Launch Pad

Proactive "sales readiness" strategies can help companies sell new products more efficiently

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Is it time to re-evaluate how you prepare your sales organization for the launch of your next new product? What can you do to enable your sales representatives to be more effective with decision-makers? How should you prioritize your development investments when there is uncertainty in the market? This article explores two approaches to achieve sales readiness.

Imagine overhearing candid opinions within your company regarding the sales readiness of your new product. You may find that representatives from sales, marketing, development, and management have different opinions about the best ways to maximize the knowledge, skills, and confidence required to sell new products. To better understand the disparities of these opinions, consider priorities from the following five perspectives:

- Established sales representatives desire the appropriate information about the new product and competitive environment. Many of these sales representatives prefer just-in-time information.
- Neophyte sales representatives need all the new product information; plus, they hope to assimilate the pragmatic knowledge of the best sales representatives. These sales representatives benefit from a combination of structured training programs and just-in-time information.
- Developers and domain experts strive to obtain valid information from the sales organization in order to develop appropriate products. During a specific product launch, they expect to devote some of their time to assist the sales and support representatives, but they prefer to have an efficient transition to the next project with a minimum number of interruptions. They strive to minimize rework. They dislike repeating answers to product-related questions.
- Marketing representatives strive to provide appropriate information about the new product. They are rewarded on their ability to generate, nourish, and qualify sales leads.
- Managers want to ensure that resources are used efficiently and effectively. They want to make the best decisions about which activities to fund. They want to transform the neophytes into top performers as soon as possible.

With such a range of perspectives, how do organizations coherently improve the sales readiness of new products? One approach is a rigid approach commonly associated with command-and-control management styles that demand strict adherence to documented processes, best practices, and templates. Another approach is characterized by lighter constraints and seeks to manage emergence.

Exhibit 1: Stylized Representations of Three Screens from the SAVO Sales Enablement Application

This application features Web 2.0 capabilities.

The top image highlights customization that includes the company name and priorities for action.

The middle image highlights different methods to select assets. A tag cloud indicates the relative popularity of indexed items.

The bottom image highlights the most valuable contributions made by a specific author.

SOURCE: The Author

Historical methods of developing and distributing product information

Traditionally, the extended new product development (NPD) team officially sanctions some of the new product information. Alternative information may be more casual, informal, and unbudgeted.

A few decades ago, much of the sanctioned and funded new product information produced within large corporations was created by development and marketing teams and then distributed to sales organizations. Typically, product information was produced to comply with popular interpretations of historical best practices. Often, sales representatives received literature during new product training and they ordered additional copies through distribution centers. New and updated product information was provided in newsletters and displayed in literature racks. Much of the printed literature was unused.

> " One approach [to sales readiness] is a rigid approach commonly associated with command-and-control management styles."

More recently, the delivery options for new product information expanded to include higher-capacity physical media such as CDs. When the transition from physical media to electronic media began, enterprises invested in other delivery channel solutions that included email, electronic data warehouses, and intranets.

Inevitably, the sales organization creates additional resources to support sales activities.

Common complaints

In practice, many sources of new product information are distributed using many channels. Some of the information is duplicated. Some of the information is obsolete. When the new product information is unorganized, sales representatives often complain that it is difficult to find the best information for their situation. Often, sales representatives spend a lot of time trying to find resources in multiple locations. Often, resources are improperly tagged or indexed. Typically, feedback regarding the resources is anecdotal and insufficient. How can someone discern which resources will it be the most helpful in specific contexts?

From the development and marketing teams' perspective, it can be difficult to access the effectiveness of specific, sanctioned resources. Even with the availability of metrics that include the quantity of brochures ordered or the number of webpage views, the decisions to prioritize future efforts can be difficult.

Managing emergence within attractors within boundaries

A rigid strategy to sales readiness asserts that the development environment is deterministic and episodic. To accommodate changing market conditions, alternative resources should be created and modified. However, past practices are not necessarily best practices.

David Snowden's presentation titled, "Putting It All Together: Project Management and System Design,"[1] which was the closing keynote speech at the KMWorld and Intranets 2008, suggested another approach. Snowden, formerly the Director of the IBM Institute for Knowledge Management and currently the Founder and Chief Scientific Officer of Cognitive Edge, is a leading practitioner in complex adaptive systems theory and in co-evolutionary approaches that have the potential to transform the management of knowledge.

Here are a few of Snowden's ideas about complex adaptive systems presented in a form more familiar to new product development practitioners:

- New product development involves many interacting elements. To respond to external conditions in the market, it is preferable to have resiliency in the development team.
- Make more decisions in the network and fewer decisions in the management group.
- Select tools that increase distributed cognition. This reduces central cognition. Distributed cognition utilizes the capacity of networks (which includes the contributions of a large distributed sales organization) to provide collective wisdom. In addition, a large group of informed contributors can quickly complete tedious activities (such as indexing and tagging assets) because the tasks can be distributed.
- Because of nonlinear relationships, seemingly minor development decisions can have a major impact on sales. Specific launch results are never guaranteed.
- Manage emergence within attractors within boundaries.

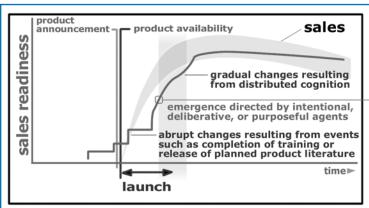## Attractors, barriers, and co-evolution in complex systems

Because most NPD efforts can be characterized as complex adaptive systems, the concepts of attractors and barriers can be implemented to shape sales readiness. Within an NPD context of sales readiness, these can be defined as:
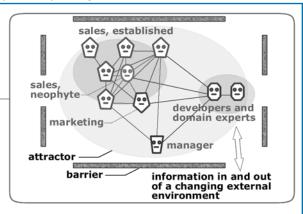
- Barriers set limits or boundaries. For example, a barrier should dissuade contributors from producing sales collateral that does not meet corporate standards for quality and consistency. Properly implemented, barriers enable the sales network to self-regulate.

Exhibit 2: Sales readiness and Complex Adaptive Systems

Sales readiness improves as the benefits from distributed cognition complement the resources produced as a result of central cognition. Attractors—such as tools that support the cooperation of individuals, formation of a community, and feedback—support complex adaptive behaviors that improve sales.

SOURCE: The Author

- Attractors are phenomena that resonate within the sales network. For example, highlighting an internal coaching document that is having a major impact on sales can inspire others to contribute related sales aids. According to Snowden, "As attractors gain momentum, they provide structure and coherence."[2]

SAVO and sales readiness

The current product from the SAVO Group (*www.savogroup.com*) supports these ideas. SAVO, which was founded in 1999, helps marketing and sales teams work together to drive business growth. SAVO is a playful version of the French word *savoir*, which means "to know." It is a play on the word "savvy."

Co-founder Drew Larsen recalls the moment in 2007 when the company envisioned a product that would move beyond the existing CRM (customer relationship management),

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which are systems that help automated the sales process, and repository paradigms to a new product that would improve sales readiness from multiple perspectives. The team studied consumer sites such as Flickr, Facebook, MySpace, and to a lesser extent, Amazon. The company asked, "Why do we love great tools in our consumer life and put up with mediocre tools in our business life?"

The current SAVO product supports the following:
- Representatives from each of the five perspectives can easily add information to the body of knowledge. An Internet connection and a supported browser are the only system requirements.
- System users can provide feedback to authors by contributing reviews and rating the usefulness of the information. To quantify the popularity of an asset, the system presents the number of times an asset has been downloaded.
- Information can be presented based the context of the selling situation. When a sales representative answers a few questions such as "Where are you in the sales process?" and "Which market segment?" the system suggests applicable resources.

- Assets can be modified for specific situations. For example, by entering customer information in predefined fields, some presentations or proposals can be customized. This ensures that branded presentations and proposals will maintain corporate quality and consistency standards while supporting contextual flexibility.

Exhibit 1 (located on page 8) presents examples of information presented in the SAVO product.

In Snowden's terminology, one of the barriers that the SAVO product enforces is that it doesn't allow anonymous participation. This ensures that authors receive feedback to improve future contributions. In Snowden's terminology, one of the attractors is that the system pushes the most valuable assets to the top of the lists. This ensures that great contributors are recognized and the standard of excellence is re-enforced.

Sales readiness and co-evolution

Larsen reports that the current SAVO product has a year-to-year retention rate of 98 percent. Customers using the current product are logging in five times more than those using the previous product.

Sales readiness is one factor that impacts new product sales. Initially, the resources produced by the extended development team influence sales readiness (see Exhibit 2 on this page). Sales readiness continues to improve as the resources and the teams co-evolve. Better resources improve the performance of the network as individuals identify and contribute more effective resources. Specifically, neophyte sales representatives progress to achieve the results of more experienced sales representatives in a shorter time. As network members improve their level of mastery,[3] this leads to more innovation. Which tools and strategies will you implement to improve sales of new products? V

Endnotes

1.David Snowden, "KMWorld 2008 Closing Keynote," *http://www.cognitive-edge.com/presentationdetails.php?presentationid=38*.
2.David J. Snowden and Mary Boone, "A Leader's Framework for Decision Making," *Harvard Business Review* (November 2007).
3.Mark A. Hart, "Insights on Brooks' Law and Launch," *Visions* (June 2008): 6–8.