

Sales & Marketing eBulletin

A quarterly eBulletin from the people who bring you the Sales & Marketing Executive MindXchange

December 2008 Vol1/Issue 5

“Tell me and I forget. Teach me and I may remember. Involve me and I learn.” — Benjamin Franklin

A Sales and Marketing Partnership that Works

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Ply Gem

Much has been written about how the sales and marketing functions should work together as partners to accelerate profitable sales growth. While many of these approaches have generated interest and proved to be moderately successful, a proven solution that has yielded repeatable success is built upon three fundamental principles.

First, sales and marketing must work toward the same, well-defined business goal. Secondly, the groups must work collaboratively throughout the various phases of a defined sales growth process – providing leadership or support, based on the respective areas of expertise. And third, a single measurement system must be used to keep score of the leading indicators and outcomes of sales and marketing activities and investments. This approach has proven to be successful in creating sales and marketing partnerships that deliver results.

Two Functions and One Goal

A significant challenge faced by organizations in trying to align the efforts of sales and marketing functions, is competing goals. Sales may focus on landing sales that are immediate, but are not the most profitable. Marketing may be focused on market share growth in target market segments, but overlook profitable sales opportunities that do not fit neatly into defined market segments.

If the two groups are to have a fighting chance of working together successfully, they must avoid taking action before gaining agreement on the same, well-defined goal. This goal should be a corporate, business unit or divisional goal that requires an integrated strategy and plan of execution across functions. The goal should bring clarity to the expected outcome and ensure that neither sales nor marketing can be successful without achieving the business goal. If one group can be successful without the goal being achieved, the partnership is doomed from the start.

A Breakthrough Sales Growth Process

A second challenge that must be overcome to develop a true partnership between sales and marketing is developing a clear understanding of the larger sales growth process. This process must have one objective – to deliver profitable sales growth. It must include the critical marketing and sales activities, and manage the interdependencies that will get everyone rowing in the same direction in unison.

The proven sales growth process includes four phases that the sales and marketing teams work through in partnership to break through the barriers that prohibit the acceleration of sustainable sales growth. Each phase includes identified objectives, activities, responsibilities, and success metrics – ensuring a consistent approach and nomenclature throughout the organization.

The first breakthrough is identifying and prioritizing the most attractive sales growth opportunities. This phase is led by marketing and includes traditional marketing activities such as market analysis, customer needs identification, and market segmentation. The sales organization brings a wealth of knowledge and experience to contribute to this effort – ensuring that the opportunities are well understood and vetted with on-the-ground customer experience, in addition to the traditional marketing tools. Sales also plays a critical role of identifying “real” customers who may be sales targets.

After the most attractive growth opportunities have been identified, the opportunity for real differentiation lies in the ability to develop winning products and services – those that meet customers needs better than the competitor’s offerings. This phase of the sales growth process is also led by marketing or the product/service development team. In addition to serving as a reality filter for new products/services, the sales organization also begins to better understand customers’ needs and how the product or service can deliver measurable value to the customer. What better way to begin training the sales organization to effectively sell the new offerings.

The third phase of the sales growth process moves the attention from the customer to an internal assessment of the company’s ability to capture its fair share of value from the new products or services. The marketing and sales organizations work collaboratively to evaluate pricing, based on the value delivered to the customer and a keen understanding of competitive offerings in the marketplace. The two groups also work together to develop or enhance the selling channels to ensure the appropriate sales coverage and cost-to-serve position. One of the key questions answered in this phase is: “Can we grow sales PROFITABLY?”

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The final breakthrough to accelerate profitable sales growth is to deliver the value and experience the customer expects. In one word – this is about execution. The marketing campaign must be accurate in communicating the value proposition – focused on the measurable and differential value the customer will receive. The sales training and sales support tools must support the value proposition and enable the sales team to effectively communicate and sell value – avoiding the temptation to sell on price and give away value. The manufacturing and/or operations teams must provide the product/service as committed. The after-sale customer service, installation or customer support teams must prevent value erosion by delivering what’s promised in a way that not only satisfies, but delights the customer. This final phase of the sales growth process requires alignment of the activities of all functions.

Paid to Partner

The glue that holds the sales and marketing partnership together is a success metrics system that rewards each member of the team for performing activities that contribute to the company achieving its goal. While each member of the team is rewarded for individual accomplishments, the incentive system provides a meaningful portion of target compensation to be awarded based on achievement of the business goal.

Another benefit of this approach for reward and recognition is that it creates a real interest in continuous improvement – focused squarely on the things directly related to achieving the company goal. It also results in engagement of those closest to the customer with a vested interest in the company’s success – creating a cadre of loyal consultants to help continuously accelerate profitable sales growth.