

# North American Management Briefs

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## You Should Know...

### Productivity or Unemployment?

The US auto industry is “on a roll” with August being the best sales month for Ford and GM in seven years. Even though the auto industry accounted for 20% to 50% of the growth of the US economy in the last five years, it has provided only 2.5% of the job growth.

**The Point:** Foreign parts, yes, but increased automation is really the culprit.

### Strange But True

Dennis Rodman, the former NBA player best known for arriving at book signings on a motorcycle wearing a wedding dress, has just completed his second “diplomatic mission” to North Korea.

**The Point:** North Korea’s leaders have long been inscrutable, but...wow!

### Salads in Space

NASA announced it would send six Romaine lettuce plants to the International Space Station in hopes they can provide astronauts with “locally grown” produce.

**The Point:** Healthy eating takes off.

### Patient in Disguise

A patient sued a California hospital after waking up from surgery to find a fake mustache stuck to her upper lip. The anesthesiologist said “I thought she would think it was funny.”

**The Point:** Very very strange.

### October’s Quote

*“You wouldn’t worry so much about what others think of you if you realized how seldom they do.”*

Eleanor Roosevelt

## Sales or Marketing?

The terms “sales” and “marketing” are often used interchangeably, and incorrectly. They are not the same; in fact they are both separate, but equally essential elements in the operation of a profitable commercial business.

First the definitions.

**Marketing** is the process by which an organization identifies those individuals that are most likely to value its products and services, have the means to purchase them, and then develops a plan to communicate how and where they might obtain them.

**Sales** is the process of communicating to a potential market the benefits of these products and services both absolutely and relative to those of the competitors.

Effective marketing greatly reduces sales costs; however, without an effective sales process the marketing activities are worthless. An effective and productive sales process is even more important in B2B marketing, especially the marketing of capital equipment and production/process systems.

Here are some tips.

**Optimize the performance of your sales managers.** Sales managers should really be “sales coaches.” Many spend more than 50% of their time assisting their salespeople in closing large orders. This means an organization can grow only as fast as its sales manager can close orders. Rename your sales managers “sales coaches” and focus them on educating, not supplanting the efforts of your salespeople.

## Focus on only the most profitable prospects and markets.

Provide your salespeople with a prioritized list of the prospects you want targeted. Also adjust their compensation/quarterly bonuses to reward them for converting the prioritized prospects into customers.

**Increase your prices.** Yes, you will lose some customers, but generally they are the unprofitable ones. A price increase, however, does force your salespeople to explain why your products are different from those of your competitors in a way that is valuable.

**Gather intelligence daily.** Insure your sales managers speak to your salespeople for at least a few minutes every day. Salespeople are a font of information as they are close to the market, but they hate to fill out reports. One role of a sales manager is to be an informational “net,” one that collects information from the field, distills it, and passes it on to upper management.

**The Point:** The sales process has long been neglected in favor of the more glamorous marketing process. They are not mutually exclusive, but complementary. The most elegant marketing plan cannot succeed without a focused and efficient sales effort.

### Top 10 Busiest Airports

Airport	Psgr (Millions)
Atlanta, USA	89
Beijing, China	73
Chicago, USA	66
London Heathrow, UK	65
Tokyo, Japan	64
Los Angeles, USA	59
Paris, France	58
Dallas/Ft Worth, USA	56
Frankfurt, Germany	53
Denver, USA	52

Source: Airports Council International