

MARKETING STRATEGY

OPTIMIZING SALES
IN TIMES OF CRISIS

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In an unfavorable economic climate it is vital that resources are utilized to the greatest effect. There is much that can be done to streamline sales through knowing your market and tailoring your sales force to suit your clients.

We are living in times of crisis, with slow growth and in many cases profound structural economic problems. At the same time, there is less and less difference between our products and those of the competition. There is much that we can do and here I offer some thoughts on sales that may help us to define and overcome our present difficulties. This is not a series of revelations, but more a proposal concerning methodology. I suggest you look at it as a checklist and carry out a profound self-examination based on each of the following points.

01 Analyze your business environment, your market, your abilities, your clients and your organization

The first thing is to know in depth the scale, location, needs and motivations of each segment of the market that you are aiming at. This is the only way to design a value formula suitable for each of them and to define your position. It is very important to carry out benchmarking at the same time. In order to have a successful sales policy you have to know, analyze and, ideally, do better than the competition. And you have to do all of this without losing sight of the philosophy, mission and aims of your organiza-

tion, conscious of your weaknesses and strengths and aware of what resources you can call on and what your limitations are.

02 Methodically revise the entire sales strategy

This involves good quality research in order to segment the market and define your position. Only in this way will you be able to build your sales plan on a solid basis, a plan that you can implement and change during the year as necessary, while defining a strategy for creating client loyalty.

03 Create a genuine client culture

Don't forget that a complete sales process is made up of four phases: attract, sell, satisfy and make loyal. Don't just limit yourself to the first two and be sure that your product or service has met your client's expectations. It is of fundamental importance that everyone in the team understands how much the client is worth, that they understand the difference between transactional value (daily, monthly and annual sales) and relational value (the earnings that can be generated in the next 10, 15 or 20 years). And remember: client culture means that everyone in the organization must change the way they think. All of the departments, products and services have to be oriented towards and aligned with the client's necessities and demands. This can be achieved by creating a good database, both transac-



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tional (transactions made, products sold, average prices, sales initiatives made) as well as relational (service failures, contacts maintained, demands and complaints, preferred communication channels, index of satisfaction).

04 Optimize your sales force

The sales force must be aligned with the profile of your different types of clients. There's nothing worse than sending a poorly-trained salesman to visit sophisticated clients, or send better qualified sales staff to clients who neither appreciate nor require such well-trained staff. The first thing is to define the profiles of the sales force in accordance with your clients. Secondly, calculate how many sales people you need. In order to do this, you first have to know the number and frequency of contacts or visits for each category of client (mail, letters, personal visits, circulars or telephone calls). Once you've established the type and number of sales staff required, the next thing is to give them a role, so that each one knows exactly what are their responsibilities and objectives, as well as their zones and areas of operation. At the same time it is fundamental to adjust the portfolios of each one of them in order to balance out their efforts and the results in different zones and to avoid overloading some more than others.

05 Constantly motivate your sales network

In order to win client loyalty you must first have employees who enjoy their work. Knowledge is important, talent necessary, but without the right attitude you won't get anywhere. In order to get the greatest commitment from the sales staff, the first thing that has to be done is to clearly define the function of each member of the sales team, what position they occupy in the system, what functions they have to carry out and with what objectives. Basically, make it clear what

the business expects of them. The next thing is to establish the right salary system, that is, make it clear what they can expect from the company. You may opt for a fixed salary plus a variable, as well as commissions (constant, growing, falling, with or without ceiling), with sales or with a bonus (qualitative and / or quantitative). There are an infinite number of possible combinations. Whichever system is chosen, it is important that it is clear, fair, makes it possible to achieve sales objectives, motivates, attracts the best sales people and wins their loyalty.

06 Winning sales staff loyalty

Financial rewards alone are not sufficient. People need to be offered what we might call an "emotional salary": encouragement, tactful correction, delegate, encourage personal development, be empathetic, celebrate successes and analyze failures together, be aware of people's personal problems.

07 Set out achievable targets

Targets should be coherent, measurable, understandable, credible, achievable, transparent and honorable. In the case of salespeople with a high percentage of variable compensation, if they see the objectives as "unachievable right from the start" this can be the worst form of motivation and may lead to them quitting the job.

08 Define the processes of sales planning

Ideally the sales department will set out guidelines for desired growth and will communicate them to the sales network so that they can work them out for themselves, client by client, and communicate them from the bottom up. In this manner, the management can define the definitive annual goals in a way that is much more structured, rational and collective.

09 Define the sales methodology

If you want to achieve better organization and better results from

your sales network you have to be clear about how to achieve this. This involves types of visits, techniques employed, team meetings, training sessions for new salespeople, reporting, joint visits.

10 Surround yourself with “consultant” salespeople

The sales staff must be the assessors of the client, more than just people who sell the product or a promotion with a fixed point of view, thinking only in the short-term and their monthly targets. By “consultant” salespeople we mean those with the following characteristics: they love their work, they are cultured and easy to be with, they know the sector and the particularities of the organization they work for, they sell well — both quantitatively and qualitatively — exhibit empathy and emotional intelligence and look for real meaning in what they do.

11 Analyze how sales have developed over the past three years

Do this globally and for each product, area, zone, salesperson and client. This type of analysis provides you with an immediate diagnosis at the global level and at the level of families of products, in which areas and with which salespeople and which clients you are achieving results significantly above or below the average. It is particularly important to assess:

- Average sales per client
- Index of cross sales per client
- The number of new clients, the number of clients lost
- Percentage of debt in regard to billing
- Percentage of returns in regard to billing

12 Create flexible reporting

Information is power. Once all this data has been compiled, the ideal is to be able to use it, share it and update it through a communication system that is flexible and effective. However, beware of asking for excessive quantities of informa-

tion or imposing complicated sales software, as this can often demotivate a sales team and, by overburdening it with administrative work, you reduce the amount of time available for the core job of street work, with the inevitable negative consequences.

13 Spend one, two or three days a month with your salespeople and listen to what they have to say

There’s never time to do everything, but I suggest you do everything possible to establish a rota in order to periodically go out with salespeople and to experience with them the real problems they face and assess how well they organize their work. In this manner you can discover whether they are making the requisite number of visits, if the management of clients is well-mannered and is being handled professionally and if they have the appropriate attitude.

14 Assess your own leadership abilities

As well as looking at the sales team, you should analyze what are your own strong and weak points and decide what you need to dispense with and what new aspects you feel you should introduce. A really good leader is one who, from time to time, is willing to take a critical look at themselves and at their style of management.

15 Manage with the head but lead with the heart

It is essential that you work with reason (Logos) and with the highest moral principles (Ethos) but you must not forget the importance of reaching the heart of those who work with you in order to achieve the greatest rapport (Pathos) with them and in order to face together the great uncertainty and also the fantastic opportunities that surround us.

Faced with a situation of uncertainty you shouldn’t allow the crisis to take root in your head.

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