

Who are you going to call? - 200 Sales conversations, only 24 hours in a day

“I lost a \$50,000 deal, simply by forgetting to follow up with an interested prospect”, said Harry.

This was a profound confirmation of something all sales-focused people know from hard experience – selling takes a lot of attention to detail.

You live or die by your sales funnel – total sales results are directly driven by the number of active deals you have, the number of contacts you can handle, the quality of every deal strategy and prospect interaction, and the timeliness of all your contacts and follow-ups. Sounds simple, right?

In fact, this is a big challenge, since adding more opportunities pushes people to a new activity level where some things will be overlooked. In my mind, Harry’s story raised a few questions:

- How big is a healthy sales funnel to achieve a typical target, say \$1 million/year? (...i.e. how many active deals, how many contact dialogs?)
- How do sales-focused people keep track of each conversation thread?
- How do sales-focused people increase the quality of each conversation? (to increase closing rates)
- Can information systems help avoid lost follow ups, and lost sales opportunities?

“...selling takes a lot of attention to detail...In Harry’s case he had a focus on his top deals, however he missed a key follow-up activity – in fact missed an inflection point, when a deal moved from cold to hot, and that cost him the \$50,000 opportunity.”

For most business to business (B2B) sales people, the funnel includes about 50-60 active situations, usually called opportunities, here we will call them “deals” for brevity. Each deal is a business decision that involves over \$10K of customer spending; in fact many of us are looking at average deal size over \$50K. To spend this money, multiple people are involved in each prospect organization – i.e. a prime decision maker will have others involved to cover all the business, technical, and financial issues. Choosing your offerings is not a simple process – and if you focus only on one person you find that competition can enter through any door or the “status quo” can stall your deal.

In Harry’s case he had a focus on his top deals, however he missed a key follow-up activity – in fact missed an inflection point, when a deal moved from cold to hot, and that cost him the \$50,000 opportunity. None of us want to miss that kind of a transition.

So let’s scale up the challenge, to correspond to a typical sales territory scenario:

- Your funnel of 50 deals active x 4 contacts per deal = 200 Sales Contacts potentially active
- Your top 10 deals provide 10 x 4 = 40 Sales Contacts that are currently active

Those top 40 active sales conversations can take all your time, for weeks or months.

Spontaneous work expansion

How did our top 10 deals grow to 40 conversations? A business sales lead turns into a real opportunity only when a customer business problem is identified, and the sales person has developed a trust relationship – one that allows the customer contact to open up a thoughtful discussion about the problem(s), pain(s), needs within their business. Then, especially if you can get the “needs statement” written down, you will identify other decision influencers, and the bigger the deal, the longer the list of this informal “buy

committee”. So, one key contact may be joined at the table by others. Business, technical, and financial issues could expand to include engineering, manufacturing, human resources ... the list goes on.

The sales person will in fact have an incentive to get others involved – sometimes organizing sessions with multiple contacts. Getting them on the same page can accelerate a buy decision. The side effect is “spontaneous expansion” – more people to talk with, more emails, phone calls...scheduling and re-scheduling of key interactions.

So your top 10 deals may get better and bigger – and the contacts grow to 40 people or more; that is enough to keep you busy full time, freezing out attention to your second and third tier deals. Harry’s frustration would be that he won his big deals, while losing this next deal.

With many active conversations, how do you be selective about what to do – what to leave in, what to leave out?

Intermediate selling steps – The buying process

On the customer side, things happen that drive the timetable – a day comes that the client says “we need a solution and we need it now!” The sales person wants to be there, driving the process.

Let’s step back and look at the larger picture. People buy with a process of evaluating options, first on where to invest their time, then on where to spend money. The importance of finding a real problem cannot be overstated – only problems with compelling urgency get attention, and then they get funding. Sales people will actually find that the “buying process” then goes through four stages:

1. Problem/Needs
2. Payback/ROI
3. Timing of a plan for action
4. Product Fit

Magically, these four stages are also the four main causes of a deal stalling. Control them, and you can control your results as well as how your time is used.

“Our sales team loved the process. It was very motivating to be able to focus on the next stage of the buying process – and not just run to our prospects and pester them for orders”

Pat, Vice President Sales

A “sales process” means managing sales time by looking at these four stages of buying (or stalling) – and there are two things a sales professional must do:

- Advance the progress of each stage, starting with the prospect impressions of problem/needs.
- Evaluate his or her progress – you can score yourself in this game, and it gives more clarity on whether an opportunity is strong, whether it is stalling, and what you can do to keep it moving forward.

This leads to a series of “to do” items that are realistic and effective intermediate steps toward the goal – getting an order.

Saving time, and tracking progress

The to do list is now focused on a success-oriented account strategy – however the challenge remains that there are the “top 10” accounts active, with 40 active dialogues – this may keep the sales person’s head down for several weeks, or months, leading to loss of attention to follow ups on the “next 40”.

With today’s computer capabilities, all tasks for later follow up can be noted in a system – the calendar and task facilities of many email packages will help as a starting point. A time-based way of retrieving the data is essential – e.g. “follow ups for today, this week, this month”, however the sales person may still be just too busy, so a selling process needs to save time too.

Time can be saved in several ways:

- For each situation, propose to customers that you work through the four buying stages in order, and allow customers an off ramp after each stage, if a buy looks really unlikely – i.e. your scoring of opportunity progress can tell you when it is time to move on.
- Get customer agreement on the “buy process” of evaluating their needs and planning solutions – most customers appreciate a sales professional who works as part of their management team.
- Avoid the time spent writing “proposals” and spend it on face time to get clarity on each of the 4 buy stages – the result will be a custom statement of the path to purchase, in four short components that cover:
 - Problem and needs assessment
 - Payback, ROI, and funding rationale
 - Plan of implementation, including plan for purchase approval and timing
 - Product fit for the specific purpose
- If a deal stalls, focus on the stage where it stalled.
- Reduce time spent on internal vendor dialogue by having a system organized around deal progress, comments and follow up plans, then give your manager and company access to the data.

Summary – a selling process that shortens follow-up list, and expands success

The number of deals you can handle (without losing track of follow ups...) may be limited by your sales process and your tools.

Approach each deal with a view to the creation of “buy cycle” progress through the four stages of buying (Problem, Payback/ROI, Time Drivers, Product fit). Gather information about all four of these from the outset, but focus only on one stage at a time, writing it down for buyer approval or correction. This lets you ensure you can see when it is time to move forward, or to drop a situation that will not lead to an order. An off ramp can work well for you, and for prospects.

When an opportunity has proven quality (hard needs written down and agreed, time-based urgency, a champion in a senior position ready to work with you), set your follow-ups for each deal around the specific conversations needed to create the prospect’s internal proposal to buy your product – avoiding or deflecting requests for your time to be spent on random follow ups. A random follow up means anything outside the structured buy process – even including a request to write a vendor proposal.

The result will be focusing your time on things that have strong impact, a shorter follow up “to do” list – an easier time knowing what needs to be done today, this week and this month without missing a beat.

Also, the process makes it easier to update management on progress, and gauge more accurately what the forecast should be, as well as what needs to be done next to increase sales. Lastly, this process makes it easier to create reporting systems with rollups for sales groups, a real time saver for both sales managers and sales professionals.

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