

# THE REVENUE ACCELERATOR®

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Providing Business Growth Solutions

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## FROM THE EDITOR

Welcome to the 7th 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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## The Top Three Sales Messaging Deployment Blunders and What to Do Instead!

By: Michael Cannon

It's no secret that companies proficient in the development and deployment of great sales messaging do achieve a substantial competitive advantage. According to a recent CSO Insights study:

Companies that describe themselves as world-class in terms of consistent customer [sales] messaging [that they've] provided effectively to sales, and with collateral driven by market segments and customer needs:

- Outpaced other firms in quota achievement by 25%
- Had win rates that were 20% higher
- Were three times more successful in proposal closing
- Were five times better at eliminating excessive discounting
- To obtain results like these, your organization must have the knowledge and skills both to develop and to deploy great sales messaging. The additional rewards are more-effective demand generation and accelerated pipeline growth, all of which lead to increased marketshare, revenues, and profits of 15% or more!

In prior Silver Bullet Group articles, the focus has been primarily on what you need to know to develop great sales messaging. Here the focus is on the implementation side: reviewing common deployment blunders and what you must do to avoid these drains on your resources and results.

### **Blunder #1: Giving the Feature/Benefit "Forest Tour"**

These tours are often given in demos, presentations, proposals, and printed and emarketing collateral. It's the classic tour of all the trees in the forest, i.e., "let me show you or tell you all about my product or service". The features and benefits presented in this manner are typically not in context of how they solve the customer's business challenges or how solving those problems produces true business value for the prospect.

You know you're giving a feature/benefit tour when you review or provide a list of the top 8 or more features and benefits of your product or service. The impact on the audience or readers is that they become overwhelmed. It's too many data points to digest and correlate to their challenges, so they tune out, or worse, move on.

### **What to Do Instead:**

An alternative to the feature/benefit tour is to first organize your messaging into three higher-order value statements or the benefit of the benefits, then combine them into one. For example, these three benefits...

### **Fewer tools to buy, learn, and integrate**

Developers have only one language to learn for all tools — Java

Less time spent developing and testing applications to ensure scalability, performance, and reliability ... can be summarized into one primary benefit or business value: "You can bring your applications to market and revenue 2-3x faster."

Organize your messaging into three higher-order value statements.

This change leverages a proven fact — people absorb and remember best things that are presented in groups of three and certainly no more than five. Since studies have proven that the human brain works in this way, you must optimize your sales messaging for maximum results by organizing your features and benefits into three to five key value statements... or "Silver Bullets"!

### **Blunder #2: Offering Data Dumps**

The best examples of a data dump are the 5- to 50-page white paper, application note, and 50- to 100-slide PowerPoint presentation. These are long-winded versions of "let me tell you all about my baby" — what it does, how it does it, why it does it this way, etc. and so forth, with the benefits and value of the offering sprinkled throughout the document and usually buried at the end of each paragraph or section. The reality is that most buyers have neither the time, the inclination, nor the attention span to read a marketing document that is longer than one or two pages. And, when they do, it's usually quite late in the buying process when they have pretty much already decided to select your company's offering.

### **What to Do Instead:**

The solution, however, is not to throw the baby out with the bath water. The most effective way to deliver your messaging is to summarize it on one page and reference or provide a link to the white paper for the details. Alternatively, you can create an executive summary as the first page of your tome.

Make your messaging no longer than it needs to be to keep the buying process moving forward.

One page is an excellent rule of thumb for most B2B marketing documents. This length greatly increases readership, comprehension, and retention by presenting information that is easy to digest quickly. When preparing a sales message, ask yourself this: What is the least you can say about your offering and still get the prospect to the next step in the buying process? That's the fine art of deploying great sales messaging.

### **Blunder #3: Serving Up Mostly Potatoes and Little Meat**

Do you believe the following?: Buyers don't immediately believe your marketing claims or sales messaging. While most marketing and sales professionals would agree with this statement, it seems most don't really incorporate it into their thinking. How else does one explain the dearth of testimonials, case studies, and third-party endorsements in most marketing collateral, which contains instead mostly claims (or potatoes) and little proof (or meat) that their claims are true.

### **What to Do Instead:**

Buyers are inherently skeptical. To overcome this challenge and to gain more credibility that your claims are true, you must provide lots of evidence or proof points to support your claims. The more proof you provide, the more your buyers will believe your claims. The most effective proof points are customer testimonials and case studies. The principle here is that if you say it's true, then it's a claim; if a customer says it's true, then it must be true. The second-most-effective proof points are from independent third-party organizations such as the market research firms, Gartner Group or JD Power and Associates. The third-most-effective proof points are product demonstrations and proof-of-concept.

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*The Top Three Sales Messaging Deployment Blunders  
and What to Do Instead! - continued from page 2*

Use proof points and use them effectively.

Your proof must support your sales messaging. For example, if a sales messaging statement focuses on having the highest product reliability and the testimonial touts on-time and on-budget delivery, a costly mistake has been made. And be sure your proof points are compelling statements that include measurable results. Here's a good example of a strong proof point from Oracle: "Nine out of ten of the world's largest financial institutions run Oracle applications." That's a powerful way to answer "why select Oracle?".

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*About the Author:*

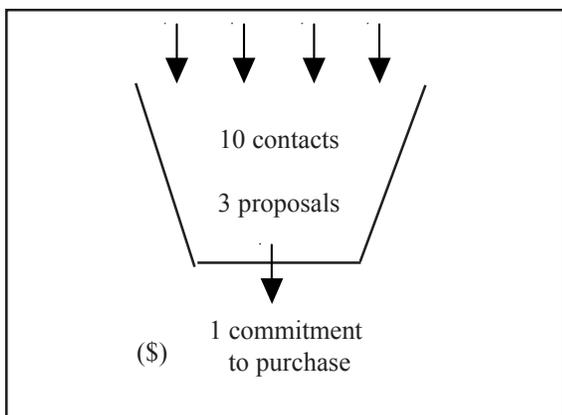
*Michael Cannon is a sales and marketing effectiveness expert, author and speaker on topics related to sales messaging and the strategic sales planning process. For more information, visit [www.silverbulletgroup.com](http://www.silverbulletgroup.com).*

## Marketing Effectiveness Rules of Thumb

By: Eric Wiedenmann

Effectiveness is defined as “doing the right things right.” MDG has developed **10 Marketing Effectiveness Rules of Thumb** based on working with 100’s of clients during the past 20 years. These Rules of Thumb are summarized below:

1. Acquiring new customers/selling additional product categories to existing customers can cost 5 to 10 times more than retaining current customers.
2. A typical company can lose about 15-25% of their customers every year.
3. You must place an advertisement at least 4 to 10 times to get recognition.
4. "Terminate" the 5-10% of your clients that are not profitable each year:
  - Raise prices
  - Recommend alternate solutions
  - Do not actively solicit their business
  - Revise service levels
5. Spend about 2% to 6% or more of your total revenue on marketing and public relations expenditures for mature products. New products may require 20%-30%+.
6. It takes 5 to 10 sales calls or contacts to close a deal.
7. Increase your deal flow velocity - sales funnel:



8. Try not to lower your price - revise scope or solutions package. Get additional commitments (even a 5% price reduction can wipe out your profits.)
9. There are two types of companies - the quick and the dead. Which one do you want to be?
10. You are either moving forward or backward.

## How Do You Define Your Ideal Customer?

### What is the Profile of a High ROI Customer/Client?

By: Eric Wiedenmann

The ideal customer is the most valuable asset that a company can acquire. MDG developed a checklist that can help companies make the right decision for effective client acquisitions. Remember the acquisition of a less than ideal customer can cause a significant reduction in profit.

The following is an illustration of the MDG ideal customer checklist:

#### Customer/Client Characteristics Checklist

<u>Characteristic</u>	<u>Yes</u>	<u>No</u>
1. Values are aligned with your values	_____	_____
2. Large revenue stream	_____	_____
3. Future growth potential	_____	_____
4. Pays promptly	_____	_____
5. Profitable	_____	_____
6. Location (near HQ)	_____	_____
7. Use/multiple products/services	_____	_____
8. Long-term relationship	_____	_____
9. Good chemistry/easy to work with	_____	_____
10. Possibility of making a difference	_____	_____

## About Market Development Group

**Market Development Group Inc. (MDG)** is a professional organization specializing in value added, quick turnaround and fast payback of sales, marketing and product management solutions for entrepreneurial, mid-sized and Fortune 500 companies. MDG has over 50 clients nationwide.

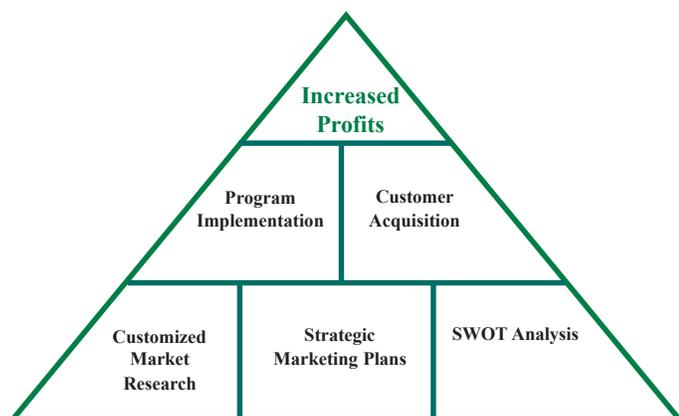
### MDG Provides the Following Benefits to Its Clients

- 1) Revenue/profit growth by finding and developing **new sources of revenue**
- 2) Sales and marketing programs implemented **timely and cost-effectively**
- 3) Gathers and provides critical **market research** to help clients make **better informed strategic decisions**
- 4) Increased **competitive advantage** through “**SWOT**” (strengths, weaknesses, opportunities, threats) analysis

### MDG Difference/Why You Should Work with MDG

MDG provides a unique blend of customized, practical, objective, timely and cost effective business development, market research/market intelligence and “road maps” to successful program implementation services. MDG’s mission is to deliver a fast R.O.I. to all clients. As an objective independent service provider, MDG is able to craft creative solutions for our clients. **MDG is the originator of “The Rapid Response High Impact Sales Plan™.”**

### MDG’s Mission Critical Solutions Pyramid



### What Our Clients Say About MDG

*MDG was a significant factor in taking a business unit from six figures to middle seven figures. He has some "quick and dirty" ways of getting a lot of information without spending a lot of money and time.*

Ron Prescott - President, RJP Inc.

*He's dependable, he's thorough, he meets his deliverables, and he keeps you informed.*

John Pendergrass - COO, TRW-Lucas NovaSensor

*Eric is a very focused, cost-effective way to generate marketing information and strategic data.*

Dave Marshburn - Sr. Director, Seagate Technologies

*MDG provided me with a marketing plan that I could use to develop a larger client base. MDG can zero in on what the objective is, reduce some of the minutia you're going through, and put together a marketing program that really works for you.*

Darren Merritt - VP, Boardwalk Investments

*MDG is proactive, has excellent follow-through, and exceeds service expectations.*

Todd Schuelke - Vice President, Eclipse Group, Inc.

*Eric Wiedenmann is clear and to the point, and delivers what he says he will deliver when he says he will deliver it. Some consultants simply reconstitute their clients' information. Eric guides, directs, researches and produces. He has his opinions and doesn't shrink from presenting them in a direct yet respectful way. He cares about his work and is committed to his clients' success.*

David Hingston - CEO, Sketch Team

*Eric's willingness to take the extra step, spend the extra hours and pull the team together was a big ingredient to our current success.*

Albert R. Steele - President, CBC Industries

### Contact Information

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