ejournal CLOSE

JUNE 2009: In this issue...

Editor's Cut

Have you ever been lost for words? I rarely am, but this month, I find myself starting and stopping this introductory note. Don't get me wrong, it's not because I can't find a soap box on which to stump. No, it's because I keep going back and reading the articles in this issue! So, I've made a decision, this month, the insights speak for themselves and really don't need a lengthy lead in. After all, you really don't need to hear from me...you want to hear from the experts.

I do have a couple quick administrative notes to handle, so bear with me. First, the CMO Council has recently released a new study about consumer loyalty, "**Losing Loyalty: The Consumer Defection Dilemma™**". Thanks to our partnership with Catalina Marketing, the power behind the Pointer Media Network, we have completed a milestone study on CPG brand loyalty, and more importantly for some, brand defection among American shoppers. This is a really insightful view into the shopping carts of millions of American shoppers who are not as brand loyal as you might think. The view the report, simply register at **http://www.cmocouncil.org/resources/form_losing_loyalty.asp**.

Also important for both sales and marketing executives is the state of a company's Marketing Supply Chain. The CMO Council has launched the Marketing Supply Chain Institute (**www.marketingsupplychain.org**) to gain more knowledge, insight and develop best practices around how we identify, connect and optimize the various points of this ever growing supply chain. So why is this important to Sales? Ever request a sales package be sent out and old, outdated materials end up in the hands of your hottest prospect? Marketing consumables, one of the largest components of today's marketing supply chain, includes everything from product information sheets to sales kits and the swag luring in customers at trade show booths. We are currently engaged in a global study to assess the state of today's supply chain specific to marketing consumables. Take a few to be heard and contribute to our next great report! **http://www.marketingsupplychain.org/survey.php**.

And with that, I leave you to some great quick reads in this month's edition. Remember, we have a **CLOSE LinkedIn Group** for those of you who want to connect!

Now go out and enjoy Summer!

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Reading

ProActive Selling: Control the Process, Win the Sale
All buyers are not alike, and using a sales strategy that takes every customer through the same 'cookie cutter' process will inevitably limit sales. Even a process that works most of the time can be more effective if you adapt it to different buyer styles and situations and approach each sales call uniquely. *ProActive Selling* teaches you how to do just that.

Available from Amazon »

Salesforce.com Secrets of Success
Drawing on his experience with dozens of deployments, author David Taber offers expert guidance on every aspect of Salesforce.com

Sales Tips for Being Proactive

By Drew Stevens, Ph.D, of ***Drew Stevens Consulting***

My wife and I have been fortunate to purchase three new homes in our lives. With each experience we bought larger and more lavishly and have learned from each experience.

Our purchases enabled us to meet and speak with many interesting people as well as those who should be forgotten. Those unremembered include the useless real estate agents on both ends of the transaction. During the boom era of the 1980's and 1990's those involved in real estate enjoyed very nice commissions. However these professionals were merely order takers and not selling professionals. Good times disavow the need to follow selling methods. In many cases some agents were simply picking up the telephone and writing contracts.

In my transactions, all three of my representatives never followed up post transaction and coincidentally never rang to seek referrals. I guess the pipeline was full with other anticipatory prospects.

However, the profession of selling requires a different skill set, one based on both value and relationship. People buy from those they trust and those they respect. Selling is not about order taking it is about building a relationship.

Selling requires proactively covering all bases. Some of the requirements include:

- Be punctual. No client should ever wait for a sales professional. Leave earlier and arrive before the appointment not just prior.
- Return all calls in a timely manner. I have a rule where all calls are returned in 90 minutes.
- Be gracious. Use please and thank you. Commissions are gleaned from value provided they are not a right of the profession.
- Remain with the client before, during and after the sale. Even a physician follows up with his patients post surgery.
- Conduct a 30, 60 and 90 day follow up to determine any dissonance.
- Remain in contact with the client. Constant contact might help with future referrals.

Refrain from becoming an order taker and be proud of the profession you are involved with. Remember that nothing, and I mean nothing happens unless something is sold. No company functions without a sale. Do not demean your craft and yourself with ludicrous principles shared by lackadaisical individuals.

Read more from Drew Stevens at ***www.drewstevensconsulting.com »***

Cutting back with the Joneses:
How to Get Affluent Households to Buy

By Elizabeth Cogswell Baskin, CEO of ***Tribe, Inc.***

Affluent couples have made significant changes in their spending habits due to the recession, according to recent proprietary research from Tribe. In a survey of more than 300 couples sharing a household and with a combined income of $100,000 or more, 54% of respondents agreed with the statement, "It's not just us. Everyone

deployment, with results-focused best practices for every area of the organization touched by Salesforce.com, including sales, marketing, customer service, finance, legal, and IT. Taber walks you through developing a comprehensive and effective implementation strategy, followed by tactics and specifics to overcome every challenge you face, including internal politics.

Available from Amazon »

Events

Customer UNinterrupted

San Francisco, CA; July 27-29
The premier senior-level forum for customer operations professionals to develop next-generation strategies for owning the customer experience across all channels.

eTail 2009

Baltimore, MD; August 3-6, 2009
Retail executives gather for four days of networking and the opportunity to preview the latest technology solutions.

National Sales Network Conference

Atlanta, GA; August 19-22
Sales professionals attend our conference from every major metro area in the country and over 26 difference states will be represented.

Mobilize: The Next-Generation Mobile Conference

San Francisco, CA; September 10, 2009
that brings together the thought leaders and practitioners of the mobile web and telecoms ecosystem for talk, demonstrations and debate. The conference will examine what it means to have wireless broadband speeds at the Gigabit scale and how the explosion of open platforms and hardware beyond traditional handsets create new opportunities, for entrepreneurs, investors and consumers. Attend the

we know is spending less."

Surprisingly, many of these affluent couples are okay with that. Of those couples that indicated they had made recession-based spending reductions, 54% agreed with the statement, "In some ways, I actually like it better."

Clipping coupons now seems to be standard procedure for these affluent couples. Some say they've always used coupons, but for others, this is a new behavior. Respondents made comments like, "We use coupons everywhere we can, especially at the supermarket," and "We use coupons we never used before." It's interesting to note that these are couples with six-figure incomes, yet they're finding coupons worth the trouble in order to save a few cents here and there on groceries.

They take the same attitude when buying online. Respondents said they "always look for online codes when shopping online," and that they "will not click that checkout button without free shipping."

How to win that affluent buyer
So what's a brand to do? There are plenty of ways to make the sale with affluent households in this economic climate, but it's not by pushing luxury.

1. Position your brand as the prudent financial decision.
Promote your brand, product or service as a conservative financial move. These high-income households are still spending money on luxury items, from cars to designer shoes, but they're justifying the purchase as a cost savings. New cars can save costly repairs on an old vehicle. A pair of expensive shoes will last longer than a less expensive pair. Find a way for your brand to be the solid choice financially.

2. Position your brand as a way to save in another category.
A top-of-the-line big screen TV could be a way to save money on going out for entertainment. A new washer-dryer can reduce energy costs. Pricey kitchen equipment can save spending on restaurants by making cooking at home easier. Look for ways your brand can represent a savings somewhere else.

3. Offer a deal.
Whether you're selling a can of peas or a luxury hotel, customers in this economy expect a discount or value-added feature. Rather than feeling victimized by high prices, these high-income consumers are more likely to feel empowered to insist their purchase decisions be rewarded â€“ with some kind of deal.

4. Create an inner circle.
People, especially affluent people, love to be treated like they're something special. Can you offer a special insider's discount to past customers? An off-road driving event for those who purchase your SUV? A password-protected website with not-yet-released photos of next seasons new models? Advance notice of sales before they're open to the public?

They say desperate times call for desperate measures. In this economy, maybe it's just that desperate times call for new thinking on how to make our brands relevant.

Elizabeth Cogswell Baskin is the CEO of Tribe, Inc., a branding boutique with a strong practice area in niche marketing. Tribe works primarily with national and global brands, including UPS, Coca-Cola Enterprises, The Home Depot and Porsche. For more about Tribe, ***Tribe, Inc.***

Feature Article

Explaining Salesforce.com to the CEO: Top 5 Misconceptions

By David Taber, CEO of ***SalesLogistix***

When you're ready to revamp CRM and need to explain "why Salesforce.com" to the CEO, you must be aware of myths and preconceived notions already in place. Watch out for these big 5 items that could trip you up.

conference for a look at emerging devices, from netbooks to smartphones and beyond.

New Research

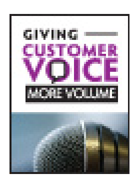
Protection from Brand Infection

The new Protection from Brand Infection report explores the degree to which senior global marketers are sensitized to, and concerned about, brand hijacking, product piracy, cyber fraud, and other Internet reputation risks. It also quantifies the impact these incidents are having on brand trust, confidence, credibility and affinity among consumers, channels and business partners. Through both enterprise and consumer research, it identifies best practices for pre-empting digital and/or physical counterfeiting and containing or mitigating the resulting damage to bruised or battered brands. **Download report »**

Marketing Outlook 2009

The 2009 Marketing Outlook Study, the largest independent assessment of senior marketing executives today, is an annual global benchmarking initiative undertaken by the Chief Marketing Officer (CMO) Council. Given the economic challenges and market pressures worldwide, this year's review of '08 performance and '09 challenges and intentions is far deeper and wider than before. **Download report »**

Giving Customer Voice More Volume



The research initiative examines the adoption and use of customer listening, feedback, engagement and advocacy systems and takes a fresh look at marketing's ownership of the customer experience to provide

At your executive staff meeting, the sales and marketing VPs have been squabbling about the need for a real CRM system, and the discussion turns to salesforce.com. The CEO asks for a briefing on the alternatives tomorrow, and he's looking to you for objective but convincing guidance--in terms he can understand.

Like any hot product category, CRM systems vendors have developed a lot of hype, leading to misconceptions that can lead to bad customer decisions. This two-part article will focus on Salesforce.com, but most of the lessons learned apply to any modern SaaS SFA or CRM system.

The CEO's most dangerous misconceptions (which may be shared by the sales and marketing VPs) won't be about Salesforce.com itself, but about how it should be deployed and used. Because an SFA or CRM system without relevant, up-to-date information is just an empty shell, the value of the system comes from the customer data it holds. And that comes from active, happy users. So we have to start there.

Misconception 1: Buy the software, and sales results improve in a few weeks.
Every misconception has some kernels of truth. Salesforce.com is a very well executed SaaS application, so it is "instant on." A good system implementer can get the system configured for initial usage in 6 weeks. But if turning on the system is all you do, users will not just jump into it. Your SFA system will likely be a barren wasteland of data.

Instead, the executives need to work on a campaign of change management, promoting the benefits of system usage to the users. Your key users are sales guys: sell them on how it's going to make them more money, prevent wild goose chases and time wasters. As an executive, you must consistently show you've drunk the kool-aid--using the system to communicate to reps (instead of firing off e-mails directly to them) and understand account situations (before picking up the phone).

Misconception 2: Salesforce.com usage can simply be mandated.
Any CRM system needs to have executive championship from day one. The whole organization must believe that the success of the CRM system is important to the executives, and is a key success factor in the company achieving its goals. But championship is not the same thing as a top-down mandate, which will generate user skepticism or even outright resistance.

Instead, get grassroots support. Make the system inherently valuable to the users: save them five minutes a day, or let them out of a chore, or prevent a hot lead from falling through the cracks.

Since CRM usage means behavioral change, every time you're asking the sales reps to do something new, give them some new benefit. It doesn't have to be much--sometimes just eye-candy or a clever button to save a few keystrokes--but there has to be some advantage for them. Otherwise, the system will represent a tax on the user--and will be about as popular as a tax increase.

Misconception 3: Salesforce.com is a glorified contact manager, with lots of metrics to help executives monitor sales reps.
The kernel of truth here is that Salesforce.com is too often used only as a web version of Act or Access, and that is an enormous waste. But the core of this misconception is that an SFA system is an executive tool for closely monitoring rep activity--and that is an enormous tragedy. If the sales team believes that Salesforce.com is there to spy on them and will be the basis for micro-management, the system will be still-born.

Instead, think of SFA as standing for "Sales Funnel Acceleration"--something that the rep wants so he can get a bigger commission check. Salesforce.com is uniquely effective almost anywhere along the SFA to CRM spectrum. Of course the system has lots of metrics and can easily generate reports on rep activity. But focus on how the system increases revenues--a positive for everybody--rather than measurement and activity management, which will seem punitive to some users.

Misconception 4: SaaS CRM's initial lower costs should sell you.
Salesforce.com has low initial procurement costs, like any subscription software. You could buy user licenses only as you need them. Know that Salesforce.com is not the cheapest SaaS CRM vendor (careful, you get what you pay for!), and that SaaS vendors are not able to discount as deeply as on-premises software vendors.

perspective on the role of marketing executives in ensuring that all operational areas and organizational processes are harmonized and optimized to deliver on brand promises and drive customer advocacy, satisfaction and loyalty. **Download report »**

Sales Poll

As a salesperson, what do you want to become more proactive about?

- Following up with customers after a sale
- Requesting referrals from existing customers
- Returning calls and emails quickly
- Networking at industry events and tradeshows

Vote

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But initial procurement costs are not the right way to evaluate CRM packages in any case.

Instead, focus on TCO and delivered value over a 3-year period (no longer than 5 years!). SaaS CRM system procurement, deployment, and operational costs are lower than on-premises equivalents. But the costs of integration and data cleansing--often a much larger factor--are not much different between SaaS and on-premises. While the TCO of SaaS CRM may be lower, the key is to buy the system that will have the biggest impact on your business results. That doesn't mean "a bigger system"--more on this in part 2 of this article.

Misconception 5: The best way to deploy Salesforce.com is "big bang" style.
Get all the critical features ready and tested for all users before you roll out. Sounds logical enough, but couldn't be more wrong. While you do want to have key features fully tested before you go live, you don't want to deploy all the high-value (read: high-risk) features, or even bring up all the users, at once. Going down the big bang path is to repeat the mistakes of traditional enterprise software, with the similar legacy of delays and cost over-runs. Further, a big bang release strategy undermines system credibility.

Instead: start small, think incremental. Deliver something of value to the business every 6 weeks, gradually on-boarding more users as system credibility grows. Release the high-risk functionality on top of a stable base of "easy features" that have been running for a while. For more on how to sequence features across user groups, departments, and foreign operations, take a look at Chapter 4 of my book, "**Salesforce.com Secrets of Success**."

This article is the first in a three-part series. Read more from David Taber in next month's eJournal.