

Solution Providers & VARs:

**You know your P/E ratio,
But do you know your N/E ratio???**

N/E??? We're talking about your NEW/EXISTING ratio; how much of your sales are coming from net new prospects and customers vs. existing customers.

Why is this important? If you believe the old axiom that it's five times easier to win business from an existing customer than it is to find a new one then your ratio should be about 80% existing and 20% new. If its any lower than that, you may not be growing your business fast enough, and even if it is you need to ask yourself how many of your existing customers won't be here next year. Customer base is a "grow or die" reality!

No matter how you cut it, recruiting new customers is a paramount concern for most Solution Providers who want to continue to grow their businesses. Start by looking at last year. List all the customers who were added to your customer master during the past year and total up sales to just those customers. Divide that total into your total sales for last year and you'll know what percentage came from new customers. Set a growth goal based on how much you *need* to move that percentage upward.

Then consider how you're going to get there. If your salespeople have the ability and the time available to aggressively and effectively hunt for new prospects then set them loose with a net new customer "bounty" incentive program.

If not, consider TCP/RG demand generation partner Technology Sales Resource (TSR).



TSR has developed a specialized telesales strategy successful at turning cold calls into closed deals. They provide you with pre-screened, qualified leads and contact appointment information, allowing your sales team to focus on making presentations and closing the deals.

TSR differs from the competition in that they do not hire traditional telemarketers who read from scripts and cannot fully engage prospects when on the phone. Telesales professionals differ in that they fully understand the products and the vertical so they can have a meaningful discussion with the contact.

TSR's team includes individuals who have a firm knowledge of both technology as well as the targeted vertical in which they sell into. This difference adds credibility to client firms, as well as increases the overall success rate, as they can quickly overcome initial client objections and concerns and focus their interest on the product/solution.

TSR employs a three-touch process to attempt contact with a prospect over the contract period. They begin with an initial call, followed up with requested emails and further call attempts to educate, persuade and qualify the opportunities, staggering call time attempts so as to try and reach the individual at a time most convenient to them.

For more information about how TSR and TCP/RG can help you increase both your New/Existing business ratio and your overall sales call 516.965.6431 today or email info@tcprg.com!

**Sales/Service Alignment Workshop
At Ingram VentureTech Invitational
Yields Useful Action Items!**

Improving the Partnership of your Sales & Service Professionals: A Critical Strategy for Improving Customer Satisfaction & Increasing Profits,

a well-attended and lively workshop presented at the recent Ingram VentureTech Network Invitational conference by our Senior Resultant, Howard M. Cohen, focused on five primary areas of concern; Team, Customer Satisfaction, Company Culture & Identity, Compensation, and Account Control.



Howard M. Cohen



The workshop discussions, roleplays, and presentation resulted in a useful series of action items that any Solution Provider should consider to improve the alignment between their sales & service professionals and increase their profitability:

Team

- Instill team culture and create a conducive environment in everything you do and say
- Establish and gain unilateral agreement on all processes & procedures from all departments
- Implement project tracking systems to make sure everyone keeps their commitments to complete proposals on time and satisfy customers
- Propose Complete Solutions that everyone signs off on during the proposal development process
- Develop & Promote reusable engagement models
- Develop peer review process and cross-departmental awards
- Sit down with your management team and plan at least one team-building event every month
- Require cross-attendance at departmental meetings
- Foster & encourage socialization between sales, service, and technology professionals

Customer Satisfaction

- Make customer satisfaction a meaningful driver of everyone's compensation
- Balance customer sat and profitability for everyone to assure they make the best decisions
- Use Gap method surveys to make sure you're succeeding on the IMPORTANT issues
- Re-examine your metrics and make sure they are speaking loudly to you and you are responding quickly and aggressively

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Workshop Action Items

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Company Culture & Identity

- Mutual Trust & Respect
- Develop your mission statement as the yardstick for everyone to measure their decisions by
- Make Sure Your Message Is Clear
- Make Sure Everyone Buys-in to it
- Make Sure everyone conveys it consistently
- Does everyone deliver the SAME elevator speech, one that conveys the mutual respect your professionals have for each other?
- Determine who owns the customer, who leads, what you sell, who sells and be sure the answer is everyone.

Compensation

- Review All compensation programs to make sure they encourage your sales AND service people to do what you want them to do
- Make customer satisfaction a compensation driver
- Use compensation to get everyone on the same page
- Increase SPOT (Service as a Percent Of Total sales) through incentives and team selling

Account Control

- Review your Account Review process and make sure EVERYONE feels a sense of ownership
- Teach everyone the dangers of overpromising and underdelivering by making sure that everyone understands who is responsible for each level of decision regarding customer projects & interactions.

Other materials from the Workshop including the PowerPoint presentation used as well as sample forms, customer satisfaction surveys, and proposal-building materials can be found at <http://www.tcprg.com/vtn>.

For more information about TCP/RG Workshops, call 516.965.6431 or email info@tcprg.com

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TCP/RGSM

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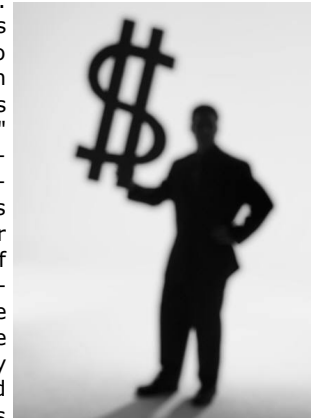
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Manufacturers & Service Providers:

Channel Incentive Programs

Follow the dollars. It's at the core of every channel management professional's heart. You can teach them, train them, encourage them in so many different ways, but a channel professional will always do what their compensation plan tells them to do first.

Over the past quarter century our Resultants have seen examples of just about every imaginative partner incentive program imaginable. Back-end dollar programs that reward the partner who brings the opportunity even if they don't sell it, rewards just for getting "qualified" appointments, SPIFs, additional rewards for deal registration, tiered margins with additional "bumps" for achieving required levels of certification and every combination of the above. We've seen vendors who drive volume while saying they want their partners to add value, and manufacturers who insist that partners invest in value only to lose their certification due to lack of volume.



We've learned the advantages of some and the pitfalls of others. We've also learned how to make a good compensation and incentive program "Plan-Lawyer-proof" to avoid the tanking, stuffing, delaying, and other counterproductive sales behaviors that a less-thought-out compensation program can produce.

Our Resultants will work with your senior sales management team to review the various strategies and structures available to construct comp plans with and help them to determine which are best for your company. Tiering, quota and goal systems will be discussed and defined. Value vs. Volume decisions will be turned into action.

We'll help them acid-test the numbers to make sure there are no loopholes or tricks that can prove very costly. We'll work with them to produce introductory presentations and tracking systems with flash reports to keep each sales professional aware of their daily progress toward goal. Make sure your partners follow the dollars to success for themselves and for you!

For more information about TCP/RG Incentive Programs call 516.965.6431 or email info@tcprg.com

TCP/RGSM, The TechChannel Partner Results Group, Inc., is a Professional Resultancy dedicated to helping IT industry Solution Providers, including VARs, Resellers, & integrators as well as Manufacturers, Software Publishers, & Service Providers achieve better business results through effective partnering and best practices.

Our Resultants are all IT industry veterans with years of experience at senior executive management levels who are now available to help you improve sales, business development, marketing, communications, operations, professional and technical services management and the successful