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Sales Analytics & CRM

The Scientific Approach to Driving Sales Growth

Perhaps It's Time to "Grasp the Nettle"

Exploring the modern technology choices for sales efficiency and growth

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Despite positive signs of growth in the current Global economy, business still remains tremendously competitive; gaining and maintaining that all-important edge on your business rivals is still a challenge. The ever increasing pursuit of sales, an unstoppable trend towards web enlightened, more demanding customers and the incessant drive to exploit every available sales opportunity just adds fuel to the argument that companies can now ill afford to have a sales operation that falls short in its performance and productivity.

Recent polls suggest that around 78% of our buyers (including our existing customers and prospects) initiate their research for products or services online, so although word of mouth still plays a role in decision making, it's now much easier to check out a wider network of information, whatever the product or service. In this highly informed world the stark reality is that buyers now have almost instant access to a detailed level of information relating to *your* products and the quality of *your* service, allowing them to make pricing and service comparisons before contact is ever made.

To stay ahead of the game adopting a **scientific approach** to sales and customer management makes a lot of sense. By equipping every member of a sales/marketing related team (arguably that should be most of the business) with tools and technology that help to build, inform and preserve knowledge levels, organisations have proven that they can dramatically enhance the quality and content of sales conversations and therefore the relationships with their customers.

Sales results are visibly strengthened by supporting a team's own experience and judgement with hard facts, enabling fast and effective decision making and exceptional customer management.

So how do I achieve this and what are the options available?

- **Business Intelligence (BI): Data reporting and analysis**
  A broad set of applications and technologies used for gathering, storing, analysing, and providing access to data to help organisations make better business decisions.

- **Customer Relationship Management (CRM): Customer details & interactions**
  A management philosophy or software solution providing a repository for company/contact details and information to enable the management of customer and prospect interactions and customer relations.

- **Sales Intelligence (SI): Intelligent analytics, customer data, interactions and sales prompts**
  The collection, integration, analysis and timely presentation of sales figures, interactions, opportunities and customer/contact profiles to drive sales awareness and productivity, support business decisions, enhance relationships and optimise business results.

We take a look at BI, CRM and SI.

Using 'scientific' analytics in the sales process, typically delivers an average of **22% increase in performance** *results compared to similar class businesses*

Differentiating between BI, CRM and SI

Relatively speaking the use of analytics within the sales function is still in its infancy, therefore choosing the right technology to analyse and critically, to *make valuable use* of the data you already hold, can make a significant difference to overall organisational growth.

New customer acquisition is of course essential but research has proven that protecting and growing spend from existing customers is by far the most profitable sale. Experts tell us that sales people regularly leave potential spend on the table, an interesting thought! Taking the more scientific approach to exploiting the customer opportunity offers the most cost-effective way to grow sales, equally it makes sense to ensure that every member of the team is prompted of where spend potential exists.

The popular Sales Technology choices are BI, CRM and SI - which option best suits your business?

Business Intelligence (BI)

BI tools are valuable; and are best used to provide a broad spectrum view of various elements within an organisation,particularly within financial and complex management reporting environments. However, BI can also be very resource heavy, so it's often too complex or static to be effective in the fast moving sales environment. Producing reams of data and reports that require a detailed understanding of data manipulation is, (in our experience of working with Manufacturing and Distribution Companies for nearly 20 years), not helpful. Typically by default sales reporting, data extraction and manipulation fall to IT or Finance teams, when ideally the IT and finance teams are a more valuable assett to the business when focussing on their own areas of expertise.

It's far more advantageous for an effective and efficient sales team to have independant and continuous access to a consistent flow of accurate information and customer intelligence, presented to them in an *easy-to-use and easy to manipulate format*.

The visualisation of actionable Sales Information is the key to Sales Growth

Customer Relationship Management (CRM)

When in place and fully operational, Customer Relationship Management (CRM) is a useful tool for supporting central contact management and tracking communication and new opportunities with Customers or Prospects across almost any business sector. However, CRM doesn't routinely provide details of key information relating to sales data, customer spend patterns, link-sell opportunities, profitability or attrition.

Does every member of your sales team know exactly which of their customers are not buying to their full potential?

"It makes sense to ensure that every member of the team is prompted of where spend potential exists"

Within the Distribution sector it's vital for every member of the customer facing sales team to be able to tap into the full picture if they are to maximise every opportunity; using traditional CRM often means that sales people still have to look elsewhere to construct a meaningful meeting agenda. Businesses sometimes experience uphill struggles with user adoption as a result of sales or marketing teams not reaping immediate rewards from time and effort invested in recording information.

Encouraging a sales team to comply and use any system can be challenging especially when they don't see those immediate results. Ultimately, a stand-alone CRM solution cannot highlight opportunities to help retain and grow an existing customer base. A vital factor for Distribution businesses

It's the ability to combine CRM functionality with sales analytics that has a direct bearing on sales performance.

Sales Intelligence (SI)

The combination of BI, Analytics & CRM - tailored to suit Sales professionals

Sales Intelligence is the scientific management, analysis and presentation of sales transactional data that empowers both Management Teams and Sales people by providing the information they need, when they need it.

Created for businesses typically serving a large number of customers with an extensive product catalogue, it is predominantly (but not exclusively) used in a B2B environment, where repeat selling and customer retention (and therefore a knowledgeable sales team) is vital. SI utilises the valuable information hidden within the sales processing system to produce powerful intelligence relating to customers buying habits, preferences and trends.

For successful distribution selling, it is essential for every member of the team to be equipped with fast and easy access to sales and customer information.

The clear benefits of Sales Intelligence

To help demonstrate the differences between the primary solution choices and the clear benefits of SI for businesses, we devised some simple questions.

When answering, consider *your products, your sales team, your customers* **and** *your* **plans** *for future business growth***:**

BUSINESS QUESTION	YES	NO
Are you confident that your sales team are well informed and consistently prepare effectively to make the most of *every* customer phone call and visit?		
Are you confident that reports produced by your IT team, Finance team or BI solution are discussed and actioned? (Or are they simply skimmed and put aside for more detail to be explored?)		
Could you instantly pinpoint precisely how many regular customers **have not** bought from you at any given point every month - and how many have been contacted to find out why?		
Does every member of your team know exactly which of their customers are not buying to their full potential right now?		
Are your team equipped to spot when a customer starts buying products from a competitor that they could or should be buying from you?		
Are you sure that your team are exploiting the link-sell opportunities of your core and profitable lines - and if not how much are you losing out to competitors?		
Are you able to analyse the profitability of the sales to each and every customer?		
Do you regularly analyse and prompt the sales team of how you could increase the size and value of customer orders?		

So, what did your responses tell you? Did you give positive answers to all of the questions?

Are you confident that you are able to access all of that information instantly, without involving Finance or IT, to ensure that appropriate action is taken quickly? Are your team already exploiting every opportunity and addressing attrition immediately?

If not, now may be the time to implement a simple yet scientific solution to really drive sales activity. Which would suit your business best - BI, CRM or SI?

For Distribution and Wholesale industries where the common focus is on repeat sales, a combined SI solution is the best fit, showing the fastest and most consistent results.

Best in Class Companies (typically adopters of best practice solutions such as SI) drive **four times** *the increase in operating profit compared to Laggards*

(Aberdeen Group)

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BI, CRM and SI Comparison Guide for businesses

What is our company looking to address to help increase sales?	Appropriate Tools		
	CRM	BI	SI
1) To improve shared visibility of all contact with customers.	✗	-	✗
2) To improve management of Sales Team time and provide insight and guidance of the best opportunities.			✗
3) To improve reporting information relating to product sales, customer spend and gaps in their spend trends.		✗	✗
4) To empower the Sales Team to prepare faster and better for all customer contact and visits.			✗
5) Automatic sales prompts to highlight link and cross-sell opportunities to the sales team			✗
6) The ability to log information and produce Call and Activity Reports.	✗		✗
7) Detailed Activity Reporting directly related to Sales results.	✗		✗
8) The ability to store Customer and Contact Database information and segmentation.	✗		✗
9) Detailed Territory, Product, Team and Customer reporting.		✗	✗
10) Push regular attrition warnings to the team to make sure quick action is taken to look after and keep customers.			✗

Before introducing SI, 45% of SME's were making decisions based on inadequate data.

Each one of the three evaluated solutions above provide benefits, however the combined Sales Intelligence option is the practical integrated specialist solution and the most cost-effective method of optimising performance, efficiency and sales results.

Understanding the extended value of Sales Intelligence

Are you ready to take the next step and dip your toe into the world of SI?

Discover the value that Sales Intelligence adds to the Sales Operation

SI is designed to be highly intuitive (even for the most technophobic of users), aiming to deliver results that are comprehensive enough to give every level of sales analysis that a Management or Sales team could need.

Tapping into the remarkable benefits of effective SI has become an essential across many industry sectors as businesses compete to retain and grow the value within their 'current' customer base. Outlined below are areas of significant improvement experienced post SI implementation..

1) Improved Customer Service and Retention

It's become a real customer expectation that every sales person they come into contact with has an in-depth understanding of them and their business needs - even more important is the knowledge held by that sales person. It's crucial for them to be capable of quickly matching products or services precisely to the customer's preferences (and/or circumstances) and to ensure that every conversation they have is relevant, productive and geared towards building the relationship, spend and loyalty.

2) A Greater Share of Customer Spend

Evidently, businesses that use SI win hands down in terms of acquiring a larger proportion of customer spend. Simply by having access to a constant flow of accurate, up-to-date, valid client (and prospect) insight or information, sales (and marketing) teams are equipped to improve individual customer interactions and are no long susceptible to having the proverbial 'wool pulled over their eyes'. By improving sales efficiency - profitability and results will follow swiftly behind - at the same time removing hidden costs resulting from a reliance on IT or Finance for report writing or data analysis.

3) Optimised Sales Team Productivity and Effectiveness

Research suggests that in the region of 76% of a sales persons' time is spent on administrative tasks, that includes time spent ploughing through reports and time spent requesting information when they need it. That's a huge chunk of their working week that isn't focussed on selling. SI instantly reverses this trend resulting in more effective selling time.

52% of survey respondants report that their strategic priority is an initiative to improve cross departmental collaboration and access to powerful analytical capabilities.

(Aberdeen Group)

Sales Intelligence, the effective combination of Sales Analytics and CRM - is specifically designed to provide selling and management insight and support. Intuitive and easy-to-use it's informative (without imposing data paralysis) and provides timely and flexible information, guidance and sales prompts.

Designed to positively impact sales and improve effiency, SI typically delivers improvements in sales results of around 33%.

Defining business strategy and objectives with Sales Intelligence

Defined Business Objectives and Strategy

Your business objectives should now hopefully be much clearer to aid the planning, strategy and selection of the appropriate solution to suit your needs. Having the benefit of this insight should also make the decision making processes much easier and provide a platform to create a product specification in readiness for discussions with providers.

Once it is decided that the Sales Intelligence route is the right one for your business the next step is to focus on how to execute your implementation plan, particularly how to introduce the new systems or tools into your organisation.

Creating a convincing fact-based summary of your sales objectives, identifying team specific objectives and any 'real' business issues you aim to resolve and presenting them to your team always helps guide the process.

Using Sales Intelligence is by far the simplest way of highlighting and gaining insight into the specific sales actions required to achieve the organisational goals for growth

The Strategy

Business Objectives and KPI's	• Timescales – short, medium and long term? • What % growth are we aiming for? • What % should be new Customers? • What % from growth can we expect from selling more or more regularly to existing Customers?
Key Aims to Achieve Growth	• Add more customers • Improve customer retention rates • Sell in more lines • Improve profit per customer • Ensure efficiency of customer management • Combat competition • Targeted marketing and promotions • Improve productivity

Implementation Planning & Guidance

A crucial element of the overall process, implementation planning is a subject that will be very specific to each individual business; however it's worth outlining some areas that most companies should consider when creating a Sales Intelligence implementation plan:

Topics to consider

- Project Timescales
- Budget Planning
- Resource Planning and IT Team Support
- Data Integration - what data? Who manages the extraction of required data and when?
- Security Access Levels - What should each team member be able to view?
- Departmental Use and User Profiles - Setting objectives for each department
- Staff Training
- Adoption and Change Management Planning

Full information on detailed implementation planning is available on request

Companies are often surprised how quickly and cost effectively they can be operational with SI compared to other solutions such as BI or CRM.

Selecting a specialist solution such as SI ensures visible and tangible benefits and ROI within weeks or months – not years.

Change Management - Typically the biggest Challenge

Once the strategy and implementation planning has been addressed it's time to consider the practical next steps.

- **Buy-In:** Sales people are fiercely independent so any suggested or planned changes to their working methods may initially be seen as a barrier to their achievement as opposed to a positive support function. Demonstrating to your team, using real examples, how fact-based decision making will produce solid and prolonged success … for them as well as the business is a valuable exercise. After all - as well as giving them a target to achieve, using SI you are now giving every member of the team firm guidance and a methodology to achieve it.

- **Utilisation:** Sales Intelligence can only make a difference if the analytics results are acted upon so it's really important that the use of Sales Analytics is reinforced at a senior level and is directly connected to senior decision making and Sales direction. Address a factual problem, preferably multi-departmental or organisational, to highlight how using Sales Analytics will resolve that issue. Create value that can be appreciated by the broader organisation - for example the Management team, Marketing, Finance.

- **Measurement:**   Start with some simple processes - Ensure that individuals prompt conversations for relevant link-sell items on every customer and watch the sales come in. Highlight accounts prime for reactivation or growth and see the difference on the territory results. Then tell everyone.

  When staff members see the difference in results for colleagues using the powerful information provided to them – they will soon want to jump on to the band wagon.

Analytics generate best results when linked to defined Sales Strategies...

How to Embed the Methodology into your Sales and Customer Care Process to Gain Competitive Advantage.

Analytics should never be provided to members of the Sales Team simply as an additional, optional resource that they are given a choice to use (or not). That approach always leads to poor adoption, inconsistencies in working methods and ultimately inconsistent results, analysis and information.

Sales Intelligence solutions simplify and clarify the very specific steps or sets of actions that a Sales Team should be expected to take as part of their selling process, advancing the impact of the process with the result of increased effectiveness for each individual sales person.

SI provides relevant information and sales prompts so quickly that it removes excuses – and ensures that each member of the team is working toward the same sales goals.

From a customer care perspective we all appreciate the importance of making sure that every single customer feels valued, and that comes down to how well you know them - that's you and every member of your team who has contact with them. Being ahead of the game in identifying the customers' preferences enables you to anticipate and provide exactly what they want, when they want it. SI – incorporating Sales Analytics & CRM - makes the difference between working 'blind' and knowing your target market and every individual customer in detail.

Top notch customer service, achieved through an effective and knowledgeable sales team, provides a significant and often tangible advantage – particularly when there is no price differential. When asked what makes a good sales person, 80% of respondents in a recent survey said that it's someone who knows their products and their customer inside out. Not surprisingly, only 3% said that they liked a sales person who didn't take 'no' for an answer. Food for thought..

Will SI Turn your Sales Team into Number Crunchers? On the Contrary

Four areas typically outlined by Sales Managers as 'non-productive' use of time for their team are:

- Call Preparation Time.
- Administration & Reporting.
- Data Crunching.
- Unprepared Meetings or Unexpected Meeting Cancellation.

The first three points are a necessity and each one plays a vital part in the sales persons' role, but at the same time impact heavily upon actual selling time. Using Sales Intelligence (integrated Sales Analytics & CRM) has proven to dramatically reduce time spent addressing these functions, as the required sales data is readily available, wherever and whenever the individual needs to access it. Your team gains instant access to Diary Management, Call Preparation and detailed transactional analysis at the touch of a button – visible in a simple to use personalised Dashboard.

We didn't forget the fourth point. Across the world the hidden costs of unproductive or cancelled business meetings are rocketing – just do the sums, preparation time, salaries, travel costs? Unbelievably the costs run into the thousands for many businesses! Imagine the difference it would make for your team to have their customer information safely in their pocket so that everything they need for preparation and spotting sales opportunities relevant to each individual customer are instantly available – whoever they happen to be seeing. When faced with last minute cancellations, giving your team the ability to do a quick look-up to find a worthwhile account to visit nearby – and relevant points to discuss with them - could save and return thousands for your business over the years.

Equipping your sales team with personalised and up-to-date information ultimately gives each individual the controlled responsibility and autonomy to monitor and measure their own personal metrics. Enabling them to view their percentages of quotas, customer penetration, 'buying' versus 'could be buying' figures, helps to highlight and drive home the crucial benefits of selling from fact and insight.

"What makes a good sales person?"

80% of respondents said;

"someone who knows their products and their customers inside out."

Conclusion

Leading from the front

Many companies have strong organisational cultures with sales operations often having their individual subculture within the business too. As a new process or a support function SI (Sales Analytics with CRM) might initially feel a little alien to a Sales team. However when a Management Team lead by example it helps to prove the business benefits. Ultimately demonstrating the positive effect of SI on each individual's success will quickly impact upon behaviour as soon as the team see that they are gaining the edge on their competition and have been given the means and opportunity to achieve targets more easily.

Encouraging the acceptance and ownership of using analytics and the fact-based culture that it generates can be achieved quite simply. Leading from the front, during Sales Meetings enables the Sales Director to demonstrate and ask for hard facts, key metrics or statistics using the SI tool live. The broader sales operation will very quickly appreciate that the leadership team are serious about the adoption of the SI methodology and will ensure that they seek out the facts and insight in preparation for the next meeting. By simply asking the sales team to provide facts to back up assertions or 'gut instinct' will encourage them to take advantage of the analytics available to them – or at least that they know which single click will do the work for them!

"SI ensures a proactive sales approach and eliminates excuses."

About VECTA Sales Solutions

Vecta Sales Solutions, authors of the market leading VECTA Combined Sales Analytics & CRM Solution and innovators in the Cloud technology revolution. Market leaders in the SaaS delivery of solutions created for Distribution, Wholesale and Manufacturing businesses, VECTA delivers real Sales Intelligence and powerful Sales Analytics via the Cloud.

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