

Welcome to the 2011
Rental & Staging Roadshow
From NewBay Media



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21st Century Sales




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Profit doesn't happen just
because you sold something.
It happens because you made
hundreds of other decisions
correctly.




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If sales people are instrumental in the delivery process, the only way to grow revenue is to sell bigger projects.




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An AE doing business development is the same person calling on the same people over and over again.



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Products are to Customers what Solutions are to Clients



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Tom Stimson, MBA, CTS


- The Stimson Group, Management Consulting
- 25+ years in Audiovisual Industry
- 7 years on InfoComm Board of Directors
- 2010 InfoComm International President
- Member InfoComm, NSCA, PLASA
- Executive Coaching, keynotes, seminars




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21st Century Sales


Here's what changed while you were trying to survive...




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Circa 1991

- 6 to 11 month lead time on major projects
- Gross margins of 50-70%
- Net profit 20-35%
- Technology with 6 to 10 year life
- Technicians \$10-12/hr
- High tech always beat low price
- Customers loyal to best service provider




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Circa 2011...

- Lowest margins ever
- Shortest lead times
- Frequent last minute changes
- Net profit 0-6% average
- Every technician needs to be a rocket scientist
- Technology stabilized but on the move *again*
- Customers can afford to be fickle



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Circa 1966



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What changed?

- Customers
 - Younger, smarter, well-informed
- Technology
 - Does more for less money, less scary
- New Competitors
 - Parallel industries

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What didn't change? Salesmanship

- Answer the phone
- Call the buyers that you already know
- Call clients about next year's show
- Talk about the gear (or the people)
- Drop the price until you win the job
- Show up at the gig to take the fall

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What Does A Salesperson Need to Know?

- 5-10 Years AV Event Sales EXPERIENCE
- Portable accounts of +\$1M
- Familiar with audio, video, lighting, streaming media, scenery, rigging, drawings, project management, proposals, pricing, job costing, sub-rentals, hiring crew, travel arrangements. CRM, Excel, Word, MS Project, CAD, must be willing to travel, work 7 days a week, never take vacation...

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When this person exists...

- They are really a production manager not a salesperson.
- The accounts weren't all that portable
- They just aren't an effective salesperson



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Old School sales is not meeting our sales growth needs



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A modern sales person would...


- Win clients and not just projects.
- Need to pass projects/clients on to others.
- Challenge the capabilities of the Team.
- Force you to hire multiple partners to fulfill the sale.
- Achieve revenue numbers that match many mid-sized companies or larger.
- Have a personal relationship with the buyer's boss' boss.



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Out of Date
AE/PM
Model



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Customers buy transactions.
Clients pay for solutions.

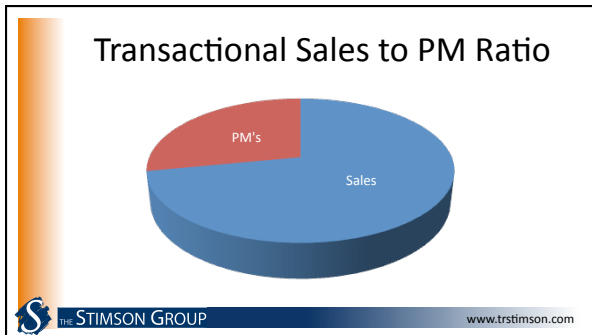
If the word *rental* is part of your customer-facing vocabulary, then you are a transactional business.

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Customers care how you came to the price.
Clients care about the overall cost.

Don't miss the opportunity to convert a customer to a client!

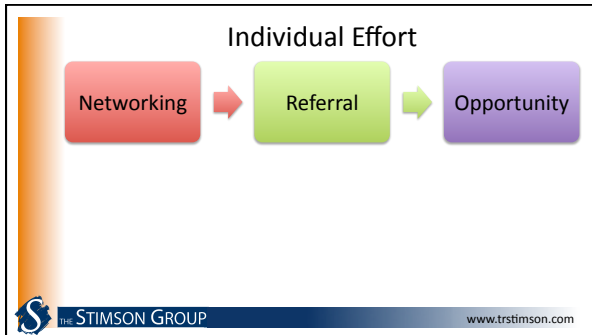
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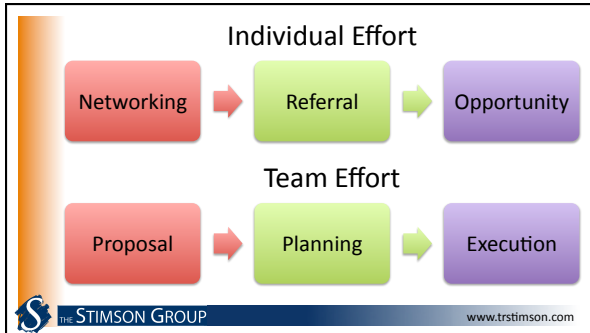


Finally...

What IS 21st Century Sales?

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- ### Key "Sales" Roles
- Business Development (Networking=Referrals)
 - Conversant Experts (Connect solutions)
 - Sales (Act upon opportunity)
 - Account Management (Support existing Clients)
 - Order Taking (Transactional customers)
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- ### Sales vs Biz Dev
- Business Development speaks with verticals and channels about "the importance of a collaborative creative process" eg.
 - Sales develops opportunities into proposals, orders, and ongoing relationships.
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What Business Are You Really In?

- What you sell is project management
- PM's should focus on projects
- AE's maintain accounts
- Biz Dev looks for potential CLIENTS

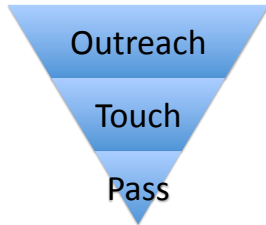


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Business Development Role

- Individual(s)
 - Infiltrate Vertical
 - Identify Channel
 - Expand Business Network
 - Introduce Referrals to Sales

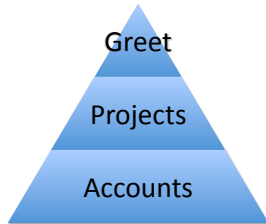


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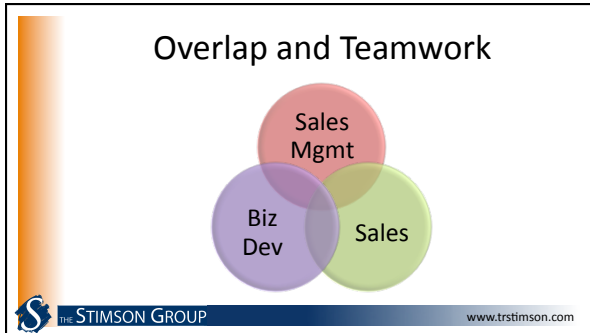
Sales Process

- Customer Service
- Order-taking
- Present Proposals
- Project Advocate
- Account Management



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- ### This Requires Sales Management
- Sales Managers are not salespersons. They are sales leadership and support!
 - Sales Managers should not have individual sales goals getting in the way of managing.
 - Sales Managers help close deals and intervene when necessary.

The 21st Century Sales Manager is the CMO


In my opinion...

- Sales is a profession and we have few professional sales people in our industry
- We've trained our customers to expect mediocre sales, so they buy from the best salesperson they see.
- All salespersons being equal, customers buy on price.
- Technology levels the playing field, which leads to commoditization

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21st Century Sales means...

- Educating potential buyers to make better decisions
 - Identify your real value proposition
- Putting the selling back into our businesses
 - Separate sales and biz dev processes
- Taking salespersons out of delivery process
 - Sales and project management are two roles

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The Client is two or more levels above your current buyer.

Is anyone on your sales team capable of building a relationship at this level?

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Questions?


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Thank-you!



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