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CRM FOR SALES

accelerating growth

A BEST PRACTICE GUIDE *to CRM for sales*

Buyers today are far more in control of the buying process. They delay sales engagement and when they do engage, they are far more demanding and knowledgeable. They have done their research online and are ready to put you on the spot and ask you to prove your worth.

As a result, sales people face the pressure of a compressed sales cycle and their approach has to be far more sophisticated to close the deal.

The sales process is a mix of science and craft – and the old-fashioned disciplines of sales still apply. But there are significant opportunities to improve the end to end sales process and enable sales reps to become more effective. And CRM can play a vital role in that. CRM offers much more than pipeline management.

How many organisations are effectively exploiting CRM to:

- Track the win/loss ratio – and identify why deals were lost?
- Determine whether marketing is providing sales with the right leads?
- Ensure the sales process is correct – and whether all the key decision makers are included in the sales process?
- Inform product development and marketing activity?

Are you one of them?

THIS GUIDE HIGHLIGHTS WHAT AREAS OF SALES CRM CAN HAVE A DRAMATIC IMPACT.

Step 1
IMPROVING LEAD MANAGEMENT

Ask any salesperson what would help them deliver better results and the overwhelming majority will reply – "better leads". CRM can play an important role in driving up the quality of the leads that are generated by the marketing function.

It does it by giving salespeople the opportunity to feed back on those leads. A CRM system can prompt sales to mark up any leads that are in the wrong territory or are the wrong size or company type, or are not quite ready to engage with sales… and so on. The system aggregates all this information and presents it back to marketing who are then able to direct future efforts more effectively.

The quality of the leads provided by the marketing team is critical to success. It is essential to provide feedback to marketing if the lead generation activity is to be refined. There needs to be a closed loop relationship between the two functions for the demand funnel to work as efficiently as possible and CRM can underpin this. The next element to look at is: Are leads being well managed?

- Is there a report in place to show the status of each lead?
- Will the sales manager be alerted if sales are not followed up within a set timeframe?

Once leads have been followed up, they should be either qualified out or converted into opportunities in the sales pipeline. Much of sales is about timing. CRM enables salespeople to focus on the best leads and do that in a timely manner.

You can automate lead allocation to ensure that leads are being dealt with quickly and efficiently and that each sales rep receives the leads that relate to his/her territory or product area. You can nurture leads using automated emails.

It is important to regularly review your lead management process and drive incremental improvement. Overtime these will make a big difference.

Strong lead management underpins an effective sales process.

Step 2

EFFECTIVE PIPELINE MANAGEMENT

Good management of the sales funnel is a fundamental component of excellent sales practice. Using CRM to track leads through the sales process and all the way to closure is essential to ensure the sales team is on track to meet – or exceed – targets.

Critically, an organization needs to have a clear understanding of the number of deals required at each stage of the pipeline to meet objectives. In depth analysis of previous results recorded within CRM can provide accurate insight into the overall requirements for success:

- The number of deals in the pipeline.
- The position of these deals within the sales funnel: Stage One, Stage Two, or Stage Three etc.
- Velocity (how long does it take on average for opportunities to move from one stage to another.
- Conversion rates etc.

CRM helps enforce common methodologies to drive execution excellence throughout the sales cycle and improve conversion rates. It helps ensure every lead has a clear next step with an owner assigned to it. With CRM you can produce regular reports giving salespeople up to the minute information on outstanding opportunities, missed actions, next activities and valuable information that can be use to drive behaviour and actions.

With a CRM system underpinning your sales execution, you can ensure that your salespeople share a common methodology, understand where their prospects are in the sales process and address their needs effectively - ultimately increasing closure rates. With CRM you can better manage sales opportunities, improve conversion, drive best practice across the team and grow revenue.

Step 3
SALES FORECASTING

Forecasting is a much under-rated skill for salespeople. If they are able to accurately predict how much of their pipeline will convert they become better negotiators and more helpful for business planning. Yet, very often businesses rely on a salesperson's gut feel for how likely an opportunity is to close.

CRM allows you to conduct in-depth analysis of previous results, and then use this historical information to adjust salespeople's future forecasts. The incurable optimists may be persuaded to look for fresh opportunities rather than assuming those already in the pipeline will convert, and the eternal pessimists may learn to line up resource and stock for sales that they previously judged unlikely.

CRM can be used to assess the accuracy of each sales rep's forecasting – enabling the business to level out any wild speculation, and gain a more trusted picture. In addition, the Sales Manager can proactively work with the individual reps to create a more accurate forecasting model. Managers can educate and mentor sales people to ensure that everyone forecasts under the same principles. Good forecasting is an essential component of business management:

- Provides management with an accurate picture of future deals, value and income.
- Supports effective stock management to meet predicted demand.
- Informs the resourcing of follow up activity such as consultancy services etc.

CRM can enable your sales people to forecast effectively and identify 'best case' and 'commit'. It can help sales leaders determine how likely those deals are to close and if their team is likely to hit target. CRM generates Reports and Dashboards to provide real-time visibility to both individual sales teams and managers.

ACCURATE, TRUSTED FORECASTS ENABLE THE BUSINESS TO BE FAR MORE PROACTIVE – from increasing the marketing budget mid quarter in order to address specific requirements, to adding new sales staff in response to increasing demand.

Step 4

REVIEWING THE SALES PROCESS

While each sales person will bring a unique perspective and skill to the sales process, there is no doubt that an effective sales process underpins a strong business.

Routinely using the information within CRM to analyse the process undertaken during successful sales is key to determine the most effective process – from identifying the relevant targets within an organisation to the essential messaging.

Armed with this insight, a Sales Manager can use CRM to track the progress of each deal, including:

- Who are the key people / roles to target within an organization?
- What is their buying criteria?
- Who are the competitors?
- Who's going to place the order and sign it off?
- Will procurement be involved – and what is the impact on the timing of the sale?

You should record all sales activities within CRM, as this will give you valuable information on how well each stage of the sales process is working. This will allow the sales team to replicate and build on the elements that work and to discard or adapt the parts that are less successful.

Does one type of sales message resonate strongly in a particular sector? When is the optimum moment in the process to offer a demo? All of this information is useful if held in the heads of a few outstanding salespeople; if you can capture it in a CRM and then learn from it you can make your whole salesforce outstanding.

USE CRM TO SUPPORT A CLEARLY DEFINED SALES PROCESS.
Maximize the chances of closing the deal, improve conversion rate and increase sales velocity.

Step 5
IMPROVING LOST AND QUALIFIED OUT ANALYSIS

Salespeople tend to be positive forward-looking people. They are often reluctant to dwell on failure preferring to simply move on to the next prospect. While it is tempting to just move on to the next opportunity, it is extremely important to understand the underlying reasons for a loss and, if necessary, take corrective actions or make changes. There is usually more to learn from failure than from success.

Proactive qualified out analysis enables a company to improve sales execution and take the business to the next level.

CRM can help your sales team record why a deal was lost:
Why did they miss out on that deal? Was it price? Did the product lack a key functionality? Did a competitor do something new or different? Did the salesperson fail to follow the correct process? Did he or she miss out a key decision-maker? Is it a brand issue?

All these, and more, are important questions to ask when a sale has not gone through, and all this information is recorded in the CRM so that it can be reported on, analysed etc.

With the right qualified out analysis a company can understand if radical change is required – such as adjustment in pricing, changing strategy etc. And by making changes, change the course from failure to success.

Step 6
CONTINUAL IMPROVEMENT WITH SALES PERFORMANCE MANAGEMENT

Whilst data and process matter in sales, they are less important than people are. So, use CRM to track the performance of each individual in your sales team, and uncover ways to improve their performance. The objective is not simply to assess performance and identify the top performing reps, but to be granular and understand how each of them is performing at every stage of the process:

- How active is each sales rep?
  - Are leads followed up?
  - How many meetings, emails and calls are they doing?
- How accurate are each rep's forecasts – wild pessimism or optimism is of no use to the business.

It is also important to look at the broader success factors. For example, having identified the most successful vertical or geographic markets, use CRM to discover what underpins that success. Generate Reports and Dashboards that give you insight into your sales pipeline and performance. By understanding your sales performance you can improve execution, increase conversion rates and grow your revenues. Easily answer questions like:

- How much have we sold this month?
- Which salespeople are hitting (or missing) their targets?
- How much pipeline do we have by stage, by rep and by product?
- What are our conversion rates?
- What is our average sales cycle?
- Why is this sales rep not performing?

Insight on performance should inform strategy and enable the business to build upon its success.

By using CRM, you can pinpoint development opportunities. You can identify the precise development needs of each of your salespeople, and so focus training and coaching in on those areas. By doing so, you'll maximize the return from all the time and money invested in training, and will significantly enhance the abilities of your salesforce.

THE *conclusion*

Best practice sales techniques still apply today. A business must review leads and opportunities and track trends in sales activity.

CRM can play a vital role in supporting sales excellence.

CRM can provide a framework to ensure the right processes are being followed. It also acts as a channel to feedback essential insight to the business to support on-going sales activity. CRM can provide access to information to mobile sales reps any time, anywhere via mobile apps or tablets. CRM can automate repetitive tasks and remove the administrative burden so that reps can focus on building relationships and selling. CRM can record sales activities to ensure that opportunities are progressed effectively and no calls are overlooked. CRM can help organizations analyze key metrics and evolve its strategy in response.

CRM enables sales teams to work more effectively, better identify opportunities, close more deals and grow revenue.

CRM *Key Benefits*

IMPROVE SALES EXECUTION and win more business

MANAGE YOUR SALES TEAM with real-time reporting and activity tracking

INCREASE SALES PRODUCTIVITY with automated workflows, easy collaboration and mobile apps accessible anytime anywhere

IMPROVE FORECASTING thorough visibility of your pipeline

MAKE INSIGHTFUL DECISIONS

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