

# THE REVENUE ACCELERATOR™

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Providing Business Growth Solutions

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## FROM THE EDITOR

Welcome to the 10th issue of **THE REVENUE ACCELERATOR™**. This publication was established as a direct result of recommendations from a recent Market Development Group, Inc. (MDG) client satisfaction survey. The purpose of the newsletter is to provide practical revenue and profit generator tools for MDG clients, colleagues and friends. The MDG staff encourages our readers to give feedback on the articles included in this newsletter. We welcome any suggestions of articles or topics you would like to have included in future issues.

*Eric W. Wiedenmann*

President

Market Development Group, Inc.

## MISSION

Our major goal is to provide timely, practical and original solutions for the purpose of increasing sales and profits quickly and cost effectively.

## COMMENTS/FEEDBACK

We encourage your feedback about the content and topics of this newsletter.

Please submit them to **Eric Wiedenmann** at [ericw@marketdevelopment.net](mailto:ericw@marketdevelopment.net) or call (925) 648-0680.

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## Comments From the Editor

By: Eric W. Wiedenmann

2008 is turning into a real challenge for many companies as home prices and the stock market have been down more than 10% from the prior year at the same time since the Great Depression. The consumer confidence level (consumers are responsible for over 66% of the U.S. GNP) is at an all time low.

This issue contains articles that will help jumpstart your business.

## Market Development Group Update

By: Eric W. Wiedenmann

MDG would like to thank our clients for helping make the first half of 2008 a record for entire 11-year history of the firm.

During these challenging economic times, MDG clients are relying more on MDG to give them guidance in:

1. **Finding new sources of revenue**
2. **Conducting Customer Satisfaction Surveys**
3. **Conducting Employee Satisfaction Surveys (happy employees = happy customers)**
4. **Estimating the size of new markets**
5. **Writing sales/marketing plans (your roadmap to success)**
6. **Determining how to win against the competition**

What sets MDG apart from other service providers is that MDG gets to the point quickly and the results are practical and measurable.

If you want to learn more how MDG can help your company during challenging times, please call (925) 648-0680 or email [ericw@marketdevelopment.net](mailto:ericw@marketdevelopment.net) for a no-obligation consultation.

## Twisted But True: High-Quality B2B Marketing Messaging Dramatically Reduces Sales and Marketing Effectiveness

Assess Your Messaging With This  
Five-Point Checklist

By: Michael Cannon

Many executives with an underperforming sales or marketing team think they know what the problem is. Many of them are wrong. If Sales or Marketing are not meeting or exceeding their revenue, profit and market share objectives or a new product introduction is not meeting expectations, one of the first questions to ask is, "Do we have the customer messaging right?"

Customer messaging is the words you use, both written and oral, to persuade a prospective customer to do business with your firm. Most customer marketing messaging, like brand messaging, company messaging, product messaging, and even most value propositions, are descriptive. They provide a description of what your company does, the products and services you offer, the features of each offering, and, if done well, a little bit about the benefits of doing business with your company and the benefits of buying your offerings.

### The Missing Messaging Type

What's most often missing is great sales messaging. This type of customer messaging is persuasive. It provides compelling and persuasive answers to your prospective customer's primary buying questions, such as "Why should I meet with you?" and "Why should I change-out my current solution and buy a new solution?" and "Why should I buy this solution from you?", for each product or service your company offers.

***High-quality Marketing Messaging is  
Low-quality Sales Messaging***

Sales teams need both descriptive marketing messaging and persuasive sales messaging to be successful. The problem is that most companies provide Sales, and customers, with only marketing messaging. They make this expensive mistake because they do not know about sales messaging, and how it is different from the other customer messaging types.

### 5-Point Checklist to Assess the Effectiveness of Your Customer Messaging

To help you determine if your customer messaging is more descriptive than persuasive, consider doing one or more of the following assessments: a competitive collateral assessment, sales collateral assessment, a messaging assessment, a field sales time-use assessment, and/or a field/channel training assessment.

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### Assessment #1: Competitive Collateral

The competitive collateral assessment is quick, inexpensive and often startling. Obtain one of your key competitor's company brochures and one of their product brochures. Black-out all references to the competitor's company name and product name and replace it with your company and product names. How similar are the competitor's brochures to what you would or could say about your company and product? If they are more than 30 percent the same, then your sales team's effectiveness is suffering from low-quality marketing messaging.

### Assessment #2: Sales Collateral

The sales collateral assessment will help you determine what percentage of your collateral is not considered useful in helping Sales generate revenue. Does your company's collateral fall into that 80 to 90 percent of marketing collateral that sales groups across the country consider useless? Is your marketing group part of that 70 percent of marketers who give themselves failing grades in the materials they provide to Sales? If more than 30 percent of the collateral fails the usefulness test, it's likely you have a sales messaging problem.

### Assessment #3: Customer Messaging Effectiveness

Another way to determine if you have the right messaging is by conducting a customer messaging effectiveness assessment. Our research indicates that U.S. companies alone waste more than \$100 billion every year confusing sales messaging with other customer messaging types. To do this assessment, select one of your products and identify the buyer's key buying question. Is the key question "Why should I change-out my current solution for a new solution?" Is it "Why should I buy this solution from you?" Or, is it both? Next, evaluate your current messaging by reading the product brochure. Does the messaging provide a compelling and persuasive answer to the buyer's questions? If your company is like most, the answer is no, not really. The answer is often quite weak. It's another example of how sales and marketing effectiveness is dramatically reduced by using high-quality marketing messaging as if it's high-quality sales messaging.

### Assessment #4: Field Sales Time-Use Assessment

If your collateral and messaging are not good, then a field sales time-use assessment will show that your field sales teams are spending a lot of selling time creating their own collateral and messaging — materials they feel they need to meet their sales objectives and that they aren't getting from Marketing. This problem is supported by a recent report from the Aberdeen Group, which stated that "salespeople spend typically 30 to 50 hours each month searching for information and re-creating customer-facing content." We all know that sales reps are revenue-optimization machines, meaning that their objective is to do the least amount of work for the most amount of revenue. So, if your reps are spending any time creating customer-facing

messaging and materials, then the reason they are doing it is because they need those materials in order to close deals. It's much more effective to have one or two marketing people create high-quality sales messaging, and then leverage that work over your entire sales team.

### Assessment #5: Field/Channel Training Assessment

The last assessment is the field/channel training assessment. What percentage of the sales team feels the new product training is useful in helping the team effectively sell the product? The same question applies to competitive training and training on specific market opportunities. There is typically great friction in these training areas, between Sales who receives the training and Marketing who creates and delivers the training. Just think about your last annual sales meeting. How satisfied was Sales with the quality of the training?

How on earth can Sales and Marketing be effective at selling if the messaging, collateral and training do not help prospective customers, and sales people, understand your company and products in the context of how they help customers solve meaningful problems, and how they help customers generate meaningful business value, better than the competition? Great sales messaging has been proven to be quite effective in connecting these data points and dramatically increasing Sales, Marketing, and company effectiveness.

#### Recommended Resources to Improve Customer Messaging Quality

Free articles on sales messaging at:

<http://www.silverbulletgroup.com/resources.shtml>.

*Top Ten Principles of Great Sales Messaging, a one-hour, on-demand audio training course with a 14-page workbook, available at:*

[www.top10principles.com](http://www.top10principles.com)

*A 13-page eBriefing on how to implement great sales messaging, available at:*

<http://www.silverbulletgroup.com/ebriefing>.

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## *Increasing Sales in a Down Market*

**By: Eric W. Wiedenmann and Steven D. Popell**

*{Published in The FORUM -  
Renaissance Executive Forums, Fall 2003}*

A satisfied customer, or even one that used to be satisfied, can be your company's most valuable asset. When sales are down, and the economy shows no signs of early recovery, your best sources of new business may well be current and past customers.

This is good news, because when times are tough, finding extra dollars for product development, advertising or PR may be difficult. Getting more business from current customers, or getting old customers back, however, is not expensive. Best of all, the effort is quite straightforward. The following 10-step process can achieve results in a timely and cost-effective manner.

1. Collect at least a three-year history of sales, by customer.
2. Identify customers that are buying less than you could sell to them - by product and/or service, as well as dollar volume.
3. Contact each customer and ask what "share of wallet" (percentage of total purchases) you have in each product and/or service they buy from you.
4. Ascertain whether the customer would be interested in reducing the number of suppliers in one or more products or services they buy from you and from others.
5. Ask specifically what you need to do to increase your share of wallet.
6. Call each significant past customer to learn (perhaps again) why they no longer buy from you and what, if anything, you can do to get their business back. Clearly, this is a more difficult sell than with a current customer. But, since they actually bought in the past, this sell is easier than with most new prospects.
7. Offer extra incentives to the sales force to seek better penetration with current customers, and to get old customers back.
8. Offer price and service incentives to current and past customers.

9. Measure the success of these efforts, and adjust your approach accordingly. Distinct customer groups may require different strategies and tactics.
10. Repeat steps 1 through 9 at least once a year.

This process can produce positive results relatively quickly. One Northern California professional service provider, for example, had experienced significant revenue and profit decline due to the Dot-Com meltdown and overall business spending downturn. This company has about 40 active clients and 10 service deliverables.

A review of the revenue history of each of the 40 clients revealed that a typical client purchased only 2 or 3 of the company's 10 deliverables. The principals undertook a focused 60-day effort to contact all 40 clients to review their relationships, and to determine what else they might be interested in buying. The results were dramatic. Within 90 days, the company was able to gain an additional 15 projects from its established 40 clients. A similar effort directed at former customers is currently underway.

Your customers are rarely asked these kinds of questions. As a result, the majority will be flattered that you took the time to solicit their opinion. Moreover, customers are often reviewing their supplier/vendor base looking for opportunities to consolidate and, as a result, save administration and transaction costs. By taking a proactive approach on this issue, your company will be in a better position to win the consolidation game.

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*Eric W. Wiedenmann has held executive marketing and business development positions at Masco, Avery Dennison, British Petroleum and CBC Industries. He founded MDG ([www.marketdevelopment.net](http://www.marketdevelopment.net)) in 1998, which is based in Danville, California. MDG clients include Fortune 500 companies, mid-sized and startups nationwide. Mr. Wiedenmann received a B.S. in Economics and Marketing at Ashland University and an MBA from Northwestern University Kellogg Graduate School of Management. He is a lecturer at Ashland University and has published numerous articles. Mr. Wiedenmann has given business development speeches to various CEO and COO advisory groups. He lives in Danville, California with his wife, Anne, and son, William.*

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# Jump Start Your Strategy Development

By: John Maver

*Presented by John Maver at the Institute for International Research*

Strategy is about determining what is really important and what you can do to influence it. Creating successful strategies depends more on asking the right questions and getting good answers than on getting great answers to the wrong questions.

Senior executives know the value of strategic planning. Sometimes they just need a little help to get started. Here are some Jump Starting Questions. Don't rush through them. Involve your full executive team and discuss the responses. It will lead to a much better plan.

*Who are you?*

This sounds like a ridiculously simple question but it is the key to starting with the right questions. It sets the general definition of the boundaries within which you will seek answers to your questions and the platform upon which to build.

- How do you define your market to maximize your opportunities?
- Who are your customers? What are their needs?

*What's in it for me, the Customer?*

Businesses are a complex network of issues but there are only a few things that really make the difference in the marketplace. This is your core. You should be able to summarize the responses in 5 bullet points or less.

- What distinguishes the winners from the losers in your market?
- What fundamental benefits are you providing customers?
- How would your customers answer these questions? Don't be afraid to actually ask them.

*Look back. What have you learned?*

Change in most businesses happens incrementally. Building a reasonably complete picture at discreet points in time 1 to 3 years ago and comparing each to the current reality can maximize learning. Don't focus on results. Focus on the assumptions you made. They drive the results.

- What have you learned since your last strategic plan?
- How valid were the assumptions used then and why?
- How does that impact your current assumptions?
- What conventional wisdom about your industry might be incorrect?

*Look around in the present. How are you vulnerable?*

Exposing your underbelly. Analyzing threats and opportunities is an age-old technique. But the answers can sometimes be politically charged based on the respondent's point of view. This is designed to reduce the biases to the extent possible.

- The Frontal Attack - If you were made CEO of your competitor tomorrow, how would you attack the plan you are developing today?
- The Side Attack - If you were a small start-up company entering your market, what would you do to carve out the most profitable niche at the expense of your current business?

*Look forward. "What If ...?"*

Step into the future. Suspend reality. Look at the extreme ends of the spectrum of possibilities. Force out the key assumptions.

- Doom and Gloom - If there is only a small chance that results could possibly be worse, what are the aspects of the future state? What external events and internal actions on your part led to this dismal position? - What can you do about them?
- Nirvana - If there is only a small chance that results could possibly be better, what are the aspects of the future state? What external events and internal actions on your part led to this spectacular position? - What can you do to capitalize on them?

*Is that all there is?*

Examine all the possibilities for incremental business, now that you have opened your mind.

- What related markets are you not serving now?
- What new benefits could you provide?

*How do you get there from here?*

There are a number of proven formats to capture the data you have generated from your questions and develop the right Strategic Plan for your business. You may already have one that fits your needs. Use it. Then keep your plan current.

We use a simple, action-oriented, living, document format with our clients. If you want a sample, contact me at [john.maver@mavermanagement.com](mailto:john.maver@mavermanagement.com).

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