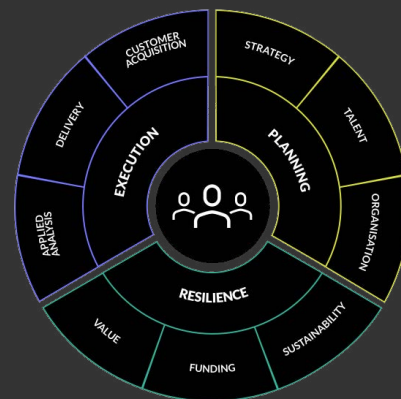


Building Sales Machines

This toolkit includes:

- Insights into the fundamental changes in B2B sales catalysed by the advent of SaaS.
- A framework for strategic sales planning.
- Our recommendation for a forecasting data model.
- The key characteristics of a successful sales leader.
- Templates for opportunity qualification and review.
- A sales metrics checklist.
- Customer success systemisation tools.
- Industry led advice on contingency planning and value creation.

01 Introduction



Sales success is critical to any ambitious business, not only in terms of its contribution to the P&L but also with regard to value creation. Selling has undergone massive change in recent years, be it the digitisation of buyer behaviours, the emergence of SaaS and, of course, COVID.

The purpose of this paper is to provide CEO's with a toolkit that helps them get the very best out of their sales operations, considering the very latest developments in the industry. To help us navigate all of this, we have enlisted the help of some of the technology sector's most respected sales leaders working in global brands such as SAP, Adobe, GBG and Microsoft.

This is Frog Capital's toolkit for '[Building a B2B Growth Engine](#)' and should be read in tandem with our precursor toolkit Driving B2B Growth by Nick Eades.



**William Shakespeare:
The Merchant of
Venice**

**"I like not fair terms
and a villain's mind."**

Does anyone grow up wanting to be a salesperson?

All around the world, children dream of becoming astronauts, doctors, pilots, vets, entrepreneurs, CEO's and lawyers... even politicians! I'd wager though, not one lies awake at night aspiring to be in sales. To understand this axiom, let's start with what we believe 'sales' to be. Most dictionaries plump for an almost identical definition: the exchange of goods and services for money. This might define the act literally, but it doesn't describe the role. The facilitation of a transaction by a human being, must surely be one of the oldest professions. Whether it was thousands of years ago, two market traders bartering with each other for food or clothing, right up to the 45th US President, and author of the number one bestseller 'The Art of the Deal' – people have been selling to each other for centuries. And yet sales itself is blighted by a pejorative view, a stigma almost.

This perception of salespeople as untrustworthy and mercenary, is a common view. Why is this though? The transfer of goods and services is fundamental to a free market and underpins almost every commercial enterprise worldwide. It's possible however, that any negative connotations are becoming more historical and there are definitely regional variations. For instance, my time working in the US showed me a very different perspective. Many Americans see selling as a vocation like any other; something that can be learned and incrementally improved, as one commits themselves to the application of learning and development. There, sales is not always about the 'gift of the gab' or duplicitous techniques used for tricking a prospect, it is about a process of understanding a problem and then, ultimately, its solution. Rapport building and likeability still play their part, but it is the identification of a clear business need and the accordant remedy that is much more important.

Executive summary



Perhaps the biggest change seen in software sales has come relatively recently and yet it's been transformative in how we have all had to think about sales planning. Until recent times, software tended to be sold as a capital item on a licenced basis. Indeed, when I started out not only was all the cash collected up-front, but total deal revenue was also recognised in the month the order was taken. Soon, however, our colleagues in Finance were spreading the revenue in twelfths across the year as the current SaaS model began to crystallise across technology.

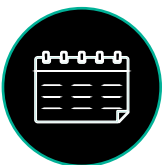
What we have today though is something much more evolved and it has significant repercussions for the salesperson and the entire business model. Whereas in the past we may have sold a 3-year licence for £100k in year 1 and another

£20k in year 2 and again in year 3. Nowadays we will simply sell a £3,000 monthly fee, with huge emphasis on upsell across the lifetime of that relationship. This means, then, that profits on this particular deal can be materially delayed and dependent on the customer remaining satisfied and regularly renewing. It also has ramifications for sales cycles, implementation and account management, now called onboarding and Customer Success, typically.

The old model also allowed companies to rely on a few 'big-hitters' to close huge deals at quarter end to rescue their year. In fact, the move away from 'superhero selling' has dramatically changed the entire profile of people being hired. The average age range has come down dramatically, as has the basic salaries and even the compensation is different.

In the late nineties, salespeople typically did everything: prospecting, partner liaison, bid management, account management, renewals etc. Today, there are a plethora of, typically, less experienced people carrying job titles such as SDR, BDR, AE, CSM and more.

So, the advent of SaaS means the business will need a plan that covers:



Consistent revenue delivery throughout the year



A regular (and larger) flow of leads and opportunity



A multitude of salespeople in different roles



An ability to keep and grow customers, not only win them



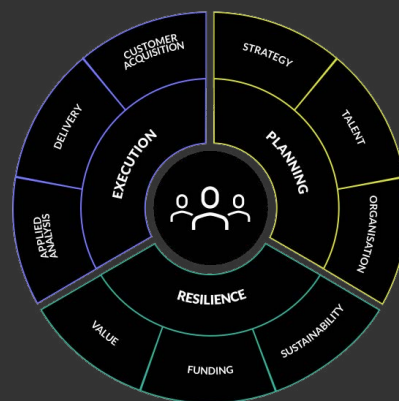
Proper coordination and support across all of these disciplines



Andrew Bentley, Microsoft

"A salesperson can't just turn up on day 364 with a huge order, we are a consumption business now."

Author & contributors



About the author



James Bagan - Frog Capital

James Bagan is an operating partner at Frog. He has run and sold two private equity backed businesses and started his own advisory firm in 2012, providing a sales due-diligence service to investors, which has now been used over 150 times, worldwide. As well as becoming a Fellow of the Institute of Sales Management, he has further underlined his commitment to process and structure by acquiring a PRINCE2 Project Manager certification. He is the Chairman of several investor backed technology businesses across Europe.

About the contributors



Jon Lord - GBG

John has been in the data and technology industry for 30 years. More recently, he was driving the exceptional growth of GB Group plc during his 7-year tenure as Group Managing Director. Prior to that, he spent 2 years at Convergys as the Group Sales & Marketing Director and 7 years at Dun & Bradstreet as the UK&I Market Leader.



Katie Zeitlin - SAP

Experienced Channel Director with a demonstrated history of working in the computer software industry. Skilled in Sales, Management, E-payments, Software as a Service (SaaS), and Business Development. Strong information technology professional graduated from Stamford High School.



Andrew Bentley - Microsoft

With 20+ years of proven sales & sales leadership experience, both across direct & channel sales, I've spent a long time building new businesses & routes to market, developing high performing sales teams and coaching people to exceed their potential, whilst helping them to be customer/partner focused in everything that they do.



Martin Fairn - Gazing Performance Systems

Co-founder and CEO of Gazing Performance Systems, Martin has combined his knowledge gained from corporate roles and his sporting background to develop Gazing's unique approach of equipping individuals and teams to perform well under pressure.



Mark Hollyhead - Adobe

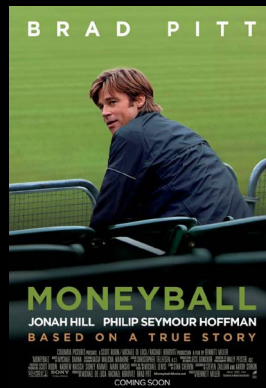
Distinguished sales leader with 10 years of sales management experience, and a further 7 years of sales experience across a variety of roles and organisations. Specialises in re-tasking and evolving sales teams, in order to meet business expectations or changes to market and product.

Scale-Up



The entire Scale-Up programme at Frog is built upon the contention that growing businesses successfully is more science than art. Curiously, despite other functional disciplines like operations or marketing, which have made the switch to frameworks and analysis, many in sales continue to be led by 'old-schoolers' still relying on subjective opinion and intuition or 'gut-feel'.

It's true to say, however, that things are changing, especially in B2B SaaS and especially in investor backed businesses, where Directors are routinely looking at key measures around acquisition costs, lifetime value, retention rates etc.



Michael Lewis, Moneyball

“People...operate with beliefs and biases. To the extent you can eliminate both and replace them with data, you gain a clear advantage.”

How much of this Board level oversight makes it into the day-to-day of each and every salesperson?

We would argue that with the exception of perhaps the very biggest businesses, with large, geographically disparate sales operations, very few organisations have deployed a holistic approach to sales process. Indeed, the number of truly consolidated revenue operations (sales, marketing and customer success) remains firmly in the minority. This is because organisations know that the level of forethought and planning

required to join-up the entire front-end of the business is no small task.

So, what do they do?

They simply hire more salespeople and hope one of them can sell them out of trouble. This perennial cycle of founders hiring and firing salespeople is now so commonplace in scale-up businesses. The founders, who most likely won

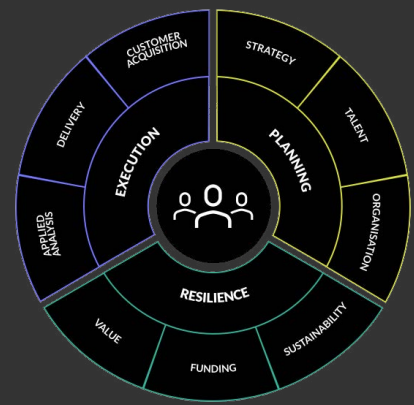
the first slew of contracts through their network, their passion, their market knowledge and simply cannot fathom why 'professional' sellers can't just replicate their success.



James Bagan, Frog Capital

“A lack of scalable sales success is less likely a person problem and more likely a process one. Begin your investigations there before you start browbeating salespeople.”

Planning



Strategy

The Building a B2B Growth Engine toolkit covers the go-to-market strategy extensively but makes the point that this should be done in close collaboration with Sales Leadership. Once you have completed the Market Value Matrix

template, you're now in a position to think about a winning sales methodology.

Let's assume the business is established and there is a cohort of existing customers with recurring revenue

contracts. However, until now the majority of deals can be attributed to the founders. How does the organisation now move to a more scalable operation, where the creation, qualification and closing of opportunity becomes a machine?



Mark Hollyhead, Adobe

"Planning is about alignment. It's about commonality of purpose and expectations across a team or teams."

As CEO, we want the product or marketing strategists (whoever they are in your business) to be able to provide Sales with the following information:



A description of the value proposition, including what business problem we are solving



Guidance on how to break down and approach the addressable market



Reasons why customers will buy it



Competitive differentiation

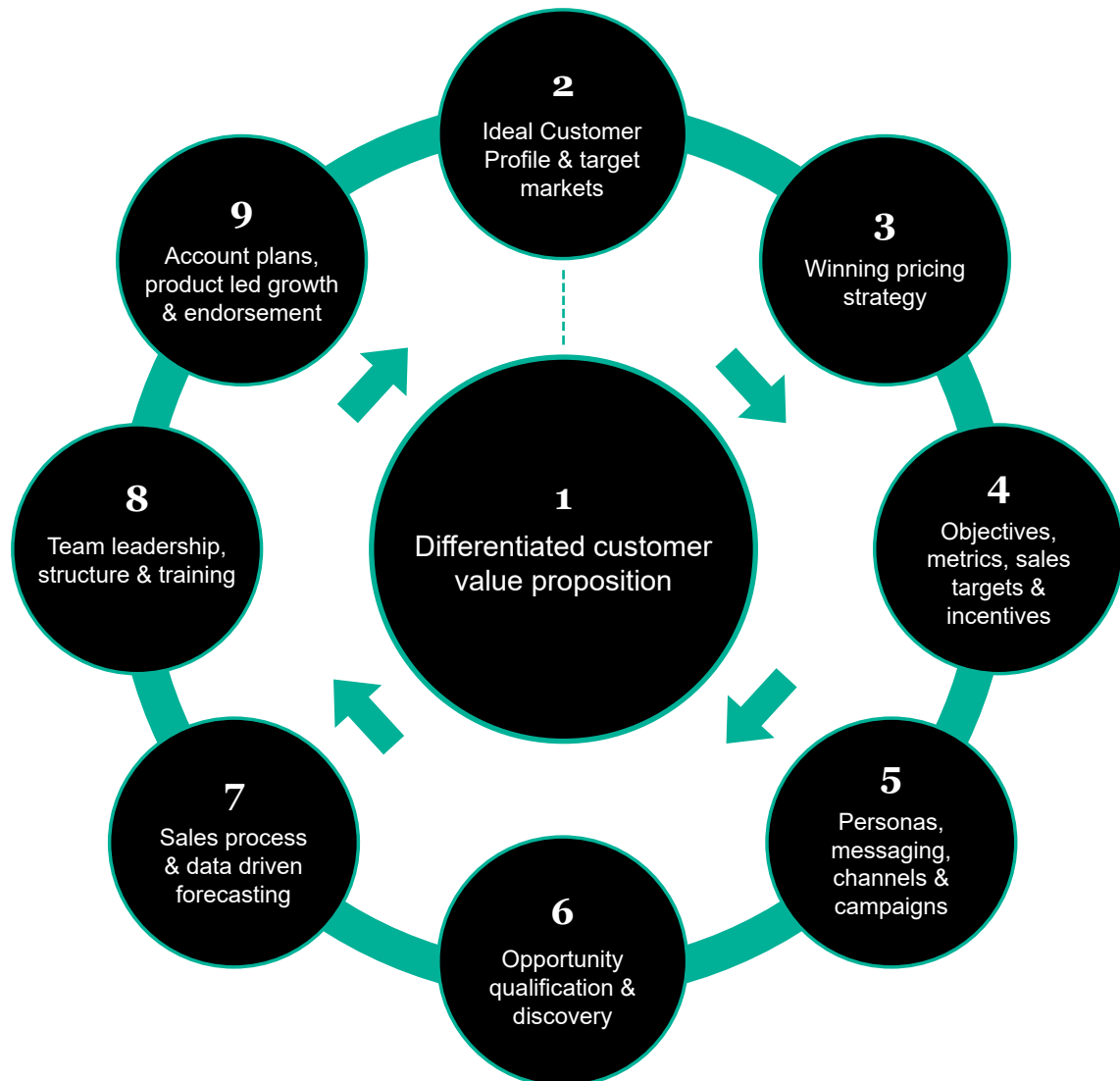


A clear plan for raising awareness and creating interest

Delivering the Sales plan

For too many leadership teams, sales plans don't get further than a worksheet. The sales budget will set out the desired numbers for the coming period, allocated to products, verticals, regions and

individuals. What it doesn't do, though, is provide an explanation of how this number will actually be delivered. The following infographic is a useful tool to help build this out.



Organisation

When I first started in sales in 1995, I was given 1 day's training with a script, access to a spreadsheet, a desk phone and the Yellow Pages. It seems almost unbelievable, but we did actually speak to prospects, book meetings and close deals back then. It's perhaps even more unbelievable that there are companies continuing to adopt an approach not dissimilar to this one, today. Despite the advent of SaaS and the

informed buyer (courtesy of the web), many leadership teams have simply failed to either design or adopt an effective, end-to-end sales method.

A method, that MUST include Sales, Marketing and Customer Success. Whether the business goes 100% for a fully consolidated Revenue Operations structure or simply ensures coordination through process, management control

and incentives, it must provide for the entire customer journey.

The starting point for the person leading the planning is to understand the key datapoints to initially understand and then measure.

Again, in previous times, this would have been called 'Quota Management', however it is simply a data model.



Andrew Bentley, Microsoft

"Planning is an opportunity to challenge assumptions. It forces us to step away from the coalface and consider the wider, strategic picture. Done well, it helps us to become much more proactive too."

Organisation continued

Perhaps the easiest approach to follow is this:



1. Inputs – this is the number of leads, meetings, demos and ultimately closed deals



2. Conversion – this sets out how many inputs you need at each stage



3. Value – what is the average or required deal value, to hit expectations



4. Velocity – the time taken for each input stage to convert

It is entirely possible for an entire book to be devoted to this piece of the puzzle, given the nuances within these different elements. (For example, please see Jacco van der Kooij's excellent book: *The SaaS Sales Method*.) However, within this toolkit, the recommendation is to undertake the detailed analysis required to understand which are the critical datapoints for your business at that moment.

The beauty of adopting a data-driven sales methodology is that it will then underpin almost everything else in your sales operation including the technology stack, reporting, unit economics, training and the organisational structure.

The terms 'Rev Ops' and 'Sales Ops' have only entered our daily lexicon in the last 5 years really. Chief Revenue Officers (or Chief Commercial Officers)

have been around a little longer perhaps, but scarcely. However, it is their ownership of this new-fangled Rev Ops function which is driving most of the organisational decisions by today's Boards.

Let's try and define SalesOps first as it's relatively straightforward. This is the person or team, that owns all the things sales teams and leaders don't want to do, but have to, in order to be a performant sales team.

For example, process workflow design, CRM admin and reporting, operational metrics, training and sometimes tool ownership. In short, it's all about efficiency and streamlining. Given this, and that it doesn't carry a quota, smaller businesses can see it as a luxury and don't have it.

Rev Ops, however, is the consolidation of several conventionally distinct functions; sales, marketing, customer success and, occasionally, product operations (or product marketing). The attraction of this set-up is that it smashes down the age-old barrier between sales and marketing by harmonising reporting lines, objectives and oftentimes compensation.

It also facilitates (in theory) a holistic view of the full customer lifecycle from initial lead, through to an annually recurring customer. Rev Ops, therefore, is all about driving sustainable/predictable revenue growth through alignment. Doing what we do, we are most commonly confronted with 2 questions by Management:

Doing what we do, we are most commonly confronted with 2 questions by Management:



Question 1: At what point should we move from 'traditional' sales and marketing to Rev Ops?



Question 2: Who should be the CRO – the Sales Director or the Marketing Director?



The first enquiry, unhelpfully, does not lend itself to a binary answer as each business is unique, obviously.

Some thoughts that can help the frame the decision-making:



Is the sales and marketing relationship currently dysfunctional?



Do you see a move to Rev Ops as a fix or the evolution of your organisational growth?



Is the commercial function still wrestling with tactical challenges or do you now have a clearly established, winning strategy?



Is your tech stack integrated? i.e. Marketing Automation > CRM > Enablement.



Are you (Management) fully prepared to provide the function with the time and resources it needs to succeed?

Implementing a Rev Ops approach on top of a nascent or even broken sales function is simply building on sand. Once a way of working has been established in the commercial team, it can then evolve into the Rev Ops described as before. It's not simply closing down the sales team on a Friday evening and launching Rev Ops the following Monday. Incremental improvements can be made over time, reinforcing the foundations for the future set-up.

To the second question, and the one that almost invariably trips everyone up. Because we are all human, the inclination to condense the Sales vs Rev Ops debate into a personnel decision, is extremely enticing. Simply hiring someone with CRO as their job title (as opposed to VP of Sales, say) doesn't

mean the business now has Rev Ops. It is perfectly possible, and reasonable, to give a Sales VP Rev Ops type objectives (e.g. coordinate more effectively with Marketing) without the titular adornment or associated cost. Equally, the risk of making a recruitment mistake with a CRO is surely comparable with hiring the wrong Sales Director.

Unfortunately for employers, because the CRO requires an experienced candidate with strategic oversight and cross functional capability (sales, marketing, product etc.) they tend to be more expensive than a 'one-trick sales pony' and this adds a further qualification question linked to my final point above. Is this really the best use of available funds right now? Would it be more beneficial to invest in campaigns, hire more 'doers' or

develop the product?

Ultimately the decision on whether a Rev Ops type function make sense for your business, comes down to what would enable you and your customers get the most value. Invariably this approach to organisation makes sense for most and for the purposes of this toolkit, we assume this to be the case.

Talent

As already discussed, the sales organisation conversation invariably comes down to a people decision. The advice, however, is try and settle on your proposition, your process and the organisational set-up first, so that you can then hire the right people to lead it.

Too often CEO's will promote their outstanding seller to the top job and thereby create 2 fundamental issues. First, they deprive the sales team of its main contributor as they 'come off the road' and dive into supervisory minutiae. Second, they ask an individual with

one skillset and experience set to do a job that requires entirely another. Don't simply assume because someone can close deals and smash targets, they can create success through teams. So, what are the key elements to look for when selecting a fantastic sales leader?

Exceptional Hirer

Exceptional Hirer. They simply cannot succeed without a team around them, and as such they must have a coherent approach to identifying, recruiting and keeping top talent. And, they must always be looking for the next batch of great people.

01

Process Driven

They must understand the importance of a scientific approach to sales. Rev Ops driven sales success requires a joined-up plan with other functions, as discussed already; there are key datapoints to be monitored and measured daily. And be clear about it!

02

Shows not Does

The job is to create an environment where all can be successful, remove any excuses. If this means better products, sharper pricing, sales enablement tools, training, motivating comp plans – whatever. Just closing other peoples' deals for them is not scalable.

03

Listens

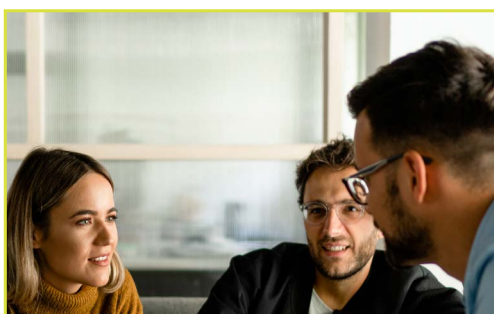
Whether it's their own team or customers or partners, a successful leader has to be interested in other people. The curiosity to seek out what is wanted, how to treat people, what worries them etc. is crucial to the empathy required to lead.

04

Sells

Being able to close deals will inspire confidence around them, the bigger, more complex deals especially. It's a balance though.

05



More Frog scale-up toolkits

Click here to see the additional Frog Toolkit [VP Sales Job Description](#).



Katie Zeitlin, SAP

“Situational leadership has driven a very directive style this past year. What we want, how we want it and by when. People aren’t mind-readers, you have to tell them what is expected.”

Planning Checklist

Strategy

- What are we selling and to whom?
- Why will they buy it and what will they pay?
- How best should we communicate with them about it?

Organisation

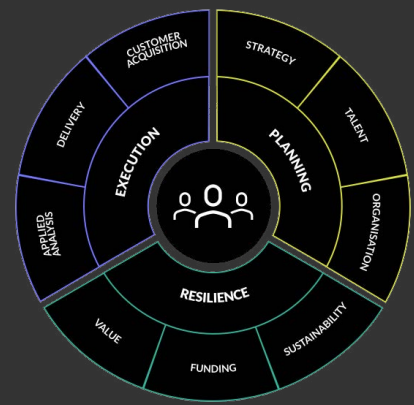
- What is the optimal set up for our commercial operation?
- How will we deliver and receive the most value?
- Are we taking a scientific approach to scaling up?

Talent

- Does the commercial leader have the right qualities?
- Do they know how to build a great team?
- Can they describe the preferred culture?



06 Execution



The evolution of Sales

The evolution in sales from art to science over recent times has been nothing short of transformative. High performing sales operations have always tracked key measures, although these have often been limited to activity related items such as demos or meetings. These remain important today, for most businesses, however technology in particular has facilitated a far more comprehensive understanding of the sales journey and how it can be improved for both parties.

Of particular difficulty has been the dark art of forecasting, which remains a critical element of the salesperson's role. The Finance function needs to own management information ultimately, and must, therefore actively participate in the aggregation and analysis of the data as it flows in from the field. Recent surveys have indicated that only 40% of B2B forecasted deals actually close. Just let that sink in. That doesn't mean 40%

close late or close at a lower value than predicted, it means that **60% of deals salespeople commit to concluding, don't ever actually get over the line.** Whilst forecasting is a form of soothsaying and therefore always subject to a degree of variability, there must be a better way for management gather the intel required to make better quality decisions.

Traditionally forecasting has been done by intuitive sales managers reviewing their people's pipelines at a set frequency, using well-worn qualification techniques; BANT, SCOTSMAN, MEDDIC and so on. These funnel-based methods rely on salespeople having asked repeated questions of their prospects throughout the sales process. They also rely on the prospects telling the truth or even knowing the truth. Many, if not most, organisations then apply an almost arbitrary percentage weighting to each sales stage (usually

lifted from whichever CRM they use) and then exported to a messy spreadsheet. There is a better way.

Data-driven forecasting is proven to be more accurate, inform remediation, enhance conversion rates and reduce sales velocities. So why don't more companies do it? Setting it up and implementing it does require significant forethought and complete adherence from a profession that is not known for its compliance when it comes to data capture.

The first step is to standardize your sales stages, with characterisations or definitions. This last part is critical as it means there can be no doubt when a deal moves from one stage to the next. See the example on the following page.



Sales stages

No.	Stage	Characteristics	
1. Suspect	An organisation we have targeted or intended to approach, to identify a requirement.	<ul style="list-style-type: none"> • Within our pre-defined target markets. • Broad requirement or problem fit. • Captured on CRM and assigned to an individual. 	0%
2. Lead	An organisation that has demonstrated interest in our offer either through campaigning response, sales effort or partner introduction.	<ul style="list-style-type: none"> • Influencers identified and contact data captured. • Qualification call had been placed. • Follow up actions have been agreed (with partner). 	10%
3. Prospect	An organisation that we/our partner is in dialogue with regarding a specific, qualified ¹ requirement.	<ul style="list-style-type: none"> • Client has met our/our partner's salespeople. • Our product has been demoed to client representatives. • Product, est. value and timescale all on CRM. 	25%
4. Opportunity	An organisation that has received a costed proposal (with terms) either from us or one of our partners.	<ul style="list-style-type: none"> • We have quantified the 'why'. • Decision making unit and buying process, both clarified. • PoC/pilot/trial now planned or in progress. 	50%
5. Negotiation	Contact/Heads of Terms have been exchanged.	<ul style="list-style-type: none"> • Final commercial and legal terms are being negotiated. • Contract is not yet signed by both parties. 	75%
6. Contract	An opportunity that has been confirmed by the receipt of signed authorisation from the client or partner.	<ul style="list-style-type: none"> • Signed contract/PO from the client or partner. • Email with official PO number. • Solution go-live date agreed. 	100%

¹ Qualified means we understand the client's drivers, we know the relevant decision-makers and influencers, we understand their buying process and available budget and are clear on their timescales.

² Weighting is the historically accurate percentage chance of a deal for that salesperson, selling that product in that sector in that precise stage.

Next, you must look at the historical data to understand the conversion rates at each stage of your new pipeline. If you have Salesforce, a tool like [Clari](#) can help here enormously. It is vital that you do this for individual sellers as all will be different.

Then, introduce the concept of pipeline and forecast being 2 different things. You may have heard the term 'commit' and this is a direct example of how many

businesses have tried to reinforce the idea that your pipeline is something to be fed and watered over time, ensuring that the total crop size is enough to make the yield. The forecast or commit, is something else, it is the salesperson's professional judgement of precisely which deals are going to close at what value and when. These should attract a substantially higher level of scrutiny from sales leaders and Finance too!

The pipeline review meeting should focus at a higher level, around their understanding of the opportunity; particularly the business problem (or pain) they are solving, the contact strategy, timeline etc. The next page includes a simple diagram to help frame the thinking.



The more regular forecast review meetings (at least weekly), require the sales rep to know concrete details regarding the above and:

- Their averages on sales velocities, deal sizes plus their win/loss rates over time.

- Their historical conversion rates at each stage to close.

The blending of a data-driven forecast model with the salesperson (and sales manager's) instinct and experience, will help to provide a rounded view

on any forward guidance provided to Management. The contributors to this toolkit don't recommend an 'either or' approach here, however we all counsel forecasting against the data, on the proviso it's accurate.

Other metrics

It is possible to measure everything in sales, given how many different metrics there are available today and the breadth of the available tech stack. See below for a 'smorgasbord' of sales KPI's.

However, it is critical that sales leaders (and management more generally) only measure what matters as salespeople will lose confidence if they feel they're being micromanaged for no good reason.

Also, bear in mind, that metrics can change dependent on a variety of factors, such as time of year, product type, business circumstance.



Mark Hollyhead, Adobe

"How assiduous, or not, a salesperson is with regards to managing their own data, is often an indicator for their professionalism, more generally."

Sales KPIs - Only measure what matters

Activity	Pipeline	COMMIT (or Forecast)	Revenue
# of inbound & outbound leads	# of sales accepted leads	Commit by seller	Actual revenue by target/ budget
Lead source type	Pipeline by salesperson	Commit by target	Recurring & non-recurring revenue
# of MQL's & response time	Pipeline by sales stage & weighting	Commit by close date (rev rec)	Churn rate by revenue & clients
# of SQL's by discovery calls	Pipeline by lead source	Average total contract value	Net recurring revenue
# of disco calls & follow-ups	Pipeline by channel	Average annual recurring value	Revenue by sector or region
# of connected calls & duration	Pipeline by upsells	Payment terms & contract length	Total contract value & LTV
# of demos	Pipeline by target ratio	Level of discount offered by seller	Customer acquisition cost
# of signed account plans & NPS Score	Sales stage by elapsed time	Commit accuracy by seller	Gross margin per seller
All lead conversion ratios	# of lost deals by reason	Commit accuracy by sales leader	Deal profitability
# of signer vs enabled partners	Conversion by sales stages	Average deal length	Market share

Delivery

The advent of SaaS has made the implementation phase of new systems far less onerous than just 10 years ago. Cloud hosted solutions are now the norm, even for enterprise level clients, and this means that once configuration, testing and contracts are all signed off, go-live is usually fairly immediate. Here though, we want to focus on what happens once the software is up and running and the difference a professional, sales-led Customer Success function can make. There is a wealth of research available to support

the contention that selling to existing customers is not only cheaper and quicker, but also more valuable.

Recurring revenues are a key area of analysis for any incoming investor or acquirer. How sticky is the software? Are the contract terms defensible? And, is it possible to upsell and/or cross sell further modules, products and services? The metamorphosis of traditional service led account management (or customer service) functions into Customer Success has been critical to the SaaS

model. This is because, as we have shown, much of the profit to be derived from that client engagement, can only surface later on in the relationship.

In the simplest of terms, the main change between older models and the current incarnation is the shift from reactive; waiting for the customer to call with a problem, to proactive; where the vendor uses data to anticipate problems and opportunities.



Andrew Bentley, Microsoft

“We use data and AI tools to examine customer propensity and anticipate demand.”

Done well, Customer Success can target 2 key pinch-points for companies:

1

Reducing the risk of contract churn.

2

Increasing total contract value.

**So, how do we do it well?
To keep it straightforward,
we recommend 3 key
elements to a successful
Customer Success strategy:**

1

Documented Customer Success plan, with objectives measures and an approach.

2

Dedicated Customer Success systems, including both business process and technology.

3

Professional Customer Success leadership and personnel.

Like most journeys, it pays to have both a destination and a route in mind, before you set off. Being clear both with the team itself and the Board, what the expectations are, is critical. It is also vital that you are able to be clear with prospects before you close a new deal, how you plan to manage the relationship post contract; If you are a prospect, you will not be able to experience (and therefore confirm) any of this before you go-live. This means we have to sell all this up-front using existing client references and, preferably, the actual people who will run their account once it is live. Measuring Customer Success outcomes can be done in 2 ways:

- **Externally:** RoI, efficiency savings, customer satisfaction (e.g. NPS), service levels
- **Internally:** Incremental revenue growth, upsells, profitability, churn rates

It is important that the external or customer led measures aren't forgotten as the business focuses purely on growing the year-on-year revenue contribution. In fact, it's just common sense that delighted customers are more likely to spend more with you.

Focus on consistent delivery of value and growth will likely become a by-product of that endeavour. Nevertheless, building your reporting dashboards around both yours and your customers key datapoints is the most helpful way of spotting opportunities and problems, before they get away from you.

The very best Customer Success teams with the confidence to be candid with clients will actually work up metrics together. Perhaps the best example of this is cooperative account plans. At the start of the year, sit down and document how you think that relationship will play out over the next 12 months, what you want to achieve with the nominated customer and how it can be done. Whether you then share the full document, including margins say, is for you to decide.

However, getting the key contact on the client side to review the document, comment on its achievability and suitability, and then sign it, can be the best endorsement of your Customer Success approach.

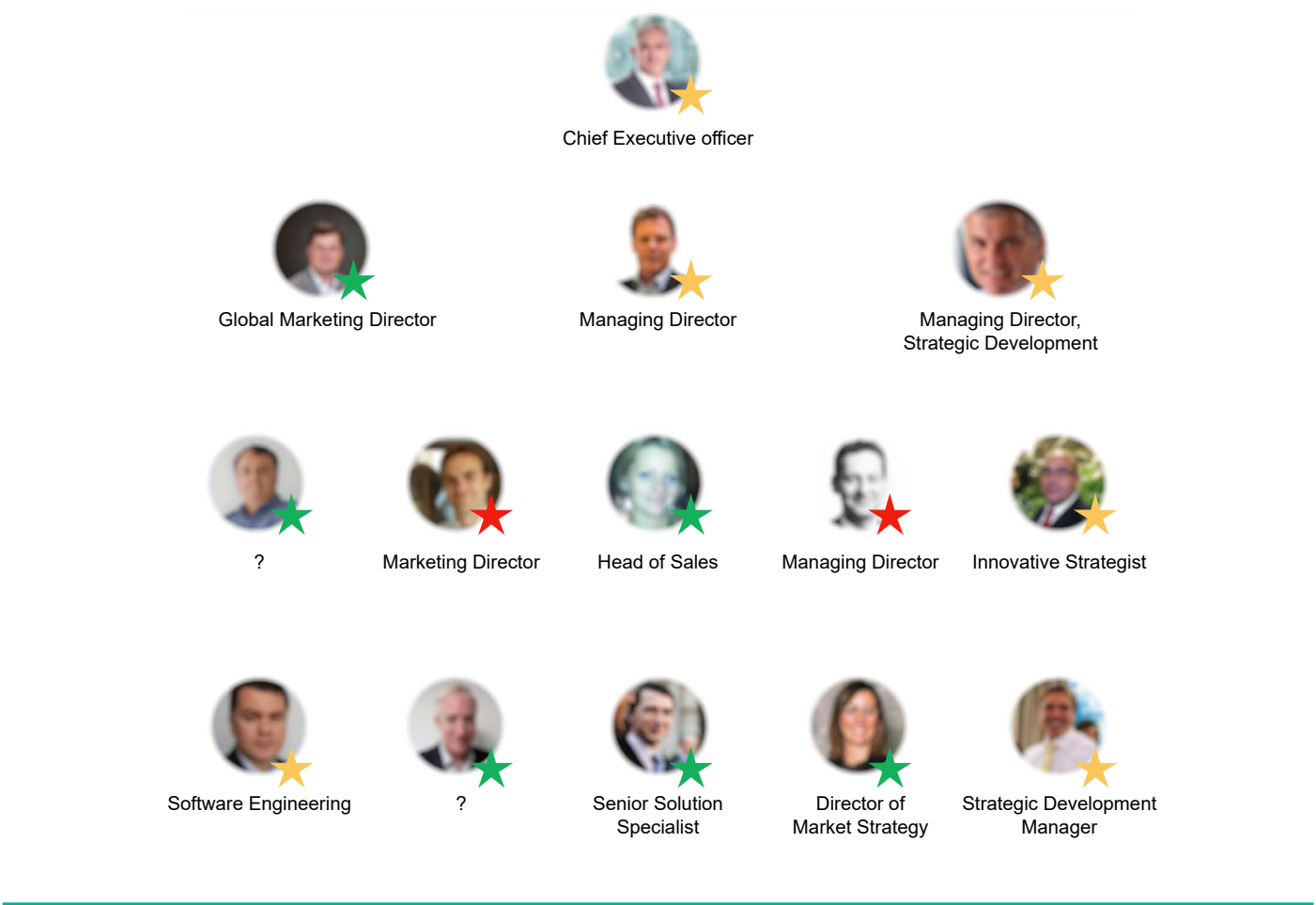
Also, if you do use account plans (and you absolutely should) ensure that a contact strategy is included with dynamic relationship assessments. The example below shows the make-up of a decision-making unit in an enterprise and the vendor salesperson has scored the relationship Red, Amber or Green, giving them clarity on which should be maintained, which cultivated and which need rescuing. Having a multi-layered contact strategy in an account, protects against force majeure events such as your main advocate leaving suddenly.



**Jason
Lemkin,
Storm
Ventures**

**“Customer Success
is where 90% of the
revenue is.”**

Account Plan - Contact Strategy



Red: Opponent or aligned to competition **Amber:** Neutral or unknown **Green:** Advocate or satisfied user

Client role	Client name	Engaged	Account owner
Chief Executive	Bob Smith	✗	CEO
Managing Director UK	Jim Owns	✗	CFO
Software Engineering Director	John Williams	✗	Account Director
Director of Marketing Strategy	Sarah Evans	✓	Account Manager
Head of Sales UK	Kate Jones	✓	Account Executive

Account team role	Status
CEO	Executive Sponsor
Account Director	Revenue Owner
Account Manager	Weekly Review
Account Executive	Daily Contact point
Head of Sales UK	Kate Jones



Katie Zeitlin, SAP
“We insist that key account plans are written in concert with the customers and partners.”

Customer success

When looking at systems, there are so many to choose from, although often they tend to focus a little on new business. Try, however, to look for a system with account planning as a plugin to the customer management hub or CRM,

so transparency and currency are more likely to be achieved. Furthermore, do not assume simply because we have an existing relationship (with a client) that your company sales process should be relaxed in comparison to new business.

The same level of diligence and oversight should be applied to any opportunity so that the right decisions can be made at the right time.

It is very common to find 2 distinct types of leaders and personnel in Customer Success functions. The first tends to be from a service management background and highly focused on response and problem solving. The second is often ‘super-salesy’ and motivated by discovering opportunity and growth.

2 types of leaders in Customer Success

1



Service management background and highly focused on response and problem solving

2



‘Super-salesy’ and motivated by discovering opportunity and growth

Unsurprisingly the recommendation from us is to find a blend. Ideally, the servant mindset and willingness to help should be more innate as the sales piece can most definitely be learnt. This may help as you build the profiles when recruiting for your Customer Success function. Finding a leader who is able to balance customer needs with internal growth targets, is critical. Given the SaaS model, the responsibility here is huge as they

will be required to deliver the profit in that contract, whilst building pipeline for the next period and beyond.

One of the easiest ways to ensure that the customer is kept front and centre, is for the Customer Success function and your Product Management people to work very closely together. Build in regular reviews for both teams, assign field activity targets to the Product

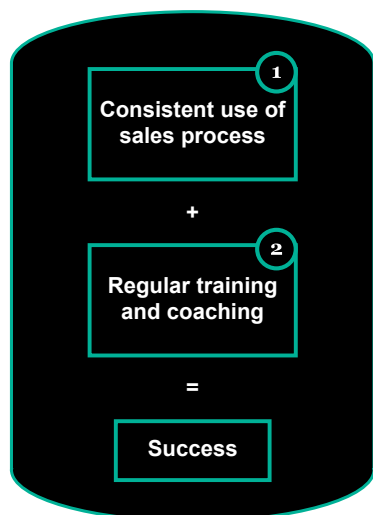
Managers so that they are constantly in front of customers, informing the product development roadmap with the most valuable enhancements.

More Frog scale-up toolkits

Click here to see the additional Frog Toolkit [Customer Success](#).

Customer success (continued)

There is a myriad of materials available online and through sales consultants, that purport to be the ideal way to sell in a B2B environment. It is not the intention with this toolkit to make such a claim. Rather, through the interviews with our specialists, we have identified a consistent theme that runs through all their success both in scale-up and enterprise environments. And it's this:



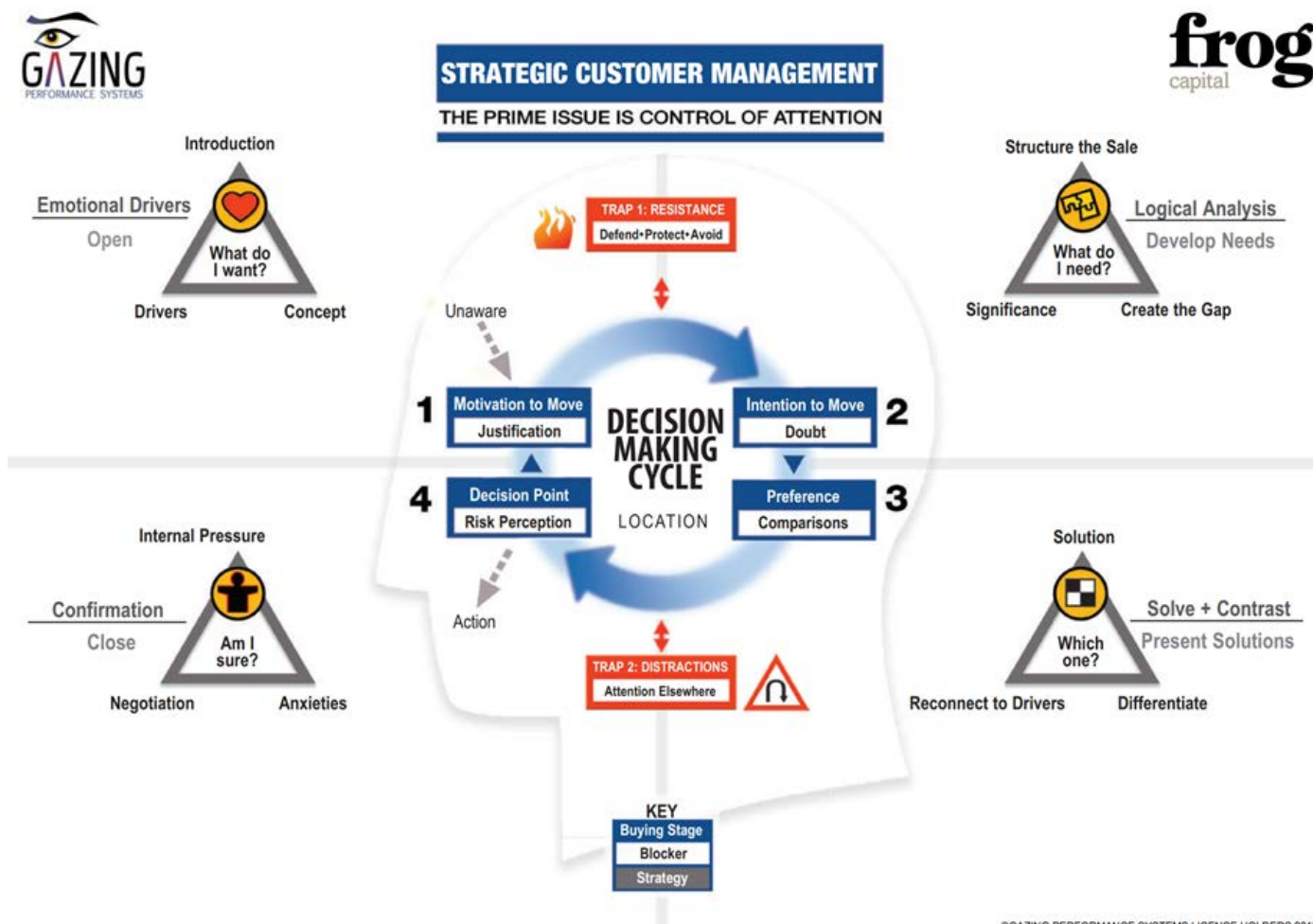
The days of the 'natural born salesman' are, thankfully, behind us. Salespeople can come from any walk of life and succeed, if they have the proper framework and support behind them. It is most definitely a discipline that can be honed over time but requires dedication and commitment.

In 'Applied Analysis' we covered the importance of standardized sales stages to assist with a more scientific method of both pipeline management and forecasting. The same applies to the business of opportunity discovery, qualification (both in and out), solutioning, negotiation and closing. The key with mapping your sales lies in the emulation of preferred buying behaviours, which have changed dramatically over recent times. By stepping in time with your prospect, a synchronicity can be achieved that not only makes the buyer feel safe, it will also help to set you apart from your competitors.

It would be true to say that many businesses apply themselves to the task

of sales process definition, usually as a new sales leader arrives or a CRM implementation. Too often these end up as workflows, shown once to the team and then stuffed in a drawer. We believe it is critical to make a long standing commitment to the process by investing in a professional training programme that allows salespeople to practice their skills in a safe environment and make suggestions for improvement or relativity.

Here at Frog Capital, we have benefited hugely from adopting the account maps designed by Gazing Performance Systems, see below. These maps, put together in concert with the Deal Origination and Fundraising teams, help Frog personnel position themselves in the sales process and qualify where the decision-makers or influencers are in the buying process. Martin Fairn's team at Gazing can work alongside any B2B Customer Success team to prepare both these maps and the accordant training programme.



The 6 step Partner Plan







Whether your business sells only direct to customers or is starting to sell through some sort of channel, most observers reckon that partner sales will eventually overtake direct sales. The current focus on API's and SDK's allows developers across businesses to integrate functions and move data from multiple systems in a secure and straightforward way. Commercially, this means the tie-ups between vendors are much easier to

organise than they were previously, without reams of paperwork and presales engagement.

However, what hasn't changed is the need to focus. Far better to have a small number of fully engaged partners, properly enabled and with mutualized goals, than a plethora of partners with signed contracts, little understanding and zero intent. See Marcus Cauchi's

outstanding book 'Making Channel Sales Work' for further reading.

The 6 step Partner Plan below covers most of the items required to be covered off when putting your channel programme together. Ensure whoever owns your programme identifies which elements apply to your organisation and provides the necessary detail for each section.

	Strategy & Design	<ul style="list-style-type: none"> • Go-to-market • Routes-to-market • Competitive analysis • Objectives & goals • Product & pricing 	<ul style="list-style-type: none"> • Partner compensation • Sales alignment • Coverage mapping • Capacity planning • Benchmarking 	<ul style="list-style-type: none"> • Program design • Internal organisation • Emerging channels • Communication • Partner personas
	Find & Recruit	<ul style="list-style-type: none"> • Community marketing • Persona mapping • Competitor coverage • Distribution strategy • Budgeting & staffing 	<ul style="list-style-type: none"> • Competency analysis • Content & messaging • Influencer marketing • Recruitment process • Validating & qualifying 	<ul style="list-style-type: none"> • Prospect pipeline • ABM approach • Segment targeting • ROI & time to revenue • Partner Portal
	Enable & Develop	<ul style="list-style-type: none"> • Onboarding process • Implement program • Education & training • Certifications • Partner playbook 	<ul style="list-style-type: none"> • Competitive battlecard • Marketing/sales plan • Partner nurturing • QBR meetings • Early deal shadowing 	<ul style="list-style-type: none"> • Rules of engagement • Lead passing • Pre & post support • Customer experience • Extension of brand
	Incent & Motivate	<ul style="list-style-type: none"> • Tiered program Margins • Front/back rebates • MDF & SPIFs • Behavioral bonuses • Contests & awards 	<ul style="list-style-type: none"> • Recognition • Deal registration • Advisory council • Loyalty planning • MVP program 	<ul style="list-style-type: none"> • Demo program • Social promotion • Channel visibility
	Co-sell & Co Market	<ul style="list-style-type: none"> • Marketing metrics • Partner mentoring • Executive sponsors • Through-partner • To-partner 	<ul style="list-style-type: none"> • With-partner • CAM alignment • Competitive intel • Best practices sharing • Deal central & bids 	<ul style="list-style-type: none"> • RFP support • Sales Engineers • CRM integration • QBR & sales reviews • Content sharing
	Manage & Report	<ul style="list-style-type: none"> • Program management • Terms & contracts • Conflict management • Data management • Deal registration 	<ul style="list-style-type: none"> • Closed loop lead mgt. • Return on inv. capital • Benchmarking • Partner scorecards • Executive dashboards 	<ul style="list-style-type: none"> • CAM enablement • Predictive Analytics • Internal champion • Sell-in, thru & pipeline • Software & tools



Katie Zeitlin, SAP

“Actually, I don’t focus on revenue exclusively as it is a by-product of an effective partner relationship.”

Execution Checklist

Applied Analysis

- What data do we want to capture and measure?
- How best should sales and finance collaborate on MI?
- What is the most appropriate tech and processes we need?

Delivery

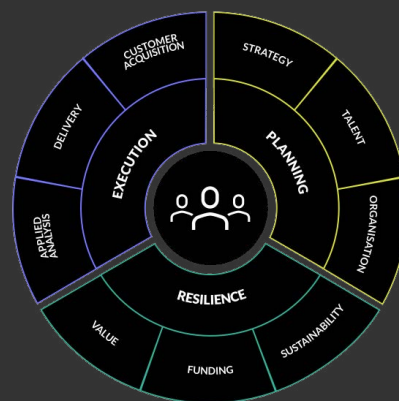
- What is the optimal approach for delivering value to clients?
- Do we have proactive, professional people in Customer Success?
- Is there a robust feedback loop with Product Management?

Customer Acquisition

- Do we have winning strategies for all routes to market?
- Are partners properly enabled with mutualised goals?
- How are sellers trained to adopt a consistent process?



Resilience



Driving the business to a place of commercial Sustainability

Having led a business through the financial crash in 2008 and 2009, I thought I'd seen it all. However, what has happened to the world through 2020 and into 2021 has been nothing short of seismic for the business world. As investors, here at Frog, our first task was to make sure our portfolio was properly insulated for the low-growth environment that was sure to hit. But what did it mean for sales leaders and their teams?

Meetings have, for many sales operations, been the key metric for years, and with good reason. It means that a decision-maker or influencer is prepared to find time to host a vendor at their offices to be demoed to, to be pitched to, whatever. For a salesperson to have secured such an opportunity was a clear signal and as such managers put great faith in active salespeople who could book meetings. Almost overnight with lockdown in place, physical meetings weren't even legal, never mind possible.

However, once again, technology was going to change the face of the sales industry and allow the most resilient businesses continue to trade. Whilst many salespeople in Europe may have baulked at the idea of opening and closing deals without meetings, those of us who have worked in large regions

like the US have always known it can be done remotely. Travel costs simply won't allow for every deal to have multiple onsite meetings.

What sales leaders worldwide have had to face though is an almost immediate need to requalify their pipelines as the decision-makers in their customer organisations have had to focus on their own businesses. Imagine being a salesperson in the summer of 2021, whose vertical market was hospitality or the travel industry! As we saw in 2008, the need for management teams to have a Plan B and even a Plan C, ready to go, is essential. Almost nothing ever goes to plan and finding new ways of attracting and engaging a whole different set of prospects is now the topic of the day for all sales leaders across sectors.

Whilst salespeople have been grappling with the limitations of Zoom and Teams; regarding personal interaction, body language and domestic distractions, the managers have had other considerations to wrestle with.

As sales has become more and more of a team sport, the daily interactions with colleagues, lifting spirits or sharing tips and tricks, has become the mainstay of successful group dynamics. Lockdown and the inevitable physical separation

have forced sales leaders to conceive innovative ways to keep the connections alive and, just as importantly, ensure they are aware of any potential mental health issues.

Target based selling has always been a pressurised role, the inability to share any worries or concerns with teammates or one's manager can exacerbate the effects of this.



Jens Düing, Frog Capital

“Making difficult decisions to address the changing needs of a business is critical to its survival.”



Andrew Bentley, Microsoft

“I have never spent as much time thinking and talking about wellbeing, which is fantastic. The focus on the human element of sales through COVID has changed the role forever. Through remote working, I've been inside their homes, met their partners, seen their kids home-schooling. Our appreciation of what's important is making all of us better sales leaders.”



Mark Hollyhead, Adobe

“Accessibility to leaders actually improved during lockdown. I have had more CEO conversations in 2020, than in the last 5 years put together!”

The advice from our sales leaders through difficult times, be it a global pandemic or simply a tough quarter is consistent and well intentioned:

1

Trust is critical. Only by being honest with each other can salespeople and sales managers find the right solution to the challenges they face.

2

Focus only on a small number of priorities that must be delivered on time. Break objectives down into bite sized chunks. For example, try and get 10 customer calls done by lunchtime or spend the next 45 minutes on CRM admin and then a hard stop for coffee.

3

Get creative with team meetings; quizzes, walking calls, competitions, 3rd party speakers etc. Put recognition at the centre of these meetings. If someone is trying their best with little success, make sure the effort is noticed and appreciated.



Katie Zeitlin, SAP

“We’ve reduced the team meetings, but regular one-to-one contact is sacrosanct.”

A further tricky topic for sales leaders has been forecasting through the entire pandemic. What happens if your main source of leads is event-based marketing like exhibitions or networking? How do you rescue your year if your allocated vertical market is hospitality and travel?

The difficulties faced by salespeople and managers through the pandemic cannot

be understated, however it has ruthlessly exposed those of us who had given little consideration to contingencies.

At Frog we often ask our leadership teams what they might do if a treasured sales leader suddenly left? What succession planning do we have? Is there a competent number 2 who can step up? It can be so easy to

get wrapped in the day-to-day and consequently when trouble hits, it derails the entire year. So, what do we do?

Range Forecasting

When building the plan with finance at the start of the year, ensure you employ range forecasting. This could mean 3 plans:

1

Worst Case – if the year unravelled, this is how we could manage costs.

2

Plan – this is target; ensure though there is at least 10% headroom to budget!

3

Stretch – if we experience tailwinds, these are the resources we'd need.

- Task your leadership team with writing down their succession plans and then sharing with you. Who are the next superstars and what do we need to do coach them to the next level and how do we tie them in? Never stop recruiting in sales, always be looking!

- The majority of sales leaders still trot out the 1:3 unweighted pipeline cover ratios, despite these being hopelessly outdated for modern B2B SaaS selling. Informed buyers and increased competition nowadays are forcing us to reevaluate what's needed here. **Our advice is a minimum of 5x cover but ideally 8x. Look at your historical conversion rates, be realistic and then add 20%.**

**8x
Ideal
scenario**

**5x
Minimum
cover**

**1x
Sales target**

- It is also critically important that salespeople at every level understand that prospecting (be it new, existing or through partners) is non-negotiable in their role. This cannot be devolved to SDR's or marketing. If you're in sales, you must own this discipline.

Risk registers have often sat solely within the purview of CFOs in the Board Pack. Sit down with your sales leaders and hypothesize the 'what if' scenarios, write down those risks and then challenge them to construct realistic responses. If 2020 has taught us anything, it is that we must always be ready for the unexpected.



Mark Hollyhead, Adobe

“Because I understand our sales cycles, I’m thinking about how I do my August number as far back as February.”

Value

“Revenue is for vanity, profit for sanity”. A well-worn adage that absolutely stands the test of time. Many a sales leader will have been through the process of trying to adapt their team’s compensation plans from revenue based to margin based, and the resulting howls of protest from all across the sales team.

The commonest complaint was that as salespeople they were unable to affect implementation, delivery, pricing and

many other elements so why should they be penalised if the contribution on a deal dropped?

Today, there is much stronger sense of ‘teamship’ and the harmonisation of targets and reward in RevOps type set-ups has lessened this sentiment somewhat. Today, the considered seller understands that they have a critical role in both defending fair value in the price and ensuring cash is paid on time or, ideally, up-front.

A sales compensation plan is merely a management tool, designed to incent a certain set of behaviours from a salesperson. If we want to defend value, in whatever is important to the business, make sure the rewards match up to the most desired outcomes. A simple example would be pay out more for longer term contracts or the commitment to provide a case study.



James Bagan, Frog Capital

“Keeping the comp plan simple is key, however, you can also be quite creative. If the business focus is on new logos, up-front cash collection or margin, then make sure the rewards match up to that. Involve the salespeople, make it inclusive, so that they understand why it’s important.”



RoI READY RECKONER OF ACME ltd

Equally, it is incumbent on the salesperson to work with the buyer to quantify the return on their side. Once the central pain has been discovered, estimate the cost to the customer in time and money and then calculate how quickly the solution will pay back and eventually outstrip their investment. Simple RoI ready reckoners can make a massive difference here and help with the qualification process too. This tool provides an indication of monthly ACME fees for a potential customer based on estimated usage levels. The actual monthly costs are subject to change as usage levels vary.

Client Anyone Ltd

Date 01/01/2021

Sales lead John Smith

ACME COST DRIVER QUESTIONS		Answer	Cost
1)	Number records	500.000	£3,500.00
2)	Customer portal	Yes	
3)	Contact centre users required	250	£1,200.00
4)	Admin users required	10	£25.00
5)	Read only user required	50	£100.00
6)	Number of enterprise logins	Yes	£217.00
7)	CRM connector	Not available at present	£0.00
8)	End user access	Yes	
9)	End user portal	Yes	£2,500.00
10)	End user portal hosted	Yes	£250.00
11)	Expected updates per month	20,000	
12)	Customer branding	No	£0.00
13)	Widget	Yes	£50.00
14)	Expected monthly cost pre discount	£7,842.00	£7,842.00
15)	Discount rate	£10.00%	£10.00%
16)	Expected monthly cost post discount	£7,057.80	£7,057.80

Conclusion



There are, clearly, a myriad of sales enhancement plans, programmes and proposals. Here at Frog Capital, we have tried to look at selling through the lens of our Scale-up Methodology.

To augment this, we have interviewed sales leaders from 4 sales operations that have most certainly scaled, all the way to enterprise level. All 4 leaders have worked in smaller businesses before reaching the level they're at today. They know how hard it is to build reliable, repeatable sales functions that can deliver growth in the toughest of environments.

To further enhance this, we have asked one of the marketing industry's most prominent strategists create a B2B Growth toolkit that sets the foundation for this one.

All these contributions have combined to produce a set of recommendations, ideas and options for the Scale-up CEO to consider when building out a high performing sales operation. It is not meant to be either exhaustive nor exclusive; there are always other ways of making progress and one should definitely stay aware of new thinking and new developments.

However, the Frog Capital 'Building Sales Machines' Scale-up toolkit recommendations are:

Know your value proposition; what problem it solves and how. Know the value it adds, quantitatively and be able to describe why it's demonstrably different from any other solution.

01

Think like your ideal customer. Be able to map the total market for your offer and what they will pay for it. Ensure you have messages for all the people you need to influence.

02

Own the entire process of managing a customer from qualification to closing, to onboarding to renewal. Make rigour and review watchwords of your team. Train, practice and coach.

03

Trust the data. In fact, embrace it, the answers to many if not most of your questions are in there somewhere. Properly implemented tech will help but the key is culture.

05

Only hire people who are fully prepared to take personal responsibility for their own prospecting. However, they must still fully collaborate with their marketing colleagues.

04

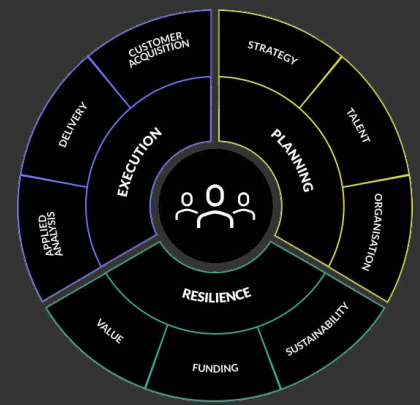
Target is minimum expectation. Celebrate deals, not forecasts, and ensure everyone involved is properly recognised. Ensure the rewards are linked to desired outcomes, like profit.

07

Always have a Plan B. Things will go wrong, be it a global pandemic or a salesperson leaving, ensure the pipeline cover is always more than you think you need. Much more.

06

Case Study - GBG



Introduction

Today, John Lord is the CEO of Trunarrative, however, back in 2008 he joined UK-based Identification and Verification (IDV) specialist, GB Group (GBG), as Group MD for their Identity and Fraud businesses. In that same year, Frog Capital became the largest shareholder in GBG, who at that time had an EV of £23.6m. Today in 2021, GBG have a market cap of £1.8bn. John recently spent some time with James Bagan at Frog, telling the story of how he helped build one of the most effective sales functions in recent UK corporate history.



Getting Started

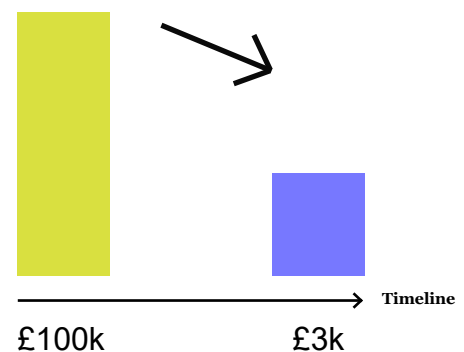
In 2008 John Lord inherited a sales function that had grown (organically) about 12% that year but had not closed a piece of new business in 6 months. Almost immediately he was able to discern that there was no forecasting process of any substance and no accountability in terms of a salesperson's 'commit'. Almost unbelievably, even for 2008, there was no working CRM to manage all the data. An intriguing oversight for a data business...

One of the other interesting things about their sales 'qualification' process at that time, was the imposition of a £100k TCV threshold, that precluded sales people from progressing an opportunity unless it was in excess of that bar. Perhaps the starkest anathema to modern B2B SaaS 'land and expand' selling. Also contributing to the confusion was the way the team was organised.

There were, ostensibly, 2 sales leaders, one for new business and one for client business, however salespeople's remits covered both sales disciplines, which simply cultivated a culture of reactive account management. In other words, as the IDV market grew, so did the individual account contributions without any influence from the seller.

Minimum order threshold

Reducing the minimum order threshold drove positive culture & momentum.



Value Proposition

Coming in and confronting all this, John decided to start at the beginning, with the product and the value proposition. He quickly realised that the decision to impose a £100k value gate on deals, had massively reduced their target market for IDV solutions in the UK, to just 50 or so businesses! It was clear to John, that there were many organisations who cared deeply about IDV but simply weren't in a position to spend that kind of sum on a solution. A great example was the emerging fintech businesses, who at that point in time, just didn't have the capital to spend but had a clear and present requirement. This piece of straightforward customer analysis enabled John to very quickly reduce the minimum order threshold from £100k to £3k!

The most immediate change this wrought was that a team of salespeople who had become used to not doing deals, suddenly had huge pipelines of opportunity. This had 2 material effects in their day-to-day lives; first, they suddenly reacquainted themselves with the fantastic feeling of closing deals and second, they began to prospect more actively and more successfully. As John said himself, "we stopped the nonsense of looking for established oak trees and began planting acorns and nurturing their growth". The sales team went from closing no deals per month, to over 20 in no time and ultimately settled in a rhythm of 50 to 60.

Control

Now that salespeople were selling again and had pipelines to qualify, it meant the management task of scrutiny and accountability got going again. Unsurprisingly, the sellers who had not been able to capitalise on the new value proposition, for whatever reason, became exposed not only to their teammates but also, inevitably, to Management.

Having addressed the primary offer, John turned his attention to review. He instigated twice monthly 'deep-dives' led by sales Management.

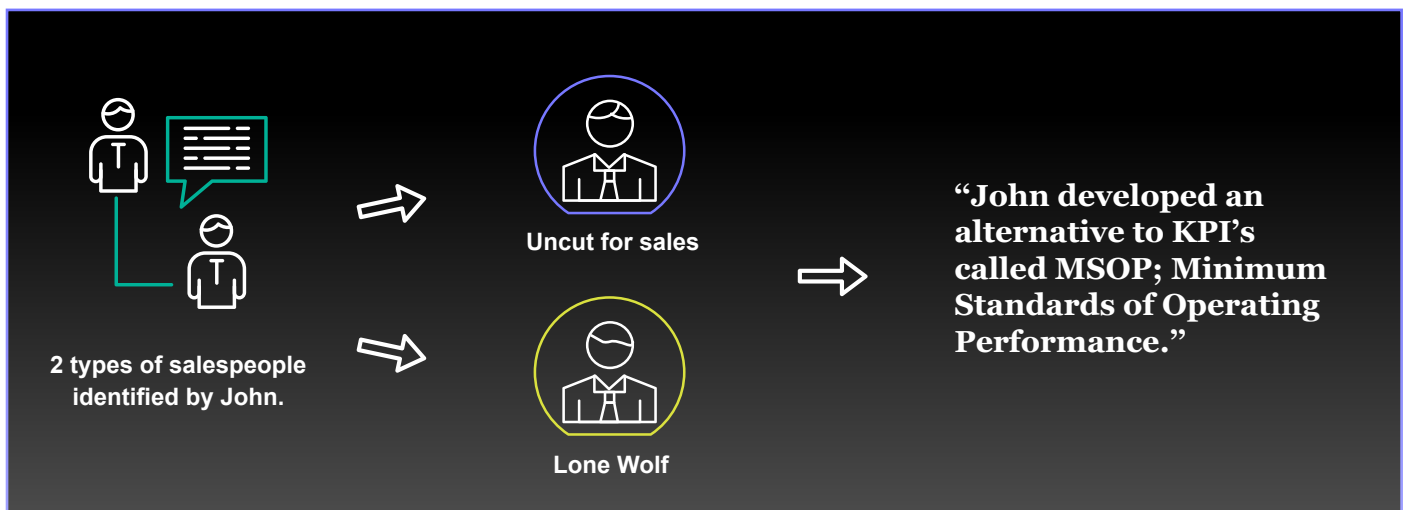
The first, was the forecast meeting and the second the action planning. In the first

meeting, the salesperson was obliged to present, in detail, all the deals they were forecasting with over 80% certainty in that month, and all other deals (regardless of close date) that were more than 50%.

Alongside this, an overhaul of the pipeline criteria, enabled sales leaders to ascertain where remedial assistance was required, deal by deal. Unfortunately, in early days, this applied to almost all deals as salespeople had simply stopped rudimentary qualifying; for instance, the identification of the economic buyer, or what was the precise problem they were supposed to be solving?

The revelation that salespeople did not have the right contact strategy for their prospects, also led to the realisation that GBG had the same issue with existing accounts, which is unforgivable really.

This gap in their go-to-market was swiftly addressed in the second action planning meeting, as account development plans were drafted and sellers were trained how to expand horizontally through their clients' organisations.



Coaching

Given the state of the sales operation, it was clear that John had to begin the task of replacing his supervisory layer with experienced managers who could both coach and do. But in particular were prepared to ask the forensic questions of their people, on each and every deal. Not uncommonly there was resistance to what some described as 'micromanagement'. John had and has little time for this. Typically, there are 2 types of salespeople who push back here on this level of rigour, he says. The first is the individual who just isn't cut out for sales, which is easy to deal with. The second was what the Challenger Sale describes as the 'Lone Wolf'.

Typically, these latter types would have some ability and drive to get deals over the line. John's tactic here was to try to manage the individual, by bringing them 'inside the room', leading on specific

projects, bids or initiatives. Whilst the 'Lone Wolf' never becomes the best person in terms of process adherence but as a consequence of them now being intrinsically involved in the sales organisation, they were being coached to be more supportive of the system. Over the course of John's first year, nearly 50% of the sales staff churned as a result of this change in approach. He believes that the culture that was left was a true meritocracy and tenure and job title no longer mattered, it all came down to performance.

To underline this and manage it going forward, John developed an alternative to KPI's called MSOP; Minimum Standards of Operating Performance. John describes these as incremental improvements which were carefully matched between the individual's current capabilities and management

expectations. These MSOP's set out very clearly the key metrics by which individual performance could be both measured and evaluated.

The CRM dashboards were configured to reflect the MSOP's and these were published on a regular basis. One of the key points here, according to John, was how consistent Management were in their expectations of MSOP achievement. It was vital that everyone knew where they stood at all times. For example, big forecasts were never congratulated, they were scrutinised. There was never any praise for a large forecast, nor condemnation for a low one. The focus was on getting their forecasting accuracy to within 5% accuracy (under and over), and therefore warm words were saved only for closed deals.

Enablement

“Words” was also the topic of John’s next focus, as he centred on the quality of written proposals, which at the time was of a low quality. Knowing that the impact of a well written document will continue long after the salesperson had finished pitching as was on their way back to the office, John quickly implemented a tool that facilitated templating (thereby increasing efficiency) and also monitored quality.

The tech was also clever enough to tell the sellers when the prospect was looking at the proposal and precisely where, so

the seller could perfectly time their contact strategy.

These types of sales enablement tools are commonplace now but weren’t 12 years ago and this thinking underlined John’s determination to “make the salesperson cleverer”, despite some intransigence from more cost-conscious senior colleagues. John still feels a strong duty of care to his sales team to find the best tools to make the buying process easier and sellers using their time more effectively.

Structure and Focus

Once a regular rhythm had been established, John turned his attention to the organisation and its approach. The salespeople were still trying to get to the demo as soon as they possibly could in the meeting, without having had the time to undertake a proper discovery.

Sales demos were essentially banned until the pain had been quantified and the key decision makers identified. John was the initiator of telesales at GBG (they now have a very big team) and account management was moved across to this type of team, so the guys had ample time to spend on their customers, reactively and proactively. This also facilitated the demarcation of finding and closing of deals, meaning that telesales account managers would find an opportunity, qualify it and pass to the new business guys to get it over the line.

All salespeople were targeted on sales as opposed to revenue, which incentivized the sellers to close maximum value deals across longer terms, say 24 or 36 months, instead of the standard 12. They were also motivated to sign deals consistently through the year by having a minimum bar of 13 deals per annum (i.e. more than 1 a month).

This meant that the sales team were happy to sign smaller value deals too, quickly, in advance of the competition, so that that client was locked into GB and could be grown into something more substantive overtime. In fact, for that first year of John’s leadership, no Tier 1 customers were signed but the total client contribution was rising rapidly, as was GB’s share price! As it happened the lack of enterprise level clients solved itself, as the acquisition of fintech ‘challengers’ ultimately forced the bigger players to engage

GBG to see what was happening below Tier 1, where they were now dominant.

Even today, in John’s current business, he ‘bans’ any discussion of ‘whale-hunting’ type deals as they will naturally overshadow the 10 Tier 2 deals at £60k, that are actually driving shareholder value, as they grow over the coming years. These Tier 1 deals are also expensive to bid properly for and buyers will naturally be sceptical about going with less proven players. So, as GBG was establishing themselves, the strategy of selling Tier 1 solutions to Tier 2 customers, massively paid off.

After a long while, John did form a Major Accounts team to target the larger opportunities, however this was only after their entire financial situation had improved somewhat and the GBG brand had become more familiar to decision makers at the top tier. As John prepared to move on, the sales team had grown from 15 to nearly 400 people, all were working to a consistent process with common expectations, and many now had global roles. John’s belief is that this process allows companies to ‘grind out’ results even when macro conditions aren’t suitable for high levels of growth.

The recent success he has enjoyed at TruNarrative through the pandemic, using this template ‘borrowed’ from his GBG days, simply underlines this contention. John describes himself as a planner, and someone who wants his salespeople to know and understand that plan, but to be flexible and ready to pivot that plan at a moment’s notice. Something that has served John well throughout 2020 as the CEO of TruNarrative.



John's Top Takeaways for Scaling your Sales Operation:

Look at the value proposition from the customer's perspective. Ask yourself, are we easy to do business with?

01

Target Marketing people only on outcomes, like leads.

02

Salespeople are there to close deals. Losing can become just as much a habit as winning. Your job as the leader is to create an environment where they can be successful.

03

Don't be afraid to try new technology to help lubricate the sales process.

04

The quality of your external written work must be outstanding, nothing less will do.

05

Hire professional sales managers who know what they're doing. They will hire well, they will coach well and they will be crystal clear about expectations and consequences. Culture is King.

06

Measure only what matters and make it pertinent to the individual.

07

Be prepared, pack an umbrella and sunglasses. If the plan becomes redundant, adapt!

08

Avoid the temptation to go elephant hunting too early. It's expensive, time-consuming and has a low return. Pick a segment and own it. Build it and they will come...

09

See more at www.frogcapital.com/scale-up-methodology

© 2021 Frog Capital
The Mews, 1A Birkenhead Street
London WC1H 8BA

Frog Capital Ltd is authorised and regulated by the Financial Conduct Authority
FCA Register Number 509967
Company Number 6812490

frog
capital