THE REVENUE ACCELERATOR™

Market Development Group, Inc.

High Impact Business Growth Solutions

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From The Editor

Welcome to the 14th 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/Founder
Market Development Group, Inc.

Contents:

What Business Downturn? How I Beat This Stinking Recession
By: Eric Wiedenmann

After a record growth in revenue and profits in 2007 and 2008, many of the mature industry business sectors that MDG has traditionally served came to a major meltdown due to the housing and financial crisis in the fall of 2008 and early 2009. As a result of this "perfect storm" and economic woe, MDG needed to act quickly in order to sustain future viable growth.

Here is a summary of the major action items that MDG recently initiated to "beat this stinking recession."

1. Focus on providing Research, Roadmaps, and Revenue Generation services to growth sectors. Examples of this include Solar Energy, Green/LEED Certification, Geothermal Heat Pumps, Tire Recycling, Medical Devices, and Windpower.

2. Continue a focused marketing program, which includes increased business development expenditures in:

- New Website Development and Search Engine Optimization
- Increased public speaking
- Focused direct mail campaigns (yes first class mail is coming back as it stands out)
- Newsletters
- E-mail marketing campaign
- Doing a better job of quantifying the $$$ paybacks to our clients
- Teaming up with other professionals and service providers
- Warning clients that doing nothing is a 100% probability of failure

3. Additional items included:

- Keeping a positive attitude
- Working out more to reduce stress
- Going above and beyond to help colleagues and clients
- Asking for referrals
- Keeping a "Nifty – 50" target client list

During these challenging economic times, many companies focus on the **"4 – C's": 1) Customers, 2) Credit, 3) Cash, and 4) Costs**.   MDG has helped clients focus on two (2) of the four (4) C's – Customers and Cost.   The MDG Customer Satisfaction Surveys have helped clients set themselves up for success as they will have better insights into what customers need from an independent source. Also, the client will have a better understanding of what it needs to do to get more customer penetration.

MDG has been able to help keep clients' marketing and sales cost low based on providing only the high return on investment projects without having to pay for the fixed costs of a full-time CMO.

Data Mining Will Increase Your Sales and Profit?
By: Dean Lane

We've all heard that these Customer Analytics Applications can attain customer profitability; increase the effectiveness of your customer relationship management (CRM) business processes and improve

customer satisfaction. These are excellent goals, but how can we ensure that they come to pass? More importantly, what can we do to increase our customer base?

Modeling the Real World
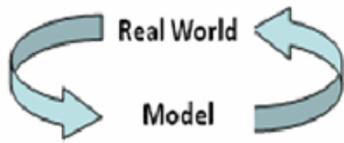
Programming the computer to execute a business function is nothing more than modeling what the organization does in real life. One important point is that the model is static. When a child constructs a plastic airplane model, and it too is static. If the "real" airplane configuration or shape is changed, then the model is out of sync with what is happening in the real world. Computers can be deceptive in this regard, because there are moving parts and output being produced. We must ensure that we keep our model up to date if we want "real" information.

The pieces of data that we need to construct our model may vary from organization to organization, however, the fundamental data will not be different. Internal data that is utilized to create "Customer Intelligence" will provide an excellent view into marketing, sales, and service performance. This data can also be mined to give us visibility into our customer base, and through analysis allow us to proactively respond to shifting market trends. This type of data might allow increased revenue because of better service, upselling, and all of the attachments to farming the existing customer base. This all sounds good to me, but not aggressive enough. We want to know how to increase our customer base.

Scoping the Desired Result
A good sales/marketing person or account manager knows the type of information that is necessary to conduct one-to-one marketing or selling. At a very high level, the firm defines the market(s) that they wish to pursue ($1MM - $500MM, Bio-medical, etc., etc.) Even after this has been defined, there are still thousands of companies that remain in the population of potential customers. During a sales call, the team meeting with the potential customer will be gathering important data:

- What are the issues?
- Is there any immediate pain?
- Can we be of assistance?
- Etc.

This is information that is external to our CRM system, but vital to knowing whether or not the client should be pursued.

To achieve the business objectives of increasing the customer base, it is not practical to conduct the above processes manually from static reports. The number of companies that one could canvas in a year would be limited. A data mart and data mining are required. To really have the information at one's fingertips the following steps must occur:

- External data must be harvested from a reliable source(s)
- The external data must then be married with the company's own internal CRM data
- All of the internal characteristics of customers are searched and married with the external data that is available.

The sales/marketing person or account manager would define the characteristics of the ideal prospect, and then a model could be built. This model requires an analyst that can translate characteristics into queries against a database. The resulting model/queries can then be used to search the external data of potential clients and determine if they fit the profile of existing clients. Obviously not every prospect will be converted to a customer, but the probability and number of prospects that can be pursued has

increased.

A "Real World" Example
An automobile insurance firm wanted to reduce costs so they built a data mart that provided information that led to the identification of high cost/high risk customers. That was easily defined because other than moving traffic ticket violations, all data was internal to the firm. The Data Mining consultant asked "Why not profile the best (lowest risk) customers? This profile was built and then used to adjust the company's rate table and customer questionnaire. The result was the ability to provide potential customers better rates, because the higher risk potential customers never became clients.

Obviously each company is going to have a different set of circumstances, but many companies are using Data Mining for a number of purposes. You can rest assured that one of the higher priority data mining activities is increasing their Customer Base.

About Dean Lane
Dean Lane, Founder of The Office of the CIO®, has 30 years of hands on experience in the IT industry, having been a CIO at four different companies: Honeywell Aerospace, ATK (Alliant Techsystems), Plantronics, and Masters Institute of Technology. Additionally, he held the Senior IT Director position at Symantec, and was the Corporate Director of Materials for Honeywell. Mr. Lane has also been a consultant for Ernst & Young, AT&T and the Gartner Group. Dean may be contacted at **dlane@oocio.com**

Solving the Six Biggest Problems with BtoB Sales Training - Part One
By: Michael Cannon

[Author's note: In this two-part article, I'll be discussing the six biggest problems that most commonly derail training programs and then explore some time-tested, actionable solutions to those problems. Part One covers three of these problems: when training is not developed in context; when the training goal is wrong; and when the training model is not correct. In the Spring 2009 edition of Sales Messaging Matters (Vol. 4, No. 2), the remaining three problems will be covered: when the learning objectives are not aligned; when the customer messaging is ineffective; and when the visual and verbal delivery is poor.]

How would you answer the following question?
"What is the goal of training developed by Marketing and delivered to Sales?"

Most BtoB product management/marketing professionals who develop sales training would answer this question with some version of: "Our training should teach Sales what it needs to know in order to effectively sell the product."

Wrong! That goal is one of the main reasons why most training developed by Marketing is loathed by Sales.

First, let's agree conceptually that Sales (inside/outside and channel) does indeed "need to know what it needs to know in order to effectively sell the product," and that from a sales support perspective, Marketing's job is to help Sales win more business by enabling Sales to sell the value of the company's products and services. Now let's take a closer look at three of the six biggest problems besetting today's BtoB training given to Sales.

Problem One: Training Is Not Developed in Context

Given a sales enablement context, training becomes just one of many learning tools used by Sales, and it is usually not the primary one. The other types of tools that enable Sales to effectively sell the value of your products are:

Sales Tools — These are non-customer-facing internal documents such as call guides, qualification questionnaires, competitive comparisons, objection guides, ROI calculators, etc.

Marketing Collateral — These are customer-facing external documents such as brochures, application notes,
customer case studies, presentations, etc.

Internal Experts — These are people within the organization who support Sales such as sales managers, sales engineers, product managers, other salespeople, etc.

Next, you need to place these sales enablement tools in the context of how Sales learns, listed here in order of priority:

- Where should I spend my time?
- What do I need to prepare for the call or meeting or presentation, etc., and from whom/where can I get it?
- From whom/where can I get answers to the prospect's questions, concerns, etc.?

Only 10% of what Sales learns comes from sales training

When you think about training in the context of the sales learning model, what you discover is that only about 10% of what Sales learns comes from training. Salespeople use training primarily to determine where to spend their time.

The other 90% comes from the sales tools, marketing collateral, and internal experts. Sales uses these tools just prior to, or after, an event in the sales process, i.e., before or after a sales call. Salespeople are just-in-time learners.

Giving Sales "everything it needs to know in order to effectively sell the product" in one training session is not smart because it's not how salespeople learn. It's also not realistic. Sales cannot possibly remember that much detail, especially with its having many products to sell. The solution is to develop sales training in the context of how Sales learns, and getting the training goal right will help you do this.

Problem Two: The Training Goal Is Wrong

When you place sales training in the correct context, the right answer to "What is the goal of the training delivered to Sales?" is that Sales should be motivated to "start selling" the value of your product. This is a much more realistic goal for most sales training. You want to sell Sales on a great opportunity. And there is a world of difference between a training program that's developed using the right goal versus one using the wrong goal.

With the right training goal, Sales will walk out of the session excited about the opportunity, confident that it can be successful, and committed to "start selling" your product, which are three great measures of motivation.

To create this kind of sales training you need to reframe the way you think about training. It's more like a sales pitch, infomercial, promotional education, or motivational training.

To sell Sales on a great opportunity, you must use the principles of persuasive communication. First, you need to define your audience and understand its challenges. Then, develop a story that frames

what you want, or what you want the audience to do, in the context of how it helps the audience get what it wants. Then, create your communication tool. Remarkably, most marketing professionals fail to use these principles when it comes to developing training for Sales.

For example, some of Sales' key challenges are determining what products to sell, to whom, and how. The sales staff is constantly evaluating where to spend its time. Sales is trying to figure out how to generate the most revenue in the least amount of time. The key question you need to answer persuasively in your sales training is some version of "Why should I spend my time selling these products or services?".

What most sales teams see is an 80-slide "feature forest tour"

Now think about sales training developed with the wrong training goal. How well does it answer Sales' question?
What most sales teams see is an 80-slide "feature forest tour" that delves deep into what the product does, how it does it, a long list of undifferentiated features and, sprinkled in along the way, some unproven customer benefits.

This type of sales training is un-motivating. It does not get Sales excited, confident, or committed to sell your product. On the contrary, it makes your product look difficult (i.e., time-consuming) to sell and often discourages Sales from even "trying" to sell your product. Objectively, this type of training is really technical product training, which is more suited for sales engineers, consultants, and trainers.

You can solve this problem by revising the goal of the sales training delivered to Sales: get Sales motivated (excited, confident, and committed) to "start selling" the value of your product. That's what Sales really wants and needs.

Problem Three: The Training Model Is Not Correct

The sales training model in most organizations is to provide only two categories of training: product training and sales skills training. Product training is usually the technical product training, described above, for each platform, product, application, peripheral, service, etc., and is aligned mostly with the needs of sales engineers, consultants, and trainers. Sales skills training includes sales process, presentation, negotiation, account management, etc.

The training model is not in alignment with the needs of inside/outside and channel sales teams

What is missing in the model is a place for training that aligns with the needs of inside/outside and channel sales teams. This category of training can be called sales enablement training. It's the kind of training that motivates and provides Sales with just what it needs to "start selling" the value of your product. Here are the three primary types of sales enablement training:

- Product Training for Sales
- Competitive Training for Sales
- Sales Opportunity Training for Sales

The operating principle for sales enablement training is to determine the least amount of information that Sales needs to know in order to be motivated to effectively "start selling" the value of your product. These training sessions should be no longer than 30 to 60 minutes maximum.

It is important to understand the emphasis on brevity for this category of training. First, the more material you cover, the more complicated your product sounds, and the more you push Sales away from selling your product. Second, Sales will not remember much from your training, so going into a lot of detail makes no sense. Third, most salespeople have many products to sell, which means they are not going to remember much about each product. Lastly, as you saw in the sales learning model, only 10% of what Sales learns actually comes from training.

Improving the effectiveness of the training delivered to Sales requires the creation of a new training category called sales enablement training. It aligns your training model with what Sales needs and how Sales learns.

To be continued…
Note: Part Two of this article will appear in the 4th Quarter issue of The Revenue Accelerator.

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Recommended Resources to Improve Sales and Marketing Effectiveness

- Read free articles about sales messaging at SBG's **Resources Center**.
- Evaluate the effectiveness of your messaging today with the one-hour, on-demand audio training course, **Top Ten Principles of Great Sales Messaging**, which includes a 14-page workbook.
- Learn a methodology for implementing great sales messaging with the 10-page eBriefing, **Best Way to Increase Your Sales**.

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About Michael Cannon:
Michael Cannon is an internationally renowned sales and marketing effectiveness expert and best-selling author on topics related to sales messaging and sales planning. For more information, visit **www.silverbulletgroup.com** or call 925-930-9436.

About MDG

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

Revenue/profit growth by finding and developing new sources of revenue

- Sales and marketing programs implemented timely and cost-effectively
- Gathers and provides critical market research to help clients make better informed strategic decisions
- Increased competitive advantage through "SWOT" (Strengths, Weaknesses, Opportunities, Threats) Analysis

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

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™."

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'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

Increasing Sales and Profits Quickly and Cost Effectively

This Is How MDG Helps Its Clients
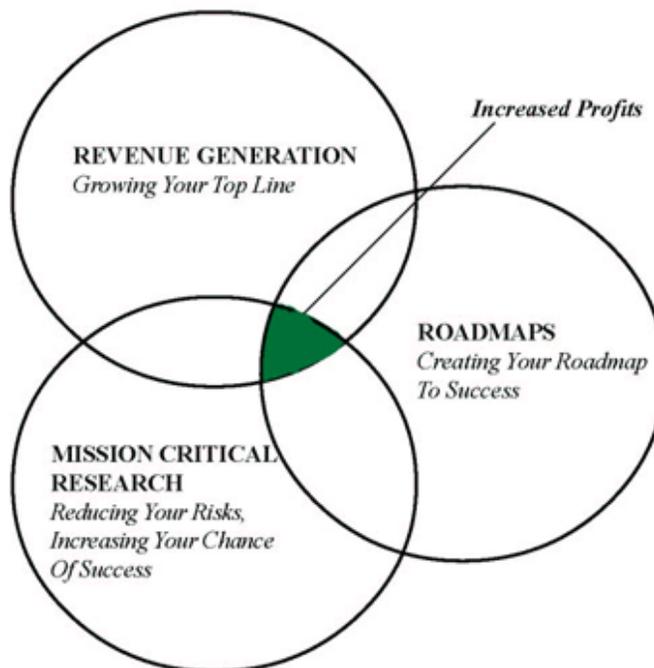
Revenue Generation:

- Increasing Closure Rate
- Finding Untapped Markets
- Time/Territory Management
- Developing New Channels
- Business Development

Research:

- Helping Companies Make the Right Mission Critical Decisions
- Customized Market Research
- Competitive Intelligence
- Opportunity Identification
- Customer Surveys
- Finding Acquisition Candidates

Roadmaps:

- Strategic Marketing Plans
- Rapid Response High Impact Sales Plans

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