



A REPORT BY HARVARD BUSINESS REVIEW ANALYTIC SERVICES

# Winning at Sales in a Buyer-Empowered World

To remain relevant in today's market, sales organizations need to provide higher-value engagements that meet and anticipate customers' current and future business needs.

**IF YOU ARE IN SALES**, your customers—including the ones you haven't met—already know all about your offerings. On average, prospective buyers in business-to-business settings have completed 57 percent of their due diligence work before they engage a sales representative, according to the CEB, the world's leading member-based advisory company.

And there is seemingly endless material for B2B customers to study: product benefits on corporate websites; competitive comparisons; other customers posting on online forums; webcasts, blogs, and online communities devoted to a particular industry, function, or business issue—and those are just the freely available sources. Due diligence for a major purchase can also include executive procurement committees, proprietary research, networking with peers, requests for proposal, and other intelligence work. And the process is variable: the same buyer might follow a different path to procurement depending on the purchase, and at any point along the way, the prepurchase activities can begin in one channel and jump to others.

While the Web and other information resources have empowered customers—both consumers and B2B buyers—the same cannot be said for sales organizations. “The vendor has historically been the primary source of information, and that is no longer true,” says Gerry Murray, research manager at IDC's CMO Advisory Service. “That is a radical change in the exploration process. If you are still training salespeople on the old model, you are going to struggle to connect with buyers.”

The key for sales organizations—and the marketing leaders who collaborate with them—is to do their own research as well as collect and analyze data from their customer interactions and the digital footprints that customers leave behind when they, for instance, participate in online communities, download white papers, or attend a webcast. Such data points, when collected and analyzed, can enable marketers and sales teams to pinpoint where prospective customers are in their exploration—and when and how they can step in to engage them.

## HIGHLIGHTS

- 65% of sales organizations say rising customer expectations are their number one challenge.
- 72% of decision makers say the sales rep's ability to help solve business objectives is a major influence on their buying decision.
- 37% of businesses expect revenue increases when applying analytics best practices to sales.

Sponsored by



“Buyers bounce around all over the place. They don’t just go through a serial process. Companies need to analyze buyer patterns to find prospects with higher propensities to convert into a sale and prioritize lead development around them,” Murray says.

## The Sales Imperative

The ascent of the empowered customer has created a kind of information arms race. Bolstered by their research, customers who meet with sales teams expect them to match their expertise and knowledge and then raise it in ways that help them address

or even anticipate business imperatives. In fact, rising customer expectations were rated as the top issue impacting sales teams in a recent CSO Insights survey. [figure 1](#)

To meet these rising expectations, sales organizations need to enable their sales representatives to act as trusted counselors and advisors who can offer decision makers advice on solving important business problems and preparing for trends—counsel that often extends beyond the products or services they’re selling. In an IDC survey of information technology buyers, 25 percent of respondents said the ability to help solve business objectives was the most important quality in a sales representative, even ahead of technology expertise. [figure 2](#)

Meeting customers’ rising expectations requires a multipronged effort that includes the following.

**Aligning sales and marketing.** Leaders from sales and marketing need to collaborate on consistent ways to engage with customers across channels. That means, for example, providing valuable insights to customers that are relevant at different phases of their buying process and—for large B2B purchases—tailoring content for important stakeholders at specific accounts. It also includes inbound marketing activities, such as providing expert opinions on online communities and events to demonstrate the business expertise of sales and marketing leaders.

**Creating analytics-driven processes** that inform sales teams about what matters most at particular points in time to customers and prospects, and that provide advice for next-best actions during a sales call. Insights should also include opportunities for cross-selling and upselling as well as identification of prospective customers based on their likelihood to buy.

**Developing expertise in customers’ business challenges.** Sales teams need to communicate the details of an offering in context with the customer’s goals and issues. What counts is the impact of the product or service on the customer’s profits, revenue goals, cost reduction efforts, and other critical objectives.

Figure 1

### Changes Impacting Sales Teams

● INCREASING NOTICEABLY ● INCREASING SIGNIFICANTLY



Customer's expectations



Customer's marketplace



Competitive activity



Breadth of product line



Complexity of product line



New product introductions

**SOURCE** “OPTIMIZING SALES ENGAGEMENTS: SELLING AT THE SPEED OF CHANGE,” CSO INSIGHTS, 2014

## Tools for Sales Transformation

New technologies that enable big data analytics, mobile delivery of insights, and omnichannel consistency are essential for sales organizations to align with buyer expectations and engage more effectively with customers. Such technology platforms and tools can analyze customer interactions to identify high-quality prospects, suggest next-best actions, and provide insights that enable them to deepen customer relationships. The key is being able to collect and analyze data on customer behaviors and respond quickly to the insights that are uncovered.

A first step for many sales organizations is to automate manual processes so they can begin tracking customer activity. For example, in a recent study by CSO Insights, a majority (66 percent)

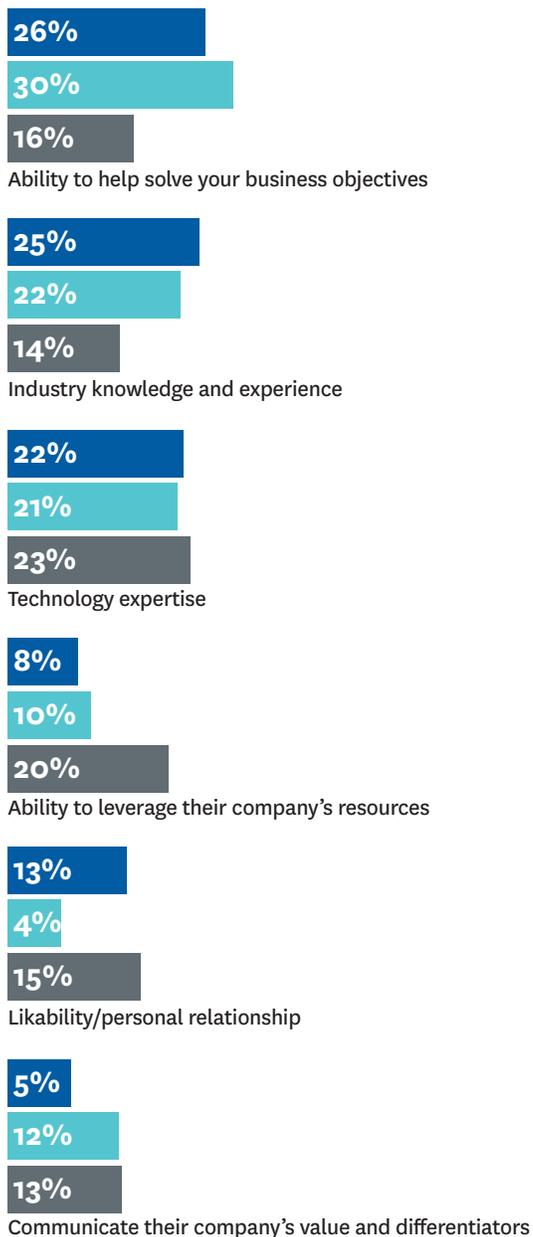
of sales teams said they send follow-up content to customers via email; however, that method makes it impossible to precisely track customer reaction to this information and provide relevant updates to meet changing customer needs.

Figure 2

## Most Important Sales Rep Attributes

Top three sales rep attributes in terms of influence on technology-buying decisions

● FIRST CHOICE ● SECOND CHOICE ● THIRD CHOICE



**SOURCE** "IDC'S 2013 IT BUYER EXPERIENCE SURVEY, PART 2: SALES ENABLEMENT FOR THE NEW BUYER'S JOURNEY," IDC, DECEMBER 2013.

A more effective approach, says Jim Dickie, managing partner at CSO Insights, is to create customer-specific workspaces that include collaborative capabilities. Such workspaces can enable sales teams, customers, and experts from within and outside of the company to form a networked community, using social technologies to collaborate. Through these platforms, sales teams can manage and track customer engagements in real time and gather relevant insights by automating the collection of sales intelligence from both internal sources and news feeds, including social media. For customers, the workspaces can function as virtual "deal rooms" or places to view specific content and ask questions, all in a trackable way.

The ability to track and analyze customer response to sales and marketing efforts has also reinvigorated the use of playbooks in sales calls. Informed by analytics, these digital guides can be used with mobile devices to optimize the delivery of effective and consistent sales messages, says Paul Vinogradov, vice president at the Alexander Group, a sales consultancy. Playbooks enable sales reps to share relevant content in the best sequence as well as change course in the moment to respond to customer questions.

Sales teams can also refine the playbook according to the results. "You can then begin to analyze that data and determine what messages are associated with a higher close rate or larger deals or what messages are associated with a faster sales cycle," Vinogradov says. Such measurements can allow, for example, a sales organization to reassign representatives or reprioritize sales activities to align with customer needs and market conditions.

Placing analytics at the center of sales efforts can yield numerous use cases to derive business value. For example, Dickie notes, geographic-based analytics can pare down prospect lists, saving time and resources that would be wasted on unlikely targets. "If I'm a medical company selling a treatment for respiratory illnesses, do I want to hit all the hospitals and clinics in the U.S. to talk about this new treatment, when particular medical practices are more likely to buy?" he says. Correlating datasets about prospective customers, locations, and market needs can yield a much better picture of likely prospects.

## The Ongoing Challenge of Sales-Customer Alignment

The principles of personalization and insights-driven sales that apply to the B2B world also pertain to consumers. Consider a store associate prepared to help a smartphone shopper by offering information about models and service plans that are targeted to the shopper's needs. Or an investment advisor who can examine life cycle stages to tailor an email message or webcast invitation designed to be timely and relevant. In both cases, the sales professionals are armed with insights that are

Figure 3

## Analytics-Driven Revenue

Expected sources of revenue increases when applying analytics best practices



**SOURCE** “THE VALUE OF SIGNAL (AND THE COST OF NOISE): THE NEW ECONOMICS OF MEANING-MAKING,” COGNIZANT TECHNOLOGY SOLUTIONS AND OXFORD ECONOMICS, MARCH 2013.

relevant to that buyer and respect the fact that the consumers themselves are fully connected to research and knowledge of their own.

Even with these capabilities, the challenges of realigning the sales function with the ever-evolving customer journey go beyond the hurdles of implementing new technologies. Challenges include the organizational changes of increasing

collaboration between marketing and sales leaders as well as the cultural changes of getting sales teams on board with using data-driven methods of identifying and communicating with prospects and customers—and being comfortable with managers using data to review their work.

But overcoming the challenges clearly comes with rewards. [figure 3](#) In an Alexander Group study, companies that effectively used digital playbooks realized a 6 percent to 14 percent increase in sales. And companies that implement analytics to prioritize sales leads and identify which customers will value additional products and services can potentially double their conversion rates, Murray says.

Clearly, sales teams need to boost their ability to provide new and impactful insights that matter to customers at every point in their buying journey, whether they’re industry expertise, customer-business knowledge, or solution expertise. Ideally, says Suj Chandrasekhar, principal at the consultancy Strategic Insights Inc., “the conversation is focused on real issues and potential solutions. There is a high level of trust between vendor and customer, creating the type of conversation more akin to a hired expert-consultant than a vendor salesperson.”

In other words, winning in sales today hinges not just on what a business sells but also—increasingly—on how the sales team sells it. That means targeting the right customers at the right time, discovering and even anticipating what really matters to customers, and providing valuable guidance and insights all along the way. ♦

Sponsored by



## Sponsor's Perspective

### New Rules for Customer Engagement

Technological innovations have created a seismic shift in the relationship between the consumer and our companies. We no longer talk about customer relationship management; instead it's all about the "customer-managed relationship."

Getting the attention of customers, who are constantly bombarded with news, emails, and offers, is a major issue for every business. When companies do get a customer's attention, their offer must be relevant. It's not enough to know your products and services and how they differ from the competition's. You now must understand your customer's unique challenges and preferences so you can bring him or her new approaches for achieving success.

It is up to smart companies to find new ways to engage their customers, to move beyond CRM and into the realm of true customer engagement regardless of department, location, or interaction channel.

At SAP, we believe the key to winning with today's empowered customers is to focus on the overall customer experience and architect solutions that map the enterprise world to the customers' buying journey.

In order to align your selling process to the buying journey and focus on making each interaction meaningful for the customer at every stage, companies must:

- **Target the customers where you deliver the most value.** Be disciplined about where your sellers spend their time. Focus on the customer types where you've had the most success with the least amount of effort. Walk away from customers where you've taken many shots but scored very few goals.
- **Discover what customers care about most.** Gaining deep insight about who your customers are, what they care about, what makes each of them tick, and what they need to do to succeed gives you the understanding you need to make each interaction relevant, meaningful, and impactful.
- **Guide the customers through the buying journey.** Be bold at each stage, sharing your insight and best practices and bringing new ways to address business challenges. By knowing what customers care about, you'll build the certainty they need to accelerate movement through each buying stage.
- **Win by going the extra mile.** Build a culture of continuous improvement to help your sales reps. Streamline the final steps of the close, delivering a buying experience that sets you apart from the competition. And make it easier for your reps to do their jobs and demonstrate value to customers—while still giving you the visibility you need to run and forecast the business.

Understanding who your customers are and what they care about, bringing them new ways to address their business challenges, and guiding them through the buying journey are not easy. But if you follow these tenets of customer engagement, you will win like never before and create amazing experiences that drive brand advocacy and grow profits.

**TO LEARN MORE, VISIT**  
[sap.com/cloudforsales](http://sap.com/cloudforsales)



[hbr.org](http://hbr.org)