

ANALYSIS

THE SALES STRUCTURE OF THE FUTURE

WHAT SHOULD CHANGE AND WHAT SHOULD STAY
THE SAME

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Introduction

A bridge connects two or more roads over otherwise impassable terrain. It often enables travel efficiency and creates the shortest distance between two paths. To put it simply, a bridge is a brilliant necessity. Today's businesses depend on a variety of metaphorical bridges, and they must regularly re-examine—and in some cases rebuild—them.

Years of use, exposure to weather elements, and even driving practices take a toll on a bridge's structure. Eventually, bridges will need widening, rehabilitation, structural reinforcement, or replacement. Even if it is still operational, a bridge may be in need of repair. Although it probably won't fall or collapse with regular use, an unexpected event could quickly put the bridge out of commission.

If you compare your business' sales structure to a bridge, several parallels can be made. Here's just one example—maybe your sales structure still works in the sense that it hasn't caused your company to fail, but a discerning inspection might reveal that the deficiency of an outdated approach is putting valuable business at risk. This document explores how you can shape your sales structure to serve your clients' most pressing needs today and in the future.

The Foundation of a Sales Structure

Customer expectations continue to evolve, and print service providers (PSPs) must be aligned with their buyers' changing needs to remain competitive. If you aren't sure how to build a strategic foundation, the structure of your sales organization is a great place to start.

The way in which you organize your sales team directly influences the likelihood of achieving profitability. To establish a strong foundation, businesses must define sales roles and responsibilities, address any gaps that create barriers to sales success, and meet customers on their own terms.

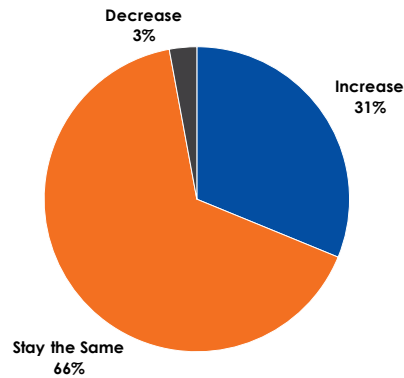
The onset of the COVID-19 pandemic over a year ago forced sales organizations of all sizes to transition from tried-and-true practices to a more flexible approach. For example, outside sales professionals were tasked with quickly learning the ins and outs of "inside" or "remote" selling. Many businesses had to make dramatic adjustments, but these changes spawned better sales strategies and improved practices—confirming that it pays to avoid the trap of doing things simply because they've always been done that way.

As shown in the Figure below, nearly one-third of surveyed PSPs plan to increase the number of reps dedicated to prospecting in 2021.



Figure 1: Number of Sales Prospecting Reps

How do you expect the number of sales reps dedicated to prospecting to change within your company in 2021?



N = 138 Respondents
Source: Marketing & Sales Research for PSPs; KL Kimerer & Associates 2021

Further examination of the data reveals that of the PSPs who achieved double-digit growth in 2020, two-thirds have plans to increase their number of sales prospecting reps.

Build Your Team with Your Goals in Mind

A sales structure refers to a sales team's design and how they are organized to optimize sales results. Organizations employ a variety of sales techniques, including an inside/outside sales model, a hunter/farmer/trapper approach, a geographic territory technique, an account size method, a vertical industry structure, a line of business slant, or some combination of the above. The best way to structure your sales team will primarily depend on your customer base and business focus.

The framework depends on the size of your sales organization. Smaller operations may have a simple, linear approach where sales are driven by an exchange of phone calls, e-mails, and meetings under the support of a general sales representative. Larger organizations tend to have more complex structures with additional roles. Their organizational charts will typically include titles like Business Development Reps, Account Managers, Sales Engineers, Territory Sales Managers, and Industry Specialists.

If you are unsure about whether to change your sales team or how it is organized, determine what problem you're trying to solve. Start by asking yourself a simple question: "Does our current sales structure serve the needs of our most important customers TODAY?"

The characteristics of your customers' businesses will shape the most effective selling practices. When purchasing your products and services, customers crave an easy-to-understand process that offers efficiency and flexibility. Customers value sales professionals that empower them to save time and resources so they can quickly get over the finish line. With this in mind, an audit of your current sales structure may reveal gaps that slow down the buying process or necessitate too many e-mails or phone calls. These gaps can also cause missed opportunities, errors, and unnecessary layers for decision-making or



approving. Put yourself in your buyer's shoes—when you set out to make a purchase, how often are you delighted and prompted to recommend that company to a friend? It goes without saying that you'll want to be able to reach a salesperson, and once you do, that salesperson should be able to address your questions effectively.

Commonly Used Sales Structures

It would be irresponsible for this document to imply that a single sales structure can be all things to all businesses. In addition to customer preferences, your own business objectives will dictate the right sales structure. Let's take a closer look at five of the most commonly used structures.

1. Inside/Outside Sales (Sales Development / Account Management)

If your company's focus is on gaining a significant market share and nurturing your current customer base, it might make sense to design a structure that addresses those specific disciplines. Most sales professionals will be good at increasing market share (sales development) OR nurturing existing customers (account management), but not both. As a result, you might be disappointed if you expect the sales rep responsible for nurturing high-ticket customers to also onboard three new accounts each month. Take the time to learn your reps' capabilities, then assign them to their tasks accordingly.

2. Geography/Territory

In a more traditional sense, assigning territories or zip codes to your salespeople addresses the need to penetrate an entire community. This technique also helps curb the temptation to cherry-pick certain opportunities. With this approach, salespeople become better engrained within their territories, learn to understand the competition at a micro-level, and can effectively demonstrate community involvement.

3. Product or Line of Service

PSPs know that expanding their offerings is a solid approach to business growth. By assigning your reps to specific products or services, you can create product specialists. This strategy gives the salesperson an advantage when selling to discerning customers and prospects. Sales reps can deliver value by lending insight, offering education based on best practices, and quickly solving any problems. A word of caution, though—product specialists have a tendency to focus on the mechanics of a problem rather than devising a solution.

4. Size of Company

The skills required to successfully onboard a small or medium-sized business are different than what is required to navigate the complexity of a large enterprise. By assigning sales responsibilities based on company size, you can help ensure that every customer feels valued, understood, and receives the attention they deserve.



5. Industry/Vertical Segment

Aligning your sales efforts by vertical markets is one of the most effective ways to outshine your competition. Every industry has its own unique way of approaching printing and communication. A sales professional that is equipped with the rules, regulations, and cycles of that industry will usually have higher, more profitable win rates than general line reps. Customers value salespeople that understand the needs of their industry and can help them navigate the waters.

What's the Best Structure for Your Business?

The list of sales roles is extensive, and only a few have been represented here. Which strategy will drive the best results for you and your customers? The answer will depend based on the problems you're trying to solve. Ask yourself the following questions:

- ♦ Are your high-value customers getting the time and attention from their sales rep that they need to remain loyal?
- ♦ Are you getting the results you need to grow your business with new prospects and customers?
- ♦ Are sales cycles stalling as you wait on technical validations?
- ♦ Are valuable leads slipping through the cracks?
- ♦ What are your competitors doing better than you are?

Opinion

When determining your sales structure, one thing must never change—its alignment to your business goals and objectives as reflected in your customer requirements. If you witness a shift in competition, buyer behaviors, or market needs, you might need to change how you reach your goals. It's important to look at your sales skills objectively and question them regularly. From time to time, you might need to acquire new talent to fill any gaps that appear.

Much like a bridge, a sales structure must be agile enough to bend with the winds of change yet strong enough to withstand the seismic jolts that every business experiences. Now is the time to evaluate your current sales practices and determine which structure you want to use. By making intelligent decisions now while also remaining open to future amendments, you can set yourself up for growth.

opinion



author



Karen Kimerer
Director
208-991-4452

As Director of Business Development Strategies at Keypoint Intelligence, Karen Kimerer has experienced the many challenges of expanding current market opportunities and securing new business. She has developed a systematic approach to these opportunities, addressing the unique requirements of becoming a leader in our changing industry.

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