The New Age of B-to-B Selling

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BUSINESS-TO-BUSINESS sales organizations have always been under pressure to uncover new opportunities, hit sales targets, and maximize productivity. But in today's new age of the customer—where customers are better informed than ever and excellent service often trumps a lower price—sales goals cannot be reached simply through hard work. Sales teams need information that enables them to understand customers better and anticipate their needs.

In reality, however, many sales organizations lack the ability to gather high-quality data about their customers and develop those insights. In a 2013 study of 206 sales organizations conducted by the Aberdeen Group, respondents said the key challenge to meeting sales goals was insufficient or inadequate information. The two most commonly cited business pressures of sales organizations were "inability to identify the most likely buyers for our products and services" and "insufficient knowledge of the business needs of our prospective buyers," cited by 48 percent and 46 percent, respectively, of those surveyed.

With more knowledgeable customers, time pressures, and global competition, sales organizations are seeking ways to generate these types of insights to improve their key processes, including lead management, opportunity management, forecasting, account knowledge, upsell/cross-sell recommendations, and automated alerts about high-value prospects. figure 1

To gain these much-needed insights, leading sales organizations are turning to a new generation of analytics tools that incorporate new data sources, visualization techniques, and algorithms to reinvent the selling process. These tools allow companies to tap into unstructured sources of information, such as customer interactions on the web, as well as rich stores of historical data to better understand customers and prospects. The resulting 360-degree view, teamed with predictive analytics, is helping salespeople and sales managers zero in on the most profitable opportunities to pursue—and avoid ones that are likely to flame out.
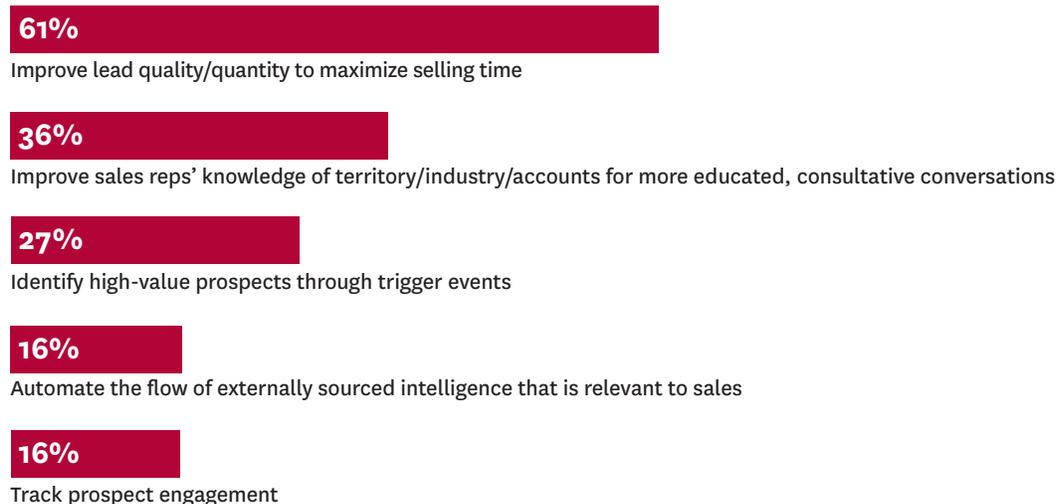
Additionally, when sales representatives make client calls, they can use their mobile devices to zone in on meaningful nuggets of data (or "infolets") to increase the impact of their client interactions. The result is a new age of B-to-B salesmanship driven by insights that can be more quickly understood and easily applied in selling situations.

> Advanced analytics give sales organizations the intelligence they need to pinpoint opportunities and anticipate customer needs.

Figure 1

Inserting Intelligence into Sales Processes

Respondents were asked which business goals could be met through greater sales intelligence.

61%
Improve lead quality/quantity to maximize selling time

36%
Improve sales reps' knowledge of territory/industry/accounts for more educated, consultative conversations

27%
Identify high-value prospects through trigger events

16%
Automate the flow of externally sourced intelligence that is relevant to sales

16%
Track prospect engagement

SOURCE "ELIMINATING THE NOISE: BEST PRACTICES FOR THE FIVE W'S OF SALES INTELLIGENCE," ABERDEEN GROUP, AUGUST 2013

Minimize the Haystack

A B-to-B salesperson might handle ten or more accounts, with dozens of products, resulting in hundreds of options on what to sell and to whom. "Salespeople are investing their time poring through a heap of possibilities to find the good ones," says Eric Siegel, author of *Predictive Analytics: The Power to Predict Who Will Click, Buy, Lie, or Die.* "If sales is a needle in a haystack, analytics can make the haystack a whole lot smaller."

One way this can happen is through predictive algorithms—mathematical models based on past buying behavior and other information—that reveal insights and predict outcomes that sales managers and their staff care about, such as the likelihood of closing a deal, the best cross-sales opportunities, and estimated deal value. It is vital that this data be reliable and of high quality.

For instance, a salesperson of technology products might turn to analytics to compare information about a prospect with that of similar companies, akin to how online retailers suggest what books you might enjoy based on what people like you are reading. Using customer analysis, a salesperson might learn that, say, companies that already own a specific type of computer server will be likely to purchase the next generation of the server 72 percent of the time.

This information can guide the salesperson on which accounts to target and which products to emphasize. Most of all, these insights save time—the most valuable commodity to a salesperson. In examining companies that used sales analytics, Siegel discovered some that had decreased the number of phone calls needed to book an appointment by 40 percent.

Digital Body Language

One of the most recent developments in B-to-B analytics is tapping into new data sources and combining that information with other data systems to gain a 360-degree customer view. Currently, many CRM systems that are used to identify sales opportunities are limited to information about leads, contacts, and accounts. However, with customers increasingly accessing information on the web before even talking to a salesperson, companies can dramatically improve their lead funnel by combining a wide range of information about customer activities (recent service calls, ordering activities, etc.) with insights into what their customers are clicking on. This can include which pages they visited or documents they downloaded from the company's web site, as well as social media activity on sites such as Twitter and LinkedIn.

Applying analytics to the "digital body language" of visitors can provide powerful insights; for instance, if several people from the same organization have looked at the same solutions page, that information can provide a window into the organization's future plans. Having this insight early in the buying cycle is a key advantage—and is the type of data and approach that smart sales organizations are beginning to embrace.

Using analytics tools, salespeople can gain that intelligence by asking questions such as:

- Which are the best products to offer a particular customer or prospect?
- What similar customers can I sell to?
- What is the potential revenue impact of a specific deal—and how can I add products to grow the deal?
- What is the estimated sales cycle for this deal based on what has happened in the past?

Figure 2

Adding Value to Business Processes

Respondents agreed that analytics would add high value to sales and other business functions.

65%
Improving sales/new customers/marketing/customer relationships

64%
Improving business operations (speed, productivity, effectiveness, etc.)

64%
Improving financial planning/tracking/analysis/reporting

61%
Increasing revenue (open new markets, grow client base, add products/services, etc.)

SOURCE "THE VALUE OF SIGNAL (AND THE COST OF NOISE): THE NEW ECONOMICS OF MEANING-MAKING," COGNIZANT TECHNOLOGY SOLUTIONS AND OXFORD ECONOMICS, MARCH 2013

Figure 3

Driving Revenue with Analytics

Over one-third of respondents expect high revenue increases when applying analytics best practices to sales.

37%
Sales/marketing/customer service

30%
New product/service development

24%
Manufacturing/supply chain/service delivery

SOURCE "THE VALUE OF SIGNAL (AND THE COST OF NOISE): THE NEW ECONOMICS OF MEANING-MAKING," COGNIZANT TECHNOLOGY SOLUTIONS AND OXFORD ECONOMICS, MARCH 2013

More powerfully, analytics can produce meaningful rankings of customers and prospects by taking data culled from the web and combining it with historical data on the buying behavior of customers with similar characteristics. Customer/prospect rankings can include win probability, recommended products to sell next, and predicted revenue or sales cycle time. Such insight allows salespeople to quickly discern the best ways and places to focus their time. Indeed, in a Cognizant Technology Solutions/Oxford Economics study, respondents agreed that improving sales, marketing, and customer service was the business goal that would most benefit from applying analytics. figure 2 And when asked which business area would yield the highest revenue returns by applying analytics best practices, sales/marketing/customer service was the top response, named by well over a third of survey respondents. figure 3

Of course, the analytics system needs to include a meaningful amount of historical data; while some systems provide only a few months' worth of historical data, a sales deal involving expensive systems or equipment might take six months or even a year or two to close. If the system maintains data for only four months, the sales organization will lack an adequate baseline for comparisons and insights that will lead to greater sales success. By deepening the historical data, companies can enable their salespeople to draw better insights that result in more—and larger—sales.

The Right Information, as Needed

Richer data from multiple sources, coupled with new analytics tools, can enable salespeople to view the performance of the company's product portfolio based on numerous traits, such as industry, number of employees, and annual revenues. Salespeople can use that information to create an account target list based on the most promising leads.

"Predictive analytics are really good at ranking prospects relative to each other," such as who is more likely to exhibit a certain type of behavior, Siegel says. "And when it comes to sales, a little bit of prediction can go a long way."

To be most useful, though, analytics solutions need to deliver critical information to salespeople at the exact point of need, such as right before or even during a client meeting. "The biggest thing business

intelligence brings a salesperson is that you are prepared when going in to see a customer," says Howard Dresner, chief research officer at Dresner Advisory Services. "You have all the information at your fingertips. Before, it was always a challenge for the salespeople to know the complete relationship that the company had with a customer, because their relationship could touch so many parts of the organization."

Data is only as valuable as the salesperson's ability to quickly understand and apply it. To assist in fast and actionable insights, analytics tools can be designed to present information in streamlined, intuitive ways on mobile devices, accommodating the nomadic ways of time-pressed salespeople, who must stay up to the minute in addressing customer needs.

For example, interactive reporting allows the sales rep to filter data or pivot the results in real time, using an easy-to-use reporting tool. Instead of relying on static reports, the sales rep can view data in the form of rich infographics that make the message of the data immediately clear. Salespeople need to be able to slice and dice the data in one or two clicks, so they can quickly gain needed insights without the assistance of the IT department.

Meaningful Slices of Data

While visualization and infographics are not new concepts, the latest development is a dashboard that provides infolets—smaller but more meaningful data summaries. Instead of accessing a complicated chart from a report, sales reps need quickly digestible but nourishing bits of information that showcase the most meaningful metric from a report. That speaks to how analytics are evolving—toward providing the exact information needed rather than burdening sales reps with extraneous data that won't move a sale along.

Importantly, these tools are increasingly available on mobile devices. The new generation of mobile analytics provides the same functionality that has traditionally been available on laptops, so that sales reps not only see reports on their mobile device but also view charts, drill down into the report, or conduct a transaction while on the go.

Such mobile capabilities enable salespeople with more timely data. "Even if you prepared the day before the meeting, something may have changed over the next 24 hours regarding your company's relationship with that customer," Dresner says. "That's been a tremendous improvement over the past ten years, when salespeople used to only be able to access data that was a week, a month, or sometimes even a quarter old."

Access to up-to-the-minute information reduces the chance of being surprised during the client meeting. "The last thing a salesperson wants is to be surprised. He wants to be the person with the answers," Dresner says.

Timely information can also help salespeople avoid costly delays. Deals may be stymied not just because of slow customer responsiveness—an elongated decision cycle before accepting a proposal, for instance—but also when vendors take too long to get things done, such as being slow to determine how much of a discount to provide. Eliminating such delays can be the difference in meeting quota and closing the deal.

Providing Better Recommendations

With the insights gleaned through a well-executed analytics strategy, salespeople can serve as trusted advisors to their customers, constructing deals, making product recommendations, and negotiating prices that provide the highest value for both the customer and the vendor. With immediate access to current information, a salesperson can combine or unbundle products and upsell/cross-sell based on a list of prioritized product offerings that is tailored to a customer's needs and ranked according to metrics such as win probability, expected revenue, or expected sales cycle time.

Figure 4

The Growing Importance of "Experience"

How important are the following to your business strategy?

TODAY

43%
EXPERIENCE

37%
PRODUCTS

20%
PRICE

2020

50%
EXPERIENCE

34%
PRODUCTS

16%
PRICE
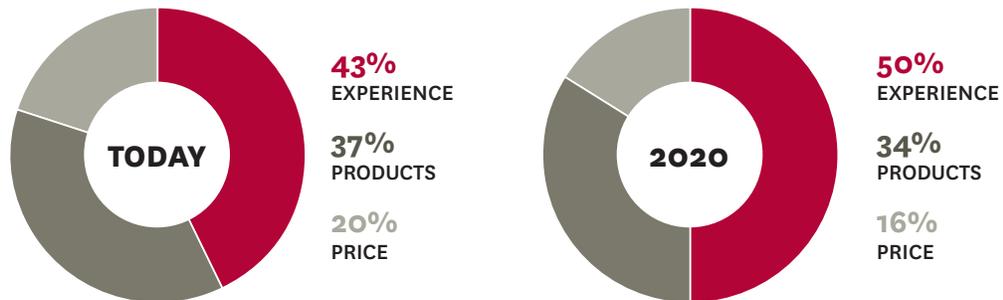
SOURCE "CUSTOMERS 2020: THE FUTURE OF B-TO-B CUSTOMER EXPERIENCE," WALKER INFORMATION, 2013

"Whether you are trying to retain, upsell, or cross-sell a customer, you need to know a lot about the person, their company, the market they work in, their competitors, and the current political or economic or legislative things that are impacting that organization," says Peter Ostrow, vice president and group director of customer management and principal analyst, sales effectiveness, at the Aberdeen Group.

By making specific recommendations to individual customers—and providing the reasons for those recommendations—the salesperson moves the discussion from commodity products to value-added services.

Making these deeper customer connections is even more critical in an era in which customers do an extensive amount of research on their own and come to the table with 60 percent of the product decision already completed, according to the Corporate Executive Board. As in the business-to-consumer world, the balance of power for B-to-B companies is shifting toward the customer, who is now fully armed with information well before the sales encounter. In response, many companies are increasingly emphasizing the customer experience over and above the products and services they sell, according to a 2013 study by Walker Information, a customer intelligence consultancy. figure 4

Better Visibility into Open Pipeline and Forecasting

In addition to benefiting salespeople and customers, today's advanced analytics capabilities also allow the entire sales department to run more efficiently. By identifying opportunities more accurately, sales managers can assign their top staff to the most important accounts, ensure optimal geographic coverage, and set achievable goals.

Predictive analytics can perform opportunity and lead scoring, helping sales reps to close more deals. This technology can also assist sales managers in predicting which deals will close, and knowing where to focus their attention. Such trending tools can provide information on deals that have been pushed or pulled in the current quarter, that have increased or decreased in size, or that have progressed or regressed in stage.

Not only can predictive insights guide sales organizations on where to focus their efforts, but they can also alert sales managers and their staff to which opportunities not to pursue. "The biggest flaw as a sales manager is not letting go," says Ostrow. "Analytics can let you know that a prospect will never buy from you, so you should let them go and focus on better opportunities. Sales managers get excited by metrics that tell them they should lose a deal nice and quick because it's not worth pursuing."

Richer historical data can increase forecast accuracy by giving sales execs better visibility into their business trends. Let's say a salesperson says he is confident about closing a $1 million deal within the next month. In the rush of business, it can be hard to recall with precision the success rate this sales rep has had in the past. The analytics system, however, can provide that insight. For instance, if the sales rep has a pattern of promising $1.5 million deals that consistently amount to only $500,000, such a history can help the manager gauge the likelihood of the deal and adjust the business forecast so it's more accurate. "It's the difference between a Captain Kirk working on emotion and a Mr. Spock working on logic," Ostrow says.

The fact is, many sales reps spend a lot of time pursuing the wrong deals—and their forecasts about the outcome of those deals are often inaccurate. An integrated recommendation engine can guide the organization toward the greatest opportunities for success.

By incorporating the latest advances in real-time analytics and sales predictions, sales organizations can focus their efforts and resources on the best offers for their best customers, enabling them to meet and exceed their revenue targets. figure 5 In today's competitive business environment—and with customers growing more sophisticated and demanding—fact-driven insights are the only way sales organizations can transform from being merely a seller of products and services to a knowledgeable partner that anticipates customer needs and delivers high value.

Figure 5

Seven Key Capabilities

Sales organizations that use the latest analytics capabilities can better prepare their sales teams to operate at peak performance.

CAPABILITY	DESCRIPTION
MOBILITY	Ensuring a mobile-first approach by enabling access to full analytics capabilities—including drill-down from an infolet dashboard to a report, and from a report to an individual transaction—all while on the go via mobile devices.
360-DEGREE CUSTOMER VIEW	Combining all relevant data from internal and external sources, including both historical and up-to-the-moment data from online, social, and mobile channels, to develop a full understanding of the customer in real time.
PREDICTIVE ANALYTICS	Identifying patterns in big data and predicting outcomes and presenting rankings that help salespeople optimize performance, such as focusing on the opportunities most likely to close or the next best products to sell.
HISTORICAL TRENDING	Building trend reports based on multiple months of data, as appropriate to the business and length of sales cycles.
ACCURATE FORECASTING	Ensuring the accuracy of sales rep forecasts through historical performance data and predictive analytics.
INTERACTIVE REPORTING	Allowing for real-time drill-down and slicing/dicing of report data.
CONFIGURABLE DASHBOARDS	Presenting data in quick, easily understood ways, through dashboards, infographics, and infolets.

SOURCE COMPILED FROM VARIOUS ANALYSTS AND OTHER INDUSTRY SOURCES

Sponsor's Perspective

The Time for Smarter Selling Is Now

Sales organizations have invested heavily in process engineering, training, and automation. Yet, many still have a long way to go in consistently hitting their sales targets and maximizing their productivity.

The percentage of sales reps who make quota and the win rate of forecasted sales opportunities are too low in many companies, while time spent chasing the wrong opportunities and non-selling activities is too high. Why? A recent study by CSO Insights found that adoption of sales automation remains surprisingly low and that even the most well-known sales solutions fail to deliver on their promise.

At the same time, the world of selling has changed, fueled by a dramatic shift in the way customers research and buy products and by social media, mobile devices, and cloud technology. Buyers research more before engaging a sales professional, are better informed, and have higher expectations. Customers expect salespeople to know them, know their needs, and have proactive conversations from the start. In this new world, old models of selling and outdated tools are no longer effective.

What's needed are modern selling practices and solutions that employ real-time and predictive analytics to mine growing mountains of customer data/big data and that help salespeople sell smarter by providing easy access to information that leads to insights. In order to be highly effective, a modern, analytics-driven sales solution needs four key capabilities:

- As its foundation, the solution must have an integrated, modern customer data infrastructure so that analyses are fueled by clean, accurate, and complete customer data from myriad sources, including online and social channels.

- Results must be delivered in real time and in context and be based on a salesperson's role so that insights are relevant and meaningful for sales executives, sales managers, and sales reps.

- It must not only provide historical trending but predictive analytics that help sales managers and reps focus on the best accounts and opportunities, identify the right products to sell to those customers, and improve forecast accuracy.

- Finally, it needs to provide rich analytics on smartphones and tablets, including the ability to drill into reports and individual transactions, to support the needs of today's always on, always connected sales teams.

Oracle Sales Cloud is the only solution that meets all of these requirements and does so while providing a modern user experience that helps busy sales professionals meet individual and organizational goals. Oracle Sales Cloud has built-in tools for integrating, managing, and cleansing all relevant customer data, including online and social behavior. These capabilities support a 360-degree customer view and provide insights into buyers' interests and intentions while reducing the time and effort spent on research—all of which help sales teams be better prepared to offer customers value.

"Today, sales reps expect their CRM system to proactively deliver insights about their accounts, contacts, and opportunities so they can spend less time searching for the information and more time selling," says Muhammad Rehman, senior director product management for Oracle Sales Cloud. Using Oracle Sales Cloud role-based infolet dashboards, a sales organization now has visibility into its customers, the sales pipeline, and open opportunities.

Oracle Sales Cloud also intelligently profiles the installed base, identifies "white space" and the next likely purchase, and scores each opportunity, based on an account's propensity to buy. By targeting opportunities that are most likely to close, sales reps can win more deals, achieve quota faster, and help the organization meet and exceed sales goals.

Oracle is pleased to sponsor this white paper from Harvard Business Review Analytic Services. In a time when customers call the shots, making the sale and winning repeat business mean sales has to be on its game and selling smarter. Oracle Sales Cloud addresses the challenges of modern selling by letting your reps sell more, your managers to know more, so your company can grow revenue faster. Oracle is committed to helping you and your sales teams succeed.

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