

MXL Partners

For High - Achieving Sales Teams

Aligning Sales & Marketing

for Emerging Companies

Accelerating Sales Series



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**MXL
Partners**

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Pillsbury
Winthrop
Shaw
Pittman LLP

Aligning Sales and Marketing



Agenda

- **Top 10 Early Stage Sales Problems 2005**
- **Sales & Marketing Dysfunction**
- **The Fix for the Sales/Marketing Gap**
- **Rules and Tools**
- **Q & A**

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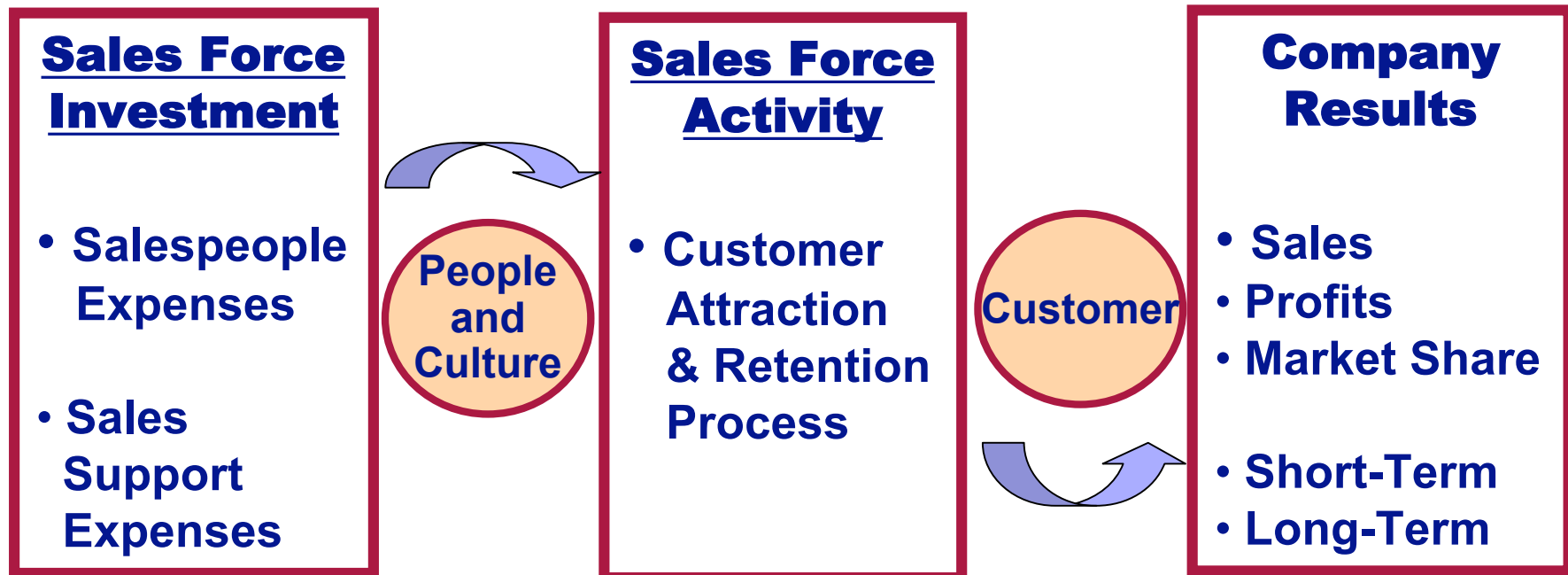
Top 10 Early Stage Sales Problems 2005

1. Insufficient Sales Operations
2. Sales Process Dysfunction
3. Inefficient Forecasting Process
4. The Sales/Marketing Gap
5. Weak Sales Leadership
6. Poor Lead Generation
7. Ineffective Internal Communications
8. Lack of Consultative/Strategic Selling
9. Random Territory Management
10. Too Much Technology Selling

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Components of a Sales Organization



- Source: Zoltners & Sinha

Sales & Marketing Dysfunction



What Sales Says About Marketing

- “They don’t understand who our customer is.”
- “Marketing still can’t tell me in one sentence what we do.”
- “I don’t use our marketing materials, they’re useless.”
- “I need more sales tools!”
- “Our messages sound like everyone else, marketing needs to tell me why we are different and where we fit.”
- “Our PowerPoint presentations are way too technical and not focused enough on the business problem.”
- “I never have enough leads – and the ones we get are not well qualified!”
- “Someone who hits our web site is not a lead.”
- “Marketing thinks this stuff is so good that it sells itself!”

Sales & Marketing Dysfunction



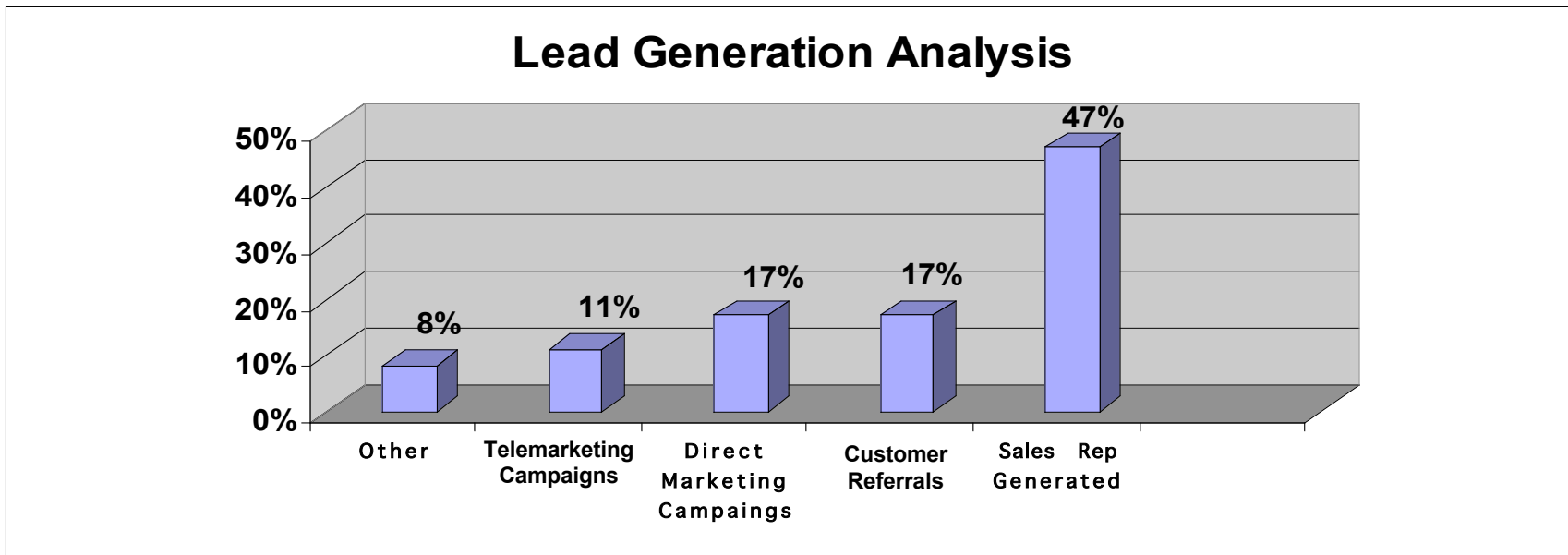
What Marketing Says About Sales

- “Sales people are stupid – they don’t get what we do.”
- “Sales expects us to sell this stuff for them – I can’t go on every sales call!”
- “They change our PowerPoint slides all of the time and each have their own set of messages.”
- “Sales people are always selling features that we don’t have.”
- “We put 500 leads in the database last month and they never followed up on them.”
- “They never want us to talk to the customers, we have no feedback loop.”
- “We never know how effective the marketing program was – we can’t get the sales team to use the CRM system.”

Aligning Sales and Marketing Lead Generation



Sales Reps Carrying a Heavy Load for Lead Generation

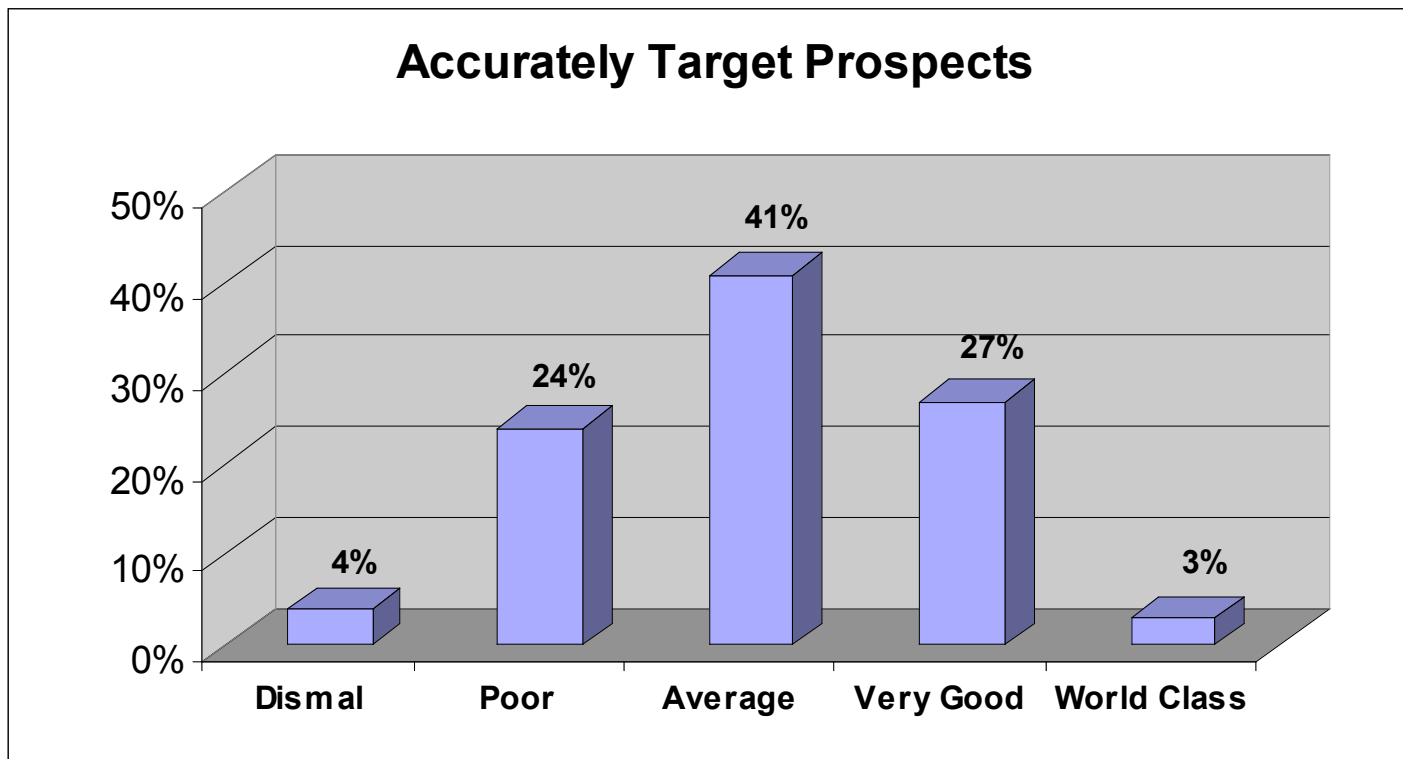


- Source: CSO Insights

Aligning Sales and Marketing Targeting Prospects



Quota Attainment: Poor/Dismal = 50%; Average = 59%; Very Good/World Class = 64%



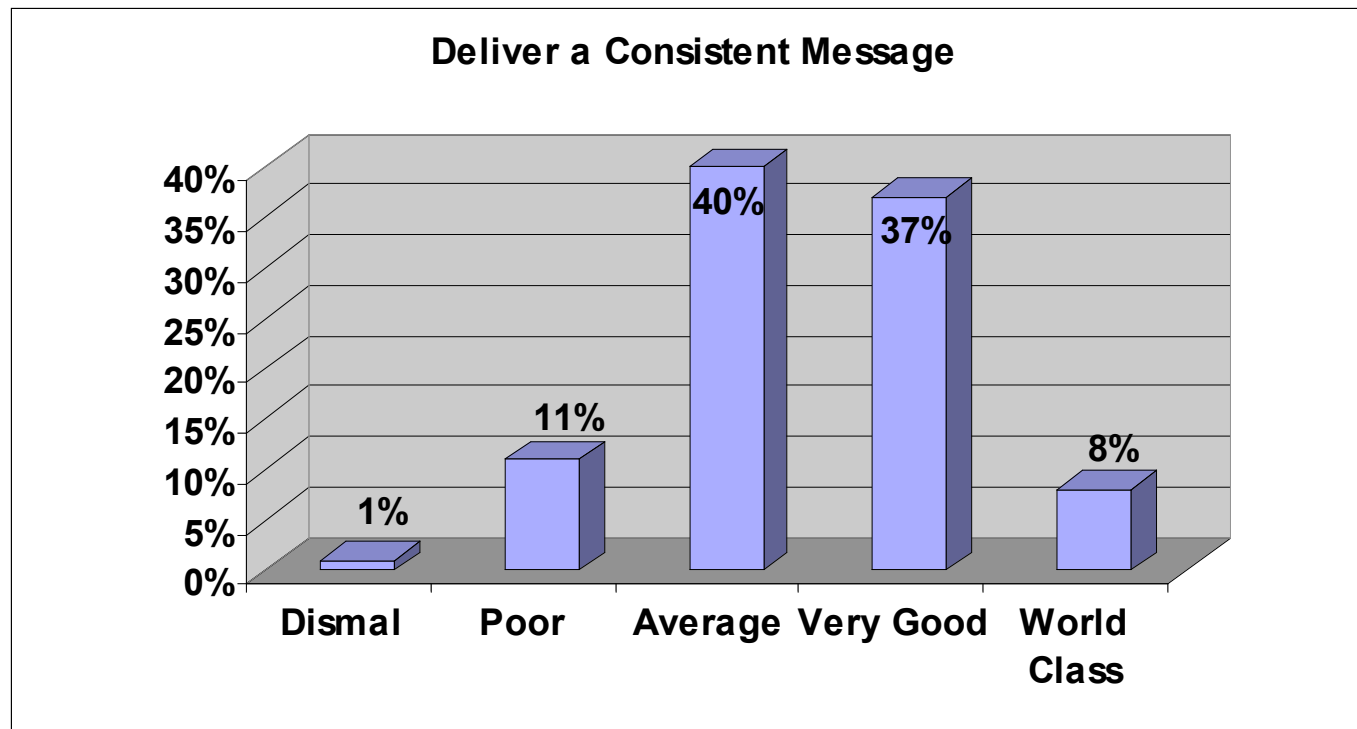
- Source: CSO Insights

...Better Targeting Yield Better Sales Numbers

Aligning Sales and Marketing Marketing Message



Most Companies See Ability Here to be Average or Poor



- Source: CSO Insights

Reps Spend > 30 Hours Per Month Searching/Building Materials

Sales & Marketing Dysfunctions



Common Mistakes CEOs Make

- **Lack of consistent vision for the company**
 - “Here is our new positioning, now go sell it.”
 - Vision and execution are not integrated
- **React too quickly to financial/competitive pressures, not customer requirements**
 - Let category positioning direct business, not customer demand
 - Don’t spend money on market research or customer validation
 - Expect results with 30 or 60 day plans

Sales & Marketing Dysfunctions



Common Mistakes CEOs Make

- **Pitting marketing people against sales**
 - “Revenue is more important than brochures.”
 - “We will build what ever sales can sell.”
- **Don't integrate marketing with sales metrics and expectations**
 - Processes are not put in place
 - Leads are not tracked back to revenue

The Fix



Five Simple Rules

To Accelerate Business Performance and
Align Marketing and Sales

1. **Validate Your Market**
2. **Know Your Customer**
3. **Differentiate Your Position**
4. **Adopt Consultative Selling Practices**
5. **Build Integrated Processes**

The Fix

1. Validate Your Market



Strategy

- **Invest** in upfront (and ongoing) Market Validation to save time, money and make your programs more effective.
 - Is there *really* a market for your product?
 - Do you have a compelling solution to solve customer pain?
 - Do your messages map to potential customer usage?
 - What is the best sales and delivery model?

Tactics

- **Involve** both Sales and Marketing in validation and build integrated programs based on feedback.

Result

- **Unified** teams around the same vision of customer demand and market opportunity.



The Fix

2. Know Your Customer



Strategy

- **Ensure** both Sales and Marketing understand (agree) who the customer is and why they would buy your solution.
 - Who will benefit the most from using your product or service?
 - What size company or organization is your best target?
 - Who in the organization do you sell to? Who signs the check?
 - Who are the influencers?
 - What are his or her ongoing issues and requirements?

Tactics

- **Build** all programs and communications around target customer groups with unique usage-based messages.

Result

- **Development** of a highly focused go-to-market strategy with a repeatable process.



Aligning Sales and Marketing



Exercise

The Fix

3. Differentiate Your Position



Strategy

- **Find** an established (and huge) market and carve out your piece.
 - What is your USP – need to answer “why” and “so what?”
 - Don’t put yourself in a category without competition
 - Need to lock in your position – avoid continual change
 - Keep it simple

Tactics

- **Anchor** on a known solution and then state why you are different and better.
 - Clearly identify what you extend or replace in the organization

Result

- **Focuses** sales people on usage and value discussions instead of explaining who you are and what you do.

The Fix

4. Consultative Selling



Strategy

- **Stop** selling your products and features. Instead, think about your buyers goals, problems, and needs.
 - Rely less on presentations, ask questions to uncover demand
 - Be problem solvers – not peddlers (leverage technical staff)
 - Sell to decision makers, not end users
 - Build sales messages with usage-based verbs, not nouns

Tactics

- **Institute** consultative selling (*Strategic Sales Execution*) as corporate wide philosophy; train marketing, sales and technical staff to work together as an integrated team.

Result

- **Increased** close rates, more effective marketing communications, and happier customers.

The Fix

5. Build Integrated Processes



Strategy

- Build integrated, closed-loop processes and establish metrics for accountability and measurement.
 - Tie lead generation directly to revenue
 - Assign 60-65 percent of budget to lead generation
 - Encourage open communication – listen, learn and be flexible

Tactics

- Mandate that both marketing and sales use the CRM system.
 - Agree on what a lead is and track by program and target
 - Track what happens to a lead from its capture all the way through the sales cycle and adjust programs accordingly

Result

- Reduce your sales cycle, increase revenue, manage your marketing expenses and monitor program effectiveness.

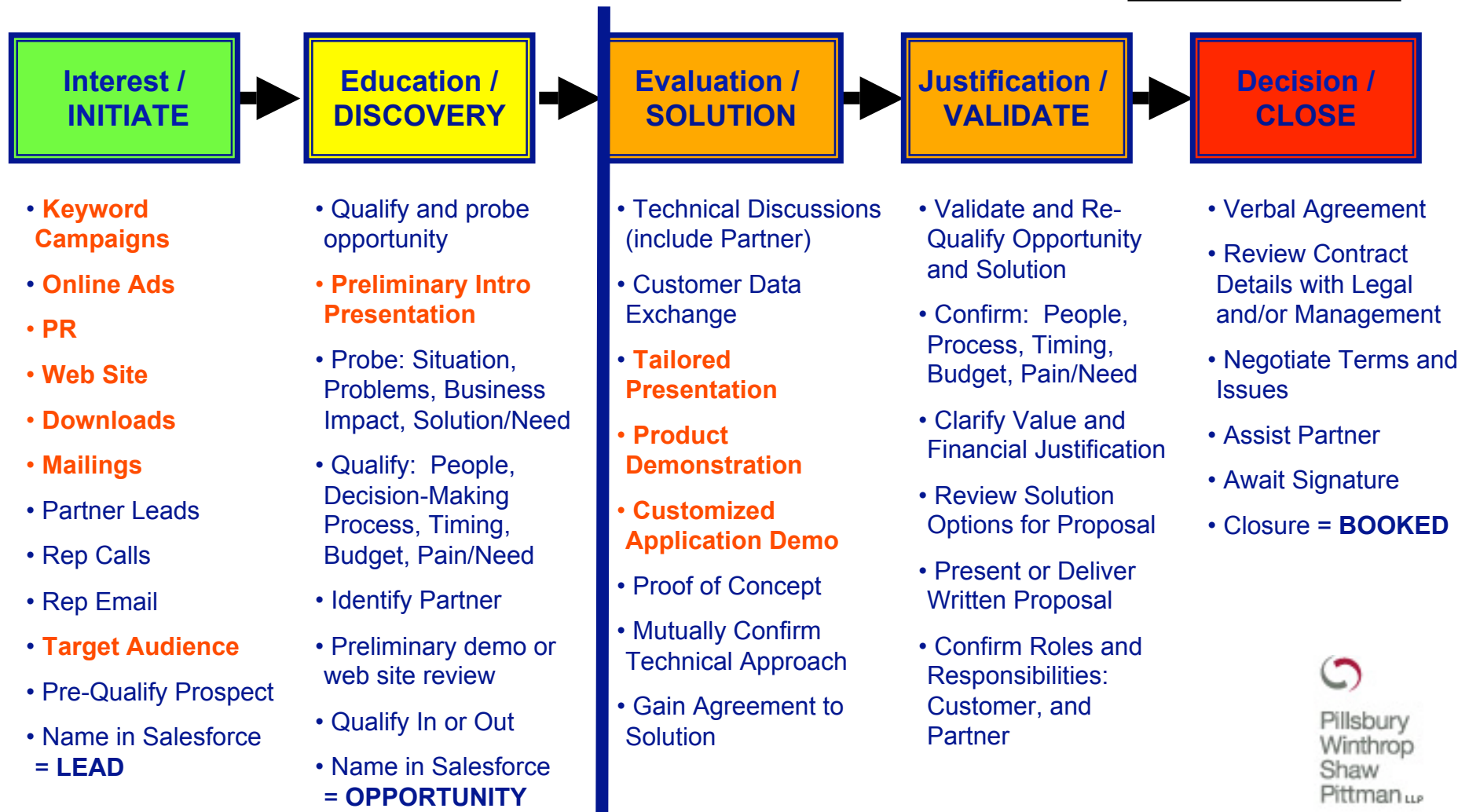
Sales & Marketing Dysfunctions



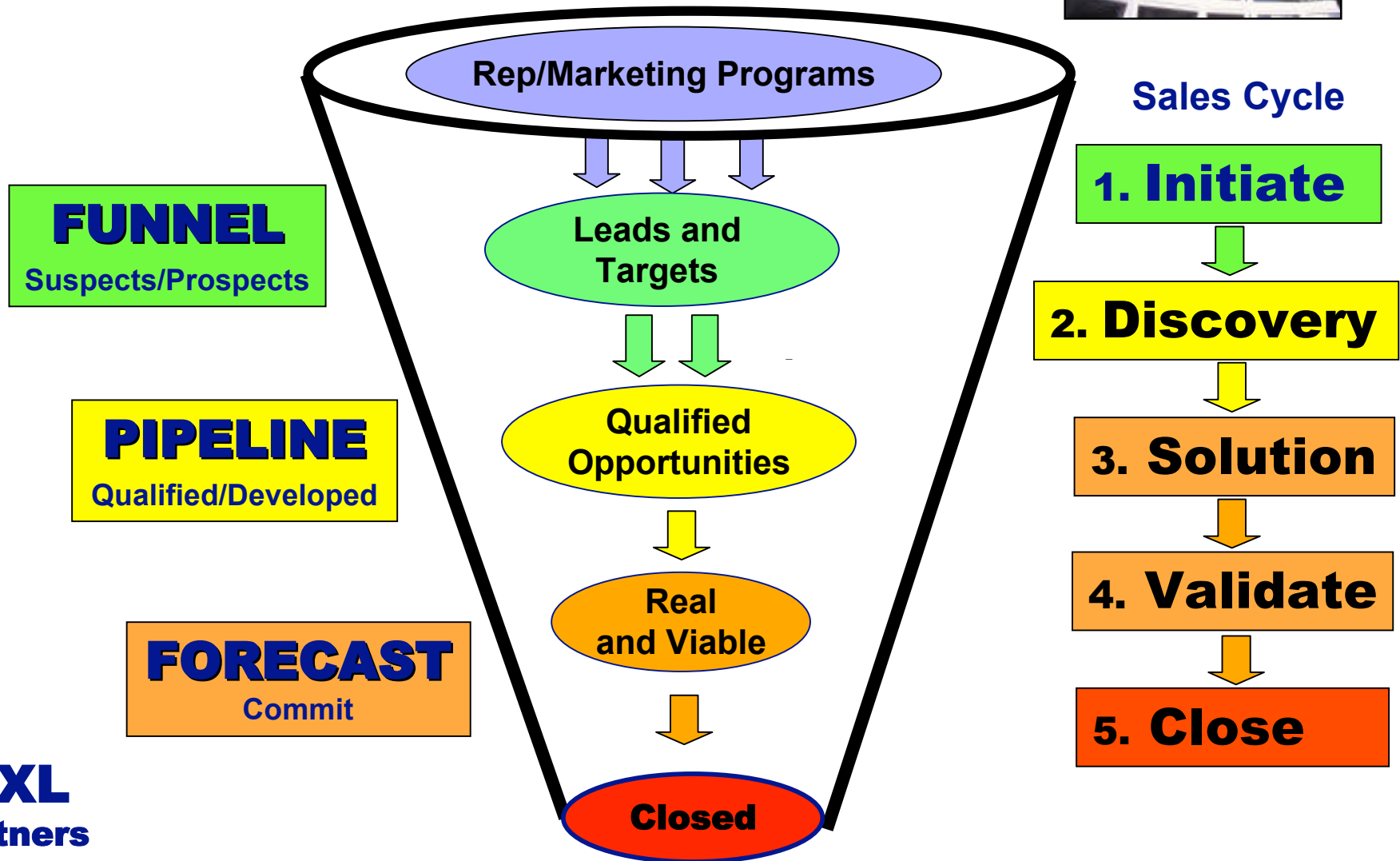
Common Mistakes CEOs Make

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Sales Process/ Methodology



Rethinking the Funnel





Aligning Sales and Marketing



Exercise

Marketing Programs



Program	Leads	Qualified	Cost	CPL
Technical User Week	43		\$15,000	\$349
Web	22		\$0	\$0
Google Ads	37		\$2,000	\$54
Other	7		\$0	\$0
Partner Programs	16	6	\$1,000	\$63
Breakfast Briefing	10	2	\$2,000	\$200
WSJ – Product review	18		\$2,200	\$122
Industry Database List	21	5	\$1,000	\$48
Other (Referrals, misc, etc.)	10		\$0	\$0
Total	184		\$23,200	\$126

Solution: A Customized Selling Methodology



A 6-Step Solution

Assess
Current
Practices

1

Executives
Sales History
Top Performers
Customers
Prospects

Build a
Customized
Sales
Process

2

Summarize
Key Steps
Stages
Lead Generation
Practices
Milestones

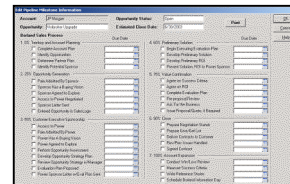
Create
Marketing
& Sales
Materials

3

Territory Plans
Account Plans
Sponsor Letter
Evaluation Plans
Industry Guides
Why Buy?
Competitive Info
Objections
FAQ

Integrate
Sales
Process
into CRM

4



Milestone Map
Pricing
Quotes
Proposals

Build Your
Executive
Dashboard

5

Easy Access
KPI's
Sales Metrics
Pipeline Reports
Forecast Reports
Quarterly Reports

Prepare
Your
Training
Rollout
Schedule

6

Sales Mgmt
Sales Team
Exec. Support
Role Plays
CRM training
Accountability

Aligning Sales and Marketing



Summary

- **Executive Team “Unity” on Sales and Marketing**
- **Validate Your Market**
- ***Really* Understand Your Customer**
- **Develop and Sell Your Solution, Not Your Product**
- **It’s All About Your Customized Process, ...**

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Services

- **Interim Management**
- **Global Business Development**
- **Customized Services**

Business Planning

- **Positioning**
- **Messaging**
- **Market analysis**
- **Fund raising**
- **M & A analysis**

Market Validation

- **Customer surveys**
- **Focus groups**
- **Competitive analysis**
- **Segmentation & profiles**
- **Product planning**

Program Execution

- **PR and analyst programs**
- **Sales tools**
- **Product launch**
- **Lead generation**
- **Channel programs**



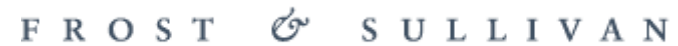
Infrastructure

- Above All
- ClairMail
- Jibe Networks
- Kabira
- KnowNow
- N8 Systems
- Reactivity
- Resonate
- Sun
- Taviz
- uRoam
- Wakesoft
- WebV2
- Xcalia

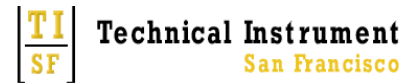
Applications

- Accept Software
- Agent Software
- Bridgestream
- BrightInfo
- ECNet
- Extricity
- Go2ASP
- Kirus
- Neoforma
- Optiant
- Participate
- PeopleSoft
- Skyflow

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For High-Achieving Sales Teams



Sales Consulting – CEO/Sales Management Advisory Services

- Sales Coaching – CEO, VP Sales coaching, advisory/consulting
- Sales Process – clarification, customization, and implementation
- Sales Operations – planning, quotas, comp plans, forecasting, systems
- Sales Strategy – corporate, team, market, account
- Sales Messaging – customer market, segment and product
- Strategic Accounts – program development and organization

Sales Training – Strategic Sales Execution™

- Sales Teams – foundational and advanced best-practices for sales organizations
- Sales Management – process leadership, coaching, mentoring, motivating
- Accelerated Sales School – Mastering Territory, Communications, Questions, Negotiations, Closing, Sales Management – Menlo Park, Q4 2005

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Accelerated Sales School



3-Hour Sales Training Classes for Sales and Management

- Oct 4 ***Mastering Opportunities*** – Plans, Strategies, Prospecting, Metrics
- Oct 18 ***Mastering Communications*** – Pitches, Scripts, Emails, Presentations
- Nov 1 ***Mastering Questions*** – Probing, Questioning, Consultative Selling
- Nov 16 ***Mastering Negotiations*** – Approach, Process, Tactics, Applications
- Nov 29 ***Mastering Closing*** – Qualifying, Closing Strategies, Techniques
- Dec 6 ***Mastering Sales Management*** – Lead, Manage, Mentor, Motivate

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Q & A

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Thank You!

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