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## **Abstract**

The author of this article, a businessman, observes that doing business in today's economy is challenging. However, he reminds those who own or manage a business that sells to other businesses or the government that they have a choice. As a business manager or business owner, do you hunker down and ride out the current economic difficulties, or do you choose to get proactive and find and make use of new opportunities? Today our ability to know what to do is clouded. Past lessons do not help as they once did. Yet, commerce is clearly still happening. This article is a discussion about whether to hunker down or seek opportunities and take advantage of them despite the current disruption in the economy. Considered are some strategies to take quick advantage of available opportunities for the health of your business today and for tomorrow.

## **Introduction**

Today many companies are acting in shock and hunkering down, rather than taking the initiative, because they cannot predict the immediate future. The business media is seeking to explain why the economy is in economic meltdown, but they are not offering practical solutions. Unfortunately, your ability to know what to do based on past lessons is challenged.

With all that, it is easy to forget that commerce is still happening; that companies are looking to take steps to make as well as save money; and that

federal, state, and local governments continuing to invest in services. It is easy to forget that things are still being sold and that customers want to buy and sell more of them.

If you own or manage a business, you have a choice. One option is to wait out the recession and wait for the revenue to appear. Many owners and managers will choose to wait it out. An alternate choice is to move into unknown areas to create new revenue projects. Some will choose to try to create opportunity. The good news for the latter managers is that current economic conditions are creating opportunities that never existed before. This is a time when new products and services can take hold.

There are opportunities that your business will miss if you wait out the recession. There are, of course, risks associated with moving into the unknown. Many projects you propose to customers may fail. As with any other forecast, many proposed projects will not work out this year. However, if only a quarter of the new projects happen, that represents an opportunity that other companies may miss.

When you talk to your sales teams, remind them that there is a continuous river of spending. Although the rate of flow rises and falls, the river never stops. The economy changes and takes odd turns, but the river never dries up.

Sometimes you stand on the side of the river of revenue opportunity. You point at it and discuss how much larger it was last spring. You watch it and wonder what next spring will bring. Perhaps you walk along, looking for the right place in which to dip a toe. Sometimes you step into the river of revenue and get thoroughly immersed in it. Right now that might be appealing.

## **Putting Your Business Into A Revenue Stream**

To take advantage of the stream this year requires a different view. Your sales team needs to look at customers a bit differently.

There are businesses to which you sell that are withdrawing and hiding and hunkering down, hoping to survive. They are revenue trickles. There are also customers who are looking to thrive and grow their own revenue, part of the fast stream. What your sales team may not realize is that these trickle and fast stream customers are often people who work in the same company.

In many businesses, managers hoping to survive are in staff roles like human resources (HR) and information technology (IT.) The ones planning to thrive and grow are in line positions on the revenue side of the same business. It is time to ask: Do your sales teams call on the staff or the line? If not both, they may be missing the stream of revenue.

Some of your competitors are in survival mode; so they appeal to the hunker-down folks in staff roles. Fewer businesses in your market are stepping into proactive mode. They differentiate themselves by talking about revenue. They appeal to the managers and executives who want to grow their businesses. They are in the faster stream; you may want to join them. They represent this year's new opportunity.

Your fastest path to the quickly growing your revenue stream this year is going to be found with the line managers of customer companies. Every company has managers who want to find ways to get things done and are willing to break budgets to make revenue happen. This year, they are more frustrated and more willing to work with a new supplier. That is an opportunity for you.

## **Today's Opportunities – Working the Averages**

The economy isn't an object. It's an average, a line defined by mathematics. There are companies and people below that line, and companies and people above it. No one of us is average; each has a choice to be above or below that line.

There are new opportunities available to you that may not be obvious. For example, as you read this, municipalities and governments across the globe are quickly claiming loan and infrastructure investments. Unlike previous cycles, there is pressure to spend quickly. Governments, not vendors, are accelerating the revenue stream. Dealing with that may be a new experience for your sales team.

As I work with local governments this year, I find that they are not asking for money to get something started. Instead of starting with a feasibility study followed by a planning cycle, they are funding plans that are ready to implement in a few months. These customers are looking for packaged projects to put money into circulation before the season changes. They are breaking old rules so they can invest sooner. For the managers and suppliers who move quickly to offer a way to invest the stimulus funds right now, these are enormous opportunities.

Is this unique to governments? As important as the stimuli will be across the globe, they are only an example. The same need to invest is flowing into participating private businesses. To get revenue, line managers need the assistance of fast-moving suppliers who can rapidly build a project and get it deployed. That requirement is real opportunity for you to get new customers for your business in order to tap into a new revenue stream. How should you organize a sales effort to take advantage of it?

## **Approaching Your New Customer: Practical Considerations**

Customers aren't monolithic. Each company or municipality is a combination of buyers and decision makers with different agendas. This is a good time for your sales team to take advantage of the difference between those taking the survive track versus those looking to thrive.

For example, you might rely on the news to say that Cisco Systems is gathering cash to retire debt and buy businesses at a discount. You could say that General Motors (GM) is unable to spend money, a poor place for you to invest sales time this year.

But these generalizations hide important truths. Cisco is cutting back at the same time the company is investing in growth. Their nonrevenue departments are looking to avoid spending. At the same time, GM is spending substantially in tools, consulting, and, of course, new technologies for cars. Even saving money is expensive. Closing plants requires a substantial investment. GM will do it. On the revenue side, GM is building the cars of the future. That requires a substantial investment and allows a revenue stream. At GM, you will find top managers focused on revenue. There is a stream there for someone to tap.

This year, spending for infrastructure is shrinking. That makes sense; these companies want to conserve cash for revenue plays. If you make infrastructure, HR, administration, or IT products, you might argue that this conservation is shortsighted. However, if you are right, and the customer's business team thinks you wrong, who wins?

To gain an advantage for your business, you need to ask your sales team a question: Do they call on cost control departments or revenue generating departments? For most, it is cost departments. There is nothing wrong with doing that and building long-term relationships, but this may not grow your business this year. Your goal is long-term profitability, but can you also profit in the short term? Can you increase your market share today while your competitors hunker down? You can.

Start by designing sales programs that bring value to the revenue oriented groups at your prospective business customers. That means adding value as the customer sees it; not as you want him or her to see it. Letting the customer define value can be uncomfortable. So is reaching high into executive offices that are not familiar to your sales team. On the other hand, if there was ever a time to get uncomfortable, it is now. This is a high leverage period because other companies are withdrawing from competition.

A practical step to locating your revenue stream is to segment each customer company into individual buyers, focusing on whether the individuals

directly contribute revenue. Some of those buyers are on the cost side of the company. Some are on the revenue side. Don't let your sales teams miss either side.

It is not just companies that have revenue-generating departments. So do governments, medical centers, and nonprofits. Governments have tax collection and economic development groups. They are quickly creating revenue streams this year. Have you allocated some of your sales resources in that stream?

The second practical answer is to make it easier than ever for the revenue managers at your new customer to make a decision to go ahead.

In the past years, a home run sale may have been a large order. It made sense to bias sales compensation to reward giant single orders. This year many of your customers may change their spending habits from "big ticket" projects to smaller projects. These will be focused on revenue, customer retention, and operational efficiency.

Many of your competitors will not respond to this well. You can.

Ask: Can you make it easier to for your customers to buy in small bites? Can you make it lucrative for your sales teams to sell small deals to new customers? Can you help your new customer ease into the relationship with you? Sales packages that stress operational cost instead of capital expenditure are good to get a piece of the investment from a revenue department. This is the year to make it easy for potential customers to try your business. Are you compensating your sales people to prospect for this kind of business? Can you offer bonuses for new customers? Even if located within in companies you sell to?

As the economy rebounds and a customer grows, to whom will its revenue managers turn? It will be companies and people that focused on selling small and easy to absorb projects during the recession. Why not make your company the preferred source?

If your team is not used to talking to customers' revenue generators, another practical step to take is to take a leadership position. Show them by doing it. That requires time and attention, but it is likely to be the best investment you can make this year.

## **Conclusion**

As you guide your business, you have the option to hunker down and let things pass. Or you can take advantage of the opportunity to get a larger market share and add new customers. The best way to focus your sales teams on obtaining new revenue is to recognize that potential new customers include

individuals inside businesses. Point your teams toward managers who generate revenue for your prospect.

You will also want to invest in preparing new, easy to buy packages and promoting better customer relations. One of the key investments is your own energy. If you want your team to be proactive with customers, you will need to act that way. If you combine your leadership with the right product and service packaging, you are likely to get revenue for your company that others will miss. As Intel's spokesman said when announcing the \$7 billion building plan in February, "You never save your way out of recession. You invest your way." Will you invest in a revenue stream?

Note: Title graphic designed by Carole E. Scott

