

Clear to Close:

Build certainty and confidence in your team's ability to close more deals

Whitepaper





When hearing about increasing B2B sales, the buzz is predominately about increasing lead generation, buying technology to automate customer correspondence, and of course, the billions spent to continuously improve CRM solutions.

However, one of the most important and often overlooked improvements is closing the deals that are already in flight. All sales reps have varying close rates, which are based on many different factors, yet sales leaders require consistency and certainty to forecast confidently. Accurately predicting performance is within sales leaders' control and does not require significant investments in technology or long training courses. Forecasting is simply about empowering teams to follow a successful conversion plan.

One of the largest problems for sales organizations, regardless of industry, happens when deals slip past their commitment dates. Precise forecasting and closing revenue are critical to the ongoing success of any business.

To successfully transform a business and its underlying sales strategy, it's important to consider the team's greatest challenges. In January and February 2023, sales coaching firm Coterie conducted a survey of 87 sales leaders across various industries in the United States to better understand the areas where sales professionals experience lost time and effort.

The recent study highlights that 72% of the sales leaders surveyed report that their deals slip past the forecasted date over 50% of the time. Slipped deals offer a scary scenario and present unique challenges, and the business will be negatively impacted if poor performance is accepted as the status quo.



Let's consider the most common reasons salespeople report lost or slipped deals:



Poor Qualification: Salespeople may waste time on deals that are unlikely to close because they haven't properly qualified the lead. They may not have a clear understanding of the prospect's needs, budget, or decision-making process.



Lack of Rapport: Salespeople who fail to establish a good relationship with the prospect may struggle to close deals. Building rapport is critical to establishing trust and credibility, and it can make the difference between winning or losing a deal.



Failure to Address Objections: Prospects will often raise objections during the sales process, and salespeople who fail to address these objections effectively may lose the deal. Addressing objections requires active listening and a deep understanding of the prospect's concerns.



Inability to Differentiate: In a crowded market, salespeople who fail to differentiate their product or service from the competition may struggle to close deals. Salespeople must articulate the unique value proposition of their offering and how it addresses the prospect's needs.



Poor Timing: Salespeople who do not understand the prospect's timeline or fail to follow up promptly may lose the deal. Prospects may lose interest or move on to other priorities if the salesperson is unresponsive or fails to follow up when promised.



Loss of Productivity: Critical selling time is stolen from reps who are required to focus on administrative tasks and internal meetings. Over 50% of survey respondents say they feel conflicted with non-revenue generating work on a weekly basis.



Ineffective Sales Processes: 71.9% of respondents noted they feel their sales processes are Average or Below Average. Selling without a strategy puts deals at risk of delay or not closing at all.

In addition to the challenges listed above, one of the most critical factors pervasive across every industry is time. Time will always play a role in deal closure rates and depending on how time is managed, inefficiencies can potentially negatively impact the outcome of a deal. Here are some key examples from several different industries:

Software: According to Gartner, the longer the sales cycle, the lower the chances of closing the deal. Sales cycles that exceed six months have a 40% lower chance of closing than sales cycles that last less than three months.

Financial Services: McKinsey & Company reports that delays in the approval process can significantly impact deal closure rates. Deals that

take longer than 12 months to close have a 20% lower chance of being approved than deals that take less than six months to close.

Consumer Goods Industry: According to a report by Nielsen, consumers are more likely to purchase within the first seven days of being introduced to a product. After 21 days, the likelihood of purchase decreases by 50%.

Real Estate: Zillow reports that homes that are on the market for more than two weeks are more likely to sell for less than the asking price.

In addition to time considerations, let's review some specific examples of why enterprise sales deals take longer to close.



Complex Decision-Making Process:

Enterprise sales often involve multiple stakeholders and departments, creating a complex decision-making process.



Lengthy Procurement Process:

The procurement process in large organizations can be lengthy and bureaucratic, adding time to the sales process.



Competition:

Enterprise sales can be competitive, with multiple vendors vying for the same deal. Head-to-head deals can delay the decision-making process and push the close date out.



Budget and Resource Constraints:

Enterprise deals often require significant budgets and resources, which can take time to secure and allocate. Internal to the customer there is a constant push and pull for the same resources, including IT, Project Management, and Legal teams.



Customization and Negotiation:

Enterprise sales often involve customizing the solution to meet the specific needs of the customer. Negotiating terms and pricing also adds time to the process.

In summary, enterprise sales can take longer to close due to a combination of factors related to the decision-making process, procurement, competition, budget and resource constraints, and customization through negotiations. Let's not forget that time is considered the biggest constraint for salespeople closing deals, compounding the issues above.

By understanding the myriad challenges salespeople face, industry leader Coterie has developed a foolproof method for closing forecasted deals to make a positive impact on sales organizations today. Upon identifying the challenges associated with closing large, complex deals, it's possible to develop unique approaches that will quickly make an impact on the business.

CLEAR TO CLOSE IN 10 STEPS

When does sales leadership know when deals are cleared to close? Coterie outlines 10 steps involved in a strategic Clear to Close Plan paired with a "rhythm of certainty" to rapidly improve deal close rates and the associated length of sales cycles.



Identify the Financial Impact

Salespeople must always strive to understand their customer's pain points, highlight the value of their product, and demonstrate a "necessity" offering with budget, authority, and need all equally accounted for.



Complete Demo, Proof of Concept (POC), and Tech Approval

Complex transactions require formal approval from customer stakeholders to ensure integration to systems and touch points have been properly addressed.



Appoint an Internal Champion

A client-side coach is critical and may represent one or several internal customer champions who help salespeople navigate the selling cycle. Internal champions help sales reps understand their unique internal approval process, share intel regarding competing deals, and most importantly, identify the ultimate decision maker who will sign the deal.



Identify the Ultimate Decision Maker

Every company has a different approval process and that process may change depending on the type of solution or the total cost. The devil is in the details, and salespeople seldom close until the exact details are understood.



Counter Competitive Threats

Salespeople rely on strong relationships with internal champions because customer stakeholders may share key information regarding competitive threats and tangential deal cycles. Solid relationships built on trust and mutual respect will generate vulnerability, and internal intel can make or break a deal.



Develop a Compelling Event

Whether it's a regulatory issue, system sunset, client reacting to a competitor, or something else, use compelling events to generate urgency. To move from "nice to have" to "necessity", tie the solution to a change in law and subsequent deadline. Focus on replacing a key system that is about to hit sunset or a solution that allows them to leapfrog a competitor.



Prove Financial Impact

Don't solely focus on getting technical approval in the POC. Use customer data and insight to help substantiate the financial impact a solution will deliver to the customer's business. Clients will always choose to make money over saving money, (vendors that only lean on discounts to sell) so if the financial impact cannot be justified, salespeople must adjust the close probability accordingly.



Define a Communication Strategy

Build a clear and effective communication program to keep all project stakeholders aligned and informed on the project's status. Ask the client how they want to receive updates, especially if multiple teams and roles are involved in complex selling cycles. A communications plan may also surface missed steps, like an emerging competitor or an executive signoff.



Approve Deal Terms

There are many critical areas of deal structure that must be considered before a deal is close to closing, like a subscription model or perpetual licenses, deal size, ongoing maintenance, training, and support, just to name a few. If specific deal elements have not been discussed or accepted by customer stakeholders, the deal is unlikely to close on time.



Legal Approval

Oftentimes, sales cycles offer unforeseen legal requirements that must be understood to proactively progress the deal. The internal champion or business sponsor is vital because they help sales reps understand who from the legal team is involved, how to navigate the purchasing system, and ultimately become the vendor of choice.

It's no coincidence that the Clear to Close Plan addresses each of the challenges mentioned in our recent sales leader survey. When salespeople follow the 10-step plan and integrate the Clear to Close selling strategy, they improve the entire sales cycle by adequately qualifying leads, understanding competitors, and navigating the customer's internal approval process, leading to faster sales cycles and more closed deals.

Coterie's foundation is built on efficiency and the organization strives to increase productivity and effectiveness for its clients. The industry leader defines a "rhythm of certainty" to keep sales teams on track. Rhythm is critical in sales, and it's important to keep customers in lockstep with the same beat. Absence and low frequency generate stagnant deal cycles. Minimal contact is generally not intentional, but with competing priorities, a customer may lose interest and take on a different project, entertain a different vendor, or simply reduce their workload.

Understanding the importance of collaboration, Coterie established a proven sales rhythm using the world-renowned Agile framework. Yes, the same Agile strategy that product and development organizations use to mitigate and initiate change. While Agile methodology helps to build a better product faster, the construct of the meetings to pick a path and frequently iterate applies well to sales.



CLEAR TO CLOSE (C2C) MEETING RHYTHM

The four key agile meetings are deal planning, daily stand-ups, deal reviews, and deal retrospectives. An additional opportunity may also include pipeline refinement.



- **C2C Deal Planning** gets salespeople on the same page about what must be accomplished over the coming weeks.
- **C2C Daily Stand-Ups** ensure the team stays on track and helps salespeople address and resolve potential bottlenecks.
- **C2C Reviews** are an opportunity for the team to collaborate on the deal, share tactics to deploy, and receive critical feedback before implementing the Clear to Close Plan or engaging stakeholders.
- **C2C Deal Retrospectives** allow the team to come together to discuss what went well, what didn't go well, and how they can improve next time.
- **C2C Pipeline Refinement** prepares the view of the backlog for planning in order to deliver the most impact over the next period.

CLEAR TO CLOSE TOOLS

There are many sales improvement tools available on the market today, and with copious niche solutions and opportunities, it's easy to feel overwhelmed by the options. At Coterie, we believe that technology should unify the sales process, not be an exception to it. The firm consults with teams to understand the process, recommend the most useful tracking tools, and personalize a solution by use case. Our first suggestion is to integrate into existing systems and build it into the existing CRM, which salespeople use daily. However, if this isn't an option due to a backlog of development projects or the state of a CRM system, there are other solutions:



Option 1 is to build Deal Certainty into an existing CRM.

Option 2 depends on the client's preference. Project management tools range from spreadsheets (Excel or Google Docs) to popular platforms like Monday.com or Asana. Coterie can also use an existing tech stack such as Microsoft Planner, Microsoft Lists, or even OneNote.

Regardless of the approach, Coterie aims for consistency and empowers its clients to manage across teams, leveraging automated task reminders to inspire action.

THE PATH TO CLARITY

Using the “rhythm of clarity”, the core structure of deal stages and the right tracking mechanism inspires forward momentum and positive trajectory. A strategic, simple plan holds the appropriate salesperson or stakeholder accountable. The sales rep, solutions consultant, a third-party partner, and especially the customer all benefit from project visibility and defined action for the person responsible for the step.

At a minimum, the rhythm must include the following elements: task description, owner, client owner, due date, start date, desired outcome, and links to appropriate documents. It’s that simple. If sales organizations build a Clear to Close Plan with all the tasks needed to get to the end of a deal (not just the next stage), teams operate with more certainty. Applying second-order sales thinking will make the process certain, or at the very least, won’t surprise sales leaders during the last week of a month or quarter.



DIGITAL STARTER

Coterie offers a digital starter kit that offers exclusive access to virtual training that will provide the background, the best practices, concepts, and the “how-to” of deal certainty.

The Digital Starter Plan Features:

- Executive summary of Coterie’s 360 survey which explores why deals slip.
- Virtual training for sales managers and representatives.
- Clear to Close Plan template and format.
- Personalized deal planning sessions to accommodate all licensed reps.
- Stand Up session for managers.

The Digital Starter program offers a personalized spreadsheet model (Excel or Google) as a basis for the program. If a CRM or other project tools are preferred, Coterie dedicates 2.5 hours of our application consulting time to get sales teams on the right path, consultants are also available to help implement the first step.

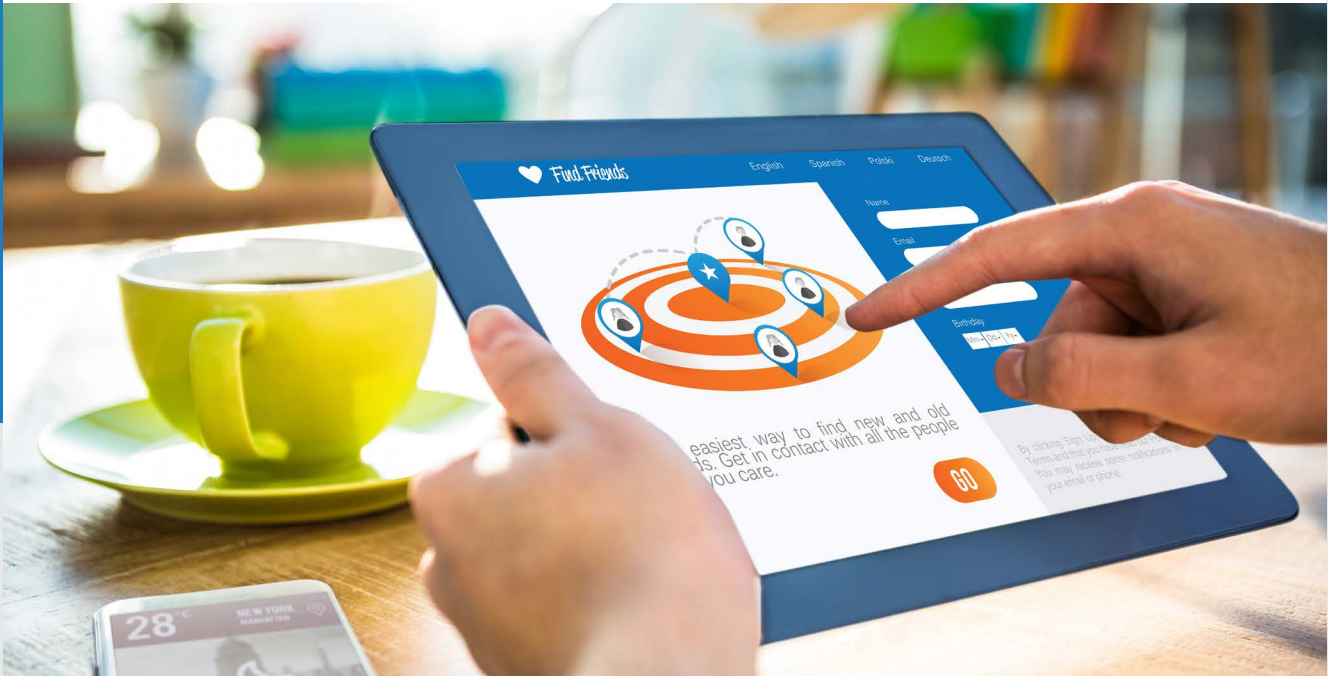
Virtual training is available for manager teams (both sales and sales consultants) as well as the sales reps based on the number of seats licensed. To put the training into practice, Coterie experts wrap up the rhythm by conducting a deal certification planning meeting to highlight at least two deals, help the sales rep complete their Clear to Close Plans, and run a C2C Daily Stand-Up after a strategy is defined.



DIGITAL + REAL-TIME

Additionally, Coterie offers a customized analog program to inspire its clients to live and breathe the program. The firm works with team members and personally teaches organizations the method, working directly with reps to rehearse at least two deals.

Coterie helps its client understand the agenda of each agile meeting and helps to manage the meeting during onboarding. Coterie launches the program and works hand-in-hand with teams, so after the engagement, the system is in place and primed for success.



To further embrace changes in the sales process, Coterie offers a hands-on intensive program. Clients get all the benefits of the digital program, plus one-on-one coaching for both sales managers and sales reps, and emphasizes analysis and strategy of the problem identifications and remediation plans.



THE DIGITAL + REAL-TIME PLAN FEATURES:

- Executive summary of Coterie's 360 survey which explores why deals slip.
- Assessment and strategic documents for execution.
- Virtual training for sales managers and representatives.
- Clear to Close Plan template and format.
- Extensive review of the 5 Deal Certainty meeting Rhythms with management (customized via a strategic situation analysis).
- Two deal reviews for each rep seat purchased.
- Daily Stand-up meetings (up to three).

Coterie utilizes our more than 25 years of practical field sales experience to improve your deal close rates, compress your sales cycles, all while providing more predictable revenue to your business. This isn't a major overhaul, with our modern coaching techniques, this program makes an impact immediately. Our recent study highlights 72% of sales leaders report that their deals continue to slip past their forecasted close date and Coterie is poised to make a quick impact on these challenges. The goal of our Clear to Close Plan is quite simple...to provide a proven blueprint that accelerates deals cycles, improves close rates and mitigates risk. What are you waiting for? Deals are in flight and at risk and we have the proven methodology and experience to start making an impact on your business! Reach out to us today and your sales team and your deals will soon be lined up and **CLEAR TO CLOSE**.



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