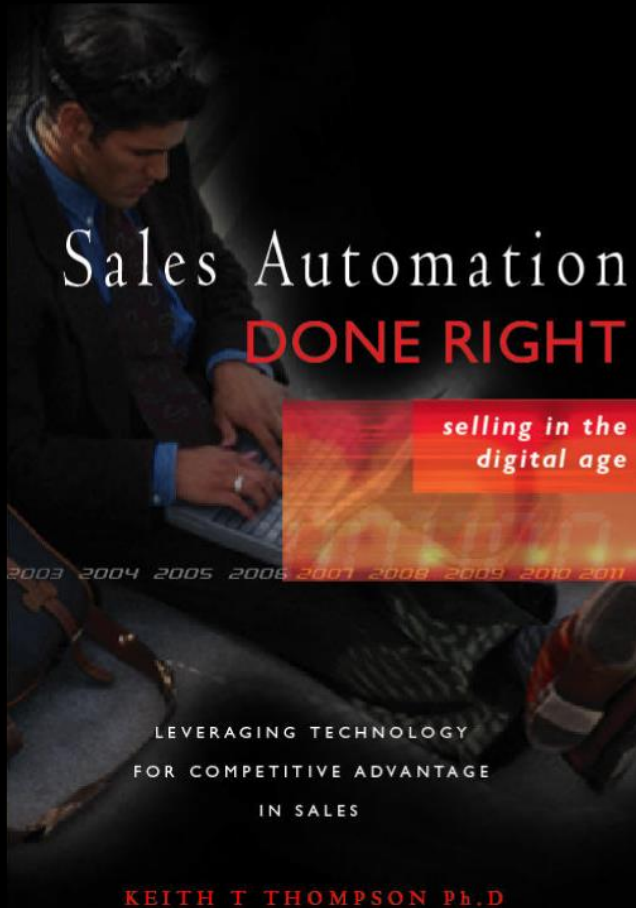


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# SADR Extractions

Five Part E -Book Series from the 2005 Print Edition of "Sales Automation Done Right"



- 22. Intelligent Response
- 23. Establishing the Sales Environment
- 24. The Interface
- 25. The Nuts and Bolts

# Part 4

## The Technology of Sales Automation

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# SADR Extractions

## **Five Part E-Book Series from Print Edition of “Sales Automation Done Right”**

We are releasing “Sales Automation Done Right” in e-book format in five parts following the structure of the print edition. When our print copies are all gone we won’t be doing another printing—the next book will be Opportunity Portfolio Management which expands on the sales methodology in SADR.

### **What’s included?**

With each Part we are including the front matter, table of contents, introduction and index for the full book. Seems overkill but I can see situations where it might be useful.

The material from the book is exactly as it appears in the book – the same file is used to generate the PDFs.

### **Introduction to Part Four – The Technology of Sales Automation**

In Part Four we look at the technology needed to get the computer involved in the sales process. Essential to this is the idea of the sales model we discussed earlier in SADR. Assuming we can model what an ideal sales transaction should look like, we can compare real life experience against the model and make some assumptions about progress in the sale. We call this Intelligent Response.

Real life experience can be established from analyzing all the details surrounding the sale—we call this the Sales Environment.

Then we have some practical issues about the application, the user interface, and some practical considerations of hardware and software.

Keith Thompson  
April 2, 2013

**Sales Automation**

**DONE RIGHT**



# Sales Automation

## DONE RIGHT

LEVERAGING TECHNOLOGY  
FOR COMPETITIVE ADVANTAGE  
IN SALES

**Keith Thompson Ph.D**



SalesWays Press  
Toronto

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## DEDICATION

To all my friends at Ardexus, and to my wife, for the patient support and encouragement needed to make this book a reality.





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Throughout the lengthy history of getting this book together I was fortunate to have two wonderful editors. Ted Frankel guided me in the onerous task of crafting my raw material into the beginnings of a respectable book. Leo Law took the mostly complete manuscript and challenged every nook and cranny of it until it met his very high expectations. Without either of them I could not have got this project finished. Jeffrey Barrie, I thank, for his enthusiasm and his efforts to speed up the schedule!

Many other people contributed, and I'm sorry that I can't mention them all by name. But special acknowledgement is due to all those very successful salespeople who lived and breathed the ideas of *sales automation done right*, and put them into practice. After all, they were the ones exposed to the most risk as their livelihood depended on maintaining high sales. But the new technology didn't let them down, and now they are the most ardent proponents of it. Thank you again.



## P R E F A C E

In my early years I was not sure what to do with my life, and I think that this may have eventually given me the credentials to write a book about sales automation. Let me explain.

I studied as a physicist. When I look back, I took the easy way out. Doing physics was the easy way out because I was reasonably good at it—good enough to get a PhD. Unfortunately being good at something doesn't always mean you like it. Some aspects of research physics imposed disciplines that I thought were good for me. I liked the logic and the questioning. I was taught to question everything: Why? Why not? What does this mean? Why does that happen? A physicist never writes anything down unless it is understandable and defensible before their peers.

But at last I realized that physics didn't really excite me—but selling did. Even though I wasn't selling professionally, I was doing my best to persuade everyone I knew that my way was the best, whether it was which car to buy, or which book would make the best read. I wondered about a career in sales, maybe selling the very complicated instrumentation that I used everyday in my research. After all, I had some strong feelings about that too! So eventually, I escaped academia to start a career in high technology sales. Nine years of learning and practicing physics left me with skills I might not otherwise have had. The same skills helped me in my effort to find the best way of using the computer in the sales process.

That's why this book looks at sales automation through a magnifying glass. It examines the process of selling in a way that the technology would want to see it—clearly, with no ambiguity. The origin of the earth in a “big bang” can be described in the few lines of an equation. Why can't an accurate sales forecast depend on a nine-point Probability Matrix and the Priority Cube? In fact, it can, because logic and mathematics are the easiest languages for computers to understand. Existing sales methods need to be rethought so they fit better with the computer. This is what I've tried to do, and I think all those years in physics helped me get it right.

## The Beginnings

In the early eighties, a few visionary companies introduced the personal computer, and although it was tagged “personal,” it was quickly adopted for business use, and driven by new spreadsheet and database applications that were designed specifically for it. Around that time, I started a distribution company specializing in the sales and service of high technology instrumentation. From the start, I was hooked on the way PCs could assist in all facets of business, even if it had very limited power by today's standards.

Business first adopted the PC in the financial and accounting departments (the Back Office). This is understandable, as the pure number crunching environment of the Back Office suits the computer best. But soon, other high value uses were found. Graphics and Desktop Publishing applications transformed the effectiveness of the marketing department. Networking and electronic mail made it possible for everyone to get *connected*. Also everyone quickly realized that networked PCs provided an excellent solution for the storage and dissemination of information. In large organizations, the PC was a genuine alternative to the mainframe; in small companies it was the first engaging taste of the possible impact of technology on business success.

Sales teams became interested. They are in the Front Office and their concerns were different to their Back Office comrades. While they do deal with numbers, much of their vital information was stored in the form of *text*. If a salesperson engineered a last minute tactic that saved a sale, the details could be recorded, and the information could be reused to secure future deals. To do this, technology was needed that could store *all* the significant events in a company's history with its customers, and then to make that information

universally accessible to anyone who might need it. Previously the Mainframe could do it, but, now the PC could too. Technology's promise of connected work teams combined with easy and low cost access to an abundant store of customer information was Nirvana to the early champions of automation in the Front Office.

The technology that first enabled true electronic collaboration between members of the sales team was Ray Ozzie's brainchild, Lotus Notes. Notes brought the essential pieces of the puzzle together in a gloriously unified and easy-to-use package: messaging, synchronization, security, collaboration, databases, and on top of all that, fast application development. In 1993, I realized that our company had to move to Notes if we really wanted a culture in which customer knowledge was created and shared by everyone, no matter where they might be, or what time of day it was.

We took the data from the endless files that resided in the marketing, sales and service departments. Files from paper, computers and people's heads were all put into *one* Notes database. Then we wrote the applications that allowed everyone to put information in, and take information out. When we finished, we had developed our own Customer Relationship Management (CRM) software. But, going forward from the progress we had made, we were fascinated by another important question. Given that the computer had so much capability to store information and analyze it in a million different ways, should it not also have the potential to help win a sale? I don't mean in the sense of being a glorified secretary, but actually getting involved in the sales process itself. The hopeful result would be that the salesperson would *win* more sales.

## **SFA and CRM**

The term "Customer Relationship Management" or CRM, describes the vision and effort used by a company to develop close bonds with its customers. In the last ten years, software applications have been developed that are indispensable in making CRM objectives happen. CRM is predominantly focused on Front Office (customer facing) processes, and sales is a very important part of the Front Office.

The sales department is only one (albeit very important) element of the Front Office. Processes that happen in the sales department contribute

to the overall CRM effort. Sales Force Automation (SFA) is about using computers to make sales teams perform better, and part of that mission is tightly integrated with CRM process, but part of it is not. This is why the understanding of CRM and SFA has too many businesses and salespeople confused.

The terms SFA and CRM are often confused and wrongfully equated. Sales Force Automation should focus on increasing the *effectiveness* of the salesperson, that is, to make them more competitive in the sale itself. This is a little outside of the scope of CRM, which is more focused on the *efficiency* of the salesperson in handling the customer transaction. As you can see, SFA and CRM are closely intertwined and even though some readers might think this book should be called “Customer Relationship Management done right,” that would not be correct. *Sales automation done right* strives to demystify the separate identities of CRM and SFA by focusing on the impact of technology on *sales effectiveness*.

My company’s early work in using technology in the business had given us a CRM tool in which we could embed our sales automation. After all, we had a company to run and our business was selling. Our primary objective was to give a computer to every salesperson and let them run with it. When we looked at existing sales methods, we realized they were designed in an earlier time—before computers were so easily accessible. We now had to devise a method to fit the computer.

## **Developed and Tested in Real Life**

Over a ten year period, we crafted the ideas and methods that form the bulk of *sales automation done right*. The design team was a wonderful mix of seasoned (but open-minded) sales veterans and enthusiastic young computer programmers. The ideas presented here evolved through debate, argument, and acres of diagrams scrawled over whiteboards and the backs of napkins. As we developed the ideas, we rolled them out through the software to the sales force. We had a dozen salespeople, so we quickly got feedback on whether our stuff worked, and in many cases we had to do some fine tuning.

The reason that I am a zealot for automation in sales is that I have first hand experience of the dramatic benefits it can bring to the success of the company. Our CRM and SFA infrastructure enabled our business to sustain

double digit growth over many years, with very little increase in administrative and support overhead. Our salespeople were able to win more sales by being more competitive and more efficient. The thing is, any company can do it, but sadly, most don't. Large enterprises have rushed to embrace sales automation (through CRM), but small business is lagging way behind. It's a pity, because the payback can be very high and the returns come quickly. There's no doubt that managers and executives who have the ability to make the changes are thinking about it, but with this kind of business change, it's easy to deliberate on the issue for far too long. I hope that some of the ideas presented here will provide the catalyst to hasten more budding projects into reality.

## How to Read It

If I pick up a new book, I always skim it. I gravitate to books that lend themselves to be read that way, so it's no surprise that *sales automation done right* is just like that. For that reason, there are a lot of diagrams. The chapters tend to be short, and are divided into five Parts. Essential points are summarized at the end of each chapter. In Parts 2, 3 and 4 there is an underlying thread which is important for the reader to understand.

Part 1 talks generally about SFA, what it is and how it relates to CRM. It discusses the impact of CRM and SFA on the company and the people within it, and how it affects and changes company culture. There is also an illustration of the natural steps that organizations follow in adopting technology to solve operational and process pains, and how to short track the final solution.

Part 2 shows how the day-to-day selling activity evolves around four core competencies of selling management. It shows how sales automation can have a positive impact on the administration, organization and management challenges associated with those competencies.

Part 3 is the heart of the book and centers on the *meaning* of "selling" and the need to describe it in a language that the computer can understand. It shows how customer interactions fall into two distinct categories, one of which leads to the framework of the sales process. A picture of the sales cycle evolves with fundamental selling skills used in the appropriate way as the sale develops. A generic way to gain consistency in forecasting is presented, and a

link is drawn between the judged value of a sale at a specific point in the sales cycle to the priority that the sale has in a portfolio of opportunities.

Part 4 homes in on technology and the different ways it impacts the goals of sales automation. There is discussion of how a model of the sale can be derived, which can then be stored in the computer and used to measure progress in an actual sale. The importance of good interface design is explored, along with the advances in hardware and connectivity that make the application useable.

Part 5 briefly discusses the issues that are important to make sure the sales automation project works, warns of potential pitfalls, and reflects on the importance of technology as applied to improving sales effectiveness.

A few words about the layout: Propositions are scattered liberally in most of the chapters, and are meant to be thought-provoking. Bolding stamps out **big** words that are essential to the concept and italicizing reinforces the *power* of the word in its context.

A number of definitions appear in the text, where appropriate, mainly in discussion of the sales method. A more complete collection of definitions is included in the glossary.

Even though the content of *sales automation done right* was conceived in the working business environment of a company that was at the smaller end of the SME (Small to Mid Enterprise) designation, I think that the material is of value to anyone in sales, from the executive heading up the global sales operation, to the manager of a small sales team, to the solo salesperson working it out on their own. The wonderful thing about the sales process is that it is simple, elegant and universal.

Whether you have the stamina to plough through it all, or you just catch a piece that makes your sales effort stronger, I hope *sales automation done right* makes an enjoyable read.



PART 4

# The Technology of Sales Automation



## Intelligent Response

*The computer understands what we are up against?!*

Part 4 looks at some different technologies that impact sales automation—not just those that we are familiar with, such as the Internet, notebook computers, or wireless communications. They are important, but so is the technology of the *application* itself. The application is the software, or the programming which gives the computer an understanding of the *sale*. An idea was introduced earlier where the computer could act as a sounding board to test out the tactics used in a given sales opportunity. In the next two chapters we'll explore a way that this can be done. Fortunately, most of the groundwork has been laid down in Part 3.

### **Information, Knowledge and Intelligence**

Two of these words, information and knowledge, have occurred before. Information Technology and Knowledge Management are the cornerstones of the technology infrastructure that supports the customer related activities essential to SFA and CRM.

#### Proposition

Knowledge is information which has been filtered, analyzed, dissected, beaten into shape, and stored for future use.

Information doesn't have to be composed from facts; it can also include observations or insights. Knowledge, on the other hand, implies understand-

ing, and facts are needed to provide that, so information must be sifted for facts before knowledge can be extracted. Once we have knowledge, what do we do with it? This is where intelligence comes in. Intelligence is the capacity to acquire and apply knowledge. Salespeople bombard their computers with information on a daily basis. To make this worthwhile, the SFA application has to retrieve knowledge and present it in a useful way to help the salesperson make progress in the sale.

## **How SFA Systems Function**

The information that the salesperson puts into the computer varies in nature and potential value. Much of it is administrative, and includes the routine documents of day-to-day business like letters, e-mails, faxes, proposals, leads, price lists, etc. Then there is information about accounts, contacts, and of course, the essential details of every interaction with the customer. Finally there is the information on the sale itself, the IBO—details of products, timing in the sales cycle, probabilities, priorities, and at a bare minimum, the IBO Essentials. Hopefully, the SFA system can put some order into all of this material using the hierarchical data structure that was shown in the discussion of the four competencies.

Computers are good at sifting, sorting, and analyzing information. This is the way most sales teams get value from their SFA system. A salesperson enters a query and the computer passes back some filtered information as knowledge. This is shown in Figure 22-1. Let's say that the salesperson wants to know where their business is coming from. One response from such a query might be "Over eighty percent of your territory's forecasted revenue comes from the Southeast." If the computer is queried on accounts, it may deliver a response of "You have visited the top performing account in your territory only once in the past six months." A query regarding product might yield "Your sales of the Type 560 Printer are one-half of what they were at this point last year."

A salesperson usually has to delve deeply into the sales automation system to find this stuff; it doesn't hit them in the face. This is knowledge obtained by filtering facts, the computer is just sifting information with careful input and guidance from the user. There is no reliance on intelligence. This is OK, but the technology can be pushed further. For example, consider this

response from the computer: “You are two months into a six-month sales cycle and your main focus should be probing the customer’s needs.” This message implies some form of *understanding*. Part of the computer’s response is mechanical—it takes today’s date and figures out the current position in the sales cycle from the information on the start and end dates provided by the salesperson. But it then has to lean on *methodology* to go further—specifically, the sales method that was developed in Part 3. The method defined an *actual sales cycle* and divided it logically into three phases, the first of which occupies 50% of the cycle and is dominated by the fundamental skill of probe. So, the computer knows we are in the Probe Phase. There is nothing magical here; the method *gave* the computer this understanding by telling it something about the nature of the sales cycle, which it is then able to memorize.

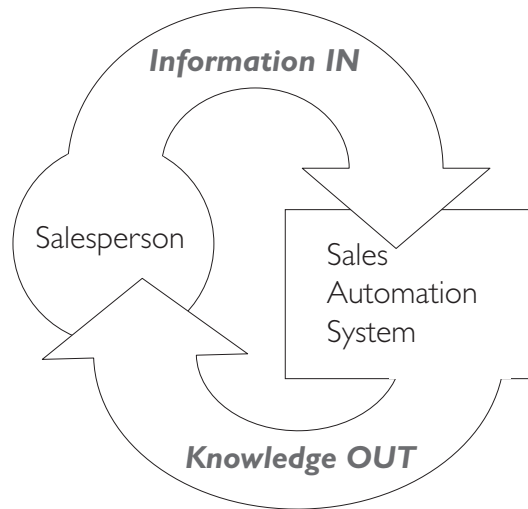


Figure 22-1: Conventional sales automation

Actually, we were moving toward this point earlier in Chapter 20, when we looked at the *intelligent advice* that resulted from the Priority Cube. One of the advice messages was “Time is running out, and this customer will almost certainly buy something from the competition—you need to do something to turn things around.” The computer knew that time was running out because it knew the actual sales cycle and the time that was left until close. Because of the salesperson’s recent assessment of the IBO Essentials, it also

knew that the competition were heavily favored. The salesperson also believed that this customer would definitely purchase some kind of solution. The computer then becomes *proactive* with its knowledge and recommends that the salesperson do something to turn things around. This simple reminder has the power to produce some last minute action from the salesperson. The computer has been programmed with data from past sales experience and when the same set of circumstances arises again in the future, it provides a similar advisory message.

The past sales experience can be augmented with a rulebook based on the science of selling. Remember, these rules have been developed by sales professionals over many years and apply to virtually all facets of sales. If the computer understands the rules, and applies them to what's happening in the actual sales cycle, it can flag deviations and point out potential traps. If the salesperson's information matches the knowledge stored by the computer, everything is OK. *Sales automation done right* calls the process we have just described **Intelligent Response Technology**.

*Intelligent Response Technology:* A computer system that compares *actual* sales progress against what is considered to be ideal, and makes recommendations on strategies for improvement.

At the heart of the Intelligent Response is a simple notion. First, provide the computer with a bank of knowledge based on established principles that define the overall picture of a perfect sale. Then, essential information collected from Critical Interactions with the customer is used to record the *actual* progress in the sale. This is compared against the understanding of what should happen—the difference between reality and ideal is referred to as the **gap**. The computer goes on to provide constructive information back to the salesperson on how to strategize to *minimize* the gap. Figure 22-2 shows how this works. The picture is similar to the last figure showing conventional sales automation, but with an important difference—there are now two sources of information going into the computer, the salesperson, and a new concept called the **Sales Model**.

The computer compares this with its understanding of what should happen—the difference between reality and ideal is referred to as the **gap**. The computer then feeds constructive information back to the salesperson on how to minimize the gap. Figure 22-2 shows how this works. The figure here

is similar to the last figure, which showed conventional sales automation, with the exception that there are now *two* sources of information going into the computer, the salesperson, and something we call the **Sales Model**.

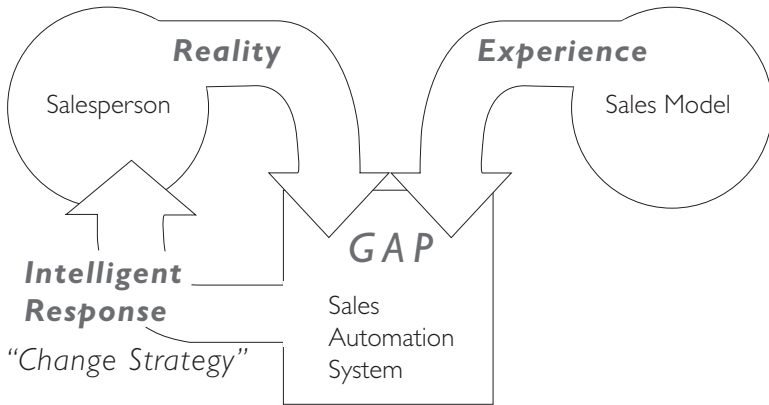


Figure 22-2: Adding the Sales Model—with gap

*The Sales Model:* A description of the essential events and characteristics of the sales opportunity which the computer can refer to for an understanding of the sale.

The diagram shows the situation just described—there is a gap between what *has* happened in the sale and what *should have* happened. The gap gives the computer the necessary information to make recommendations on potential ways to improve the salesperson’s strategy to win the sale. This information is called the **Intelligent Response**. What if there is no gap—the situation shown in 22-3? Information about the current status of the sale matches with previous experience in similar circumstances. The computer’s Intelligent Response is a *careful* reaffirmation that the salesperson is OK.

Some will say, “Why do we need an Intelligent Response? We know what we are doing. Everything is under control.” But is it? The average salesperson in just about any industry is confronted with from ten to over one hundred open sales opportunities at one time. Isn’t it possible that something could slip through the net? The fact is, good salespeople are very busy, and a great danger is that because of everyday pressures, a sales opportunity may get

overlooked. Through Intelligent Response, *sales automation done right* tries to ensure that this does not happen.

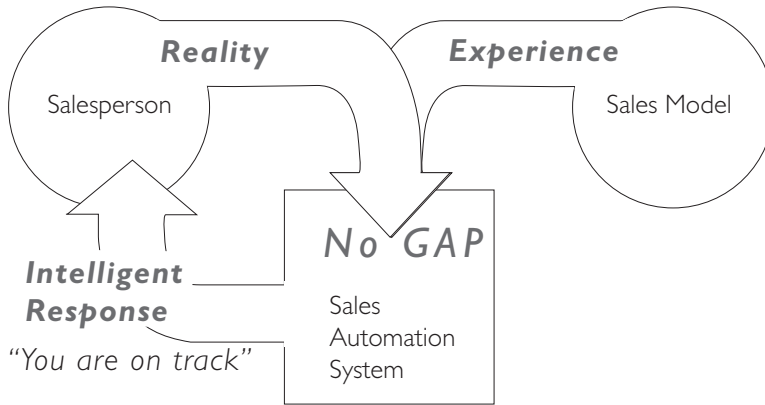


Figure 22-3: Adding the Sales Model—with no gap

## The Sales Model

In the scientific world, a *model* is a set of descriptions that define a real life experience, and which can be tested and proven on the computer. The corollary is that the computer, having understood the model, will be able to pass back some useful knowledge to the outside world. For Intelligent Response Technology to work, we have to model what happens in the sale. In past chapters, we have described all of the components that are needed to do that. There are four raw ingredients which are used to create the Sales Model: Time, Skills, Interactions, and Information.

1. **Time:** Discussions of the sales cycle in Parts 2 and 3 highlighted the importance of time in describing the sale. When does it begin, and when does it end? What is the timing of everything that happens within the duration of the sale? Any model of the sale must take time into account. Fortunately, the computer has a built-in clock, and tagging every event with a time label is seamless and flawless.
2. **Skills:** The model looks at the buyer-seller transaction and shows how it flows logically through three distinct phases, and each of these must be matched with a fundamental selling skill. The model takes into account



the *timing* of these skills and shows that the three phases of the sales cycle are divided roughly into a Probe Phase of fifty percent, a Prove Phase of thirty-five percent and a Close Phase of fifteen percent. The model also shows how the sales skills are used *together*. Probing and proving are used to differing degrees throughout the sales cycle. Closing only begins when most of the proving has been done, and all three skills are used in the critical Close Phase.

3. Interactions: Opportunity focused customer interactions that take place within the sales cycle are labeled as Critical. The information flow from Critical Interactions leads to the understanding of the sale, which means that sensible sales strategies can be put in place. The ideal set of Critical Interactions, developed from previous sales history, forms the sales process which is an important part of the model. The type of interaction (visit, phone, demo, proposal, etc.) and the approximate time of occurrence in the sales cycle are plugged into the model. We don't have to be concerned with being too accurate to get the value from Intelligent Response Technology.
4. Information: The Critical Interaction is the means through which the sale unfolds and gets understood, using as much information as we can get. The computer needs this information, but it will only take it in a structured way that is governed by the science of selling. The information in the model is an amalgamation of the best practices of selling and the learned experiences from past sales opportunities.

Figure 22-4 shows the four components of the Sales Model laid out on the familiar sales cycle diagram.

## The Sales Model and the Sales Environment

How can the Sales Model store a picture of *all* of the information associated with a complex sale? The answer is that it can't. But based on the eighty/twenty rule, it is safe to say that eighty percent of the knowledge that determines a sales strategy comes from twenty percent of the information gathered by the salesperson. *Sales automation done right* prods the salesperson to get this information, and compares it to the Sales Model.

### Proposition

The Sales Model offers a framework for the computer to understand the Sales Environment.

When salespeople are *discovering* the Sales Environment, they will use the fundamental skill of probing. The Sales Model says that probing is used throughout the sales cycle, but with different degrees of focus. One of the key components of probing is the asking of *questions*? The computer can test the success of the salesperson in establishing the Sales Environment by doing its own probing, that is, by asking the salesperson the right questions. The next chapter will describe one set of questions that attempts to get this done.

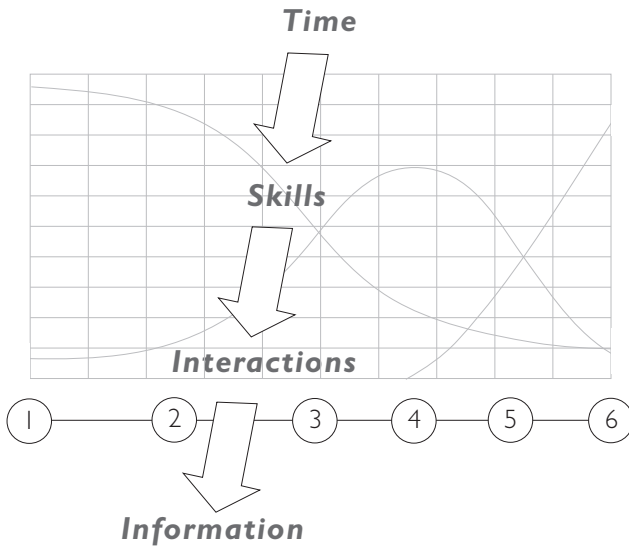


Figure 22-4: The Sales Model

### Points to Remember

- I. For the computer to understand what's going on in the sale, it must reference a sales model that as accurately as possible describes what an ideal sale should look like.

2. The Sales Model provides the computer with the *understanding* that it needs to become *intelligent*.
3. A model of the sale can only be developed from a foundation of strong sales methodology.
4. The sales model can be constructed using four important elements: Time, Skills, Interactions and Information.



## Establishing the Sales Environment

*Question and Answer time!*

This chapter illustrates an example of how Intelligent Response Technology can be put into practice. It deals, for the most part, in the information gathering process. Information leads to knowledge of the Sales Environment and is the first raw ingredient of the Sales Model. The story will build as the sales cycle progresses and more Critical Interactions are completed. The Sales Environment must be broken down into issues on which the salesperson can develop knowledge or opinion, that, in turn, can be reported to the computer. Take a simple example: "Today, I met with the purchasing agent and learned that he had recommended that the decision be delayed by six months." When this information is fed into the computer, the Sales Model is evaluated, and the length of the sales cycle is recalculated, along with the skill phases. The computer then informs the salesperson that the phase has shifted backward from Prove to Probe, and strategies should be adjusted as necessary. For instance, the salesperson may elect to reduce "Will it happen?" from a High to a Medium, which in turn will change the probability, and maybe the priority.

It is possible to devise a set of generic questions that have a good chance of sketching out the Sales Environment as the sale progresses. The questions can be stored conveniently in the IBO section of the sales automation software, and reviewed regularly, usually before or after Critical Interactions with the customer. Answers to the questions are quantified by the computer and a meaningful response is sent back to the salesperson.

## Devising the Questions

The trick in this exercise is to have *enough* questions, but not too many—the salesperson should not be burdened with excessive data entry. Questions have to be carefully chosen and phrased; there can be no ambiguity in understanding them. The sales automation application’s help system can be referred to for clarification.

The Sales Environment defines everything that contributes towards *truthful* knowledge of the sale. This means an unbiased truth—not skewed by the views of the salesperson or the customer. The salesperson often has to work hard to get the most accurate assessment of the Sales Environment. If information on the decision making process has not been unearthed, this fact must be acknowledged and the reasons evaluated. The competition could be winning, and that too, has to be admitted. If the salesperson feels that “The customer doesn’t like me,” they must come to grips with the idea and strategize the sale around it. Much of the information surrounding the sale will involve emotions, likes, dislikes, personalities and relationships. Salespeople must be as objective as possible when they try to define these factors accurately. Intelligent Response Technology works well when salespeople are totally *honest* about issues that affect the sale, especially those that question their performance.

Salespeople often resolve uncertainties with the sale by brainstorming with peers and managers to get fresh ideas. Sometimes, salespeople are too close to the sale to be able to see discontinuities staring them in the face, whereas a third party might instantly spot the issues. Our objective is to employ Intelligent Response Technology to be that third party, using a set of questions that are based on the fundamentals of selling. These are ideas and methods that have been around for a long time, and are by no means the be-all and end-all. They are also generic, and applicable to a wide range of sales situations, and relevant to a good cross section of businesses. Take them as *one* set of questions to get to grips with the Sales Environment; likely, there are many other possibilities.

The questioning process will also be framed around the three fundamental *skills*—the second raw ingredient of the Sales Model.

## Getting Computer Feedback

One of the most important considerations in implementing Intelligent Response Technology is how to effectively get the computer's message back to the salesperson. An important way that *sales automation done right* does this is by using the IBO Essentials. Remember, it has already been suggested that the answers to IBO Essentials are *contained* within the Sales Environment.

We will use just two of the Essentials, "Will it happen?" and "Will we get it?" The third Essential, "When will it happen?" is mostly the domain of the salesperson, and they should try hard to get that one right. When salespeople are asked to provide their assessment of "Will it happen?" or "Will we get it?" they must rely on their knowledge of the Sales Environment to give them the answer. This often involves distilling countless pieces of information. While good salespeople will be able to do this, it is not easy, and requires experience. After we've gone through the exercise of forming the questions that will discover the Sales Environment, it should be possible for the computer to construct its version of "Will it happen?" and "Will we get it?"—where it can *test* the salesperson's gut feel on the Essentials. The kind of response we are looking forward to from the computer is, "You think this one is a High-High, but I think you are wrong. It's a High-Medium and this is why."

## Probing for Information

The Sales Model says that probing is done in different degrees throughout the sales cycle. In the beginning stages, probing is intense, as nothing is yet known about the sale. Nearing the completion of the sale, virtually all probing has been done and most information is known, but perhaps not all, and that's why a little probing is reserved right until the end. The most dominant factor to good probing is the ability to question, followed closely by an associated ability to listen. Remember that the Probe Phase is the longest of all, at roughly half the sales cycle. Within this time period, the attention to probing is dominant, and it is normally expected that answers to most of the direct probing questions listed later will be known by the end of the Probe Phase. This is not always the case because some information may be difficult to get, and some influencing factors change during the sales cycle. The salesperson should revisit the questions regularly throughout the whole

sales cycle, and the best time to do so is after making any Critical Interaction with the customer.

Need?	Choices	Affects
<i>How well have you established the customer's need for this product/service?</i>	Unknown A little Average A lot	"Will we get it?"
<i>What is the customer's level of need for your product or service?</i>	Unknown Low Normal Urgent	"Will it happen?"
<i>How well does your product fit the customer's requirement?</i>	Unknown Low Medium High	"Will we get it?"
<i>How well does the price of your solution match the customer's budget?</i>	Unknown Matches Higher Much Higher	"Will we get it?"
<i>What are the chances that the customer will receive funding?</i>	Unknown Low chance High chance Very high chance	"Will it happen?"
<i>What is your familiarity with the customer and their organization?</i>	Low Medium High	"Will we get it?"
<i>How strong is the competitive pressure in this sale?</i>	Unknown Low Medium High	"Will we get it?"
<i>Who are the competitors?</i>	List known competitors	"Will we get it?"

Figure 23-I: List of general probe questions

Figure 23-I shows eight general questions that try to fill in the details behind the basic sales issues. Does the salesperson have a solution to match the customer's needs? Is it affordable? How well does the salesperson know the customer? Is there any competition? Who are they? And so on. In some cases the salesperson just ticks off the appropriate answer from a simple list, for instance, Unknown, Low, Medium or High. In other cases, actual informa-



tion needs to be entered, such as naming the competitors. If the salesperson does not list any competitors, the computer assumes that he or she does has not been successful in probing to find out (remember, there is always at least one competitor—the option for the customer to buy nothing).

The answers to these kinds of questions are indispensable toward the ongoing effort to win the sale, but some of them are invariably neglected, even by the most experienced salespeople.

Who?	Influence?	Choices	Relationship?	Choices	Affects
Who is the economic decision maker in this sale? Name...	What is the degree of influence of the economic decision maker in this sale?	Unknown Low Medium High	How is your relationship with the economic decision maker?	Unknown Bad OK Good	"Will we get it?"
Who is the technical decision maker in this sale? Name...	What is the degree of influence of the technical decision maker in this sale?	Unknown Low Medium High	How is your relationship with the technical decision maker?	Unknown Bad OK Good	"Will we get it?"
Who is the user decision maker in this sale? Name...	What is the degree of influence of the user decision maker in this sale?	Unknown Low Medium High	How is your relationship with the user decision maker?	Unknown Bad OK Good	"Will we get it?"

Figure 23-2: Probing for information on decision makers

The questions in Figure 23-2 begin to set the stage to probe for information on the decision makers in the sale, so that later, the salesperson knows they are proving to the *right* people. In some sales there may be just one decision maker, but it's not uncommon to have more, and if they are not technically making the decision, they may well be influencing it. The salesperson has to pay special attention, not only to finding out who the decision makers and influencers are, but also to selling all of them on the merits of the product. If there are multiple decision makers, each will have their own agenda. Usually one is interested in value; whether the solution is going to work and if it is at the right price—this is the *economic* decision maker. One may be interested in the usability of the solution—this is the *user* decision maker. If

the solution is a machine or a device, there will be someone who is concerned not only with performance, but also serviceability and reliability—this is the *technical* decision maker. In some industries there will be other decision makers to consider, but in this example, we are using just three.

Our probing questions are designed to identify the decision makers. If none are listed, it is assumed that the salesperson doesn't know who they are (which adversely affects "Will we get it?"). If there is just one decision maker, they will effectively be adopting all three roles. Not only have we asked specifically who the decision makers are, we've asked what issues are important to them in their purchase (Figure 23-3). It might be price, or best value, or even performance at any price. It might be ease of use of an instrument, machine, or device. It could even be the smallest package that will meet the specification. Whatever it is, the salesperson has to identify the decision maker's issues, and later, make an effort to *prove* that the product will alleviate those issues.

Next we ask for the influence that the decision maker has in the purchasing process. Some will have much more influence than others. Obviously these issues rely on the subjective opinion of the salesperson, and the correctness of the answer depends a lot on their own experience. The next issue to be resolved is how well the salesperson relates to the particular decision maker—the better the relationship, the greater the chance of winning the sale. The answer to this question is one of those where the salesperson has to search inwardly to come up with their best evaluation of how well they get along with a contact. This is not easy to do, as no one likes to admit that the relationship may be bad.

### **Evaluating Degree of Proof**

It's no good gathering information on the sales background if nothing is done with it. As the Sales Model shows, there must also be an ongoing effort to *prove* throughout the sale. The computer must test to see how successful the proving is, and to do this, it asks the salesperson directly, as shown in Figure 23-3. Previously, we've asked what is important to each of the decision makers. Now the salesperson is asked to give their best estimate of how well they have proved that their solution fulfils the decision makers' concerns. This is another one of those soul-searching questions with which

the salesperson has to fight to be objective. The more confident they are that they have successfully proven, the greater the chance of winning the sale (and the higher is “Will we get it?”)

Concern?	Degree of Proof?	Choices	Affects
<i>What factors are critical to the economic decision maker in this sale? List ...</i>	<i>How well have you proved these critical factors to this decision maker?</i>	I don't know Not well Reasonably well Well Very well	“Will we get it?”
<i>What factors are critical to the technical decision user in this sale? List ...</i>	<i>How well have you proved these critical factors to this decision maker?</i>	I don't know Not well Reasonably well Well Very well	“Will we get it?”
<i>What factors are critical to the user decision maker in this sale? List ...</i>	<i>How well have you proved these critical factors to this decision maker?</i>	I don't know Not well Reasonably well Well Very well	“Will we get it?”

Figure 23-3: Looking for degree of proof to decision makers

## The Close Phase

The closing skill involves a lot of process. The way the computer judges progress in the close phase is to check for trial closes and their results. Chapter 16 described the trial close as a *testing* process which checks to see if the customer is ready to make a purchase. Usually, there will be a number of trial closes. Figure 23-4 shows how the process works.

In a trial close (1), the salesperson probes the customer to see if they are ready to make a decision (2). This can be done in scores of different ways, but this topic is of greater relevance in a sales tactics book than one on sales automation. If the customer says that they are ready to go ahead (3), the sale is won (4). If the customer is not ready to purchase (5), the salesperson should identify the reasons why (6). A planned strategy to overcome these objections must be devised (7), and tested in the second trial close (8)—here, the process starts all over again. It continues until the customer has no more objections to going ahead, or buys something from the competition.

The Sales Model has already been told how many trial closes are usually necessary to make a sale (based on previous sales experience). As soon as the closing skill starts, the computer regularly checks that the salesperson has entered information on trial closes, and if none have been entered, it assumes that none have been done. Once the salesperson decides to enter information on a trial close, the computer will guide them through the process shown in Figure 23-4. It can then track whether sufficient effort is being made to close and comment accordingly. By logging objections and strategies to overcome them, a history is developed that can assist the salesperson in future opportunities.

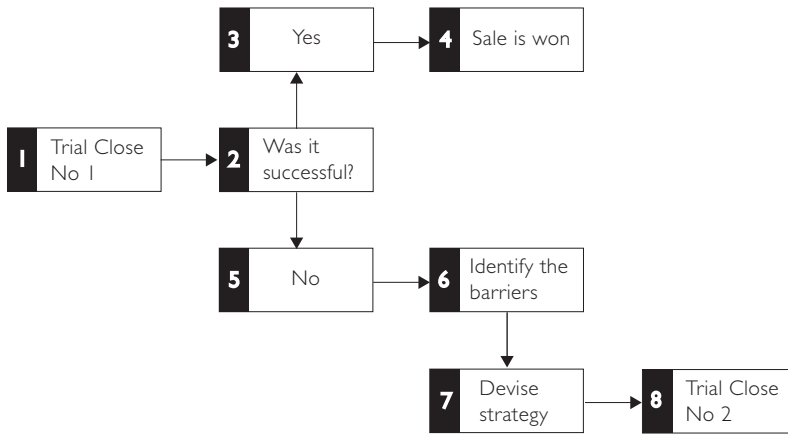


Figure 23-4: The closing process

## Quantifying the Results

Now, the difficult part! Just by reviewing the three tables of questions, plus the closing process diagram, the reader knows instantly that there is a lot of information here to deal with. It may not have taken the salesperson much time to pass it to the computer, after all, there was the entire sales cycle to do it in, and most of the answers are simply a matter of checking from a list. But now, the computer has to assemble all of this information and make some sense of it. Because we are going to get the computer to develop its idea of “Will it happen?” and “Will we get it?” our task is somewhat easier than it might have been. There is now a framework on which to build the important

Intelligent Response that has to resonate with the salesperson, and hopefully be of significant value in moving the sale our way.

All pieces of data collected can impact the value of one of these two important IBO Essentials, and this has been shown in the question tables. Because the computer just appreciates numbers, we have to be able to quantify the quality of the answer to each question. Take the example of “How well does your product or service fit the customer’s requirements?” The possible answers are Unknown, Low, Medium, or High. If we assign the numerical values to these answers (assuming Medium is neutral), we get -2, -1, 0, +1, and we create a measurement system whereby the computer should be able to add up all the answers and come up with the final evaluation as to whether “Will we get it?” will be a High, Medium or Low. An example on the other side, affecting “Will it happen?” is the question “What are the chances that the customer will receive funding?” The possibilities are: Unknown, Low Chance, High Chance or Very High Chance. Just like the previous example, these answers can be given a set of numerical values.

All issues have to be considered: If five trial closes are usually needed to get a sale and only one has been made “Will we get it?” is negatively affected. If competitive pressure is high, but no competitors have been identified, “Will we get it?” is again compromised. The answer to “What is the customer’s level of need for your product or service?” for the most part determines “Will it happen?” But if the salesperson answers this question with “Unknown,” this response affects “Will we get it?”

This kind of numerical evaluation of significance can be applied to all the information gathered through the questioning process. It’s impossible to go into detail of how it can be done in the confines of this book. The important thing to realize is that a rapidly changing sales scenario can be modeled fairly accurately on the computer to establish if the salesperson is on the right, or maybe the wrong track.

Behind the scenes, the computer is assembling all the information that has been fed to it by the salesperson as they work their way through the selling process, and numerically qualifying its importance in terms of the value of the two IBO Essentials, “Will it happen?” and “Will we get it?”—High, Medium, or Low. It then goes ahead and calculates probability and priority, because both of these important parameters depend on the IBO Essentials.

This is a very effective way for the computer to communicate with the salesperson. When the salesperson is asked to rate the opportunity in terms of “Will it happen?” and “Will we get it?” they must consider everything about the sale and condense it down to one of three options for each question. It’s not trivial to do this, but the human brain is typically very good at it. To try to make the computer do the same thing, we need information from sixteen questions with choices from almost a hundred possible answers.

If the computer’s response on the IBO Essentials differs from that of the salesperson, the Intelligent Response kicks in with an explanation on the causes of the disparity. The salesperson can agree with the computer, or possibly disagree, but in this case, there is only one explanation—some of the answers to the questions are incorrect. This situation initiates a reevaluation of the salesperson’s thinking on the sale. It is this process that effectively puts the computer in the position of a “coach,” always challenging the salesperson on whether their spin on the Sales Environment is right. Remember that if the salesperson’s assessment of “Will it happen?” and “Will we get it?” are wrong, the probability is likely wrong too, as is the priority, so it makes sense to *test* the gut feel on the IBO Essentials using this questioning process, just in case.

How often should the salesperson revisit the list of questions? As the sale will always follow twists and turns determined by changes in the Sales Environment, it’s best to look at updates after each Critical Interaction is completed. This should not be tough for the salesperson, as there will always be follow-up needed after the interaction, and in *sales automation done right*, essential IBO information, including factors that affect Intelligent Response, are never far away from the administrative area of the software. Obviously, in the early stages of the sale, information may be sketchy. The computer can be programmed to recognize this and can allow for the gradual build-up of knowledge on the sales cycle through to the end, when mostly everything will be known.

The method described here of establishing the Sales Environment does not take into account how much work is being done in the sale, which is related to how many customer interactions are occurring and if they are following the sales process. This can, and probably should, be done. In Chapter I4, the sales process was defined as a set of Critical Interactions

which have been proven by experience to be necessary to provide the best chance of winning the sale. These interactions can be entered into the Sales Model—both the type of interaction and the approximate point that it happens in the sales cycle. For instance, one Critical Interaction of this set could be a demonstration of the product roughly halfway through the Prove Phase. Another could be the presentation of the final proposal to the decision makers and the beginning of negotiations, happening one-third of the way into the Close Phase. The computer keeps track of whether these elements of the preferred sales process are happening, and flags the salesperson if things are getting behind. It's up to each sales team to decide if the Critical Interaction set represents the minimum number of interactions needed, or whether more activity should be happening over and above the critical process steps.

### **The Final Result**

The best way to understand Intelligent Response Technology is to see it working in practice. To do that, we are going to revisit the case study from Part 3, Chapter 15.

Rick is a salesperson working for the High Speed Printer group of Smith PC. A table of customer interactions from Smith's CRM system is shown in Figure 15-1. We can see that IBO #1212 involves Rick attempting to sell a Type 560 printer to a group within GDPN who are Smith's largest global customer. This particular GDPN division, however, prefers the machines from Smith's major competitor, Universal. But during the initial call (Interaction 1 of Figure 15-1) of this opportunity, a conversation with John Parker, a GDPN manager, Rick learns that all is not well with the Universal printers in this GDPN facility. Reliability has been poor and service slow. John Parker is fed up—he needs to look at other vendors. Rick has a chance to crack the account.

Rick enters into his standard selling process. He sends an extensive product information package to John Parker and follows up with a visit (Interaction 6 in Figure 15-1). He learns that, overall, they like the Universal products, except for one very important need—single color processing on the Universal equipment is not good, and this is an important revenue source for this GDPN facility. Rick talks briefly about his new Type 560, which has strong single color capability, and John Parker is intrigued.

Rick is using the Intelligent Response Technology within his Smith PC CRM system, regularly filling in details about needs, budgets and key people in the account. After the April 25, 2003 interaction, Rick's completed Sales Environment information looks like Figure 23-5.

The screenshot shows a software window titled "IBO #1212 Status: Open". Inside, there are tabs for "Sales Advisor", "Sales Environment", "IBO Information", and "IBO Note". The "Sales Environment" tab is selected, and within it, the "Probe" sub-tab is active. The "Probe" sub-tab contains a form with the following fields:

- Established need?: High (dropdown)
- Budget match?: Higher (dropdown)
- Comp. pressure?: High (dropdown)
- Solution Match?: High (dropdown)
- Funding?: Very high (dropdown)
- Competitors?: Edit... (button)
- Level of need?: Normal (dropdown)
- Familiarity?: Low (dropdown)

Below these fields is a section titled "Decision Makers" with a table:

Decision Makers			
◆ Econ	Joe Small	Influence	High (dropdown)
◆ Tech	John Parker	Influence	High (dropdown)
◆ User	Susan Brown	Influence	Medium (dropdown)
		Important	Value
		Important	Performance
		Important	Ease of use

Figure 23-5: Questions during Probe Phase for IBO #1212

Rick recognizes that although Universal has lately been complacent at handling this GDPN account, they still have an advantage based on their historical track record, and the sheer volume of product in this facility. But Rick has a superior product that addresses the problems that John Parker is having with single color production. However, the other players in this deal are still unknown. Rick must meet the operators who will take charge of his Type 560, if he should win the contract. Then there is the person who controls the finances, Joe Small, Parker's boss. Rick's lack of exposure in this account is beginning to hamper his efforts.

This sale will definitely go through to completion, so Rick decides that "Will it happen?" is High. Because of his unfamiliarity with the people in this GDPN division, Rick feels uncomfortable about his chances, so he logs a "Will we get it?" of Low. All Rick has to do is to click on a few buttons to update the IBO Essentials. His assessment corresponds to a probability of 25% and a priority of 1.

The computer looks at the Sales Environment described by Rick's responses to the questions it posed and comes up with its response shown in Figure 23-6.



It is more optimistic than Rick. After all, this sales cycle is still young, and hasn't yet reached the halfway point of the Probe Phase. Rick's product really fits the customer's expectations well and there is a good chance that he will be able to use the time available to make himself more known in GDPN and probe for more valuable information. The Intelligent Response suggests probing more, and to be ever vigilant of Universal. It rates Rick's "Will we get it?" as Medium. This changes things a bit—the probability now becomes 60%. The computer still thinks that this is an excellent chance for Rick and should still warrant a number 1 priority.

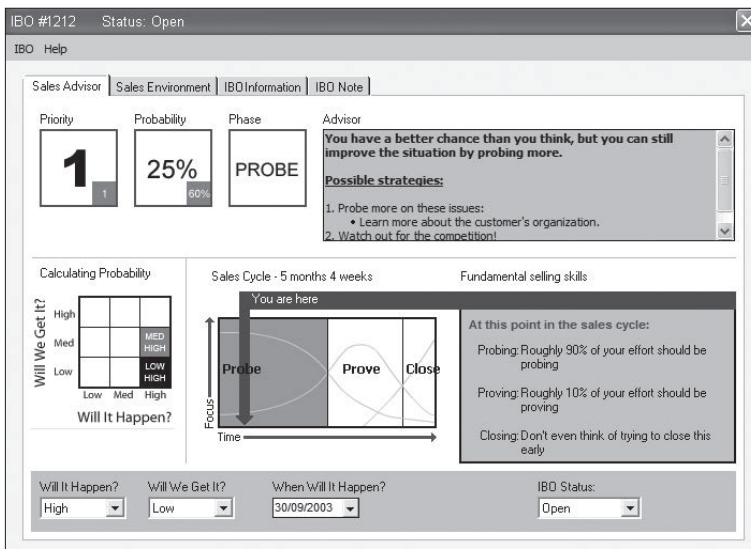


Figure 23-6: Computer's response to the information in Figure 23-5

Let's see what happens as the sale develops. Customer interaction number 17 in Figure 15-I is actually the tenth Critical Interaction that Rick has had with the decision makers in this account. This one is a telephone call to John Parker in August of 2003, in which Rick is still probing for information that will help him with the sale. A successful on-site demonstration has happened a few weeks earlier, and Rick now has identified the three decision makers and has had the chance to develop good relationships with John Parker and Susan Brown.

Parker confirms that he personally prefers Rick’s product to Universal’s and says that he knows Susan is very enthusiastic about it. But he also tells Rick that the VP of Production, Joe Small, is a possible problem. Joe attended the recent demonstration and liked the Type 560, but thinks that its high price over the Universal product won’t be justifiable. Parker also confirms that any deal that goes through will have to be signed off by Joe.

Rick is beginning to accumulate all the information to fill in the questions that assess the Sales Environment. Figure 23-7 shows the data entry for the Prove Phase.

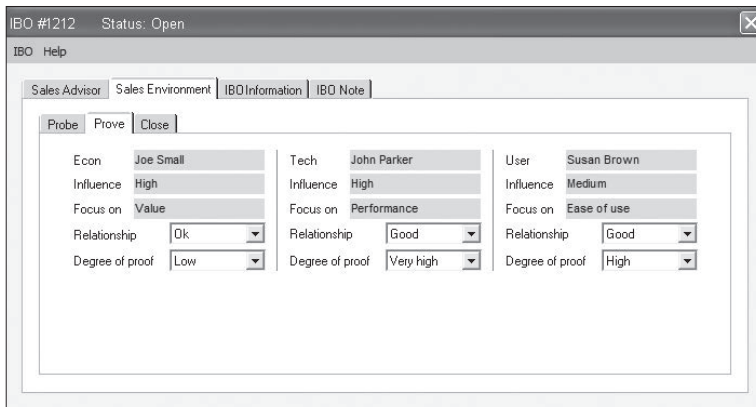


Figure 23-7: Questions during Prove Phase for IBO #1212

Rick feels confident with his efforts to persuade John Parker on the performance and value of the Type 560. He also feels that Susan Brown is convinced that the Type 560 would be advanced technology for the shop floor. But Rick sees that work must be done to build a proposal that Joe Small can believe in.

Rick’s optimism takes over and he upgrades his “Will we get it?” from a Low to a Medium. Of course, the “Will it happen?” is still a High. This represents a probability of 60%, and because we are now in the Prove Phase, the priority remains at I (see Figure 20-5, Page 180). But, the computer’s assessment differs from Rick’s (Figure 23-8). In this user interface, the computer is the “Advisor.”

The “Possible Strategies” in Figure 23-8 suggests areas of concern that Rick should address. Central is the economic decision maker, Joe Small,

whom Rick has met only once, and Joe's concern with the price. Another issue is Rick's comparative newness to this account, and the fact that the competitor knows it much better. The "Advisor" also knows that Rick has not logged any trial closes, so it assumes he has made none. Given the fact that this is late in the Prove Phase, and the skill of closing could have been started, a suggestion is made to execute a trial close.

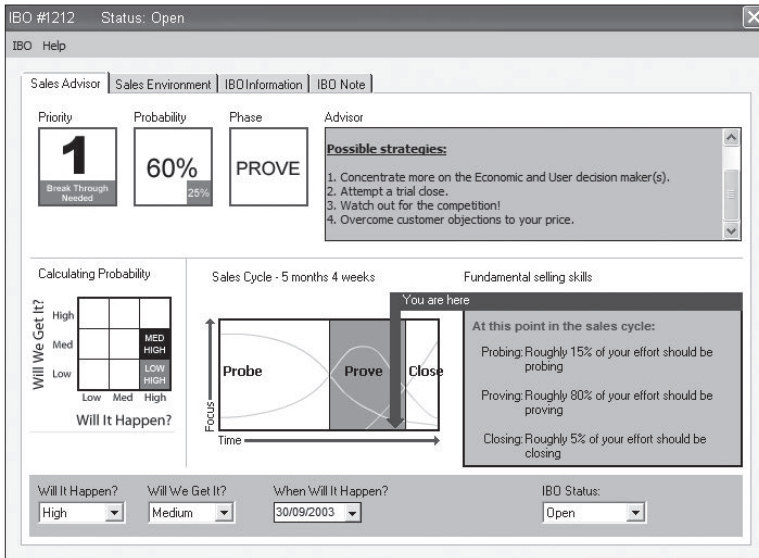


Figure 23-8: The computer's summary of the sale with advice to the salesperson, in the Prove Phase

Instead of rating "Will we get it?" as Medium, the computer sees it as Low. This downgrades the probability to 25%. More importantly the priority now becomes "Breakthrough Needed." The onus is on Rick to strategize something special for the little time that he has left in this sale. After doing some soul searching, Rick realizes that the computer is right. Unless something is done to overcome Joe Small's reluctance to pay the significantly higher price for the Type 560, this will remain an exclusive Universal Account.

Rick does know that his product has proven reliability, and Universal's new printer proved to be quite unreliable in the demonstration to GDPN. Rick does an analysis of running costs over a five year span, and finds that because of its superior reliability, the Type 560 would effectively prove less costly over its operating life than the Universal. In September, Rick takes

his report to John Parker and attempts a trial close (Interaction I8, Figure I5-I). Parker is impressed with Rick's data, but knows that his boss won't accept any deal which still carries a price differential of fifteen percent over Universal.

At the end of the meeting Rick goes back to the office and enters his trial close into his computer. The computer still sticks to its case that a breakthrough is going to be needed. Now there is even less time left. Rick discusses the situation with his manager. Rick's manager wants desperately to crack this account, but doesn't want to give away too much—the Type 560 is a good product and deserves a higher sticker price than Universal's product.

The manager offers Rick a deal, in which he can present John Parker with a five-year Blue Star maintenance program at no extra charge. This is effectively worth 5% of the selling price of the Type 560. Rick will meet with Parker and attempt a trial close. But the manager mandates that Rick must pressure Parker to set up a meeting with himself and Joe Small, so that Rick can directly prove to Small the value of this deal over the one from Universal.

Interaction I9 (Figure I5-I) is where Rick executes this strategy. He lays out the value of his manager's offer. Parker likes it but still can't give Rick an affirmative answer—obviously he must still get the okay for the deal from Joe Small. Rick senses this and suggests a meeting between himself, Parker and Small. Parker promises to set this up. Later, Rick enters this interaction into his automation system and updates his closing strategies as shown in Figure 23-9. His manager is excited about the meeting with Small, and offers Rick the opportunity to use a further discount of 5% if needed to get this order. But Rick must try to sell the demonstration Type 560, which is still residing at the GDPN facility. The manager has already depreciated this unit in his demonstration inventory.

Parker comes through with his commitment to get Rick in front of Joe Small. Rick has a good chance to explain the value of his proposal, and Joe is impressed. But Joe explains to Rick that he has severe guidelines from his Corporate Team to keep costs down. He asks Rick for a further concession on price. Rick agrees, and suggests that GDPN keeps the Type 560 demonstration unit in return for an additional 5% discount. Joe breaks for a few minutes to discuss this offer with Parker, and comes back to Rick with

an agreement to accept the offer. He calls his purchasing department to confirm the deal.

Rick's successful attempt with his third trial close is the subject of his customer Interaction 20 in Figure 15-1. The GDPN account now has state of the art Smith PC equipment in addition to Universal, and will be a good opportunity for Rick to sell more product going forward.

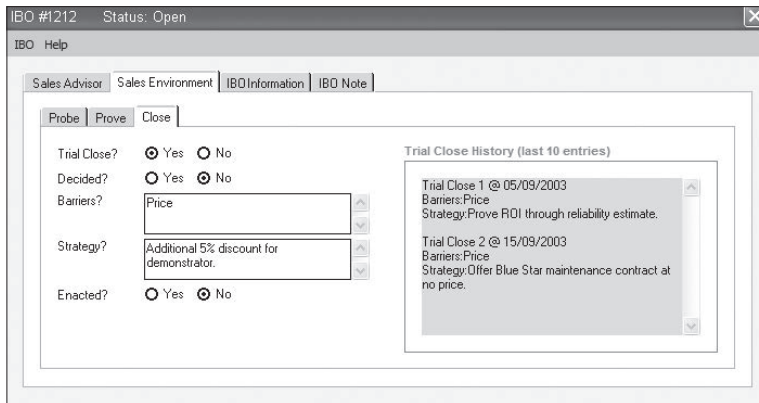


Figure 23-9: Entry of trial close strategies in the Close Phase

Throughout the six months of this sales cycle Rick has found his sales automation system of great value. Interactions were recorded and easily retrieved for Rick's regular progress reviews. Also, the computer has proved a valuable tool to cross check and validate Rick's personal assessment of his performance in the sale.

## Points to Remember

1. The essence of the Sales Environment can be deduced using a series of carefully crafted questions that the salesperson should answer as accurately and honestly as possible.
2. It is helpful to phrase the questions around the fundamental skills of selling.
3. The IBO Essentials are a useful tool to compare the salesperson's gut feel about the Sales Environment and the computer's more rigorous evaluation.



## The Interface

*What the salesperson sees*

The user interface is the boundary between the salesperson and the sales automation system. What we see on the computer screen, and the ways in which we interact with the application are lumped under this general term. The user interface represents the “personality” of the software, and to the salesperson, the user interface is the software. What happens behind the scenes doesn’t concern them, it’s only the stuff that appears on the screen or goes in through the keyboard that counts.

Good interface design can make all the difference to the salesperson’s perception of how well the sales automation works. The user interface can also directly impact the *quality* of the information that the user puts into the computer—for better or for worse. A bad interface can make a program a drudge to use. Given that all of the salesperson’s daily administration and activities flow through the computer, this could be a recipe for disaster.

### Proposition

The user interface has a major bearing on how well the SFA application is accepted by the sales force.

A busy salesperson won’t have much tolerance for sales automation software that is not intuitive and simple to use. The consequence is that they will do everything in their power not to use it. This can seriously affect the successful roll out of the software company-wide. Remember, the collaborative

benefits of automation depend on *everyone* using the software, and there can be no exceptions.

In this chapter, we will look at some of the key areas where the user interface needs to be *done right*.

## **Reinforcing Method, Process and Data Integrity**

Just as with any software, the user interface has to have some basic characteristics to be successful. The visual appearance such as font, color and layout must be appealing to the user. The functionality should be available intuitively, without constant referral to the Help system. With these attributes, users will learn to love it; without them, they will grow to hate it. Sales automation also has some special requirements of its own that should be considered. Here are some of those issues followed by specific examples.

*Simplify and minimize data entry:* In the course of a typical day, a salesperson can amass a sizable amount of material that they will have to enter into their computer. There will be the essential results of Critical Interactions—meetings, discussions or phone calls, along with updates on IBOs as well as entry of new ones. Then there is all the supporting information on potential deals: product descriptions, special requirements and pricing. Some of this will be standard stuff that repeats over and over, but some won't and it will need the salesperson to get into a text field and start typing. As much of the repeat material as possible should be available from pick lists or drop-down menus. Not only does this make data entry easier, but it also helps consistency. The challenge that the software designer faces is achieving the core objectives of automation (CRM and SFA) with the minimum amount of data entry from the user. It's all too easy to make the salesperson fill in loads and loads of electronic forms. If life with sales automation amounts to filling in forms every day, who would use it? The data entry burden has to be reduced as much as possible.

*Maintain Quality Data:* One of the founding principles of CRM technology is that a warehouse of information (Customer Knowledge Store) is maintained throughout the history of the company's transaction with the customer. If this information is incorrect, inadequate or only partial, the negative effect on the CRM vision is profound. Not only will business strategies be based on bad data, but salespeople, or for that matter, anyone in the



company, will learn to distrust the system and try to circumvent it. Data integrity is very important and the interface to the software is an excellent way to assist the user to input information properly.

One of the best ways of ensuring consistency is by permitting only one way to enter information that repeats a lot. Address information, for instance, should be available only through easily accessible pick lists. The user need not type, they just have to use their mouse and keyboard to pick the data they need. The choices available from pick lists can be extended to more complex information, for instance, in setting the type of Critical Interaction, there may be options such as “Telephone call to assess needs” or “Visit to ascertain funding.” All of these options available to the user must be customizable by the administrator of the CRM/SFA system, in a way that makes sense to the team.

Another way to make sure data is collected correctly is by the enforcement of rules, and using the interface to make sure the rules are followed. If a salesperson wants to enter information on a new sales opportunity, the customer’s account and personal data should already be in the system and easily available through a simple look-up. If it’s not there, then it’s best that the salesperson should call the system administrator to enter the particulars of the new account. This way, critical data is entered only by a limited number of people who have a passion for correctness. Imagine what might happen in a large sales team of fifty people, if each one was allowed to enter account data—duplications, errors and frustration. Once correct information is in the system, the user interface can make it easily obtainable for regular data entry tasks.

*Reinforce the sales method:* The sales team has decided on a sales method that they will all follow. The method must be evangelized, and one of the ways to do this is through the user interface. Bring the method out front and center—that way it gets reinforced, learned, and understood every second the salesperson is using the system. Identified Business Opportunities (IBOs) are logged in their infancy if the method is followed. This means that the sales automation system can kick in early to assist in managing the Opportunity Portfolio. Every time a Critical Interaction is entered, the sales opportunity must be revisited, and the interface can force this to happen. This is the time to review the sales method to see if it is being followed and what changes

need to be made. At least the IBO Essentials need to be updated, and then perhaps the Sales Environment should be checked, to see if the computer is on-side with the current strategy.

*Promote and enable process:* Process is a very important part of both CRM and SFA, and ensures that things get done consistently and efficiently. To make a process work properly, the computer should guide the salesperson logically through all the steps. These steps should be clearly defined and understandable (intuitive). Method and process go hand in hand—you have to have a method before you can carry out a process. Not only will process be used for the administrative side of the sales day, such as with proposal generation, pricing, or processing sales orders, it will also be used extensively whenever we bump into the sales method, as we will see in some of the examples. Fortunately, computer-based technology forces an evaluation of existing processes as the computer only understands clear multi-stepped approaches to getting tasks completed.

The next few sections show the more important examples of how the user interface can be used to reinforce some of the more frequently used methods and processes in sales automation.

## **Navigating the Core Competencies**

Part 2 showed how a salesperson could put some order into their sales activities by looking at their workload in terms of the four competencies of Territory, Account, Sales Cycle and Contact Management. Sales automation software works best if it is designed to make the navigation through the four competencies both evident and accessible to the salesperson. Figure 24-I shows the most obvious way to do this in a two level menu system.

In this example, the entry to the sales automation system is by a so called “portal” on which the salesperson has the freedom to include any pieces of information that they need to have access to easily and regularly. Here, the salesperson has included their latest performance data, their calendar of activities, and some information on which IBOs need attention this month. This portal screen contains the first level menu of the system, and it is organized around the familiar CRM cycle of Marketing, Sales, and Service.

Once the user clicks on “Sales,” the second level menu appears organized around the four core competencies. In the figure, the user has gone a

level deeper and has chosen to look at the information displayed for “Sales Cycle.”

This particular screen of information is interesting. It is centered around a display of information called “Sales Cycle Planner” which has the ability to show the salesperson’s IBOs sorted in order of the priority (discussed in Part 3). Here, the salesperson has selected the IBOs that fall under the “Review Second” category. The most obvious element of this display is a graphical representation of the sales cycle of each opportunity, in bar format. The Probe, Prove, and Close Phases of each cycle is picked out in a different color (in the case of this figure, grey level). This idea follows directly from the discussion in Part 3, as illustrated by Figure 19-3, of the widely varying sales cycle lengths that normally occur in the salesperson’s Portfolio. The salesperson can see easily from this graphic if there is a preponderance to one skill phase or another at this point in time, and can prepare themselves for it.

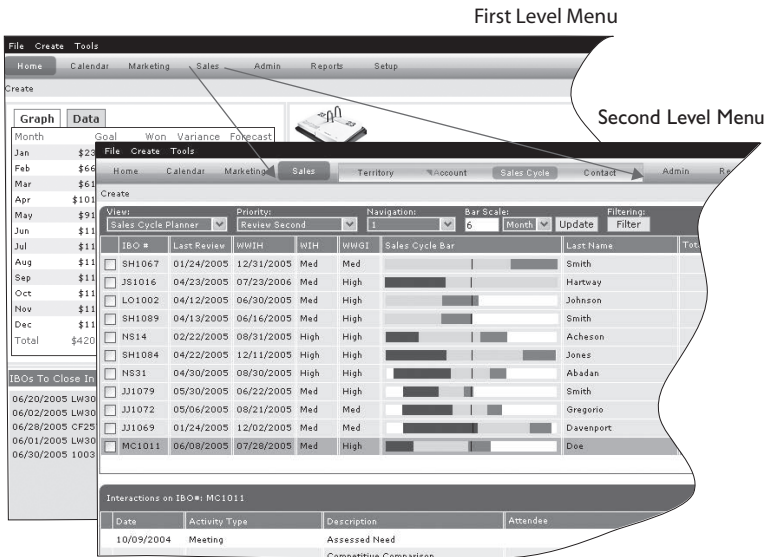


Figure 24-1: Navigating the core competencies through the main menu bar

If the salesperson wants to work their contacts, they should be able to effortlessly go to the area that has all of the contact information, sorted and sifted to make contact management easier. Once the salesperson has selected

a particular contact, they should be able to go to the Account section to see that contact along with their colleagues in the *context* of the account. Then it should be possible to go to the Territory section to see the account and any others that may be in the same geography—city, state or even country. Of course, at some point, the salesperson will want to see the sales opportunities relating to the contact they have selected by going to the Sales Cycle section of the software.

The contextual or “smart” navigation through the four competencies makes the software easier to use and, of course, reinforces the part of the sales method that relates to the management competencies in their hierarchical structure.

### **Qualifying Leads**

The process of lead qualification provides an excellent example of delivering consistency when many people are required to perform the same task. Chapter 13 went into the way leads should be classified and Chapter 4 showed that lead qualification was at the boundary of marketing and sales in the CRM process loop.

A lead is an indication that a contact may be starting the process of buying a product or service. This is the issue that has to be ascertained in the process of lead qualification. All leads should be entered into the CRM/SFA system. Even if they do not eventually get turned into sales opportunities, they must be stored as valuable sources of future business. After all, someone has contacted you to find out more about what you do—*they* have been proactive in initiating the interaction, and even if there may be no business now, things may change tomorrow. Yes, there will be some weak leads, where perhaps someone is collecting research information for whatever purpose, but these can be weeded out.

Figure 24-2 shows how the user interface can help to make the qualification process work. The salesperson goes to the lead entry area of the software. The interface presents just one question, with three possible answers—does the customer plan to buy? The answers are Yes, No and I don’t know. The software is context sensitive and the interface responds differently according to the three options. This is a better way than exposing all of the possible alternatives to the user right from the beginning.

In Option I, the salesperson has ticked off “Does not plan to buy.” In other words, the lead was an excursion by the customer into the unknown, and now reality has crept in. The user interface pops back a message to the user that the “lead has been classified as poor—it will now be closed.”

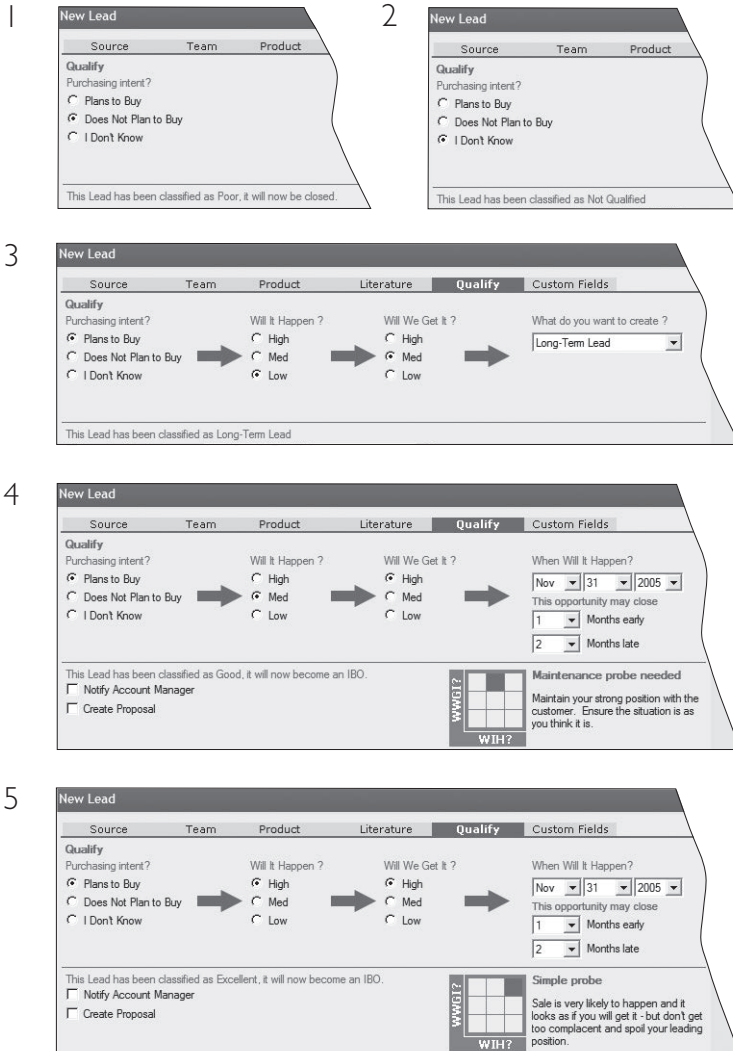


Figure 24-2: The process of lead qualification

This result will be passed back to the marketing department for analysis on the results of their campaigns. In this case, someone expressed interest, but upon close qualification, admitted to no buying intent.

In Option 2, the salesperson has found that after trying to qualify the customer, there is still uncertainty as to whether there is a serious buying intention. The salesperson clicks on “I don’t know.” Here, the interface sends back the message “The lead has been classified as Not Qualified.” The lead is placed on the back burner awaiting the salesperson’s attention to figure out what is going on.

In Option 3, the salesperson has picked the choice of “Plans to buy.” The software recognizes that this means there is a sales opportunity, and it immediately goes on to display first the IBO Essential of “Will it happen?” for the salesperson to pick High, Medium or Low, and then pops up “Will we get it?” to repeat the process. In this case the computer sees that the salesperson thinks the opportunity has a low chance of happening, and it provides the choice for the salesperson to reconsider creating an IBO (with a very low probability), and maybe to store this situation as a long term lead instead.

In Option 4 the salesperson has chosen a Medium value for “Will it happen?” and a High value for “Will we get it?”. “When will it happen?” is also entered through a calendar look up—notice that in this application, the salesperson has the opportunity to put a “time window” around the expected date if they are uncertain of the exact close.

Behind the scenes the computer determines that these IBO values constitute a Good lead quality and stores this information for marketing. The Probability Matrix is also shown graphically with the Probability Index shaded in. The Intelligent Response is also shown as a reminder of the implications of the salesperson’s chosen IBO Essentials.

Option 5 again shows the creation of an IBO, but the IBO Essentials of “Will it happen?” and “Will we get it?” are both High. The computer posts the message “This lead has been classified as Excellent, it will now become an IBO”

## Logging IBO Essentials

The previous example on lead qualification shows the user interface reacting to data entry by the salesperson. The interface is not static, but changes according to the context of the information being entered. This is a good way to make processes work, and to make them work consistently.

The three IBO Essentials embody information that creates tremendous value throughout the sales cycle (see Chapter 18). Options 3, 4 and 5 in the lead qualification example show how the Essentials are entered into the computer. The Essentials govern the sales cycle length, the position in sales cycle, the probability, the priority, the skill phase and other peripheral information of use to the salesperson. Presenting all of this within the user interface is a challenge. Figure 24-3 shows one way to do it, in the form of a so-called *dashboard*, something we have seen already in the screenshot examples in Chapter 23.

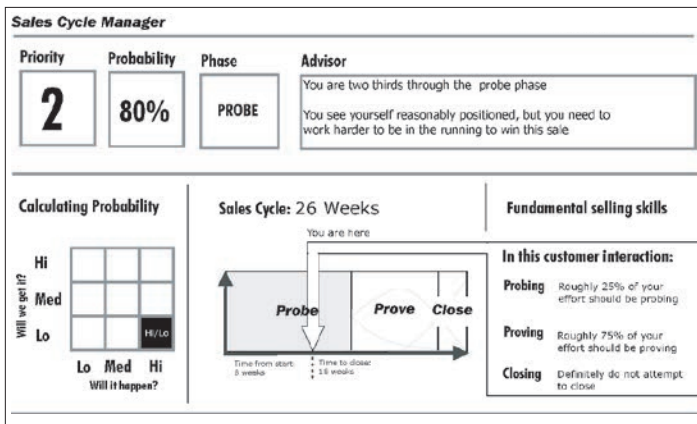


Figure 24-3: Graphical prototype of a sales method dashboard

Information is shown in the dashboard dynamically—if any of the IBO Essentials change, the dashboard will update automatically. The interface *reacts* to data entry, which is one way to relieve the potential stress and boredom that a frequent user of the software may experience. This dashboard is dominated by graphics, with only the right amount of text to provide understanding. For instance, the arrow which shows the current position in the sales cycle *moves* if the sales cycle length changes (“When will it happen?”

is updated). If this happens, the information on the fundamental selling skills appropriate for an interaction at this point also change. The priority may also be affected if the new expected date pushes the sales cycle into a different skill phase.

### Entering Interactions

Figure 24-4 shows the customer interaction data entry process. Chapter I4 showed that there are some important distinctions that must be made on the nature of customer interactions. Classifying interactions in terms of whether they are relationship focused or opportunity focused is important.

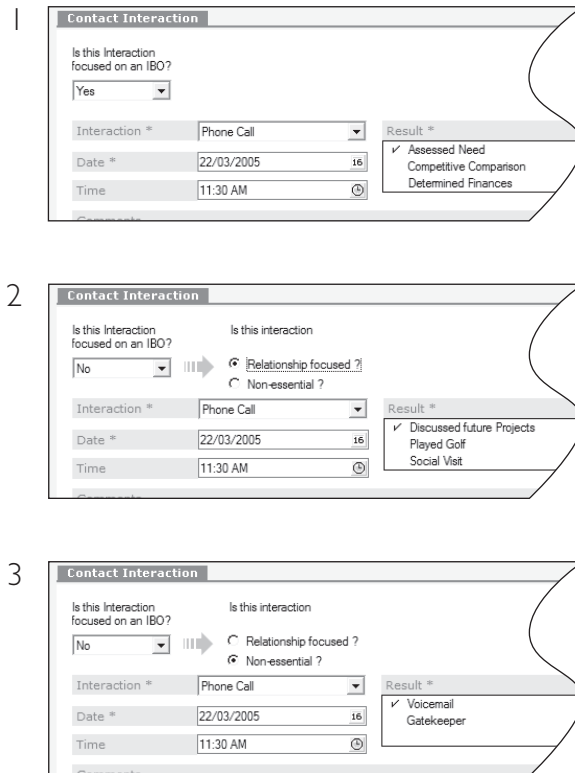


Figure 24-4: The interaction data entry process

Opportunity focused interactions that occur within the sales cycle are Critical Interactions, and form the basic elements of the sales process.



Enforcing the importance of Critical Interactions in sales automation allows salespeople to see an unfolding picture of their tactics and strategies as the sale progresses. It is important, therefore, that the user interface be designed to help the classification process.

At the start (1), the program asks the salesperson if the interaction is associated with a current open IBO. If the answer is Yes, the interaction is tagged as Critical. If the user opened the interaction from the form holding the customer information, the IBO linked with the customer is known by the computer, and the interaction is then automatically associated with that IBO number. If the customer has a number of open IBOs, they are presented, along with a description of the opportunity, for the salesperson to pick just one.

If the interaction is not related to a sales opportunity, then it is relationship focused (2) or maybe Non-Essential (3). The salesperson has the chance here to decide whether non-essential information should be stored or not. If it is stored, the software will have the capability to filter it from important business views of the data.

Note that in each form, there is a list of the most common interaction types, and these are again context sensitive. For instance the list for non-essential interactions contains “voicemail” or “gatekeeper,” meaning that the call was not successful at reaching the desired individual. The list of options for relationship focused interactions contains options such as “discussed future projects” or “played golf.” The intent, again, is to reduce data entry time while maintaining consistency across the organization. As always, the salesperson can type in as much information as they want in addition to the standard short description.

## Showing the Hierarchy

Chapter 7 discussed how the four competencies could be described in terms of a hierarchical structure within the sales automation system. The user interface can take advantage of the hierarchical relationship in practical ways. Take for instance Figure 24-5, which shows some of the data from the case study on interactions from Chapter 15. The account, Global Digital Printer Networks is shown at the top level of the structure. The next level down shows the contacts that belong to that account: Susan Brown, John Parker,

and Shirley Vine. Listed underneath the contacts are the sales opportunities that have occurred with each of them, with the Critical Interactions listed in chronological order. It's easy to see from this kind of presentation of the data the level of sales activity necessary to win the order.

Figure 24-5 is from a sales automation application that runs on Lotus Notes. Notes lends itself well to showing information in this logical hierarchical display format. Notice that in this user interface, navigation occurs using the acronym TASC to represent the four competencies. The user can switch easily between the competencies by clicking on the appropriate letter.

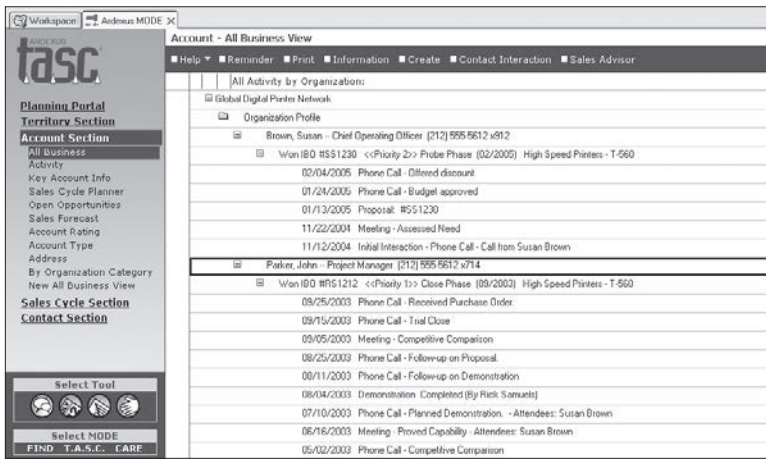


Figure 24-5:View of case study information showing the core competency hierarchy

## Setting up the Sales Model

The Sales Model that was developed in Chapter 22 is important in deriving the true benefits of Intelligent Response Technology. It's a good idea to set up the ideal Sales Model for each distinct product line if the sales cycles and sales processes vary from one product to another. The Sales Model is usually set up just once and only changes if the sales team decides for whatever reason that the sales process needs to be modified. *Sales automation done right* has defined the sales process in terms of a set of Critical Interactions that have been found to provide the best path toward winning the sale. The user

interface can be employed effectively to set up these interactions graphically. Figure 24-6 shows one way to do this.

The sales administrator first enters in the average sales cycle length for this product. The computer then knows the lengths of the three skill phases. Next, the set of Critical Interactions that best describe the sales process is chosen, and in the case of the user interface shown in Figure 24-5, can be dragged and dropped into place on the sales cycle graphic. For example, an initial probing visit in which a product information package is given to the customer may be called for within two weeks of the IBO being identified. A product demonstration could be called for at roughly sixty percent through the sales cycle, and so on. In this way the entire sales process is constructed interaction by interaction.



Figure 24-6: Setting up the Sales Model

## The Help System

The way that help is made available in software applications sometimes comes under intense criticism. There can be concerns regarding too much or too little help available. If there is too much, the challenge is finding what you want—too little, and there is a real problem. With sales automation, there needs to be two coexistent help systems. The salesperson has to know how to use the software, but also they must know how to use the sales method. This

means that the book which describes the sales method has to be available online to the salesperson—if they decide to reference it. It goes without saying that the online help system describing the sales methodology isn't much good unless there has been some formal classroom training to begin with. Unless the method has been explained, understood and validated, the salesperson won't go to the help screen for a refresher on the methodology.

If we are seeking assistance on how to use our word processor software, help is just a few mouse clicks away. Search systems are so refined that everyone can get context sensitive answers to their troubling problems. Sales automation must provide the same security. With tongue in cheek, “the methods behind the madness” must be made available easily and in the context of the current situation.

As Figure 24-7 shows, there is no problem in displaying these “methods” on any device that can run a sales automation application. Even the tiny display of the PDA can provide some valuable advice to the salesperson, although it may take some scrolling.

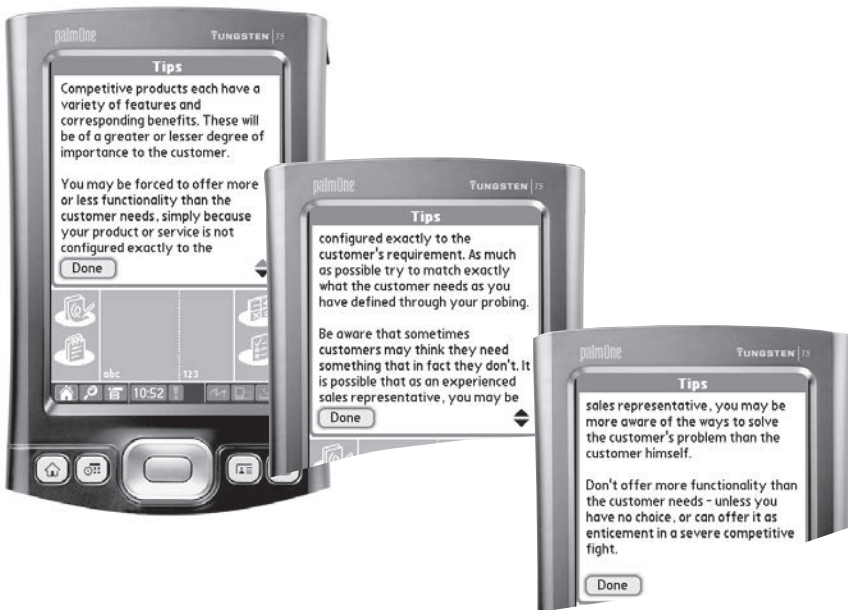


Figure 24-7: Sales method help shown on a PDA

**Points to Remember**

1. When deciding on a sales automation solution, pay careful attention to the user interface. The interface has a lot of impact on the potential success of the project.
2. If the sales automation system is based on a strong sales method, make sure it is reinforced through the user interface.
3. Use the interface to achieve consistency and accuracy of data entry through process.



## The Nuts and Bolts

*What do I need to make it run?*

Part I talked generally about the technology that makes sales automation work. The computers, operating systems, and networking infrastructures that companies use to make information sharing easy, are now well developed. They are getting cheaper to implement and easier to use. The software applications that bring CRM and SFA to life are also readily available, although *sales automation done right* would argue that more work can be done to *directly* benefit the salesperson. This chapter discusses some of the newer, more interesting innovations in technology that are impacting the way salespeople sell.

There have been recent developments in established technology, and also some new ideas that promise to provide some interesting improvements in sales automation. Technology is racing ahead so fast that no book can hope to be current with what's new. Bear in mind that the discussion that follows is a snapshot of the situation at the beginning of 2005.

### **Mobility**

Salespeople are constantly on the move, often away from home base, but they still have to get their job done; business doesn't shut down simply because the salesperson is out of the office. E-mail has to be answered; quotations and presentations have to be put together. Daily interactions with customers have to be recorded for future reference, and past activity has to be reviewed

before important meetings. Some of this is accomplished at home or in a hotel room in the evenings, but there is also a lot of spare time during the day: catching a coffee before the next appointment, waiting at an airport before catching a flight, sitting at a trade show waiting for the next crowd of attendees to come through the exhibition hall. The technology that the salesperson uses has to be *mobile*. First and foremost, this technology is the computer.

Ever since personal computers became a reality, manufacturers have tried to make them smaller in size and weight. The reason is clear—if technology transforms the way people work, they have to take it wherever they go, and in the case of salespeople, that could be *anywhere*. The notebook computer is now ubiquitous. With a weight of six pounds or less, it has the same processor, memory, disk capacity and connectivity as the machine that needs a desk to support it. Virtually all salespeople have one, you can see them being used in airports, in flight, in coffee shops and in the park. The notebook has become the essential prerequisite in the salesperson's arsenal of tools, followed closely by the software that it hosts: spreadsheets, databases, word processors and custom sales applications.

What are the issues of size when we talk about portable computers? Obviously the physical size of the notebook and its weight are very important, but when we discuss these issues, there is an assumption that the computing power is up to par with desktop PCs. Fortunately, today's notebook computer typically has the ability to handle all of the sophisticated computing tasks that the most demanding CRM or SFA applications can throw at it. But other issues are important considerations: is the screen large enough to adequately display all the information that needs to be seen? Is the keyboard large enough to type at reasonable speeds? We'll see that as the size of the computing device comes down, features such as these can get severely compromised, to the extent that the technology may not stand up to the demands of the job at hand. As computing devices get smaller and smaller, displaying and typing large amounts of information get to be a challenge. Notebook computers are shrinking and seem to have bottomed out at the three-pound level for true desktop capability and a screen and keyboard that impose no restrictions on what can be done.



For the computer to be truly mobile, access to home base is a must, both for downloading work created on the road and retrieving communications and information. The Internet is, by far, the preferred way to move information electronically, and fortunately, it's now straightforward to go online when traveling. There will be times, however, when this is not possible. As of today, it's not yet feasible to hook up to the Internet in an airplane—something that will eventually be possible, but probably not for everyone. With a six hour continental flight looming, the salesperson will probably want to get some work done. This is possible even without an Internet connection if the sales automation system has bulletproof synchronization capability. The salesperson works on a copy of the relevant part of the CRM database, and at the end of the journey, the work that has been done can be synchronized with the office. Refer to Part I for a detailed discussion on synchronization.

## **The Internet**

The Internet and the World Wide Web have impacted every facet of personal and business life in ways that are impossible to calculate. All sizes of business now use the Internet for purposes ranging from communication, marketing, online commerce, business process, to research. In the sales department, the Internet is the communication channel of choice for the traveling salesperson to continue their administrative activities while away from the office.

After a busy day on the road, the salesperson settles down at home or in their hotel room and turns on the computer to do all of the back-up work resulting from their day's visits. Product information has to get sent out to customers, quotations or proposals have to be assembled, pricing has to be finalized and approved by managers, and perhaps, flights have to be booked for the next few days. To do all of that, the salesperson must log on to their company network through the Internet. From there, they have access to all the company files, processes, and people needed to keep the sales effort on track. Hotels and airport lounges offer high speed Internet access, and through the advent of wireless technology, discussed later, connections are becoming available in a whole variety of new locations.

The Internet has also introduced new ways to deliver efficiencies and cost reductions in rolling out CRM and SFA projects. Take for instance, web browsers such as Microsoft's Internet Explorer. Everyone has a browser

because all computers come with one. Software designers are scrambling to make their applications run directly from the browser to obviate the need for proprietary client software. This lowers software costs and delivers the usability improvements that the very efficient browser brings to the table.

The ultimate end-point of immersing the CRM software in Internet and web technology is subscription computing. Many companies put off introducing CRM/SFA solutions because of the perceived expense. There definitely is an IT overhead associated with any significantly sized CRM project. The computer and networking infrastructure is usually in place, but application software has to be purchased and installation and training costs must be given consideration. Up front costs can no longer be an excuse—there are many good subscription services available that will provide immediate CRM functionality just by signing up for a monthly plan, with delivery through the Internet. There is no need to buy new hardware, or strain the capability of an already stretched IT department. All that's needed are computers with web browsers and a suitable Internet connection. Whether subscribing makes sense financially depends on your company's own situation. CRM solutions are definitely getting cheaper and easier to maintain, and hardware costs are also coming down. But subscription costs do go on forever, and once your company has revised its processes to fit the subscription-based product, it will be very difficult to leave it.

Another issue is offline usage. Synchronization is more difficult to do with web-based technology, so it's worth checking to see if the subscription service has this feature and whether it is capable enough for your needs.

Fortunately, the better CRM subscription services allow a certain amount of customization to accommodate the user's specific processes. Figure 25-1 shows the popular Salesforce.com CRM application running the sales method described in *sales automation done right*.

## Wireless

Wireless phones have become a standard part of the salesperson's day, and now, wireless computing is heading the same way. The phone is probably the salesperson's number one tool on the road, followed closely by the computer.

For the traveling salesperson, wireless technology provides the capability of connecting to home base from almost anywhere. Wi-Fi, which stands for Wireless Fidelity, uses radio technology to connect computers with each other, to the Internet, or to conventional networks, without the use of wires. As long as you are within range of a base station, a Wi-Fi enabled computer can send and receive information, indoors or out, quickly and reliably. The total freedom from requiring a physical connection to the Internet is very liberating to the user, and extends computer usage to times and places never before possible. These days, notebook computers are often delivered wireless enabled, but if not, a wireless card can easily be added.

The screenshot displays the Salesforce.com interface for a Sales Cycle Manager Dashboard. At the top, the Salesforce logo and navigation tabs are visible. The main content area is titled "IBO Edit: GDPN US, Boston" and includes a "Sales Cycle Manager Dashboard" with three key metrics: Priority (2), Probability (80%), and Phase (PROVE). Below these metrics, there are three main sections: "Calculating Probability" with a 3x3 grid, "Sales Cycle: 6 months" with a timeline showing "Probe", "Prove", and "Close" stages, and "Fundamental Selling Skills" with advice on effort distribution. The "Calculating Probability" section includes a 3x3 grid with "Will We Get It?" on the y-axis and "Will It Happen?" on the x-axis. The "Sales Cycle" section shows a timeline from "From start 5 months 1 week" to "To close 4 weeks". The "Fundamental Selling Skills" section provides advice: "At this point in the sales cycle: Probing: Roughly 10% of your effort should be probing; Proving: Roughly 45% of your effort should be proving; Closing: Roughly 45% of your effort should be closing".

Figure 25-1: Sales automation done right as executed in Salesforce.com

Wireless access points or “hotspots” are now becoming common in many public places, including restaurants, coffee shops, conference centers, airports and even car rental agencies. In the future, we can expect that wireless connection will be possible throughout large urban areas and along major highways, making it possible to pull a car over in a convenient spot, grab the computer, and get to work.

An unexpected consequence of this newfound freedom for the traveling salesperson is that it has a very positive impact on the CRM and SFA initiative. Good CRM practices depend on capturing customer information and providing fast, efficient and customized service in return. If a salesperson comes out of a client meeting and heads into Starbucks for coffee, they can use this chance to log details while it is fresh in their mind. They can also research issues raised at the meeting in their company's archives, and perhaps get back to the customer with answers via an immediate e-mail. Customers are always impressed by this level of immediate attention.

Widely available remote connectivity also improves the chances of winning the sale. After important Critical Interactions with the customer, valuable newfound information that affects the strategies of the sale can be circulated to the sales team immediately. The details that impact and change the IBO Essentials are logged soon after the event, and have a better chance of being correct. Tactics can be modified on the fly—the sales teams that get online, even when they are on the road, will be further ahead than their competitors who don't. Yes, the cell phone can be used to do some of this, but when it comes to working business processes, and spreading the word amongst many different parts of the team, the computer is best.

## **The Personal Digital Assistant**

The beautiful thing about the Personal Digital Assistant or PDA is that it wraps an awful lot of computing power into a very small footprint. A salesperson may be reluctant to walk all day on a University campus, visiting customers with a six-pound computer in their briefcase, but with the PDA, there is no excuse, as it easily slips into a pocket. It can also, just like a desk diary, be used in front of the customer, which is more than can be said for the notebook computer. Customers are usually intimidated if a salesperson gets out their computer, powers it on, and starts typing details of the meeting. But the PDA is unobtrusive, and the data is usually entered with a stylus just like putting a pen to paper. Salespeople have adopted the PDA for calendaring and contact lists, but are now searching for ways to use it to help their sales efforts.

How good is the PDA as a serious sales automation tool? It certainly pushes the bounds of displaying lots of information on a miniature screen

to the limits. But a lot can be done with this tiny device. Figure 25-2 shows much of the sales method described in this book as it is successfully implemented on a PDA—three of the popular standards of PDA are shown. Just about everything we’ve talked about is there: lists of accounts, contacts and sales opportunities, IBOs sorted by priority, and the Probability Matrix in graphical form with dynamic display. The sales cycle is viewed along with duration, where we are now and how much time there is left. Intelligent Response technology is there too, and there is just enough room on the screen to provide a clear message for the salesperson, albeit with some additional scrolling. For storing, displaying and manipulating the *core* information that the salesperson needs at their fingertips, at any place and at any time, the PDA works just fine.



Figure 25-2: The sales cycle as shown on three different PDA platforms

There are certainly things that the PDA has problems with. Preparing proposals, writing letters or entering large pieces of information are a challenge. It’s difficult to see the PDA as the primary technology tool for CRM, because there is just too much information that has to be moved around and processed electronically—but for working with a critical subset of data without constraint, the PDA is a wonderful tool for the salesperson.

The cell phone and the PDA are now converging with the possibility that one device will replace two. But because of the absolute requirement that a

phone be very small, the PDA display screen will move to a smaller format than it is today, which is the single largest barrier to this device becoming the one and only computer tool for mobile workers.

## **A Word about the Solo Salesperson**

Throughout this book, the discussion of sales automation or SFA has been in the context of the fit with Customer Relationship Management. That has inevitably led to the discussion being more focused on *sales teams* because CRM is about a common path followed by individuals within the company to serve the customer. But many salespeople don't work within this kind of environment—they work alone, because they work for themselves or very small companies. These are *solo salespeople*. The solo salesperson has no one to direct them on which technology to use, and there are also no company sponsored solutions because they choose their own. Sales automation works as well for one person as it does for a hundred. However, the solo salesperson is less involved with the sharing or collaborative side of the CRM technology tool; rather, they need only the functionality that suits just their own individual needs. There still must be lists of accounts, contacts and opportunities. There still is a need to record customer interactions and also to strategize the sale, but the need to share information with a team is no longer there.

The solo salesperson may not have the same tools as their counterparts in the big sales teams, when it comes to networks, information resources, mobile computers and limitless connectivity while on the road, but he or she can still enjoy all of the direct benefits of sales automation as they have been developed and described in *sales automation done right*. Figure 25-3 shows an application that runs in Microsoft Excel that has all of the essential features of the sales method derived in Part Three of this book. If necessary, a good deal of the method can also be used without any technology at all, other than a pen and paper. For instance, using Figure 20-5, it's possible to evaluate the current sales situation by doing some quick sums on the length of the sales cycle, current position and phase, along with an assessment of the Probability Index. We don't even need a slide rule to do this, just some basic arithmetic. But it gets difficult if we are doing it for fifty sales opportunities. It's even more difficult if our predictions for the end of the sales cycle are under constant change. In these circumstances, a computer is needed,

even one with only the basic spreadsheet application. But, we know that the solo salesperson is indeed smart enough to be equipped to this level—these people are invariably trailblazers of technology.

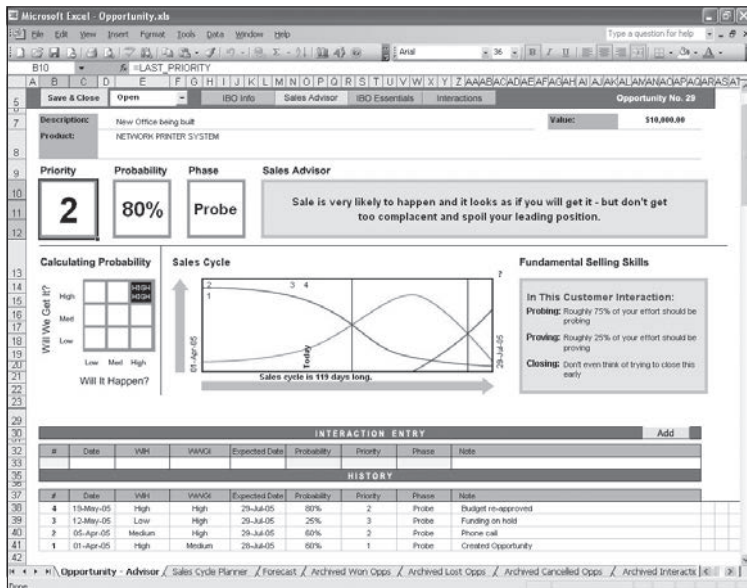


Figure 25-3: Sales automation done right as executed in Excel

The lesson here is that sales *effectiveness* does not depend on networks, collaborative software, communications or what have you—it boils down to salespeople using smart sales methodology with just enough technology to make it come alive.

## Points to Remember

1. Good sales automation works well on all technology platforms. Determine which one is best for you, according to individual or team needs.
2. The Internet is invaluable for salesperson, and is becoming easily available even when travelling.
3. Personal Digital Assistants are powerful, small and unobtrusive. They can help a lot in managing a large portfolio of sales opportunities.

4. Sales automation isn't the exclusive domain of large sales organizations. The solo salesperson often is a trail blazer when it comes to technology, and the sales methods in this book work just fine if you fit this category.



# Glossary

There are many definitions scattered throughout *sales automation done right*. This glossary throws in a few more, along with examples that are framed specifically from the point of view of the salesperson. Making a short, all-encompassing description of what a word or few key words should mean is tough to do. As I've learned in my years of designing SFA and CRM solutions, there will be controversial elements in some of these explanations. But then it is up to the reader to look at other reference material to formulate their own ideas. That can only help foster a better understanding of the concepts.

## ACCOUNT

An account is a logical grouping of people who work for a common organization and therefore, have shared interests. The account is designated by the Sales Manager to be conveniently targeted by the sales team with a planned sales strategy. Account Management is one of the four core competencies of the management of selling.

*Example: "My Sales Manager gave me a new account. It's a new division of Image International Corp, whose Baltimore group have been good customers of ours for years. This new Buffalo division should need at least twenty Industrial Copiers to get started."*

*See related topics: Contact, Sales Cycle, Territory.*

### ACTUAL SALES CYCLE

The actual sales cycle is the amount of time that the salesperson has to sell their product to the customer. It is the time between the salesperson discovering the sales opportunity and the time that the customer awards the business to the successful vendor.

*Example: “I could kick myself for not visiting Global Diodes more often. I’ve learned that they want five High Speed Printers, but the competitors have been working on the requirement for over three months. I’ve only got a month to show them we have a better solution.”*

*See related topics: Average Sales Cycle, Buying Process, Customer’s Sales Cycle.*

### ART OF SELLING

The art of selling is the salesperson’s ability to secure a sale through their natural skills at communicating, building relationships and engendering trust.

*Example: “I’m in good shape. I get on really well with the purchasing agent at Global Diodes, after working on our relationship for the past year—we are both avid sports fans. I know that he will give me the business if it comes to a tie.”*

*See related topics: Relationship Focused Interaction, Science of Selling.*

### AVERAGE SALES CYCLE

The average sales cycle is the most probable length of time that it takes for a salesperson to sell a given product or service. The sales team will only be able to derive the average sales cycle through experience of many sales opportunities over a period of time. There will be deviations in the average sales cycle (shorter or longer) because of abnormal influences on the customer’s usual buying process.

*Example: “It usually takes six months to sell a Type 560 printer, but this customer already has five on the shop floor, and they are pressured by workload. We’ll see this one go through in a month.”*

*See related topics: Actual Sales Cycle, Buying Process, Customer’s Sales Cycle.*

### BACK OFFICE

The Back Office is, collectively, the departments or functional groups in the company which are essential to the successful operation of the company,

but are not regularly in direct contact with the customer. These could be finance, manufacturing, development, inventory control, shipping/receiving and others.

*Example: "I rely upon my manufacturing group to consistently produce a good product. Otherwise, I would find my sales commitment tough to fulfill."*

*See related topics: Front Office.*

#### BINARY SALES FORECAST

A binary forecast is a prediction of future revenues by the sales team that is determined on a decision of which actual sales opportunities will be sold, rather than taking some form of average or weighted summation over a number of possible sales opportunities.

*Example: "I'm including the GDPN deal in my binary forecast for April. Even though the Welland deal could close that month, I'm not sufficiently confident to include it, but it will show up in my weighted forecast."*

*See related topics: Sales Forecast, Weighted Sales Forecast.*

#### BUYING PROCESS

This is a process that most customers use to purchase a product or service from start to finish. The buying process proceeds in three distinct stages: recognizing the need, evaluating solutions, and negotiating value.

*Example: "A customer called for information on our new series of printers. She thinks she will want one for her new production line, and is in the early stages of researching what's available. She'll want to try out her own protocol on a selected few before coming to a final decision."*

*See related topics: Sales Process.*

#### CLOSE PHASE

The Sales Model defines the Close Phase as the final phase in the three phase sales cycle in which the dominant skill used is closing. In this phase, the salesperson and the customer work together to negotiate a mutually agreeable value proposition that hopefully leads to a successful conclusion for the salesperson. The other two fundamental skills, probing and proving, are used to support the closing effort.

*Example: “We’ve finally shown how our printer will do everything they need. They should have enough information to go ahead. We’d better start finding out if there’s any reason for them not to place an order.”*

*See related topics: Close Skill, Probe Phase, Prove Phase.*

## CLOSE SKILL

The fundamental skill of closing is the ability of the salesperson to uncover any barriers that prevent the customer from placing an order, and to overcome those barriers such that a decision can be made.

*Example: “I think all the objections to making a decision have been answered satisfactorily. I overcame their concerns about budget by working out an extended payment plan reaching into their new fiscal year—we should get the order.”*

*See related topics: Close Phase, Probe Skill, Prove Skill.*

## CONTACT

A contact is a person who could buy your product or who may influence the decision to buy your product. Contact Management is one of the four core competencies of the management of selling.

*Example: “Ms. Corning is the one with the immediate need for an Industrial Copier and is directing the sale, but she won’t buy without consulting her associate in Baltimore. I also think the purchasing agent will have a say in the matter.”*

*See related topics: Account, Sales Cycle, Territory.*

## CRITICAL INTERACTION

A Critical Interaction is an opportunity focused interaction that occurs within a sales cycle. Strategies and tactics designed to win the sale are played out in Critical Interactions with the customer. Critical Interactions are most often two-way, but can be one-way.

*Example: “I sent the buyer our final offer which showed a 5% discount and an extra year of warranty.”*

*See related topics: Customer Interaction, Non-Essential Interaction, One-Way Interaction, Opportunity Focused Interaction, Relationship Focused Interaction, Two-Way Interaction.*

## CRM (SEE CUSTOMER RELATIONSHIP MANAGEMENT)

### CRM PROCESS

The CRM process is the process that governs the smooth flow of responsibilities between the three Front Office groups of marketing, sales, and service, in their ongoing efforts to find customers, sell them product or service, and maintain their level of satisfaction.

*Example: "I'm glad that marketing are still targeting the GDPN organization even though they are one of our loyal and trusted customers. Every so often a new manager is hired, who has had no experience of our products, and we need to make sure they get to know who we are quickly."*

*See related topics: Customer Acquisition and Retention Loop, Customer Relationship Management.*

### CUSTOMER ACQUISITION AND RETENTION LOOP

The customer acquisition and retention loop is a closed loop multi-step process diagram that shows how a new customer's transaction is passed between marketing, sales, and service in a CRM system. In this case, the customer transaction encompasses everything between learning about a product, to becoming a lifetime user, and potentially a repeat customer (hence the loop).

*Example: "This is the third generation of Industrial Copier that GDPN has purchased. I'm pleased that Smith's vision of providing lifetime value and service is paying off."*

*See related topics: CRM Process, Customer Relationship Management.*

### CUSTOMER INTERACTION

A customer interaction, or simply, an interaction, is any event in which the company touches (relates with) the customer, regarding mutual business relationship.

*Example: "I met with the purchasing agent of Lexington, and they seem set to go ahead with our offer. I'll enter this into the CRM system so everyone can share the news."*

*See related topics: Critical Interaction, Non-Essential Interaction, One-Way Interaction, Opportunity Focused Interaction, Relationship Focused Interaction, Two-Way Interaction.*

### CUSTOMER KNOWLEDGE STORE

The Customer Knowledge Store is the company's bank of information about all the dealings that have occurred with the customer in the past, good or bad. The Knowledge Store is a historical database of all interactions between the company and the customer.

*Example: "I looked back at what had happened with Lexington two years ago when Brad had that account. Brad was very close to the customer, but was suffering from the bad performance history of the old Type 520. I think that stuff is still haunting us."*

*See related topics: Customer Interaction, Customer Relationship Management.*

### CUSTOMER RELATIONSHIP MANAGEMENT

Customer Relationship Management, or CRM, is a way of doing business with a focus on creating a long term relationship with the customer, such that the customer is more inclined to offer continued business rather than seeking competitive solutions. As such, this definition does not imply any connection with technology. But the term CRM has grown to mean the computer-based networking and software applications that make the closeness to the customer more easily achievable.

*Example: "We've been doing business with Lexington for over ten years, and the efforts we've been putting in with servicing their account and tailoring our product to their specific issues are really paying off. They are very reluctant to try anything from Universal, as the trust just isn't there."*

*See related topics: Sales Force Automation.*

### CUSTOMER'S SALES CYCLE

The customer's sales cycle is the time that elapses between the customer initiating the buying process, and the point at which a decision is made on which product to buy. If the salesperson is close to the customer from the very start of the buying process, the actual sales cycle will be equal to the customer's sales cycle.

*Example: "Mr. Smith told me that he had been thinking about getting a High Speed Printer, and today his boss said it was a good idea, as funds were available, so he is starting to collect information. I'm glad I'm in at the start of this situation. He said he'll plan to get a unit*

*installed in October, so he will need to make a decision by the first week of September, which is only six months from now.”*

*See related topics: Actual Sales Cycle, Average Sales Cycle, Buying Process, Sales Cycle.*

#### DIRECT BENEFITS OF SALES AUTOMATION

The direct benefits of sales automation enable salespeople to make best use of their selling skills, resulting in an improvement in the ratio of sales won to sales lost. The salesperson becomes more effective.

*Example: “I checked my progress in the Global Diode sale with my sales automation system. It suggested that I need to spend more time with the economic decision maker. That is not a bad idea.”*

*See related topics: Indirect Benefits of Sales Automation.*

#### FRONT OFFICE

The Front Office is the collection of departments or functional groups within the company that deal directly with the customer. Typically these are marketing, sales and service.

*Example: “I see from my CRM system that the service group was out at Lexington today, and they have discovered that the customer could use another CL-250.”*

*See related topics: Back Office.*

#### FUNDAMENTAL SKILLS

The three fundamental skills of selling are probing, proving and closing. Each of the three skills is dominant in a particular phase of the sales cycle. The fundamental skills are comprised of a set of lower level skills necessary to achieve the primary objective of the parent skill. In any Critical Interaction at least two, and sometimes three of the fundamental skills are used to differing degrees, dependent on the position in the sales cycle.

*Example: “It’s near the end of the sale and in tomorrow’s meeting, my objective is to show the customer that my service can meet all of his expectations, in spite of this being a competitor’s account. That’s going to take all of the diplomacy (probing), product knowledge (proving), and negotiating (closing) capabilities that I have.”*

*See related topics: Closing Skill, Critical Interaction, Probing Skill, Proving Skill.*

## IBO (SEE IDENTIFIED BUSINESS OPPORTUNITY)

### IBO ESSENTIALS

The IBO Essentials are three pieces of information that the salesperson uses to characterize a sales opportunity. The important parameters of Probability and Priority can be calculated directly from the IBO Essentials. The three pieces of information are “Will it happen?” “Will we get it?” and “When will it happen?”

*Example:* “This IBO is my best shot at booking something in August (‘When will it happen?’ is August). The customer is happy with the machines he has already bought from us (‘Will we get it?’ is High), and the need is very high (‘Will it happen?’ is also High)

*See related topics:* “When will it happen?”, “Will it happen?”, “Will we get it?”.

### IDENTIFIED BUSINESS OPPORTUNITY

The Identified Business Opportunity is a term used in *sales automation done right* to describe the sales opportunity. Emphasis is on the fact that the salesperson has correctly qualified the opportunity as real. In the sales automation system, IBOs are given unique numbers to distinguish them from each other (i.e. IBO #2020).

*Example:* “After talking to marketing about their meeting with GDPN at the Print Show, I’m going to open up an IBO for a Type 560 for the GDPN Boston facility.”

*See related topics:* Sales Opportunity.

### INDIRECT BENEFITS OF SALES AUTOMATION

The indirect benefits of sales automation enable the salesperson to work more sales opportunities by making administrative, support, and connectivity tasks much easier—in other words, by making the salesperson more efficient.

*Example:* “Since we implemented sales automation, doing quotations has become a cinch—no more scribbles on pieces of paper that get sent off to Head Office. Now everything flows electronically, and I can see when support has completed the quote and sent it out. It’s freeing up more time for me to sell.”

*See related topics:* Direct Benefits of Sales Automation.



## INTELLIGENT RESPONSE TECHNOLOGY

*Sales automation done right* uses Intelligent Response Technology on the computer to compare the salesperson's current performance against a model of the most successful strategies used in the past. If necessary, the computer provides advice to the salesperson on changing strategies to win the sale.

*Example:* "I entered my best guess on the sale as to whether it would go through and whether we would get it. Then I detailed out my progress—the computer disagreed, and felt that my 'Will it happen?' was not *High*, but *Medium*. It suggested that I do more talking with the economic decision maker."

*See related topics:* Sales Environment, Sales Model.

## LEAD

A lead is an expression of interest in your product or service, and represents a potential sales opportunity.

*Example:* "I got a message from the receptionist this morning. Mr. Smith from Lexington called to request information on the new Industrial Copier."

*See related topics:* Long Term Lead, Sales Opportunity.

## LONG TERM LEAD

A long term lead is one that cannot be qualified immediately to a positive result (an opportunity), or a negative result (close the lead, the customer is not buying anything). Rather, the customer is not buying now, but there is a strong possibility that they will buy in the future. The long term lead is kept open, and the salesperson follows up regularly in order to be ready when the lead turns into an opportunity.

*Example:* "The service engineer called to tell me that the customer only expected an in-service life of three years, and at that time, would need to buy a larger unit. I will enter this as a long term lead."

*See related topics:* Lead, Sales Opportunity.

## MARKETING DEPARTMENT

The marketing department is the functional group that finds potential customers, qualifies them and hands over positively qualified leads (IBOs) to

the sales department. In the customer acquisition and retention loop, the marketing department comes before the sales and service departments.

*Example: "I received ten new IBOs from marketing today. They were qualified at the Los Angeles Print Show."*

*See related topics: Sales Department, Service Department.*

#### NON-ESSENTIAL INTERACTION

A Non-Essential interaction has no real importance in measuring the relationship with the customer or impacting the strategy of winning the sale. As such, it need not be recorded into the CRM system.

*Example: "I called the purchasing agent to check into the state of Mr. Smith's requirement, but she was not there, and I did not leave a message."*

*See related topics: Critical Interaction, Customer Interaction, One-Way Interaction, Opportunity Focused Interaction, Relationship Focused Interaction, Two-Way Interaction.*

#### ONE-WAY INTERACTION

One-way interactions occur when one party contacts the other, but there is no immediate connection or response. A response may never come, if so, the interaction stays one-way. If a response comes later, the interaction becomes two-way.

*Example: "I've sent an e-mail to the purchasing agent saying that we will meet Universal's warranty proposition, but I haven't heard back from them. It's been a week already."*

*See related topics: Critical Interaction, Customer Interaction, Non-Essential Interaction, Opportunity Focused Interaction, Relationship Focused Interaction, Two-Way Interaction.*

#### OPPORTUNITY FOCUSED INTERACTION

In opportunity focused interactions, the salesperson's primary objective is to use true selling skills to win the sale from the competition.

*Example: "The final presentation of our proposal went down well with everyone. The President said that we would definitely get the order."*

*See related topics: Critical Interaction, Customer Interaction, Non-Essential Interaction, One-Way Interaction, Relationship Focused Interaction, Two-Way Interaction.*

## OPPORTUNITY PORTFOLIO

The Opportunity Portfolio is the list of open sales opportunities that the salesperson is currently working on, and has yet to close.

*Example: “Right now my sales automation system tells me I’m working on fifty open opportunities—this time a year ago, I had only thirty.”*

*See related topics: Sales Opportunity.*

## PRIORITY

The priority assigned to a sales opportunity is a measure of its importance with respect to other opportunities that need to be worked.

*Example: “This is a new opportunity that’s at the start of the sales cycle. The customer heavily favors the competition, but if I leave it alone, I don’t stand a chance. It’s tough to prioritize it, as I have a lot of other situations that are about to close in which I am favored vendor. I think I’ll deal with those first and then come back to this one.”*

*See related topics: Probability Matrix, Priority Cube, Probability Index.*

## PRIORITY CUBE

The Priority Cube takes the idea of the Probability Matrix one step further by adding in another three-point possibility, which is skill phase (Probe, Prove or Close). With the Priority Cube, an opportunity has three parameters associated with it: “Will it happen?”, “Will we get it?”, and skill phase. Each of the parameters has three options, leading to a three-by-three-by-three matrix or cube, with twenty-seven possibilities.

*Example: “I’m very confident that this sale will happen (‘Will it happen?’ is High), but I’m not so sure that I will win it (‘Will we get it?’ is Medium), which gives me a probability of 60%. I’m in the Probe Phase (skill phase), and I still have time to improve on this situation. I’m going to give it top priority with the hope of moving the ‘Will we get it?’ to a High.”*

*See related topics: Probability Matrix, Skill Phase, “When will it happen?”, “Will it happen?”, “Will we get it?”.*

## PROBABILITY

Probability is an expression of the chance that a sale will be won. It is most often expressed as a numerical percentage (i.e. 50%). In *sales automation done*

*right*, the probability is calculated from a matrix constructed from the salesperson's answers to the questions "Will it happen?" and "Will we get it?"

*Example:* "This sale has a fifty percent chance of us winning in April."

*See related topics:* Probability Index, Probability Matrix, "Will it happen?", "Will we get it?"

### PROBABILITY INDEX

The Probability Index is a unique point on the three-by-three Probability Matrix constructed from the possible answers to "Will it happen?" and "Will we get it?" Each answer can be one of the three possibilities: High, Medium or Low.

*Example:* "'Will it happen?' is High, but 'Will we get it?' is Low." That's position 3 on the Matrix and a probability of 25%."

*See related topics:* Probability, Probability Matrix, "Will it happen?", "Will we get it?"

### PROBABILITY MATRIX

The Probability Matrix is a three-by-three grid constructed from the answers to the questions "Will it happen?" (High, Medium, Low) and "Will we get it?" (High, Medium, Low).

*Example:* "This customer will definitely buy in June, and I'm sure we'll get the order. 'Will it happen?' is High, and 'Will we get it?' is High. That's position 9 on the Matrix and a probability of 80%."

*See related topics:* Probability, Probability Index, "Will it happen?", "Will we get it?"

### PROBE PHASE

The Probe Phase is the first in a three phase sales cycle in which the primary focus of the salesperson is on the skill of probing. The skill of proving will also be used to a lesser or equal degree in support of probing.

*Example:* "This is a six-month sales cycle. I should be focusing on probing for the first three months."

*See related topics:* Close Phase, Probe Skill, Prove Phase.

### PROBE SKILL

The fundamental skill of probing is the ability of the salesperson to find out everything about the customer's requirements and to discover all the issues that are behind their decision to purchase a product or service.

*Example: "I've got to get to the bottom of how this decision will be made—I have a suspicion that purchasing may try to rein in the budget towards the end of the deal."*

*See related topics: Close Skill, Probe Phase, Prove Skill.*

### PROVE PHASE

The Prove Phase is the second in a three phase sales cycle in which the foremost objective for the sales team is to prove. The associated skills of probing and closing will be used with lesser degree to support the proving effort.

*Example: "I'm reaching the three-quarter point in the sales cycle. Now is the time to get the customer in front of a machine to test how their application works."*

*See related topics: Close Phase, Probe Phase, Prove Skill.*

### PROVE SKILL

The fundamental skill of proving is the ability of the salesperson to provide evidence to the customer and to convince them that the solution that they offer is the best.

*Example: "At the factory demonstration today, Ralph proved conclusively that our High Speed Printer could outperform Universal's demonstrator unit on both throughput and color control. He managed to shoot down all the claims that Universal salespeople were making about their demonstrator."*

*See related topics: Close Skill, Probe Skill, Prove Phase.*

### QUALIFICATION

Qualification is the process of checking that a lead has the potential to become a sales opportunity. If it is qualified positive, an opportunity has been discovered. If it is qualified negative, there is no sales opportunity, but the record of the lead can be kept for future marketing activity.

*Example: "I called Mr. Smith this morning. He is just interested in what's new in the industry and does not need or even use Industrial Copiers. I've qualified the lead as negative."*

*See related topics: Lead, Long Term Lead, Sales Opportunity.*

#### RELATIONSHIP FOCUSED INTERACTION

In opportunity focused interactions, the salesperson's primary objective is to measure, nourish and build the relationship with the customer.

*Example: "It's been six months since the copier was installed. I paid a visit to see if the customer was still happy, and everything seems to be just fine. They would be happy to become a reference site."*

*See related topics: Art of Selling, Critical Interactions, Customer Interactions, Non-Essential Interactions, One-Way Interactions, Opportunity Focused Interactions, Two-Way Interactions.*

#### SALES AUTOMATION (SEE SALES FORCE AUTOMATION)

#### SALES CYCLE

Measured in units of time (days, weeks, months, years), it is the lifespan of the sales opportunity. It also represents the only available time to get the selling job done. According to whether you are the customer or the salesperson, the sales cycle may be different. Sales Cycle Management is one of the four core competencies of the management of selling.

*Example: "I made one of my routine calls to the Lexington facility to talk to the VP of Production. I showed him the flyer on the new Type 560, and he was thrilled. It has all the features he has been asking for. He checked his budget and he has enough funds to buy one. I think he's serious. This IBO could close in just six weeks."*

*See related topics: Actual Sales Cycle, Average Sales Cycle, Customer's Sales Cycle, Account, Contact, Territory.*

#### SALES DEPARTMENT

The sales department is the functional group within the company that takes positively qualified leads (IBOs) from the marketing department and attempts to win as many of them as possible. In the customer acquisition and retention loop, the marketing department comes before the sales department, and the service department comes after.

*Example: “Over 50% of the leads I’ve received from marketing in the past year have resulted in won orders. I’m keeping the service group very busy with installations.”*

*See related topics: Marketing Department, Service Department.*

### SALES ENVIRONMENT

Sales Environment is used to describe everything about the sale that will ultimately determine its outcome.

*Example: “I think I’ve identified all the decision makers, but I’m not sure about the politics of this sale, and who is really driving the purchase.”*

*See related topics: Sales Model.*

### SALES FORCE AUTOMATION

Sales Force Automation, or Sales Automation, is a way to use technology to improve sales performance, directly or indirectly. Directly, by improving the salesperson’s effectiveness, and indirectly, by improving the salesperson’s efficiency. *Sales automation done right* suggests that a more appropriate definition is one that leaves efficiency to CRM and effectiveness to SFA.

*Example: “Since we’ve installed a sales automation system, I’ve found it frees up more time for selling, and the built-in sales method also helps too.”*

*See related topics: Customer Relationship Management.*

### SALES FORECAST

An estimate of future sales usually provided in terms of booked revenue, but sometimes in terms of product units. A forecast is usually generated by the individual salesperson, and the manager rolls up the total across the entire sales team.

*Example: “I don’t expect to book much in June, so this quarter won’t be too good, but next quarter looks as if it will be a winner.”*

*See related topics: Binary Forecast, Weighted Forecast.*

### SALES MODEL

The Sales Model is a set of descriptions, understandable by the computer, that attempt to define the ideal performance of the salesperson as they prog-

ress through the sales cycle. It is built up from four key components: time, fundamental skills, Critical Interactions, and information.

*Example: "I'm about three-quarters of the way through this sale and I should be focusing on proving the benefits of my product. The next time I meet with the customer, I'm going to take my Product Manager to try to see if there are any details of the customer's application I have missed."*

*See related topics: Customer Interaction, Fundamental Skills.*

### SALES OPPORTUNITY

The Sales Opportunity is the chance given to a salesperson by a prospective customer, to offer their product or service to fulfill the customer's requirements and needs. In *sales automation done right*, the Sales Opportunity is called the IBO, which stands for Identified Business Opportunity.

*Example: "Mr. Parker called to say that the old Universal machine had died, and they have an immediate need for a replacement. They will have to follow the normal tendering routine. I'll enter it into the system as a new IBO that will probably close in September."*

*See related topics: Identified Business Opportunity.*

### SALES PROCESS

The sales process is a proven, repeatable and well-established set of Critical Interactions through which the sales team implements their strategies and tactics to win the sale.

*Example: "We're about three-quarters through this sales cycle, and I need to think about organizing a demonstration of the Type 560. Seeing the performance of this machine usually puts us ahead."*

*See related topics: Buying Process, Critical Interaction.*

### SALES STRATEGY

A strategy is a plan to move from the current situation to a preferred situation in the future. A sales strategy is a predefined plan to win the sale from the competition. Ideally the strategy starts at the beginning of the sales cycle and is enacted through Critical Interactions as the sales progresses. Strategy, tactics and process are intimately linked.



*Example: “This is a key sale in a competitor’s account. We need to do everything we can to win this one, including offering the best price.”*

*See related topics: Sales Process, Sales Tactics.*

## SALES TACTICS

Tactics are the actions that are used to put strategies into effect. If tactics are executed successfully, as planned, then the strategy is on the way to happening. Tactics are executed through Critical Interactions and are the “hook” between the strategy and the sales process.

*Example: “I know that Roger Smith is central in the politics of the organization. I’ll take him to lunch to see if he knows how the decision will be made.”*

*See related topics: Sales Strategy.*

## SALES TEAM

The sales team is the group of people whose mission is to convince the customer that their solution is better than that of their competitors. The team can comprise of field salespeople, inside salespeople, sales administration, technical support or any other group that supports the sales effort.

*Example: “If Ralph from Technical Support had not come with us to the factory, the customer would not have been convinced that the Type 560 could do the job.”*

*See related topics: Sales Department.*

## SCIENCE OF SELLING

The science of selling is a set of rules that describe how to handle a sale, specifically, where certain skills and strategies should be employed, and to what degree they should be used. These rules have been compiled and refined over many years by sales professionals.

*Example: “I’m about halfway through this sale, and still have a lot of proving to do with this customer—I would be stupid to try to close this now.”*

*See related topics: Art of Selling.*

## SERVICE DEPARTMENT

The group within the company responsible for all aspects of supporting a product or service after a customer has purchased it from the sales depart-

ment. In the customer acquisition and retention loop, service follows on from sales, but the CRM process flows from service to marketing, because at the end of a product's life cycle, the customer may need a replacement, and marketing must be aware of this new potential for business.

*Example: "Bob from service called me to say that GDPN Boston have two of our old Type 90's that will need replacing next year. I'll alert marketing to make sure they meet up with them at next week's Print Show in Los Angeles."*

*See related topics: Marketing Department, Sales Department.*

SFA (SEE SALES FORCE AUTOMATION)

### SKILL PHASE

A skill phase is a phase of the sales cycle in which one of the fundamental skills of selling is dominant over the others. There are three skill phases corresponding to the three fundamental skills of probe, prove and close.

*Example: "My sales automation system is telling me that I have twelve opportunities that are in the Close Phase. I only have two in Prove Phase and none in Probe. I need to bug marketing for some more leads."*

*See related topics: Close Phase, Probe Phase, Prove Phase.*

### TERRITORY

The Territory is the list of accounts over which a salesperson has been given the responsibility to sell their products. Territory Management is one of the four core competencies of the management of selling.

*Example: "My territory was expanded today, from everywhere south of Broad Street and west of 67th, to the whole southern half of the city."*

*See related topics: Territory Group, Account, Contact, Sales Cycle.*

### TERRITORY GROUP

The Territory Group is the administrative structural organization of the territories belonging to a specific sales team. The territory group concept makes it easier to administer changes in territory responsibilities that happen through company growth or product expansion.

*Example: "When Steve leaves, I get his territory, which means that I sell the IC line, and take on the extra geography of the East."*

*See related topics: Territory.*

## TWO-WAY INTERACTION

Two-way interactions are willing dialogues between the customer and the salesperson that happen in real time (face-to-face, or on the phone), or quasi real time (e-mail, voice mail, or even fax or letter).

*Example: "I sat with the customer for two hours, and we had ample opportunity to discuss how our product could solve a lot of issues in his process."*

*See related topics: Critical Interaction, Customer Interaction, Non-Essential Interaction, One-Way Interaction, Opportunity Focused Interaction, Relationship Focused Interaction.*

## WEIGHTED SALES FORECAST

A sales forecast in which the revenue associated with each sales opportunity is multiplied by the percentage probability of winning the order. The results are then summed across all opportunities.

*Example: "The Lexington deal is huge; around \$1,000,000. But at 10%, our chances are really low. That will still contribute \$100,000 to my weighted forecast."*

*See related topics: Binary Sales Forecast, Sales Forecast.*

## "WHEN WILL IT HAPPEN?"

The answer to "When will it happen?" is the salesperson's best estimation of when the customer will finally decide which vendor will receive their business and awards an order. "When will it happen?" is one of the three IBO Essentials.

*Example: "We've been working at this for nine months. I am sure we will see the order two months from now, at the end of our third quarter."*

*See related topics: IBO Essentials, "Will it happen?," "Will we get it?"*

## "WILL IT HAPPEN?"

"Will it happen?" is a question that tests the salesperson's opinion on whether a sales opportunity will go through to completion. The answer to "Will it

happen?” can be one of three choices: High, Medium, or Low. “Will it happen?” is one of the three IBO Essentials.

*Example: “This customer has budgeted for a Type 560 and is acting like he will get the cash, but he’s tried before and has been unsuccessful. I would say that ‘Will it happen?’ is Medium.”*

*See related topics: IBO Essentials, “Will we get it?”, “When will it happen?”.*

#### “WILL WE GET IT?”

“Will we get it?” is a question that tests the salesperson’s opinion on his or her chances of winning the sale over the competition in the event that the sale goes through to completion. “Will we get it?” can be one of three choices: High, Medium, or Low. “Will we get it?” is one of the three IBO Essentials.

*Example: “This division of Lexington has nothing else but Universal Equipment. The customer is happy, and I think for this sales opportunity, ‘Will we get it?’ is Low.”*

*See related topics: IBO Essentials, “Will it happen?”, “When will it happen?”.*

#### WORKFLOW

Workflow is the process of getting a task completed by dividing it into discreet chunks, each of which is handled by a different person or group. When complete, the chunk is moved to the next person or group in the process. Workflow works best when it moves electronically, and not using paper.

*Example: “The new system for processing orders works well. The salesperson checks the customer’s purchase order, and if it’s OK, passes it to sales administration to write up. The details then go to order entry for processing.”*

*See related topics: CRM Process.*

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