

Selling Power

July/August 2006

“We can identify who those key customers are and what kind of attention each customer should get.”

Major Opportunities

How to give major accounts the attention you both deserve

Companies that fail to give their major accounts specialized treatment may be missing out on sales opportunities. That's what happened at U.S. Paper Supply, which treated all its customers the same. The company's reps spent equal time on every client, whether they were major or minor accounts. “We were treating all customers as equals. We weren't giving major accounts more attention than smaller ones,” says Stephen Enfield, vice president of sales and marketing for Topsfield, Massachusetts-based U.S. Paper Supply, which sells point-of-sale roll paper (for ATMs, credit cards, and fuel pumps) and printer ribbon supplies.

The real problem was that Enfield couldn't devote enough time to the major accounts because the company didn't have a process in place to identify which accounts were the most important (and profitable). “The customers were dictating the attention they got rather than us understanding customer needs,” says Enfield. “We were doing too much reacting instead of proacting.”



STEPHEN ENFIELD

Title: President

Company: U.S. Paper Supply and printer ribbon supplies

Market: Hospitality, retail, and payment processing

After implementing NetSuite's NetERP solution (which includes ERP, CRM, and e-commerce modules), Enfield and his reps all know vital information about their customers and can confidently devote the amount of time necessary to each account. “Historically, we didn't categorize customers very well. When we re-engineered our processes through NetSuite we recategorized our customers based on revenues and revenue potential,” says Enfield. “We can identify who those key customers are and what kind of

attention each customer should get.”

Based on those categories, U.S. Paper Supply built its sales campaigns in Net-Suite, which helps the reps organize the frequency and type of touchpoints used to connect with each customer – from a face-to-face meeting every quarter to a phone call once a month or an e-newsletter or product update. Each campaign is built over a 12-month period. “We’re able to measure and monitor the plan because it’s an automated plan. And that ability to measure and monitor is so important to us,” says Enfield. It holds the sales team accountable because they have to meet the guidelines outlined in the plan and it also enables Enfield to quickly determine the effects of a particular campaign (for example, if it is responsible for yielding additional sales opportunities). “We can identify trends and campaigns that are more effective than others,” he says.

Enfield says U.S. Paper Supply has customers who don’t generate much business, but are prime targets for cross-sell and up-sell promotions and they are now being recognized as such. The company used to focus on new business instead of trying to build business with its current customers. The new system enables the organization to clearly see where those business-building opportunities are. Through one database, Enfield and his reps can view a complete history of each client’s activity to ensure that the most relevant cross-sell and up-sell opportunities are presented.

Enfield says the company posted a 25 percent increase in sales from 2004 to 2005 (the first year the automated solution was put in place). “We are pleased with the results and are forecasting the

same for 2006 and are confident we will hit it,” Enfield says.

Before implementing his CRM tool, Nick Fox had the same troubles as Enfield – “it was incredibly difficult to see where our biggest opportunities were,” says Fox, group general manager of sales for New Zealand-based Datamail, whose document management operations span companies in a variety of markets and industries. “It was a balancing act where we focused our time, not only within those companies, but the larger accounts within each of those companies. We could ultimately find out who our large customers were (they were the top billings), but we couldn’t see which accounts were growing, which were shrinking, which accounts have good coverage versus bad coverage. What the system has enabled us to do is capture that in one place using objective criteria.”

Having too many individuals creating those criteria was part of the problem for Fox. Datamail was essentially allowing the sales reps to create their own processes. Fox says the reps were investing a lot of time and effort into selling opportunities that weren’t necessarily worthy of the attention. “The reason they were doing that was because they typically had relationships with the people and felt comfortable with them,” he says. “So they would believe what the customer was telling them as opposed to looking objectively at what the customer was doing.”

Datamail began using the RightNow Sales and RightNow Service modules from RightNow Technologies about a year ago to create and codify a definitive sales process for the salespeople to use. “We moved from a very subjective view of their

opportunities (such as one scenario in which salespeople would say they were ready to close a deal next week) to a far more objective view of where the opportunities lie," says Fox. "Now we've got a better view of our pipeline and it became much easier to see which accounts had the most opportunity." From that, Fox says he can then decide where his sales focus should be and where the presales focus is. The business can select where support functions should be allocated. "Now we can look objectively at the task we need to achieve," says Vivian Morresey, sales systems manager for Datamail.

Almost immediately, Fox noticed that the company had fewer opportunities on which to focus, but they were better opportunities. "We noticed shortly after deploying the system, we had about 50 percent fewer opportunities that we were working on," he says. "We noticed they were far more early-stage opportunities than the salespeople led us to believe, which we expected as a management team."

At the core of the system is a single database of organizations and contacts that is maintained by an administrative team so it does not get cluttered with extraneous information and remains "clean." "Having a smaller amount of data that is far more accurate seems to be giving us far better results than trying to plug in every other data source we can," says Morresey.

"My biggest challenge as head of sales is not opportunities, it's return on investment," says Fox. "So counting 50 percent of my opportunities means exactly that. I can put the same amount of investment into 50 percent fewer and maximize my chances of winning those. So it's a much better ratio for me."

Gaining a common view of customer information for such communications as invitations to Datamail-sponsored events was a problem. The company likes to invite important customers to these gatherings, such as sporting events, to support their customer retention and acquisition strategies. The same people were invited every time, and Datamail wanted to invite more prospects. Now Fox and his reps can easily determine which customers they need to invest more time with. "Across our group, we're getting a common view and can see where our opportunities [regarding these events] lie. Getting that common visibility before was impossible. We've been able to gear the business around real growth opportunities."

And Fox and his team have taken advantage of their new-found time. "We've seen a significant shift not only in closed orders, but in movement through the sales pipeline," says Fox. "We can see a greater confidence in our late-stage closures than we could before, and that means I get to keep my job."

— MARJI MCCLURE



www.sellingpower.com/julaug06

Visit our Web address above and click under "Major Opportunities" for these Bonus Articles: 1. The Value of Major Accounts 2. Successful Strategies for Selling to Major Accounts 3. How Do You Handle Major Accounts? (Available through 11-1-06)