

five minutes  
with  
**Ron Volper**

BY FANNIE WEINSTEIN

**A**s recently as 15 years ago, it was enough for a company to be able to offer its customers an excellent product.

Those days are gone forever, declares sales management consultant Ron Volper. Now, because buyers are more knowledgeable and more demanding than ever before, it's not only what you have to sell that counts, but how well you sell it.

According to the president of the White Plains, N.Y.-based Ron Volper Group, Inc., the most successful compa-

nies today are those that have reorganized their sales departments and reoriented their salespeople so that buyers perceive them as providing added value. Companies that refuse to meet this challenge, Volper says, will find it increasingly difficult to attract new customers and hold on to existing ones.

After all, says Volper, whose clients have included Fortune 500 companies such as General Electric, Barclay's Bank, Merrill Lynch and Bristol-Myers Squibb, "your best customer is your competitor's best prospect."

**Q. How are business-to-business buying practices different today than in the past?**

**A.** Buyers today are more skittish. They're afraid of making a bad decision. Because companies are under increasing pressure to keep costs down, managers are demanding employees be able to justify each and every one of their expenditures. So before buyers will spend money on a product or service, they want to be told not only how much of a return they'll see on their investment, but how soon they can expect to see it.

Buyers are doing more comparison shopping, as well. In my business, for example, clients seem to be reluctant to sign on with a firm unless they've checked out the competition.

Also, more levels of management are becoming involved in buying decisions. Salespeople are finding increasingly they're being asked to make their

pitch to a buying committee rather than a single buyer.

**Q. How widespread is this shift?**

**A.** Some industries — banking, financial services, consumer products, health care — have undergone more dramatic change than others. But it's fair to say it's taking place across the board.

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**Q. What can companies do to adapt to this change?**

**A.** They need to reengineer their approach to selling. Not only are salespeople facing more competition than they have in the past, but the cost of selling has gone up dramatically. Since the mid-1980s, the cost of the

average face-to-face sales call has increased more than 30 percent, from \$300 to \$400. Also, as a result of downsizing, buyers have added responsibilities. They may not be able to devote as much time as they did in the past to a single purchase.

Sales is far more of a science than people realize. That's why salespeople need to devise a written business plan.

It's not enough anymore for a salesperson simply to show up at an office and be engaging. They need to have intimate knowledge of all aspects of their customers' business, including their customers' products, their customers' customers and their customers' competition. They also need



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to get a handle on their customers' goals so they can show how their product or service can help a customer achieve those goals.

**Q. Where does customer service fit into this equation?**

**A.** Sometimes a client will ask me, "Should we be focusing on sales or on customer service?" To me, that's an artificial distinction. Salespeople need to keep support staff abreast of what's going on with each of their accounts if a company is going to be able to respond to customers' needs.

**Q. How have some companies met this challenge?**

**A.** One global financial services provider I know of now collects very comprehensive, timely and accurate data about its customers and makes that data readily accessible to all of its employees. That way, when a customer walks in the door, whoever happens to deal with that person has information at his or her fingertips.

Another firm, a major diversified consumer products company, conducted a geographic analysis of its customer base. It then repositioned its salespeople accordingly, which enabled it to sell to customers on a more cost-effective basis. Second, it com-

plied a profile of its top salespeople and began hiring against that model. Third, it restructured the way it compensated salespeople. Now a larger percentage of their salary is based on results. The year after the company instituted these and numerous other changes, sales increased 16 percent.

**Q. Do you see buying practices continuing to change?**

**A.** Over the next 10 to 15 years, salespeople will have less and less direct involvement with buyers. Customers will have even less time than they do today for multiple sales calls. More business will be done over the Internet. Customers will be much more likely to say, "Just send us your proposal by e-mail."

**Q. What will happen to companies that resist changing with the times?**

**A.** Short term, their sales revenues will decrease and they'll lose customers and market share. Long term, they'll go belly-up. They'll be gone and forgotten. □

*Fannie Weinstein is a freelance writer based in Ann Arbor, Mich. Her article on Merck & Co. appeared in the September issue of Profiles.*