

How to Boost Sales for a Small to Medium Enterprise

Business owners of small and medium companies (SME) are under constant pressure to grow their sales.

Whether the global financial crisis is behind us, many are not enjoying a recovery and must improve results from the resources they've kept.

While a recent survey by global workspace company Regus found in Australia 25% more medium-sized businesses than the global average (42%) report a rise in revenues, businesses are also predicting a slowdown in the pace of economic growth.

Australian businesses in particular have shifted their estimations for recovery from June 2010 to September 2010. There is inescapable air of caution out there. The reality is that economic buoyancy in the business world couldn't come quick enough for SME's.

So what should an SME facing these conditions do? There are many resources available to help businesses be more effective such as rigorous recruitment, a clear business plan, sales and marketing strategy.

Despite this, many organisations default to discounting prices, often taking on larger competitors with deeper pockets. Whereas in fact, to claim valuable market share we need to be different: to stand out.

All businesses rely on the quality and performance of their salespeople to achieve growth. But business leaders are continually exposed by their weak, underperforming sales teams.

Research shows that only one in four sales people consistently performs at a high level, with just 6% being elite. So whilst we all aim to have the best, we are commonly saddled with underperforming liabilities. With limited resources what should the business leader do?

The good news is smaller businesses have the ability to respond quickly to opportunities fast. When combined with strong sales ability, this gives the greatest competitive advantage.

Research by Corporate Visions in the US identifies the four main reasons why customers buy (as a percentage of the purchasing decision):

- Product & Service Delivery at 19%
- Value to Price Ratio 9%
- Company Brand & Impact 19%
- Field Interactions 53%

Note that salespeople who fall into the field interaction category, play a bigger role than products, pricing and brand combined. Yet most companies implement little or any 'best in class' sales hiring and development practices.

Sound advice comes from a research paper titled *Taking the Lid off your Organisation* by Julian Griffith. He recommends five things we can do to address the threat of the sales team underperforming:

1. Spend time to properly understand your sales managers and let them know exactly what is expected of them and hold them accountable.

2. Your managers may need coaching and developing. Stronger ones get excited by and embrace the opportunity for development. Weaker ones may feel threatened and attempt to side step the change.
3. Take a fresh look at your salespeople and question whether they are really committed to the business. Are they an asset to you or a liability?
4. Consider putting in place continuing development and training for those who will help you grow your business.
5. Don't bring new salespeople into your business until you have started to rectify any problems with your current people; and when you are ready, absolutely ensure you have a robust selection process in place to attract only high performing salespeople into your business.

This is sound advice for SME's, who possibly feel the "bumps" in the road to recovery more than the larger corporate players. Adopting these strategies for selecting and nurturing your salespeople should provide consistent sales growth and a definable point of difference as experienced by your customers. Much more that discounting will.



Kurt's expertise is in sales strategy, sales management development; group structured sales training and infield sales coaching. As a sales person he has successfully sold products and services in 4 major market/product segments: new product sales, consultative sales, relationship sales and retail. During his selling career he created sales records for three companies in two industries and won many other sales awards for outstanding performance.