

Sales 2.0 and Social Media



**The Sales Manager's Guide
to Next-Generation
Prospecting**



INTRODUCTION

Technology and improved access to information is making selling both harder, and easier.

Our increased “connectedness” offers opportunities for the innovative, insightful and motivated sales professional to shine. On the other hand, the barrage of information directed at us, both at home and work, is growing exponentially—making it more difficult than ever to “cut through the noise” and really be heard by prospects and customers.

In this whitepaper we’ll talk about what lies beyond Sales 2.0: how to marry the “best of the fundamentals” with sales enablement and social media. Because—despite the proliferation of communication technologies—the root of successful selling hasn’t changed. It’s still all about the right message, delivered to the right person, at the right time. Social media and “social CRM” are simply new approaches to accomplish this aim.

Achieving Sales 2.0 success depends both upon having information (targeted prospect lists, complete and accurate company information), *and* an understanding of the business challenges that will motivate them to consider your offering (including factors native to the specific firm, industry trends and marketplace dynamics). Sales 2.0 is, at its core, a methodology for effective message delivery and consistent communication processes.

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“Sales 2.0”: A Common Understanding

According to SellingPower the definition of Sales 2.0 is as follows:

“Sales 2.0 brings together customer-focused methodologies and productivity-enhancing technologies that transform selling from an art to a science. Sales 2.0 relies on a repeatable, collaborative and customer-enabled process that runs through the sales and marketing organization, resulting in improved productivity, predictable ROI and superior performance.”

A key factor to note in this definition: the emphasis on process and supporting technologies; these “twin pillars” underlie expectations of predictability, and performance. Note that in this context “technology” includes *not only sales enablement tools, but informational tools* (delivering sales intelligence), as well.

Download “The Secret to Sales Nirvana” at OneSource.com/resources.aspx

In “Sales Intelligence: The Secret to Sales Nirvana” [Aberdeen Group, 2009] best-in-class sales organizations employing third-party information solutions saw significant improvements in sales effectiveness. Of the best performers, 84% experienced year-over-year improvement in time spent by sales reps searching for relevant company, and contact information.

This overall finding correlated the adoption of technology, employment of third party sales intelligence, and formalization of sales processes with improved performance across key metrics, including: revenues per account, qualification rates and market share.

“Sales 2.0” and Social Media: The New Paradigm



>> **Information Overload:** sales pros need to sift through an overwhelming amount of information in order to find consistently useful data—and the explosion of social media is accelerating that growth.



If email was a country, its 1.4 billion users would make it the largest in the world. Bigger than China, bigger than the populations of the USA and European Union combined.
- *Email Marketing Reports (2009)*

Forrester Research estimated that in 2008 the number of marketing emails sent by U.S. retailers and wholesalers

Top 5 Perceived Benefits of Social Media

- Generating exposure for the business (81%)
- Increasing traffic/opt-ins for house lists (61%)
- New business partnerships (56%)
- Improvement in SEO (natural search) rankings (52%)
- Generated qualified leads (48%)

at 158 billion...by 2013 that number is expected to grow 63%, to 258 billion. And that's just email.

According to Mashable, LinkedIn has over 50 million users; FaceBook is estimated to be adding 500,000 users daily, and Pingdom estimates that daily Tweet volume averaged over 27.3 million; with "average tweets per hour" topping one million by October of 2009.

Social media can be useful, but you still have to cut through the "noise" in the socialmediasphere in an even more aggressive and focused way than may be true for more traditional channels, like email.

While many organizations have only nascent social media efforts, recent studies are beginning to quantify and illustrate the correlation between social media engagement and brand success. The recent Engagementdb.com study ranking the world's top 100 brands showed a striking difference between social media "Mavens" (those with above-average engagement across multiple channels) versus "Wallflowers" (those with very limited social media engagement efforts).

Between July 2008 and July 2009 "Mavens" saw an 18% growth in revenue, 15% growth in gross margin and 4% growth in net margin. By comparison "Wallflowers" saw a 6% drop in revenue, 9% drop in gross margin and 11% erosion in net margin. This represents a 24% delta in revenue growth among these top 100 brands. Although the entirety of these gains are not directly attributable to social media, clearly there is a measurable bottom-line impact for those organizations most effectively exploiting social media as part of their holistic go-to-market strategy, versus companies with little, or no, social media presence.

Making Social Media Work for Your Sales Team

>> How do you encourage "best 2.0 practice" selling habits?

Moving beyond Sales 2.0 to a truly multi-focal sales effort will require compensation, training and organizational investment.

There are a variety of established and emerging technologies supporting this new sales prospecting and communications paradigm, including: CRM systems, third party information (sales intelligence) providers, marketing automation and social media aggregation and tracking tools.

>> Modeling social media success for your team

Key Findings:

"One recurring theme throughout these case studies is that engagement cannot remain the sole province of a few social media experts, *but instead must be embraced by the entire organization.*"

"...if your organization is resistant to engagement in some channels, you will have to start smaller and slower. But start you must, or risk falling far behind other brands, not only in your industry, but across your customers' general online experience."

"If you are resource-constrained, it is better to be consistent and participate in fewer channels than to spread yourself too thin."

ENGAGEMENTdb Study Ranking the World's Top 100 Brands on Social Media Engagement

Supply your team with access to the right tools, guidance and an understanding of the socialmediascape...

It's a good idea to follow prospects and to join similar groups if/when appropriate. Venues like LinkedIn provide a wonderful means of connecting with professionals to do business; it's not simply a job hunting tool. Just remember: the short-term goal for post-Sales-2.0 is establishing connections, simply pursuing not "the sell".

If you comment on a blog post, retweet and connect—in addition to working typical email and phone communications—then you stand a better chance of making a genuine connection with your potential customer and leveraging *their* connections as leads. That is the power of social media: think "referrals on steroids".

Consider designating a sales leader to spearhead social media efforts, monitor the success of internal efforts and disseminate best practice standards. It may also be helpful to arrange for formal training in the use of social media tools, socialmediasphere etiquette and to establish corporate policies outlining what is/is not permissible from the company's perspective.

Often sales teams believe that social media is something best left to marketers. While *brand management* in the socialmediasphere may be the bailiwick of marketers, the role of sales is central in generating connections, promoting organizational visibility—and, ultimately—in monetizing time spent on social media activity across the organization.

Integration is at the Heart of Effective Selling

"The world of Sales 2.0 is a rapidly expanding universe that institutionalizes a collaborative and repeatable sales and marketing process, enabling the adoption of best practices across the entire company. The result: dramatic improvements in performance." -- *InsideCRM*

The Sales 2.0 paradigm focuses heavily on technology and sales enablement for a good reason: consistent application of the right tools, integrated with the right information delivers predictable performance improvement with less effort, which is directly reflected in the organization's bottom line.

>> *Optimizing your CRM*

Much is written about the failure of CRM to revolutionize sales, but the truth is that best-in-class organizations have used it to significantly improve performance—driving both prospecting and customer retention.

According to a recent Aberdeen Group survey, 52% of best-in-class sales organizations incentivize the use of SFA/CRM systems compared to 25% for average, or lagging teams. Of these best-in-class organizations, 71% cite the need for complete and accurate data as the top reason to incentivize reps.

“IDC predicts that technologies facilitating customer care and retention strategies will receive VIP treatment in 2010...A key learning for companies during the economic turmoil is the importance of retaining its current customer base. IDC predicts customer care services increasingly being homeshored on a unified, cloud-based CRM platform. Reduced cost of customer service as well as fast and agile scalability of services are some of the benefits fuelling this online CRM adoption in 2010.”

Bad data, incomplete CRM adoption and lack of incentives to use the system have a tangible—and often devastating cost—to businesses. This is especially during recessionary times when organizations face increased budget scrutiny and internal pressures to cut spend that is not seen as essential to driving business success.

CRM and Social Media: Considerations

>> Marrying CRM and social media

Capturing information in the CRM does a number of positive things for the organization: retaining institutional knowledge, building success profiles, and facilitating analysis of the sales cycle—minimizing disruption in the case of personnel transitions...

First, by accurately capturing information in the CRM you are documenting the work product of the sales rep, marketing staff or administrative person who entered the data. This sunk cost—the time spent accumulating information—is not wasted. This includes information gleaned through social media channels such as: LinkedIn profile information, links to blog postings, and Twitter feeds. Consider tools that help to automate the discovery process.

Second, you are avoiding possible disruption: if you realign sales, if there are personnel shifts, if you want to successfully pursue up- and cross-sell activities, you have the information at hand to facilitate these efforts.

Third, you cannot analyze prospect and customer data if you don't have it. If information is captured in the CRM, then analysis and process improvement is possible.

>> Capturing information in your CRM

So what information needs to be integrated, and how are sales organizations looking to Sales 2.0 and beyond to maximize the impact of their efforts?



There is an old rule of thumb in marketing worth noting by sales professionals: in a typical year 20% of the information in sales and marketing databases becomes obsolete.

In recessionary times, this number typically jumps much higher as layoffs, business closings, and consolidation take a toll.

Look holistically at your sales cycle in determining what baseline information should be included in your CRM.

Once you have determined what this baseline should be, it's critical to understand where you will source this data, how you will integrate the information, and how your sales team will employ the data.

Company Information

An often overlooked aspect in CRM systems is linking across the corporate family. Failure to do so can create channel conflicts, may result in disjointed messaging to contacts, and may lead to missed opportunities where ripe targets within a corporate family are not prospected at all.

Standardizing company information is critical. For example, think of how many ways IBM could be entered into your CRM: IBM, Int'l Business Machines, International Business Machines, Int. Business Machines...and that doesn't take into account misspellings.

Contact Information

Go beyond inclusion of standard contact information to gain maximum benefit from the new connectedness: add social media handles, note blogs (both those authored by the subject and associated corporate blogging outlets), detail affinity/professional groups to which they belong—in short include those indicators which can help you understand what is on that prospect's mind, or that can help to illustrate the issues of most concern to their peer group.

Enhanced Tagging

Consider appending important information: industry tags (SIC or NAIS codes), revenues (enabling segmentation by market size), number of employees, and so forth. This information can be critical when both analyzing data and when trying to segment in order to launch marketing campaigns.

Special Targeting Designators

Do you have a "Target 100" e.g. strategic companies you are prospecting, hot sector or key account designations? Consider noting information about which CRM system the target company uses and which vendors they employ that may have complementary solutions. Tag records with this information for easy retrieval based on these criteria.

"Social CRM"

Salesforce CRM is just one platform offering social media integration capabilities.

"Force.com toolkits for Social Networking sites (like Twitter and Facebook) allow organizations to connect with these communities and tap into conversations about their products, services and the company itself."

When "Social CRM" is combined with the seamless intergration of business information your sales team has a truly powerful focal point for end-to-end prospecting activity.

Read more about OneSource's next-generation Salesforce integration at onesource.com/onesource-for-salesforce.aspx

Some Things *Haven't* Changed: *Don't Forget the Fundamentals*

Sales 2.0: Still Built on the Foundation of Good Data

Social media will certainly continue to extend its influence, shaping the way that businesses market. But it won't change the fundamentals of solid selling. The secret to excelling in a post-2.0 world is understanding how to get the fundamentals right *while* incorporating the new into your sales process in a consistent, productive and manageable way.

>> *Prospecting: reaching the right decision-makers*

Despite all the buzz about social media tools like Twitter, Facebook and LinkedIn, effective sales prospecting still demands an understanding of organizational dynamics and accurate, complete contact and company information.

Top sales executives can provide detailed responses to these key questions about their prospects:

- Who holds budgetary authority for any purchase of my offering?
- Who is involved in evaluations and recommendations for new goods/services?
- What news and developments—trigger events—are impacting opportunities within a prospect account?
- What is the dynamic at similar companies that we've successfully sold?
- What are overall industry trends that are likely influencing my prospects thinking and ability/desire to buy?

It's estimated that as much as 85% of corporate expenditures are allocated to existing vendors; this leaves a mere 15% "available" for allocation to new vendors.

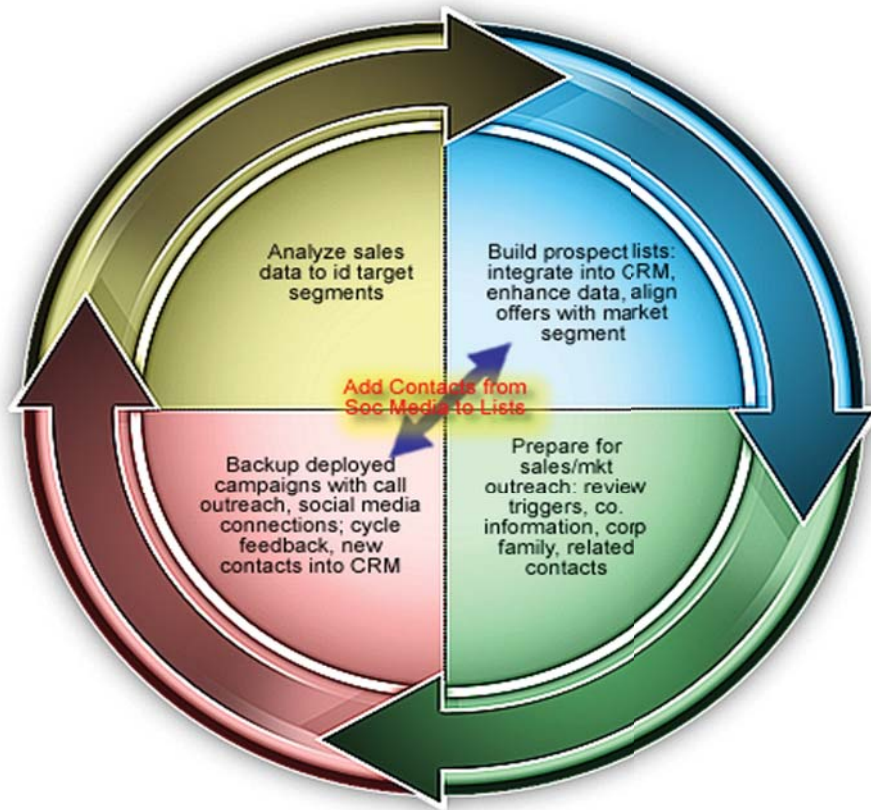
So, the noise from the general "communication overload" barraging prospects, and entrenched competitors are two primary obstacles to selling into new accounts. "Breaking through"—getting established as a new vendor within an organization—requires that a target be identified, an opportunity isolated, and a relationship established.

How can the exceptional sales rep overcome the two-fold challenges of entrenched vendors and information overload, securing the win using a Sales-2.0-and-beyond methodology? By compiling the most accurate, targeted prospect information, and leveraging both new and "time-tested" communication methodologies.

These focused communications should follow the "CART" methodology:

Research shows that in more than 90% of b2b sales, buyers were influenced by multiple brand exposures rather than responding to a single ad or other medium. In other words, that customer you attribute to coming to you through AdWords, or Twitter, or a Facebook ad most likely saw your name in numerous places—an online publication, a press release, your blog, someone else's blog, in an analyst report, at a trade show, in a directory, on your website, in an email newsletter, somewhere else or any combination of the preceding—before they made that last click.

-- B2B Online Marketing Blog



Key differentiators in moving beyond sales 2.0:

- 1) **Analyze first**; campaigns should flow from sales data and marketplace opportunity;
- 2) Utilize your CRM and **enhance data**;
- 3) Review and **act on triggers** and related information; take the “broad view” of the company;
- 4) **Integrate your sales effort** across channels (telemarketing, email, social media, direct mail) and capture the responses so that the intelligence feeds ongoing sales & marketing;
- 5) **Model sales processes** on successes gained using this methodology.

- **Clear** – Research suggests that clarity consistently trumps persuasion; keep sales messaging focused and free of jargon.
- **Actionable** – What do you want someone based on reading your communication? Should they sign-up for a trial, watch a demo, call you? While it may seem basic the call to action is often overlooked in sales communications. Consider developing standardized templates as part of your sales process development; enable reps to leverage communications that are tested and proven.
- **Relevant** – Perhaps the single biggest factor annoying B2B prospects is a perceived lack of relevance that sales pitches have to the business and the daily challenges they face. That is why call preparation is so critical to success! It’s generally not acceptable to call and ask a prospect what their business does. They assume that you’ve researched that, or you wouldn’t be calling to pitch them on your products and services. Take the time to ensure that you understand how your offering aligns with their challenges.
- **Timely** – It doesn’t matter if you reach the right prospect with a relevant message if they’ve just signed a contract with your competitor. Learn industry norms around vendor selection. Consider a tool that will enable you to set automated triggers to track organizational developments. Review SWOT and strategic initiative reports to see when you might expect opportunities to develop, to look at possible threats such as acquisitions.

Working with Marketing to Avoid Common Pitfalls

>> Reputation counts in social media; follow deliberately, associate carefully

The social mediasphere, while offering wonderful opportunities to connect, can be a bit “wild west”. Before launching into content creation, you may want to audit what is being said about your company and your products. There are a number of tools available; some are free, others are not.

Here are a few to consider:

- Google Analytics: simple and free, this tool is not a bad place to start. Simply input trigger search terms and you’ll receive email notifications if postings containing those words or phrases show up on the web;
- Radian 6: a very popular tool for tracking social media mentions; pricing based on the volume of information monitored;
- Socialmention: a social media search engine that searches user-generated content such as blogs, comments, bookmarks, events, news, videos, and microblogging services

>> Good data management counts more than ever in turbulent times

Many organizations fail to tend to one of their core assets—their customer and prospect data—in a methodical way. Solid data management practices (regular data cleansing, data enhancement, normalization/standardization) are critical to a viable CRM and to marketing efforts. Failure to address this most fundamental issue costs: wasted marketing dollars, sales cycles are obvious up-front costs; lost sales, poor customer retention and missed market opportunities may be the less obvious result.

>> “Free Data” does not equal “Accurate Data” ...“You get what you pay for” still rings true...

While the Internet is an incredible resource, it’s not a truly free one. Sales rep time spent searching for contacts on the web has associated labor and opportunity costs. Every hour spent chasing inaccurate information is an hour *not spent* connecting with a viable prospect.

Much of the “freely available” data floating out in cyberspace is unverified, inaccurate, and out-of-date. These inaccuracies are especially marked during times of economic turmoil, with its attendant shifts and cutbacks. Thus, reliance on Internet fishing expeditions to identify contacts and company information is even more unlikely to produce consistent results in the current economy, when personnel and organizational changes are common.

“Crowd sourced” data suppliers in the marketplace resell data entered by individuals. Often these services do not verify the information in any consistent way; dated, or inaccurate records may not be purged. You may pay for this bad data—footing associated opportunity costs (e.g. time spent on calling, marketing collateral, direct mail costs), and alienating target companies.

Success Strategies

>> [Leveraging social media: the truth behind the buzz, tangible success strategies](#)

So who is successfully using social media to generate revenue? For the moment success stories come largely from B2C-focused companies driving e-commerce by extending offers via social media channels. Dell Computers generated millions through their 2009 social media program using these techniques. However, for many companies the path to measurable revenues and new business is not quite so clear. In a recent Mashable post Adam Ostrow wrote: “resistance doesn’t come from...doubting the value of it [social media] – only 7% of companies don’t see social media as a good use of employee time – but rather, not knowing where to begin, or how to measure the effectiveness.”

This may be more true for certain industries than others: sectors such as the arts & entertainment industries have a more dynamic and fluid social media presence than many others...When selling into those industries failure to embrace a strategy inclusive of social media is likely to produce less-than-optimal results.

So what’s a sales manager to do? Here are a few avenues to pursue post 2.0 selling:

1. Implement “social CRM”, if possible; if you cannot automate the process, incentivize your team to capture the information manually within your system.
2. Work with marketing and product to develop sales 2.0 best practice guidelines that support overall organizational goals.
3. Appoint Sales 2.0 & social media champions; give them support and incentives as they focus on improving social media engagement strategies for your team.
4. Identify opportunities to build social media into sales and account management processes: drive conversion/customer loyalty through multi-focal communication strategies. Formalize the social media steps that all reps should take in a “best practice” playbook.
5. Train your team: ensure that all are grounded in the basics of CRM and social media. For example, do all of your reps know how to use search in the context of social media to identify where the conversations--and thus the contacts--gather? (Experiment with LinkedIn Groups and search Twitter hash tags (#) to identify clusters of dialogue in the Twitter-sphere, for example).
6. Identify your most important customers, engage them in a post-2.0 fashion: establish an account plan that utilizes social media and your CRM to systematically sell into the corporate family, maximizing up/cross-selling. Learn which strategies are most effective in your sweet spot.

Sales & marketing managers: access on-demand webinars, white papers, briefs and best practice guides are at OneSource.com/B2BSales.

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