

Whitepaper

SALES 2.0 – Leveraging Web 2.0 To Sell

By Geoffrey James

About the Author:

Geoffrey James has sold and written hundreds of features, articles and columns for national publications including Wired, Men's Health, Business 2.0, SellingPower, Brand World, Computer Gaming World, CIO, The New York Times and (of course) BNET. He is the author of seven books, including Business Wisdom of the Electronic Elite (translated into seven languages and selected by four book clubs), and The Tao of Programming (widely quoted on the Web as a "canonical book of computer humor".) He was also co-host of Funny Business, a program on New England's largest all-talk radio station and has given seminars and keynotes at numerous corporations, including Rackspace, Gartner, Lucent and Houston Industries. Geoffrey attributes his success to the uncommon realization that freelancing is "50 percent sales and 50 percent delivery." When writing about Sales, he draws on his prior experience marketing and selling multi-million dollar computer systems, his daily experience selling his own services, and the fact that every month he's personally being coached, one-on-one, by the world's top sales trainers.

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The Internet is the ultimate disruptive technology. Like telephony, radio, television, and even the printing press, the Internet is dramatically changing nearly every aspect of daily life, both inside businesses and in the daily lives of individuals. Much of this disruption has been both unplanned and unexpected, and nothing more so than the sudden prominence of what's been called Web 2.0: the blogs, wikis and social networking sites where users generate content for consumption by other users.

When it comes to technology, sales professionals are natural pioneers. They were the first in the business world to embrace the cell phone as a day-to-day tool, and have long used the mass media – including the Internet – for lead generation. With each technological revolution, sales professionals have had to learn how to use disruptive technology effectively.

Today, a number of software and services firms have launched software products and services under the banner “Sales 2.0.” These solutions promise to reduce the cost of sales, buyer risk, and the time it takes to close a deal. This white paper explains the characteristics of such applications and how they build upon Web 2.0 technology to create a more productive selling environment.

THE SCOPE OF WEB 2.0

Web 2.0 is generally defined as a set of technologies that have grown extraordinarily popular over the past three or four years. These technologies include:

1. *Social Networking.* Such sites were virtually unknown except on college campuses until quite recently. As early as February of 2007, the U.S. market share of Internet traffic to the top 20 social networking sites grew to account for 6.5 percent of all Internet traffic, according to Hitwise, a company that tracks Web traffic. And that figure was up by a whopping 11.5 percent from the previous month, establishing a growth rate that could end up making social networking into one of the dominant usages of the interactive Internet.
2. *Wikis.* Another Web 2.0 technology that's grown with unbelievable rapidity are “wikis,” user-created knowledge bases, the most popular of which being wikipedia.com. .
3. *Collaborative Software.* Another indication of the popularity of Web 2.0 is the explosive growth of software that helps individuals and groups collaborate. According to the world's largest high tech market research firm, the market for such software will reach over \$1 billion by 2008, according to Gartner vice president Tom Eid. “The markets for Web conferencing and team-based collaboration, while still in an early phase of adoption, are converging and transitioning,” he says.
4. *Blogging.* Web-logs are another astounding Web 2.0 phenomenon. Even though blogging was essentially unknown half a decade ago, by September 2007, the blog search engine Technorati was tracking more than 106 million blogs worldwide. Many blogs have become destinations of major importance on the web, with thousands of blogs receiving millions of hits every week.
5. *Video-sharing.* Hard to believe, but three years ago nobody had ever heard of YouTube, much less the dozens of YouTube imitators. According to Hitwise, in May of 2007, YouTube represented nearly one percent of all Internet website hits. That doesn't sound like much until you consider that each of those hits held a pair of consumer eyes for several minutes as the video was viewed. With Web 2.0, it becomes easier for individuals (both inside and outside the corporate world) to add comments, create blogs, state opinions, and upload audio and video. But what's important for sales professionals isn't so much the new technology, but the way that Web 2.0 signals a cultural shift in the way that people, inside business and out, use the Internet interact with one another.

SALES 1.0 VERSUS SALES 2.0

Web 1.0 was primarily a broadcasting medium that allows the one-way communication of pre-packaged content. In B2B sales processes, Web 1.0 thus is primarily a vehicle for online versions of brochures, press releases, information sheets and other traditional market collateral.

By contrast, Web 2.0 is primarily an interactive medium that allows two-way communication of collaborative content. In B2B sales processes, Web 2.0 is a vehicle for collaboration between buyers and sellers, both of whom are expected to play a role in defining what's needed and the shapes of the financial transaction.

Sales 2.0 requires Marketing and Sales groups to behave very differently. In the Web 2.0 world, a high value is placed on authenticity. Pre-packaged information (i.e. stuff that can be broadcast) is considered phony and inauthentic, while comments from "real" people (even if posted anonymously) are considered truthful and authentic. Similarly, with Sales 2.0, customers expect sales reps to be genuine, authentic and non-manipulative, and avoid the kind of high-pressure (i.e. "Sales 1.0") tactics that still worked in the Web 1.0 world.

Sales 2.0 thus represents not just a better way of selling, but a substantial enhancement of the customer experience. The Web 1.0 environment, with its emphasis on pushing information out to a wider audience, overloaded customers with information. While they had access to information that in the past belonged entirely to sales professionals (i.e. product features, comparison pricing, customer complaints etc.), many customers saw all that data as an undifferentiated blur of meaningless facts.

By creating a more collaborative environment, Sales 2.0 allows the sales professional to use his or her specific expertise to help the customer differentiate between information that's essential and information that's not. In addition, the two-way communication inherent in the Web 2.0 helps ensure that the sales professional remains focused on customer needs rather than a predetermined sales agenda.

Sales 2.0 also helps sellers to hone their messaging. In Sales 1.0 environments, it's not at all unusual to find "outward bound" marketing materials that are heavy on buzzwords and biz blab that customers consider to be either incomprehensible (at best) or risible (at worse). By contrast, because Sales 2.0 emphasizes authenticity and interactivity, it becomes immediately clear when a set of messages are poorly received or proving to be ineffective.

SALES 2.0 APPLICATIONS

A Sales 2.0 application, by definition, is one that builds upon Web 2.0 concepts, such as collaboration and authenticity, in order to reduce the cost of sales, buyer risk and the amount of time it takes to close a deal. Based upon the characteristics of the Web 2.0 environment, a Sales 2.0 application must have five key elements in order to accomplish this:

1. *Two-way Communication.* Because Sales 2.0 values peer-to-peer communication, a Sales 2.0 application must facilitate a direct communication between the sales professional and the prospect.
2. *Shared Control.* Where Sales 1.0 assumed that the seller should be controlling the interaction, a Sales 2.0 application must allow both the sales professional and customer to guide the selling process.
3. *Contextualized Information.* Because there is so much information available on the Web, a Sales 2.0 application must provide a means to determine what information is important and what is not.

4. *Personalized Interaction.* Because Sales 2.0 values authenticity, the user of a Sales 2.0 application should know, at all times, who is being contacted and why that person is a potential customer.
5. *Collaborative Capability.* Because Sales 2.0 is collaborative, a Sales 2.0 application must provide a vehicle for sellers and buyers to work together on customer needs and potential solutions.

Let's look at an example: SalesGenius from Genius.com, which was one of the first products to be widely discussed as a "Sales 2.0 application." As described on the Genius.com website, SalesGenius allows a sales rep to send e-mails to prospects and then receive alerts when the prospect opens the email or clicks on a link. Prior to making a telephone call or initiating some other form of contact, the sales rep can see exactly which web pages the prospect visited. Based on this description, here's how the five key elements of a Sales 2.0 applications are manifested in this specific solution:

1. *Two-way Communication.* With SalesGenius, the emphasis is on creating a dialog between the sales professional and the prospect, rather than merely providing information to the prospect.
2. *Shared Control.* With SalesGenius, the customer initiates the sales process by showing interest, while sales takes the initiative to move the conversation to the next level.
3. *Contextualized Information.* SalesGenius provides the rep information about the prospect's interests to make the sales call more productive and thus more likely to move the sale into the pipeline.
4. *Personalized Interaction.* SalesGenius has the rep take action after the prospect has visited a website, the sales rep is naturally put in the role as the person who can help clarify needs and build solutions.
5. *Collaborative Capability.* With SalesGenius, the rep uses email to initiate the customer dialog, and then can use a combination of Web 2.0 technologies, such as live chat, to continue the dialog.

SalesGenius clearly fulfills the requirements to be rightly called a "Sales 2.0 application," as do many other technologies showcased at the recent Sales 2.0 Conference (www.sales20conf.com). The common thread in all these Sales 2.0 applications is that they should result in a lower cost of sales, a faster sales cycle and a customer who feels more connected to, and better served by, the sales process.