

Table of Contents

 The Cloud has Transformed Customer Buying Patterns 3

 Trends in Cloud Computing 4

 What does this mean for your sales organization? 4

 Checklist for Change 5

 Cloud-Centric Sales Team Members 6

 A Successful a Cloud-Centric Sales Team 7

 MAP Your Plan 8

 Keys to Rapid Launch of Cloud Sales Team 9

 Final Thoughts 10

ABOUT N3 11

The Cloud has Transformed Customer Buying Patterns

Today's cloud offerings have changed how customers buy. And in turn, sales organizations need to change how they sell.



THE WAY IT WAS



NOW WE HAVE

Enterprise purchases



Pay-as-you-go

Long-term contracts



No contracts

High-cost solutions



Lower price points

High-level signature



More departmental decisions

High competitive barriers



Less competitive barriers

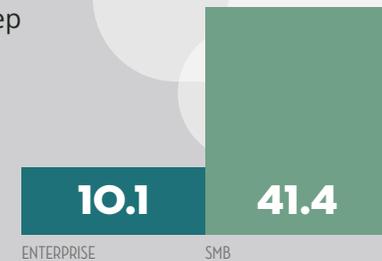
What does this mean for your sales organization?

Cloud-centric sales requires every element of your sales organization to adjust and re-align to the new paradigm.

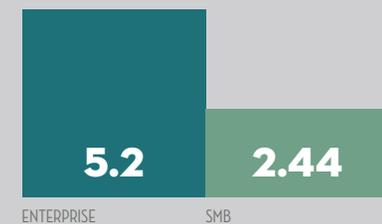
- Strategy
- Customer Valuation
- Targets
- Customer Engagement
- Team members/roles
- Compensation

Trends in Cloud Computing

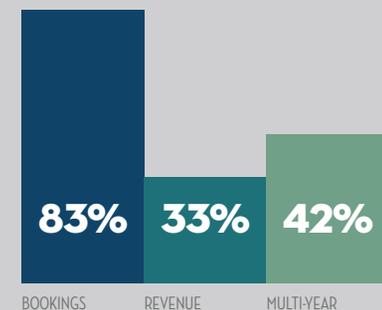
Average Transactions Per Rep (Per Year)



Average Sales Cycle (Months)



Percentage of cloud companies that use these measures to determine individual sales incentive pay for cloud solutions



Source: Alexander Group Benchmark Database. 2015

Checklist for Change

1 Change your strategy

- Focus on Land + Expand, go beyond acquisition
- Incorporate cross-selling, upselling, retention
- Focus on recurring revenue, churn
- Shorten time to productivity via enablement

2 Change how you determine customer value

- Measure customer lifetime value, not just initial contract size
- Establish value of product/service adoption + ongoing use

3 Change (or at least rethink) who you sell to

- Don't assume the Enterprise is the only way to go
- SMBs may represent larger value over time
- Add a focus on Line of Business leaders

4 Realign sales coverage models

- Match to address each customer life engagement touchpoint
- Deploy specialists to multiple places within the funnel to remove blockers from the sale

5 Change sales team make-up and roles

- Consider adding headcount
- Incorporate technical sales throughout

6 Change sales compensation

- Adapt programs and methods to be more short term
- Align incentives to customer lifetime value, not just a signed contract



Cloud-centric Sales Team Members

Think beyond hunter / farmer. Successful cloud sales teams require different levels of resources:



Lead Qualifier

First point of contact for trials as well as handling inbound opportunities

Opportunity Nurturer

A hunter and a farmer at the same time—responsible for nurturing these relationships and new business

Large-Deal Reps

Goes after the whales; determines lifetime value and decides how to engage and move account forward

Customer Success/ Renewal Reps

Identifies up-sell, cross-sell opportunities; ensures they are actively pursued for extra revenue

Technical Team

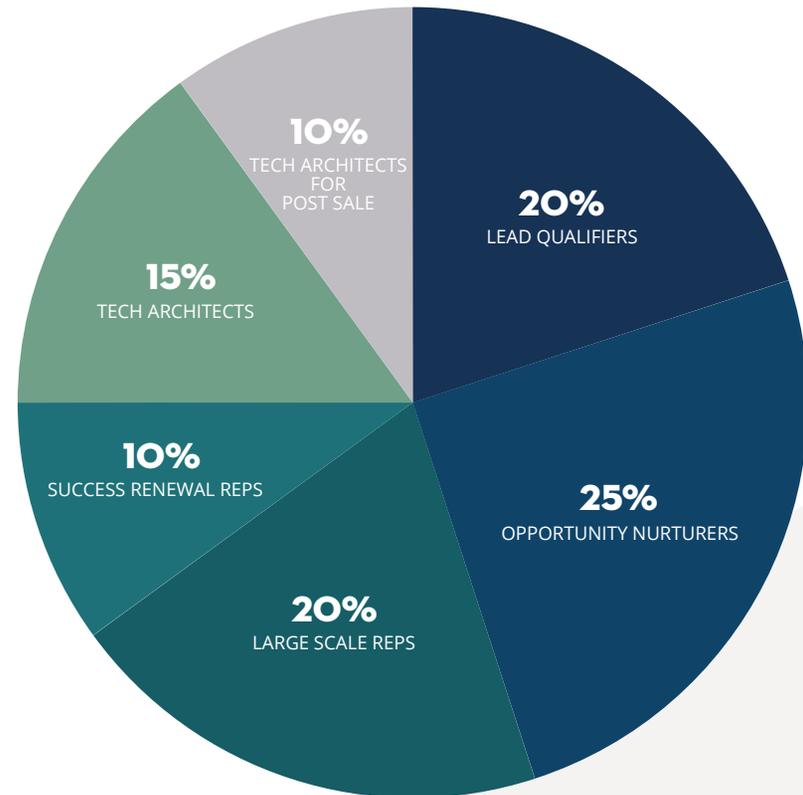
Engages during presales to remove technical blockers and post-sale to support adoption and utilization

A working example of a successful a cloud-centric sales team:

SALES TEAM RESOURCES*

- 20%** Lead Qualifiers
- 25%** Opportunity Nurturers
- 20%** Large Scale Reps
- 10%** Success Renewal Reps
- 15%** Tech Architects
- 10%** Tech Architects for Post Sale

*Staffing levels and budget breakdowns described above are recommended based on N3's experience selling cloud solutions, however these numbers can greatly change for industry-focused solutions.



For recommendations about how to staff your cloud sales team reach out to us at info@n3results.com.

MAP Your Plan

In addition to sales team realignment, an integrated MAP (Marketing Automation Platform) and strategy should be the foundation to successful cloud sales models.

Benefits of Marketing Automation

- Identifies new sales opportunities through engaging content like webinars, banner ads, etc.
- Creates individualized buyer journeys by sending the right marketing messages to the right people at the right time
- Increases lead flow by scoring user engagement and identifying buyers with the most interest
- Improves sales and marketing alignment through consistent communication on leads

How to Boost Revenue 87%

The 20/87 Rule -
It may seem obvious
but do you do it?

20% of accounts
generate up to **87%**
of the revenue.

So try to focus heavily on your top 20%—creating strategies that keep those deals moving forward and expanding them. By driving adoption and consumption, you can drive an impact in 87% of your revenue.

“Marketing automation enables more precise segmentation and more relevant outbound marketing, which typically results in higher response rates.”

*Source: SiriusDecisions:
Marketing Automation:
Post-Deployment Path to Value*



Keys to Rapid Launch of Cloud Sales Team

Focus on these 4 main pillars when ramping up a cloud sales team:

1

Enablement | Tools + Training

Provide the appropriate training on tools, offerings, and sales techniques. Drive certifications and continuous education. Train your team to learn a mix of both sales and technical skills.

2

Sales + Marketing Integration

Determine the buyers' journey, tactics, lead score and lead assignment, and white glove handoff. As you ramp up a team, identify how all of this is going to help accelerate the sales cycle.

3

Account Planning

Successful account planning includes the appropriate decisions on segmentation, customer targeting, coverage design, territory planning, and incentives.

4

Sales Operations/Excellence

Map out the right process, tools and team; align on clear KPIs; design reporting analytics and insights to support sales decisions and focus.



Sales organizations need to think more about the whole customer lifetime value where customer success is defined by product or service adoption and ongoing use.



Final Thoughts

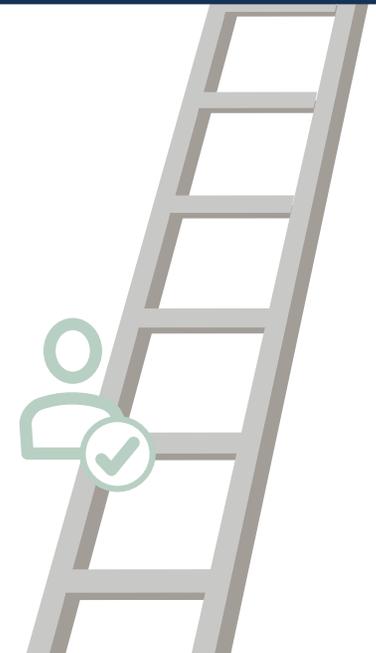
The Cloud has changed everything for technology sales.

- The days of the big enterprise sale and long term contracts are in our rear view mirrors
- Sales organizations must evolve in structure and strategy to address new targets
- There is a new focus on customer lifetime value that levels the playing field for SMBs and enterprises
- Land and expand is the new driving force, moving beyond initial acquisition to expand revenue by enabling adoption, consumption, retention—technical expertise must be part of the process

More than anything else, success in the cloud world demands your sales team remain nimble and able to change focus quickly.

“The cloud sales process must be integrated, agile, and supported by strong sales and technical teams.”

- Marcel Florez, N3, Cloud Practice



About N3

N3 designs and executes large-scale, outsourced sales and marketing campaigns leveraging digital marketing, tele-based sales and custom analytics. A proven leader in the technology industry, we deliver results for domestic and global campaigns with our performance-based approach. Founded in 2004, N3 has 10+ years of proven success in technology, software, and manufacturing demand generation. N3 employs highly skilled, customer-focused people worldwide with the ability to deliver in more than 25 languages. Headquartered in Atlanta, N3 offers global resources with offices in Beijing, Costa Rica, Dublin, London, Seattle, and Singapore.

CONTACT:

Marcel Florez
SVP Cloud Practice
marcel.florez@n3results.com

www.N3RESULTS.com