

# Sales & Marketing

## Practical Entrepreneurship Training – Part 2

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# Sales & Marketing – lifeblood of a business



Sales .... Lifeblood of a company



**Without sales, there is no business !**

# What is sales ?

- Sales is placing **value** in the **hands of a customer** at a **fair price** that creates **sustainable profit for your business**

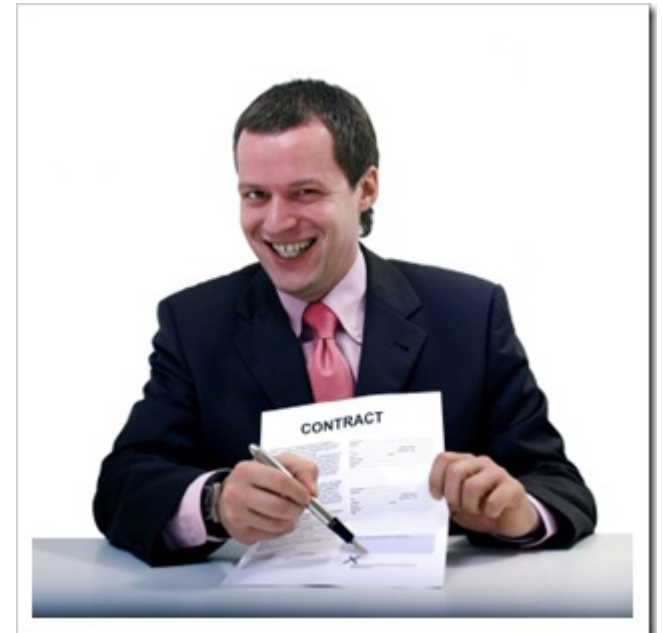


# Sales principles are the same ....



# Perception of sales

- Sales can have a lot of negative associations to it
  - Sneaky, slimy .....



# You need to develop a very positive attitude to sales & customers



The sales person for this incubator equipment company placed a lot of value in the hands of this hospital

**Successful sales requires genuine belief and passion in helping your Customer !**

# What makes for a good sales-person ?

- There are a small number of people who could sell sand to the Arabs !!
- Most people feel uncomfortable selling initially.....
- But sales is a process, a discipline, a skill that can be learned
  - Sincerity, honesty, a strong value proposition and practice
- In a start-up, everyone is in sales !





# Sales process

- Your value proposition
- Your target market
- Your routes to market
- Definition of “what” you are selling
- Pricing model
- Your differentiators
- Engaging the customer



# Your Value Proposition

- **For** (target audience)
- **Who wants/needs** (customer issue you solve)
- **The offering** (what you do)
- **Which provides** ( your solution to the issue)
- **Unlike** (your other competitors)
- **The offer** (key differentiator)
- **The evidence or proof** (other customers)

# An “Elevator Speech” Example

- For:** electronics industry manufacturers
- Who:** annually experience over \$40 billion in losses due to static discharge,
- The:** PolyTronics’ conductive plastic
- Is an:** advanced material
- That:** inexpensively and completely eliminates damage from static electricity.
- Unlike:** currently used, expensive static discharge equipment
- Our:** product is an integral part of the electronics assembly that continually drains static charge from the product assembly.
- Proof :** Our customers such as Samsung and Intel have derived significant value from our product

# Strong Value propositions mean Tangible results

- Increased revenues ↑
- Faster time to market ↑
- Decreased costs ↓
- Improved operational efficiency ↑
- Increased market share ↑
- Decreased employee turnover ↓
- Improved customer retention levels ↑

# What makes a good value proposition compelling ?

- Speaks to a **pressing** concern
- Focuses on a **single benefit**
- Is **specific** rather than general
- Is **clear and concise**
- Creates **a sense of urgency**
- Mitigates **risk**



# What is your exact target market?

- It is critical to determine
  - Exact profile of customer you are targeting
  - Which industry sector(s)
  - Size profile of customer ( small – large )
  - Market locations ( local, national, international )
  - Current intelligence on customer's current status and history on area you are selling in

Where your product is applicable to multiple markets, it is critical to target 1 to 2 initially – focus, focus ...focus !!



How are you bringing this product **to market** ?

Direct or through channel partners ?



# Strengths & Weaknesses of Direct sales

- **Strengths**

- Under your control
- Greater margin
- Close to the customer

- **Weaknesses**

- Cost of direct sales team
- Difficult to drive volume sales in direct model
- Credibility of young business in eyes of customer



# Strengths & Weaknesses of Channel sales

- **Strengths**

- Access to customers of channel-partner
- Significantly larger sales team
- Potential to scale quickly
- Stronger credibility with customer

- **Weaknesses**

- Lack of control
- Reduced margin
- Competing against other vendors for mindshare of channel partner's sales team
- Overwhelmed with keeping partner happy !

How do you **price your offering** ?

Is it a once-off, pay-as-you-grow ....?

Can a customer easily understand your pricing model ?

Competitor pricing model ?



What uniquely **differentiates** your offering ?

How are you different than the last 2 competitors who have tried to sell to this customer ?

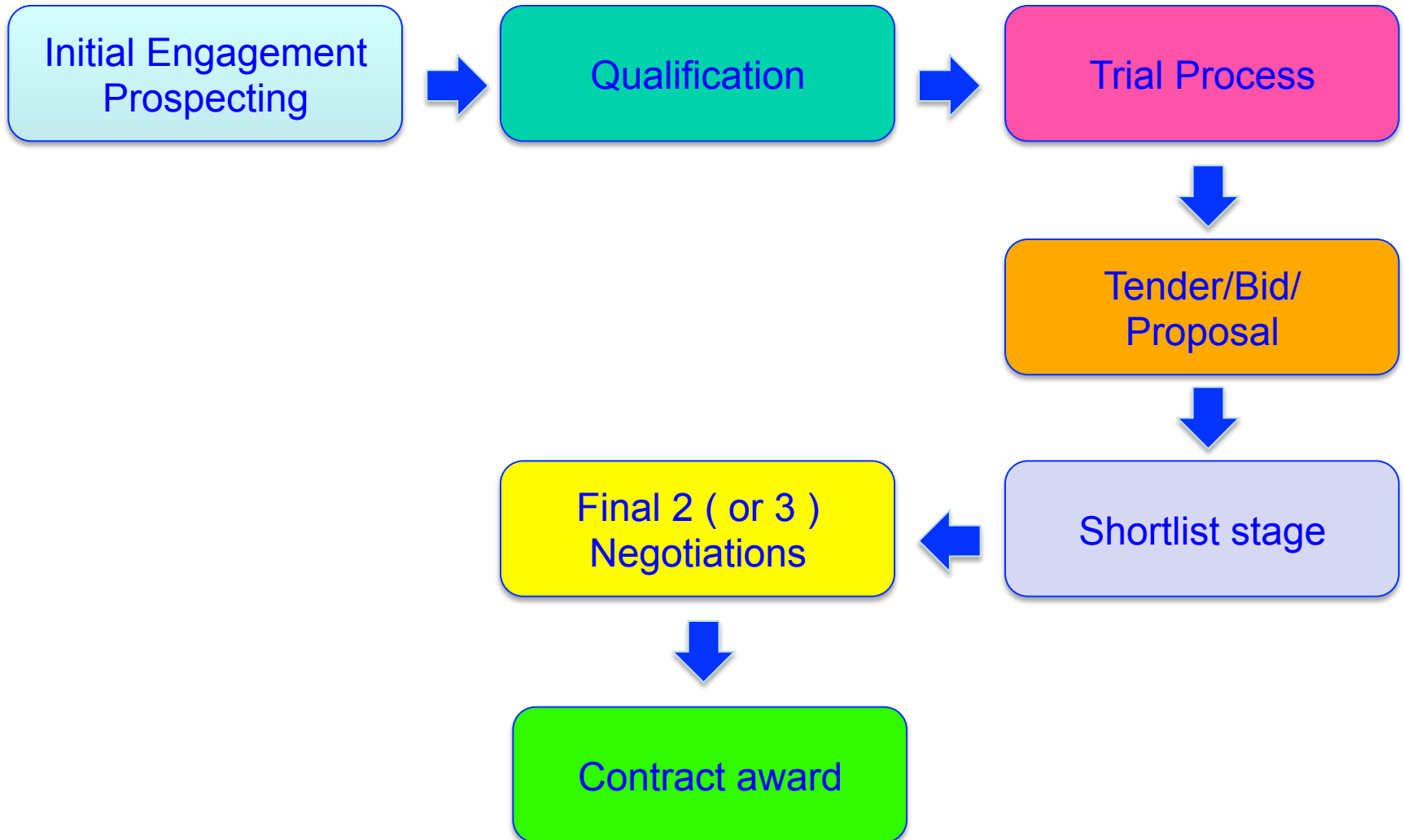


# Engaging the customer

- Customers are busy
  - But open to a clear engaging professional approach around helping their business
- Ideally it is best to be introduced to a key person in the target customer organisation from another customer of yours, partner or contact
- Often the first step is a cold call which needs to be done properly



# Sales process



# Kieran's 8 golden rules of Sales

A customer has to believe that you understand their business, genuinely want to help their business and that you are around for the long haul

You need a champion in the customer organisation who believes in you and advocates for you when you're not there

Until the contract deal is signed in ink, you have won nothing

The best salesperson is always "constructively scared" and keeps selling & competing until they win the deal

# Kieran's 8 golden rules of Sales ...

Most customer tender processes have their specification written by a vendor ( either you or your competitor ) – he/she who writes the tender spec has a great chance of winning

Your partner's sales-force have their own priorities – you need to proactively help them win deals with your product

The stronger your support at senior levels in the customer organisation, the greater your chance of winning – so sell high but with the support as best you can of the staff running the process

You must ask for the deal !!!

# Marketing

- Core function of marketing is **to support sales** by **communicating your value proposition** to your **target market**





# Key focus areas of marketing

- Highlighting the need for your product/service
- Differentiating yourself from your competitors
- Establishing “sizzle” and thought leadership
- Building a brand
- Face of the company
- Key tools of marketing



# Marketing tools

- Digital media ( online, social networking )
- Print media ( trade magazines )
- Case studies with customers
  - Customers talking about you
- Interviews
- Coverage by analysts



# Kieran's 4 golden rules of Marketing

You have to measure effectiveness of marketing in terms of did it actually support sales ? – lots of marketing money badly spent

To capture the market's attention, you need a compelling story, that's fresh & thought-provoking presented passionately by an inspiring leader

The best marketing people are part of the day-to-day sales machine and are out constantly with sales teams

Yesterday's news fades fast – you need to continually build and enhance your brand

# Sales define a business's future



Thank



You