

Developing Channel Sales

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Sales generation is the lifeblood of any organization regardless of the product or service produced. Whether it's automobiles, cell phones, banking services, or human resource outsourcing services, revenue generation can only begin once the sale is made.

So, what's the best way to drive the sale of the product or service you are selling? You should begin by answering these questions:

- Who are my customers? Small business owners, medium size, blue collar, white collar, grey collar?
- Where are they located? Are they within a 50-mile radius of my office? Are they across state lines?
- How do they buy products and services today? Do they purchase directly from the service provider or do they work with a partner/advisor?
- Who do they rely upon to help them make smart purchasing decisions? Who are their trusted advisors? Their bankers, attorneys, insurance agents?

The answers to these questions will help determine which sales method is best to achieve your objective—generating revenue. While there is no one-size-fits-all approach, there are certain models that work better than others, depending upon the nature of a product, the amount of the investment required, and the level of complexity of the service offering.



HRO services are often associated with complexity and a significant dollar investment. Likewise, business owners often turn to a trusted advisor for counsel when it comes to making decisions that involve their most valuable asset—their people. Introduce a shared-employment model on top of providing HRO services, and confusion, skepticism, and suspicion combine to increase the level of difficulty in making the sale.

Identifying, engaging, and leveraging a trusted advisor—someone with a solid relationship with your prospect and a deep understanding of her business—can signif-

icantly help improve sales effectiveness and shorten your sales cycle. Partnering with trusted advisors can help expand your reach into the marketplace. Instead of adding more field salespeople, your focus is on attracting and developing new partnerships with these trusted advisors. One sales professional can efficiently manage between 40 and 50 advisors.

Using channel sales—in this case, trusted advisors—is a highly effective way to build your business and maximize your return on sales investment. Developing, implementing, and launching a channel sales strategy will:

- Improve your sales closing ratio, as you're leveraging the endorsement of the trusted advisor/referral source.
- Increase your client retention rates. If your clients are satisfied with the HRO service, and they trust their advisor/referral sources, they are more likely to remain loyal clients.
- Expand your reach into the marketplace. It's quicker and less costly to have existing sales representatives focused on developing new referral partners than it is to continue to add new salespeople. It becomes a hard- versus a variable-cost discussion.
- Provide diversity in your go-to-market strategy. Managing a multi-channel sales strategy allows you to capture sales from several different sources. You don't have to rely on a single sales channel.
- Increase your return on sales investment. It's far more economical to leverage the endorsement of many trusted advisors versus relying on single sales professionals attempting to capture the market on their own.

Finally, developing and executing a high performing channel strategy requires a solid marketing strategy, which includes strong, targeted messaging and market-relevant positioning.

Introducing these additional components will create a strong, dependable, and best-in-class channel sales model for your company. ●

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