

SellingPower®

The Best Books To Read in 2010

THE FUNNEL PRINCIPLE

More than just a book – it's a **sales method for using the funnel** to consistently set effective sales strategies and achieve sales quotas and goals.

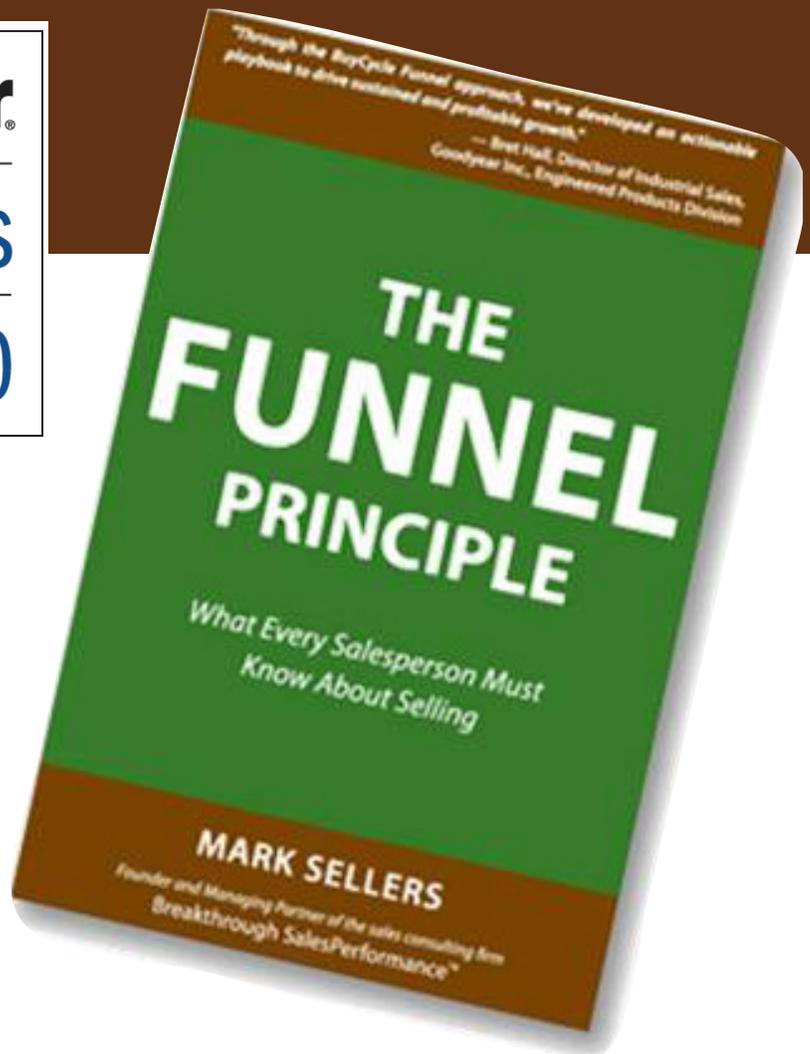
More than just a funnel. The **BuyCycle Funnel™** is a **game-changing design** that trains your salespeople to sell the way your customers want to buy.

More than just a funnel – The Funnel Principle is a **5-Step Process for Achieving Quota**. It's a proven process to more accurately measure and track sales progress and improve forecasting accuracy.

The system that Fortune 500 companies use to achieve their sales objectives.

"You 'broke the code' with The Funnel Principle and BuyCycle Funnel™ – brilliant!"
Steve Bregande, former president, GA Braun

"Through the BuyCycle Funnel approach, we've developed an actionable playbook to drive sustained and profitable growth."
Bret Hall, Director of Industrial Sales, Goodyear Inc., Engineered Products Division



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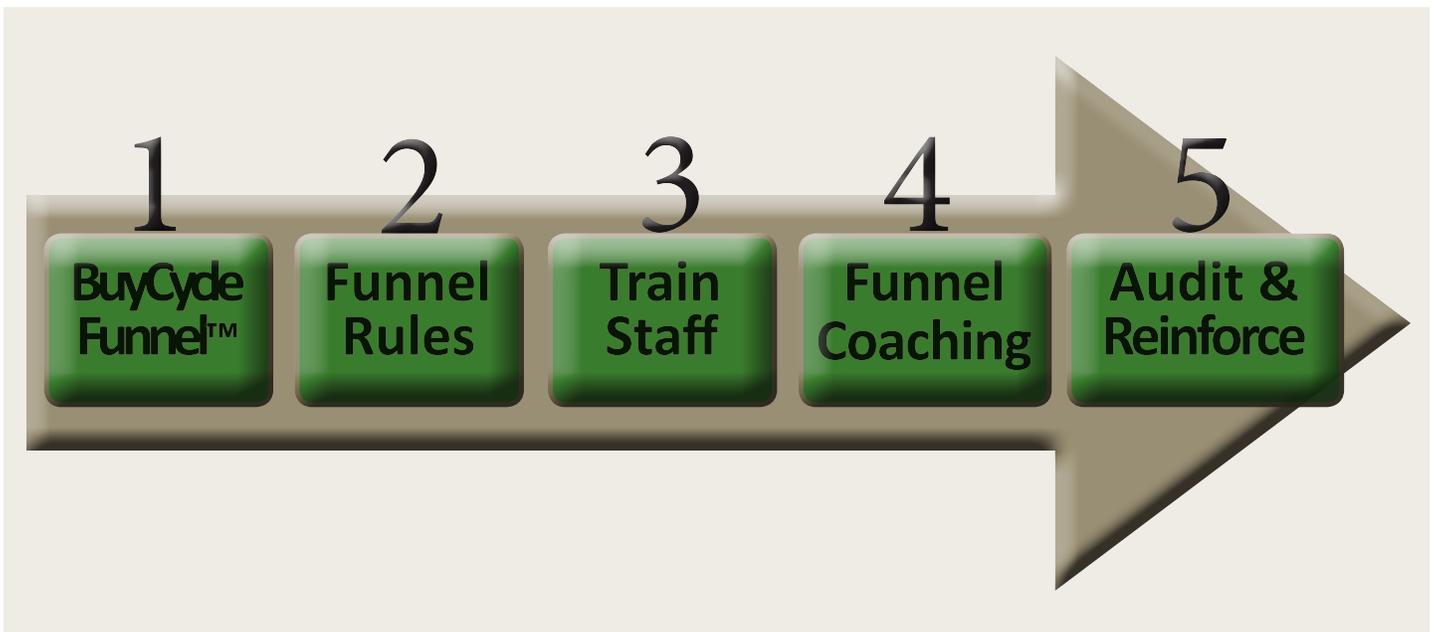
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BREAKTHROUGH SALES PERFORMANCE

Breakthrough Sales Performance® has pioneered a simple, yet powerful 5-Step process to help sales organizations achieve quota and other important sales objectives. The BuyCycle Funnel™, framed around the customer buying process, is at the heart of this system. Once implemented, the process provides an enterprise-wide approach easily managed by the head of sales and his/her management team. The process is a combination of BuyCycle Funnel™ design, training, coaching and ongoing reinforcement.



Mark Sellers
CEO - Breakthrough Sales Performance
Author - The Funnel Principle



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THE FUNNEL PRINCIPLE

Following is the introduction to the ground-breaking sales book, *The Funnel Principle*, by Mark Sellers. The book is available for purchase at funnelprinciple.com and amazon.com.

Introduction

In twelve years as a sales consultant to many of the world's most respected companies and recognizable brands the most common and most pressing need expressed to me by sales people, their managers and their senior sales leaders is the need to find, qualify, and win new business day after day. They're referring to this task in total – that is, finding, qualifying and winning not just one sale, but rather doing this throughout the year enroute to the thing that salespeople are expected to do – achieve quota. Getting to a required number of sales (quota), from a larger number of qualified leads, from an even larger number of leads overall. I call this entire function sales funnel management. Could there be a more important function for any business? And yet, despite the importance of sales funnel management to the success of the business, the absence of structured processes for this function is conspicuously absent.

As a result, I have developed a solution an 5-Step Funnel Management Process for creating a world class sales funnel management competency for business to business enterprises. The process centers around a new funnel model I've designed called the BuyCycle Funnel™. This model inverts the traditional sales funnel and confronts the casual approach to funnel management associated with it – an approach that is costing companies millions of dollars of lost sales and lost productivity every year.

What started as a novel idea several years ago, the BuyCycle Funnel™ has been validated by thousands of sales people and the companies they work for. Some of these companies are big – multi-billion dollar enterprises with hundreds of sales people. Others are small with \$10M in revenue and a handful of salespeople; some of the companies sell through direct channels and others sell through indirect channels; some sell services and others sell products. I've been fortunate to have the best lab one could imagine for this model – real clients with real needs.

Honestly, I didn't set out to create a new model for the funnel nor an 5-Step Funnel Management Process. I created the BuyCycle Funnel™ and the 5-Step Process in response to clients who asked me to help them improve their sales performance. I wanted satisfied clients and a successful consulting practice. I'm proud to say that since I founded Breakthrough Sales Performance™ in 1996 I have both.

The BuyCycle Funnel™ has transformed the way my clients sell and manage their salesforces. My clients have increased their sales using it. They have documented better productivity. Their salespeople have benefited, and so have their managers, their senior executives, and even non sales staff who participate with sales in selling. Sales managers use the BuyCycle Funnel™ to better develop their salespeople and hit their numbers. Senior executives use it to forecast and plan better. Their successes and experiences are documented throughout the book. You'll learn a great deal from them.

Why the Funnel?

One question I get asked often is this: "Does the funnel really play such an important role in better selling?" The short answer is emphatically yes! You'll read all about the funnel as being an untapped tool, sold short, taken for granted and misunderstood. Making the BuyCycle Funnel™ pay off for you might demand an entirely new perspective on your part.

For the past 12 years, I've consulted with hundreds of clients who mainly sell in a business to business arena. They sell in many different types of industries, different products and services and different channels. In all of these experiences I've seen lots of different kinds of sales problems, and the client usually has an idea of what it is. The client might state it as a prospecting issue or a close rate



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issue. They might say their sales people aren't closing well enough. They might say they're discounting too early and too much. They might say their funnels don't have enough going on in them. They might say they aren't growing new revenue in strategic accounts. Or they aren't spending enough time selling. And in a way they're all right.

But as a consultant my job is to clarify, to simplify diagnosis, and eventually to recommend solutions that are effective and reasonable to pull off. This stuff might not be rocket science, but it's amazing how much can get in the way of the truth and fact. In all of this client work I recognized patterns of ineffective selling that lead back to funnel related issues. Some of these patterns are within my clients' own salesforces, and some patterns are universal among all of my clients and their salesforces.

As I worked to understand my clients' situations, two root causes of ineffective selling emerged. They are related to the fundamental functions of the sales role, which are: 1) working a lead from start to finish, and 2) working enough leads for a certain percentage of them to close, to hit the sales objective for the year. Reducing the sometimes complex client situations into two main causes helps my clients identify better solutions to their problems, and thus, improve their performance.

Eventually I started asking people about their funnel processes. Most of them would refer to their sales funnel (e.g. pipeline) or funnel process in explaining to me how they worked a lead. In working a lead, their funnel was their selling process and it had defined stages or milestones. The stages at the bottom of the funnel were close to being an order. Stages at the top of the funnel were new leads. Their selling process, defined collectively by all of the funnel stages, would tell them where each sales opportunity was toward becoming a sale, which then told them what selling activity they should do next.

When I asked how they knew if they were prospecting enough for new leads and if they had enough in their funnels to achieve their sales objectives, the answers varied from 'not a clue' (at least they were honest) to 'I've got enough' to 'what do you mean?' What they almost always couldn't do was tell me with high confidence why they responded the way they did. It didn't matter what the answer was – they didn't know how they arrived at it. This alone was a breakthrough for many clients – they were sharp enough to know that the first step to improving sales success was knowing what they did well, and how, and what they didn't do well, and why. Having a great year might be nice that year, but if you don't know how you produce your success today then how will you re-produce it tomorrow?

This question about prospecting enough was related to funnel value, which is the dollar value of the sales opportunities on someone's funnel. Funnel value was something most salespeople intuitively knew they needed to know but didn't have a reliable way to measure it. In other words, they needed to know the answer to the question their managers often ask, "Are you working enough deals?" Some people counted the dollar value of all the deals on the funnel while others counted only some deals. If you are to maximize your chances of hitting quota year after year, and practicing good funnel management, it's important to know what deals to count and even more important to know how to count them. For example, if the funnel value is too small you'll have to add more deals to your funnel or bump up the dollar value of the deals you're currently working. If the funnel value is sufficient you'll need to know which part of your funnel and even which opportunities deserve your attention first.

In all of these funnels I saw and conversations I had about the function I found that by far the most common approach to valuing the funnel used a design that was based on selling activity. It wasn't obvious at first that this was part of the problem. But there's an inherent problem with a selling activity-based funnel design - it is defined by what the salesperson does, not by what the customer does. Your sales efforts are focused on your selling process, not the customer's buying process. A selling process focus promotes ineffective behavior such as not learning enough or the right things about the customer's needs. It encourages you to commit to selling activities that shouldn't be done at all or done yet depending on where the customer is in the buying process. It tempts you to not get customer commitment, and yet committing lots of your own time, money and energy – and that of your staff's - in the sale. It often leads to an overstated funnel value – you think your funnel has enough activity on it to achieve your quota by year's end. In summary, a selling activity-based funnel design sets in place an ineffectiveness of funnel management that leads to longer sales cycles, lower sales productivity, lost sales, and missed forecasts. Sure makes for a rotten day.



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The BuyCycle Funnel™ turns this selling activity-based approach upside down by designing the funnel by the customer's buying process or buying cycle. In the chapters that follow, you'll learn the details of the BuyCycle Funnel™, how it works, how to build one, and why it's the key to better funnel management and better selling. However – remember that as important as the BuyCycle Funnel™ is, it's still just a funnel. Having the right funnel is just one part of the big picture of funnel management. To get to a world class competency you'll need a process. That's where the 5-Step Funnel Management Process comes in.

As with any new sales system, especially one that salespeople will be asked to adopt, it must be simple to understand and to implement. I learned this first as a salesperson selling for Johnson & Johnson and Pfizer and receiving high quality and usable training, then as a sales manager for a mid sized medical device firm, and now as a consultant working with clients. I took great pains to simplify how you use the BuyCycle Funnel™ and the 5-Step Process. I have to admit that at times I thought the simplicity implied weakness and lack of depth. I was reminded of the several excellent, beautifully simple selling methods that I have come to know intimately as a consultant and a student of the craft of selling. Strategic Selling from the Miller Heiman company was one. Solution Selling from the company of the same name was another one. Wilson Learning's Counselor Selling, and SPIN Selling from Huthwaite. These four methods have become standards of selling for millions of sales people largely on the strength of how simple and effective their methods are to understand and use. I was also driven by a quote attributed to Colin Powell that read, "Great leaders are able to simplify and provide solutions that anyone can understand." I hope I've done that in The BuyCycle Funnel™ and the 5-Step Process.

Learnings, Outcomes and Payoff

By the time you finish this book you will have a new perspective on the role the funnel plays in your business. You'll learn that sales funnel management is a business function that deserves an investment in process, an investment that can pay off in higher revenues and productivity. You'll learn that the common, traditional funnel design today is not only flawed, but it can do more harm than good. You'll learn a new funnel model, the BuyCycle Funnel™, but you'll also learn that the real payoff requires much more than just a better funnel model, the 5-Step Process for Funnel Management. Adopting this approach will take commitment from many stakeholders to make that investment pay off in the form of a world class funnel competency. The outcomes are too important to be left to chance.

My goal is to educate, excite and equip you with the inspiration to act and the know how to execute. I'm confident that with your dedicated practice and commitment to adopting the approach you can transform your sales performance, that of your sales team's, or that of your entire organization. Let's begin in Part One with the basics – what is a funnel and what is it used for, and what is the most common approach to this tool and function today.

Good selling,

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Author, *The Funnel Principle: What Every Salesperson Must Know About Selling*



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