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Building Business Partnerships for Long-Term Success

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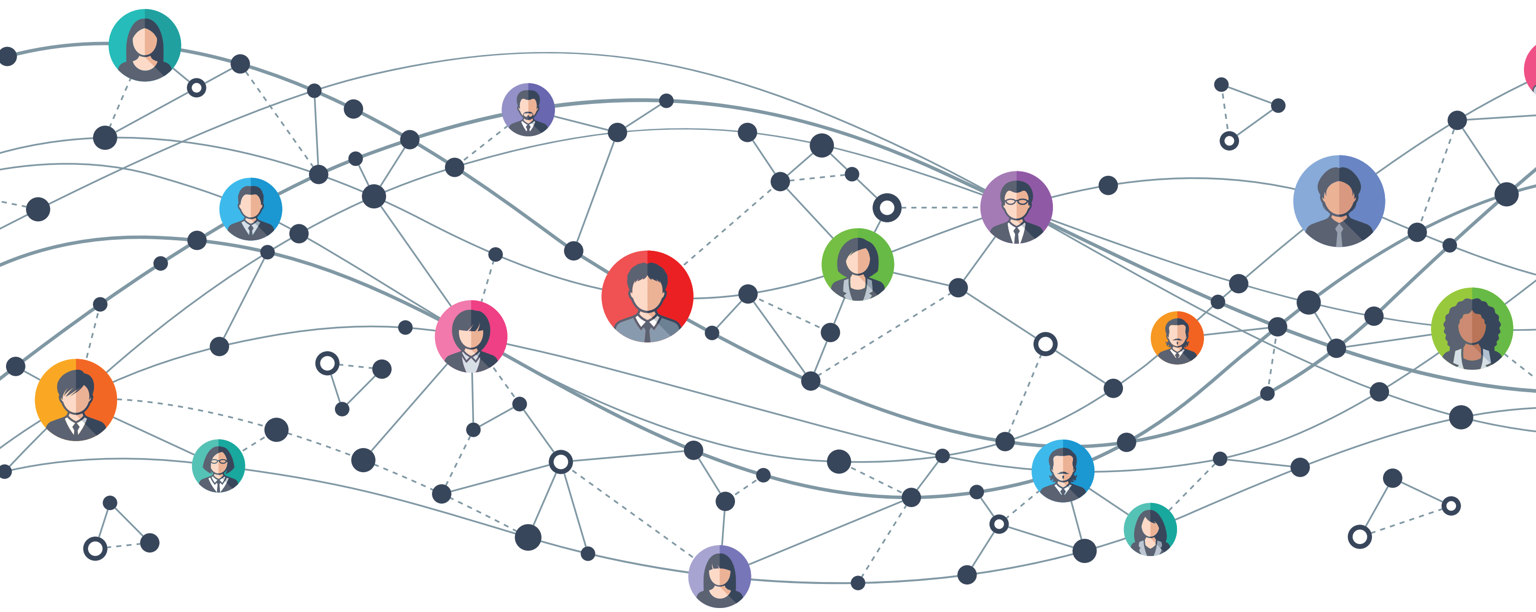
FEATURE STORY



Building Business Partnerships for Long-Term Success

BY PAUL NOLAN

An author of young adult fiction and romance novels isn't an obvious source of insight on what makes for effective B2B partnerships, but that's what Sarah MacLean has provided. MacLean, the author of *New York Times* bestselling books such as "A Rogue By Any Other Name" and "Never Judge a Lady By Her Cover," stated in an interview, "The best partnerships are not dependent on a mere common goal, but on a shared path of equality, desire and no small amount of passion."

This report on building better B2B partnerships — a group that we define as including vendors, channel partners, contract workers and employees — hopefully provides numerous useful ideas on how to assess prospective collaborators and how to foster and maintain mutually beneficial partnerships. In many ways, however, MacLean's summary of what makes for a good union succinctly encapsulates the underlying concept of all the observations presented here.

The Power of Partnerships

Seventy-one percent of respondents to DemandGen Report's "[2024 Channel Partner Marketing Benchmark Survey]" anticipated that partner-generated revenue will climb more than 10% this year.

Foundry, a global provider of media and event services, marketing technology and intent data for B2B technology marketers, surveyed more than 350 marketing leaders in the IT industry and found that 68% view partner marketing as a necessary tactic that provides great value. This year, an average of 37% of marketing budgets are being spent on these activities, up from 28% in 2014, Foundry reports.

Many companies go to market using a combination of internal sales reps and channel partners. The latter provides access to prospects that a company otherwise would not know about or have the capacity to reach. A report from [Affise], which sells software for partnership management, states that in a world oversaturated with marketing messages, channel partners can provide a "gentle marketing" approach for your brand — in effect, a third-party referral.

Hinda Incentives, a provider of recognition and reward programs, employed a combination of internal sales and channel partners before shifting several years ago to a channel partners-only strategy. Theresa Thomas, vice president of strategic solutions at Hinda, estimates the company has accumulated between 750 and 1,000 channel partners, 350 of which work regularly with them.

"We rely on our channel partners to be the local presence, the local intelligence and someone who has feet on the street with the client," Thomas said. "We could never reach as many prospects or clients as we do without those local partners."

Initially, Hinda worked with channel partners who had experience in the non-cash incentives industry. Many worked with large purveyors of recognition programs before deciding to go into business for themselves. Hinda still uses some of those partners to sell its programs, but it shifted several years ago to using primarily promotional product resellers — reps who sell inexpensive branded merchandise to companies. This provided entrée to new markets, a key benefit of channel partnerships.

Hinda works with its resellers in a variety of ways. Many use the company's full-service capabilities, including an online platform that tracks performance and provides redemption for merchandise and travel rewards. Others have their own technology and use Hinda strictly for fulfillment.

Hinda's resellers who are in the promotional product industry are asked to identify new prospects and handle the initial conversations. Hinda business development members are brought in later in the process to explain the more intricate details of its platform capabilities and to help close the sale. Channel partners who have extensive experience in the non-cash incentive industry are left to close sales independently.

Training Is Vital

Thomas said most of the promotional product reselling partners use Hinda's full-service capabilities. Hinda created a partner portal for its resellers that goes well beyond the customary product training and marketing support materials. Hinda's business development team created sales support materials such as talking points for prospects at different stages of the buying process, case studies and on-demand training videos. The company also provides as many as eight live web presentations covering a wide range of sales strategies.

"You can't underestimate the value of educating your channel. It's critical that people understand your product and service, and that you continue to educate them over time," Thomas said.

Jonathan Evans, CEO of Discovery ADR a UK-based consultancy that works with businesses primarily in Europe and North America, said leading-edge companies are investing in skills training for channel partners and not simply focusing on providing product information. His company helps client businesses with structural transformation, recruitment and development.

Investing in improving your channel partners' consultative selling skills will pay off through increased revenue back to your business, Evans said. What's more, the most attractive channel partners are highly sought after and can assess their

Learn Why Other Partnerships Ended

Recruiting and retaining good channel partners is akin to hiring and keeping high-performing employees. As a result, strategies that help companies keep their best workers should also help keep mutually beneficial channel partnerships intact.

An article in the November/December 2024 issue of *Harvard Business Review* examines more closely why employees quit, and measures company leaders can take to minimize the loss of stellar workers. One step the authors suggest: Instead of conducting exit interviews to learn why good workers are going somewhere else, interview them soon after they are hired to find out why they left a previous employer.

Identify the "pushes and pulls" of a channel partner's previous partner switches and work to avoid them as you begin your partnership. Don't settle for ambiguity. Get details about when they started thinking about ending a partnership. What was the day-to-day experience like? What was the communication like with the former partner? Listen intently and ask follow-up questions.

At the end of the discussion, the authors suggest, replay what you heard and give the partner space to correct things or add what you missed.

options just as skilled workers do when deciding whether to accept a job offer. Businesses must make themselves attractive to any prospective partner they hope to reach agreement with. A well-structured sales training program that enhances selling skills as well as providing product knowledge is a big step in that direction.

"More job seekers are choosing the organization they go to based on the career progression and career path. Channel partners are no different. They ask, 'How are you going to develop me?' You can never divorce recruitment from development, and it must happen quickly," Evans said. "If they get six to nine months in and things aren't working properly, they start to think they made a mistake and that it may not be their issue."

Motivating Your Channel Partners

It's one thing to provide sales training, it's something else entirely to get channel partners to complete it. A challenge with channel partners is they are under separate management and able to make decisions independently unless you write requirements into an agreement.

Hinda is in the business of motivating others. Not surprisingly, it uses rewards to motivate its channel partners to complete training as well as other steps that lead to a sale. Partners earn points that can be redeemed for non-cash rewards for completing training, establishing new prospects and scheduling meetings with them.

"It takes a commitment just as with any sales position. If they aren't willing to put in the effort to learn about our products and services, they will not be successful talking to a customer. In fact, they often won't even try to talk to a customer. We have a lot of partners who don't complete the training and never make a sale," Thomas said.

The View from the Partner's Side

Ben Griffith is a 20-year veteran of the non-cash reward and recognition industry who worked in sales for a large East Coast provider of those programs. In 2018, Griffith left his job and its six-figure salary to start his own company, Level Up Engagement, in the same performance improvement space. He had strong relationships on both the client and supplier side. Who he chose to partner with would be critical to a successful launch for his new company.

Hinda was one of the first suppliers Griffith entered a partnership with. Today, he works with a dozen or so partner companies that help provide his clients with sales incentive,

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B2B channel and employee engagement strategies that include group travel, mid-level merchandise programs, meetings and events, individual travel, gift cards and promotional products. In assembling his channel partner roster, Griffith said corporate culture is always top of mind.

"Factors I consider when selecting a partner include how the company is run, the company's reputation, types of services offered, company size, the company's expertise, B2B channel experience, clientele and technology capabilities," he said. "The best partnerships are built on trust, integrity, open communication, appreciation, teamwork and a shared focus on putting the client first. Level Up enters into partner agreements with the intent of maintaining those relationships and growing business together for decades."

Angelo DiSpirito III, founder of Rhode Island-based Val-U Solutions, another longtime channel partner of Hinda's, said he has ended partnerships because change of leadership at a partner company led to changes in corporate culture and philosophy.

"With a good B2B partner, it's not my way or the highway, it's sharing our way," DiSpirito said.

Knowing that no single company can be all things to all people, Level Up has developed a good understanding of the capabilities and limitations of each vendor with an eye toward pairing a client's needs with a vendor's strengths.

A vendor that might be the perfect fit for Client A might be the wrong fit for Client B due to factors like the client's budget, program type needed, the vendor's experience, geographic reach, customization requirements, etc. By asking a series of questions that help refine the project scope, Level Up considers each vendor option and is able to determine which one is best suited for the established parameters.

Theresa Thomas said that's why Hinda maintains communication with all the channel partners it has developed relationships with through the years and not just those that have brought recent business to Hinda.

"We continue to market to them because, one day, they are going to have a client who has a need that makes them think of us. Just as you may have a long sales cycle to sell something to a new customer, sometimes it's a long sales cycle to get your reseller to engage," Thomas said.

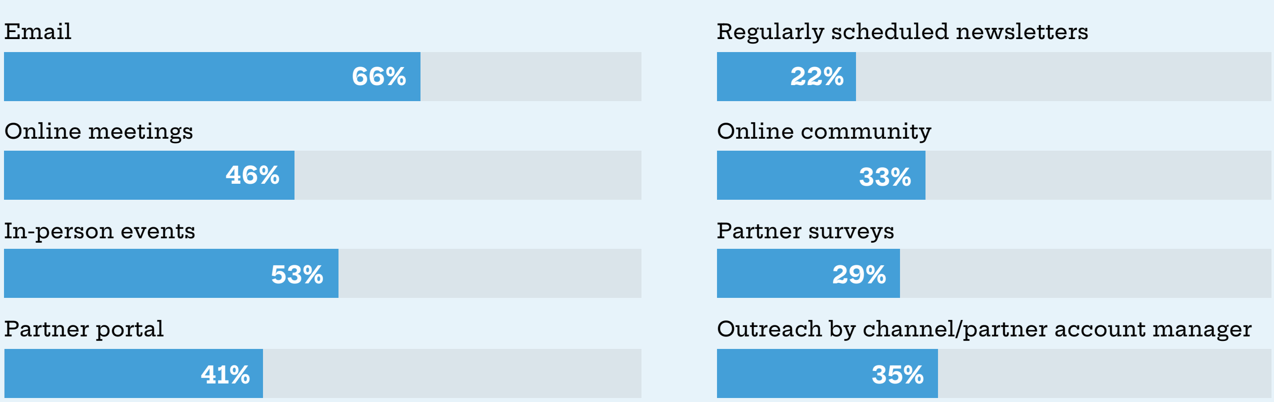
Writing for Forbes.com, Chris Barbin, CEO and founder of Tercera, an investment and advisory firm, states, "No company, no matter how innovative, can achieve sustained success entirely on its own. By collaborating with the right partners, companies can tap into new customers, expand their offerings and build stronger market presence. With the right ecosystem in place, businesses can focus on innovation, knowing that their partners will deliver the value, expertise and customer support that fuel success."

Communication Is Essential

Subtle shifts in the way channel leaders communicate with their partners suggest a greater focus on in-person interactions and stronger digital interactions.

Specifically, hosting in-person events skyrocketed from 44% in 2023 to 53% in 2024. On the Web side, 33% of companies will maintain an online community (up from 30% in 2023), while 46% will rely on online meetings.

Email marketing to channel partners ebbs and flows. In 2022, 79% of channel leaders connected via email, which dropped to 63% in 2023. That number is climbing again, as 66% utilize email in 2024.



SOURCE: DEMANDGEN CHANNEL PARTNER MARKETING BENCHMARK SURVEY (2024)

Business Gifts Are No Time for White Elephants

Tepid response to traditional corporate gifts has companies rethinking the concept

BY PAUL NOLAN

Gifts can go a long way toward building better business relationships. However, there is a double-edged sword to corporate gift-giving. If you select the wrong gift, it's forgettable at best and, at worst, damaging to your reputation or harmful to a client's sense of your good judgment.

A well-executed corporate gifting campaign reinforces to recipients — whether they are clients, a company's employees, third-party partners or something else — the gratitude the gift-giver feels toward the recipient. A misstep in a corporate gifting effort can leave a recipient feeling they are misunderstood by the gift-giver or not authentically appreciated.

An astounding amount is spent on corporate gifts. One study estimates businesses will spend over $300 billion this year on gifts. Yet so many corporate gifts barely make an impression. If a food basket falls into a company waste bin after going uneaten and unappreciated, does anybody hear? Does anybody care? Is the gift-giver even aware of its fate?

The answer is likely no to all those questions.

Appreciating Appreciation

Tom Romine is on a mission to help companies make a lasting impression with their gift recipients, and thereby increase the return on investment they reap from their significant spending. Romine is founder and CEO of Cultivate, a Boulder, Colorado-based provider of online and onsite gifting services that, he said, is driven to "help our clients appreciate appreciation."

Romine said more business leaders are waking up to the vast amount of money that is wasted on corporate gifts that leave no positive impression or, worse, have recipients scratching their heads in disbelief or even disappointment. The website Business.com states research that it conducted shows that 54% of corporate gift recipients have thrown away at least one gift without using it.

Tackling a company's holiday gifting effort is often a task that gets handed off to an administrative assistant or junior colleague who is juggling a long list of other responsibilities. It gets a "check the box" approach and a modest budget to match.

Many companies simply repeat whatever was done the previous year.

According to Romine, forward-thinking companies are reassessing why they gift in the first place and are adopting gifting strategies that better align with their reimagined goals. Here are some shifts that Romine and others in the corporate gifting world are observing as companies pursue a more measurable ROI from their gifting efforts.

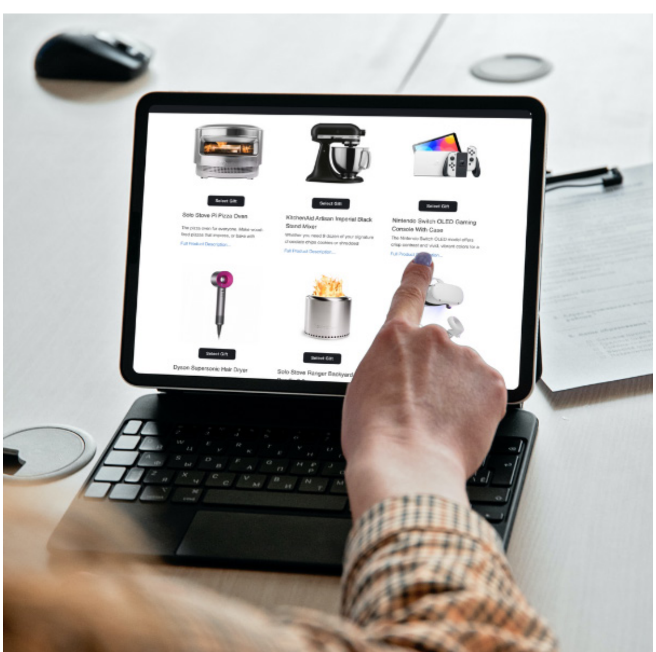
Reevaluate Your Recipient List

A common gifting strategy is to send something — the same thing — to every customer or every employee. An egalitarian approach, while ostensibly safe, is also a primary reason why so many corporate gifts are yawn-inducing losers.

Companies looking to make more of an impression — and that's the whole point of gifting, right? — are singling out the most important companies or the most important individuals at a client company or channel partner and sending gifts that are tailored to their interests. Gift-givers are sending higher-value gifts to fewer companies (say the top 20% of customers by revenue) or to fewer individuals at a recipient company.

Personalize by Providing Choice

How do you decide between a box of chocolates or a fruit basket? Is there a right choice? Let recipients choose their gift instead. Cultivate and similar corporate gifting fulfillment companies provide clients with an easy way for gift recipients to select a gift from an assortment of merchandise in a certain price range. Recipients of a Cultivate gift, for example, have as many as 60 items to select from on an online platform, including sporting goods, housewares, electronics and fashion items.



Online gifting platforms like Cultivate replace the one-size-fits-all concept with the ability for recipients to select what they want from a wide assortment of merchandise.

Gift cards are another way to provide recipients with choice. [Tango](), a division of the gift card behemoth Blackhawk Network, offers a platform to send gift recipients an e-gift card or a catalog of gift cards to select from.

Think Outside the Holiday Season

Aside from milestone anniversaries, the year-end holiday season is the most common time to send gifts to clients, business partners and employees. Gift-givers can stand out, however, if they choose another time of year to send a gift. A company can give a gift to mark the anniversary of a partnership beginning, for example, or on the anniversary of the gift-giver's founding. ("We're celebrating a birthday, and we wouldn't be here without partners like you!")

"We're trying to switch the thinking from something you have to do out of obligation to something you want to do," Romine said. "Instead of treating it as an expense, look at it as more of an investment. If you do it that way, you won't always choose the holidays to gift."

Create Multiple Gifting Touchpoints

Cultivate has introduced a service that offers multiple gifting touchpoints to the same recipient throughout the year. The initial gift is a higher price point item and subsequent, less-expensive gifts are sent that tie into the primary gift the recipient selected. If a gift recipient selects a cappuccino maker, for example, they may receive a selection of coffee three months later, a set of cappuccino cups on another date, and accessories for coffee aficionados later in the year. "It's a neat way to strengthen and increase the connectivity with that person," Romine said.

A similar approach can be taken when companies provide gifts at corporate functions such as an annual incentive travel event. Companies are increasingly making a significant take-home gift part of these celebrations. By tying a subsequent gift to the original one six months later, a program sponsor extends the ROI of the event itself and can also encourage continued stellar performance so the recipient qualifies for the next trip.

Establish Some System to Measure ROI

The ultimate purpose of corporate gifting is to strengthen business relationships to reap financial gains in the medium and long term. The approach, however, is more subtle. It's certainly not transactional. Thus, measuring ROI of corporate gifting can be challenging.

In a 2021 research completed by [Coresight Research]() discovered that companies that use corporate gifts identified the top three benefits as improving the relationship with a customer or employee; making the recipient feel valued; and improving employee productivity. Each of those is difficult to measure as a direct result of giving a gift, but Romine said some assessment of a gift's impact is possible.

"We're not there yet in terms of pulling hard data on ROI. Companies should be thoughtful and try to measure where the relationships are in six months," he said. "If you're giving gifts in a quality-over-quantity way — in a thoughtful vs. a check-

54% of corporate gift recipients have thrown away at least one gift without using it.

Source: Business.com

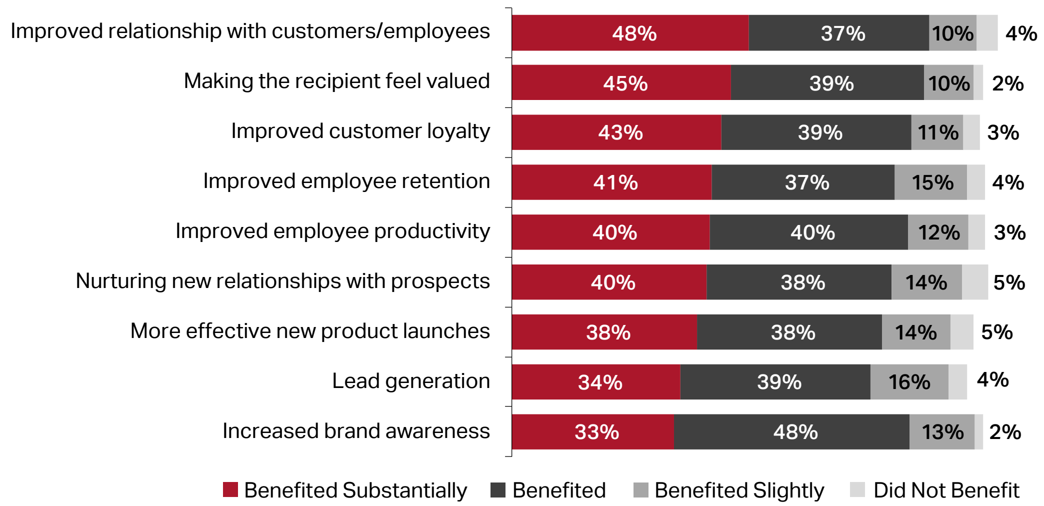
the-box way — I think you can lean into assessing how those relationships are going."

Each of these tips should help companies reach their objectives for investing in corporate gifts. Some objectives may be measurable, but others are more intangible. The most important rule of corporate gift-giving may be akin to the Hippocratic oath: First, do no harm.

There are horror stories of companies displaying cultural insensitivity through their gift choice. This reinforces the importance of knowing as much as possible about your recipients. Blunders often occur when a company takes a lazy, one-size-fits-all approach to gift-giving.

In a post-COVID world with fewer in-person meetings, fewer telephone conversations and less personal contact in general, corporate gifts can play a vital role in maintaining a human element to business relationships. Many of your competitors most likely also do it. The best value comes from doing it better than them. SMM

Benefits Reaped Through Corporate Gifting (% of Respondents)



The ordering of benefits is by descending order of the proportion of respondents who selected "Benefited Substantially." The totals do not equal 100% because respondents citing "Don't know/Can't say" are not included.

Base: 300 corporate gift givers in the US, surveyed in May 2021

Source: Coresight Research

Check These Boxes for Better Corporate Gifting

It's good to avoid a check-the-box approach to corporate gifting, but there is a list of tenets of corporate gifting that are smart to check off to enhance the impact.

☐ **Personalize with a note –** A handwritten note that explains a unique element of that business relationship makes it more authentic. If you're sending too many gifts to write a note with each, reconsider your gift list or select the most important ones to include a note with.

☐ **Opt for cultural sensitivity –** Avoid reference to any certain religion, even if you are confident you know the recipient's beliefs. Beware of international customs and norms if gifting globally.

☐ **Creative packaging adds memorability –** Consider investing in custom packaging to stand out. A gift box is often a better place for your corporate logo than on the gift itself.

☐ **Plan holiday gifting year-round –** Conversations with business partners about personal interests occur all year. To become a better gift-giver, get into the habit of making notes in each client's profile.

The Golden Rule to Channel Partner Success

BY THERESA THOMAS AND BRAD McEVOY

Independent distribution is critical for a variety of industries. Researchers estimate 75% of all sales are made through channel partners. However, companies that use channel partners face one big challenge: They have no direct control over their resellers.

Channel partners are independent businesses. The owners and employees of these autonomous companies cannot simply be told what to do. They must be persuaded to take specific actions. Because of this, sales incentive programs are an effective means of improving channel partner performance.

These programs influence behaviors, encourage increased sales, and inspire loyalty with win-win approaches. A recent study found that 48% of all companies with over $1 million in annual sales use non-cash incentives to influence their partners. Why are these programs so popular? Investments in channel incentives and promotions pay off. These programs can easily generate 15%, 25% or even 50% increases in eligible product sales during the program period.

There is one golden rule for those selling through channels. *Results come by gaining the discretionary time and attention of your partners and their people.*

Programs offering non-cash rewards like travel and merchandise are specifically designed to gain more time and attention without being confused with compensation. But these programs require planning, time and resources to operate. Here are a few helpful tips to get the most from them.

Secrets of Channel Sales Incentive Success

A company can maximize its channel programs by understanding a few secrets that help move the needle by gaining the time and attention of channel personnel.

- Gain management buy-in for the program first
- Set attainable sales goals
- Engage them early with steps-to-the-sale rewards
- Consolidate program assets into one website
- Use product training to help your channel sell more effectively

Gain management buy-in for the program first. Ask permission to operate a program and show management how it will benefit them. Skipping this step is the quickest way to doom a program.

Set attainable sales goals. People ignore goals perceived to be out of reach. If you are setting sales goals for a channel partner or their team, look at their previous sales. Add a reasonable stretch with valuable awards for hitting an attainable goal. Encourage continued performance with larger awards for achieving even higher sales.

Reward steps that lead to a sale to keep them engaged. Offering small rewards for demos, quotes or proposals can gain opportunities, move them through the sales funnel and keep participants engaged.

Consolidate program assets into one website. Use a turnkey technology to consolidate all your messaging, tracking and materials. The website should include individual accounts for each participant. This allows you to communicate effectively based on the person's role. It also lets you provide resource materials, sales claims processes, leaderboards, feedback and personalized progress reports.

Provide product training. Training is always discretionary, so it's important to appropriately incentivize it. Integrating product training into your program with rewards for completion provides channel salespeople the knowledge they need to sell more.

An experienced partner is invaluable in helping you develop your channel program. Look for one skilled at designing rules structures, offers a variety of awards and provides the right technology to consolidate all the elements of your program. This will simplify the program for you, make it easily accessible for your participants, and improve your results.

Theresa Thomas is Vice President, Strategic Solutions, at Hinda Incentives. Brad McEvoy, founder and CEO of Hinda's technology partner, Kademi, has worked at the leading edge of dealer, partner and channel programs for over a decade.

Change Sales Culture to Boost Sales Performance and Retention

BY SHAYNE JACKSON

Editor's note: Whether you go to market with an internal sales team or through channel partners, your sales reps are critical to your success. In this article, Gartner Senior Director Analyst Shayne Jackson explains why a company's sales culture is directly tied to performance, and shares tips on how to assess your sales culture and make any necessary changes.

Sales culture, in the eyes of most sales leaders, is just something that exists — it is not actively managed. A strong sales culture is crucial to a sales organization's success. Effective sales culture enhances team performance by engaging the feelings of sellers, helping them navigate highs and lows, while also anchoring them in the expectations of day-to-day work.

CSOs must prioritize culture because sellers are struggling. They have limited deep connections to the organization, lack of cultural engagement and low intent to stay at their company. Only 38% of the nearly 600 sellers surveyed in the 2024 Gartner Global Labor Market Survey say they feel understood. Twenty-five percent say the sales culture affects their day-to-day work and just 34% say they plan to stay at their organization.

When sellers don't feel understood by colleagues and management, it leads to high turnover and low performance. When sellers lack cultural engagement, they don't have clear expectations or guidance from leadership. This results in low intent to stay among sellers, which also leads to high turnover and low performance.

Cultural engagement elevates a sales team to the next level by improving seller performance and retention. Sales organizations where sellers feel connected to their culture experience a 24% improvement in performance and a 30% improvement in seller retention.

A survey from Deloitte of 200 companies found those that intentionally managed their culture significantly **increased revenue by 682%** over a 10-year period compared to 166%, and **net income by 756%** versus 1%.

Assess Your Sales Organization's Culture

Every sales organization has its own culture that aligns with the larger corporate culture, but with important differences that range from nuances to values and attitudes unique to sales. Before you start to change your sales culture, it's important to deeply understand it.

To start a sales culture self-assessment, assemble a small and diverse team of sellers, managers and leaders to discuss and define your current culture. Make sure their assessment seeks different perspectives from all organizational levels to understand differences that may exist across the larger team.

Select Sales Culture Adjustments to Drive Performance

Culture can drive sales strategy if you manage it as the powerful tool that it is. Different cultural attributes drive specific types of performance. Identify the attributes of your sales culture that are critical to delivering your business strategy. Sales leaders identified 12 cultural attributes that are most important to the success of their sales organization. They are: collaboration, customer focus, organizational agility, innovation, shared vision, transparency, seller empowerment, career development focus, connectedness, internal competition, respect and psychological safety.

While it may be tempting to assume your sales organization needs all these attributes, it's not practical to pursue all of them. It's more effective to focus on developing and strengthening one or two attributes that drive significant performance impact of sales teams. The three most common attributes sales leaders identified — collaboration, customer focus and agility — do not impact team performance. In fact, half of the attributes do not have a performance impact at the organizational level.

The six cultural attributes that drive performance impact in sales organizations are:

- **Innovation:** Encouraging sellers to use new, cutting-edge approaches to their work.
- **Transparency:** Presenting sellers with meaningful insights into the sales organization's operations.
- **Seller empowerment:** Encouraging sellers to use their discretion to complete their work.
- **Career development:** Supporting career development of sellers and paths for individual growth.
- **Internal competition:** Fostering competition among sales employees to meet their goals.
- **Psychological safety:** Providing opportunities for sellers to fail safely.

For example, organizations that have seller empowerment as a key attribute to their culture are 2.8 times more likely to see improved commercial performance. Similarly, organizations that prioritize transparency are 2.9 times more likely to see improved profit growth.

Drive Sales Culture Adoption with a Bottom-Up Approach

After choosing one or two of the sales culture attributes that best align with your growth strategy, focus on how to transform your culture. Drive culture change in your organization with a frontline-driven approach that involves sellers and managers as important contributors to the process. A bottom-up approach constructs effective change narratives that offer employees a clear rationale and practical guidance to implement the change.

Develop Team Buy-In

Co-developing change methods with the frontline team and leveraging peer-to-peer influencers to communicate the change are essential to securing buy-in from managers and sellers. Sellers must feel the need for change and believe in the new culture attributes for them to be adopted. For frontline adoption to be most effective, it must be driven by the sellers themselves and their direct managers — they are the top culture influencers, significantly more so than sales leaders.

Identify and Remove Change Barriers in Systems and Rituals

Successfully transforming your sales culture requires evaluating systems and processes within the organization. Work with frontline managers and sellers to identify the barriers within sellers' workflows and gauge how much resistance those systems and processes will create to hinder culture change.

Working with frontline sellers and managers, new routines and rituals can be built into the new sales culture that support the changes, such as a different approach to onboarding or new reward celebrations. Rituals reinforce the organization's culture, so changing rituals helps change the culture. SMM

Shayne Jackson, a senior director analyst and KI leader at Gartner, covers enablement and talent management for Gartner's Sales and Service Practice. He advises and produces research for chief sales officers and sales enablement leaders on topics involving sales enablement.

The Impact of Sales Training on Employee Morale and Retention

BY JONATHAN EVANS

No business is done anywhere in the world until a sale is made.

Sales teams are the driving force behind business success, playing a central role in revenue generation. Yet, high turnover rates and low morale are common challenges in sales departments across industries globally. Sales training is an essential intervention, not only improving performance but also significantly impacting employee morale and retention. With businesses losing billions annually due to staff turnover, investing in sales training can enhance sales outcomes while fostering a motivated, loyal and engaged workforce.

Moreover, there is a further critical question to consider: To what extent are poorly trained salespeople damaging your brand?

Poorly Trained Salespeople and Brand Damage

Poorly trained salespeople can cause substantial damage to a brand's reputation, customer relationships and financial performance. As the first point of contact for many customers, sales staff directly influence how a brand is perceived. When salespeople lack proper training, they may struggle to communicate product information accurately, mishandle customer queries, or fail to deliver a positive experience.

This can lead to dissatisfied customers, negative reviews and reduced customer loyalty. A PwC study found that 32% of customers would stop interacting with a brand after just one bad experience. Poor training can also lead to inconsistent messaging, confusing customers and weakening the brand's identity. Additionally, untrained salespeople often fail to convert leads into sales, missing revenue opportunities and reducing customer lifetime value (CLV).

The Relationship Between Sales Training and Employee Morale

Employee morale is the overall satisfaction and well-being an employee experiences in their role. High morale fosters productivity, collaboration and innovation. For sales professionals, who often work under high pressure, morale directly impacts motivation and performance.

Sales training enhances morale by providing the skills, knowledge and confidence salespeople need to perform effectively. Research from the Association for Talent Development (ATD) shows that companies with comprehensive training programs report a 218% higher income per employee compared to those without formal training. Salespeople who feel equipped to handle challenges maintain a positive attitude toward their work.

Effective training helps employees navigate difficult sales conversations, handle objections and better understand customer needs. This competence reduces stress and frustration, making employees feel more engaged. Training also reignites enthusiasm for the role, offering new challenges and growth opportunities that drive engagement.

Sales Training and Employee Retention

Employee retention is a significant issue in sales, with many teams experiencing high turnover due to burnout, dissatisfaction or a lack of development opportunities. Aberdeen Group studies show that companies with robust sales training programs enjoy 53% lower employee turnover than those without.

Sales training impacts retention by addressing two key factors: career development and job satisfaction.

Career Development

A primary reason for employee turnover is the lack of career advancement. Sales professionals, like all employees, seek growth and progression. Sales training signals to employees that the company values their development and is committed to their success. This investment helps them see a clear pathway for advancement, whether through leadership roles, increased responsibilities or specialization.

Advanced training in selling techniques and leadership development equips employees to grow within their role, reducing the likelihood of them seeking opportunities elsewhere. Gallup found that 87% of Millennials consider professional development opportunities when choosing an employer, demonstrating the importance of continued learning in retaining talent.

Two Must-Measure Metrics – Job Satisfaction and Engagement

Training not only improves skill sets, it also boosts job satisfaction, which is critical for retention. Salespeople confident in their abilities and performing well are more satisfied and engaged. A LinkedIn Learning report revealed that 94% of employees would stay at a company longer if it invested in their learning and development.

Ongoing sales training allows employees to improve continuously, stay competitive and feel more committed to the organization. As they grow, they develop a stronger sense of belonging, leading to higher retention rates. Sales professionals are less likely to seek external opportunities if they feel valued, challenged and supported.

Additional Benefits of Sales Training on Morale and Retention

Beyond retention, sales training plays a vital role in building positive company culture. It encourages collaboration as salespeople share knowledge and techniques, fostering a team-oriented environment. This culture of continuous improvement boosts morale and helps employees feel more connected to their peers and the company's goals.

Training also gives employees greater autonomy and control over their sales process. As they become more skilled, they better manage time, interactions and client relationships, leading to a sense of ownership over their success. This empowerment improves job satisfaction and reduces the risk of burnout, as employees feel more in control of their workload and outcomes.

The Cost of Not Investing in Sales Training

The quote attributed to Henry Ford, "What if we train our people and they leave?" followed by, "What if we don't and they stay?" is particularly relevant today. In a rapidly evolving digital world, failing to equip teams with evolving skill sets leads to poor performance and higher turnover. If we don't set our teams up for success by continually evolving their skill sets as the world changes, why are we surprised when they fail?

The absence of a robust sales training program leads to frustration, stress and disengagement among salespeople, resulting in higher turnover. The Work Institute found that losing a single employee can cost 33% of that employee's annual salary, underscoring the financial impact of poor retention.

Build a Competitive Advantage

Sales training is a key strategy for improving employee morale and retention. Research estimates suggest that for every $1 invested in sales training, companies can see an ROI ranging from $4 to $6 in increased sales revenue and improved employee performance. By providing the tools and knowledge needed for success, businesses create a more satisfied, engaged and loyal workforce.

Sales professionals who feel valued and supported results in reduced attrition and boosts morale. In today's competitive environment, investing in sales training is a smart decision that benefits both employees and the organization, fostering long-term success. smm

Jonathan Evans is CEO of Discovery, a UK-based consultancy that helps companies in Europe and North America build better workforces through improved recruitment and skills development.

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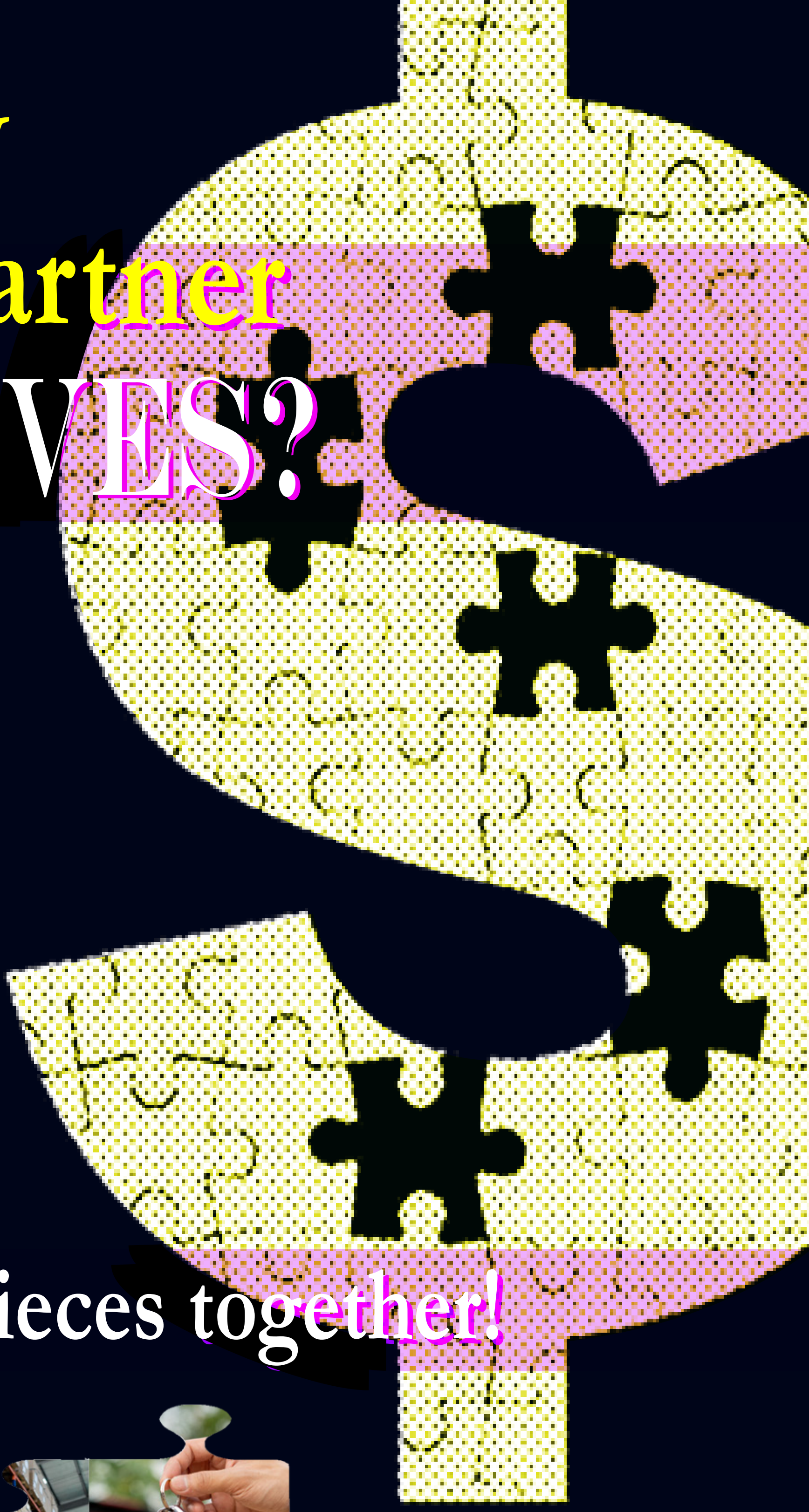

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