

# A UK-Based Media Company Transforms to Consultative Selling

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## The Situation



A London-based media company faced increased competition and

a legacy sales model focused on transactional selling. To drive growth, the company needed to change selling behavior to drive more profitable, longer-term contracts. The sales force required a new approach to account targeting, territories, quotas and sales compensation.

## The Challenge

The 2009 recession left a deep impression on the organization. For several years, the company survived through the scrappy efforts of an aggressive, short-term focused transitional sales force. However, the new CEO recognized the limitations of this approach as it pertained to long term profitable growth. The sales force suffered from high turnover and was not penetrating large accounts.

## The Solution

Working closely with the CEO, vice president of sales, and newly formed sales operations team, the Alexander Group (AGI) devised a strategy to focus selling roles on larger accounts and longer-term contracts. To gain buy-in, AGI spent time educating mid-level management as well as finance and HR teams on best practices. Over the course of several collaborative design sessions, AGI clarified job roles and created new territories, quotas and sales compensation plans. Cost modeling led to additional iterations and plan refinements. The implementation occurred in stages across the different lines of business. AGI partnered with the new sales operations team to transfer knowledge and skills to manage the new program on a go-forward basis.

## The Benefit

The new program led to immediate results. Average contract lengths doubled within three months. The percent of sales people reaching quota also increased dramatically given the improved account focus, larger deals and more motivational incentive program.

## Assessment Workshops:

Team sessions to educate on best practices and set direction for designs

3 Pay Mix

### Pay Mix Reflects Job Content And Sales Process

**AGI notes:**

- Hunter jobs tend to require more risk-seeking
- The more influence a sales person has over a sale, the more pay at risk
- The shorter the sales cycle, the more pay at risk
- Darwinian plans will have more at risk across the board
- Mix can be a function of current mixes and pay philosophy

**Example:**  
 New Business Exec  
 Activity: Hunting  
 Influence: High  
 Sales Cycle: Short  
 Mix: 50/50

More At Risk

### Reminder: Looking To Create A Pay For Performance Culture Where High Performers Earn More

Pay for performance philosophy will dictate plan structure, measures and mechanic.

Market Competitiveness

## Final Quota and Plan Designs:

Updated, costed plans that aligned to chosen philosophy and behaviors

### KAM/NAM Relaxed Threshold to Limit Risk of Too Many Under Performers

Measures	Mechanics	Modifier %	Threshold	Thr
1. Invoiced Sales w/ NB Modifier	QBB	+30%	90%	5
		-40%		

**Key Elements:**

- Decreased Threshold from Current State (95→90%)
- Increased Upside
- Increased positive modifier
- Decrease negative modifier

On-Target Earnings %

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