

# The *Radical* SALES SHIFT

20 LESSONS FROM  
20 LEADERS ON HOW  
TO USE MARKETING  
TO GROW SALES IN  
B2B COMPANIES



LISA SHEPHERD

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**20 LESSONS** from **20 LEADERS**  
on How to Use Marketing to Grow Sales  
in B2B Companies

**LISA SHEPHERD**

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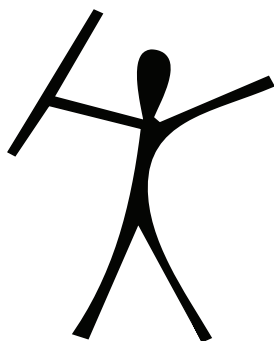
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# *Introduction*

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**WE CAN'T FIND  
ENOUGH HUNTERS**

*"We can't find enough hunters."*



About twelve months ago I met Peter Saunders, who runs an industrial company called Clintek outside of Toronto that does \$15 million a year in sales. Peter started ClinTek twenty years ago after leaving an account executive role at a multinational company. He had decided it was time to pursue his dream of running his own business, and ClinTek was born.

ClinTek has done very well over the years. Peter grew the company by leveraging his relationships in the industry and constantly innovating the services and products that ClinTek offers. In many ways, the company is a textbook entrepreneurial success story. The business employs forty-five people, is profitable, and serves a customer base of hundreds of companies across North America.

But lately, something has started to go wrong. The day I talked to Peter, he'd just fired another salesperson. That made three out of four he'd hired in the last two years. This latest salesperson had been with him for almost a year, and yet had



almost no sales to show for it, and certainly none of the strategic deals that Peter had hired him to pursue.

“We can’t find enough *hunters*.”

“We can’t find enough hunters,” Peter lamented when he and I met. “I need to find sales reps who will go out and hunt the kinds of customers that ClinTek needs – customers who will pay a premium for what we offer. We aren’t a low-cost producer, so we don’t compete on price. We have high-quality products and great service, which saves our customers money overall and solves specific problems they have. But those customers are hard to find so I need sales professionals who will go out there, find potential customers, educate them on what we offer and why it’s valuable, and then sign deals. That’s how we built up the company in the first place. I don’t know how else we’re going to grow the business.” Peter sounded exasperated.

I commiserated and shared that I had heard similar comments from leaders of small and mid-sized B2B companies (ten – five hundred employees) with increasing frequency over the last few years.

What I didn’t realize at the time was that Peter’s remark would ultimately lead to this book. While Peter may have felt like he was dealing with an issue of salesperson incompetence, that wasn’t what his real problem was – not by a long shot. What’s going on is much bigger than one salesperson (or a few) at one company.

## The World of Selling and Buying has Changed

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In the last decade, something has changed in the business world – something radical.

It has to do with how people buy things – both when they’re buying on their own behalf (as consumers) and when they’re acting on behalf of the companies they work for in a Business-to-Business (B2B) context.

Think back to when you made a significant purchase around 2008. How did you buy a car, vacation, or business service? Chances are you did a bit of re-

search and then you talked to sales people – be it in a dealership, at a travel company, or at a business supplier. You probably had several conversations with salespeople from different vendors before you decided what you were going to buy, and then you started a negotiation process with one or two vendors to get to a deal.

*Today, that's changed. Now buyers don't talk to salespeople until much later in their purchasing process. In fact, they wait to involve salespeople until as late as they possibly can.*

B2B companies sell their products and services to other *companies* rather than to *consumers*. For example, manufacturers of engine components and professional services firms are typically B2B, while restaurants and movie theatres are B2C, business-to-consumer.

There's a growing body of research that reveals just how much the buying process has changed. Google ran an extensive study of the purchasing habits of 5,000 buyers. Among the findings, 71% of business people use the Internet on a *daily* basis for their business purchase decisions.<sup>1</sup> I'll discuss this study in greater detail in Chapter Two.

### *Buying behavior*

has changed radically over the last decade.

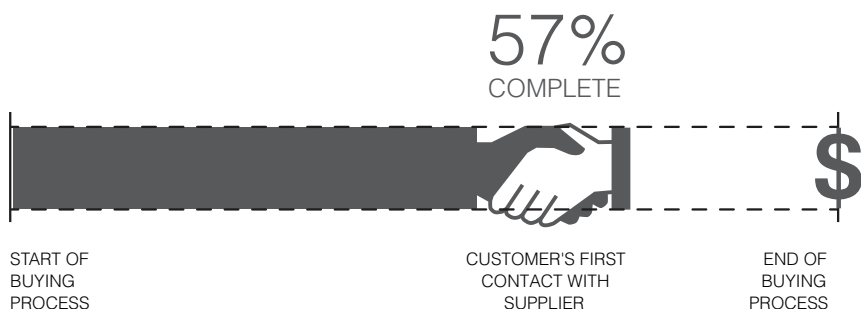
The Corporate Executive Board (CEB), a member advisory council with over 16,000 members, has completed a study on the change in B2B buyer behavior. Based on a survey of 1,400 B2B buyers, CEB deter-

mined that on average, buyers complete 57% of their purchase process before they engage salespeople from potential vendors.<sup>2</sup> Even with the complexity of some B2B sectors, no one in the CEB study had completed less than 45% of their purchase process before they contacted a salesperson.

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1 <http://bit.ly/1qiVlBy>

2 <http://bit.ly/Z53wx2>



The research firm Forrester has even more startling data: buyers are anywhere from 67% to 90% through their purchasing journey before they contact vendors.<sup>3</sup>

These studies show how much traditional salespeople are left out of the purchasing process. Because buyers can get so much information online, they can control much more of the buying process themselves – and they do. This often eliminates the opportunity for salespeople to get involved in shaping a buyer's decision. It doesn't change the importance of salespeople in closing deals, but it impacts how many deals those salespeople get the opportunity to close.

## What the Change Means for B2B Companies

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For B2B companies, the implications of the new buying process are far-reaching. There's a new reality when it comes to revenue generation: marketing matters.

For decades, the sales department has been the driver of revenue for B2B companies. When I started working in the early '90s for a computer equipment company, there were ten salespeople and not a single marketer. The company's revenues were about \$20 million. Marketing, other than preparing sales support materials and coordinating the company's presence at trade shows, was not necessary. It was the salespeople who brought in the deals, from start to finish.

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3 <http://bit.ly/1tUNKQs>

Today that kind of reliance on a sales force only, with no strategic marketing, is causing a lot of good B2B companies to struggle.

## It's Time to Reinvent the Revenue Engine

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Many strong B2B companies are now struggling to achieve their revenue targets. They tend to be companies who are exceptionally good at operations and whatever it is they do – manufacturing, fabricating, servicing, designing, evaluating, or some other product or service. They're also good at selling – that's why they've been successful in the past. But today's mode of sales, with the buyer in control, is a new frontier for B2B companies. The revenue generation leaders of these companies dream of finding hunters who will work their rolodexes (or create rolodexes) and bring in new customers and deals. Just like Peter Saunders at Clintek.

Today's mode of sales, with the buyer in control, is a new frontier for

*B2B companies.*

But even if they were to find an exceptional salesperson, revenue would be unlikely to materially and consistently grow. Why? Because buyers have changed. They no longer answer their phones, return unsolicited phone calls or emails, attend trade shows, or sit through sales presentations for products or services they don't urgently need.

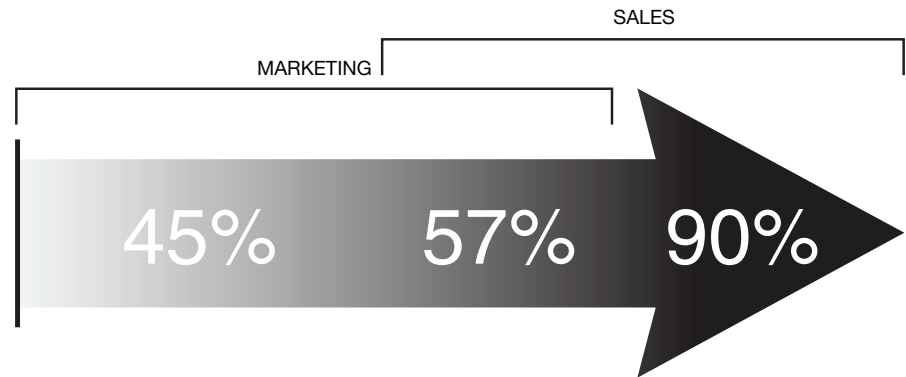
*Marketing* gets companies found when a prospect is looking for solutions. Marketing nurtures leads until they're ready to talk with a salesperson. Marketing makes sure the sales team has effective tools to convert prospects to customers.

With the buyer in control and completing 45% – 90% of the purchase process before they engage with salespeople, companies need to find new ways to engage potential buyers early in their purchasing journey. Or better yet, to initiate the buyer's journey. Since buyers don't want to engage with salespeople until they are

more than halfway through making a decision, companies need to think of ways outside the sales department to engage with prospects who might need their goods and services.

For most B2B companies, that means marketing. Marketing is the function that raises awareness in the market, educates buyers on a company’s solutions and expertise, and builds credibility. It’s marketing that can help a company be found and contacted when a prospect is looking for solutions, nurture leads until they’re ready to engage with a salesperson, and ensure the sales team has the tools and materials needed to support prospects in their purchase decisions.

Marketing is now the key to the first half of the revenue generation cycle. It’s the door to opportunities with new customers and selling at a more strategic level.



The challenge for many B2B companies is that marketing has never been a business function that’s been needed in the past. As with Peter Saunders, marketing isn’t even something that comes to mind when a B2B company leader is thinking about effective ways to drive sales.

Marketing is now *the key* to the first half of the buying process.  
Without it, B2B companies don’t get the opportunity to sell.

# Who Should Read *The Radical Sales Shift*

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*The Radical Sales Shift* is for anyone who's in charge of revenue generation. Your title might be CEO; President; General Manager; VP, Sales; VP, Sales and Marketing; or something else. If you're responsible for revenue generation and find your company struggling to meet revenue goals despite significant time and investment in the sales department, this book is for you.

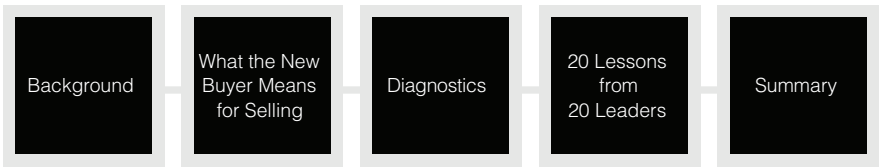
*The Radical Sales Shift* is especially for leaders of small and mid-sized B2B companies who have not used strategic marketing in the past. This book will provide you with the tools to reshape how you generate revenue – by focusing outside the sales department.

The goal of this book is to provide you with a better understanding of how to succeed in marketing. Too many businesses don't understand what's required to make marketing effective, and they end up walking away from their marketing efforts believing that it doesn't work for their business. But most companies who fail in their attempts at marketing do so because of a failure of execution, rather than a failure of the function. Marketing is all about how you use it.

# How to Use *The Radical Sales Shift*

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This book has five parts that you can read cover to cover, or you can choose chapters based on your needs.



**PART ONE** provides context and background – the data and insight on the shift in buyer behavior and what it means for B2B companies. If you are putting a business case together for your company on how marketing is now essential

to B2B revenue generation, you'll find the data you need to make your case in this section. And if you're looking to confirm your perceptions about how the world of buying and selling is changing, this is where you'll find how the New Buyer looks and acts so you can structure your revenue generation activities appropriately.

**PART TWO** outlines what the New Buyer means for how B2B companies generate revenues. It presents three areas where changes in how companies use sales and marketing are yielding impressive results; the new funnel, sales team structure and resources, and the new role of marketing.

**PART THREE** includes three diagnostic tools. Some companies experience revenue generation difficulties because they need to launch, recalibrate, or enhance their marketing. Others have a weak sales staff or their sales and marketing teams aren't working well together. The diagnostics will help identify where the problems are and how to improve the revenue generation machine.

**PART FOUR** is a road map for revenue generation – the twenty lessons. Based on interviews with B2B revenue generation leaders, I've identified critical ways that great companies are making the transition from being sales-dominant to balancing sales with strong marketing, and are increasing their revenues and profits as a result.

And finally in **PART FIVE**, there are a few last words of guidance. Many companies who try to make marketing work will stumble. In this last section I share the “Seven Deadly Sins of Marketing” as a reminder of what it takes to succeed.

## With Revolution Comes Opportunity

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Traditional B2B companies have an amazing opportunity in the next decade. They have the ability to put marketing to work for their businesses. Marketing helps B2B companies accomplish important goals including:

- raising awareness of their products and services
- enhancing the profile of their company in the market
- attracting new customers
- achieving price premiums and getting sole sourced
- retaining and growing profitable customers
- growing their revenues and profits

In this new era in which the buyer (whom I call the New Buyer) is in control, marketing is becoming a competitive advantage and a fundamental function for B2B companies. If you're responsible for revenue generation in your company and are thinking that marketing can form an important part of how your company generates revenue in the future, you're right. This book will show you how.

*Marketing* is now a competitive advantage for B2B companies. Are you putting it to work in your business?

## Get in Touch

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Things are changing fast in B2B revenue generation. New tools and techniques launch every year. I'd like to hear your questions and experiences. Please drop me a note at:

**Email:** [lisa@theradicalsalesshift.com](mailto:lisa@theradicalsalesshift.com)

**Twitter:** @MezzLisa

**Blog:** <http://themezzaninegroup.com/blog/>

**The Mezzanine Group:** [www.themezzaninegroup.com](http://www.themezzaninegroup.com)



And for anyone looking to reach Peter Saunders at ClinTek, you'll find he's difficult to locate. That's because Peter is both real and a composite – he represents about a dozen CEOs I met over the last year who shared a similar experience. Rather than single any one of them out, I created an amalgam who represents their combined experiences and outlook.

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