Creating Effective Competitive Sales Tools For Your Sales Reps

Daniel Shefer
Director, Product Marketing
Interwise
dani@interwise.com

There are volumes of information out there on how to collect competitive information. Typically, these books and articles discuss competition from a corporate perspective and how to position yourself to be competitive in a chosen market, but I have yet to encounter a well-written text about how to convey, train and ingrain specific competitive advantages into the field sales force. The process of creating and effectively delivering competitive sales tools is a classic role of Product Marketing.

In this article, I will discuss how to create winning, competitive sales tools and specifically, how the collected competitive information is best presented to the sales team for digestion and assimilation. There are many facets to competitive research including among others, company financials, marketing positioning, product plans, facilities, and partnerships. Only three of these have an immediate influence on the sales cycle – positioning, prospect education and objection handling. Lets look at this in an organized way.

Competitive Intelligence Gathering

This subject is covered in such great detail by many well-known experts that only as a prelude to the main topic of this article, I would simply like to point out a few key sources of information for the sales tools I will describe below.

- Competitor product capabilities can be gleaned from:

    Demos at tradeshows, via the web, and demo versions (CD-ROMs).

    Product documentation. Administrator guides are especially notorious for pointing weak points in the product.

    Calling the competitors' tech support. This is a personal favorite of mine and can yield exceptional results.

    Following product and industry message boards.

    Speaking to their customers and prospects. These are hard to do but are always great sources of information. This is one place where the "nice guy" always wins. We are always surprised how much our prospects are willing to talk about our competitors if only because we are polite to them. Yes, I mean the sales people!

- Competitors positioning statements can be found:

    on their website

    in their ads, brochures, white papers, etc.

    Look at the market space they see themselves playing in. What are they claiming? Check for consistency. Any discrepancy in their materials should be explored and can usually be leveraged.

- Statements in SEC filings.

Sometimes the product list that they report does not fit their offering on the web. Such a discrepancy is usually worth looking into as the SEC filings are legally binding and MARCOM content is not.

- Your sales reps.

  Sales reps will be able to tell you what the competition is saying about you. Don't be surprised if a competitor's sales rep tells tall tales about your company and product. Some will stop at nothing. Sales people, as we all know, are motivated by one thing only, so getting your own to communicate back to you from the field is a Sisyphean task. My experience shows that only after months of feeding them with useful information will a few return the favor…and then usually it's because of your rapport with them. Don't take this personally. To get information from sales reps, you will have to call them yourself and establish a mutually beneficial relationship.

- Other vendors.

  Don't ask vendors about their products but instead, ask about a mutual competitor. They are usually happy to discuss mutual competitors and swap war stories. Listen carefully because what they say and especially what they don't say about your mutual competitor may be pertinent.

- Suppliers.

  When a company tries to sell you their technology, they will try to prove their knowledge of your market space and needs by promoting the fact that they are supplying your competitors as well. The rest is up to your interrogation skills.

Pointers on Writing Competitive Documents

The documents should portray a balanced image of the products and the commentary should be unemotional and devoid of marketing fluff. Hard facts in concise language provide the best picture and strongest ammunition for your sales team.

Assume that all the documents will be left behind with a prospect sooner or later. To avoid embarrassment or legal complications, make sure the wording is clear and factual, avoiding any vague language so that if the prospect reads the document without guidance from someone on your team, no damage will be done.

Make sure all of your claims can be substantiated. The last thing you need is a Cease and Desist letter from your competitor's lawyer. Not to mention the embarrassment of your sales rep when the prospect gleefully points to errors in the document.

If you use industry specific terms (I advise caution here) and the document might be read by a prospect that is not familiar with the terminology, make sure to explain the terms or add a glossary as an appendix.

Four Document Types

For each competitor, I recommend creating 4 documents:

Competitive Matrix

The Competitive Matrix is an extensive feature-by-feature comparison. It is to be used after a prospect has been introduced to the specific competitor and would like to understand the differences between the product offerings. The matrix is basically a detailed list of features, presenting the two competing products side by side. The document opens with the conceptual differentiators between the two offerings that

may revolve around specific features but usually focus on major product strengths. Think of the opening as the "elevator pitch" of the comparison. It should include the 2 to 4 items that make the most difference and that can be presented in less than a minute.
After the conceptual differentiators comes a detailed, feature-by-feature comparison. This list should be sorted by benefit groups (what benefits the features offer) and not by specific features.
The matrix also has a "Why is this important?" column. This is probably the most important column in the document. It should answer the question "so what?" Why is this feature important enough to me (the prospect)? The benefits of each feature that is mentioned should be tangible. If there isn't one, the feature should be dropped from the matrix.

Example of a "Conceptual Comparison" of Desktop Publishing applications

	Our Product(V3.2)	*The competitor's product (v2.7)*	*Why is this important?*
One product solution for all desktop publishing needs	*Yes. The product can produce manuals, brochures, mailings, print envelopes etc.*	*No. The product is only good for creating brochures and other "short" documents.*	*One corporate-wide solution for all desktop publishing needs means lower cost of ownership. Support is easier, training is cheaper.*

Example of a "Feature Comparison" of Desktop Publishing applications

	Our Product(V3.2)	*The competitor's product(V2.7)*	*Why is this important?*
One click formatting	*Yes.*	*No. Formatting requires at least 3 clicks per item.*	*Ease of use means better productivity. Documents are produced quicker.*

Differentiator Document
This document starts with a Competitive "rant", continues with the 2 -3 most important differentiators (some call this the "elevator pitch") and then goes into the 15+/- differentiating claims that sales reps can use for any competitive situation. The focus in this document is on benefits that the customer must be able to evaluate from their needs perspective and within their own realm of knowledge.
Example:

The Top Three

- ***One Platform Solution*** *– Single platform for all desktop publishing needs.*

- ***Scalable*** *– The product supports thousands of concurrent projects.*
- ***Anywhere, anytime*** *– Work on your project from home or the office with the same ease.*

The Top 12

1. One Platform Solution

Produce any type of document or material with "Our Product".

The competitor's solution does not support creation of long documents such as manuals. To do so, another software package is needed.

And so on…

Example of a "Differentiator" Document of Desktop Publishing applications

Questions to Ask.
Some call this the FUD document (Fear Uncertainty and Doubt). This document details a list of questions that prospects should ask your competitor to have an accurate picture of what your competitors are really offering and, more importantly, where we want to guide them to know about how the competitor's product really works Asking these questions will give prospects a better idea of what they are getting into and why your offering is better. If prospects take the issues that are raised in the document seriously (they will if these are the important issues), chances are excellent that you will gain the trust and momentum to close the deal. Don't forget, each question should be accompanied by the appropriate answer.

Ask the competitor to create a 200 page document
The competitor's solution will crash if you try to save anything with more than 150 pages in it.

And so on…

Example of a "Question to Ask Document" of Desktop Publishing applications

"Facing Off" With…
This document addresses competitor's claims. It should cover each claim they make with an appropriate response in a simple straightforward manner. This is the place to refute any misrepresentations about your product or company, but you must admit to your faults when relevant and provide a positive perspective whenever possible. Brushing off the competitor's claims without addressing them will only damage you. Most customers are aware that they are not buying a panacea. They only want to know how far from one they actually are buying.

The Competitor claims that our product does not support multiple text formats in a single paragraph
*So how **did** we do this…?!*

And so on…

Example of a "Facing Off" With Document of Desktop Publishing applications

What Else Can You Do?

Another topic I've seen covered in some competitive reviews is "When to Back Off". The concept is a very good one. Providing concrete guidelines on when to walk away from a deal is a sure sign of a mature and very focused sales organization. If you document this, it must be very clear to the sales reps that this is policy and the VP of Sales clearly stands behind it. You don't want to be at the end of a pointed finger when a sales rep explains why he walked away from a deal to the chagrin of the boss…

What not to Cover in Sales Tools

In my opinion, competitive sales tools should not cover strategic issues such as the competitor's finances (unless you are competing with Enron, Global Crossing and similar financial messes), industry trends, press coverage, etc. The reasoning is simple. None of the above has a direct impact on the sales cycle. For example, while a conceptual differentiator might state that your company has $500 Million in revenues vs. your competitor who has one tenth of that and therefore, you are more stable, the details of how the competitor spends his money are irrelevant to the sales process (does show up in RFPs sometimes?). Following the same logic, ads that the competitor displays are of interest in terms of the positioning statements they make but again, their details have little relevance to the sale. This type of information is typically available from your corporate marketing people and can be used to complement the competitive sales tools at relevant points in the sales cycle.

Managing the Sales Tools

By careful planning, you will be able to save yourself a document management nightmare. The most important thing to remember is that you will have to constantly update and re-publish these documents. If you have several versions of each type of document, the updating process will become complex and time-consuming. From a practical perspective each document should compare your company/offering to only one of the competitor's. The other option, to have a single all-inclusive document, is not advised. You will very quickly receive requests to remove one of the competitors from the document because they are not being reviewed by the prospect and it will be damaging to bring them into the fray. Also, from a typeset perspective, in most cases, you will not be able to fit more than one competitor in a document.

Distributing the Sales Tools

Competitors are moving targets so unlike your product brochures, competitive sales tools must be updated continuously, sometimes on a weekly basis. The question to address then becomes: How do you make sure that the sales reps have the most up to date version in front of them?

One way is to set up a central document portal with a tool such as Microsoft's SharePoint. At Interwise we use the most basic module and the ROI is beyond our expectations. Make sure the portal application that you use includes the ability for users to subscribe to changes. Even though doing this is trivial, sales reps need to be properly educated to make certain they always have the latest and greatest data. When new sales reps arrive at the company, the first thing that we do in sales training is show them where the tools are located on the Intranet and then get them to subscribe to document updates. Using email to send out sales tools is not scalable and is strongly advised against.

Other solutions include push technologies such as Backweb. The success of such a solution depends a lot on the specific capabilities and implementation of the system, so be sure to investigate these thoroughly before jumping in with both feet.

Measuring Success

How does one measure the success of the sales tools? In increased sales? Rising sales are always good but may be influenced by many factors. Also, by the time you obtain this information it is many times too late in the process to do any good for the sales tools or the sales rep (? I'd remove this). So how do you evaluate if your competitive sales tools are any good?

Where I work we developed multiple criteria to judge the quality and effectiveness of the sales tools.

1. First and foremost, we ask the sales reps what they think about the sales tools. If they don't like them, nothing else matters. A survey to this effect is done periodically. If the sales tools are really good, you might even receive one of those rare thank you notes from your sales force.
2. The next criterion is how much the sales reps use them. Tracking the number of downloads of the documents can be indicative. If they ignore the documents, either they do not know about them or they are perceived as irrelevant.

3. Look at your prospects' RFPs (Requests For Proposal). If your sales tools are good, the content and ideas they present will be reflected in the RFPs you receive. If they were effective, the issues that are addressed in the RFP are relevant both to the prospect and to your solution and responses reflect the way you presented them in your documents.
   The limitation of this test is that it is dependent upon the quality of execution in the sales process. If the sales rep reaches a prospect when the selection criteria are already firmly set, then the sales tools will be reflected to a lesser extent in the RFP.
4. Interview a sales rep about a sale that he lost. If the sales tools do not come up in the conversation, that is a good sign. Data captured here may be useful to include in future sales tool updates.

Dealing With Sensitive Information

For the purpose of this discussion, I will assume that all the competitive vendor information arrived in your email account legally. In the process of evaluating the competition, you might come across legally obtained information that might be damaging if the competitor knows that you have it. In such a case, ask yourself if you want to put in writing at all. You might decide to convey the information verbally or not at all.

Any positioning information such as that in the Differentiator document can be damaging if it arrives at your competitor's desk. Rest assured, it will arrive there eventually - the only question is how soon.

Every type of document should be evaluated as to how it is to be presented to the prospect, and if it can be left behind (not that sales reps don't make their own rules…). Things you should consider:

1. The sensitivity of the document. If a document contains sensitive information, this should be clearly stated and the document should not be left behind with the prospect.
2. A signed NDA between your company and that of the prospect. Just remember that an NDA is nice to have but rarely prevents the leakage of information and materials.

A Few More Tips on Creating and Managing Sales Tools

1. Before creating your competitive sales tools, remember that sales people speak in their own vernacular and that you must master it to make the sales tools effective. Be very careful before you use unedited text from a technical writer or a product manager.
2. Keep an empty template for each type of document. It is always good to be able to refer back to a baseline.
3. Make sure that the documents retain similar internal organization and sequence. This makes it easier to update them.
4. Every effort should be made to verify the accuracy of the statements made in the competitive sales tools. The last thing you want to do is embarrass a sales rep by having him make easily refutable claims about your competitors. If in doubt, clearly state it.
5. Sending out locked PDF files has proven itself the best way to control the content. You don't want anyone editing the content to suit their needs.
6. Name each document with as much detail as possible. The name should include the type of document, the competitor, the product versions it covers and the publishing date. This makes it easier on everyone to verify they are working from the latest available information. When choosing the naming scheme, make sure that the posting mechanism supports it. For example, some web sites have difficulty with file names that include spaces.
7. Clearly state usage guidelines where you post the documents and be creative on how you remind all those involved about those rules.