For higher-velocity, higher-volume selling

Sales 2.0 For Dummies®

Executive Edition

Turbocharge Sales and Marketing for higher sales volume and velocity!

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David Thompson
with Elaine Marmel

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EXECUTIVE EDITION

By David Thompson
with Elaine Marmel

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David Thompson, CEO and co-founder of Genius.com, is a Silicon Valley visionary, software executive, and the founder of the Sales 2.0 Conference.

For nearly two decades Thompson has been at the forefront of major trends in the software industry, launching award-winning products and developing innovative programs that integrate sales and marketing efforts to create effective Sales 2.0 organizations.

Thompson started Genius after serving as CMO at WebEx Communications (now Cisco WebEx), where he shipped and branded award-winning SaaS solutions, directed legendary marketing campaigns that vaulted WebEx to #1 in on-demand software and partnered with WebEx sales executives to pioneer Sales 2.0 best practices. By the end of Thompson's tenure, WebEx had acquired more than 12,000 customers and generated $250M.

Elaine Marmel is President of Marmel Enterprises, LLC, an organization that specializes in technical writing and software training. Elaine has an MBA from Cornell University and worked on projects to build finiancial management systems for New York City and Washington, D.C. This prior experience provided the foundation for Marmel Enterprises, LLC to help small businesses manage the project of implementing a computerized accounting system. Elaine spends most of her time writing; she has authored and coauthored over fifty books.

Publisher's Acknowledgments

We're proud of this book; please send us your comments through our Dummies online registration form located at www.dummies.com/register/.

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Introduction

Sales 2.0 is a seismic shift in Sales and Marketing that's rapidly changing the way organizations acquire and manage customer relationships via the Web. Since *Sales 2.0 For Dummies* was published, the tenets of Sales 2.0 have been eagerly embraced — not only by sales teams but also by marketing and executive teams eager to use the Web to better connect with, and serve, their customers.

Sales 2.0 is about the entire enterprise. It's about breaking down the walls between Sales and Marketing and defining a new set of strategic processes where goals are aligned to deliver smarter, measurable marketing and sales results.

About This Book

This book is an introduction to the key concepts of Sales 2.0 and to the innovative Web-based technologies that can help move your revenues to the next level.

The shift from Sales 1.0 to Sales 2.0 is as radical as the difference between playing golf, a slow-moving, single-player game, and playing a fast-paced team sport like basketball. In basketball, points are scored only as players pass the ball quickly to each other as they start at one end of the court, dribble to the other end, and make the shot. In a Sales 2.0 world, Sales gets the "score" and Marketing gets the "assist."

As in a basketball game, Sales and Marketing must quickly move the ball down the court, constantly juggling the customer engagement from the earliest brand impression, through lead generation and qualification, demo and proposal, and finally closing the sale. This process isn't rigidly sequential, but dynamic and flexible.

Whether you've already adopted some Sales 2.0 techniques or are just getting started, this book is designed to help you develop a sound Sales 2.0 approach.

How This Book Is Organized

This book is divided into three parts. Part I lays the groundwork. Part II explores the tools available to Sales and Marketing to get them collaborating to sell smarter and better. Part III guides you with actionable steps to evolve your organization to the Sales 2.0 way.

Icons Used in This Book

Throughout this book, you find helpful icons that highlight particularly useful information. Here's a quick rundown on what they mean.

TIP

This bull's eye appears next to quick tidbits that can make your work easier.

REMEMBER

This icon marks any point that you want to be sure to stash away in the part of your brain labeled "Important for future reference." You may even want to reread paragraphs with this icon.

Part I

Why Is Sales 2.0 Important to Your Entire Organization?

In This Part

- Observing seismic shifts from traditional Sales and Marketing
- Understanding new roles for social networking
- Embracing new efficiencies of Sales 2.0

Welcome to Sales 2.0, where sales and marketing professionals meet the world of Web 2.0 technologies.

Sales 2.0 takes its cue from e-commerce Web sites like Amazon.com, where there's no difference between Sales and Marketing; the focus is on a seamless online buying experience for the customer from browsing for a selection through "checkout." The motto of Sales 2.0 is simple: *Everyone* is in Sales, so customers can buy quickly and easily.

According to noted sales expert and *Selling Power* publisher, Gerhard Gschwandtner, the importance of Sales 2.0 for the entire enterprise can't be understated:

> *Sales 2.0 brings together customer-focused methodologies and productivity-enhancing technologies that transform selling from an art to a science.*

Regardless of economic conditions, Sales 2.0 has become a business imperative, a necessary step to keep pace with the knowledge and experience of today's savvy customers and prospects. Customers have become more informed as they've become more adept at using the Web to mine information, gathering data from corporate Web sites, and seeking out comparisons using search engines. The speed with which you connect to potential customers is critical to closing a sale; and, of course, spending less time per sale enhances the likelihood of increasing the number of sales you make.

"Striking while the iron is hot" has never been more important. To function in a Sales 2.0 world, organizations need to become more adept at using the Web to quickly identify and connect with customers.

Sales 2.0 levels the playing field for large and small sales organizations seeking to provide today's smarter customers with better service.

Understanding the Inefficiencies of Sales 1.0

The previous generation of customer acquisition is, for many organizations, still the current way many sales and marketing professionals interact with customers; we refer to this method as Sales 1.0.

Outbound direct mail campaigns are sent in bulk to Fortune 1000 customers without really knowing how to track their effectiveness. Marketing teams hand out glossy reports where analysts have written glowing comments about your product. Your sales team consists of the quintessential "elephant hunters" who play a lot of golf with senior executive clients, wining and dining clients with the classic three-martini lunch, and waiting for your telesales or telemarketing team to toss over some leads.

Sales managers leave sales reps alone as long as the rep gives the manager a forecast once in a while and brings in those enterprise-sized elephants. Your marketing and sales teams are doing their own things — the former is sending out promotional campaigns, the latter continues to call and qualify leads. Marketing claims Sales isn't doing anything with the bountiful amount of demand they've generated, while Sales complains that the leads brought in are worthless. Sound familiar?

What is Sales 2.0 and How Is It Evolving?

The advancements in consumer Web-based technologies such as Google and Wikipedia have shaken up the old balance of power, and Sales 2.0 takes advantage of these Web-based tools to encourage Sales and Marketing to collaborate to woo customers and close sales.

Web 2.0 sites have changed the way that consumers use the Internet by adding

- Rich, interactive, user-friendly interfaces
- Application delivery exclusively via browser
- Site data that is user-owned and user-controlled
- Social networks with increased user influence and participation
- Shopping carts that seamlessly take customers through the sale

These Web sites also shape people's expectations with info about business products and services. Buyers are now more informed and can learn about your product without ever speaking to an associate. Sellers now have less control over the process of revealing product information, especially when they are often unaware of what data these anonymous visitors are finding. Customers also expect the Web to aid, and shorten, their product search, as the advent of e-commerce has trained them to expect one-stop shopping and instant gratification.

As your customers' buying behaviors and expectations evolve in this Web 2.0 world, so must your sales and marketing processes adapt to benefit from these changes. This evolution is critical for any business, whether it sells on-demand technology, traditional software, or a large-scale physical product. By empowering Sales and Marketing to work as a team to acquire customers, optimize the sales cycle, and better analyze and track your marketing return on investment (ROI), you transform your entire organization into the world of Sales 2.0, and improve both your top line and bottom line results.

Taking advantage of social networking

Marketing and selling, regardless of your type of business, has always been about relationship-building and networking. Informal exchanges of information are often more valuable than messages you're getting from professional, official channels.

Sales 2.0 builds on this by fusing the salesperson's innate tendency to exchange and position information with his or her ability to adopt the Web 2.0 technologies that make sales more efficient. Sales 2.0 also enables marketers to target vast numbers of potentially interested customers in a personalized and relevant way.

Sales 2.0 removes the overhead and inefficiencies that previously kept you from finding the right prospect with whom to share valuable information. With social networking, you can make connections with peers, clients, and partners in a network to identify prospects who truly need your product and want to engage with you. And you can do it all more efficiently and in environments that are structured to reward and reinforce reciprocation. For example, LinkedIn enables Sales and Marketing to identify potential prospects through their network of friends and co-workers. This type of network makes communication with the prospect more personal and relevant as people who know the prospect confirm (or not!) the prospect's potential interests. Companies like Jigsaw work differently by enabling Sales and Marketing to trade business contacts with members of their online community.

Both Sales and Marketing are starting to use services like Twitter to quickly and easily broadcast about their latest success, product feature or upcoming event.

This new ability to reach out and make an immediate connection also affects how you network with complex enterprises. You can now more easily find someone within a department, and provide that person with a specific solution. In a Sales 2.0 world, decision makers are frequently at the department level, rather than executives. Not surprisingly, more companies develop and sell solutions targeted towards departments, and their decision makers, instead of enterprises.

Not only is how you sell evolving but also what you sell evolves in the world of Sales 2.0. Groundbreaking companies such as Cisco WebEx, salesforce.com, and Omniture that sell software as a service (SaaS) circumvent the IT and implementation bottlenecks by providing hosted solutions at a dramatically lower price point. Their services get up and running within days — a timeline virtually unheard of with most expensive enterprise applications. Leading Sales 2.0 users look for easy-to-use, low-price offerings to fully optimize the speed and flexibility that Sales 2.0 technologies can afford.

Shaking hands with a new form of relationship selling

Don’t get us wrong; selling is fundamentally about relationships. Of course, if a buyer is going to hand over a few million dollars to you, in-person meetings help seal that trust. But with Sales 2.0, relationship selling occurs in several new media, and is more efficient, measurable, and cost-effective than ever before.

Sales 2.0 raises the quality of your customer engagements — anytime, anywhere. If a customer or prospect is able to visit your Web site outside of business hours, you still need to know about it, and know what they were looking at. You need to create closer connections with your prospects, many of whom are anonymous, and keep them highly engaged with you.

Instead of using traditional sales and marketing methodologies where customers are informed of certain value propositions over a regimented series of steps, Sales 2.0 is about adapting to customer's online buying behaviors and helping them when they need it. The new form of relationship selling isn't about selling anymore — it's about helping the customer buy. That means Sales and Marketing need to be aligned and collaborate as effectively as a starting basketball team.

When Sales and Marketing are aligned, prospects move seamlessly from hearing about you in an online article to browsing your Web site or joining a Webinar to educate themselves to engaging with Sales when they are ready to learn more — and hopefully take the next step toward a purchase. Internally, when Sales and Marketing are aligned, they function like a professional NBA team, where players pass the ball (the Lead) back and forth, dribble down the court (qualifying and following up) until they make the basket (deal closed), and if they miss the basket, Marketing gets the rebound, and the process starts again (remarketing to prospects).

Sales 2.0 affects your entire organization

In a Sales 2.0 world, *everyone* is in Sales, striving to provide customers with a buying experience that is quick, easy, and available whenever the customer wants to buy. The fast-paced, Web-based buying experience requires a strong collaborative effort between Sales and Marketing to ensure that the customers who express interest are quickly put in touch with the right team member to answer questions, provide information, and eventually close the sale.

Selling Faster and Smarter with Sales 2.0

If you're a sales rep, especially one who gets on planes and travels, one of the things you receive from Marketing is leads into your sales funnel. From this stack of leads, you make your weekly appointments to visit your prospects. How often do you arrive at your meeting and within moments know that the lead really isn't qualified? Sure, they may have met some factual criteria to be considered a qualified lead, but maybe they don't have the budget, a champion, or specific goals spelled out yet. Worse, maybe they stump you with questions that could have been answered by a person back in your home office. The net result is a wasted trip for you.

Selling face-to-face without flying

Sales 2.0 reduces the annoyance and inefficiency of these scenarios. More streamlined processes — and the technologies to carry out these smarter approaches — can directly save you time and money. Less time spent traveling means lowered travel expenses and more time selling. More time selling means you get to focus on raising your average price, while the number of accounts you touch increases, too.

For example, Web conferencing stands out as an early Sales 2.0 technology that has changed the way people sell by enabling relationship selling through the Web.

REMEMBER

Increasing selling speed alone isn't enough. You need better visibility into your customers' actions and their intentions, whether or not you visit with them face-to-face.

Measuring your selling smarts

Sales 2.0 is about making anything and everything in the sales and marketing lifecycle measurable, so that you can use that information and the resulting analysis to help your customer make better buying decisions. With Sales 2.0 technologies, frequently Sales and Marketing use the same tools but with different purposes and focuses. Web analytics, traditionally used for marketing, are now important to sales teams as well.

Josh James, CEO and co-founder of Omniture, describes why:

> *Your Web site is the gateway to your business. In a Sales 2.0 environment, Web analytics provide critical information to optimize the customer's Web site experience and deliver invaluable individual customer insight so Sales and Marketing can better tailor their communications.*

Marketing uses Web conferencing for Webinars to attract and educate hundreds of prospects. Sales uses Web conferencing for personalized sales meetings and demos. E-mail Marketing has become a go-to tool for both Sales and Marketing.

Genius.com lets marketers send out large, yet personalized, e-mail campaigns on behalf of an entire sales force, while directing measurable results (an opened e-mail or a Web site visit) to the appropriate sales rep. In this scenario Marketing is essentially playing matchmaker between an interested prospect and his assigned sales rep, hopefully fostering a long and happy marriage.

Genius.com lets sales reps instantly track which prospects have opened your e-mail and clicked through to your Web site (see Figure 1-1). With Genius, Sales gets an instant alert and a Tivo-like replay of your prospect's site visit for instant info about what they're interested in. You can immediately contact Prospect X to ask whether he or she has any additional questions. You've already reduced the sales cycle by not having to cover redundant information. Your conversations not only occur more often, but become more personalized and smarter.

Figure 1-1: Following up on leads with Genius.com.

Sales 2.0 merges Sales and Marketing into one team to target buyers more effectively and bring in a lot more business at lower cost. It helps reps hit their quota more predictably and turns your combined sales and marketing teams into a competitive advantage by shaking up age-old concepts of selling. Take an honest look at the chart in Figure 1-2 and see where you stand and how well your approach is working for you.

Defining Sales 2.0

Sales 1.0	▶	Sales 2.0
Rigidly following a sales process	▶	Helping prospects buy
Controlling what the buyer knows	▶	Buyers educate themselves before they come to you
Marketing vs. Sales	▶	Integrated and interdependent Marketing and Sales
Selling solutions	▶	Helping customers succeed
High-efficiency vs. high-touch	▶	High-efficiency AND high-touch
Volume vs. relationships	▶	Relationship-driven volume
Travel, meeting and schedule hassles	▶	Engaging anytime, anywhere
Technology is a burden	▶	Technology makes Sales and Marketing more effective
Count every activity	▶	Measure all activities that count
Forecast probability	▶	Forecast predictability
Pipeline volume	▶	Pipeline shape and velocity
Mass marketing and prospecting	▶	Personalized and targeted communications
Hoarding best (and worst) practices	▶	Making best practices pervasive

Figure 1-2: Understanding how Sales 2.0 transforms your sales and marketing approach.

Part II

Top Sales 2.0 Technologies

In This Part

- Following the Sales 2.0 funnel model
- Bringing in new customers
- Getting to know your prospects
- Tracking customer interactions
- Closing deals online and keeping customers happy

To sell and market effectively with Sales 2.0, you need to modernize with essential Sales 2.0 applications. The technologies described in this part help transform your Web site and online presence from static brochureware (for visitors who come and go anonymously) to a highly interactive store, where Marketing directs potential customers to the store and sales people greet customers and offer them highly personalized service based on their specific needs. This part presents the top technologies to turn your Web site into a Sales 2.0 sales and marketing machine for every step of the sales cycle and lead lifecycle.

Bear in mind that technology works best when you have clear, shared goals between Sales and Marketing; for more information, see Part III.

The Sales 2.0 Funnel

The Sales 2.0 Funnel (see Figure 2-1) updates traditional sales and marketing cycles by identifying each stage of the Sales 2.0 process and providing you with a sampling of new Web-based technologies that enable you to approach each step in a faster, more cost-effective, and measurable way.

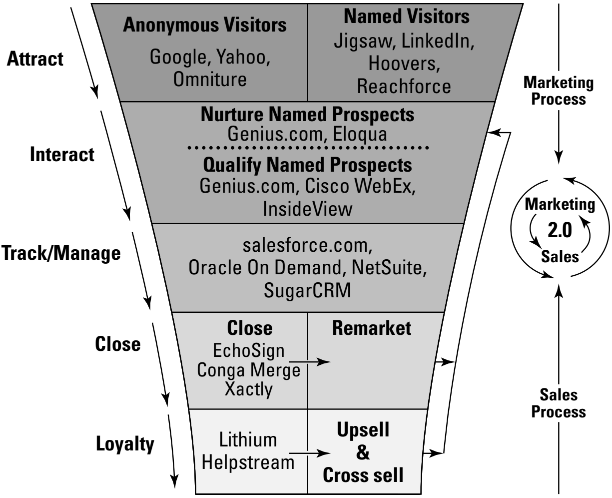

Figure 2-1: The Sales 2.0 Funnel

As Marketing drives the demand that brings leads through the top of the funnel, Sales defines the processes for managing prospects to a close and beyond. Marketing guides prospects into your Web site with various initiatives called *campaigns.* As the prospect browses your site, Sales then interacts with prospects to understand their buying needs and close them faster with better service. While the sales cycle has a defined beginning, middle, and end, the lead life cycle, in contrast, is continuous as you market and then remarket depending on customer needs. Because the lead life cycle doesn't end, Sales passes the leads back to Marketing as appropriate. The lines between these two departments and their processes blur at multiple customer touchpoints. The prospect will dynamically move up and down the funnel according to the level of their buying interest.

Sales 2.0 helps break down the walls between Sales and Marketing by defining a new set of strategic processes where incentives and goals are aligned to deliver smarter, measurable results. No longer do you need to contend with marketers executing campaigns that Sales doesn't know about or having leads tossed over the fence that Sales doesn't believe are qualified.

Attracting Customers: Marketing's Job in Sales 2.0

When it comes to acquiring customers — you have to get them in the door, and that's Marketing's job. Attracting customers occurs along two branches: seeking out named individuals that you think are the best fit and educating anonymous visitors about your product.

Attracting named visitors

A great source of new business is your current customer base. Effectively maintaining and cultivating your existing customers is an enormous Sales 2.0 opportunity for any company. You must have an excellent Customer Relationship Management (CRM) solution to manage those relationships, such as salesforce.com. Just as important, you need a marketing system like Eloqua or Genius.com that lets you target customers at appropriate times and track customer interest. Best of all, you can do this in a highly automated way, ensuring that prospect cultivation takes place on a regular, predictable schedule.

See Figure 2.2 for a preview.

In the Sales 2.0 world, prospecting for new leads takes a new spin. Historically, data about a company, its key decision makers, and their contact information were carefully mined and cleansed by large giants such as Hoovers. Access to this information came with a high price tag and wasn't always accurate. Plus, you have your own Rolodex that you've built up over the years, but how up-to-date and organized do you think those business cards are?

Sales 2.0 provides this type of data more transparently, and at little or no cost, to members of various social networking communities. Incentives within these communities promote the maintenance of accurate information and outreach to new participants. Examples include Jigsaw (`www.jigsaw.com`), iProfile (`www.iprofile.org`), LinkedIn(`www.linkedin.com`), and Reachforce (`www.reachforce.com`) . Not only can you find new information, you can confirm whether the data you currently have is correct. So now you can sell more to your existing contacts as well as to new ones.

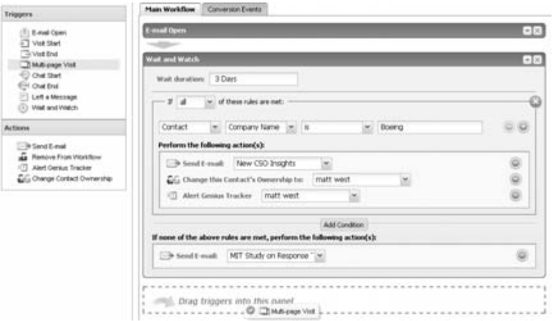

Figure 2-2: Genius.com easily automates marketing campaigns with drag and drop campaign creation.

For example, at Jigsaw, members access a business directory of contacts for free if they contribute or update business contacts of their own. Even those with a limited network can still afford to purchase access to contacts. The self-correcting nature of Jigsaw ensures accuracy of the data, while its reciprocal nature spurs data growth.

"Jigsaw takes a new approach to something that's been done for ages," reflects Jim Fowler, CEO and founder of Jigsaw. "Sales and marketing people have always exchanged information. Our platform creates huge efficiency gains for reps by drastically reducing the time-consuming work of finding, accessing, and maintaining their list of business contacts."

Read about the success companies are having with Sales 2.0 tools in the nearby sidebar, "Case Study: ADX Employs Sales 2.0 to Generate Leads During a New Product Launch."

Attracting anonymous visitors

So how do you get new, unknown prospects to you? Most companies don't have the luxury of an instantly-recognized brand presence that automatically drives information seekers to their Web sites. Plus every company has competitors clamoring for mindshare. Both of these factors are more noticeable than ever when information seekers go to a search engine such as Google or Yahoo. The difference between a first-page listing within a search result and a second-page listing can translate into an order of a magnitude of visitors that either click through or never hear of your site. If your customers can't find you, they can't buy from you. Yet, until recently keywords attracted *only* marketing's interest.

With Sales 2.0, Sales has become interested in using keyword advertising to help drive qualified leads to the Web site and then into their pipeline. Together Sales and Marketing can identify the keywords that are viewed as most relevant by prospects to bring in high-quality leads.

"Businesses need to abide by three core tenets of search engine marketing before anything else," advises Barbara Coll, CEO of WebMama.com Inc. Barbara suggests the following:

- Decide what keywords to buy.
- Design your Web site to be search engine-friendly.
- Use Web analytics to track conversions.

Case Study: ADX Employs Sales 2.0 to Generate Leads During a New Product Launch

Background and Objective: ADX provides electronic commerce and supply chain integration services. ADX expanded their solution suite with a new product, CommerceMail, and wanted to quickly and efficiently ramp up their lead generation and qualification program to support their product launch.

Solution: Using Jigsaw, an online business directory of 10 million business contacts, ADX generated a list of potential prospects to contact. Then, using Genius.com, which provides marketing automation and lead management, ADX implemented a multi-step e-mail campaign. ADX first sent a personalized e-mail on behalf of their sales team, encouraging recipients to request a demo on the ADX Web site. The Genius Tracker instantly alerted ADX reps whenever there was online prospect activity. Recipients who didn't fill out a form were sent follow-up e-mails at appropriate intervals. With Genius, ADX reps could also see a page-by-page replay of each prospect's Web site visit to determine level of interest even if the prospect didn't complete the demo request form. With Sales 2.0, ADX reps were able to identify a much higher number of opportunities than they would've identified using older, Sales 1.0 techniques.

Result: Using Sales 2.0, ADX was able to build a pipeline of 60 qualified opportunities in 90 days.

In the Sales 2.0 world, a key goal of a company's Web site is to convert anonymous visitors to known prospects that Sales can then contact and close. Sales must truly integrate with Marketing to succeed — it's not enough to get a lot of visitors to the Web site. Sales and Marketing need to work together to give that anonymous visitor a name and face so that Sales can meet and greet through the Web site.

A variety of Sales 2.0 tools and technologies help here. For example, by offering real-time chat on your Web site, regularly-updating landing pages, tying Web forms directly into your CRM system, and using Web conferencing as invites to live demos, you provide the prospect with multiple ways to engage with you. In addition, Marketing can add time-sensitive promotions to key landing pages to encourage contact. And, you can use your CRM as a common repository for Marketing and Sales to share real-time customer insight and other information to put a spotlight on these high-quality leads.

Yes, using these technologies requires extra effort. Yes, you and your team may already be swamped. But you need to make a conscious effort to harvest visitors from your Web site. Don't let all these online store visitors browse and leave. You wouldn't do that in a bricks-and-mortar store, would you?

TIP

Create a schedule that assigns reps on a rotational basis to staff instant chat sessions or host regular Web conference demos promoted on Web site landing pages.

Interacting with Customers: The Job of Sales and Marketing

In the traditional shopping model, sales associates greet store visitors, observe their body language and what they're browsing to assess if they're serious or just kicking tires. Questions are readily answered, and advice is doled out as needed. But how do you give your virtual store visitors this same kind of department-store treatment?

Sales 2.0 tools make for a richer interaction between you and your prospects by helping you view and assess the online equivalents of body language and interest level. With this added insight, your Sales 2.0 team can better prioritize their time with qualified and interested prospects, thus building a smarter pipeline.

Sales and Marketing need to collaborate to identify quality leads who need immediate service and those other prospects who might buy at a future time so that Marketing can approach them when the time is right.

And don't let those past lists of unqualified prospects just sit there gathering dust. Sales people know that timing is everything — a prospective buyer may pass by an offer at one point in time, but, with changed circumstances, re-engage later. Sales and Marketing can also use Web-based, lead-nurturing techniques, like newsletters, Webinars, and whitepaper offers, to take advantage of every opportunity to stay in touch with unconverted prospects.

In particular, sending and tracking e-mail newsletters enables you to keep product and pricing announcements front and center with an audience that's at least partly qualified. Using a solution such as Genius to track the recipients who open the newsletter and click through to find out more from your Web site provides an invaluable indication of renewed interest that Sales can act on in real-time.

Marketing automation tools, available from Genius.com (www.genius.com) or Eloqua (www.eloqua.com), should facilitate the "right touch" with your prospects — you want Sales to reach the right people at the right time. Automation should generate timely insight for the frontlines — those who can actually act on it — versus generating a bunch of reports that get stacked away in a mid-level manager's office. It should enable Sales to reach out to the people who are actively buying. And, as research is increasingly demonstrating, the sooner, the better.

According to a study conducted by Dr. James Oldroyd of MIT and InsideSales.com, you're 100 times more likely to connect with a lead if you make the call within 5 minutes of receiving the lead than if you wait 30 minutes. For the complete study, see "How Much Time Do You Have Before Web-Generated Leads Go Cold?" at www.leadresponsemanagement.com.

Genius.com takes the concept of reading online body language a step further by empowering sales reps to instantly track how prospects respond to e-mails, identify the Web pages your prospects visited, and how much time they spent on each page. Marketing works with Sales to determine what prospect behaviors and data signify a conversion event and can ensure that

Sales gets this information at the precise time the prospect score or behavior hits the threshold. Armed with this knowledge, Sales is now better informed and can respond and interact more intelligently. With Genius, visitors can even chat with sales reps from the Web site using real-time instant messages. Being able to give Web site visitors high-touch, personalized, and consultative customer service is like delivering the power of Amazon's famous personalized book referral service from the hands of an individual sales rep. Web development teams and IT are removed as bottlenecks because Genius.com enables you to do all this without any programming or IT assistance. With Genius, the high cost and painfully long implementation process is eliminated.

InsideView's offering focuses on aggregating customer information and using analytics to look for and categorize relevant customer data. InsideView offloads the time-consuming part of selling by automating the act of researching customer information and providing updates on latest relevant company news.

Umberto Milletti, founder and CEO of InsideView suggests the following:

> "With today's search engine capabilities, buyers have raised the bar in the types of conversations they want with you. It's not just about features and functionality anymore. By keeping track of the latest developments at all your targeted accounts, you're now able to build a better quality pipeline and begin conversations at a much deeper level than ever before."

Cisco WebEx and other Web conferencing applications stand out as a critical tool in every Sales 2.0 user's arsenal. In addition to Cisco WebEx (`www.webex.com`), these companies also offer various Web conferencing services:

- Adobe Acrobat Connect (`www.adobe.com`)
- Citrix GoToMeeting (`www.gotomeeting.com`)
- Microsoft Live Meeting (`www.livemeeting.com`)

As one of the pioneers of what we now describe as Sales 2.0, Cisco WebEx and their processes have paved the path for many of the Sales 2.0 tips we offer in Part III.

"Sales 2.0 started out with simple one-on-one meetings with customers through sales-enabling technologies like Web conferencing. As these customer interactions have become more complex and embedded in the entire customer lifecycle, it's critical that Sales 2.0 collaboration platforms like WebEx Connect make it easier for users to assemble the key applications and databases they need to instantly make their customer conversations more informed and productive, whether these are 1-1 meetings, larger marketing events like webinars, or offline interactions," says David R. Knight, VP of WebEx Connect.

"Productivity is increased when you become highly engaged with the customer. Collaboration now occurs both within a meeting and outside it, too. WebEx allows meeting attendees to quickly find and contact subject matter experts in case the customer asks a stumper of a question." adds Jeff Weinberger, Manager of Strategic Market Development, Cisco WebEx.

Tracking and Managing Customers: The Job of Marketing and Sales

Managing pipeline information within silos of teams and selling as lone wolves have given way to increased collaboration between Sales and Marketing. This team-based approach to customer acquisition, management, and retention can be reviewed by Sales and Marketing using CRM applications. Three top solutions include

- Salesforce.com (`www.salesforce.com`)
- Oracle On Demand (`www.oracle.com/ondemand/index.html`)
- SugarCRM (`www.sugarcrm.com`)

Salesforce.com is a Sales 2.0 pioneer whose product and internal best practices have helped prove and define the Sales 2.0 model. Traditional CRM systems typically took a long time to implement and required a huge investment of cash. Salesforce.com opened the door to smarter selling using an easily understandable approach at a price point that businesses and departments of all sizes could afford.

Today you see a variety of CRM options — hosted or on-site, open source or proprietary, integrated with back-end systems or as part of a best-of-breed suite.

"Customer relationship management (CRM) is a comprehensive way to manage the relationships you have with your customers — and your potential customers — for long-lasting mutual benefit," says Clarence So, Chief Marketing Officer, salesforce.com. "Salesforce CRM breaks down the barriers between Sales, Marketing, and Customer Service so that all customer-facing groups share a unified view of their customers' information. And, it's easier to get started than you think. Salesforce is delivered completely via the cloud computing model, giving businesses a low-cost, low-risk way to quickly get up and running with CRM."

Other options in CRM include SugarCRM and Oracle CRM applications. SugarCRM offers an open source architecture to enable integration with a wide range of existing business processes. By following an open source model, CRM developers in SugarCRM's community contribute so you don't have to reinvent the wheel from scratch.

Oracle Social CRM combines Web 2.0 technologies with social media analytics to bring more value to Sales and Marketing. Anthony Lye, SVP of Oracle CRM states the following:

> "Social CRM goes beyond management reporting to help Sales attain deep understanding of their prospect's online conversations and connections so they can have more meaningful and informed customer interactions."

Closing Customers: Sales' Job in Sales 2.0

When a customer agrees to buy your product, the closing process kicks into gear. You need a simple system to create and administer contracts, collect signatures from the customer's buyers and authorized purchasing agents, and generally ensure that all the I's are dotted and T's are crossed. Nothing is more frustrating than having an eager customer who wants to start using your product but can't because paperwork has tied things up.

Sales 2.0 technologies such as Conga Merge by Appextremes (`www1.appextremes.com/dnn`) and EchoSign (`www.echosign.com`) make the closing process more efficient by tracking it from the moment a customer commits to buying a product to the moment when he or she signs on the dotted line.

Conga Merge for salesforce.com creates content-rich output from your Word or Excel templates, or PDF forms. Custom quotes, proposals, account plans and more require just one click to file or email. By automating the proposal preparation process, Sales 2.0 teams reduce approval bottlenecks and get the products to the customer faster.

EchoSign manages documents and contracts by making it easy for you to capture signatures and manage the sending and receiving of signed and unsigned documents. Recipients can print out forms to sign manually or use an authorized e-Signature option. You can even have EchoSign route PDFs of the signed documents to the proper parties related to both sides of the contract, such as Legal, Accounting, or Sales Operations.

Keeping Customers Satisfied

In the Sales 2.0 world, after you close a customer, you don't just forget about them and move on. Sales 2.0 companies realize that nurturing customer interactions throughout their entire relationship is critical and can lead to cross-selling and upselling opportunities after the initial sale. So what sort of metrics can you analyze to determine if your customers are happy? Business Intelligence (BI) tools help you critically analyze your data to streamline sales, and to make sure the right pricing and product mixes are available for your customers.

Community tools can also help retain customers. Sites like those created by Lithium (`www.lithium.com`) enable more front-line interaction with your customers. Support and customer service communities like Helpstream (`www.helpstream.biz`) further enhance a company's ability to cost-effectively share knowledge between employee and customer, or between customers, while encouraging others to participate. Other communities can exist to discuss all aspects of a business — its products, news items, wish lists, and so on. And communities have evolved from the days of forums to now include multiple channels for engaging participants. Chat rooms, buddy lists, private messaging, blogs and microblogs all help keep the customer engaged and encourage them to browse, participate, and return for another visit.

This fundamental change in how most sales and marketing organizations view and use their Web sites also requires new techniques. We describe these new approaches in Part III.

Part III

Ten Ways to Ramp Up Your Sales 2.0 Attitude

In This Part

- Examining exemplary Sales 2.0 leaders
- Keeping Sales and Marketing aligned
- Tracking sales metrics the easy way
- Ensuring repeat success
- Making the most of your Web site

All this amazing Sales 2.0 technology is wasted unless you adopt a Sales 2.0 attitude across your sales and marketing organizations to achieve a higher volume, higher velocity, and higher value sales and marketing model.

In this part, we touch on a few key Sales 2.0 techniques and hear about some best practices that companies like Cisco WebEx use to win big with Sales 2.0. Throughout this part, you get helpful, best-practice insights from Joe Schwartz, Director, Marketing Services at Cisco WebEx's Technology Group, David Satterwhite, Executive Vice President and Head of World Wide Sales at newScale (`www.newscale.com`) and sales process experts, Anneke Seley, founder, and Sally Duby, president, of Phone Works (`www.phoneworks.com`), and Josiane Feigon, founder of TeleSmart Communications (`www.tele-smart.com`).

At the end of this book, you can take a quick quiz with some basic questions to gauge how Sales 2.0-savvy you are.

Follow Sales 2.0 Models of Success

A great way to adopt a Sales 2.0 attitude is to look at companies that do Sales 2.0 really well. Among the inventors of Sales 2.0, one of the most prominent success stories is Cisco WebEx (`www.webex.com`), both in their internal processes and with the technology they sell.

WebEx's Joe Schwartz explains how adopting Sales 2.0 affected his organization:

> "When you effectively implement Sales 2.0, Sales and Marketing collaborate instead of facing off against each other because they see the sales process and customer acquisition in a new light. The shorter sales cycles and a lower cost of sales we achieve using Sales 2.0 opens opportunities to target new types of buyers, market segments, and deal sizes."

David Satterwhite of newScale says, "Selling has always been about doing more with less and doing it effectively. Sales 2.0 tools, combined with the right people, the right culture, and the right processes, enable us to be more effective and to actually deliver on the do-more-with-less goal. At newScale, following this path, we have shortened our sales cycle from more than one year to approximately 6 months. Our number of calls was 50 percent higher, our call time was 200 percent higher, and our lead generation team last quarter reached 124 percent of its goal."

Align Sales and Marketing

As Part II explains in depth, in a Sales 2.0 world, Marketing and Sales are joined at the hip. If your sales and marketing teams don't meet regularly and see eye-to-eye on the Sales 2.0 process, you have a problem. Your combined sales and marketing teams need to collaborate to maximize revenue. "Sales and marketing collaboration starts at the top," says David Satterwhite. "There are tools you can use to enable collaboration, but at the top, you have to value alignment. As just one of the techniques we use to stay aligned, Mark Hamilton, Vice President of Marketing at newScale, joins most of my weekly sales management team calls."

Sales and marketing alignment begins with an essential meeting of the minds between company leaders about key shared goals and the activities for achieving those goals:

- How many *qualified* leads does Sales need from Marketing to make its revenue targets?
- What's the definition of the qualified lead? Whatever definition you use, both groups need to agree on it. For more info see "Improve Lead Generation and Clean Up Your Pipeline – Generate Better Leads for Better Sales Results," by Jim

Dickie and Barry Trailer of CSO Insights. Visit `www.genius.com/cso`.

- How quickly does Sales need to follow up on qualified leads? A 30-minute delay could be too long. For more info, check out the MIT study at `www.leadresponsemanagement.com`.
- When does Marketing give the lead to Sales, and if the prospect isn't ready to close, when does Sales give it back to Marketing?

And Sales and Marketing also want to keep tabs on these metrics:

- What's the cost per lead? Cost per deal?
- What are the targeted conversion rates from raw prospect to qualified lead to signed customer?

Track and automate this information in the CRM system used by both groups to determine how effectively marketing campaigns generate leads and then how quickly Sales jumps on qualified opportunities. With this information, you can actually calculate the real return on investment (ROI) on both sales and marketing expenditures.

Essential to successful sales and marketing alignment, you must ensure that you collect a minimal shared data set to measure marketing effectiveness and timeliness of Sales follow-up. For example, Cisco WebEx uses six pieces of data in its CRM to align Sales and Marketing: Rep Name, Prospect name, Company Name or Opportunity, Deal Size, Expected Close Date, and Sales Process Stage. This information helps them understand three key aspects of Sales 2.0:

- Revenue generated per sales rep – a measure of rep productivity
- Effectiveness of various marketing campaigns
- Combined cost to Sales and Marketing to acquire customers

TIP

Make sure incentives and compensation plans align with your company's short- and long-term goals. To do this, take advantage of compensation management products like those from Xactly (`www.xactlycorp.com`).

Measure Everything

You may have noticed that each question in the Sales 2.0 quiz at the back of this book relates to metrics. That's because in a Sales 2.0 world, every sales and marketing action is measurable. That's the beauty of the Web. Every interaction with a customer or prospect is measurable. And, to measure actions, these interactions need to be goal-oriented. Always consider the business reason behind capturing the data you request.

Establish Repeatable Processes

In a Sales 1.0 world, processes tend to be pretty loosey goosey. Sales 2.0 is all about getting the highest value out of your sales funnel. "You need to get the right people in place, set the right culture, and put the right processes in place," says David Satterwhite. "Otherwise, you end up enabling the wrong things."

Joe Schwartz agrees:

> *Technology without a good process isn't worth anything. You can spend millions of dollars on technology, but, if you don't have the right process, your investment won't pay off.*

Creating an agreed-upon, repeatable sales and marketing process is important. In her book *Sales 2.0: Improve Business Results Using Innovative Practices and Technology,* Anneke Seley says "Start by focusing on your sales process and your customer's communications preferences." Sally Duby, president of Phone Works, literally takes this notion several steps further: "Track each step of the sales process so you can analyze who's struggling and who's doing well. Then make sure you share best practices to grow your team."

As a Sales 2.0 manager, think first about the step-by-step process for acquiring customers and how to measure results in each step before thinking about the best technology for a particular step.

Whiteboard the process, taking input from your star performers on both the sales and marketing teams involved with touching the prospect. If you already have some Sales 2.0 sales tools in place, assess which processes are working well in the application and which processes need improving.

"Sales managers must proactively help teach their teams how to sell, instead of reactively coming in to save the day at the 11th hour. Build out your processes and be specific about when and how your Sales 2.0 technologies are used," adds Sally Duby of Phone Works.

Use a CRM System

The first thing good Sales 2.0 managers do is set up a Customer Relationship Management (CRM) solution for their group. A Sales 2.0 CRM system isn't just a modern substitute for a stack of business cards. Your CRM system must embody all of your sales processes and support both Sales and Marketing.

Each task a rep performs to close a deal is defined as a trackable activity in the CRM system. As a manager, you need to be on board and lean on your team to make sure they enter the data. The key to a successful CRM deployment is manager and rep buy-in. Make sure your processes include both carrots and sticks to drive usage.

Peter Grace Vice President of Sales of ADX says, "I've found that if you give sales reps a tool that makes them more efficient and more effective and allows them to close more business easily, they will not only adopt it, but embrace it. If you ask them to do things that they don't see the value in doing, you're always going to have an uphill battle in attempting to get compliance."

Make Your Web Site Your Top Sales Assistant

Your Web site is your company store. Whether from an online ad or an e-mail campaign, all leads land on your Web site in a Sales 2.0 world. Make sure you're ready for their sudden drop-in visits.

The days of glossy-but-static brochureware Web sites are over. Your Web site should become your virtual store where each sales rep can greet and assess each visitor, just like in a bricks-and-mortar store.

With technologies such as Web conferencing, reps can also fully engage with prospects as if they'd entered your physical conference room for a meeting. With a good Web-to-Lead form in strategic places on your Web site, you grab prospect information as they take your calls to action and funnel them straight to the right sales rep through your CRM system.

With Sales and Marketing working closely on the Web site, it will become much more interactive. Marketing needs a ready stock of juicy calls-to-action, such as free trials and live online demos that engage customers. Sales reps need to chat in real time with specific prospects using technologies such as Genius.com.

B-to-B executives need to analyze successfully completed and abandoned lead forms (the abandoned shopping cart in a B-to-C world) to try to improve the quality and quantity of leads generated. B-to-B executives also should analyze how quickly leads are passed to the appropriate sales rep for follow-up and how quickly sales reps respond to customers who visit the Web site.

Invite Prospects to Your Web Site

Products from Genius.com enable Marketing to attract and invite customers to your Web site. With Genius you can automatically send out personalized e-mails that can track recipients' responsiveness so that Sales can interact with the best prospects who visit your Web site. Both Sales and Marketing benefit by gaining extra insight into their prospecting efforts.

Make all your communications with your prospects a one-to-one dialogue. Have all e-mails come directly from the sales rep, not from a faceless marketing address. Marketing should work with Sales to create e-mail templates so everybody sends out consistent, well-written messages that have a specific call to action, such as a 10 percent discount if the recipient visits the Web site.

“Take control of the e-mails sent out to your prospects and customers. Develop a more consistent set of succinct e-mails to develop a stronger, strategic e-mail presence,” says Josiane Feigon, founder and CEO of TeleSmart Communications.

Turn Your Web Site into a Trade Show

Sales 2.0 companies such as Cisco WebEx offer daily demos of their product. Going to their Web site is like going to a WebEx trade show or user conference. There’s always a live demo so visitors can take an in-depth look at the product (see Figure 3-1). A sales rep is always available for a chat. Customers receive answers to their questions, getting a higher degree of service than through a static Web site.

TIP: To extend your reach without getting on a plane, consider using Unisfair, a leader in producing and managing virtual events. Find out more about sponsoring a virtual trade show at `www.unisfair.com`.

After a Sales 2.0 sales rep has qualified a prospect with solutions from companies like InsideView or Genius.com, the sales rep can quickly schedule a more in-depth demo with the prospect.

These one-on-one demos are key to Sales adding value to the customer's experience. In these demos, the rep trains the prospective customer, gets that person started with a pilot, and answers all his or her questions. Best of all, by using Web collaboration tools, neither sales rep nor prospect needs to be away from their desks.

If you offer free trials of your product, your Web site's homepage needs to prominently feature that free trial. A Sales 2.0 company typically offers this trial instead of forcing prospects to go through traditional and long qualification cycles. If you have a great product, you want your prospects to see it, right?

Figure 3-1: WebEx walks the walk and provides online demos of its services.

Use Your Web Site to Capture Leads

Brian Carroll, CEO of InTouch, author of *Lead Generation for the Complex Sale* and noted B-to-B blogger says, “Sales and Marketing are looking increasingly at their corporate Web site and Sales 2.0 initiatives as a way to bring qualified leads for a more productive pipeline.”

Get started by embedding Web-to-Lead forms in your Web site. Do this on every landing page that a prospect views when clicking through from a marketing campaign e-mail. This approach captures buyer interest as it happens on the Web site and helps you measure the effectiveness of your marketing.

Remember, you will be 100 times more likely to connect with a lead if you make the call within 5 minutes of receiving the lead than if you wait 30 minutes.

Make sure these Web-to-Lead forms are directly linked to your CRM system so the leads flow instantly to the appropriate rep without any re-keying of information. The forms should identify the marketing campaign that brought the customer to the door. That way, leads don’t get lost, sales reps can spend their time following up on leads instead of re-keying information, and Marketing knows which campaigns are converting into prospects to qualified leads.

TIP

With products like Genius.com, you can easily automate instant follow up of a Web-to-Lead form and send tracking info to Sales in real-time so they can follow up quickly with their “hot” prospects.

"At the end of the day, our ultimate goal is customer satisfaction, and Sales 2.0 helps us provide customer satisfaction," boasts Joe Schwartz. "With Sales 2.0, our attention to customer satisfaction begins the moment a prospect visits our Web site. It continues through our contact with our customer, and it doesn't end after the contract's been signed. We strive to make our customer's experience seamless, easy and successful. When our customers succeed, we succeed."

Wouldn't you agree?

Find out More about It

If you're a sales manager and looking for guidance on how to take your team to the next level, consider the experts at TeleSmart and Phone Works:

- `www.tele-smart.com/services/sales-management-forum.html`
- `www.phoneworks.com`

Also check out this great book on all things Sales 2.0: *Sales 2.0: Improve Business Results Using Innovative Practices and Technology* by Anneke Seley and Brent Holloway, published John Wiley & Sons and available at Amazon.com.

Is Your Organization Sales 2.0?

Use this handy checklist to transform your company into a Sales 2.0 business. Do you . . .

- ❑ Have trackable, measurable processes in place for your sales and marketing teams?
- ❑ Send your prospects concise, consistent, and spell-checked e-mails with specific calls to action?
- ❑ Get notified instantly when your prospects open your e-mail and visit your Web site as a result?
- ❑ Have clear "SLAs" for how quickly follow-up should take place after a prospect indicates interest?
- ❑ Have a clearly defined lead qualification and nurturing process that enables Sales and Marketing to collaborate and "touch" each prospect when and as appropriate?
- ❑ See what individual Web site visitors are looking at in real time so you can assess individual areas of interest?
- ❑ Track how many Web conference meetings your sales team has with qualified Web site visitors?
- ❑ Have a blog or community forum to share ideas and solicit feedback from prospects and customers?
- ❑ Have automated systems in place that allow both Sales and Marketing to dynamically engage with prospects?
- ❑ Know what percentage of your leads came to your site from online media, search, or e-mail campaigns?
- ❑ Have any idea of what these metrics will look like for tomorrow?

If you can answer at least four of these questions with specific data, you're on your way to Sales 2.0. If you can't answer any of them, go to the beginning of this book. It's full of tips to help you get cracking!

Take advantage of the Web to close more deals in today's economy

Align Sales and Marketing with new techniques and technologies for greater success and revenue in a Web 2.0 world

The world of Sales and Marketing has shifted into high gear, thanks to new Web 2.0 technologies and techniques that harness the power of the Internet to attract, cultivate, and close more customers more quickly. This updated, executive edition helps business leaders get their teams up to speed with new ideas for generating more revenue. Discover the best approaches and processes that help your sales and marketing teams work smarter, bring in better leads, and close more deals. Leading experts explain how you can start selling more right now.

Discover how to:

Use Web 2.0 technologies to sell smarter and more efficiently

Apply new methods to make the most of the Internet's potential to expand Sales and Marketing success

Align Sales and Marketing to drive more qualified leads into your pipeline

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