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Strategic Use of Sales Outsourcing

By: Harvey Schiller

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The way we sell goods and services has changed dramatically, especially in the business-to-business space. The dynamics of the sales process has become more competitive and complex. Where in the past businesses were skeptical about entrusting sales activities, especially new business acquisition, to a third party many businesses across all industries and size of companies have changed their mind. There is a realization that strategic sales outsourcing addresses gaps in internal resources and expertise, is significantly cheaper than in-house sales and provides the competitive advantages of speed and flexibility.

In any business organization, Sales is the department that generates revenue. No matter how good your manufacturing operation is, how cutting-edge your technology is, how tight your financial goals are or how progressive and forward-thinking your management techniques are, you must have an effective sales process in place or everything else is useless. Quite simply, nothing happens till somebody sells something.

However, the process of selling something has changed dramatically. In today's hypercompetitive and noisy marketplace, the main purpose of a salesperson is not to make sales but to create a customer. If a company wants to build long term profitable success you don't focus on closing sales but rather focus on opening and nurturing customer relationships.

Sales revenue serves as a scorecard as to how well the company is performing in establishing customer relationships, nurturing those relationships through all levels of the customer's organization and how well the sales process is being managed

That is where strategic sales outsourcing can be most effective and efficient, especially targeted at new business acquisitions and unexploited growth opportunities. Strategically outsourced sales can provide a focused strategic sales strategy, specialized resources and expertise, and do so all at a much reduced cost compared to internal sales.

If the path to sales success is relationship development, a new approach to the traditional sales process is required. The traditional sales approach does not consider the new business environment which has a longer journey that involves more decision-makers. Also, when the decision makers do engage in the process they do so later in the sales cycle and they do not want to be sold to. The decision-makers want to be educated about solutions to their business challenges and understand different aspects that they may have missed while identifying their own needs.

The sales process typically consists of 7 distinct steps:

- 1. Establish relationship
- 2. Need recognition
- 3. Strategy Formulation
- 4. "Pitch"
- 5. Close
- 6. Deliver
- 7. Maintain relationship

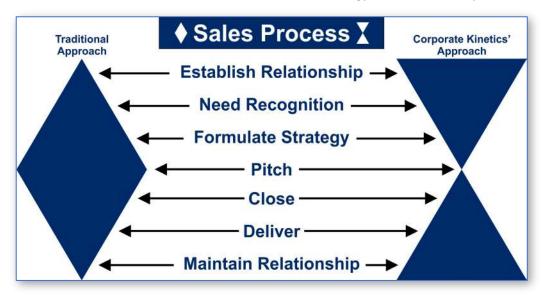
The traditional sales approach which is best characterized by "ABC", Always Be Closing, focused on the stages of pitch and close. Traditional salespeople were encouraged to throw proposals at the wall and see what sticks. The traditional sales approach is best illustrated by the diamond shape (see below), where the shape of the diamond represents the time and resources being allocated to each of the sales process steps. Clearly the bulk of time and resources are focused on the pitch and close.



In today's business environment the traditional sales approach is completely ineffective and inefficient.

The new proposed sales approach is best symbolized by the hourglass shape (see below). The shape of the hourglass draws upon the notion that the sales role is much broader prior to and after a sale and more narrowly focused on the pitch step.

With this new sales approach the bulk of time and resources are focused on establishing and maintaining customer relationships, while determining and understanding the customer needs. The combination of an enhanced relationship and a deeper understanding of the customer needs allows for a much more laser focused strategy formulation and pitch.



Bottom Line

Embracing strategic sales outsourcing can be a powerful approach to new business acquisition and addressing unexploited opportunities by bringing to the business new expertise, cost effective sales resources, and powerful new sales methodologies and approaches that can accelerate sales growth beyond what can be achieved exclusively using internal resources.

About the Author



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Corporate Kinetics is the implementation-based sales and business development outsourcing firm that addresses unexploited or underdeveloped opportunities to accelerate sales revenue growth beyond what clients are able to accomplish with their own resources.

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