

The 2010 Outsourcing World Summit®

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Growing Outsourcing Revenues Sales Readiness Essentials

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Growing Outsourcing Revenues - Sales Readiness Essentials -



1. Key elements of a sales readiness plan
2. Examples of sales readiness best practices
3. Five most important measurements to tracking sales success
4. Old rules and new tools: what still applies in the 2.0 world and how to make it work

High School Football



&

2010 Sales Readiness



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1988 Panthers

Roster: 53 Players
Avg Wt: **171 lbs.**
Over 200 lbs: **7 Players**
Heaviest: **230 lbs**
Lightest: 125 lbs



2007 Panthers

Roster: 67 Players
Avg Wt: **201 lbs.**
Over 200 lbs: **27 Players**
Heaviest: **290 lbs**
Lightest: 150 lbs

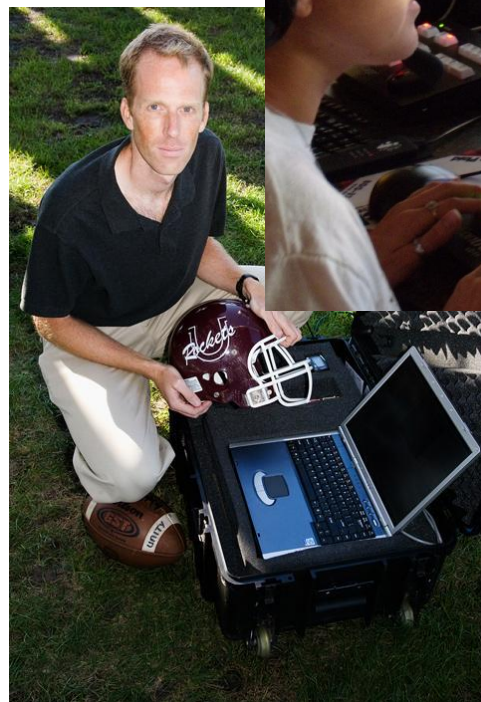


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Then



Now



1988 Sales Process

Rolodex

Purchased Lists

Cold Calling

Presenting

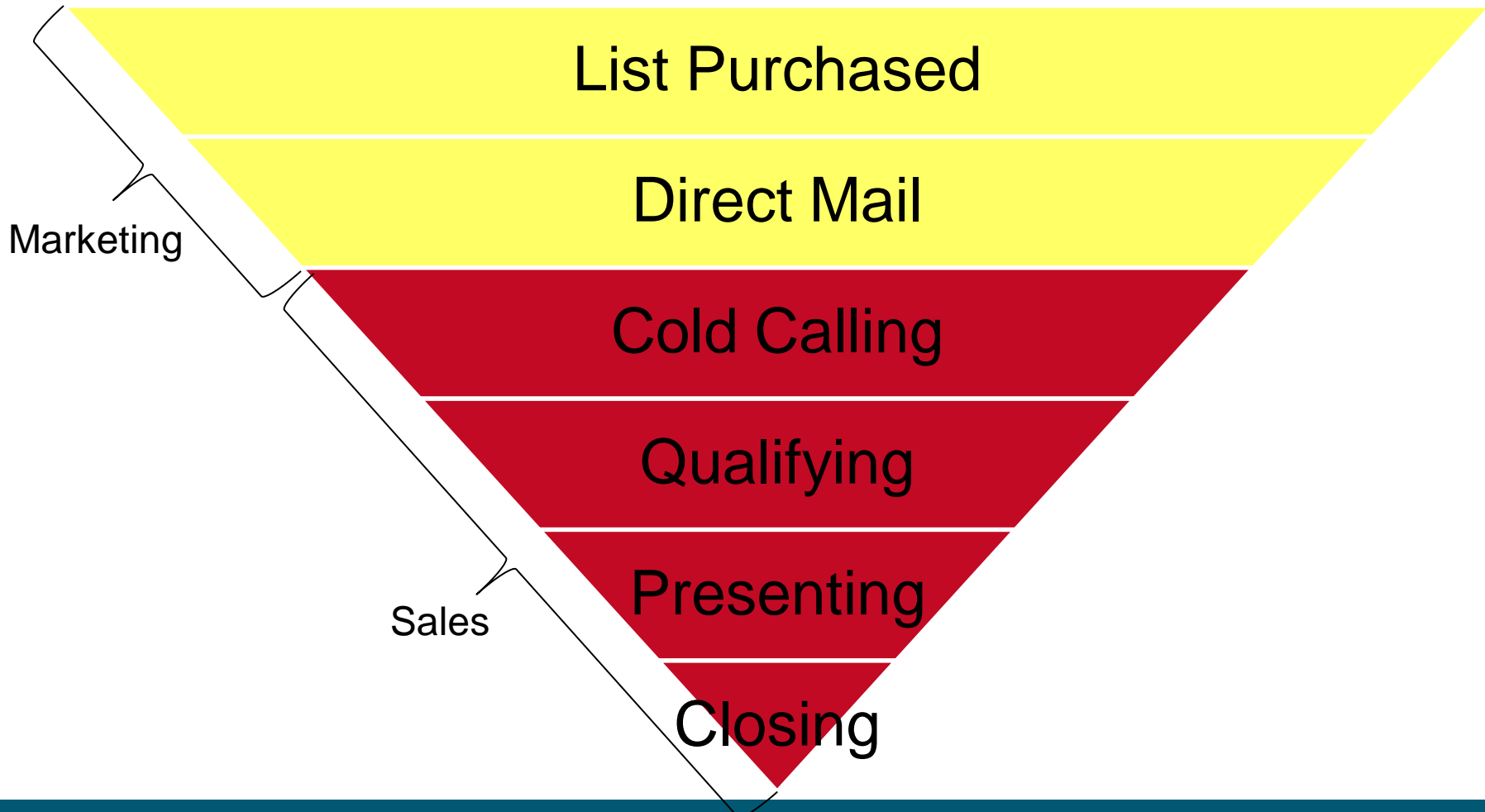
Schmoozing

Hard Close

Lotus, WordPerfect, Act!



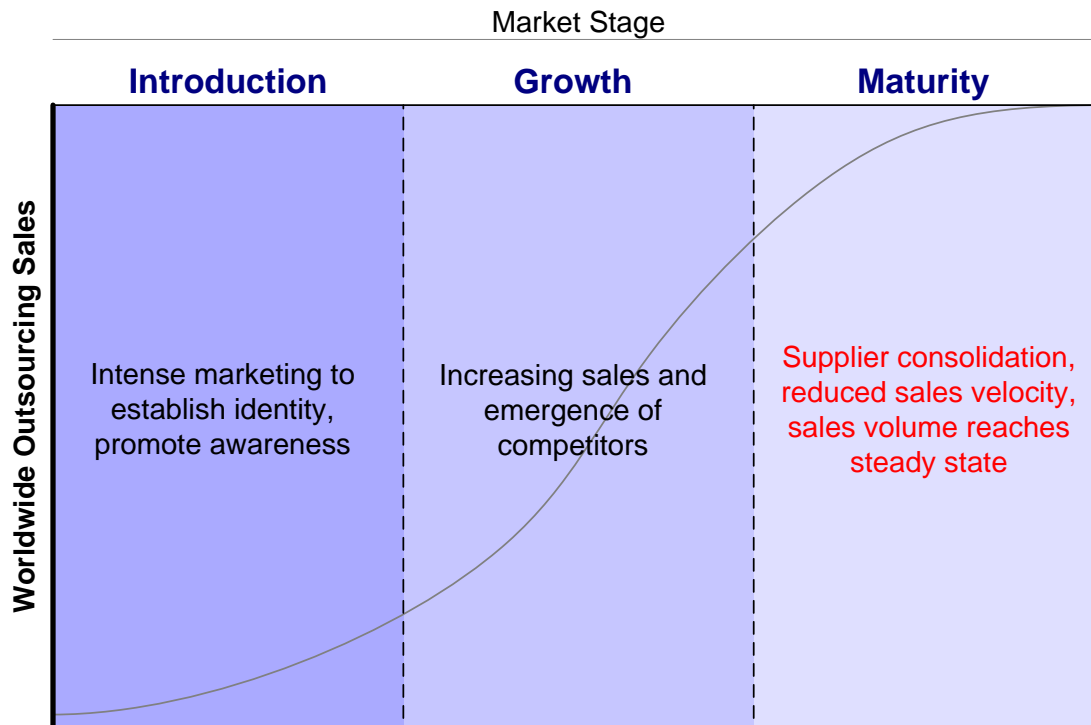
Sales Process Then





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What Changed?



Competition is scarce; success is based on the ability to build awareness and educate prospects on a unique value proposition

Market develops a “gold rush” mentality; success becomes a numbers game where the highest level of hustle wins

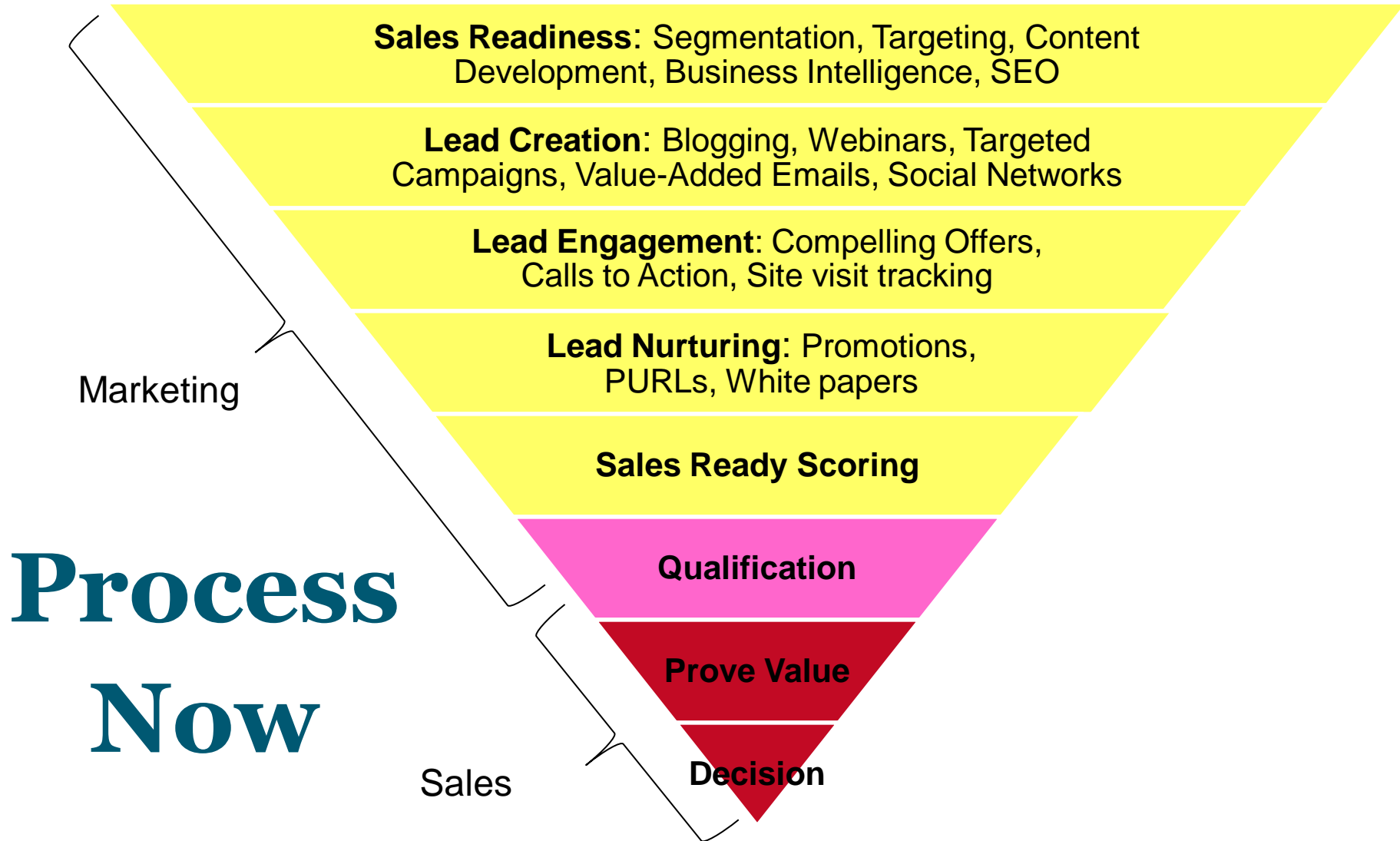
Fewer opportunities drive need for “smarter” approach; success based on ability to compete for share using deep account insights and relationships

2010 Sales Process

Segmentation, Social Networking, Inbound
Demand Creation, Lead Scoring and
Nurturing, Educated Buyer,
Tool Explosion!



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Today's Buying Phases

Status
Quo

Priority
Shift

Research

Options

Step
Backs

Validation

Choice

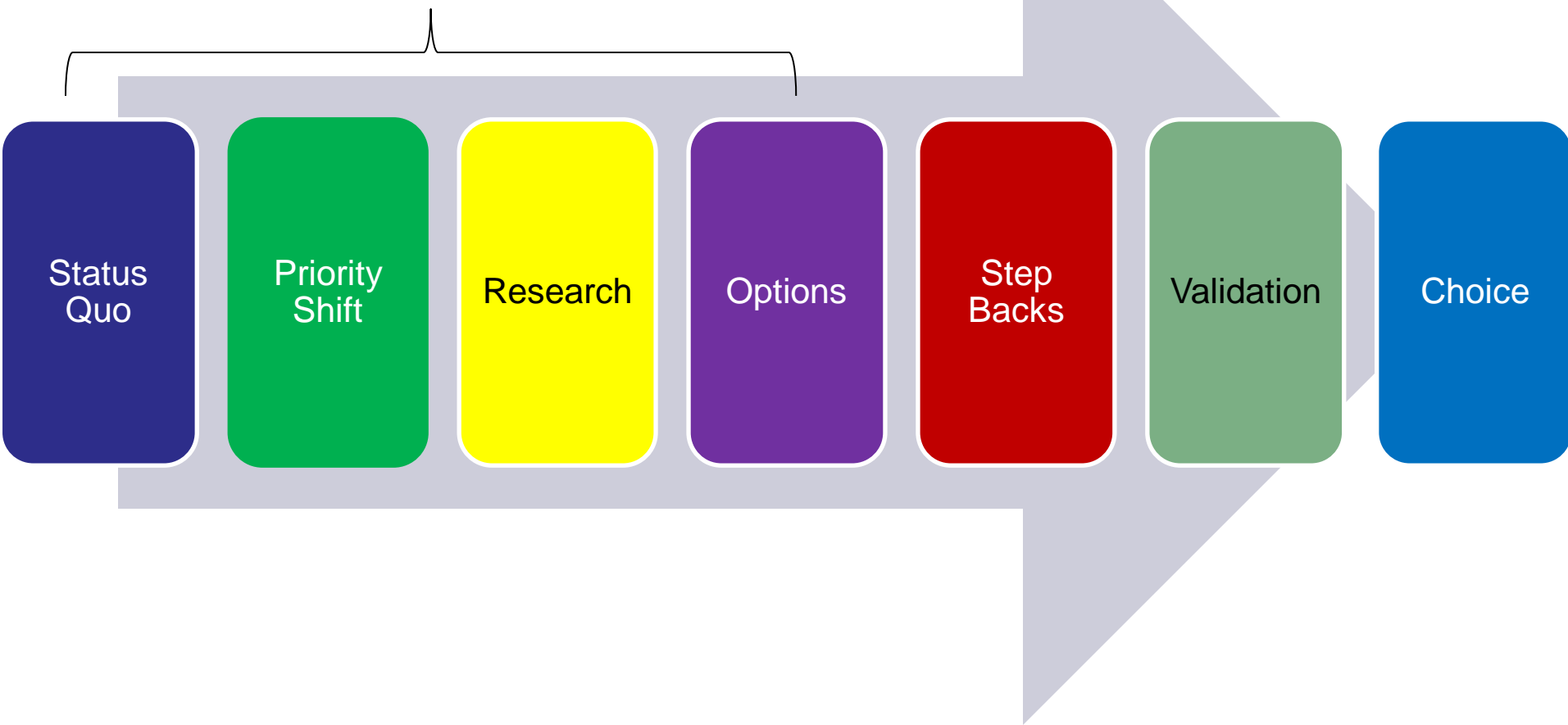
From [Designing Nurturing Programs to Drive Sales](#)©, by Ardath Albee



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Lead Nurturing

Drip Marketing / Lead Nurturing of Relevant, Value Add Content Keeps you Visible to Targeted Prospects





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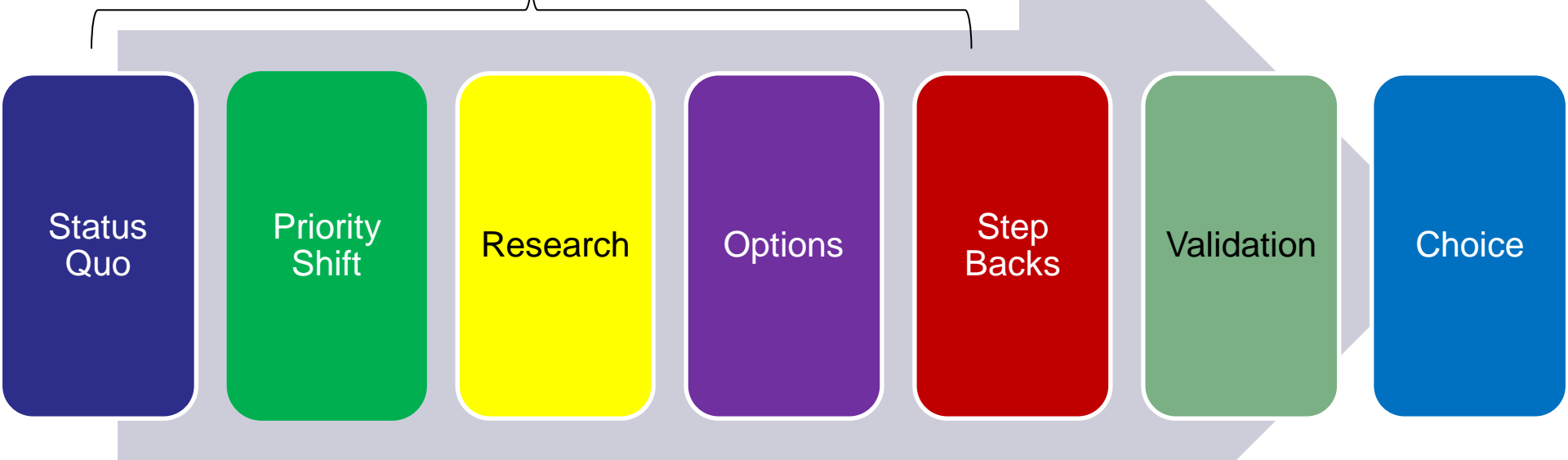
Surveillance & Insight

Understand Landscape

Prioritize Investments

Formulate Value Proposition

Engage in Dialogue



Status Quo

Priority Shift

Research

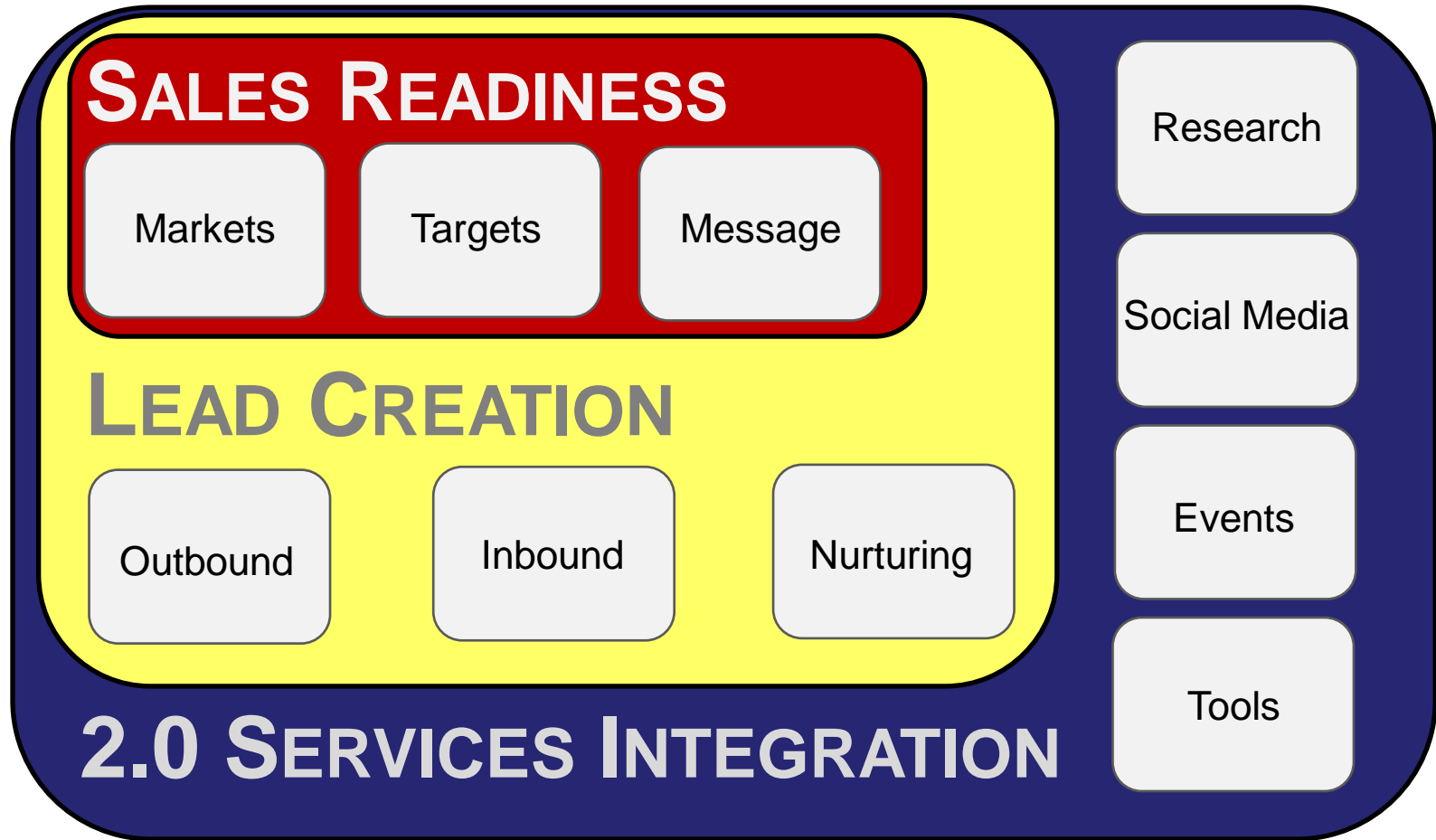
Options

Step Backs

Validation

Choice

Key Elements of the Sales Readiness Plan



Precise Targeting

Define segment(s)

Establish target client characteristics and attributes – and alternatives (competitive analysis)

Classify buyer drivers and considerations

Validate and rank prospect types based on target criteria

Separate prospects into Tiers 1, 2, and 3

Create sales tools such as Sweet Spot Matrix

Challenges To Revenue Planning

2009 CSO Sales Compensation Survey

- 2009 Quota's up 31% from 2008
- Reps achieving quota down to 52.4 in 2009 from 61.2 in 2008
- 1 in 4 firms expect that less than 50% will make quota in 2009
- Most firms target 70% of sales team to make quota

Aberdeen Lead Lifecycle Management July 2009

- 81% of BIC use Lead Management tools
- 16% of total leads deemed sales ready actually close
- Best in Class firms avg 35% YOY increase in annual revenue
 - Middle 50% = 18%
 - Laggards = 6%

Bid To Win Ratios – Aberdeen 2009

- Best in Class 36%
- Industry Avg 10%
- Laggards 5%

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Sales Readiness Best Practices

Lead Stages	
A	Identified – intend to pursue
B	Contacting – attempting to engage
C	Qualifying – introductory dialogue occurring
D	Engaged – actively discussing opportunities
E	Idle – lost traction, attempting to re-engage
F	Cold – lost traction, not currently pursuing

	Sales Opportunity Stages	Probability	Activity
1	Opportunity ID'd	0%	Potential opportunity identified
2	Idea Discussed	0%	Client confirms issues, challenges, need...
3	Concept Solution Delivered	10%	Written concept submitted to prospect
4	Solution Meeting Complete	20%	Concept discussed; including how and when to begin
5	Full Solution Delivered	40%	Solution submitted, including outcomes, timeline & pricing
6	Solution Validated	50%	Proposal modified if necessary / Resubmitted
7	Verbal Approval	75%	Client decision maker accepts proposal
8	Negotiation of Terms	90%	Contract and SOW in review / negotiation
9	Formal Award	100%	Contract and SOW signed
10	Opportunity Lost	0%	Autopsy / Return to Nurturing
11	Deal Dead or Delayed	0%	Return to Nurturing

Sales Readiness Best Practices

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Five Numbers You Have To Know

Revenue Goal

Erosion Percentage

Average Deal Size

Closing Percentage

Contract Conversion

Successful Revenue Planning

Revenue and Sales Goals (Inputs)

	<i>Revenue Goals</i>	<i>Base Revenue and Erosion Projections</i>		<i>Targeted Win Rates</i>	<i>Revenue Conversion</i>
Year	Revenue Objective	Current Base Revenue	Est. YOY Erosion %	Win Probability	Contract Conversion
2010	\$12.00	\$6.00	10%	20%	100%
2011	\$24.00	\$18.40	10%	25%	100%

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Revenue and Sales Goals (Inputs)

Year	Revenue Goals	Base Revenue and Erosion Projections		Targeted Win Rates	Revenue Conversion
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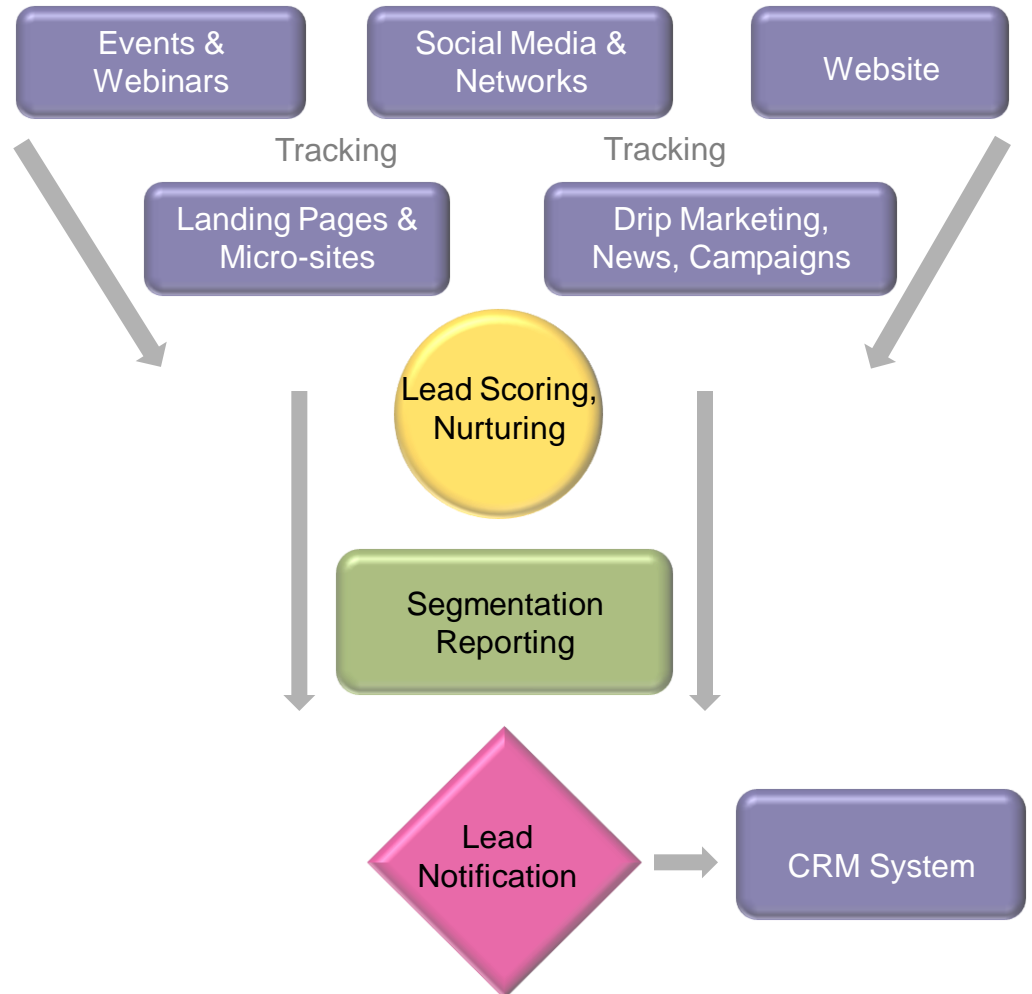
Three Year

Revenue Projection Plan 2010-2011									
Year	Revenue	Erosion	Adjusted Base	YOY Growth Target	Required New Revenue (1)	Projected New Revenue (Table 3)	Pro-forma Forecasted Total Revenue	Variance to Current Year Objective	
2010	\$6.00	\$0.60	\$5.40	\$12.00	\$6.60	\$6.63	\$12.03	\$0.03	
2011	\$18.40	\$1.84	\$16.56	\$24.00	\$7.44	\$7.63	\$24.19	\$0.18	

Pipeline and Quarterly Revenue Projection

Award Totals	Required Qualified Pipeline (2)	Annual Value Closed During Quarter	Annual Value Converted at Signing (3)	2010				2011				CYR 2011	ABR Base		
				Plan Year One				Plan Year Two							
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4				
'10 Q1 Wins	\$15.00	\$3.00	\$3.00	0.38	0.75	0.75	1.13	0.00	0.00	0.00	0.00	0.00	0.00		
'10 Q2 Wins	\$17.50	\$3.50	\$3.50		0.44	0.88		0.31	1.31			1.31	0.00		
'10 Q3 Wins	\$12.50	\$2.50	\$2.50			0.00		0.94	0.63	0.94		1.56	0.00		
'10 Q4 Wins	\$20.00	\$4.00	\$4.00					0.50	3.50	1.00	1.00	1.50	3.50	0.00	
	\$65.00	\$13.00	\$13.00					6.63	6.38	2.94	1.94	1.50	0.00	6.38	0.00
'11 Q1 Wins	\$12.00	\$3.00	\$3.00						0.38	0.75	0.75	1.13	3.00	0.00	
'11 Q2 Wins	\$16.00	\$4.00	\$4.00							0.50	1.00	1.00	2.50	1.50	
'11 Q3 Wins	\$16.00	\$4.00	\$4.00								0.50	1.00	1.50	2.50	
'11 Q4 Wins	\$20.00	\$5.00	\$5.00									0.63	0.63	4.38	
	\$64.00	\$16.00	\$16.00										7.63	8.38	

Lead Lifecycle Management



Old School / New Tools: Making It Work

Marketing and
Sales Alignment
– Shared Quota

Incentive
Compensation
Tied With Sales
Goals

Embrace Sales
Technologies

Automate Lead
Management

Commitment to
Change

Sales Readiness Essentials

1. Carefully select the **segments** where you can best compete and serve.
2. Be **strategic** with your sales model.
3. Identify innovative approaches to **differentiating** yourself.
4. Be unique in communicating your value proposition and **benefits**.
5. Sales is changing. Competing requires creative **investment**.
6. Buyers want process improvements and innovation, not just cost cutting. Identify your **innovation examples** during your presentations.
7. Stop worrying whether the **economy** is good or bad for outsourcing.
8. Do not ignore **existing customers**. They are your competitor's prospect!
9. Consider **in-direct selling** relationships and alternative channels.
10. Define a sales process for your company and **follow it faithfully**.



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Sales in 2010 – Change or Get Run Over



For More Information

Sales, Marketing and Social Media Experts

- [Ardath Albee](#) Marketing and Content
- [Chris Brogan](#) B2B Social Media
- [Brian Solis](#) Social Media
- [Dan Zarrella](#) Inbound Marketing
- [David Meerman Scott](#) Marketing and PR
- [Gerhard Gschwandtner](#) Sales 2.0

Sales Benchmarking

- [CSO Insights](#)
- [Sales Benchmark Index](#)

New Tools Directory

- [9 categories of sales and marketing best practices and dozens of downloads](#)

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INCREASE WINS



ACCELERATE SALES

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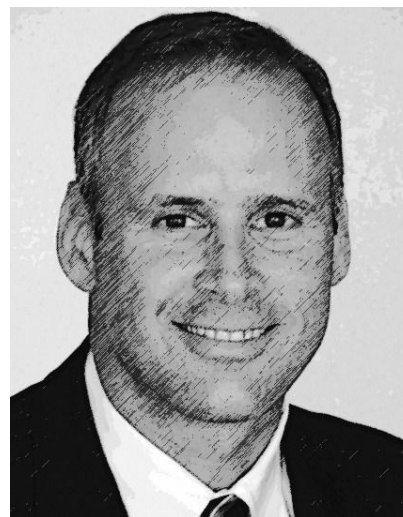


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