



## Modern Thinking For Generating New Business

When anyone mentions the phrase New Economy, we all think about the impending e-commerce revolution and how we can make this new channel to market work for us. But in high value, solution type environments, there have been dramatic changes affecting the traditional methods of new business generation over the past three years. These climate changes need to be addressed as priority because we cannot afford to just live in hope when considering core business strategies.

**New Business Generation** is fast becoming the most complicated and worrying business challenge facing Sales and Marketing Departments today.

Gone are the days when appearing at the right exhibition generated your new business backbone for the year, and a well thought out mail shot gave you a 5% response rate, engulfing your salespeople in opportunity. Modern Marketing trends are indicating dramatic decline in traditional methods, even the Institute of Marketing freely admit that national media advertising can only be regarded as a communication medium. Mailshotting has become such a saturated market, so why should we expect better than the current norm of 0.5% response rate when we are all guilty of assigning everything we receive to the bin without even the slightest consideration?

### **Why are we failing to get the attention of prospects?**

Most companies tend to pile the responsibility on field salespeople and expect them to go out, make it happen, and create sales pipelines far in excess of the opportunity they have. What's more, many companies still employ re-active salespeople who are totally lost in this pro-active age.

The good news is companies are out there buying products and solutions; the bad news is they are overwhelmed with choice. In the IT solutions arena there are products and packages that impact and improve just about every business process, all with strong USPs and key business benefits. The challenge is how to ensure that offerings become prioritised and budget allocated.

More good news, the principles of solution selling have not changed. If we stimulate the prospect, build relevant value propositions and relate them to their own business goals, we close deals and we win new business.

### **So what's the answer?**

The answer is to stop building your sales strategy around re-active selling because re-active sales are few and far between. Choose who you want to sell to and pro-actively stimulate sales cycles with them.

We know that if we get the prospect's attention and stimulate them to consider the benefits of our offering we have a basis for success. The challenge becomes less complex. Get their attention and get them motivated. This converts into two simple strategic initiatives. One, ensure your salespeople have the ability and enthusiasm to make high impact presentations and, two, spend your valuable marketing funds on getting them face to face with prospects. Everything else will take care of itself.

This New Economy pro-active thinking still deploys responsibility to the field sales force but it gives them the opportunity to succeed and build meaningful sales pipelines.

### **Why do we need to think differently?**

Although very little has changed in terms of how we work through sales cycles to a positive outcome, we must approach them differently because getting into them has become so much more difficult.





It has been mentioned that the multiplicity of offerings - especially in the IT arena - has been the key contributor to the difficulty in entering sales cycles. However, companies have reacted to the challenge in various ways that in many cases have proven counter-productive to the goal of acquiring new customers.

Let's start by looking at the mindsets of different types of salespeople and how it relates to the size, status, and more importantly the market position of the companies they work for.

Some salespeople refuse to get involved actively with a prospect company until the project has been scoped, budgeted and timescales for implementation set, which is a workable method if you are selling hot product for the market leader where prospects are pro-actively looking for your inclusion. But if you work for a mid tier company in a competitive market, or are trying to push a concept, then it may seem obvious but if you attempt to apply the same qualification and control mindset, you will fail.

Likewise, if your salespeople want to spend their time knocking on every door, trying to impress with activity figures because they understand that prospects won't come to them, and then try to build value propositions with ill matched prospects, you get the same result - and waste a lot of time. So which way do we go?

If we look at whom we are trying to sell to, it is usually a company that can see benefit in ten different applications, affecting ten areas of business, but only have budget to implement two this year. So which two get prioritised?

According to our first type of salesperson, it's the projects that have had the greatest investment of time and resource from the company, that is, the projects that have been scoped, budgeted and time scaled - and they are right.

But what happened to make the project a priority? In many cases the seed planter was our busy bee, salesperson number two, who visited the company a year ago and set things in motion. However, they couldn't differentiate the opportunity as anything special so didn't keep in touch and lost the chance to be involved in building the business case and scoping the project.

Salesman number two's company may even have been involved in the tender as one of six, but the consultant they retained to help scope the project had links with one of the other competitors and they didn't win the contract.

## Conclusions

### So how do we generate new business in the new economy?

As with many strategic initiatives success depends on a combination of factors built around a common objective. The key challenge is getting the prospect's attention and we cannot do that unless our salespeople are prepared to be pro-active and get face to face with suspects. Likewise, we need to focus on the types of company best suited to the relevance of our message, so door knocking everyone, although better than sitting and waiting, isn't ideal. Decide who you want to sell to and get face to face with all of them.

Today, building a strategy around getting face to face with prospects can only work if you create impact in that meeting or seminar and actually stimulate them to action. Don't entrust these meetings to low impact, low enthusiasm salespeople who have no pre-prepared message.

And finally, ensure that you have a mechanism for identifying the opportunity that may arise, to develop and move it through a controlled, ideally non-competitive sales cycle.

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