

7 overlooked opportunities to drive revenue & results

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Driving revenue takes a highly tuned engine: your Sales and Marketing team—working as a unified force

Here's a staggering thought: Sales and marketing misalignment is the number one reason why an organization's annual revenue stagnates, or worse, declines.¹ If your business is growing (or plans to), you can no longer afford to ignore this reality.

The issue has become such a hot topic that many companies with more than 200 employees have listed it as their third biggest marketing priority ² -ahead of understanding marketing ROI and reducing acquisition costs.

So it begs the question: How is your Sales and Marketing engine functioning? Is it running smoothly or does it need a tune-up? When you review the metrics and sit in meetings with the two departments, do you sense they are in sync? Energized? Speaking the same language? Do they share the same view of your business strategy, market opportunities and customers?

3 key takeaways you'll get from this guide:

- Top activities that drive revenue growth.
- Tips for coordinating strategy, sales and marketing tactics.
- Key focus areas for strategy execution.

Why Sales and Marketing Alignment Matters

- Organizations with tightly aligned Sales and Marketing functions enjoy 36% higher customer retention. ³
- Aligning Sales and Marketing also leads to 38% higher sales win rates. ⁴
- Sales and Marketing alignment can help your company become 67% better at closing deals. ⁵
- Aligning both departments can help generate 209% more revenue from marketing. ⁶



1. Ask yourself: Are your Sales and Marketing tactics stuck in the past?

It's a new world.

The purchasing process has changed.

If you haven't been paying close attention:
The buying cycle has changed dramatically—even in the past few months. Today's buyers are purchasing differently, and if your Sales and Marketing tactics aren't keeping up, you're likely falling behind.

Multiple research studies indicate that over 60% of the buying process for business solutions concludes before the buyer contacts a salesperson. In some product categories, that percentage is even higher. The roles of Sales and Marketing must adjust, or get left behind.

What used to work for Sales teams is no longer effective, and a disjointed Sales and Marketing strategy benefits no one and leads to wasted resources.

The decision-making process is now a circular journey with four phases:

- Initial consideration
- Active evaluation, or the process of researching potential purchases
- Closure, when consumers buy brands
- Post-purchase, when consumers experience them

What your sales and marketing teams should do:

- Align – be part of the initial consideration
- Link – integrate all aspects of the brand
- Lock – find ways to retain customers' interest
- Loop – explore ways to build advocacy

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If your Sales and Marketing efforts aren't tuned into the modern buying process, you may want to bring in outside expertise to illuminate the opportunities. Reach out to Senior Management Worldwide for experienced interim leadership with proven results.



2. Align your business strategy with Sales and Marketing action plans

Targeted action plans maximize competitive advantages to accomplish the organization's mission.

It's not just crucial that Sales and Marketing be aligned with one another - it's also crucial that they be tightly aligned with your company strategy and goals. Ideally, Marketing and Sales should develop a plan together, tying it closely to the product strategy or company strategy. The plan should clearly define how Sales and Marketing will work together to generate demand and revenue, as well as include key performance metrics.

Key takeaways:

- Involvement in company planning keeps everyone on the same page. Ensure Sales and Marketing are included in your strategic planning process.
- Sales and Marketing action plans need to support the company's strategic plan. You can't establish accountability if Sales and Marketing metrics don't make sense for the overall company strategy.

Delve Deeper:

- Evaluate your last strategic plan. Is it still valid or do you need a new rolling 90-day plan?
- What are the Sales and Marketing roles in that plan?
- Compare Sales and Marketing current activities within the plan.
- Are the Marketing KPIs realistic and aligned with Sales?
- Are the Sales KPIs realistic and aligned with Marketing?

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Based on your answers, you may need to strengthen your planning and goal-setting process and promote more communication and collaboration between the two teams.



3. Ensure Marketing is fully engaged (and staying close to) customers

Marketing has one goal - to reach consumers at the moments that most influence their decisions.

By nature, your Sales teams are close to customers every day, but does your marketing team have the same ground-level insight? This customer knowledge is critical for planning and executing the right campaign tactics at the right time.

If you want to sell more products to more people, you better have a firm grasp of what makes them tick, where their challenges lie, and what keeps them up at night. Marketing does a good job defining target audiences for planning purposes, but communication—active listening—needs to happen on an ongoing basis. Companies who do this are at the top of the revenue pyramid.

Examples of smart tactics to capture customer voice:

- Online User Groups
- Online Surveys with Rewards
- Invite Customers & Prospects on-site
- Create and use Customer Advisory Panels

Key takeaways:

- Marketing must understand what information prospective buyers need to help them through the buying process.
- Active solicitation of customer opinions (their “voice”) needs to be a prominent part of the marketing calendar.
- Don’t let Marketing be a selective listener. Make sure they’re listening to those who have purchased in the past, as well those who have chosen to say no.

Delve Deeper:

- Define your ideal customer
- What customer challenge does your product or service solve right now? HINT: It may not be what you think it is. What do they actually use it for?
- What’s the primary value of your product/service?
- How are you making easier for your Marketing team to gather this information?

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If you hesitated with any of your answers, you may need to invest some time and money learning more about your customers - carefully listening to their desires, their challenges, their voice.



4. Define your criteria

Do Sales and Marketing agree on what constitutes a qualified lead?

Leads are names and numbers; qualified leads have met basic criteria and gone through a lead-scoring process.

Lead-scoring typically involves explicit demographic criteria, such as company size, industry, job title, location and the prospect's budget. Implicit criteria monitor the prospect's behaviors. How many times have they visited your website? Or downloaded whitepapers? Or joined webinars or demos? Did they tune into a webinar? Click-through a link in e-mail marketing?

Marketing and Sales have to agree on the scoring criteria, as well as what point a lead (often called a marketing qualified lead) is turned over to Sales for final qualification and acceptance.

Key takeaways:

- A great deal of heartache and frustration can be avoided by clearly defining what a lead is—and how it will be ranked and handled.

- Determine your lead nurturing and follow-up sales process for leads. When time is spent on immediate follow-up, it has a direct effect on sales forecasts and performance. It also helps determine what Marketing must do to nurture leads, and what content needs to be created to support that process. You need to know what qualifies as a lead before it gets sent to Sales for a more costly follow-up.

Delve Deeper:

- Define a Marketing Qualified Lead (MQL) for your organization.
- Define a Sales Qualified Lead (SQL) for your organization.
- Who in your organization is accountable for each?

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If you don't have a firm grasp on your MQLs and SQLs, you might have opportunities to tighten your definition and better optimize your resources. Consider part-time, fractional or interim leadership from Cerius Executives that can steer you in the right direction.



5. Know your numbers

How many qualified leads are needed to generate a sale?

If you choose just one question to spend time on, make it this one. This is the one that tells you how much gas your engine needs, and how far it will take you. With a glance at your dashboard metrics, you should get critical information: average deal size; the revenue target; and the number of deals it takes to reach that target.

Sales and Marketing should be able to instantly provide you with the conversion rates for each stage of your Sales and Marketing funnel - clearly showing the time it takes for a buyer to move through their research and decision-making process. This is your 'funnel math' and it requires a sophisticated funnel algorithm to calculate these variables.

Key takeaways:

- Knowing the conversion and time delay metrics for each stage of your funnel is the only way to know how many buyer prospects must go into the funnel every period, and how effectively the company needs to process the buyers through the funnel stages.

Delve Deeper:

- in your industry, what types of activities generate the best MQLs?
- How do you measure these activities?
- What is your MQL goal?
- What is your conversion rate from MQL to SQL?
- What is your conversion rate to a new client?
- How much of your business is repeat business?

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Based on your answers, you may need to get more familiar with your MQL and SQL process, and take a closer look at activities that drive conversions. That knowledge is critical for effective decision-making and prioritization of resources and spending.



6. Eliminate bottlenecks in your revenue generation process

Use funnel metrics to isolate gaps, then take corrective action to eliminate them.

If Sales and Marketing have aligned their respective processes to the stages of the buying process, and if the funnel metrics are providing a way to model and report progress, you'll be able to quickly see where there may be bottlenecks.

Marketing needs to listen to the customer to understand their purchasing process. This, in turn, must be communicated to the Sales team, which must align its process to the buying process stages. Finally, using funnel math, they'll be able to see where leads are not progressing between stages. They can then determine the precise reason, and take the targeted and correct

Key takeaways:

- If there's a bottleneck in your funnel process, it needs to be identified and solved before you can produce more output: closed sales.
- Throwing money into the lead generation pipeline will not solve a bottleneck. Nor will product modifications or hiring additional Sales staff.

- Without this visibility and transparency when revenue lags, the usual explanations arise: Sale isn't closing enough, Marketing isn't generating good enough leads. The trust can only be found using more sophisticated funnel metrics.

Delve Deeper:

- Define the stages in your sales process.
- Which stage has the most leakage? Why?
- What is your cost for each lead at each stage of the process?
- How much does it cost the company for each lead lost at each stage?

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If you can spot costly bottlenecks in your funnel process, your immediate goal is to identify and eliminate them. The sooner you can fix the process, the sooner your funnel will work as it should—resulting in more sales, a faster buying process and higher revenue.



7. Make sure there's balance at the top

Evaluate your leadership strengths and weaknesses, and ensure Sales and Marketing are getting equal attention.

Look closely at your Sales and Marketing structure. It's common to have a VP of Sales and Marketing; however, finding a single executive with equal strengths on both sides is uncommon. In certain situations, this executive may be tempted to spend a disproportionate amount of time and energy on Sales, either because of lack of Marketing experience or due to the pressure to hit specific revenue goals.

Make sure any weaknesses in his/her skillset and experience are balanced by a strong director of Marketing. Conversely, a VP with a strong Marketing skillset should be balanced with a strong director of Sales.

Key takeaways:

- It's very rare (almost a unicorn) to find an executive who is equally skilled in Sales and Marketing. Whichever direction their skills lean, there may be a potential gap on the other side.

- Pay attention to nuances in your Sales and Marketing reports—not just the numbers. For example, if you use the funnel concept for your Sales and Marketing process, do your respective Sales and Marketing teams see themselves working with one funnel or two? If they see themselves working with a marketing funnel, and then a separate sales funnel, that's a clear sign they are not working in alignment.

Delve Deeper:

- Who owns the marketing goals and KPIs?
- Who owns the sales goals and KPIs?
- If those names are different, how are you tracking or measuring their alignment?
- Note: If you're the CEO and your name is the answer to both of these – let's talk!
- Are your leaders' strengths being used intentionally in the right areas?

Rate Your Efforts

If you sense disparity between your Sales and Marketing efforts—perhaps stemming from your executive leadership—you may need to tap into additional resources. Bringing in a partner with experience and proven results in a specific area of weakness could be the quickest (and most cost-effective) way to solve the challenge and shore up the team.



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International cooperation

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