

21 Reasons Sales Do Not Scale



Scale Your Sales

Janice B Gordon

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To satisfy all our customers equally when not all customers are equal neglects those that do deserve more of your attention. You might have heard of Pareto principle or the 80/20 rule. 80% of your sales come from 20% of your customers. This 20% is what I call your 'Most Valued Strategic Customers', without them your company will not thrive and grow. You must know which of your customers qualify as your top 20% and have a clear strategy to secure, maintain and grow these valued customers and segments or accounts if your business is to gain significant and consistent growth in sales. Do you know which of your customers:

- Create disproportionate revenue value for your company?
- Return low profitability?
- Accelerated cost to onboard and maintain?

This report is for sales leaders to help them navigate some of the social, technological, and economic challenges affecting them, their team, and the business. The aim is to help you and your team, not only survive but thrive in these challenging times.

The most effective way to scale revenue is to increase volume or value with your top 20% existing customers. Because these are your Most Valued Customers it is critical to value, keep and accelerate these customers relationships. Your most valued customers deserve special and personalised attention. Strategic customers will not scale if you do not pay due care and attention.

There are various definitions of to scale in business include:

'Scale' is increasingly being used as shorthand for 'scale up' ("to grow or expand in a proportional and usually profitable way")

In business, the definition of "scale" is to increase revenue at a faster rate than costs.

Growth is thought of as linear: a company adds new resources (capital, people, or technology), and as a result its revenue increases. However, when you Scale a business, the intention is to increase revenue (sales) without a substantial increase in resources (cost). This is Scale Your Sales.

Scale Your Sales is Re-Imagining Revenue Growth Through Customer Excellence and Sales. Scale Your Sales unlocks hidden value in your sales operation through excelling your key customer relationships to create predictable sales revenue.

21 Reasons Why Customer Sales Do Not Scale

1. Your most valued customers are not feeling valued the most! You might think your product benefits will stand for itself. However, it is the service experience that turns a customer into a defector. Sales professionals must continue to work on the relationship along with the customer experience. Asking insightful questions, matching the buyer's language, and addressing their concerns. Moreover, to stimulate debate and deliberate co-create innovation. Sales professionals must lead the discussion to disrupt the status quo, challenge perceptions and bring new insight to your valued customers. Because suppliers must demonstrate their invested interest in their customer's competitiveness and growth.

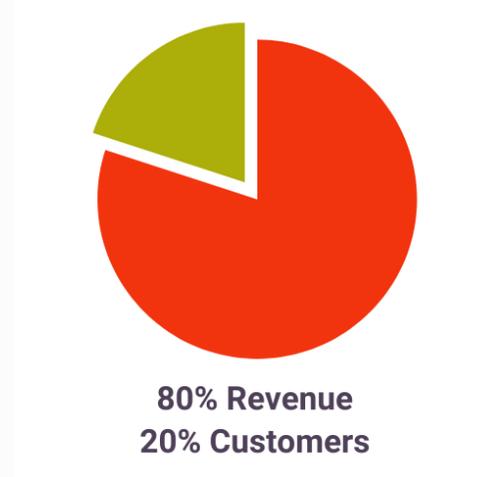


2. An influencer takes a dislike to your company or sales representative. Even minor infringements can cause a communication gap. If this happens then, your cards can be numbered and without you knowing your most valued customer is shopping for your replacement. Communication gaps may be ego, personality or service or product-based gaps or any number of reasons. A minor infringement can easily escalate into a severe loss, so attention to detail and open communication is critical.

3. You spend more time and energy in handling 80% of your customers who are just giving you 20% of your revenue. I am not proposing that you spend 80% of your energy on your most valued 20% of customers that return 80% of revenue. However, your time and energy must be disproportionately allocated to those most valued customers and segments that provide the most significant return on investment.



4. You spend more time and energy in nurturing 20% of your customers who are giving you 80% of your revenue. I know this is crazy logic. If you identified four most valued strategic customers and you lost one to a competitor, where is your replacement pipeline or greatest potential? For this reason, you must continue to nurture the customer relationship that has the highest potential to grow into your top 20% most valued customers. The process of value segmentation will help you identify the most significant potential.



5. With your strategic customers sales are inconsistent. However, it is a company issue. Strategic customers and accounts require a whole company approach. There is no point sales and marketing making promises that finance, operations or legal cannot or will not fulfil. Commitment from senior management is the only way to align these valued critical relationships with your business processes across functions and engage your most valuable customers with the best your company can offer.

6. You apply short-term thinking to top-line revenues and do not invest in creating customer lifetime value. Creating lifetime value is the total worth of a customer to a business over the entirety of the relationship life. There are many benefits to building lifetime value partnerships into your business strategy. You create meaningful insights on how to maximize campaigns that improve customer interactions and satisfaction. Lifetime value helps you decide how much to invest in retaining your most valued customers and growing other opportunities. Lifetime value is a strong indication of your company's health over the long-term.



7. You do not act like a partner. A business partnership is also likening to an elevated professional relationship. Helping your customers attend to their customers' issues. Partnerships put their partners first. They know them so well that you can anticipate their needs even before your partner is aware of the need. You must focus on and engage the buyers where there is the most significant opportunity to develop the relationship into a partnership. Creating strategic alliances with industry partners will allow you to build and consolidate your strengths. Partnerships help you enter new markets and creates competitive advantage. The elevated relationship to a trusted partner is an investment in the trusted relationship that is hard to break and easy to sustain..

8. A lack of two-way communication. If you engage with and educate your customer, you align your service closer to your most valued customer needs. Why not ask for regular feedback on how you can improve your customer's pain-points and their experience of your internal processes? To educate buyers and build trust, you need to develop good, old-fashioned human interaction and connection. Social is a conversation whether online or offline. Conversations give your prospective buyers and decision-makers the assurance of a trustworthy business, especially if you seek ways to improve their business.



9. Your service is undifferentiated. Do you provide your most valued customer with authentic value in each interaction? You need active listen and searching questions with transparency and trust so that you can speak to your customer specific need. You must be able to differentiate the buyer's options, explain the risk, sell the value, and consult on the negotiables. This process will separate you from your competitors. Offering value and a superior experience rather a product. Asking challenging questions and helping the customer to discover new opportunities. If your buyer is to see you as the 'go-to person' and an authentic source of insightful information, after each conversation, you must leave your buyer with added value. If after a sales meeting, you are not able to add value? You should question why your prospective buyer would continue the conversation. Because this is what they are asking. How you sell or serve is now the real competitive differentiator.

10. The customer relationship has little breath. It is unlikely that one person decides to invest and buy. The decision-making unit contains gatekeepers, users, initiators, influencers, buyers, and decision-makers. The buying process is more complicated that sales professionals must establish many relationships within a customer account because services are more bespoke the more complex the product. Today's purchasing decisions need greater discussion and due diligence, that buyers are careful to choose whom they allow on to their shortlist. Hence, buyers are searching for insight, and the sales professional must have a visible profile and an authoritative opinion. Buyer will look at your personal LinkedIn profile, and your online reputation must reflect your professional expertise and experience. Personal experience and customer stories are more credible than company brand message.

11. You are not hanging out where your buyers are. The 2014 IDC report found that 3/4 B2B buyers and 8/10 executive buyers use social media to make purchasing decisions. Buyers who use social media are more influential, have larger budgets, and buy frequently. Since these are the buyers, you want to engage with, it makes sense to engage with them on social platforms and bypass the gatekeepers. Engaging decision-makers, sales professionals must personalize their engagement, decision-makers are people, and even in B2B relationships, people buy people.

12. No efficient referral and relationship building process. Only 4% of decision-makers have a favorable impression of sales representatives when reaching out cold. However, when sellers reach out through a mutual connection, favorable impression rates jump, to 87%. If you want to be recommended to your decision-makers, you must create a favorable impression. Salespeople must develop trusting advocates and partnership relationships. Sales reps must build account-based relationships and trust. They must foster customer advocates within each customer organisation. Buyers must become advocates for the sales professional to recommend them to their colleagues within and outside of their organization. Recommendations shorten the relationship building process and the reduce sales cycle, ensuring sales reps do not miss out on new opportunities.

13. Make deposits not withdrawals. Are you leaving conversations making your buyer feel connected, empowered, motivated, knowledgeable, energized and inspired? Research shows humans are driven to make connection, the less we feel connected the more we perish. This is an excellent leadership quality that will help you grow your deposits. If you can make someone smile, if you can educate and show them something new, you will be remembered as depositing value.



14. Not invested in attracting decision-makers. Accessing a decision-makers is not impossible if you persist with an engagement strategy. You must continually engage new and existing connections. Teach something new, relevant to them and of value. Make introductions of your contacts, and create new opportunities demonstrating your unique perspective and value. Education solidifies you as the right and credible relationship. Giving makes you memorable, valuable recommendable and trusted.

15. Not on your buyer shortlist. Buyers are on average 70% through their research process before contacting you. Whether you are buying a car, a holiday, or a training programme, you ask Ms Google first to help refine your shortlist. Your buyers are no different, they do their research. When buyers have their shortlist that they are ready to talk to the relevant sales rep or shortlisted company. For this reason, 99% of businesses that have something to sell or someone to influence, must have a social footprint and consistently show-up online with relevant and engaging insights that answer buyers' questions.

16. Your leads are not qualified. Your sales team waste time with unqualified leads. What is your qualifying question or process? Your marketing process must be aligned to research terms that match to your company's ideal customer requirements of actively interested buyers and decision-makers. Active interest means either identified in the buying process as ready to buy or poised to buy

17. Your sales team does not reflect your customer diversity and culture. B2B sales have the added complexity of influencing decision-making units in the purchasing process, made up of a variety of perspectives, cultures and technical abilities. The more your sales team reflects their culture, values, and language, and is connected personally, and able to nurture profitable relationships with this diverse customer base, the more secure your pipeline and revenues.



18. Sales representative is selling. You might think, that is what should happen! The difference today is that buyers buy. Buyers do not like to be sold. Buyers have the balance of power to select whom they choose to buy from, no longer can buyers be sold to. So, sales reps must re-think the buying process if they want to continue to hit quota and succeed in their ambitions to serve. The buying process is now of engagement, education, and elevation. To get the opportunity to engage in the buying process with the buyers; the sales rep must get on the buyer's shortlist. The job of the sales professional is to help buyers navigate the options, helping buyers feel comfortable with the risk and to solve their specific problem while taking them through the buying process.

19. Your customer is not the right fit. The B2B buying process is complex, and this takes time to nurture all the collective stakeholders in their decision to buy. To be sales productive, it is critical to select for the best-fit customers intelligently. You will do more damage to the potential relationship if you sell without evidence of best fit. Knowing your customer macro and micro challenges, their business objective and technologies is vital information to identify their needs, uncovered areas of value-added and established the best fit. If you know that your offer is the right fit for your customer's specific need, you will confidently approach the buyers with this evidence and surety. You can confidently offer helpful advice and guidance through the buying process, solving the specific problem with solutions based on your internal supplier strengths.



20. Not a trusted advisor. Sales professional must become trusted advisors to their most valued customers. Sales rep must do what is right for the customer first and for their company second. If you see your role as serving rather than selling, then you plant the foundations to become the customers trusted go-to person. Trusted sales advisors must do the right thing for their customers. If this means passing the connection to another competing company because it is the best fit, then so-be-it. There is no benefit to anyone, 'to shoe-horn a square peg into a round hole'. This pressure is avoided with thorough research to establish the best fit before moving into the buying process.

21. Your customer comes first always. Sales professionals must be humble to serve their customer's specific needs. This relationship is mutually beneficial to both the supplier and the customer company. There is no barrier to developing trusted relationships and creating a mutually beneficial competitive partnership, and there is a competitive advantage in having customer relationships built on trust. If you continue to evidence what is best for your customer, provide unquestionable service levels and experiences that excel, then this creates a barrier for a competitor and creates competitive advantage for the supplier. If both parties have an invested interest in the relationship, it will make it difficult for a competitor to break apart the trusted partnership.



B2B sales has become more complex and competitive. A new paradigm based on creating excellent customer experiences, demands that suppliers utilize a focused customer strategy and to invest in opportunities for longer term revenue returns.



Scale Your Sales

In the face of global economic, social, and technological change, it is not about being a better seller. Buyers do not want to be sold, but they do want and need to buy. Scale Your Sales recognized WHAT many sales teams were missing! Which is, how to adapt their sales approach to the current economic, social, and technological challenges.

If you would like to discuss this report, contact janice@scaleyoursales.co.uk or visit the www.scaleyoursales.co.uk to schedule a consultation call.

Resources

'Scale' is increasingly being used as shorthand for 'scale up' ("to grow or expand in a proportional and usually profitable way") <https://www.merriam-webster.com/words-at-play/scale-the-business-meaning-origin>

In business, the definition of "scale" is to increase revenue at a faster rate than costs.

<https://www.lightercapital.com/blog/what-is-scaling-in-business>

About the Author



Through the 1990's I worked in Sales. Moving to business consultancy and customer experience from 2004. Then in 2006, I started and grow a restaurant and bar employing 20 people, winning awards every year over establish businesses. This was when I realised the power of social media.

I am the author of Business Evolution Creating Growth in a Rapidly Changing World. I have managed my social capital actively and was awarded #25 of Sage Top 100 Global Business Influencer in 2017. Recommended by LinkedIn Sales as 15 Innovating Sales Influencers to Follow in 2021. Listed as the Top 50 Global Thought Leaders and Influencers on Customer Experience (Nov 2020) and 150 Women B2B Thought Leaders You Should Follow in 2021. I am a Consultant, Speaker, Trainer and Facilitator.

Known as, The Customer Growth Expert, I host Scale Your Sales Podcast and Framework – Reimagining Revenue Growth Through Customer Excellence and Sales.

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