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Is it Sales, Marketing, CRM or SFA?

Back in 2013 Art Saxby posted an article that set out to put the spotlight on the difference between Sales and Marketing. [You can read it here.](#) In his post he writes: *“Business leaders know what Operations is; they make stuff. They know what Accounting is; they record and control the money. And they know what Sales does; they sell stuff. So if you are not making stuff, selling stuff, or recording the money, what is marketing and why do you need it?”*

Art and I have a little in common in the backstory of our careers. Like him, I also have held the title of VP of Sales and Marketing. But that title was no indicator of what my job was. I was not by any stretch of the imagination a marketing guy. I did not have a mandate, a mission, a budget or a plan to achieve what marketing is all about. What I did have was a solid background in sales, sales training, sales content development, sales scripting, sales testing, sales assessments, sales

surveys and much of that shared the same booth as customer service. But I was never a marketing guy at the same time.

Here’s what a lifetime of doing both jobs plus three others (customer service, CRM / SFA and communications) have taught me.

1. Sales is all about converting prospects into revenue. These days the popular word we hear is

“conversions.” What is your conversion ratio? Are conversions a part of your KPIs? (Key Productivity Indicators.)

2. Marketing is all about driving sales opportunities to your doorstep. Marketing is about being the catalyst that pushes branding into social awareness. For example, everyone on



the planet knows what CocaCola is. So why would this brand spend any money on making sure everyone continues to know it? Let's look at what Advertising Age had to say about this in July of 2014:

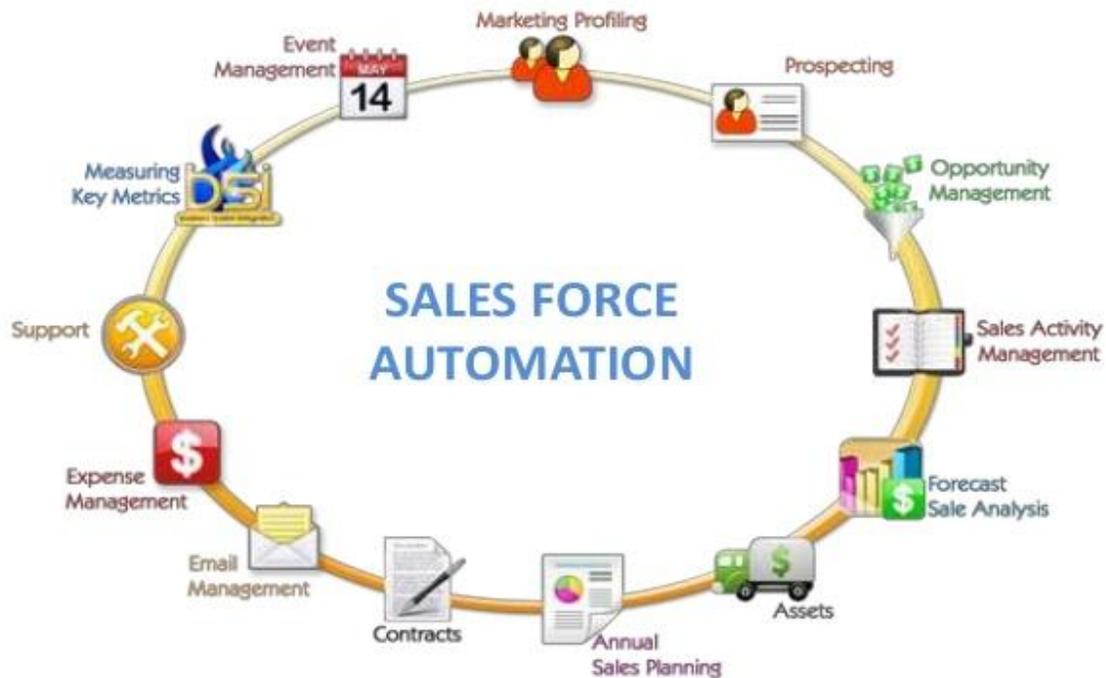
- Coca-Cola's plans to increase media investments in key markets are on track, despite weak second quarter earnings.
 - The beverage giant is contending with sluggish demand for drinks, such as juice and Diet Coke in North America, as well as an overall decrease in soda consumption. Earlier this year, Coca-Cola CEO Muhtar Kent pledged to increase media spending and brand-building initiatives by up to \$1 billion by 2016.
 - Coca-Cola spends \$565 million on advertising in the U.S., according to Ad Age Datacenter. The company reported spending \$3.3 billion on advertising globally in 2013.
3. Now let's turn our attention to the big sisters of these two bad boys (Sales and Marketing) and see what they are all about...
- a. Customer Service
 - b. Customer Relationship Management
4. Customer Service is all about showing care for and supporting the needs and desires of customers you already have on the books. The idea here is multi layered. We start with the desire to simply keep the customer we already have. It's said that it's five times less expensive to keep a customer than it is to replace one. In my experience that cost estimate may be a bit on the low side. But still we get the point. The second objective of customer service is all about expanding the invoice. That is to say, adding on to the sale, bringing new customers into the mix and perhaps even cementing customer loyalty in place. In our more modern lexicon we call such customers "sticky customers."

5. And what, may we ask, is Customer Relationship Management all about and when did this become a department all its own? CRM, as it is popularly known, is all about doing the same thing CocaCola does with their marketing focus except you do it with that crowd who pays your salary, commissions, office rents, utilities,



marketing campaigns, vacations and benefits, just to name a few. The focus of CRM is to make sure your customers KNOW you care about them. If you want to test this theory simply sell someone something and then never contact them again. Send us a note when you figure out the results of this mission.

AND WHAT IS SFA?



It is helpful to point out that in order to make CRM a measurable function of your company success you are going to need a software package to help you do it. Such packages are referred to as SFA ... Sales Force Automation apps. If you've heard the names ACT, GOLDMINE, SALES FORCE, PIPEDRIVE, INFUSIONSOFT, MARKETING360, or FIVE9 then you have some idea of what SFA is all about. SFA ensures that your CRM produces the type of sticky customers every corporation desires to have. [There are over 240 SFA products on the market!](#)

Here at Performance Strategies we work with small to medium size companies and have learned that all want the benefits of the business processes we have just outlined. But we also find that well over 50% of such companies will install processes and apps to support these objectives then not properly supervise the use of them. For example, if a company has the license to use an SFA application but does not support the wide spread adoption and use of the software then the value of the license cost is reduced considerably not to mention the lost business as an additional result.

For SFA to work a company needs training programs that teach how, when, why and what SFA is all about with testing to ensure the Chief Marketing Officer (no matter what other title that

person has) that hard-won customers are being spoken to on a regular basis. There are any numbers of metrics or KPIs that will point to the success or lack thereof of such efforts.

In summary any business has at least ten key areas of responsibility to attend to in order to succeed and stay successful.

ADMINISTRATION	REVENUE
Operations / Strategic Planning	Marketing / Social Media
Admin. / Finance / HR / Legal	Sales / Sales Training
Accountability / Time Management	Customer Service / Training
Manufacturing / Distribution	CRM / SFA
Logistics / Transportation	Communications / Online / In Person
Exit / Transition Strategies	Leadership / Team Building

There may be other considerations in your company but for most these focal points are what make up a well-run company, provided all are mandated, supervised, measured and reported on.

Our questions to our clients in the first few weeks of coaching and consulting support is this: Which one or two of these considerations could you do without and still maintain a strong business model? We never hear one of them mentioned.

Until next week we send good wishes for a great week of positive results! Do you know of any company that wants to reduce costs, expand business, improve customer retention and increase profits? Is there any chance they might benefit with a little help from a group of seasoned executives? If so, send them our way. Have them call 562-577-7000 or 949-422-1167.

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Our consulting and coaching focus supports management, sales, customer service and operations. Included are sales and management assessment surveys as well as leadership, teambuilding, sales operations efficiency and tracking projects. Our other team members bring additional disciplines as well. We will showcase them in future editions of this business journal. We are all committed to driving the results you want.