

How to Unite Your Sales
and Marketing Teams into a
Single Force for Growth

ALIGNED To ACHIEVE

Tracy Eiler
Andrea Austin

WILEY

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ALIGNED

To

ACHIEVE

To my parents, Bob and Jean, who nurtured my passion for living
and learning.

—Andrea

In honor of my mom, Sandy Eiler, who taught me how to be
someone who makes things happen.

—Tracy

Foreword

Alignment should be the number-one operational issue for every business-to-business company. The era of fostering tension between sales and marketing is over. Businesses achieve more success and operate at a higher level—meaning more growth, more profits, and more productivity—when the teams interacting with the customer are tightly aligned. That extends from alignment on defining who the customer is, to what the customer sees and hears, to how that customer is approached, engaged with, and ultimately won.

We are in the midst of a long and unprecedented period of rapid, technology-fueled business transformation. Markets have become more competitive, products more commoditized, new business channels and methods are appearing, and technology has become ubiquitous and affordable by even the smallest companies. What that means is any company of any size can effectively compete against rivals and everyone has a harder time standing out from the growing noise in every market. Even more, buyers and buying cycles have transformed because buyers have more power and more information, which enables them to be independent of, disconnected from, and less reliant on you as a seller.

All of this has led us to today, where B2B businesses are fundamentally challenged in their go-to-market efforts. Noise in the market has skyrocketed, confusion abounds, differentiation is elusive, and buyer attention is a limited resource.

So what's a company to do?

Leaders must align their teams to focus on company growth, not departmental success. Gone are the days when sales could focus only on closing deals, marketing could focus only on generating leads, and every other department could look at their own achievements. When teams are aligned and aimed at common goals, they work better together and they win more often. But alignment is not just necessary

for growth, it is necessary for survival because buyers are no longer responding to traditional and disjointed outreaches. Instead, companies must coordinate across all touchpoints where buyers are engaged, regardless of who initiates that contact or how. Buyers do not see sales and marketing; they see your brand and your company, your website and your booth at a show. Alignment enables a thoughtful, coordinated engagement with customers, and they will respond favorably.

Alignment is required, but it is not enough. It needs to be guided by a go-to-market strategy. I am starting to see a clear trend among leading companies of adopting a modern and tech-centric approach to market targeting. These companies—brands you would recognize as the most forward-thinking and innovative companies in their segments—shy away from the traditional volume approaches of outbound calls and emails. Instead they aim for quality and pinpoint targeting with the right outreach to the right person at the right time. They have learned that the old model of spray-and-pray is no longer working, so they have adopted a more focused and strategic approach.

These companies have teams that are aligned and focused, a strategic go-to-market plan, and the technologies and processes in place to execute it. As a result, they are outperforming their competitors and pulling way ahead of the others in the market. They have turned their strategy, processes, technologies, and teams into a defensible, competitive advantage for their company. It is a great time to be marketing and sales leaders, and to have the opportunity to shape the future of our companies and their revenue engines. It is also a great time to be a CEO. What is possible today wasn't even imaginable just a few years ago.

To be aligned requires leadership, and leadership begins with the CEO. It does not stop until you reach everyone in your organization. Regardless of where you fit in your company and whom you lead (even if it is just yourself), this book gives you a set of recipes that will help you break down walls, align your organization, and ensure it is ready for the challenges of going to market in this ever-evolving, complex, and challenging time. No one team can do it alone.

—Umberto Milletti
Founder and CEO, InsideView

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To

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Contents

Foreword	xi
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Chapter 1

Why Align?	1
Misalignment Stalls Your Path to Growth	2
Misalignment Leads to Mistrust and Hostility	3
Here's What We've Seen—and Why We're Devoted to Changing It	5
Misalignment Is Getting Worse and Here's Why	13
What It Takes to Align	15
What to Expect from This Book	18

Chapter 2

Get Those Cultural Obstacles out of Your Way	19
Alignment Must Be a CEO-Driven Initiative	20
Recognize Your Differences as You Build Your Alignment Strategy	25
Get Ready for These Common Objections to Alignment	34
Translating Culture into Growth-Driving Behaviors	42
If You Do Nothing Else About Culture, Do These Things	45

Chapter 3

Build Alignment into Every Process	47
Process Is Where Your Culture Hits the Road (It's a Bumpy One)	48
Creating Your Customer Engagement Strategy	48
Alignment Process Fundamentals	52

Don't Just Change Processes, Rebuild Them to Support Alignment	54
If You Do Nothing Else About Process, Do These Things	71

Chapter 4

An Aligned Organization Requires a Different Kind of Leader	73
Is Alignment Obvious or Is It a Stretch Goal?	74
Attributes of an Aligned Leader	75
What Makes a Good Leader in an Aligned Organization?	87
If You Do Nothing Else About Leadership, Do These Things	92

Chapter 5

Data Is the Great Equalizer of Alignment	93
More Data from More Sources	94
Data Is the Currency of Growth	99
Determining Data's Value	102
Maintaining Your Data's Health	106
Establish Your Starting Point	107
Data's Role across the Customer Journey	112
Data Is the Great Equalizer	117
If You Do Nothing Else About Data, Do These Things	118

Chapter 6

Push Alignment Beyond Sales and Marketing and into the CIO's Office	119
Technology Is Shifting Faster than You	120
View Technology as a Tool, Not a Silver Bullet	123
Technology Should Support Your Data Strategy	123
Keep Your Eye on Alignment	125
Building an Alignment-Optimized Tech Stack	130
Getting Your Budget In Order	135
Remember That Technology Should Enable, Not Detract	135

Where IT Fits in an Aligned Organization	136
Collusion Is Such a Dirty Word, but It Works	140
If You Do Nothing Else About Technology, Do These Things	141

Chapter 7

Cracking the Code of Alignment	143
Uncovering the Roots of Misalignment	144
Challenges to Alignment	146
What Separates Alignment Leaders and Laggards	147
At Least We Can All Be Friends	153
If You Do Nothing Else About Understanding Your Misalignment, Do These Things	155

Chapter 8

Leading-Edge Concepts for Reaching Complete Alignment	157
Prepare for What's Next	158
Prediction #1—The Rise of the Consultative Seller	159
Prediction #2—Millennials Have a Major Impact	161
Prediction #3—Cross-Training Becomes Imperative	162
Prediction #4—Academia Catches Up	166
Prediction #5—Marketing Compensation Gets Tied to Pipeline	166
Prediction #6—Account-Based Everything Becomes a Top Priority	167
Prediction #7—Customer Data Strategy Rises in Importance	170
Expect Alignment to Continue Its Expansion	172
Prepare Your Team for Tomorrow, but Start Cheering Them on Today	173
If You Do Nothing Else About Alignment, Do These Things	174

Acknowledgments	177
Index	179

Why Align?

What are the topics of conversation around your office? That most likely depends on whom you talk to.

From sales reps, you probably hear complaints about low-quality leads or those that take too much nurturing to move through the sales funnel. They likely also complain that the marketing department's content does not work or is not granular enough for the specific targets, situations, or markets the sales team encounters. For example, maybe your sales reps come back from an event griping that a competitor's booth was larger, had more of a crowd, or looked better. Maybe they argue that the organization's marketing message isn't differentiated or compelling enough for them to turn opportunities into action, or that marketing is simply out of touch with the customer's needs. Your sales reps might even wonder out loud why the organization is focused on one market instead of targeting the obvious opportunity in another market.

When you talk with marketers, you probably hear their dismay that the sales department doesn't appreciate the volume of leads marketing generates and that they are too slow to follow up on hot prospects. Your marketers might mention that the content they're creating isn't being used at the right times, or at all. Maybe they express their frustration with sales reps who are too aggressive in meetings or who get preferential treatment for hitting their numbers.

Maybe marketers complain there's never enough budgeted for them to keep up with competitors. Perhaps they talk about being frustrated by not having time to create the never-ending stream of content requested by sales, or to get out in the field to visit customers and really research the market.

Does any of this sound familiar?

Think about what you're hearing from other teams within your company, or worse, from your CEO. Have they commented about the high turnover of sales reps, the missed sales forecasts, the recent loss of a major opportunity, budgets that aren't covering what's needed to win, complaints from customers, or competitors who seem to close bigger deals or have more marketing impact?

There is likely a lot of truth behind all of these complaints and the common cause is sales and marketing misalignment. The consequences of this can be dire.

Misalignment Stalls Your Path to Growth

Misalignment between sales and marketing is holding back the growth of your company—and your career.

Think about the last opportunity your organization lost and how different departments could be considered accountable. Maybe the salespeople couldn't find the content they needed, couldn't quite get the value proposition right, or couldn't articulate exactly why the customer should buy from you instead of your competitor. Marketing may not have warmed up the prospect with relevant campaigns, or may have issues with lead processing leading to lack of timely follow-up. Critical definitions and handoff points may be full of friction.

Now think about how these issues and others combine to prevent your organization from closing more business. All of those barriers to growth are caused by misalignment. According to SiriusDecisions, misalignment is to blame for companies' missing out on 19 percent faster revenue growth and 15 percent higher profitability, as shown in Figure 1.1.

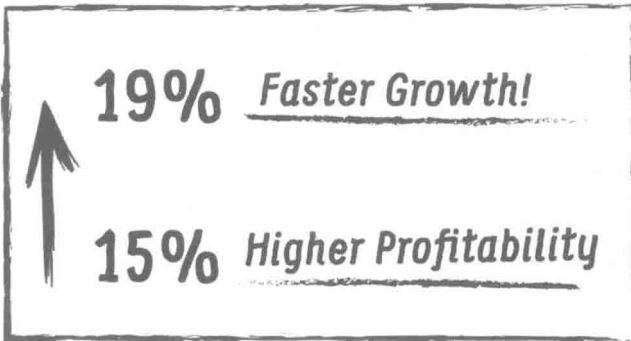


FIGURE 1.1 Aligned teams are higher-performing according to SiriusDecisions, who found that more aligned companies have significant strategic advantages over their competition.

Source: SiriusDecisions

Misalignment Leads to Mistrust and Hostility

Misalignment is rooted in the differences between how sales and marketing work, what it takes to be good at each, and how each department's success is measured. Marketers look at the big picture of markets and campaigns, while sales focuses on one deal at a time. Good sales reps are driven and aggressive, while good marketers are creative and analytical. Marketing success is based on awareness, impact, and quantities, while sales performance is measured by quota attainment.

In most organizations, sales drives revenue and marketing drives lead generation and awareness. Marketing looks at win rates and conversion rates across the sales funnel, takes the revenue target for the next quarter, and calculates how many leads are required for sales to hit their number. Sales uses the leads and content that marketing gives them and tries to close as many sales as possible.

The two departments are inherently different—from how they are compensated to how they are educated—and that's good, but it

can also make it hard for sales and marketing to work together. The two teams are frequently at odds over issues as small as how to score an individual lead or as large as which markets to target. That results in mistrust, avoidance, and outright hostility between the groups, some of which is even enabled by misguided CEOs.

Get It Right: Take Those First Steps Toward Alignment

Christelle Flahaux has been a pioneer in using data to bridge marketing and sales in her senior-level roles at MapR Technologies, Jive Software, Marketo, Taleo, and Ariba. Christelle's most recent role was to sit between sales and marketing and use data to bring them into alignment. What it takes, according to Christelle, is working together and relying on data to build agreement.

"In a previous company, I discovered early on the job that our lead scoring wasn't effective," Christelle explained. "Marketing thought we were doing great because we were delivering leads that scored well, but sales complained the leads were junk. It took us a while to figure out how to do it right so we weren't delivering 20,000 marginal leads, we were delivering 3,000 good ones."

It was more than just a revamp of the lead-scoring methodology. Instead, it started a deeper conversation between marketing and sales to discover what was really important.

"We walked the sales team through our scoring methodology and discussed each and every point," Christelle continued. "What firmographic information is important? Should a tradeshow lead get more points? No. Should a white paper download get more points? Maybe. Walking through the logic helped to flesh out the thought behind it and make it transparent. It really built trust between the teams."

As they figured out the appropriate lead-scoring models, it led to more conversations and more collaboration on different items, all of which brought the teams closer to alignment.

"Eventually we talked instead of getting angry at each other," she continued. "Marketing can ask for more budget

to get more leads to help sales meet their number, or we can jointly figure out how to increase close rates so sales can hire more reps. We ended up being a joint team figuring out how to meet the overall goals together.”

Not getting angry at each other doesn’t mean not having disagreements, however. Christelle relies on data as the key to finding a solution and avoiding lingering issues.

“If you’re upset, you tend to make blanket statements, like ‘We don’t have any leads,’” she added. “When we rely on data, we can turn it into a fact-based conversation. We can both see exactly what’s happening. Data takes the emotion out of it. It keeps you from getting defensive, especially if you approach it [by saying], ‘Let’s both sit down and look at the data.’ It also helps you figure out what the true issues are and points you in the right direction to fix them.”

Here’s What We’ve Seen—and Why We’re Devoted to Changing It

We’ve each been in leadership roles for more than 20 years, and we’ve seen our share of aligned and misaligned sales and marketing teams. We’ve worked under CEOs who understand the value of alignment and build a culture that fosters communication and collaboration, and we’ve worked under CEOs who encourage hostility between the teams, thinking that more tension yields better performance. We’ve also each worked with good and bad counterparts, and have learned that alignment takes commitment and work from both teams, especially their leadership.

Tracy experienced blatant misalignment firsthand when, as a newly hired SVP of marketing, she was introduced to her executive sales counterparts and they wouldn’t even shake her hand. Their behavior was rude, obviously, but after watching a revolving door of marketing leaders come and go, their reasoning was sound: “You won’t be around long, so why bother getting to know you?”

Andrea, as VP of sales, reached her misalignment breaking point while working with a counterpart in marketing who agreed again and again to help her out, but eventually did only what he wanted to do. When she encouraged him to work together with her on messaging improvements, he said they were just going to have to agree to disagree. What? Does that seem like reasonable progress towards alignment? No. Instead, it created a situation where marketing could take the blame if his messaging didn't work, but where he could say, "I told you so" if it did work. Andrea went about her business and found ways to work around marketing instead of *with* marketing. This undoubtedly took a toll on the company's performance, including revenue.

We've also both been exposed to the temperamental sales VPs who throw marketing under the bus every chance they get, and who always demand their way because they control the revenue. Similarly, we've all seen a weak CMO who thinks that branding is the only thing that is important. Or is myopically focused on lead-generation volumes and ignores the quality, messaging, and win rates.

Through it all, we've come to the obvious conclusion that aligned sales and marketing teams are more powerful and more productive, and create a more valuable company. Alignment also creates a more enjoyable workplace, one where marketing is challenged to perform at its best, where sales become easier, and where the entire company is aligned around one thing: growth. But alignment is hard. It's easier to live with the status quo, in the short term at least. We argue that, as a leader, you can't wait any longer. Here's why.

B2B Sales Has Changed Dramatically

Sales is difficult. First, salespeople travel—a lot. Hotels are their weekday homes, the club level is their dining room, and flight attendants know them by name.

Second, they are constantly rejected. It's not uncommon for people to hang up the phone before salespeople can get through the first sentence; that is, if anyone takes the call at all. Sales reps know that people rarely respond to their voicemails and emails. They've learned not to take it personally.

Finally, the pressure on salespeople is enormous. They're one missed quota away from unemployment. They're also responsible