

### Best Practice for Improving Sales

For some businesses their sales pipelines may have stalled over the past two years, while for others they have unprecedented demand, so they are not currently focused on selling more. But there are ways that you can help yourself as a business owner or team leader in this sphere – such as understanding why people buy, how to structure a high-performing sales team, and how to develop your sales processes to get better outcomes.

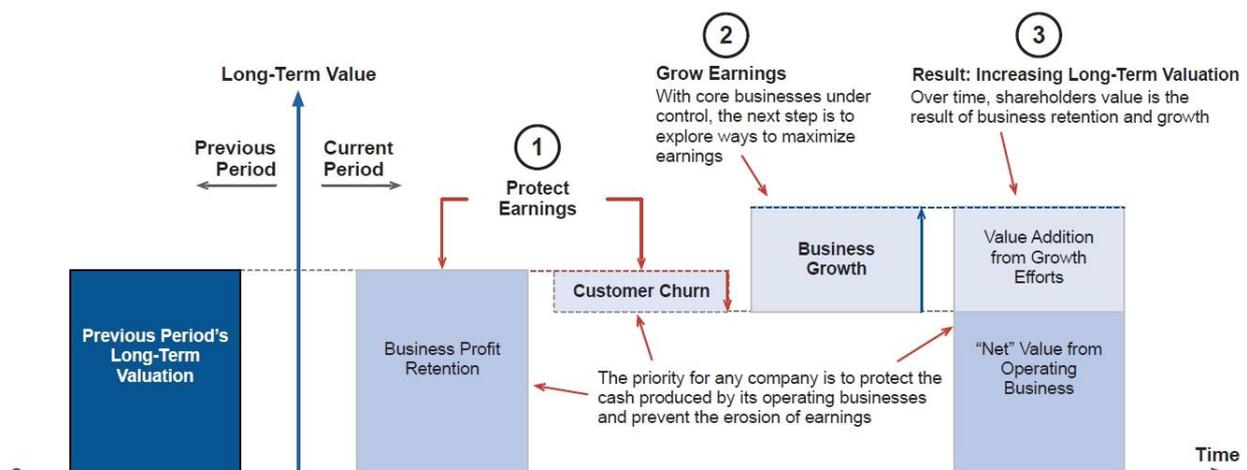
There are some fundamentals which make some salespeople and teams ‘better’ than others.

**Businesses can excel and improve sales if they take the time to:-**

- Really understand their customers’ needs and their challenges;
- Not overcomplicate the sales process – keeping it simple, seamless and efficient; and
- Have easy customer feedback systems in place that are regularly reviewed, and improvements delivered.

First, you start by tracking down the sources of *new* sales, breaking them down in whatever way you want to present them. In this example we do it as follows:

1. **New products:** Sales of *new* products across all segments.
2. **New markets:** Sales of core products into *new* markets.
3. **Revenue-optimization efforts:** Revenues from initiatives to improve sales, for example new pricing models, memberships or premium access.



*Maximizing shareholders’ value takes a combination of initiatives to both defend and grow core earnings. That combination is what grows a company’s valuation over time*

## Building Sales Structures

The best salespeople have a laser-focus on knowing who their ideal customers are and they're proactive in nurturing them. They follow up, do what they say they will, and ask questions around adding value to the transaction from the customer's perspective.

One of the biggest inhibitors to growth is the sales team which is stagnant and slavishly following outdated techniques. Businesses must be proactive with their customers and sales opportunities; otherwise, they will be left behind.

A business may have developed a terrific set of products or services but ultimately success hinges on awareness of your offering and persuading customers to make a purchase because of your differentiated capabilities, products and services. In addition, having a clear understanding of:-

- consumer behaviours and why people buy, how to engage and communicate with different personality types;
- learning to differentiate yourself, your company and your offerings in the marketplace in relation to your competitors;
- managing sales pipelines; and
- personalising sales pitches to make an effective impact that builds trust and confidence.

According to Salesforce, 76% of consumers expect companies to understand their needs and expectations. Understanding how your customer behaves is the gold in your organisation. You can use that from the look of your brand and website, how you communicate to customers and so on.

## Not All Salespeople Are the Same

Here are some questions for business owners to consider in their business:-

*Who is responsible for sales in your business? Are they trained and equipped to succeed? Have you deeply thought about how to structure your sales team to get the best out of them? What are its current strengths and weaknesses?*

Not all salespeople are the same, and each will bring different skills to the team based on experience and even personality type.

Take the time to review your sales data. Do you know how many leads you get and what source they come from? Do you know how many quotes you provide or what your sales conversion rate is? Average sales order? What is the average length of your sales cycle?

Learning where your business is under performing in sales will help you devise ways to improve your processes and ultimately grow. Sales-led businesses have good systems, processes, marketing and people to support sales performance. To kick-start your sales momentum, you must choose to do some things and not others. **The best businesses are clear about who they are targeting, and they choose where to focus their efforts and resources.**

**Too many businesses are sales reactive – just taking any and all sales orders, whereas with the uncertainty business face now and in the future, requires firms to continuously improve selling processes, target more of the “right customers” and overall - improve gross sales margins – because this usually goes directly to your net profit!**

## Competitor Analysis

To analyse your competitor's capabilities, we recommend that you break down and analyse their value chain and try to identify core differences with YOUR own value chain. The process to do this is as follows:

**First, you break down their value chain and to the best of your knowledge you find the similarities and differences with respect to your value chain.**

Capabilities		R&D	Supply Chain Management	Operations	Sales and Promotion	Customer Service
People	Similar to ours	■ ■ ■	■ ■ ■	■ ■ ■	■ ■ ■	■ ■ ■
	Different from ours	■ ■ ■	■ ■ ■	■ ■ ■	■ ■ ■	■ ■ ■
Assets	Similar to ours	■ ■ ■	■ ■ ■	■ ■ ■	■ ■ ■	■ ■ ■
	Different from ours	■ ■ ■	■ ■ ■	■ ■ ■	■ ■ ■	■ ■ ■
Processes	Similar to ours	■ ■ ■	■ ■ ■	■ ■ ■	■ ■ ■	■ ■ ■
	Different from ours	■ ■ ■	■ ■ ■	■ ■ ■	■ ■ ■	■ ■ ■

Value Chain analysis

**Value Chain Analysis**

Secondly, you evaluate the existing “asymmetry” between your competitor’s value chains and yours:

- What are the things that they are good at, and you are not?
- What are the things that you are good at, and they are not?
- Can you find some of the things they are good at which we would like to improve on?
- Can you find some of the things that you are good at which you could outsource?

## Services & Products

### The right questions to ask

- How can we better support our customers, so much so - they tell their peers about how great we are?
- Can we improve any of our core products/services?
- Can we finesse any core services/products to be more profitable?
- Is there opportunity for us to expand on our offering - especially to our best customers?

Disclaimer:

*Business Plus is distributed monthly by CBSW Tax & Business Advisors to provide information of general interest to our clients. The content of this newsletter does not constitute specific advice. Readers are encouraged to consult their CBSW advisor for advice on any specific business matters.*

Providing you professional direction



***Our liability may be limited by a scheme approved under Professional Standards Legislation.***