

Strategies to Develop New Opportunities in SMB Market

Topics of Interest:

- SMB – Market focus: Target list
- Re-engineering for transformation from product to services
- Recruiting & Finding clients
- Learn about SMB & Commercial space, products & Services
- Creating Leaders
- Sales Comp/ Performance

Introduction feedback:

- Find SMB Target list & strategies to create demand
- Mid-market went to small market – finding & marketing new audience
- Motivation for trying new things like virtualization, remote computers (identify how to grow a business)
- Connecting partners with services, referrals
- Rebuild SMB business – keep customers, 25+ systems
- Direct response marketing – email through Chamber of Commerce
- Offering “lite” solutions to retain customers
- Solutions to support business processes (create)
- What’s effective marketing for MSP
- Re-inventing business – expanding into verticals as reseller (hospitals) segmentation strategy

Value of IT

- Price
- Networking Group/Referrals
- Targeted
- Whiteboard where your clients have come from to target new marketing
- Product sales vs. services
- Event based marketing (consistency required)
- Multi-tier approaches
- Cable ads – excellent results
- Social networking/get verticals with accts to recommend
- Use local media

Outsource IT, SAS – new opportunities

- 1 wk engagements w/engineers- a move from 6-9 engagements
- MSP- self services with monthly fee (define)
 - Realist need to continue to sell

Top SMB Issues

- How to define space/products that are relevant (vertical, evolving opportunities, killer appointments)
- Best way to build target list
- Most effective marketing in SMB (disconnect with sales)
- How to successfully leverage target lists
- How to build effective SMB sales capability (training, attracting talent)
- Service assets most in demand by SMB

- Understanding role of SaaS/Managed Services

Marketing –

- Focus on vertical market – solution focus
- Define space – means different things to different people
- Invest in deeply knowing their business
- Align with other adjacent markets
- Intern-research/discovery
- Enlist vendors to help \$, Lists, Marketing
- Define your target audience and Pain Point (who, what, why)
- Direct mail, call, meet, letter
- Focus on center of influence to expand your presence & offerings
- Lists, internet (yahoo yellow pages)
- Industry pains – Compliance, short skills
- Green Initiative discussions
- Marketing sponsored by vendors
- Deep relationship with vendors invest to build these
- Create a business plan to get vendor money
- Successes –
 - o Turnkey initiatives
 - o Outsource to vendors/suppliers (HP/Microsoft)
 - o Storage, security seem to resonate
 - o Qualified
 - o Vehicles (postcards, telemarketing, emails)
- **Key = relationships with suppliers
- Messaging must resonate with target (i.e. – cost savings, ROI clearly defined)
- ROI is EVERYTHING
- Must solve business plan

Strategies

- Building Target list
- Customer segmentation
 - Verticals
 - Small vs. mid market
- Small business motivators/need
 - Growth strategies
 - Maturity of business processes
 - Demand for new services
 - Future for SaaS, MSP, etc

Types of Marketing

- **Outbound**
 - o Robin Robins – 8 touches
 - o Lunch & Learn seminars
 - o Call to action
 - o Event “movie” night
- **Referral**
 - o Use PSA to rate if they will refer
 - o Get 1st commitment from potential new customer
 - pre-meeting

- D&B/Credit Checks to pre-qualify potential new customers
- *Face Time*
 - Feet on the street
 - Drop off kits
 - Collect cards
- *Others*
 - Put a bowl in a restaurant like the free lunch give away that financial planners do.
 - Ransom letter

Segmentation for Customer Size

- Why do customers buy – to create a value proposition
- Motivation – IT recommendation – motivation comes from customers to change SMB behavior and decisions
- Meet customer expectation – consistently – continually provide value – seminars
- Phy. Are making EMR decisions first and then building support, structure, hosting solutions around
- Green – increase ROI – cost reduction – evaluations
- In small 10-15 size – cost is always first consideration
 - Change solution to reduce cost or increase revenue
- Change the bid from upfront cost to monthly billing with full solution (end-to-end)
- “Hardware as a service”
- Co-sourcing vs. outsourcing
- SMB prospecting
 - Who do you want as your customer?
 - What do I do well and who is the customer?
 - Is there a market for those services?
- Identify and call 5 companies a day of companies you don’t currently work with (chambers of commerce horizontal – vertical approach associations)

Segmentation

- Associations/trade organizations
- Professional services
- Healthcare

** Think about size: 100+ or <20

Growth strategies/Drivers

- Stimulus funding access
- Cost reduction/ROI
- “Green” power cost reduction
- Outsourced IT – HaaS

Manage Services

- Reporting is key! Monthly client meeting
- Fix cost with ROI
- Focus on manage services for new clients as well as existing
- Manage services – all inclusive or pay as you go; schedule onsite support time

Sales

- Newsletter: no sales pitch- how to reach MSB without seeming like spam
- Customers don’t care about “geek stuff”
 - Bottom line= more productive = save \$
- Finding good sales professional:

- High integrity sales (not highest xp)
- Non technical – more detailed
- Women (more detailed)
- Referrals: word of mouth, personality, etc.
- Start with proposals
- List for prospect
 - Zaprato.com
 - Public libraries – 25 leads free everyday
 - AVAYA – cold calling
 - Hooven – some data as yap data

Sales tips

- Community involvement – finding opportunities “accidental sales”
- Sales qualified leads – need a sales engineer
 - Why? Customers tell engineers things they won’t tell the sales person
 - Motivation of the sales person effects the customer communication
 - Engineers that move to sales are more successful at closing
- Need to gather information at first meeting – from technical perspective
- Gather metrics on closing: with or without sales engineer
- Problem: “No decision”- fear of spending, creating a flat pipeline – find a call to action
 - Changing payment schedule
 - Changing including perceived value services
- Identify need of different sales cycle for services (shorter urgency); hardware (slower) budgeted items
- Customer changing – IT Decision maker: Making decisions out of fear, decisions may go to CIO now, different pitch needs to be created – for example creating a infrastructure TOI report – selling at a higher level
- Dealing with fear – change the conversation to “tool” vs. “replacement” – don’t make the IT person an enemy
- Change the term “outsource” this term brings fear
- Change financing – add service for a year (for example)

Sales Strategies

- Training/know the company/history/employee orientation
- Know end-goal before you engage
- Set appointments with end customers
 - o Discuss details at face-to-face meeting
- Successful with Security Assessment
 - o Build the relationship
 - o Build the trust
 - o Just focus conversations on client’s business
- “shared leadership”
- Comp plan: Must be based on profit margin
 - o Spiff 1st month for new contract
 - o Pay off the reoccurring revenue 50/50
 - o Accelerators to reward behavior

Sales Engagement

- Identify, educate and report to clients around the ROI
- Reduce complexity
- Talk about how the solution will increase productivity

- Relationship sale
- Assessments – micro & macro; billable

What is an Effective Sales Plan to tackle the SMB?

- Brand is at the front
- Refer builds brand
- Yellow pages works and is simple
- Security is an opportunity to both go wide and deep with existing as well as develop new customers.
- Sales to exist vs. sales to current
- Work Force Investment Boards (local)
- Read “The Speed of Trust” by Stephen Covey
- Help your community
- Economic Development Committees
- TRUST
- Hire senior systems engineer to make calls
- Sales reps need incentive to give 110%
- Create market by knowing compliance, laws, regs. & establish need
- Sales immersion into tech roles

Products & Services

- Virtualization
- Security/Backup/Disaster Recovery
- Remote Monitoring (do for free)
- Fed \$\$ for HIPAA

Other Discussion

- IPA: Independent Phy. Association to bring on small clinics
 - Use doctors using a system for peer presentations

Major themes:

- Marketing
 - Presenting solutions first, not products
 - Using green initiatives in campaigns
 - Focus on vertical markets
 - Using/taking advantage of vendor/partner MDF funds
- Sales Engagement
 - Reducing complexity for customers
 - Solution increases productivity