Formalize Your Sales Force's Efforts to Collect Competitive Intelligence

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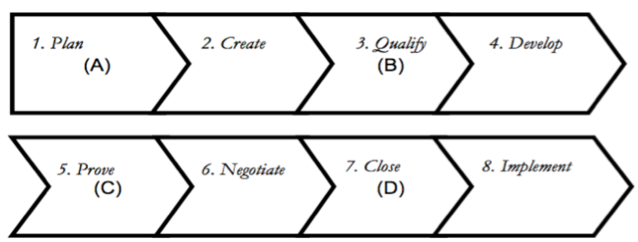
It is widely recognized that the sales organization is one of the most valuable, underutilized sources of competitive intelligence (CI) for a corporation. To be successful, sales personnel continually collect, synthesize and neutralize competitive threats within their domain. Unfortunately, many sales organizations still have no clear methodology in which to collect and share this competitive intelligence so that it may be reused for the benefit of the entire organization.

Why the Resistance to a Formalized Sales Force Competitive Intelligence Gathering Methodology?

- **Corporations haven't needed to**. In the past, products and services were simpler, with fewer offerings available. Due to this lack of complexity, a competitor's approach and business value were easily understood. Today, products are packaged into more complex solutions. More sophistication is required from buyers and sellers during the sales process. To succeed, the sales force has to become a consultant to their clients; providing counsel not only about their solutions but their competitors' as well.
- **Competitive Intelligence gathering is viewed as an administrative task that takes away direct sales time from the client**. According to a CSO Insights 2007 study of over 1300 global B2B and B2C sales organizations, only 35.7 % of available sales time was spent face-to-face or by phone with customers and prospects. Additionally alarming, the survey showed that 43% of sales reps did not achieve quota, about the same as prior years in spite of productivity investments to support their efforts. Non-selling meeting and administrative task time was up 2% over the prior year to 17.3%. These trends reinforce a company's reluctance to require sales people to perform additional, non client-facing sales tasks. This is especially true as sales compensation plans become more performance-based and more highly leveraged than in the past.
- **There hasn't been a clear methodology for the collection of competitive information**. The Whitespace Consulting Group surveyed ten high-tech hardware, software and consulting services vendors. None of those surveyed felt they leveraged their sales force's knowledge for competitive intelligence very well, though all felt a formalized process would provide an attractive return-on-investment. As one would expect, those with the greatest revenue at-risk with the loss of a single client were most likely to collect competitive intelligence from their sales force.

Where in the Sales Process Continuum Should Competitive Intelligence Data Collection Occur?

Competitive intelligence collection can be done at any point during the sales process. There are, however, four points along the sales process continuum where information collection can be most easily achieved; at (A) Planning, (B) Qualifying, (C) Proving, and (D) Implementation.



Sample Sales Process Continuum (courtesy of Sales Performance International)

A. **During Territory and Large Account Planning**. Large account teams have extraordinary amounts of client information and typically take a much higher-level view of the client's share of wallet, branding, and competitive positioning data when creating the annual account plan and associated sales forecast. Account planning sessions to discuss account goals, upcoming sales opportunities, and competitive positioning are an ideal time to document the competitive landscape.

B. **The Opportunity – Initial Go/No-Go Qualification Stage**. Sales managers with scarce resources need to determine the probability of winning in specific sales opportunities. Understanding the competitor's position within the account will improve these sales investment decisions.

C. **Periodic 1:1 Sales Opportunity Reviews**. Sales management's reviews of individual sales opportunities are typically conducted on a scheduled basis to confirm successful progression along the sales process continuum. These scheduled sessions are necessary for sales managers and their individual sales team members to checkpoint opportunity status, determine any additional sales activities required, review competitive position, and update the probability of closure in the CRM system. With minimal additional effort, valuable competitive information can be collected and documented during these periodic sales opportunity reviews.

D. **Win-Loss or Post-Implementation Reviews**. If the opportunity has been lost, objective and constructive internal/external win-loss reviews can document key competitor information and customer selection criteria. Requests for post-sale client input can help companies understand their sales process or offer deficiencies and opportunities for improvement. If the opportunity has been won and successfully implemented, assign a marketing resource to document the project. Client success stories, written using an interview approach, should include the unique business-value provided over the competition and primary issue(s) addressed.

Steps to Optimizing Your Sales Force's Collection of Competitive Intelligence

1. **Institute a "Competitor Watch" program within your sales organization.**
   Assign your most knowledgeable, market-aware sales people to "watch" one competitor's strategies and tactics. They will become the "point person" responsible for coordinating data collection across a variety of channels including the information provided by their peers in the sales force. The formalized sharing of competitive data will increase the overall effectiveness of the sales organization; making valuable face-to-face time more productive.

2. **Create a simple, Sales Knowledge Management (KM) system to serve as a repository for the sales force's competitive information.**
   Involve the Marketing organization for help adding content and the IT department to help with the necessary infrastructure to organize the information and make it accessible. Your existing CRM system may be the lowest-cost and convenient repository for competitive information.

3. **Coordinate Sales with the Marketing and CI functions within the organization.** Marketing can often assign part-time resources to support the sales force. They can assist "watchers" by providing complementary research on competitive intelligence, entering CI content into the Sales KM/CRM system, and writing-up successful solution implementation stories and wins over competition.

4. **Incorporate CI responsibilities within job descriptions.** Modify sales job descriptions and performance review templates to recognize the importance of sales intelligence collection, assimilation, and sharing.

Your sales force is a valuable, underutilized **r**esource in the Competitive Intelligence gathering process. Sales team members have the most thorough knowledge of clients buying process, selection criteria, and competitive alternatives. By collecting competitive data at key points along the sales process continuum, CI can be collected with minimal incremental sales or marketing effort. The coordination with existing Marketing and IT resources can assist in the capturing, documenting, and leveraging of competitive sales knowledge. Creating a central, shareable Sales Knowledge Management CI database will increase overall sales efficiency by increasing win/loss ratios and maximizing valuable face-to-face sales time with clients and prospects.

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