

The Future of Sales in a High Tech World



The Future of Sales Lead Management

Selling Power

Henry Canaday

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Managing Leads Means Learning All The Lessons

The Internet revolution hit a speed bump along with the economy in 2001. But experts are betting the pace will quicken again, after some painful lessons have been learned. And nowhere will both pace and lessons be more important than in managing leads. Sales managers have some especially critical challenges.

“The future of lead management will depend on sales managers and executives who are as technically savvy as today’s Chief Information Officers (CIOs),” says James Canton, president of the Institute for Global Futures. Canton, a member of MIT’s Media Lab Europe and an advisor to the National Science and Technology Council, says pure scale will be one powerful pressure for upgrading technical skills. “There will be new tools, including the next-generation Internet, applications for prospecting, direct marketing and delivery of offers for new products via electronic markets,” he argues. “These will create more leads than even the best sales teams can personally deal with.”

Fundamentally, it is the widening of the information highway that will enable these changes. “The next-generation Internet will be faster, more robust and more intelligent,” Canton says. “The plumbing will

get much better. So the sales manager of the future must integrate data mining and warehousing with use of the Internet for direct marketing by streaming video. Sales, marketing and technology will fuse to generate leads and translate them into customers.”

How long will this take? The future is not far off, according to Canton. “By around 2005, a sales manager will have access to around 1 billion people and companies in 200 countries on the Internet.”

Suppose you want to identify a critical mass of 1,000 new industrial customers for your newest product. Traditionally, companies looking for new leads could purchase lists, gather referrals, go to trade shows and so forth. By 2005, according to Canton, there will be a much better, faster way. A new tool, which Canton calls a ‘Spider,’ will conduct an intelligent search of the Internet to find, qualify and obtain suitable contact information on new leads. “A spider is a search engine, like Yahoo or Googol, but with embedded intelligence,” Canton explains. “You will tell it, find me the best 20,000 leads for this product, and then report back.”

The next step is a quick walk down the corridor to the marketing department. “You should already have told marketing that you are going to need a 30-second video to send your pitch electronically to the 20,000 leads the Spider found,” Canton says.

Now technology begins to pay off. Direct mail traditionally yields returns of 1 to 3 percent. Video e-mail sent to a thoroughly qualified prospect list, Canton says, can generate much higher returns, up to 70 percent in some cases. “But let’s assume you send videos out 20,000 and get back 3,000 indications of interest. Now you can go to your Customer Relationship Management system (CRM) for an agenting technology.”

Come again. What’s an agenting technology? By 2005, Canton says there will be something he calls a Sales Avatar. Basically, this is a highly sophisticated component of your website that can quickly and correctly answer, say, the top 50 questions interested prospects may have about your new product. The 3,000 interested prospects are

directed to the Sales Avatar for an easy way to find out more about the product and how it might fit into their business. They are also given the option of contacting a live sales rep instead of the Avatar, or after they have exhausted its knowledge. "That's what you use your live salesforce for," Canton emphasizes.

Spiders and Avatars, well integrated with robust basic processes, could transform more than the selling function itself. Exploited to their full potential, they can transform entire companies. "Say top management is thinking about building a new product," Canton explains. "But before they build the product or license the rights, they want to know whether there are customers willing and committed to buy it. They turn to the sales manager to see if he can pre-sell the product to enough customers to justify production." And the tech-savvy sales manager turns to his Spider and Avatar to check out the market. Interested customers are given attractive discounts or other terms for an early commitment. "Say they commit by May 15, then you know you have the critical mass of leads and the digital cash will show up so that you have the money to finish production."

Suddenly, lead management is becoming a little more like company management.

Some of these more powerful tools are being put in place today. Companies that have shied away from data mining and warehousing will soon be able to outsource these sophisticated technical capabilities at reasonable costs. The Internet is rapidly expanding, especially outside the US, and getting much faster. The wireless Internet is coming, too. "We are very close to having prototype Spiders and Avatars," Canton says.

The hardest part of the future may be, as usual, preparing the people. How exactly do sales managers become CIOs? Fortunately, they will not have to learn Java programming to do their jobs. Canton says a lot of the technical messes that today's CIOs have to deal with will be largely solved shortly. "In two years, even the CIO's job will be much easier, or at least higher-level. Right now, they are dealing with chaos and confusion. That will soon be history."

And what sales execs will really have to know is how to use the new technologies to sell. That means knowing the capabilities of new tools and what's coming down the pike. It means being able to fit tools into sales strategies. And that will require knowing at least enough technical jargon to talk to the experts.

How do busy reps and sales managers get ready for this acceleration in high tech? Canton thinks there are plenty of ways to understand what you need to know without taking too much time. "If you want to take a course in technology, there are online courses you can do at home over the weekend," he notes. "There are books and periodical articles. You can hit the high-tech trade shows and question the vendors about their equipment. Ask them what their tools can do for selling and what's coming up next. I learn a huge amount from talking with IT vendors."

Sometimes, the answers may be right down the corridor. "You probably have people in your company who live and breathe this stuff," Canton says. "You know, the ones with the purple hair and nose rings. Talk to them."

Indeed, getting up to next-generation Internet speed should be no tougher than the challenges effective sales forces met throughout in the 1990s. "Reps had to learn how to use sales force automation tools like ACT and Goldmine," Canton notes. "They have learned to use e-mail and cell phones. In a few years, that stuff will be like the Middle Ages."

Canton thinks the current slow economy may just be ideal for doing the homework that will bring business in the next up-cycle. And the technology is coming very fast. "It will become standard long before the first baby boomers retire," Canton emphasizes. "It's coming and it's doable."