



SALES STEERING

OPPORTUNITIES AND CHALLENGES FOR SALES STEERING

A Mercuri International White Paper

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Sales Steering in the current business environment

Current business turmoil underlines the challenges for business and Sales Management. How can we grow our company when the market is not growing? How is customer behaviour changing? Is our current customer segmentation valid? Do we have something new to offer or are existing products and solutions enough? Is our sales force up to achieving satisfactory results? Do we share the same priorities in our daily work and are they in line with business priorities? These are some of the issues we covered in our Global Sales Steering Study conducted in February 2013 among Sales Managers in 20 countries globally.

How well do we steer sales?

One of the fundamentals in business is to manage and steer sales. How well do we do it? Where are some of the most common shortfalls and where do organisations most commonly excel? We asked our international panel of Sales Managers to evaluate their sales steering performance.

Survey results

The results show that 69 per cent of Sales Managers have well defined priority customers and prospects, and 61 per cent for products and/or offers. From this we can conclude that targets have been set appropriately.

Professional sales steering is of course more than about these basic factors. Analysing whether the focus is customers or products in terms of results is a way to carry out changes. Half of the Sales Managers (49 per cent) use customer or product priorities when analysing the results for the sales teams, while 53 per cent fully agree that they analyse trends in the results for the sales team. Only 20 per cent of Sales Managers do not carry out analysis of this kind at all.

But when we in turn dig deeper into the analysis and focus on individual salespeople, the results are provoking: as many as 69 per cent have not fully defined an optimal customer portfolio for each



What is Professional Sales Steering?

- Defining sales strategy and objectives, planning sales force actions, ensuring appropriate tools and enablers, following-up;
- Working on multiple levels of business: results, customer platform, products, sales activities, competences;
- Communication and leadership with salespeople.

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salesperson. Furthermore, they do not analyse the customer portfolio structure of individual salespeople on a regular basis.

Only 1/3
of Sales Managers set targets and analyse the customer portfolio of individual salespeople

But the message that we need to not only focus on results but also manage the activities of the sales organisation has been effective: 58 per cent of Sales Managers have set standards for sales activities. In other words, the sales activities of each salesperson are being analysed on a regular basis.

However, only 44 per cent say they have defined a specified competence framework for the sales team. Is the conclusion then that Sales Managers believe that we can deploy new sales strategies with existing competences? This is unfortunately not the case.

Just 36 per cent assess the skills of each salesperson on a regular basis. Similarly, only 39 per cent agree they have a clear procedure for carrying out individual sales steering meetings.

However, the meetings do lead to written actions plans for almost all of the 39 per cent.

Sales Managers are good at defining general targets but the **follow-up is much weaker**

Individual Sales Management is a big challenge

We might pose the question: what makes it difficult to maintain continuous communication with the single sales individual? Are people so different in terms of performance and personalities? Is it difficult to assess their personalities? Is it lack of time, or simply a sign of the lack of respect for subordinates?

If the answer to these questions above is positive – how will the Sales Management be able to create appropriate changes in the methods of the sales force? As the market changes rapidly, we believe it is crucial to practice individual-based Sales Management in all areas: results, customer platform, sales activities and competences. And in line with this, to show genuine interest in and respect for each and every sales individual, conducting value-added coaching sessions.