

SALES BEST PRACTICES



LATVIV

Keeping the Spark Alive™



Customer and vendor personnel interact with each other in circular phases, as outlined in the image below. These phases are circular since, after every cycle, there is an opportunity to sell more services and products and repeat the process. CSMs (customer success managers) are incented and should be motivated to keep repeating this cycle to boost vendor revenue. Excellence in each phase forms a strong foundation for the next step and the next cycle iteration. Latviv advises vendor resources to follow best practices, risk assessments, checklists, and templates to pursue a consistent approach across all phases. This eBook outlines a few best practices and risk assessments applicable during the sales phase. The full list of these elements is prepackaged in the Latviv platform.

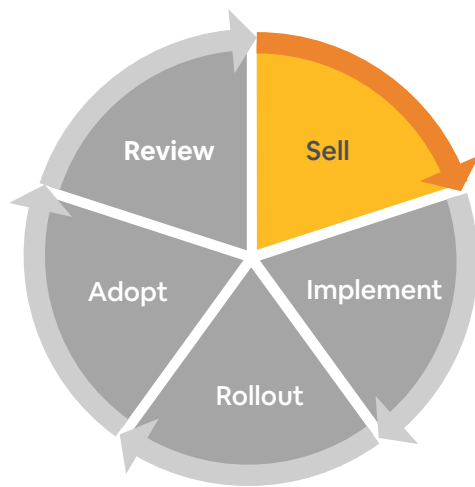


Figure: Customer Success Touchpoint Cycle

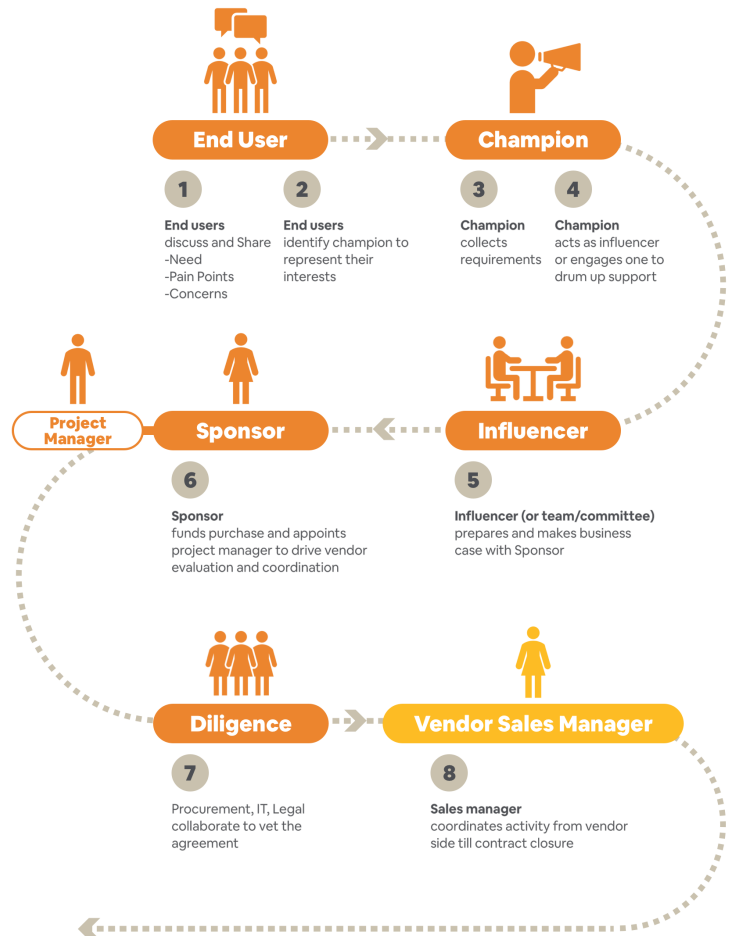
CSM INVOLVEMENT DURING SALES

Customer success interaction starts from the sales phase and, to some extent, marketing, through which vendors attempt to obtain contacts of prospect companies possibly interested in vendor products and services. Each interaction—from discovery, product demonstration, proposal development, and contracting—is an opportunity to impress the customer and provide a superior customer experience. In this phase, from the customer success standpoint, expected outcomes, key performance metrics are documented clearly in a customer success solution and shared with the customer contacts, sponsors, influencers, and decision-makers. CSM should also capture all customer personnel details such as their likes, dislikes, goals, achievements, demographic background, and emotions experienced during their interaction with the vendor. With clear expectations and supporting documentation, software implementation, rollout, adoption, and ongoing renewals become more manageable.

While the sales executive is on point to convert the lead into an account, CSM is responsible for ensuring that the customer achieves their goals after they sign the contract. While every vendor will have varying management hierarchies, Latviv suggests that the assigned CSM is on point for all post sales phase activities while staying in the loop during the sales phase. Sales and marketing teams should jointly handle customer experience and success responsibilities in the sales phase.

TYPICAL SALES PROCESS

Most enterprise investments are need-based. Typically, customer end-user personnel express a need for a solution to their management, who then appoint a champion to represent the end user's interests. Champion collaborates with influencers to understand detailed requirements, options available in the market, pricing, time frames,



Customer

Vendor

expected value, and return on investment. Influencer prepares and makes a business case for a solution to sponsor. Latter, reviews the budget for this year and next, makes funding arrangements and identifies the project manager to coordinate the rest of the purchasing process. Latter, invites vendors to bid for work, and coordinates shortlisting and final selection in collaboration with all customer personnel (refer Latviv eBook "Customer Success Enablers" or the full list of customer end roles). The due diligence team looks at relevant vendor financial, technical, usability, staffing, security, privacy, administrative, and all other relevant capabilities before they finalize sales contracts.

SALES RISK ASSESSMENT

Latviv's eBook "Driving Efficiency in Customer Success Operations" provides several mitigating solutions to prepare and protect against the challenges listed below:

- Project objectives siloed in contract statements and proposals
- Competing priorities between customer personnel at the time of project execution, to the point, that former goals are neither aired in later phases nor realized
- Customer personnel information not documented and retained
- Customer side responsibilities reassigned during the other phases
- Key customer personnel's interest in project diluted, and priorities changed
- Renewals, cross-sell, and up-sell opportunities compromised, making the project unprofitable for vendor

QUALITY OF COLLATERALS AND TALK TRACKS

Sales talk tracks term stands for the jargon used by sales teams to make the sale. This jargon includes information such as "why is the vendor's product better than others," "capabilities of the product," and "vendor's strengths on top of its product based capabilities." Product marketers—in

collaboration with sales, product, and engineering leadership of vendor organizations—create standardized sales and marketing talk tracks and collateral. Sales engineers or sales staff under the direction of the sales leader assigned to the account prepare prospect specific content.

During this phase, minimal time is available from customer personnel. Novice vendor resources, sensing time constraints, tend to convey a lot of information in less time. On the contrary, Latviv recommends vendors talk to the point and with quality words and visuals. They need to follow customer contacts' lead, let them talk more, and respond when requested. Customer personnel are interested in all relevant vendor details, and if they are interested, they will reach out.

There is an information-sharing balance that the sales team needs to pursue in this phase. Share enough to keep them interested and motivated until the contract is signed. During sales conversations, it is better not to expose everything. Have them ask for more. Keep them engaged as they make a business case internally, get funds, and complete the vendor evaluation process. Leave open the possibility of sharing data gradually, providing a pretext to reach out and ask for status. Additionally, always be mindful of not revealing competitive information that could be used against the vendor and in favor of competition during sales conversations. While vendors require signed non-disclosure agreements (NDAs), it is not much of a deterrent in practice.

Whatever one says should be well thought through. Presentations, notes, contracts, and proposals should be of top-notch quality. Both aesthetics and content of the shared materials should be appealing and compelling. Engage a designer to ensure that the materials are pleasing to the eye and intellectually excite customers' minds at the same time. As a rule, provided information will be reviewed with interest, if it is pleasing to the eye first. Readers tend to glance and skim through sales and marketing literature before they dive further for detailed information. If the visuals are not attractive, vendors will lose the opportunity to get the first favorable impression.

Make it easy for the customer to grasp the message. People always have too much to read. Start with a summary, get to the point, and then lead the reader through detail. Good readers scan every document, front and back, looking for the vital information. Once they locate it, they zero in. If they cannot find the summary fast, they will reject, move on, or de-prioritize it.



BUSINESS CASE

➤ Key Takeaways:

- Talk less and with quality
- Ensure collaterals are pleasing to the eye and appeal to customers' minds at the same time

HELP PROSPECTS MAKE A BUSINESS CASE FOR SOLUTION

Give your prospect the time and resources to make your solution's business case to their executives. Proactively think and provide materials that will make it easier for the prospect contact to consume and leverage for their presentations to senior executives. Use the business case argument to have them create a budget for the product if not obtained already. Tapping into money left over from some other product's account is another possibility. All this potential effort from prospects is conditional on potential buyers' and sponsors' conviction in the product's value proposition.

Structure pricing so that it is simple to understand, is flexible, with tiered options, and is in line with customer budget. Simplicity minimizes conflicts and misunderstandings during contract negotiations, implementation, and renewals. Always

propose the least resistance approach and ensure pricing consistency across all customers. Sales and marketing collaterals will accordingly be standardized, making the lives of all customer-facing resources easier.

Senior vendor leadership handles product pricing decisions. The recommendation outlined above is more for them than for the CSM. CSM group leadership should influence pricing models and take appropriate feedback from on the ground CSM staff interacting with customers regularly. As a quick primer, pricing is dependent on product cost, company overhead, competitive pressures, and price sensitivity of customers.

➤ Key Takeaways:

- Offer simple to understand and flexible pricing terms
- Check for budget, make a business case to create budget and stay within budget

CHOOSE YOUR CUSTOMERS

Sales, marketing, and CSM staff should clearly understand their products, business models, and targeted customer profile. While this consideration is more applicable for vendor's senior management, related inefficiencies and

inconsistencies can have significant revenue and cost impact and setup the CSM for failure in subsequent phases.

For instance, never use a direct sales force to sell to low budget low volume accounts. Numerous startups fall into this trap, thinking that it is easier to get small customers before selling to large ones. When they do manage at times to get into the large accounts, the effort required to service the small existing accounts remain substantial and drain company resources. The key is to refine the business model and identify your sweet spot fast. If you are starting a new business model, fail fast, refine, test, and scale.

If the low budget low volume accounts are not your sweet spot, politely decline to pursue this segment, de-prioritize existing, and move on. Likewise, if you serve a mass-market customer base with a low touch service and support model, decline to work with large accounts that require dedicated service and support teams.

Specific prospects are better off with competitors. Get a sense of the demands placed by your prospects during negotiations and weigh those demands against the potential to grow revenue.

Many times, products that don't make sense are sold to customers to make up for sales targets. High-level customer executives could get influenced in to signing deals,

leveraging corporate relationships, or familiar investors. But, after the sale, it becomes an uphill battle to implement the solution and to adopt it if people on the ground don't appreciate and find value in the solution.

Despite the limited alignment of vendor's product with prospects' needs, vendor sales executives persistently knock on prospect's doors, work the phone lines, emails, and other desperate measures, not realizing that they can push the needle only so far. Executive influence can only go so far. The effort from both vendor and customer sides may not be worth it. For senior vendor executives, it can be difficult to bite this bullet and accept this reality. Latviv recommends that they do, sooner than later.

➤ Key Takeaways:

- Low paying and high maintenance customers are not worth their name if you are not able to leverage those relationships for selling into new accounts
- While it is worthwhile to engage them early on in your business lifecycle to test product concept, cost considerations should deprioritize effort to maintain their implementations
- From loyalty and gratitude standpoint, indulge initial customers, but never at the cost of company progress or expensive resources



DO NOT BURN BRIDGES

Mid to large consulting companies offer numerous service offerings and look for repeat business from customers. They assign senior staff to accounts for periodic follow-ups. Winning and losing request for proposals (RFPs) to other consulting vendors does not mean an end to these relationships, since other opportunities are always in the pipeline at the same customer.

Additionally, customer service is in a consulting company's DNA. For context, senior-most staff—popularly called company partner, managing director, executive director, or equivalent—treasure their assigned accounts. Each senior resource is responsible for nurturing their accounts, selling the full portfolio of services offered by the consulting organization. As the account owner, their focus is customer satisfaction.

On the other hand, smaller software companies and startups are typically into one-trick pony software sales. When their solution loses out to competitors' solutions, such companies think that the relationship is lost. However, no software implementation is permanent at any company for a given domain area. There is always room for vendors to get into the account after losing the RFP during a formal evaluation process. Most large customers engage more than one vendor and maintain more than one implementation as a backup solution. There is always a possibility that customers will open another bid in the future and invite the rejected vendor again. Customers realize that innovation is continually happening, so a de-prioritized vendor may become a force to reckon with in the future.

Software companies, big and small, need to take a leaf from consulting companies' mindset and treasure each prospect relationship even if it does not turn into a business transaction in the first few rounds of conversations.

➤ Key Takeaway:

- Maintain contact with prospects that did not select your software in the first round

ALLIANCES BETWEEN SOFTWARE AND SERVICES PARTNERS

Out of sight, out of mind is a human psychological trait that causes failed deployments after the implementation team is out of the picture. To address this, large software vendors explore mutually beneficial partnership arrangements with consulting companies present onsite for long durations.

Internal audit projects or ongoing IT hardware/network support projects, for example, tend to be multiyear relationships. Alliance with such consulting partners can make the onsite partner your local champion vouching for your interest during their regular interaction with customer contacts. In return, software-vendors offer services opportunities related to their software implementations to their partners and invest in training partners' services personnel.

➤ Key Takeaways:

- Build alliances with services organizations that are engaged in long duration projects with customer
- With proper incentives they will vouch for your interests in your absence

EXPLORING UPSELL AND CROSS-SELL OPPORTUNITIES

Coming back to the circular nature of the phases, once a product or solution is successfully implemented for a customer, CSMs, in collaboration with sales executives or themselves, based on the vendor's incentive model, should begin to look for upselling and cross-sell opportunities.

After deployment, software companies pursue periodic business or adoption reviews, called quarterly business reviews (QBRs), with the customer. Vendors do not have to stick with quarterly schedules and can vary the frequency based on the situation. This topic is addressed at length in the "Adoption" eBook on Latviv's website. Such meetings are ideal for bringing up other potential and meaningful opportunities if the previous product or service deployment succeeds.

Customers, while open to hearing about other opportunities, do not appreciate aggressive selling during such adoption or business review sessions. A subtle, consultative approach works best in such situations. Whether you are selling, implementing, or following up on adoptions, always go with some different nuance or nugget of information to your customer. You will create an image of a resourceful contact amongst your customer base and ever feel welcome whenever you reach out to them. Do not expose the full bag of information in one meeting. Gradually trickle through this information so that you stay engaged and have a reason to go to the customer, exploring business development opportunities now and then.

➤ Key Takeaways:

- People like to buy from and work with people they like or are impressed by
- Offer meaningful business value and your customer contacts will not hesitate to invest further in your relationship with them

ABOUT LATVIV

Latviv is a provider of customer success management solutions and services, available as a cloud deployment option.

Latviv's solutions increase customer retention rates, boost up-sell, cross-sell, and new license revenue, and help engage with prospects, with appealing customer success results.

Reliability and Better Security

The Latviv platform rides on the Google Cloud. Google provides cloud services reliably due to its experience operating its core services like Google Search. Security controls in the Google Cloud isolate and better protect data by various methods such as compartmentalization. The Google Cloud Platform meets the most stringent data security and data center reliability standards like SSAE16 and ISO27001, a level of protection that few corporate data centers can match.

The Latviv Difference

Latviv's SAAS platform passes the multi-tenant architecture cost savings to its clients, with an appealing pricing strategy. Latviv's scalable architecture and unique design make it easy to support its multiple client implementations on the same server instance. Each of Latviv's clients can, in turn, manage an unlimited number of their customers and engagements.

Latviv provides a rapid jump start through prebuilt content, relationships—of system elements outlined above—story tracks for working with all stakeholders, templates, and customer setup examples. System users can copy relevant content, update for their situation, and start using the system.

The platform uses an advanced decoupling framework to create a Lego block paradigm that Latviv users can use to create graphs, and capture disparate metrics, joined together in user-determined dashboard views. With this highly flexible approach, users can create and articulate stories the way they want and link references to them to any system element.

Ask for a demo or better still, ask for free access. See it to believe it!



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