



Conquering the Marketing-Sales Divide

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Marketing and Sales is the fundamental relationship that lies at the heart of how well a company attracts customers and sells to them. The relationship is more than just a simple handoff at the point a lead is generated. Ideally, the relationship is a collaborative one based on customer relationships not solely lead generation. Some of the most recent research conducted by CSO Insights and IDC suggests that alignment between marketing and sales is broken. The studies revealed these five worrisome tidbits:

1. Today's sales cycles are 25% longer than they were a year ago;
2. In the B-B world, the sales process often involves seven decision makers from the prospective customers' side;
3. Only about 43% of sales reps made their quota in 2006;
4. Sales people can spend up to 40% of their time each week developing materials to support their sales efforts; this is approximately 2 days per week;
5. Less than 25% of CMOs and 14% of Senior Sales Executives are satisfied with their ability to optimize sales efficiency and effectiveness

Clearly there is a cost to the organization when this relationship is broken. You will know if your organization needs to make alignment an imperative if you experience the following:

- Marketing and Sales have different goals and objectives;
- Marketing and Sales report on different outcomes;
- There is a lack of common and established channels for communication;
- The professionals in each organization don't understand the role of each function;
- There is an abundance of redundant and ineffective marketing and sales materials;
- The leads being generated are poor or there are a lack of opportunities;
- The messaging coming from the two organizations is inconsistent

The more effective and aligned the two disciplines are, the lower the selling costs; the fewer the under-performers, the higher win rates and the greater the customer share-of-wallet. Marketing and Sales are really two sides of the same coin. They are both responsible for generating revenue for the company.

Revenue is a result of relatively simple equation: Opportunities in the pipeline multiplied by the average deal size multiplied by the win rate, and then this sum divided by the sales cycle time. This sum multiplied by all the sellers in your organization determines your revenue. Even a small increase in each of these can make a huge difference. The better marketing and sales are aligned, the more likely each of these components can be improved thereby improving the company's revenue.

For example, better segmenting and targeting can affect the number of opportunities, better differentiation can affect the deal size, a better understanding of the prospective customers needs, wants and purchasing process can improve the win rate and reduce the sales cycle. Therefore every company should evaluate how well their marketing and sales organizations are aligned and what they can do to improve this alignment.

Improving alignment can seem like a daunting task but it is too important to overlook. The first step to creating alignment is to integrate marketing and sales processes with the customer buying process. Using the customer buying process as the basis of alignment provides insights into how prospective customers makes a purchase and decides to buy. It also enables the development of tools designed to build an action that will motivate the target toward the next step in selecting your company's offer. And marketing and sales can align around common measures focused on customer acquisition, customer margin, customer lifetime value, and customer equity. And lastly, a customer-centric approach creates a common process and vocabulary.

If this idea appeals to you and your organization, there are two quick steps you can take tomorrow to help you make progress to redesign your marketing and selling process from the outside-in. The first step is to map your customer buying process and compare it to the way you market and sell. Once you complete this, you can modify your process around customer buying activities. These two steps, while they appear simple, truly take a concerted effort. The rewards are worth it. As a result, your organization will experience improved customer acquisition and retention and gain better insight into what your customers want and what messages best resonate with them. You will build stronger customer loyalty and equity. And most importantly, the two organizations responsible for generating revenue will be operating as a team.