

BTA EAST



**Benchmarked Sales
&
The Future of Selling Excellence**

Steve Rolla

- **Began with Xerox 1971 (old)**
- **VP of Operations at A-Copy**
- **President Kex / Alco (cold)**
- **President of Ikon NYC**
- **President of Global/Xerox D.C. (sold)**
- **Co-author of the Benchmarking model**
- **Partner in Pros Elite Group**
- **Obviously can't hold onto a job.**



Pros Elite Group

- **Benchmark Execution Experts.**
- **Formal Training Offerings in: Office Imaging Basic and Refresher Sales, Sales Management, Service Management and President (IDEA)**
- **Sales and Service Consulting supports continuous benchmark achievement of clients.**



Pros Elite Group Results

- **Currently engaged with 100+ Dealerships located in 82 Markets in North America and International Countries Generating Over \$ 1.5 Billion in Annual Revenue**
- **\$80 Million in Increased Equipment Sales**
- **\$42 Million in Bottom Line Service Profit Improvement**
- **400,000 MPS Printer Devices Under Contract**

Three Talking Points

Excellence

Benchmarks

“The Future”

Digital Information Managers

Excellence

- the state or quality of excelling or being exceptionally good; superiority
- an action, habit, characteristic, feature, etc., in which a person excels through constant development and repetition.

Excellence

- **Habits (what you Inspect every day)**
- **Development (actions you force people to take to make your people better.)**

“Its not what you Preach its what you tolerate that makes the difference”

Excellence

**“It’s not what you preach; rather it’s
what you tolerate”**

Excellence III



Excellence





So how big is the opportunity to achieve excellence

	Hardware		Solutions		Total
	(\$000,000)				
	2014	2015	2014	2015	
3					
Black and White MFP	5,486	5,321			
Color MFP	6,309	6,372			
Total	11,775	11,693	2,312	2,543	14,087



The opportunity to achieve excellence: Hypothetical Company in Floradise

Bequi for this market is 2.1%

- **Floradise total market size 2014:
\$236,000,000**
- **Floradise company 2014 equipment Sales:
\$19,000,000**
- **Floradise company Market Share
8.1%**



So how big is the opportunity to achieve excellence in Floradise

- **10% Market Share \$23.6mm**
- **15% Market Share \$35.4mm**
- **20% Market Share \$47.2mm**

Importance of Market Share

- **At 5 % Market Share, you have name recognition.**
- **At 10% Market Share you have brand recognition.**
- **Sales Staffing - The Benchmark for Sales Rep Staffing of 50 Sales Reps / full 1% of BEQUI index is based on 10 % Market Share.**



Sales Staffing to Benchmark

A company that exists in a market that has a .5% Bequi index achieves \$3,000,000 in equipment sales in 2014. Which is a slight growth of Sales over 2013. How many Reps do they need to sustain that growth?

50 Reps / 1 % of Bequi = 25 Reps @.5% Bequi

U.S. Market \$11.4 Billion X .5% Bequi = \$57 Million

Market Share (M.S.) \$3mm / \$57mm = 5 %

Sales Staffing = 25 Reps X (5% / 10%) = 12.5 Sales Reps.

Pursuing Future Excellence

Investment

Where should I invest my time to achieve the maximum return? How much are we talking about?

Involvement

What key areas do I need to develop people involved in the direct achievement of the desired results?

Inspection

How should I inspect to ensure the actions I take are paying off?



So what's the Starting Point

Current State of Many Sales Organizations

- Net New Business is less than 5% of all equipment revenues (B/M 30%)
- Sales Rep Compensation is significantly increasing and production isn't. Compensation rates of 50%-60 % of the equipment G.P. (37.5% is the B/M , Forget 15% of Revenue.)
- Prospecting is haphazard and uninspected
- Sales Managers are in a reactive mode as a result of the lack of a documented Sales Management process.
- MPS is significantly underpenetrated which will lead to the same results in MNS.
- CRMs mask the lack of activity.



Investments in Time or Expectations of a Sales Rep?

- 1. Make Prospecting Calls**
- 2. Achieve Quota**
- 3. Develop Net New Business**
- 4. Conduct Demos and trials**
- 5. Develop and close MPS/MNS opportunities**



Investments in Time or Expectations of a Sales Rep?

- **Meet or exceed your assigned sales quotas.**
- **Makes prospecting contacts daily either by phone or in person consistent with the Company's Prospecting continuum that result in one addition to your pipeline every day.**
- **Conduct 10 net go forward appointments each week in customer's offices.**
- **Conduct 35 targeted mailings (snail or email) each week that are followed up by phone contact during the following week.**
- **Conduct 4 demonstrations/ trials a month.**
- **Achieve 30% of all equipment sales as net new or add on business each quarter.**
- **Visit every current customer every 120 days.**
- **Insure that Managed Print Services is presented in every proposal and demonstration.**



Sales Activity Benchmarks

- **4 Decisions valued at \$25,000 identified each week that will be added to the 90 or 91-270 day pipeline.**
- **Sales Rep Compensation as a % of the company's equipment gross profit = 37.5%**
- **10 Net Move forward appointments / week.**
- **30 % of your equipment revenue from Net New customers.**
- **Territory Benchmarks**
- **MPS - 100% of your proposals with a MPS survey and 50% of your deals with a MPS component.**



4 Decisions valued at \$25,000 identified each week

- **Requires the execution of a documented Prospecting Continuum Calendar.**
- **Define exactly how each prospecting activity is to be executed.**
- **Inspect on the way out in the morning and the end of the day.**



Decisions a Day (DAD)

- **Date the Discovered** _____
- **Company Name**

- **Decision Maker name**

- **E Mail address**

- **Address and Phone**

- **Make and Model**

- **Monthly Volume**

- **(If owned) Purchased date**

- **(If leased) Lease End date**



Sales Rep Compensation 37.5% of equipment GP.

- **Sales Rep is: anyone who carries an individual equipment quota**
- **Compensation is: Salary, Commissions, bonuses, computer, phone**
- **Equipment GP is the company's GP net of bonuses and cash discounts**



10 MOVE FORWARD APPOINTMENTS

THE SEVEN MOVE FORWARD APPOINTMENTS

- 1. INITIAL APPOINTMENT CALL**
- 2. SOLUTION ANALYSIS**
- 3. MPS SURVEY**
- 4. PROPOSAL PRESENTATION**
- 5. DEMONSTRATION**
- 6. TRIAL**
- 7. CLOSING CALL**



30% NET NEW BUSINESS

- **% IS BASED OF TOTAL EQUIPMENT REVENUE DOLLARS.**
- **IF IT IS TO BE ACHIEVED; 30% OR MORE OF MOVE FORWARD APPOINTMENTS NEED TO BE NET NEW,**
- **REQUIRES EXECUTION AND DAILY INSPECTION OF A PROSPECTING CONTINUUM.**
- **MONTHLY ASSIGNMENT OF PIPELINE ACTIVITY AND WEEKLY INSPECTION OF COMPLETION**

Territory Benchmarks

- **Retail - 120-140 Segment 2 and above unit contacts and 1500 net new prospects. QUOTA \$30,000 / Month**
- **Named Account - 150-200 Segment 4 and above equipment or accounts with >3 but < 10 installed units and 200-300 named non customer accounts with identified segment 4+ competitive equipment or 50 to 100 employees. QUOTA \$50,000 / month**



Net New Territory Assignment Expectations

- **If a Retail Rep territory normally has 120-140 contracted current customers the quota is typically \$30,000 / month.**
- **70 % or \$21,000 comes from current customers**
- **30% or \$9,000 comes from Net new customers**

MPS

- **Simplify your survey to accommodate the 6-9 printer pick up. (Brown Bag it)**
- **Cover letter from the President exposing the MPS opportunity to the customer**
- **Bonus ROI component tied to MPS in every proposal**



Pipeline Benchmarking

You should write 7%-10% of the of the combined dollar value of your 90 and 91-270 day pipeline of closeable opportunities each month.

Inspection: the Most Important Key to Excellence

Hole	1	2	3	4	5	6	7	8	9	Out
Black	420	410	189	411	530	428	185	345	574	3492
Purple	395	392	185	408	510	404	174	345	523	3336
White	370	365	155	388	500	371	161	334	505	3149
White / Gold	370	342	155	355	500	347	161	334	505	3069
Gold	354	342	135	355	460	347	145	286	454	2878
Men's Handicap	7	3	17	5	9	1	15	13	11	
	4	4	4	4	6	5	4	6	6	43
Par	4	4	3	4	5	4	3	4	5	36
FAIRWAY	✓	✓	✓	✓	✓	✓	✓	✓	✓	
GR REG	✓	✗	✓	✓	✗	✗	✓	✗	✗	-5
C/P 10'	✓	✓	✓	✓	✗	✗	✓	✓	✓	-2
PUTTS	2	1	3	2	2	2	3	3	2	20
Ladies' Handicap	11	3	15	13	7	1	9	17	5	
Championship	354	342	135	355	460	347	145	286	454	2878
Green	300	310	122	303	408	315	130	252	390	2530

 **CROWN COLONY**

GOLF & COUNTRY CLUB

8851 Crown Colony Boulevard
Fort Myers, Florida 33908
(239) 590-9860





The Payback from Inspection

Signed Deals:	2			1			1			1			5
Customer Name, Product Mix & Revenue:	Spring	1 Lanier	\$25,711.11	Hotel Boulderado	2 Laniers	\$35,685.06	VA	5-Sharps	\$28,135.55	Bethany Fee	LD645	\$14,932.86	
	Ava Maria	2 Laniers	\$27,500.00			\$0.00			\$0.00			\$0.00	
			\$0.00			\$0.00			\$0.00			\$0.00	
			\$0.00			\$0.00			\$0.00			\$0.00	
			\$0.00			\$0.00			\$0.00			\$0.00	
MPS Contracts Signed:	0			1			0			0			1
Customer Name	Hudsons Furniture												
Total Sales Revenue	\$53,211.11			\$35,685.06			\$28,135.55			\$14,932.86			\$131,964.58



Your Reward

**Whatever you Invest in,
Involve yourself in, and
inspect... you get !**



The Present and the Future Solutions Sales

- **Where there is Mystery....there is Margin.**
- **\$2.3 Billion Market in the U.S. 2014 and growing.**

Square 9 Solution and margin

- **Sales Professional summoned to respond to a bid for (24) 50 PPM devices. (Expect 5 % GM)**
- **Sales Professional holds tight and refuses to Bid until he talks with IT.**
- **Sales Professional meets with IT and to understands forms that drive the business**

Square 9 Solution

- **Sales Professional proposes Square 9 solution with (24) 50 PPM machines.**
- **Deal goes from a \$240,000 deal to a \$410,000 deal.**
- **Want to guess the margin ?**

How do you sell Solutions?

- **Starts like everything with Prospecting.**
- **Uses the Principles of the “Challenger Sale.”**
- **Requires you knowing, not asking, what the pain points are and that you have a solution that works.**



Some Final thoughts on Future Sales Excellence

- **If you are responsible in any way for Sales Reps, your job is to make them Successful**
- **Successful Reps have great habits that are inspected. (Drag excellence out of them)**



Some Final thoughts on Future Sales Excellence

- **The 2018 market for Solutions Sales is forecasted to be \$3 billion. Office Equipment Dealers will write 20% of that \$3 billion or \$600 million**
- **The 2018 market for MFPs and Printers is approximately \$10 Billion. Office Equipment dealers will write 40% + of that business or \$4 billion.**



Some Final Thoughts on the Future of Selling Excellence

- **Managed Services : about .5% of the revenues of the average OE dealer in 2014.**
- **It is a part of the Future as we become Digital Information Manager and our Sales force become Digital Information Solution Specialists.**

The Future

Mr. Customer, my company's expertise is Digital Information Management. On the front end we provide scanners and document management software solutions, in the middle, we will monitor and maintain your server and support your applications and finally on the tail end; we will optimize your fleet of digital output devices such as MFPs and Printers.

Carpe Excellentia !!!