

Is Your Business "Sales" or "Marketing" Driven?

By Les Altenberg

Regardless of its size, one of the main issues a business inevitably confronts is whether to take a "sales" approach or a "marketing" approach to achieving its growth objectives.

"Sales" and "marketing" are not one and the same. "Sales" concerns itself with the here and now. It's about getting out there and hustling, making a good impression, persuading a prospect, and closing a deal. Marketing, on the other hand, concerns itself with finding what's unique about one's business, product, or service; "positioning" it in the marketplace and using all the tools at one's disposal to generate awareness and create a favorable disposition among prospects to buy. Ideally, the sales process and the marketing process should go hand in hand. Unfortunately, time and budget constraints often compel companies to concentrate on one area at the expense of the other.

The Sales Process

Each path has its own inherent benefits and drawbacks. During the sales process, success or failure occurs prospect by prospect. The overall direction of the company is not nearly as pressing as is closing the deal at an appropriate price. Any company that does not do a good job of "selling" its products or services is going to have its share of problems.

One of the disadvantages with a strictly "sales" mentality occurs when the drive for more "sales" becomes all-consuming -- often to the detriment of the overall business. This usually occurs in one of two ways:

- First, in the zeal to secure a deal, salespeople or their management are quick to offer reduced prices or financial incentives. While this may have the short-term advantage of increasing sales, it also reduces margins and sets up business-eroding precedents. If customers are getting cut rates, they'll see the product or service as being less than par as well.

Studies have shown that strictly price sells ultimately result in an eroded brand image. This requires new efforts at shoring up a company or product through marketing or further reductions in price. This is a vicious cycle and one that ultimately results in even greater expenses.

Absolutely anyone can set out to be the lowest costing. But this is a dangerous game, because no one can ever "own" this positioning. It is forever subject to the whims of the competition.

- The second issue that arises in possessing a strictly "sales" mentality is when the sales process does not reflect the values and attributes of the corporation. Overly aggressive salespeople or those who either do not understand the benefits of their products or the needs of their customers do their employer a disservice. Successful businesses get their customers to buy more than once and get customers to refer additional business their way. An empty sales promise made in the name of a quick hit damages reputations and lessens the opportunity for success down the road.

The Marketing Process

Unlike the sales process, marketing concerns itself with both the here and now, as well as "down the road". It allows one to reach *many* prospects at the same time.

Traditionally, marketing has been about developing the best products at the "best" price, obtaining distribution, and communicating to a target market about specific goods and services.

A well thought out marketing plan should include a vision of where the company will be a year from now as well as where it wants to be ten years from now. It should explicate in words how it differs from its competitors and how it meets the needs of its clients in a more efficacious, convenient, or value-laden manner.

A marketing plan, as part of a business plan, should drive the company year to year. A great deal of attention should be paid to the reputation and image of the company or

product. Marketing is an investment in that reputation and one that usually pays huge dividends over the long haul.

In erring towards either a strictly sales or a marketing orientation, most companies fall toward the "sales" side. Very few focus strictly on marketing at the expense of sales. This is understandable, given the need for cash flow, the pressures to make it happen NOW, etc.

A Synergistic Approach

The more successful companies carefully integrate the two important functions of sales and marketing. A well-developed marketing program provides a myriad of benefits to the sales process, among them:

- It gives the salesperson something *meaningful* and *relevant* to say.
- It provides the salesperson with materials that enhance the selling process.
- Awareness and purchase interest of a company can be generated prior to the phone call or solicitation meeting.
- If a product or service has been positioned correctly, a higher price can be justified.
- It shows the prospect the company is serious with its commitment and is willing to invest in it.

Similarly, an effective sales effort is critical to the marketing program because if consistent, it reinforces the image of the company or brand. Ultimately, marketing can only generate leads. It is the sales process that is the final arbiter of success.

In order to ensure success over both the short and long term, it is wise to be cognizant of the decisions being made day-to-day. Do they reflect the needs of the moment or are they part of a longer range vision? Are sales being procured today at the expense of tomorrow? Are prices being offered which make the sale, but lessen the perceived value?

How does one know where one stands on this spectrum? It begins with simply being cognizant of how decisions are being made. A little like psychoanalysis, if one truly understands this decisionmaking process and what part of the corporate psyche they come from, the closer one becomes to creating the proper balance between sales and marketing. And as with most things, having "balance" usually pays off.

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