



Sales in the new enterprise

(10 reasons sales people need to care about social media)

White Paper

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Many sales people will totally ignore social media – except keeping connections in their social networks. For some it is a frightening development, for others it is the greatest opportunity for more success.

Executive Summary

Social Media → Customer Experience

Sales people have always been where their customers are. Today customers moved on again. Customers moved to the Internet, more specifically to the “social web”.

What really changed however is the “Customer education process”. And as that new education processes is leading to a new buying behavior, sales people need corresponding ways of helping customers buy. The old sales processes are becoming obsolete.

Before you judge how sales will develop check how you and everybody you know is buying and making their decisions. Then try to match that buying behavior with your sales processes.

50 years ago a sales manager had maybe 5 customer interactions a week depending on industry and product he or she sold. 10 years ago that same sales person may had 50 customer interactions a week. In the new world a social media empowered sales person may have 50 customer interactions a day.

Don't ask if you or your company is ready to engage with your customers in the social web. Ask what would happen if your competitor does it prior to you getting there.

Intro: social media is a mind set with an underlying technology. It is NOT a new technique to push harder, get a “message out” or further automate internal business processes. Social media allows building a trustful environment that can dramatically improve the customer experience, create advocacy and develop a mutually beneficial business relationship.

Ongoing tools development

Sales people in the 50s had the telephone, in the 90s they got email in addition to the phone. Now they have vast global networks to interact and collaborate instantly 24/7. Leveraging the available tools and the ways of fast “always on” connections, allow sales people to become more effective - again.

Clearly the intensity is higher the conversations shorter; the dialog more social and the frequency increased. It is no longer the old pushing, pitching, convincing and winning. Customers have outgrown the old model and challenge the sales guile again.

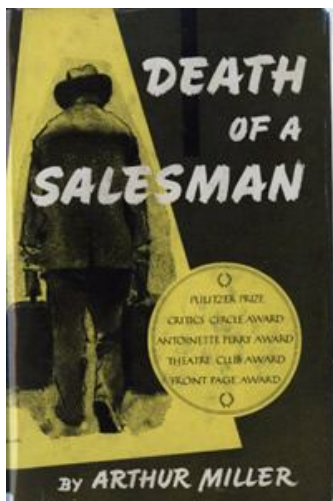
Two top level concepts to understand

Before you start, take the 30,000 feet point of view:

- A) All of the following 10 aspects have one common objective:
Create a better customer experience for your clients that allows you to compete in a smarter way with a much higher degree of effectiveness.
- B) The “Social Media Question” is not whether you or your company is ready.
It is whether you or your company can catch up with your customers who are already there.

1) *The Educated Purchase Decisions*

Customers usually make educated decisions before they buy. Only five years ago, the education process happened by asking experts on the supplier side, reading some research, contacting a few reference customers. Then, the decision was made. Salespeople were very influential in this process, but things are dramatically changing.



Today, prospective customers (like all of us) search the Internet, read blogs, forums & group discussions, ask questions in their social networks, join on-line communities, and, in the end, know very well what they want, where to buy, and how much to pay. The more significant the purchase, the more completely the customer educates himself.

Salespeople who ignore this change in the Buying Process run the risk of becoming a modern-day Willy Loman – read Arthur Miller’s “Death of a Salesman.” Consequently (like always in the past), salespeople need to be where their customers are; they need to meet prospects where they educate themselves: The so-called “Social Web.”

Joyce Stoer Cordi’s research “An actual customer research I led last year [2008] found that these sources are used by nearly 90% of executives in the information gathering phase of a purchase decision.”

2) *Customer profiling / customer segmentation*

Today, Marketing can fire up tools that analyze how many people bookmarked their and their competitors’ websites, joined specific groups and communities, can develop customer maps, showing where customers hang out in the social web, what their challenges, issues and complains are, what they are looking for and what topics they care, share and discuss. Not the best CRM system in the world comes even close to that.



The caring sales people always spent a lot of time getting to know their customers, finding out about the birthday, what sport they do, what books they read and much more.

Today all that and ten times as much can be found within an hour on the social web. The modern day sales person knows, the hobbies, photos from family and friends, last vacation and much more

with a few clicks. It's now up to the sales person to open up their kimono.

All in all a social media savvy sales person has 2 major advantages over the one who care less:

- 1) They know much more in much less time about the same customer than their competitor
- 2) Even more important, that same customers knows so much more about the sales person and where and how to reach them, that the competition has a hard time to even have a conversation.

3) Lead Generation or what it's left of it

Marketing used to place advertising, conducted mail shots, sales organizations used to purchase lists, call centers did cold calling, inside Sales did some follow-up, and hunters then "attacked" the customer. Lead generation became a bitter and cumbersome process over time as the methods where overly used and customers where just no longer "attracted" but rather annoyed. With rapidly declining lead flow and ever smaller success rates, lead generation became a huge problem.

Today, lead generation is done by exploring various groups, communities & networks, listening to discussions, helping people find answers, making introductions, and sharing expertise. The socially savvy salesperson easily makes ten times as many connections every day compared to the old world laggard. Communication is faster, more to the point, and more social. And while the inexperienced laments that a phone call and a face to face is so much more important, the social media savvy knows, that the new tools actually allow more meaningful and more in number calls and meetings.

"Sales effectiveness" has a new meaning. The new world pros connect with their customers on the major social media spaces like LinkedIn, Twitter, Facebook, and Google & Yahoo groups. Instead of cold-calling, they connect on-line and never do a cold call again.

4) Viral: The New Reference Selling

One of the most powerful sales techniques is reference selling, but it can be a long, painful process. Select the "right" existing customers to be a reference; then ask them to do it; finally, try to arrange calls or meetings so that new prospect can talk to that particular customer and get the correct particular message. A salesperson can do that only so often.

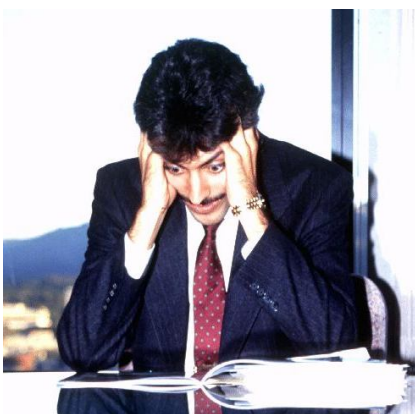
Leverage doesn't exist in that process, so the method is very limited in scope and execution.



In contrast, bringing prospects and customers together in an on-line community is comparatively easy. Everybody introduces themselves; many contacts are created without painful reference checks (which are questionable anyway because everyone knows they will get a limited view of a "happy" customer). The social web actually accelerates the reference selling model and often times don't even require the involvement of sales people.

Once you know where your prospective markets gather, you only need to watch the conversations in the on-line groups and introduce prospects to customers. The number of "reference selling initiatives" grows by an order of magnitude and you won't even call it that way anymore.

5) Objection handling or anxiety of bad feedback



The single biggest fear of all salespeople and so many executives is that their customers will talk negatively about the product, the company, and maybe even themselves. Frankly, this has to do with two things: a) the hugely over advertised product can't hold up to expectation and it is thought that customer satisfaction can't come up. True – but who doesn't know that. Who still cares about the marketing stories – nobody anyway. And b) it would assume that the customer has no choice, no alternative and the vendor has no competition what so ever. So as we learned earlier, customers are well educated and know what and why they buy.

In the old world feedback was rather rare and street conversations about a product or brand was reduced to some extraordinary brands or mega disasters. Not so much because they customers didn't care – see user conferences, but there was simply no platform to express themselves.

Today, the social web is exactly that platform. And guess what no vendor or service provider has any influence in that. Even worst for most, they don't even recognize what their customers do, say and argue.

Today every company can develop such a highly-engaged brand through and with their customers, partners and prospects. Every “normal” customer can speak about what they do with the product they purchased, what they like and what they don’t like – they can create noise and buzz.

It won’t take two years where customers are more suspicious about a company not participating in the social web than brands with very controversial discussions.

6) Opportunity development / solution selling

With the change in customers’ self-education process, there is an equally fundamental change in the sales process. Many of the old school sales hunters still believe that in B2B it’s all about the sales person and more complex products are not discussed in groups, forums and online communities. More interesting, they don’t even check and find out that one of the most complex ERP solutions such as SAP have hundreds of groups around the world discussing solutions. Hundreds of groups discuss best practices with Vortex Heating Systems used in the agricultural industry and exchange practices with half million dollar farm equipment. Instead they still hang on to their sales methods taught by the hundreds or thousands of trainers and coaches.



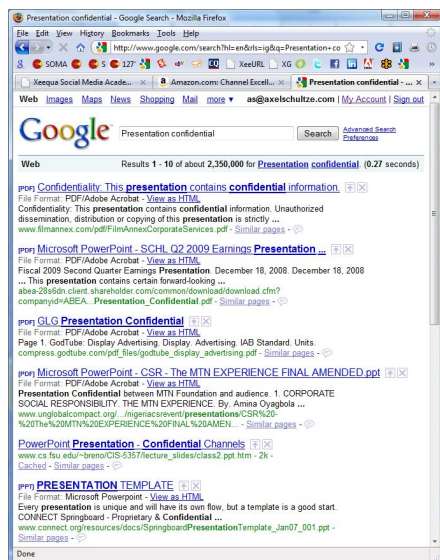
The good old solution selling method was dominated by the idea to help a customer develop a comprehensive solution for his complex project. But without exception, every project manager and everybody with even the smallest buying power knows that each and every expert has only one goal – “buy my stuff”. Solution selling became a mute point from the buyer perspective – only that most sales people didn’t notice.

The social networks are rich of experts and solutions, knowledge and people with experience about virtually everything.

The new sales person doesn’t try to push a square block in a round hole. Not only because it won’t fit anyway but also learned that those kind of deals were never profitable in the aftermath. Complaints, returns, special fixes, negative reputation... never offset the extra revenue often generated with horrendous discounts. The new sales guild develops a sense for what makes sense to a customer and with the vastly larger access to potential customers selects the ones where the solution they have makes simply sense. Not only is that a more profitable way to do business but actually grows advocates that help selling too.

7) About Playing It Close to the Vest

Many salespeople based their success on playing every card close to their vests. They would deal out information to a customer one piece at a time in order to always have a reason to go back. This approach actually stretched out the sales cycle, allowed competitors to step in, and – most importantly – damaged the trust-building process.



Openness can't be better demonstrated than in the social web. It is no longer a competitive advantage merely to have information; you must be able to actually navigate information. Salespeople that share all their knowledge and expertise have always been more successful, and the social web now accelerates that dynamic. Today's great salespeople understand that everything is already available anyway, so they share information that is relevant to their customers' buying process and make the right connections at the right time.

Point to presentations on SlideShare and educational videos on YouTube; provide relevant white papers and studies in your own community, and help customers select the best information for their buying decision.

8) Sales funnel – Sales process management

What used to be the sales funnel, described the process of identifying targets in the market, separating leads from a mass of inquiries, and distilling them through exploration into the final negotiation. That was the essence of "Sales Process."



Given how customers educate themselves and buy today, the "Sales Process" has turned into a "Buying Process." Even though the new salesperson has become the guide through that Buying Process, the customer is now in control, captaining the ship. The salesperson's role is to be a well-educated navigator who is an open influencer instead of a convincer. Or as Larry McClymonds said: "The new form of relationships

selling isn't about selling anymore, it's about helping the customer buy."

With that new openness provided by the "navigator" also the customer will reflect that openness, at least over time and in so many cases the customer was

first to open up. That means that this tedious and opinionated process of sales funnel exploration actually evaporates.

Ask the customer what his or her plans are and how you can help best and you most likely get a straight answer.

9) Who Is In Charge? The Closer



Remember Blake in “Glengarry Glen Ross?” Closing a deal was a special art salespeople were trained and conditioned to. Ask for the order! Have a closing line! Many techniques were developed to always help successfully close a deal. Salespeople (like Blake) truly believed that they closed the deal.

The Closer in the new world is the prospect or customer, and the strongest supporter or influencer or – done right – the greatest accelerator is the social community. The prospect makes the decision; actually always did.

A new customer wants to feel good about his decision and to be part of a group of like-minded people, part of a healthy ecosystem and trust that the decision is the right one.

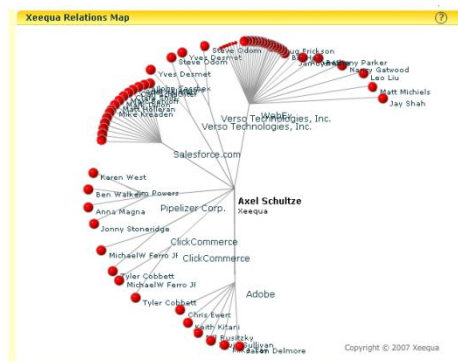
There is no one more important, more helpful than a community of customers with similar challenges.

Today’s successful salespeople have evolved from the “killer instinct” to a “relationship sense.” The best sales people are the ones who know who of their customers have the most similar challenge and managed that in the best possible way with the product they bought.

While the above is true in general, the available tools again accelerate the process and the identification of matching customers like never before.

10) Leverage: The New Winners

The social web is getting more complex and more diverse every day. There are many thousand places and spaces where customers are participating, and, all in all, approximately 50% of the US population is active on the Internet, reading blogs, reviewing forums, connecting in social networks. The companies and salespeople that understand that these changes are less about a new technology and more about relationships will be today’s and tomorrow’s winners.



Tools have improved and changed our work day since the inception of the stone ax. Tools have separated generation as the old and the next generation people for thousands of years with ever shorter cycles. Tools have helped mankind to be where we are today. And the more powerful a tool was the harder it was to get trained and get used to it.

The new sales people will have more connections, more meaningful information, more conversations and more people that help them achieve their objectives in a shorter period of time than ever before.

Empowerment

If you want to be successful in your new customer engagement, you need to be empowered to do so by your leadership team. If your CEO doesn't have an opinion about Social Media, be careful. You may not be authorized to say anything publicly. In this case you better not engage and continue with cold calling, email shots and sales presentations and all the other dysfunctional methods. You will find some tips in regards to HR policies in the Social Media Academy online community.

Your Quick Guide To Social Media

1) **CHECK WHERE YOUR CUSTOMERS ARE**

Before you jump to any social network, community or other tools, find out WHERE your customers are. And the best way is to search them in the Internet, check LinkedIn, FaceBook, Twitter, Google and Yahoo Groups and find them one way or the other. And if you still have a good relationship with them, ASK.

2) **SUBSCRIBE TO THE SOCIAL WEB**

Once you know, subscribe to the sites and explore. Invest in your profile, put up a photo, let people know what you like and what not, show your inner self in a professional way. You can't expect anybody to connect with a stranger. Once your profile is in good shape connect with your trusted friends, colleagues, partners, vendors, resellers and then of course customers you know. At that stage it's just a connection.

3) **UNDERSTAND YOUR NETWORK**

Learn all about the people in your network learn what they do, what their interest is, what their skills are what their goal in life is – everything. You will build up a new asset of unparalleled value compared to what you have today – your rolodex or link list in LinkedIn or whatever. You will learn the people and their behavior their interests and their pain without asking a single question. At this point you haven't contributed – you are just an observer.

4) **CONTRIBUTE**

Then let the socializing begin. The next step in your social media journey is to begin contributing. DANGER!!! DO NOT SELL – CONTRIBUTE. As you now know pretty much everything about the people you care, show them you care – don't fake it – care. Help them with their challenges, questions issues. As more as you care they will start to care about you too. Some may not but that is perfectly fine. Always keep in mind – to too many you are the “bad guy” you are here to sell them, people don't like to be sold. But keep going. The more you help, the more you contribute the more you will become part of the new party.

5) **PARTICIPATE**

At some point in time your contribution and blog posts, your answers and other ways you contributed will turn into PARTICIPATION to your favor. Meaning people will return to your comments to your blog posts to your arguments and opinions. They may fire back or concur with what you have to say in any case they will respond. Then you are in a dialog you are part of the social web and have made more connections and more contribution than you ever could outside. When you read this today – you may wonder “and when can I start selling”. Read it when you reached that point and you will recognize that you actually stopped selling – but still win customers – even more than before. This leads actually back to a very old saying: “The most successful sales people never sold a thing” and that is still the essence of selling today – just with new tools, new ways, new methods.

Two Sales Checklists

10 things to check when you prepare yourself

- Do you know where your customers hang out?
- Do you know who the opinion leaders are?
- Do you understand what their overall challenges are?
- Do you know what their challenges with your products and services are?
- Do you know who in your organization can help the customers be more successful?
- Do you know who in your social network can help your customers to be more successful?
- Do you know every detail about your direct customers?
- Do you know your competitors customers?
- Do you have a way to help your competitors customers?
- Do you know who of your existing customers can help your competitors customers?

10 things to check when you get engaged

- Be readily approachable, have all profiles up with all conceivable details.
- Don't ask if and how you can help – know it and then let your customers and prospects confirm it.
- Blog or have somebody from your team blog about topics and content relevant for your customers.
- Comment on blogs, other comments, videos or other entries of your customers, point others to relevant appearances.
- Find important contacts and make introductions. Ask your customers to help your prospects.
- Help your customers find information they need to be more successful.
- Always keep a balance between company provided information and external information.
- Don't stick to online only, but use it as entry point for a mutually profitable business relationship including calls and if appropriate face to face.
- Find customers with similar challenges and make introductions.
- NEVER try to sell while building a relationship – GUIDE your prospects and customers to their solution.

Closing remark:

This paper was created based on 3 years working in the social media space one way or the other and also previous sales experience in various economic conditions and industries.

A big thanks to all contributors with feedback, comments, additional inputs and experience. Including the following people in alphabetical orders

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About Social Media Academy

The Social Media Academy is an education and research institute providing education for business professionals from all industries on how to best apply social media to their respective businesses. The main emphasis is to help business managers and consultant to get a comprehensive education on Social Media, including strategy development, planning, execution, tools, resources, and ways to report and analyze development and success and help understand the evolutionary changes in our society. As part of the educational development, the Social Media Academy conducts research exploring the ongoing changes in the field and supports the continuous learning process as well as monitor ongoing changes in the field.

The main course is the institute's leadership class which focuses on how to plan, implement and engage with social media in all business areas including marketing, sales, product development, service & support, logistics, administration and engineering.

The Social Media Academy is based in Palo Alto, California. All classes are help online to allow location independent education.

More info on www.socialmedia-academy.com +1-650-384-0057