

Management for Professionals

Christian Homburg
Heiko Schäfer
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Sales Excellence

Systematic Sales Management

 Springer

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Sales Excellence

Systematic Sales Management

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Foreword

This book is intended for sales managers. There is no doubt that in most sectors, sales is facing major changes and that many companies have an enormous need to professionalize in this area. While systematic productivity management has been a mainstay in the internal divisions of companies for years, we still find that there is a “go-getter” culture in the sales divisions of many companies: Improvisation and intuition are emphasized, while systematic analysis and decision-making are, at best, accepted as irksome duties. To avoid any misunderstanding at this point, let us stress that sales success undoubtedly requires a high level of intuition. However, it is becoming more and more apparent that intuition alone can no longer yield the desired results. It must be enhanced by systematic management.

The need to professionalize market development is also encouraged and accelerated by the concept of shareholder value, to which many companies have committed themselves. This concept puts the interests of a company’s shareholders at the forefront. Company divisions are scrutinized much more closely than before with respect to how much they contribute to increasing shareholder value. In many companies, this will lead to a shift in the evaluation criteria for sales: In the future, many companies will focus less on achieving short-term sales revenue targets. What becomes crucial are questions related to the establishment of market positions, customer structures and customer relationships that increase value in the long term. The issue concerning the productivity of resource deployment in sales will be a much more central topic than in the past.

This book provides a guide for systematic sales management. The Sales Excellence (Sales Ex) approach presented in this book is designed to help sales managers to correctly adjust the major levers for long-term sales success. It has already been applied in many companies across various sectors. The very positive feedback we have received on the German edition of this book shows its high practical relevance and encouraged us to make the Sales Ex approach accessible to a larger readership.

The Sales Ex approach is integrative: We are convinced that preoccupation with isolated solutions in sales cannot ultimately succeed. It is for this reason that we are introducing an approach that covers all essential facets of professional sales management: First, it comprises elements related to the *sales strategy*, such as the choice of sales channels, the management of a multi-channel system, cooperation with sales intermediaries, fundamental decisions with regard to price policy as well

as the formulation of an e-commerce strategy. Secondly, it examines *management aspects*, such as the design and structure of the sales organization, systematic sales planning, design of the sales culture as well as personnel management in sales. A third key aspect is *information management* in sales, where tools for analyzing the customer structure, customer profitability and customer retention are presented. A fourth area of the approach examines the different facets of *customer relationship management*, which range from personal success factors concerning customer contact and the design of an Internet presence up to complaint management and key account management.

An important point: The Sales Ex approach is not a sales training book. The reader will search in vain here for sales techniques, presentation techniques or negotiation techniques for the individual salesperson. Our focus in this approach is on sales *management* – not on selling.

The Sales Ex approach comprises tools that can be used in sales management. It also conveys concepts to the reader, and by that we are referring to approaches to handling problems, suggestions and new perspectives. Checklists represent another essential component of the Sales Ex approach. Companies can use these checklists to assess themselves or have themselves assessed with regard to the different dimensions of sales professionalism.

The Sales Ex approach rests on two pillars: First, we have conducted scientific research in the area of sales over a number of years. The approach therefore has a sound scientific and academic foundation. Second, over the past few years, we have enjoyed intensive cooperation with numerous companies from a wide variety of sectors and have used either parts or the entire scope of the Sales Ex approach during this collaboration, which has enabled us to fine-tune it extensively. On this basis, it can be described as being both field-tested and practice-oriented. The important point here is that the Sales Ex approach has proven itself in a wide range of sectors: It has been applied, for example, in the mechanical engineering, financial services, chemicals/pharmaceuticals and building materials sectors.

There remains the pleasant duty of thanking those who have made a significant contribution to the creation of this book. First, we would like to express our gratitude to the countless company managers with whom we have collaborated over the past few years. To thank them all personally here would go beyond the scope of a foreword and also violate the confidentiality we assured them. Nevertheless, at this point we would like to emphasize that the cooperations were always characterized by a constructive spirit, mutual respect and a willingness to learn from each other. Had it not been for this practical work, which spanned many years, the Sales Ex approach would not have arisen in its present form.

In addition, we would like to thank all the colleagues from the academic sphere who constructively supported us in elaborating and refining many concepts in this book. Furthermore, we would like to extend our thanks to the colleagues from Homburg & Partner, whose project experiences in the application and implementation of the Sales Ex approach were incorporated at numerous places. Lastly,

our thanks go to doctoral student Josef Vollmayr and B.A. candidate Norma Buehling for their valuable and active support in the revision of this book.

Mannheim, August 2011

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