain members of your sales staff work in these "high funnel" aspects of strategic sales. We're confident it will help you convert more leads than you will simply chasing conversion with the full strength of your sales personnel.

We've taken the time - in this subsection of the chapter - to discuss several key points to designing a salesforce within your company that's responsive, adaptable, reliable and, most importantly, strategic. Well we do think that all of the points made here are relevant to certain organizations, we recognize that the technology being used by your company is often the most important facet of your sales force, so we'd like to close this section of the chapter by introducing and briefly covering several digital sales resources that we've had great luck with.

Some of them you've likely heard before, some of them we've even already mentioned in this book. In no particular order:

### **Salesforce**

-As we've addressed before, Salesforce is effectively the industry standard when it comes to enterprise sales tracking (or, for that matter, small business sales tracking).

-Salesforce offers multiple platforms at this point in time, all of which are designed to provide the cutting edge in lead tracking and conversion technology. Pricing plans vary by size, and the various softwares offered by the company can be customized to fit your organization. Best of all, if you're bringing in experienced salespeople, it's likely that they've already been trained on salesforce.

### **YesWare**

-We've spoken about several tools like YesWare, but we haven't yet introduced this tool by name. Yesware, effectively, is a tool designed for those looking to gain maximum leverage over their digital sales pitch communications.

-YesWare's platform is designed to allow sales managers to

track the emails that they send to prospective consumers, so that they can be notified immediately when those emails are opened. If you're in a supervisory capacity, this will allow you to gain valuable analytics on which of your sales staff are performing at the highest level when it comes to lead tracking and pitching.

-Yesware also allows full integration with Salesforce, so the odds are high that it can be relatively seamlessly introduced into your sales staff.

### **OnePageCRM**

-OnePageCRM isn't exactly in line with what we'd traditionally recommend to a larger business, but, in keeping with our focus on startups, it's absolutely perfect if your sales staff is somewhere between one and five people.

-Effectively, OnePageCRM is designed to be a one stop shop for everything that you and your sales staff could need in a small business, without any of the excess weight that comes with a larger, more enterprise driven system. If you're looking for a salesforce alternative that's lighter on price and gives you everything you need for a startup and nothing that you don't, this is one of your best bets.

## **UNDERSTANDING THE ROLE OF MORALE IN STRATEGIC SALES**

Obviously, morale of your employees is going to be deeply important no matter what branch of the business you work in. With that said, we're willing to wager that it's probably most important when it comes to dealing with your sales staff. They simply can't behave strategically if their morale is low, and that's a dangerous

fact.

For better or for worse, part of being strategic in your sales processes is making sure that you're giving your sales staff everything that they need in order to be successful, and a big piece of that is morale. You need to keep these individuals motivated in order to keep them productive.

While this sounds like a burden that might fall solely on the salesperson themselves, it truly isn't. On the contrary, the role of motivating sales staff is part of the strategy of any good sales organization.

Now, there's no shortage of ways to motivate employees in your sales department, but some of these methods are a bit more tried and true than others. In order to begin illustrating this, we'd encourage you to take a look at Google. No one can deny that Google is an industry leading company with an undoubtedly strategic approach to their line of work, but what exactly does that look like when it comes to motivating staff?

Well, a great deal of it has to do with the tertiary benefits that Google affords its staff. Sure, they offer industry leading maternity coverage plans and other personal benefits unheard of in many other organizations. These are undoubtedly fantastic benefits to make available to the staff, but we think the smaller, less heard-of benefits are every bit as valuable.

According to Cleverism, Google offers its employees the following on-site daily benefits:

- Oil changes
- Lunch and dinner
- Fitness center
- Laundry service

Dry cleaning  
Bike repair  
Car wash

Of course, when we're looking at Google, we could have made that list a great deal longer. The point here isn't the individual services that Google offers its employees, it's the central theme that governs these services. They're all aimed at simplifying life for the staff by removing external distractions.

More simply put, if your sales staff is worried about having to leave work in time to pick up their dry cleaning or get their bike's flat tire fixed, then they aren't going to be fully dedicated to their work throughout the day. Providing services like this can create an atmosphere where your employees not only don't need to leave work as frequently, but one in which they don't even need to stop focusing on work as frequently.

Now, it's not lost on us that all of these things cost money, and that providing services like this simply isn't a reality for a lot of companies, particularly those in the startup state. With that said, you can likely afford to offer smaller benefits, like providing lunch or dinner 1-2 days a week for your staff. Or, on a smaller scale, simply keeping food (or beer) in the office and making it available to your employees.

The cost of providing these benefits, ideally, is outweighed by the benefit of having a truly engaged and strategically focused sales staff. The more that you put into your sales staff, the less members of that staff that you need to expect considerably positive results.

Even if you can't afford to provide services like this, there are

certain cost-free benefits that you can provide to your sales staff that are completely within your power and can go a long way when it comes to boosting morale, such as:

- Allowing time throughout the day for breaks
- Providing meaningful room for growth in position and compensation
- Identifying and celebrating personal strengths of employees
- Recognizing accomplishments
- Determining personal motivating factors for your sales staff members
- Allowing facetime with upper management
- Providing a collaborative workplace

Take a moment to consider exactly what it is about these specific benefits that make them so beneficial to sales departments. While all employees could undoubtedly gain clarity or faith in their company's support of their efforts through the experiences that these benefits provide, perhaps no single department can benefit from them more than sales. Being a salesperson means that you're constantly on the go and, more likely than not, largely externally facing. With this in mind, we need to consider how quickly or easily a sales employee could begin to feel excluded from the company, or come to think of themselves as an outsider. Continued investment in these individuals not only boosts their performance, it shows the company's commitment to their success, development and happiness.

Indeed, according to Hoopla, a performance tracking platform service based in California, the numbers regarding employee engagement and morale are staggering: The company suggests that up to 70% of employees are not regularly engaged in work.



As you likely know, whenever your employees aren't engaged in the office, you're effectively losing potential revenue and profit, and this is particularly true of your sales staff.

Perhaps even more shockingly, Hoopla suggests that the staggering majority of executives (96%) cite lack of collaboration and communication within the workplace as the primary cause for a workplace failures. There's very little that can't be traced back to morale in terms of retention, motivation and performance.

While these comments may seem targeted at general employee morale, there are a few key points to take away here in terms of morale specifically pertaining to building a strategically-focused sales staff.

### **1) Encourage a narrowing of focus**

One of the central themes of this chapter that you may have noticed - or, at least, that we hope you've noticed - is that a tried and true recipe for failing to make one's sales team strategic is simply trying to do too much. We hinted at that when we discussed the digital marketing funnel and its implications to building strategic sales structures, but it's true here as well.

More often than not, you, your sales employees and the company's bottom line as a whole stand to benefit considerably from allowing your employees to narrow their focus. Encouraging this behavior can allow you to produce salespeople who aren't only functional in their central objectives, but who can also become subject matter experts within certain subsets of sales as a whole.

### **2) Feedback, feedback, feedback**

Sales is one of the most hectic aspects of any company and, in

keeping with that, it can be hard to continually dedicate the time to providing valuable feedback to your sales staff. After all, you don't want to distract them from their core duties, so providing feedback can often seem like a luxury that you and the rest of the managerial staff simply don't have time for.

This is, simply put, a mindset that you absolutely cannot afford to have. Your employees in any sector rely on managerial feedback to celebrate and confirm their victories, as well as explore and rectify their shortcomings, and this is no less true in sales than it is in operations, management, customer service, R&D or any other aspect of your business.

Providing feedback accomplishes two key aspects of building a strategically focused sales staff. First, and most obviously, it allows your employees the opportunity to realize what they're doing well and what they could stand to put more work into. Secondly, and perhaps more importantly, it provides your employees with the realization that you're truly invested in growth, not only the growth of their client accounts, but also the growth of them as a professional and as a person. Simply taking the time to regularly provide feedback can help you build a better, more strategic sales organization.

### **3) Celebrate creativity**

Regrettably, we tend to think of sales as a relatively monotonous, non-creative aspect of a business. Of course, this couldn't be further from the truth at all. As you may already know, the best salespeople are the creative ones, the ones who are willing to look outside the traditional way of doing things and discover new roads to their goals and targets.

Encourage your employees to be creative about their sales processes while still keeping a firm eye on their goals and metrics, and you'll find that methods of inserting strategy into sales that you'd never considered will just begin to pop up. In this sense, the creativity of your salespeople can become one of your greatest strategic resources.

## UNDERSTANDING WHAT MAKES A SUCCESSFUL SALESPERSON

Making the right hires the first time around matters a great deal and, of course, this is particularly true if you're in a startup environment. You only have a finite amount of resources to pour into a given hire, so it's important that you make the right hire when it comes to your sales individuals.

Part of this means finding a sales person who aligns well with your organization. While this sounds like a simple objective, it's really anything but that.

If you read that sentence and perceived it to mean that you need to find someone with similar goals to you and your organization, you aren't wrong. Similarly, if you took that statement to mean that you need to find someone who you believe that you can manage effectively, you're also correct. The more important point, though, is that in order to build a successful strategic sales staff, you need to hire individuals who believe in going about the sales process in a way that plays into your strategy.

So what exactly is it that denotes a successful salesperson? What makes it apparent, during the hiring process, that a given candidate is going to be able to help your company build and

grow a sales process that goes above and beyond bringing in revenue?

Some of these traits are obviously apparent. When interviewing you'll be able to tell if someone is actually passionate about your company and your product or if they simply need a job. You'll also likely be able to see if they have the valuable intangibles that constitute the makeup of so many successful sales professionals: grit, posturing, effective speech, friendliness, extroversion.

Regrettably, a great deal of what matters the most is what you won't be able to see, such as the ways in which an individual approaches the sales process, how they sound when they're actually on the phone, and not just in an interview.

In order to further illustrate this point, we've pulled out a key few points to focus on:

**Storytelling:** No matter what you're selling, people are going to respond more positively to being told a meaningful story than they are to simply being asked if they'd like to buy your product. The more emphasis you can put on storytelling in your sales hires, the better off you will be when it comes to defining and building a strategic sales force.

**Interdepartmental focus:** As we mentioned before, it's going to be key to the success of your organization that your sales professionals take the time to work with other departments of your company to achieve the best possible result. A big piece of this is going to be communicating openly and creatively with other parts of your business to receive relevant data, so look for individuals who have a history of working between departments.

**Establishing Relationships:** The best salespeople are the ones who realize that each sale is more than revenue, that it's actually the potential to tap into an entirely new market or customer base. If you can identify a sales candidate who has demonstrated in the past a proficiency for asking customers for referrals, they're likely strong when it comes to building and strategically leveraging relationships.

You may be beginning to notice a key theme, here. What all of these boil down to is, effectively, that your sales approach should be many things, but rarely only salesy. You want to give the client the impression that you're acting more as an advisor than as someone looking to make money off of them.

A good sales call is one in which both parties feel like they're getting what they need. It's entirely within your power to create this atmosphere with potential clients, but in order to do so you need to alter the way you go about making your pitch. If you want to come across as more than a snake-oil salesmen, try to take a consultative approach to the sales process.

One of the key ways to manifest this image in your behavior is by changing the ways in which you frame opportunities. Far too often we tell our potential clients that they should choose our product or service over that of the competition because we're cheaper. What kind of indication is that of quality? Honestly, it's a great deal more effective to say that we're better, and to be able to back that up with hard facts and statistics. Explain to your potential client why the competition may fall short, and why you will do better. Help them to understand why you're the right fit for them, not just for their checkbook. Bottom line: sell value, not cost.

Always be focusing on what works and what doesn't. The

further that you're willing to take this line of thought, the more successful that you'll be. As you begin to approach sales from a perspective where you're always considering what's going to be useful or beneficial to the other party, the more allies that you'll build. Over time, this can help you become the guy for whom a Director goes up the chain of command to recommend, as opposed to the guy waiting in the lobby.

These are certainly key aspects worth focusing on when it comes to the hiring of sales staff, but it's key to remember that there's no substitute for actual performance and sales skill. No matter how tempting it may seem, don't overvalue a flashy degree or anything of the sort beyond true experience. After all, the best place to find a sales hire is in another successful sales organization.

Developing a structure for a sales department that's strategic in nature isn't easy, and it's not supposed to be. As you work your way through the initial phases of your business, take the time to consider that strategic sales, like so many other things we've discussed in this text, is an ongoing process. It's imperative that you're continually reevaluating your sales processes to determine if you're operating not only successfully, but also strategically.

We've taken a lot of time here to consider how to sell strategically, so it may be appropriate to leave you with a quote from Og Mandino, author of *The Greatest Salesmen in the World*. We've come back to this a few times in our brief history, and it's been a great help:

***“Only action determines my value in the marketplace, and to multiply my value I will multiply my actions.”***