

Lift the Branding Burden from Your Sales Organization

Executive Summary

Sales and marketing professionals are finding their plans, budgets, and results scrutinized like never before. This scrutiny is being driven by a managerial intolerance for that which cannot be quantified. In response, sales departments are now calling for tools that speed their access to decision makers, identify new sales, shorten the conversion process, and preclude competitive action. Marketing departments are shelving hard-to-quantify projects such as branding programs and mass-market advertising in favor of trackable tools that will support the needs of their sales organizations.

One of the most popular of these hard-to-quantify initiatives is branding. Without a commonly agreed upon definition, branding is described as, “the sum of touch points”, or “an intangible promise”. Sales organizations, from corporate sales teams, to rep groups, to distributors are voicing frustration with branding’s intrusion into the day-to-day, street-level process of identifying, accessing, and converting sales. This document identifies specific limitations branding has forced into the business-to-business selling process. A listing of methods is then presented for moving B2B sales organizations beyond the limitations of branding.

Introduction

While U.S. companies annually pour more than \$135 billion¹ into mass-market advertising in an effort to build their brands, thousands of Snap-on dealers quietly hit the roads in their white vans to personally present a portfolio of relevant products to a well-defined audience of prospects and customers. In fact, since the company was established in 1920, it has not spent a dime on traditional advertising for the sake of building their brand. Instead, Snap-on has relied on an arsenal of sales support tools and programs to help its sales organization identify, secure, and build customer relationships with more than 335,000 automobile dealerships, services stations, and independent garages across the U.S. Snap-on has ridden this street-level marketing approach to more than \$2 billion in annual sales, an astonishing 60% market share, and one of the strongest B2B brands in the U.S.²

The Snap-on strategy is not an anomaly. Sales support programs have long been a proven method by which companies have increased revenue and built preference—not simply mass market awareness—but preference with their target audiences. B2B marketers must realize the limitations of mass-market branding and recognize that a strong brand position is created by a well supported and strong sales organization.

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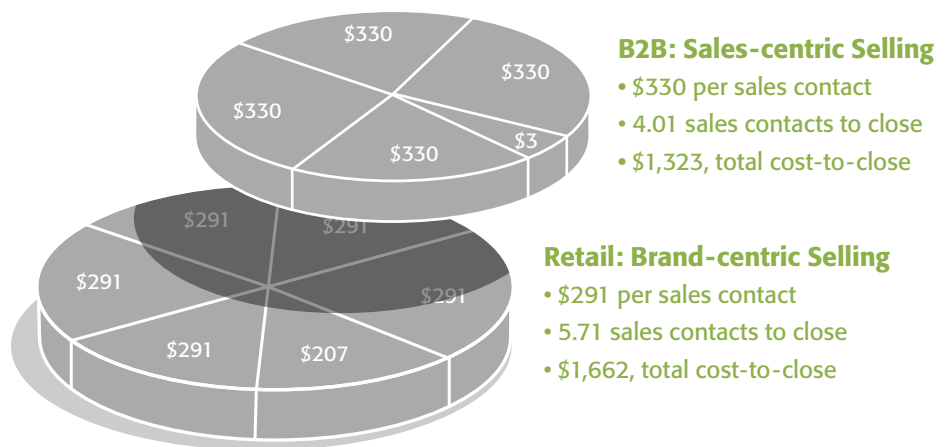
Brand Limitations in the B2B Environment

The failure of B2B mass-market branding begins when the brand is expected to accomplish what a brand is incapable of accomplishing: creating sales revenue. The role of a brand is to introduce and identify an organization, product, or service. If the brand is known by the prospect it may secure the salesperson a seat at the table but not much else. In the sales-centric world of B2B marketing a brand serves as little more than a calling card. A brand may create awareness when communicated across a mass market, but once the sales process is underway decision-makers predicate purchases on legitimate and provable criteria.

The Branding Intrusion

A brand-centric strategy can actually slow the sales process and increase the cost of selling. A 2002 research study conducted by Cahners Business Information³ indicates that selling within a brand-centric retail environment requires, on average, 5.71 sales contacts to close a sale, with an average cost per sale of \$291. Manufacturing environments, on the other hand, need on average, 4.01 sales contacts to close a sale, with an average cost per sale of \$330.

An overriding reason why brand-centric strategies may complicate the selling process is that the objectives of broad-stroke brand building initiatives, and those of street-level sales support initiatives, are often in direct conflict with each other.



The Branding Blur

By default, branding communicates on a mass-market level that de-personalizes the relationship between the company and its individual customers. Branding lumps individual targets into broad markets defined by homogenous criteria. The result is mass-market communication that dilutes and compromises the product-specific message. The product-specific message is a critical element in a target audience's purchase decision process. Ignoring the presentation of the product-specific message, in favor of high-level branding, relegates the product to nothing more than a commodity in the mind of the target audience.

This model is in direct conflict with the B2B purchase decision process which is based on identifying specific and unique benefit-driven characteristics for a select audience of individuals; all of whom have a direct and vested interest in the outcome of the purchase.

In most cases, the B2B purchase process is a multi-objective, multi-phased, multi-department, multi-person effort. The persons involved are a select audience of evaluators, influencers, users, and decision makers each with a specific set of criteria that must be addressed before a decision can be reached and a sale closed. Marketers who fail to recognize these dynamics and insist on using a mass branding approach will alienate key influencers from the purchase process and will gain little more than a parity position with the total decision-making audience.

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The Branding Distraction

A corporate-wide focus on branding forces a company's sales organization to dilute its effectiveness for the sake of supporting the brand "touch points". Sales organizations often waste valuable selling time attempting to clarify immaterial issues such as the "purpose" of their brand rather than building target audience relationships and concentrating on delivering differentiating features and value-selling benefits. Not only does this make it difficult for the sales organization, it complicates the message for the prospect and, as the Cahners study demonstrates, extends selling cycles, sometimes by more than 40%.

How then does one move beyond the mass-market brand message in order to influence the purchase decision? The answer: a strong, proactive sales support program that moves a select audience of individuals from the brand introduction to the final purchase decision.

B2B Sales Support: Moving Beyond the Brand Introduction

The brand has identified and introduced your company. Now what? The responsibility for moving a sales organization beyond this introduction, through the decision-making process, and to the point of prospect or customer conversion now rests with your sales support program.

B2B sales support programs must be specifically designed to access, convert, and control the decision-making environment. Sales support tools establish and strengthen the relationships between a company's sales organization and its prospects and customers. Sales support tools are also responsible for assisting a sales organization in converting awareness to preference, reducing the cost and length of the selling cycle, and maintaining an on-going presence with the target audience.

The strategic and tactical characteristics of a sales support program will, of course, vary greatly between companies. Less obvious is the fact that sales support strategies and tactics will also vary widely between the sales organizations of a company, the product lines of a company, and the sales channels and end markets of a company. Conversely, the broader objectives for a sales support program, regardless of the entity being supported, are often very similar. These objectives may include:

“B2B sales support programs must be specifically designed to access, leverage, and control the decision-making environment.”

B2B Sales Support Objectives

- **Build preference within the decision-influencing environment of your sales organizations.** This includes internal sales teams, independent rep groups, dealers, and other distributor networks. It is critical to ensure that every consideration has been made, and every step has been taken to build and communicate support from your company out to your sales organizations—even before supporting these sales organizations within their marketplaces.
- **Allow sales organizations to communicate directly with their specific audiences.** It seems obvious, but it's not easy. As noted previously, the B2B purchase process is often a multi-department, multi-person effort. Effective sales support tools allow the sales organization to establish a proportionate relationship with each individual involved in a way that is relevant, direct, and specific. As the message moves deeper into the purchase cycle it must provide each individual target a conversion message structured around their influences.

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- **Generate, qualify, and prioritize leads.** Sales support tools must provide the sales channels with immediate and convertible leads and assist in balancing the sales organization's sales call volume with their inquiry pre-qualification efforts. Sales support tools must help qualify the target audience and refine the audience into specific segments.
 - **Develop sales support tools to be deployed in a personal, face-to-face environment.** Enable the sales organization to leverage their presence in a way that mass-market branding messages cannot. Sales support tools allow sales organizations to react to specific objections, reinforce positive perceptions, and build credibility, trust, and rapport with target audience members involved in the purchase decision.
 - **Provide sales organizations with resources to identify and capitalize on cross-sell and up-sell opportunities.** Mass-market branding delivers a static, broad-stroke message that is unable to adapt to the dynamics of the street-level sales environment. As a result, branding blinds a sales organization to what are often logical and obvious sales. Construct sales support tools that will take a defined portfolio of products and allow the sales organization to provide target audiences with value-based benefits and conversion methods to capitalize on these additional opportunities.
 - **Position the selling message and build preference for the product up to, and at the moment the purchase decision is made.** The actual decision to purchase is frequently made in the absence of the sales organization. In these instances, aggressive sales support tools work to position and maintain preference for the product at the moment when the decision is made—whether or not the sales organization is personally represented.
 - **Sales support tools must work proportionately to facilitate the conversion to close for each of the target audience members.** As the conversion process moves deeper into the target audience it becomes necessary to provide members a conversion message structured around their influences. This is not an emotional issue: deliver tangible, benefits-based messages that simplify the conversion process, reducing decision-making risk, and helping individuals justify their decision to their specific constituencies.

“Mass-market branding delivers a static, broad-stroke message that is unable to adapt to the dynamics of the street-level sales environment.”

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- **Maintain preference after the close.** Mass-market branding has the ability to maintain general awareness. However, after the close it is no longer a question of, “Who are you?” It is a question of, “Why you?” Sales support tools must facilitate a relevant and continual presence—and preference—that will leverage the influence of the sales organization. An effective after-close presence will preclude the customer from seeking competitive alternatives, reduce the time and expense of future sales cycles, and assist in improving account profitability.

Leave the Brand Alone—Start Selling Again

At some point in time opinions within the marketing community convinced many that simply “building a brand” would automatically translate into increased sales and profitability. Proving this correlation however, has been difficult and remains vague at best.

What is clear is the fact that a brand, in its true form (the identification of a class of goods to a single manufacturer), will develop awareness when left alone to ride the momentum of a strong, well supported sales organization. This is all a brand can be expected to do. Converting brand awareness into preference, and preference into sales then becomes the responsibility of the sales organization.

Conclusion

Sales support programs are not simply a convenient rationalization for the B2B marketer working without the large, brand-building budgets typically associated with consumer marketing. Sales support programs are proven, tangible strategies for B2B marketers such as Snap-on, as well as leading consumer marketers. “It’s that too many products look and feel the same,” says Howard Schultz, chairman of Starbucks Coffee Company, arguably the most preferred brand in its category. Mr. Schultz goes on to confirm that the selling experience is what built the Starbucks brand—the brand did not build Starbucks. “We recognized early on that the equity of the Starbucks brand was going to be the retail experience that the customer had in our stores.” Mr. Schultz, consistent with the corporate drive for sales and marketing accountability, makes a point that everyone in the marketing community should heed. “What I am saying is that traditional marketing and traditional brand building have become obsolete.”⁴

Notes:

1. TNS Media Intelligence/CMR. "TNS Media Intelligence/CMR Forecasts Robust Ad Spending for 2004." January 15, 2004.
2. Rifkin, Glenn. "How Snap-on Tools Ratchets Its Brand." *Strategy & Business*, First Quarter, 1998.
3. Cahners Business Information. "Evaluating the Cost of Sales Calls in Business-to-Business Markets". January, 2002.
4. Dann, Jeremy. "How to Find a Hit as Big as Starbucks." *Business 2.0*, May, 2004.

About FGI

Freeman Group, Inc. (FGI) is a business-to-business marketing communications firm specializing in the development of strategic sales support tools. These tools are developed to assist the sales organizations of our clients in identifying, accessing, converting, and maintaining preference with their target audience decision makers. The tools used to support these sales organizations are determined by the specific sales scenario but may include web-based tools, interactive programs, print materials, stand-alone software applications, electronic marketing, direct marketing, market relations, or other tools appropriate for the market environment.

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