



Sell Better: An E-Book by Dave Kahle

Learn more at www.davekahle.com/sell-better.html

Sample chapter:

Chapter Two: Common mistakes

It's not that CEOs, entrepreneurs and CSOs (Chief Sales Officers) don't want to grow their businesses. Almost everyone I've met is ambitious for the growth of their businesses.

It's just that there is so much bad information, bad ideas and bad advice that it is difficult to sort it all out and come up with a constructive plan. In my tenure, I've seen almost every approach. Here are some of the most common, and errant, approaches to growing your business.

1. Hire good sales people and let them do it. I call this "death by wishful thinking."

There is probably someone, somewhere, who made a great hire with his first sales person, and then grew the business on the strength of that person's capabilities, commitment and motivation. I just have never met him.

I understand from where this idea comes. As a principal, you look at the needs of the organization, and more and more realize that sales is a problem. The knee-jerk reaction is to hire a good sales person. That, you think, will solve the problem.

Maybe in theory, but rarely in practice. One of the seminars that I present is one I call "How to Find, Interview, Select and Hire a Good Salesperson." When I begin the seminar, I ask the group, "How many of you had a good experience with the first sales person you hired?" Less than one percent of the hands go up. And, when called on to explain, those one percent usually have some qualifiers: "Well, sort of, for a few months...." I don't think I've ever gotten an unqualified "Absolutely!"



What typically happens is that the sales person's performance is far less than you expected, and you are faced with another, more emotionally taxing problem: What to do about this person who is sucking up your resources and not producing anything like you thought? The relationship often becomes acrimonious, with your sales person blaming your lack of direction/tools/ information/understanding, and you blaming him/her. After a difficult period of time, you part company, and now you are back where you started.

Hiring a sales person is a difficult, challenging task and success is never guaranteed. Almost everyone underestimates the difficulty, makes optimistic assumptions and projections, and is sorely disappointed by their first hire.

2. Popcorn. "Death by frenzy."

Imagine kernels of popcorn simmering in hot oil in the bottom of a popcorn popper. As the heat grows, one of the kernels explodes and rockets off against the side of the popper. A few moments later, another kernel explodes and shoots off in another direction. Before long, the canister is full of careening kernels bouncing in every direction.

That's my analogy to the way in which many businesses attempt to increase their sales when the temperature created by growing competition gets hot. As the heat of the situation grows, they know they have to do something. Then along comes a good idea and, pop, like a kernel of exploding popcorn, they lunge at the good idea.

The good idea can be anything. Maybe it's a media representative who suggests a new advertisement. That sounds like a good idea. So, "pop", off they go after that good idea. Or it could be a sales person suggesting that a computer program will solve their problems. That sounds like a good idea, so "pop," off they go after that good idea. Next is an advertising agency suggesting a new brochure. That also sounds good, and "pop," like kernels of corn exploding in every direction, they expend money and energy in short term "good ideas." The list of "good ideas" is endless: How about an Ecommerce website? An SEO consultant? A new CRM system? A new sales manager? Email marketing?



Like kernels of popcorn, they frantically chase lots of good ideas hoping that one will be the answer to the marketing problems. The problem is that these good ideas rarely have any relationship to one another. And, they generally present superficial solutions to problems which are often deeper. The company's time and energy is diverted toward these superficial "good ideas," and away from the deeper solutions.

For example, an advertisement in a trade journal may be a superficial solution for a company that does not have a system for identifying qualified prospects. And a new brochure may be a superficial response for an organization that doesn't have a feedback mechanism in place to adequately understand its customers.

The unfortunate consequences are often more pressure, more confusion, and more energy expended in the wrong places.

3. If we just provide a good product/service, they will come to us. "Death by ignorance."

This may be true if you've been in business 20 or 30 years, and have, over that period of time, created a loyal customer base which can be expected to return to you over and over again.

Unfortunately, in today's rapidly changing, hyper-competitive market, it's increasingly difficult to distinguish yourself on the basis of a quality product or service. Some competitor will pretty regularly surface with claims of a superior product, a lower price, or a newer more technologically advanced solution to the problem you solve.

A certain percentage of your customers will be continually enticed into trying the new or other guy, and you'll watch a slowly decreasing customer base waste away.

And, for a new business, or a business that is proactively trying to grow, it's a prescription for continuous disappointment. You'll live continually subject to the whim of the market and the ebb and flow of demand. You'll find your business and the livelihoods of all your employees susceptible to the smarter and more aggressive competitor.

4. Scrooge approach. "Death by starvation."



You know the picture. Old Mister Scrooge who would not part with a penny for any purpose. Left to himself, he would end up shivering in a cold room, and starving to death in order to save on food.

This is the picture of the business man who has so little regard for what it takes to create a sustainable sales system that he opts for the cheapest sales person he can find, has his teenage son create the web page, and expects the shipping clerks to make outbound sales calls in their spare time.

The concept of investing in sales and expecting a return on that investment never resonates with him. He sees every expenditure as a cost, not an investment, and has no appreciation for the degree of difficulty or the amount of money, energy and emotional investment it takes to get a sales system off the ground.

The truth is, you must invest something roughly equivalent in time and money to create a sales system as you spent in developing your product and service and getting it ready to sell.

So, if you spent \$100,000 and two years getting your product ready to sell, you must spend about \$100,000 and two years more getting the system in place to sell it.

Then, beyond the initial investment, you must allocate a certain percentage of your gross profit each and every month forever to sustain, nurture and improve your sales system.

If you are unwilling to make this investment, you are going to become cold and hungry, Mr. Scrooge.

5. Technology is the answer. “Death by hallucination.”

This is a variation of number two, “popcorn,” but it is so prevalent today that it deserves its own listing. Business people who are caught up in this mistake believe that technology holds the answer to their sales slumber. “Let’s get on Facebook...create a blog... buy that new CRM system... put a site up on LinkedIn...do this email marketing campaign...” Like popcorn, there is a time and place for every one of the technological “good ideas.” And, they can each be effective, when placed in a system and charged with a clear objective.



The problem occurs when they are viewed as the totality of the solution, rather than a tool that facilitates a bigger and deeper process. I'm waiting for someone to do a study on the amount of time and money that has been wasted on Facebook, LinkedIn, and the like by misguided folks who have been brainwashed by their inexperienced and younger cohorts to believe that technology is the solution.

The reality is that systems are the solution. Technology is a tool – an element of a larger conception – not the solution.