

Triple the Number of New Customer Prospects Entering the Sales Pipeline

BLUE RIDGE PARTNERS

Blue Ridge Partners is the most experienced, impactful and respected firm exclusively focused on helping companies improve the performance of their "revenue engine".

For most B2B companies, the weakest link in growing revenue is their inability to find a sufficient number of "high quality" NEW customers. If existing customers are not expanding their order volume and prices are not rising, adding new customers is essential for accelerating revenue growth.

Adding new customers is easier said than done... but we have discovered a novel approach for finding prospects before incumbents realize they have dissatisfied customers interested in switching to new suppliers. Our approach involves gathering market intelligence not currently available to most companies. This intelligence can be used for three purposes: 1) to find the most qualified new prospects, 2) to understand the buyer values of these prospects so you have a leg up in shaping your selling messages, and 3) to learn where NOT to spend sales time because the economic value of a prospect is not sufficiently high to warrant the expenditure of time.

Obviously, new customers are scarce in a weak economy so finding them is a challenge and convincing them to switch from competitors without "buying the business" can be daunting for a sales team. Unfortunately, while sales reps might be good at convincing them to switch, they are not very good at finding them. Our clients often say "we are great when our sales people get in front of prospects but we just aren't getting in front of enough of them."

The problem is that many sales reps are not good hunters. To perform as effective hunters, sales reps need to have clear answers to the following questions:

- *Where should I spend my time hunting?*
- *Which companies might have a willingness to switch vendors in a relevant timeframe, and have an appreciation for our company's unique capabilities?*
- *Where should I NOT spend my time because the fish are not biting or are too small?*
- *Who are the key decision makers and how do I reach them? What differentiated messages are most likely to get a meeting and ultimately win the business?*
- *What might the prospect see in our company that responds to important buyer values that he/she doesn't see in our competitors?*



HEADQUARTERS

1350 Beverly Road, Suite 115
McLean, Virginia 22101

INFORMATION

www.blueridgepartners.com
info@blueridgepartners.com
phone 703-448-1881



BLUE RIDGE PARTNERS



The top performers in any sales force can address these questions but your average sales rep is typically ineffective at answering them. The result?—the average sales rep spends too much time chasing leads that are too small, too unprofitable or unlikely to close. In order to book new revenue, these average sales reps tend to resort to price discounting or pounding through their existing rolodex. This is not the path to profitable revenue growth.

You can measure this in your own company. Think about last year—how many new customers did your business add? Now subtract the number of new customers who found you through RFPs and other inbound call processes. If you are like most companies, this will be a very small number. Typical approaches for finding new customers are not working very well at most B2B companies.

Companies need to get better at this but how? Should the sales force go through another training program? Should they be replaced and more skilled hunters hired? These steps are unlikely to work. Most sales reps have already been through training on these topics so another course isn't going to help and it's hard for most companies to think about, much less make, wholesale changes in the sales force.

Instead, we believe you should adopt a bold goal for 2010—that is...tripling the number of "high quality" new customer prospects entering your sales pipeline. There is nothing magical about this three-fold increase other than it creates a stretch goal that requires your company – and your sales team – to consider different solutions beyond the current techniques. And tripling the number of high quality prospects is going to result in meaningful improvement in revenue growth.

First, let's establish the definition of a "high quality" prospect—these prospects should meet the following criteria:

- Fit in the company's sweet spot in terms of industry vertical, size, location and potential profitability
- Have interest in buying from a new supplier within 2x of your standard sales cycle—(e.g. if a standard sales cycle is 5 months, the prospect has interest in buying within 10 months)

- Your company has better than even odds of winning the business—(e.g., if three companies are likely to bid, you have a better than 33% chance of winning for a clear and definable reason)

So, how would a company accomplish this bold goal of tripling the number of high quality leads in the pipeline in 2010? Here is how we are doing this for many of our clients. We are assuming responsibility for gathering the market intelligence that allows every sales rep to address the questions that an effective hunter must answer—where should I spend my time, where should I NOT spend my time, who is the decision maker and what messaging will work best with this prospect?

We gather this market intelligence by conducting thousands of phone-based market research interviews every year with the prospective customers of our clients. We are experts in gaining access to decision makers and engaging them on substantive issues related to their buying interests, perceptions of competitors and gathering other essential information. From these interviews, we learn the answers to all the questions that an effective hunter must answer.

Based on our learning from these interviews, we guide the sales force to specific prospects and segments of prospects where the opportunities are greatest. This provides several important benefits to our clients:

- The sales force can focus on responding to pre-screened leads in the company's "sweet spot" rather than spending time trying to generate leads—this lets them play to their strengths rather than playing to their weaknesses (most sales reps are much more effective at responding to warm leads than generating new leads)
- A sales rep can engage these pre-screened prospects armed with intelligence that is not available to competitors—they will have a competitive advantage that will improve their win rate
- The sales force can reallocate time spent chasing leads that are too small, too unprofitable or unlikely to close; this time can be dedicated to facing off with customers interested in hearing your message



Who Would Benefit From This Service?

Our service offering is most relevant for companies with the following characteristics:

- *Selling to other businesses (rather than consumers)*
- *Lifetime value of a single customer is high*
- *The sales process is complex*
- *The buyer's decision maker is sophisticated, often residing at a senior level*
- *There are many potential customers in the market and information regarding these customers is difficult to gather*
- *The attributes that make prospective customers attractive or unattractive are not readily apparent without spending time getting to know the company*

Sales reps in companies with these characteristics often struggle at generating new customer prospects given the complexity of the task. As a result, these types of companies benefit most from our service.

What Information Do We Gather?

The information we gather during our market research interviews is customized to the specific situation and interests of each client but often includes:

- *Is the prospect dissatisfied with the products/services of current suppliers? Who is the current supplier and what does the prospect see as their strengths and weaknesses? Are they considering switching in the near term?*
- *If there isn't a current external supplier (e.g., services that could be outsourced) how open is the prospect to considering a new solution?*
- *Does the prospect perceive our client as a viable alternative?*
- *What are the key buyer values to which a sales rep should appeal? What key selling points will resonate with the buyer?*

- *Who are the decision makers/influencers?*
- *What is the potential size of the opportunity? Is the opportunity likely to be profitable given our client's understanding of profitability drivers?*
- *What procurement process (RFP, sole source, etc.) is likely to be used?*

Why Can't the Sales Force Learn This Information Themselves?

Sales reps hit a brick wall when searching for this information about prospective customers for many reasons:

- *The necessary information is rarely available in the public domain*
- *Market surveys are too shallow to provide useful information and typically are not completed by prospects*
- *Direct calls to prospects meet with haphazard success*
 - *blocked by gatekeepers (e.g., executive assistants)*
 - *caller is guided to lower level, non-decision makers*
 - *conversations tend to be guarded and superficial*
- *Sales reps often jump too quickly to try and make the sale rather than taking the time to learn about the prospective customer and its business*

A traditional sales approach can rarely fully penetrate these barriers.

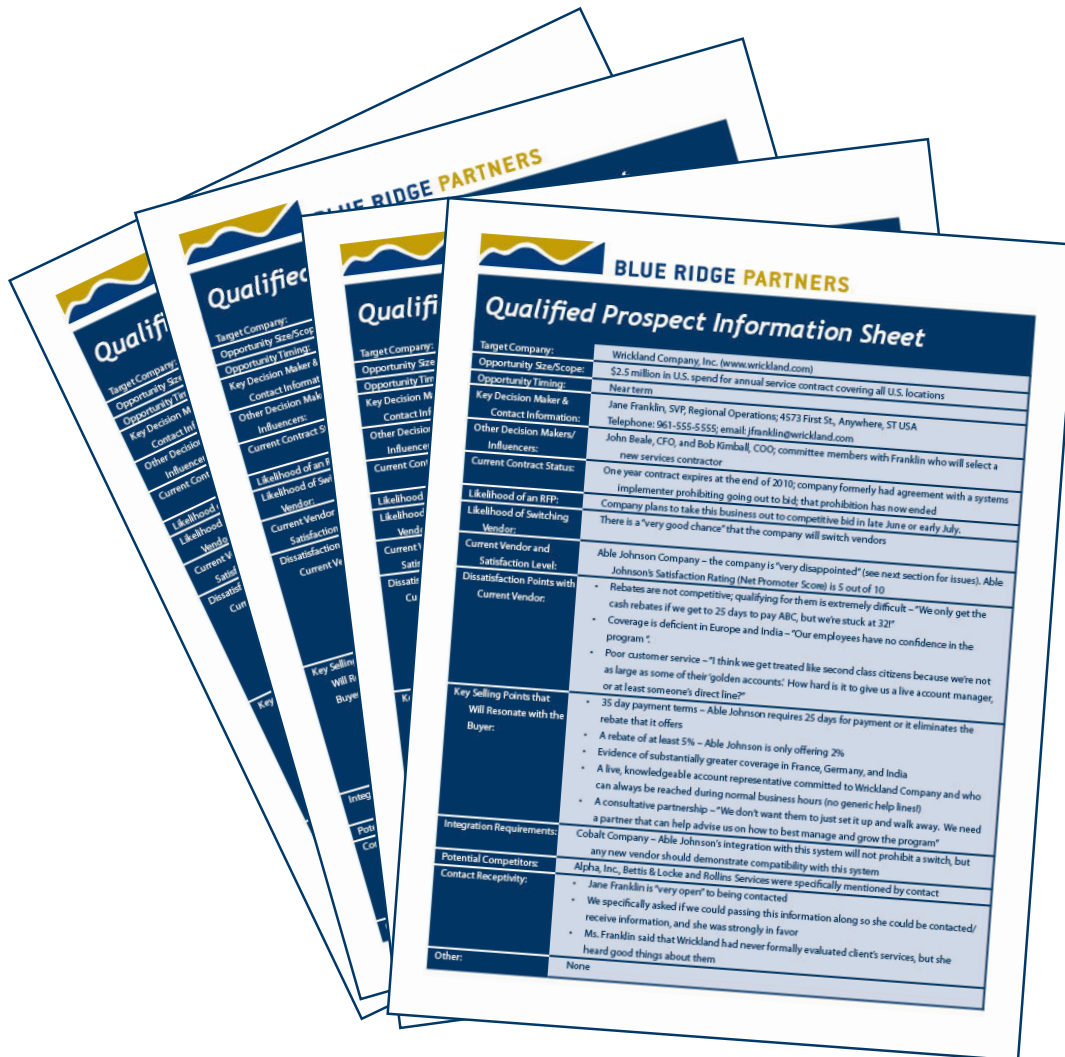
So, How Can We Help?

We use a novel, proprietary approach that is based on many years of conducting interviews with prospective customers. We call our proprietary approach the **New Customer Generator™**. We open doors that a typical sales team cannot. Prospects are more willing to speak with us because we are gathering market research rather than directly selling a product or service.

Several critical elements of our approach make it impactful to our clients:

- We always indicate that we are doing research—not telesales
- We always promise to send the interviewee a summary of our aggregated findings—most interviewees find value in this summary and believe it represents a fair trade for their time
- We always ask interviewees that fit in our client’s “sweet spot” if they would welcome a call from our client—without their permission, we will not provide their information to our client
- All of our interviewers are seasoned professionals highly skilled in conducting market research and conducting probing interviews at the C-Suite level. They focus exclusively on market research questions, except for the final question about whether a prospective customer would value a call from our client. The secret to our success is knowing how and when to ask this question.

Not only does our process produce highly screened and qualified prospects, but it also produces rich and exclusive intelligence about these prospects—their buyer values, how they rate competitors, the potential timing of their buying interest and other information that leads to higher win rates.



Our firm has performed thousands of interviews around the world, in many different languages to provide our clients with exclusive market intelligence. We understand how to find the right person within a targeted company and how to ask the precise questions that will yield the desired information and insights.

How it Works

- Our client provides a list of companies in their targeted segments and defines the specifications for a “highly qualified prospect”
- We create customized interview guides and tools—and review these with our client
- We identify the correct person at each company on the target list and call them requesting 15 minutes for a market research effort—we promise them a summary of our findings in exchange for their time
- We conduct the interviews and listen for dissatisfaction with their current vendor (or willingness to consider a new solution), their business requirements, their future spending intentions, their perspective on different product/service providers and other factors.
- If the interviewee provides information suggesting they meet the criteria for a “highly qualified prospect”, we can either 1) tell the interviewee our client’s name and directly gauge their interest in being contacted by a sales rep or 2) we don’t mention our client’s name to the interviewee but let our client follow-up with them in a normal course of selling. The proper technique for this varies by situation. Either way, most clients ask us to enter the rich information we uncover during the interview directly into their CRM. The results of our client’s follow-up activities are recorded in the client’s lead tracking system so the impact of our work can be quantified and monitored.
- If we believe the interviewee will not find the products/ services of our client valuable or if the company is not an attractive prospect for our client, we simply gather market research data and thank them for their time.
- To support the efforts of our client’s sales teams, we provide periodic market analysis (e.g., quarterly summary of key buying trends, changes in buyer values, pricing data, competitive positioning, Net Promoter Scores, etc.)

Our Fees Are Totally Success Based—Pay Only for Performance

We are so confident in our ability to generate interested and qualified prospects that we only get compensated for our efforts when we are successful. In this way, our compensation is directly connected to the benefit we bring our clients.

There is no risk and no set-up costs. Clients pay nothing unless we deliver results.



**Contact us if you would like to pilot
test our proprietary
New Customer Generator™**

