5 Steps to Increase Win Rates and Improve Pipeline Performance

How leaders are using sales playbooks and analytics to accelerate deal velocity

The threat of a double dip recession is expected to make things even more challenging for Business to Business (BtoB) firms heading into 2012, as executives may opt to delay major capital investments.

Perhaps, a more damaging long-term effect for sales teams could come from the expanded reliance on procurement departments, which typically look solely at acquisition cost, not long-term value.

By automating sales playbooks and proposal creation, and integrating activity into CRM platforms, these leading companies are actually accelerating pipeline velocity and increasing win rates, even in the face of a challenging economic climate.

Leading BtoB sales organizations have shifted to automating sales engagement with more defined processes and measurement. Rather than relying on reps to set their own course and engagement with each account, more companies are increasing investments in sales enablement software and using playbooks to even the odds.

While many companies and sectors have already been feeling the pressure of longer sales cycles and margins sliced by procurement buyers, progressive firms have had success by selling on value. By automating sales playbooks and proposal creation, and integrating activity into CRM platforms, these leading companies are actually accelerating pipeline velocity and increasing win rates.

There are five common paths these leading organizations are taking to improve sales effectiveness, increase win rates, and keep their pipeline moving:

1. **Adapting to Changing Buying Behavior**

2. **Selling on Value Instead of Price**

3. **Automating Your Proposal Process**

4. **Developing Sales Playbooks for Different Selling Situations**

5. **Adding Measurement to Key Engagement Points in the Pipeline**

1 Adapting to Changing Buying Behavior

Here are some characteristics of the "new BtoB buyer":

► Limited and selective interaction, mostly with peers and preferred vendors

► Firmly in control of the engagement

► Expect to get precisely what they want (Internet vetting)

► Expect to get it for their price (procurement)

► Expect to get it fast

► Expect it to work flawlessly, be fixed or refunded – all more or less immediately (competition)

► Forget about getting a reply to an email

The landscape of current BtoB buyer attitudes and actions was analyzed recently by DemandGen Report's 2010 BtoB Buyer Transformation Survey. The survey revealed the prime part played by content mapped to buyer personas and funnel phases, the heavy online research from which buyers create short-lists of vendors, and the increasing power of social media and peer-to-peer communication in selecting partners.

Some of the key findings on the new buyer included:

► **Engagement Matters**: Almost 95% of recent purchasers said the vendor they chose provided them "with ample content to help navigate through each stage of the buying process." Case studies, best practice data, white papers, ROI tools and vendor comparison analysis were cited as useful content forms.

► **Peer to Peer is Powerful**: Sixty percent (60%) of respondents indicate they shared key aspects of their research and buying process with others via social media; more than 40% of social users said they followed discussions and threads to learn more about the topic they were researching, and 37% said they posted specific questions on social sites looking for feedback on how others solved the specific business challenge. A significant number (21%) said they connected directly with potential solution providers via social networking channels.

► **Seamless Alignment Between Sales & Marketing Is Transparent To Buyers**: The survey showed that alignment of the sales and marketing team has become transparent to the buyer — a fact that strongly supports the use of proposal automation and playbooks. More than 75% of respondents ranked the alignment and communication between the two groups as either good or excellent during their research. Nearly 70% indicated the "consistent and relevant communication provided by both the sales and marketing organizations" was key in choosing that firm as their vendor.

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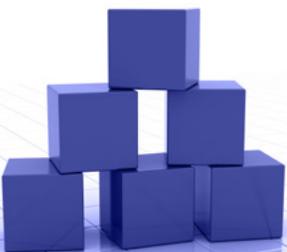
2 Selling on Value Instead of Price

In survey after survey, attention scarcity and fragmented media consumption are often the main offenders in blocking sales. Taken together, these form perhaps the most imposing wall that BtoB marketing and sales professionals have to scale.

Dr. Tom Sant, best-selling author of *Persuasive Business Proposals, The Language of Success, and The Giants of Sales*, agreed that attention scarcity, fragmented media consumption, plus the static called "messaging" emanating from too many companies is actually hurting BtoB sales as much as any other factor.

"Over the past 18 months I've had more inquiries about how to create an effective value proposition than I had in the previous 10 years," Sant said. "I think what sales organizations are recognizing is that they don't do a good job at communicating meaningful, quantifiable, specific value." Sant believes that by the time the recession hit, far too many BtoB communications had become "marketing fluff" laced with "...typical clichés like 'leading edge solutions,' 'best of breed products,' 'robust,' 'integrated' – all that garbage. That's just not working anymore," he said. "People hear so much of it that they're just tuning it out."

An acknowledged expert on selling value by using strategies that overcome price-centric negotiations, Sant said the starting place for most companies when they start pitching, ironically, is their value proposition.

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"I had an opportunity recently to work with a company that asked me to do a workshop on creating a more effective value proposition," Sant said. "Within the first 10 minutes the director of sales and business development just said, 'Let's forget all this. How do we get someone to actually listen to our message so they understand that we have anything to offer in the first place? If you're in a [product or service vertical] that is somewhat commoditized, like banking, finance, IT integration, HR, payroll processing, or any sector where there are a lot of different options, and can't clearly articulate what makes you different in ways the customer cares about, they don't want to hear it."

As for the company in the last example, Sant said the agenda was tossed out, and that the group instead spent the entire day "...working on an overarching elevator pitch — what do we have, why does it
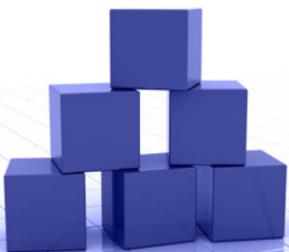
matter, how will the customer benefit — trying to get down to these basics by clearing away all the clutter and fluff so that the message came through with some impact."

"People get desperate and try to close deals by cutting price when they don't have enough insight into the client or prospect organization," Sant said. "For a long time we've understood that professional BtoB sales is knowledge work. Unfortunately, we don't always recognize that the more important knowledge isn't knowledge of our products or services; it's knowledge about the customer."

Gaining insight into what's going on in a prospect's company and industry is crucial. "Particularly, if we can gain insight into how what we've got can generate revenue, increase market share and increase customer loyalty for that company, then all of a sudden price comes off the table," Sant said. "It then becomes an equation where they're looking at the overall value of what we're offering and the impact it will have on their key performance metrics, as opposed to just acquisition cost."

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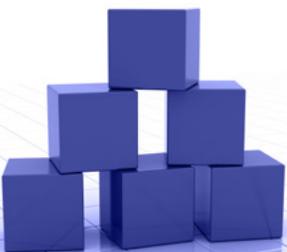
3 Automating Your Proposal Process

CRM systems have automated the sales reporting process, and marketing automation systems have changed the way companies generate and engage sales leads. At their core, these platforms share a series of common attributes that all point to lead qualification for sales readiness, as follows:

► Lead capture based on "hand-raising" or showing interest in certain topics

► Lead nurturing for a value-based dialogue between prospects and vendors

► Lead scoring to mathematically measure prospect behavior until a lead reaches a predetermined state of readiness

► When that predetermined score is attained, the lead passes to sales.

While the value of these systems (when well implemented) is beyond question, automation tends to reveal gaps in other processes, which in turn triggers the need for further innovation.

As companies have gotten more sophisticated in their pipeline reporting and lead management capabilities, it has often revealed inefficiencies around ongoing sales engagement and deal acceleration. For example, anyone who's been through this process at a small- or mid-sized firm knows the frantic work on RFPs and proposals that can end with chasing the day's last FedEx truck. Little else gets

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accomplished as sales, marketing, design and management oversee their parts.

This common problem led to the creation of automated sales proposal solutions. These solutions not only automate the creation of proposals, they typically create a central repository for a company's marketing materials, case studies, employee bios, etc. The automated tool provides the flexibility of allowing customization while keeping an eye on branding and message consistency.

"We're finally at a point where there's a potential for automation that actually supports meaningful conversations" said Sant, commenting on the rise of BtoB playbooks. As a 'knowledge worker' who has to have a conversation with somebody whose expertise is very different from mine, I need to be able to do this without embarrassing myself — where I actually add some value. With automation I can now get my hands on reports, insights, applications, case studies, things that help me understand the prospect; how I can help them."
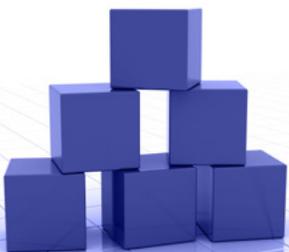
4 Developing Sales Playbooks for Different Selling Situations

Another key component of sales enablement has been the advancement of sales playbooks software, which provides a collection of an organization's sales processes and specific selling situations supported through situational content, tools, coaching and messages that help sales teams advance and win deals. Borrowed from the world of sports, sales playbooks ensure that reps carry the same message as the Chief Sales Officer or Director of Sales. The guides are designed to help get reps out of tight spots with tough clients by having answers prepared for tough questions.

Well-designed sales playbooks serve up the right information for opportunities, leads and accounts based on their characteristics and corresponding data as it is tracked in the CRM. The playbooks recommend specific activities (plays) and suggest relevant content (e.g. presentations, documents, etc.) that can address the given selling situation. Sales playbooks can also be geared toward the experience of the sales rep, providing appropriate coaching, tips and structure that supports the new rep in ways that are unique to their level of experience compared to a more refined, yet consistent version of a playbook that is more appropriate for the veteran sales rep. In fact, the basis of most well designed, highly utilized playbooks is the actual collection of the plays, including the content, tools and messages, whose execution has consistently won deals.

When it comes to aligning buyers and sellers, more than 50% of salespeople are not properly prepared for their initial meeting with prospects, according to IDC.

Sales playbooks provide a vehicle for salespeople to access and utilize the collective intelligence of the entire organization and apply it to specific sales situations. For example, playbooks can be used to disseminate the closing skills of a company's top salespeople to the entire sales force.

In the presentation, "Don't Understand Sales Enablement? You're Not Alone," IDC pointed out that when it comes to aligning buyers and sellers, more than 50% of salespeople are not properly prepared for their initial meeting with prospects.

In its research brief, Sales Playbooks: The What and Why, SiriusDecisions, Inc. compressed the importance of playbooks to three key points:

1. Sales playbooks guide reps through a series of scenarios, and detail the steps, activities and content that can be used to handle them.

2. Well-designed playbooks not only help individual sales reps, they drive productivity for the entire team.

3. By integrating playbooks into a sales force automation system, reps are more apt to use them during their daily routines.

Sales playbooks provide insights through analytics that help sales teams close
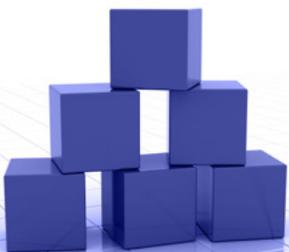
business at each stage of the buyer process. With playbooks integrated within a sales force automation or CRM system, they deliver new insight into how sales activities impact the sales cycle, allowing various stakeholders to take immediate action to improve sales performance. Analytics provide:

► Improved confidence and accuracy of forecasts

► Visibility into what top performers are doing to win deals

► Insights into activities that advance opportunities to closed/won business

► Identification of choke points in the sales cycle

Generally speaking there are four steps to creating winning sales playbooks. These steps can be applied to building a playbook for any vertical or prospect:

1. **Focus.** Target a strategic selling objective, specific offering, promotion, industry vertical, buying cycle or customer profile

2. **Build**. Use the successful patterns of top salespeople, collaborate with those who understand and are responsible for supporting sales technologies, lay out playbooks in a visual format to form a logical overview of how the playbook will be used, make sure the playbook reflects the content and activities those specialists are responsible for, make sure the playbook serves up well within the CRM, and incorporate coaching from sales managers, star players and subject matter experts.

Understanding what is and is not being used at key points in the buying process allows sales teams to focus on activities that work and eliminate those that do not, and alter playbooks accordingly.

3. **Launch**. Pilot the launch with a good mix of new, middle- and top-performing sales reps, get their feedback and tweak content accordingly. Convince senior management to mandate use of playbooks and then go wide.

4. **Evolve**. Aggressively leverage analytics from actual field use to uncover winning strategies and apply these to new playbook iterations to improve odds of winning. Understanding what is and is not being used at key points in the buying process allows sales teams to focus on activities that work and eliminate those that do not, and alter playbooks accordingly.

Focus → Build → Launch → Evolve
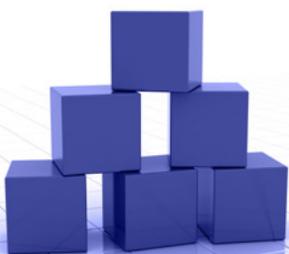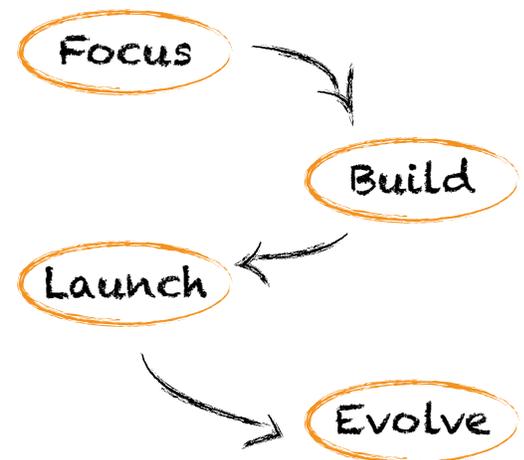
5 Adding Measurement to Key Engagement Points in the Pipeline

The time window to adjust a sales pitch or a deal in motion is never static — sometimes it can shrink minute-by-minute. For this reason, strong analytics are more important than ever before. When relying heavily on automation, analytics functionality has to accurately track major variables and yield data that can be acted on quickly. Fortunately, development of measurement tools has made significant strides in recent years.

"With the right analytics tools, sales processes can be rendered into a scientific progression of data-dependent, best practice steps that deliver consistent, repeatable, and high-value results," said David Belove, Director of Sales Enablement at Cloud9 Analytics. "This is the principle that underlies the solutions we offer, and, it is also what drove us to implement a playbooks and analytics solution."

Cloud9's analytics solutions streamline pipeline management and enable accurate sales forecasts within a Salesforce.com (SFDC) environment. To improve its own win rates, Cloud9 understood it needed to track and complete certain activities at specific stages in opportunity lifecycles. The firm — whose solutions are popular with scores of SFDC users — had no way to monitor and validate whether sales reps were following its best practices, such as the completion of product demos using a prospect's own data, which resulted in the highest close rates (but was far more difficult for reps to set up and run).

With the tracking and analytics in place from its new playbooks, Cloud9 now has an electronic framework enabling sales managers to create, implement, monitor and report on sales activities. It also provides a way for sales reps to easily and quickly access support documents needed at various stages in the sales process.

"What we needed was a way to establish defined activities that sales reps were required to complete at every stage of an opportunity," Belove said. "Equally important, we had to make it easy for sales reps to complete these activities. And, to make sure that defined processes were actually being utilized, we had to be able to monitor and evaluate all activities in an ongoing effort to continually refine best practices."

Cloud9 settled on the Qvidian Sales Playbooks and Analytics. In addition to other functionality, Belove says, "A hard copy directory still would do nothing to address our need to automatically track completed actions, and monitor their results. Only Qvidian met this requirement."

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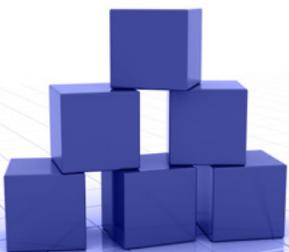
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Measuring the effectiveness of CRM-based sales playbooks (as in the Cloud9 example) and proposal automation relies on a handful of metrics that can be monitored and reported, provided that the activities being measured are mostly carried out within the CRM. Must-have elements of analytics to measure return and effectiveness are:

Advanced sales analysis – Track what your top salespeople are doing to win deals and put best practices into the hands of your entire sales team.

Precision forecasting – Improve the accuracy of sales forecasts by identifying which deals are on track and which are understated or exaggerated.

Improve sales effectiveness – Help your team prioritize deals by enabling them to focus on what they need to do to advance and win sales.

Measure marketing impact – Performance analytics give insight into which resources and tools are being used to win more deals.

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> The idea behind 'lead-to-win' is to enable closers, channel partners and anyone else tasked with 'sealing the deal' to make the most of what they are handed within the larger cycle of identifying, nurturing and closing sales opportunities.
>
> - Aberdeen Group

Conclusion

Many industry experts have pointed to strategic content configuration and message personalization as *the next frontier prospect engagement*. "[Personalization] gives us the ability to engage in the kinds of conversations that create trust," Sant said. "When we create trust we start to gain the competitive advantage that's going to endure long-term and become a relationship. We're starting to empower the salesperson to be truly consultative. We've talked for years about consultative sales, but we've never given them the power to do it. Now we can give salespeople that power."

The potential impact of these emerging engagement strategies on win rates and pipeline acceleration was supported in an August 2010 Aberdeen Group's Analyst Insight report. "The idea behind 'lead-to-win' is to enable closers, channel partners and anyone else tasked with 'sealing the deal' to make the most of what they are handed within the larger cycle of identifying, nurturing and closing sales opportunities," the report stated. The report added that sales, "needs to be highly efficient in moving deals to closure, and in dealing with cumbersome Requests for Proposals (RFPs) without re-inventing the wheel for each deal. By adopting the best practices of the top performers in the industry, end-users can achieve better velocity, shorter selling cycles, revenue growth and, perhaps most important to selling professionals — hitting their number."

By automating and analyzing key stages of the proposal and prospect engagement stages, market leaders have increased their ability to sell on value rather than price and improved overall sales effectiveness.

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About Qvidian

Qvidian enables sales organizations to engage prospects with confidence and win more often using proven, dynamic tools, and integrated best practices. Qvidian's cloud computing sales effectiveness platform —Sales Playbooks & Analytics, Proposal Automation, and Content Library—has increased win-rates and improved productivity for some of the world's largest and most successful corporations. Learn more at www.Qvidian.com.

About DemandGen

DemandGen Report is a targeted e-media publication spotlighting the strategies and solutions that help companies better align their sales and marketing organizations, and ultimately, drive growth. A key component of the publication's editorial focuses on the sales and marketing automation tools that enable companies to better measure and manage their multi-channel demand generation efforts.