



Anneke Seley Interviews Ned Trainor

Shoe Leather to Soaring Sales

Anneke Seley, founder and CEO of Phone Works, is the coauthor of the best-selling book, Sales 2.0: Improve Business Results Using Innovative Sales Practices and Technology. Visit www.sales20book.com for more information, including free chapter downloads, or to read and comment on her blog. The following interview will be part of her new book on Sales 2.0 leaders and how they implement Sales 2.0 practices.

Ned Trainor was running a Web 2.0 business, but his approach to selling online advertising was more traditional than high-tech. Ned is the president and co-founder of BuildSite, an online product database used by the construction industry. BuildSite offers search, data and specialized software to builders, designers and suppliers. Manufacturers have the opportunity to list products and advertise them. BuildSite brings these buyers and sellers together.

In construction, products often have to meet detailed technical specifications, and BuildSite Advertising helps potential buyers navigate a maze of offerings to find “the right product for the job.” On the sell side, BuildSite Advertising lets manufacturers communicate the value of their products at the time of purchase. Point-of-purchase advertising can give manufacturers huge advantages in traditional industrial markets — the challenge was selling this new idea.

Like many execs, Ned launched sales in a traditional way in an attempt to meet with the manufacturers who would be his advertising customers. When results didn’t meet expectations, he started to rethink his sales strategy. Through an online search, he found a reference to Sales 2.0 and, just a few weeks later, Phone Works’ Inside Sales Consultant Fran Kathriner was designing a whole new way for BuildSite to engage customers by phone and online, track every prospect contact and close sales without leaving the office.

As BuildSite recorded its best quarters ever in Q1 and Q2 2010, Ned has been transformed into a Sales 2.0 evangelist.

Anneke: Before you became a Sales 2.0 convert, how were you selling advertising?

Ned: We took a traditional approach to selling advertising to traditional construction-product manufacturers in places such as the upper Midwest or New Jersey or Atlanta. Some of them are big Fortune 500 size and others are smaller specialty shops, but basically all are traditional manufacturing. So we hired a traditional manufacturing sales rep based in Michigan. And we thought we had the right guy. He’d worked for McGraw-Hill, which is a big company in our industry, and had 12–15 years of sales experience as an outside rep. We hired him to call on

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manufacturers in Michigan, Ohio, Indiana and Illinois, with the idea that he'd get on the phone and book appointments, and he'd have his two days in Cleveland and his two days in Columbus, and so forth.

The process wasn't very effective. People weren't returning his calls, and he was having trouble getting appointments. So the outside sales model of driving from central Michigan to Cleveland and making four calls in a day and then moving onto the next town wasn't working. Our rep claimed nobody knew who we were. This had some validity, but not entirely. Certainly, he had a hard time getting attention from any sort of C-level execs, so he'd settle for a marcom assistant. The model of driving 250 miles to meet with a marcom assistant wasn't going to work.

The irony was: We were kind of a Web 2.0 company going to market with shoe-leather sales. A little bit of that initially was fine, because you have to have a couple of reference customers. But after that, how do we leverage ourselves and how do we kiss a lot of frogs to find the early adopters that are going to see the value in our offering? We have very compelling data that backs up the success of our advertising program, but it has to be delivered to people who are open to hearing something new. The outside sales model wasn't working; it wasn't getting results, and it was really inefficient.

Anneke: How did you change things?

Ned: We learned about Phone Works and decided to try Sales 2.0. The initial task was to release our BuildSite Green Data to 100 manufacturers from whom we wanted to get data into the program. The second phase was to actually sell advertising. That was the project that got Fran involved with us. She was making phone calls to our prospects and beginning with an initial free listing for Green Data. We would publish a subset of data on their products for free, because we needed to populate our green database. We wanted to begin a dialog and relationship with these companies, because ultimately we wanted them to advertise with us.

Anneke: So you have morphed your business model.

Ned: We had a 1.0 approach to selling: If you keep hitting them hard enough, and we all work harder, we're going to get there. We knew we had to find the early adopters, so we needed to put a lot more customers in the funnel at the top to get really qualified good ones out the bottom. We were also somewhat resource-constrained.

Phone Works contributed a professional approach to sales management, as well as to actually selling. We're putting as many as four times as many prospects in the top of the funnel as before. We're using Salesforce.com as more than a contact manager. We've adopted Phone Works' 7-touch sales process, which keeps the sales funnel full of qualified opportunities and does an effective job of getting the word out and then reinforcing it.

The 7 touches work. We were doing touch 1, and then a month later we'd have touch 1.5, but we never had a deliberate planned approach to selling. Now, I call this person, I send an



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e-mail, and then I follow up in two weeks, and we leave some voice-mail messages, and we make many phone calls. Suddenly you catch him off-guard on Friday afternoon, and he's actually interested in talking to you: "Oh yes, I've gotten your material. I actually would like to have a conversation."

The other thing we've done is that we've almost completely stopped using PowerPoint, which is great. In our "pre-Phone Works era," as we call it ...

Anneke: Is that like the prehistoric era?

Ned: It was back when man had a lot more hair. We had clubs. I swear, that's kind of how we went out there. If we hit them hard enough, we could get it — but you could only get one animal out of the herd at any given time, so we kind of descend on this one customer, and if we can close these people, we'll make the quarter — and then we'll go on and do it again.

So we adopted the 7 touches, and we upgraded our collateral substantially. We had another year of experience with our advertising, so we had the ability to do a true media kit with all the metrics an advertiser is looking for.

Our prior approach was we would get an appointment with a prospect and then we would do a PowerPoint presentation of 20-something slides. We would do the talking, and they would do the listening. We'd say, "Any questions?" and there would be a few, but it wasn't very engaging, and I found it boring. I think the people on the other end of the line did, too.

Now we send the media kit, and we send a lot of physical collateral out. We mix it up. We send e-mail, and we send them a package, and we have our little BuildSite "Stimulus Package" with a \$5 Starbucks card. It adds very little to our cost of sales, and everybody loves it.

Anneke: What's in your media kit?

Ned: It's 25 pages of explanation of our approach. Our new idea is we let these industrial and construction manufacturers advertise individual products, as opposed to just their brand. This takes advantage of how industrial buyers operate — they need a product that solves a problem, that's "the right product for the job." Our advertising lets them tell customers that at the time of sale. We talk about unlocking all the hidden value these manufacturers have put into their products.

We send out our physical collateral, and then we have a follow-up discussion with them. We just engage in a conversation, which is really the goal of 2.0 selling. We chat them up, so it gives us a lot more time to listen to what *their* concerns and goals are, and what *they're* looking for. We do the research in advance, so we've read their corporate materials. We can meet them on their own turf.

It's better for our customers, and it's a lot more engaging.

Anneke: It's not selling, it's having a conversation.



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Ned: That's exactly right.

Anneke: Tell us about your customers: Would you describe them as Sales 2.0 innovator types?

Ned: There are a few, but these are fairly traditional industrial companies. Some are divisions of Fortune 500 companies, and they're big; they do \$500 million in sales or more. Others are little chemical companies that have 20 employees. They have tended to be sort of shoe-leather sales people, and they mostly use their own reps or manufacturer reps. It's a very traditional, automobile-intensive, personal-meetings type of selling.

Anneke: Why innovate in such a traditional space? What's the benefit to you?

Ned: We had to be innovative — the old way wasn't working. Our outside reps couldn't get the appointments with the right people at the right time. A lot of these companies have downsized. No one has any time to do anything.

One of our taglines is, "Look it up on BuildSite ... and get it done." We're trying to appeal to our users' desire to just cross one thing off their to-do list. We have to do the same for our advertisers. We have to show up when they want to see us, not when we happen to be in town.

Anneke: What measurable results can you point to from transforming your sales model?

Ned: Revenue is really what we're looking at. Q1 was our best quarter we've ever had, and Q2 is going to be as good as Q1. And that's because of the new sales model. In terms of qualified leads, we're not in the Hail Mary mode a month from the end of the quarter, going, "God, I hope this guy closes, or else we are really in trouble."

It's, "OK, I've got this guy with this probability, this guy with that one." I've got a half a dozen or more that could close within the next couple of weeks, and if half of them do, we'll have a record quarter. I can see it, I can feel it. It's OK, and if they don't do it now, then we'll get them in July. They're not going away.

Anneke: If you were talking to another executive about the journey to Sales 2.0, the challenges and the rewards, what advice would you give them?

Ned: I'm lucky. I have an organization of 10 people, so there are no behaviors to change. We knew we had to do something. We didn't have the resources to try this for six months, and if it didn't work we'd try something else. But this was the right thing to do, and I had a few people telling me not to do it. I did it anyway.

I would say to anybody that it's worth taking the risk here. I don't see any downside. Try it out. You don't have to change the whole organization, just do it in a corner of it, and see what happens.