

The Ultimate Guide to As-A-Service:

Sales & Marketing

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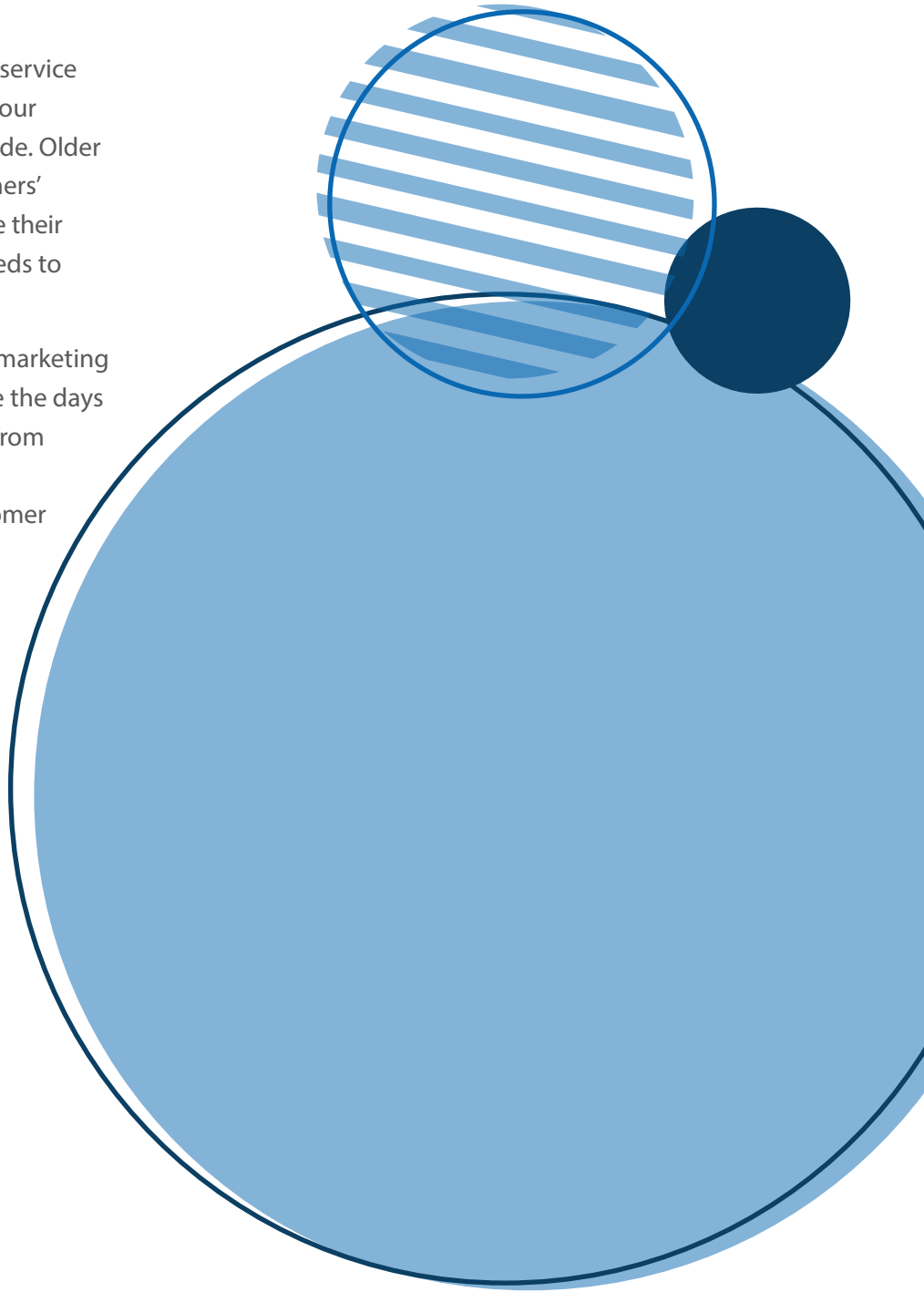


Introduction

Now that you've made the shift to the as-a-service business model, how you sell and market your newest offerings is going to need an upgrade. Older technology can't keep up with your customers' changing needs. Similarly, how you capture their attention and motivate your sales team needs to evolve as well.

In this guide, we'll dive into how sales and marketing in the as-a-service world has changed since the days of break/fix and early managed services—from shifting how you present your services to opening up your business to a global customer base.

You'll learn how to develop a marketing strategy and **message that focuses on customer value over service specifics** and how to speak to your ideal customers who are ready to buy now. On the sales side, you'll get insight into building a new sales compensation model to **keep your sales team motivated and bring more customers on board**.



Part 1: Marketing

The transition to managed services expanded a technology professionals' territory from local to regional. The cloud further expanded the possibilities to include international clientele. With your potential customer base growing, it's more important to evolve the way you market your business to attract new customers.

We get it. Running a business keeps you busy as is, and even more so as you start adding new practice areas to your service offering. It might seem easier to let your legacy clients spread the word about your business for you. **But why only rely on word-of-mouth referrals when you could be tapping into a global marketplace?** Effectively marketing your business doesn't have to be complicated, expensive, or time-consuming.



Create a Targeted Marketing Campaign

We live in a busy, digital world. In an email statistics report, The Radicati Group, Inc. estimated that worldwide email users total around 2.6 billion, with daily sent and received emails stacking up at more than 205 billion. It seems like taking the time to create an email campaign to attract prospects wouldn't be worth it if it's going to be buried under that avalanche...but there's good news.

Would it shock you to know that successful marketing is more about exclusion than inclusion? Gleanster research indicates that only 25% of leads generated by marketing campaigns are at the point where they're ready to have a conversation with sales. So, instead of casting a wide net into the prospect pool and hoping you catch the attention of your ideal buyer amidst billions of distractions, **focus your marketing efforts on that 25% portion of your specific market.**

If you're feeling hesitant about marketing without having a dedicated professional (or portion of your budget), don't worry. There are a variety of easy, inexpensive, and effective ways to reach your target market (like email marketing, social media, and blogging) that will help you spread the word about how awesome your business is. But first, you need to understand your target market.

Start By:



Doing Market Research

Investigate industry trends, find out what your competitors are (and aren't) doing, put your findings together, and figure out what your prospects are looking for from your business. This will provide valuable insight into what practice areas are in demand and what aspects of service are most desired.



Developing Buyer Personas

This is a semi-fictional depiction of your ideal buyer that's derived from market research and information from your existing customer base. Think of it as a social media profile. It'll have information about their values, their role, and their business, but takes it into the professional realm by also including what problems they may be trying to solve (that your services would be a solution for). Spending time developing this tool will ensure that your advertisements speak your ideal buyer's language in a relatable and recognizable way.



Creating Targeted Messaging

We're constantly being barraged with messaging in various forms. The way to make yours stand out is to use the information from your market research and buyer persona to tell a story that will resonate with your target market. Infuse your emails, social media updates, ads, and website with phrasing that focuses on how you can solve their unique problems. And remember, a powerful message doesn't have to be complicated. Keep it simple and clear, avoid technical jargon, and you'll be sure to catch the eye of qualified prospects.

Creating a targeted marketing strategy can seem counterintuitive because it promotes exclusivity. However, savvy marketers know that doing more work upfront to eliminate wasting time on unqualified leads later is the best way to drive new business.

Where to Start: Outbound vs. Inbound Marketing

There are a lot of ways **to get a buzz going about your business**, but they typically fall into one of two categories: outbound or inbound marketing. Outbound marketing includes tradeshows and conferences, seminar series, cold calling, advertising, and email blasts to purchased lists. The goal is to send your message out into the world, hoping it finds your qualified prospects.

Inbound marketing takes the opposite approach. The idea is to help your prospects find you by harnessing the power of search engine optimization (SEO) with blogging, social media, and your website. Inbound marketing is a great place to start for new technology businesses or technology professionals that are new to marketing because it's effective and cost efficient. According to research from Hubspot, **inbound marketing costs 62% less per lead than outbound (or traditional) marketing**.

Listen to Sarah Buscaino, ConnectWise Director of Digital Strategy, and Reese Ormand, CEO of TechVera, discuss the differences of inbound and outbound marketing and how inbound marketing increases a business's credibility.

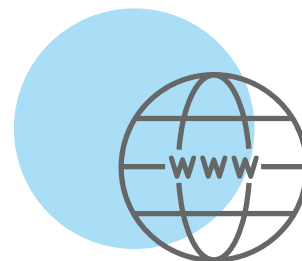
Build Your Online Presence

Start building your online presence with your website. Leverage keywords to improve your visibility to search engines (like Google), and choose a design that promotes an inviting, user-friendly experience. Avoid too much text, illogical product pairings, and regularly maintain it to keep up with trends. Don't overlook social media! This could be the secret weapon in your inbound marketing arsenal if you know how to use it.

Pro Tip:

When you're ready to market your practice areas to prospects, **make sure your messaging leads with value.**

What does that mean, exactly? Let's say you've built out your cloud services practice area and are ready to start advertising it. Instead of talking about the features of your service, reframe the conversation to explain how your services can solve problems and/or bring value to a prospect's business. In this case, your cloud services offer potential clients the advantage of minimized downtime because you're offering proactive monitoring and management.



If your website is the digital front door of your business, is it inviting new business in or turning it away?
Find out how your website measures up to make sure it's working for you, not against you.

What to Do with Your Marketing Data

Creating expertly crafted messaging to grab your ideal buyer's attention is just the beginning. As new leads find your business, you need to determine their readiness for sales. Organize your leads into these telling categories: marketing qualified leads (MQLs), sales qualified leads (SQLs), and sales qualified opportunities (SQOs).

Check out these tips for gaining more insight out of your leads' scores.



No Dedicated Marketing Professional? No Worries.

Email marketing is an **easy and effective way** to start spreading your message to prospects, and many email marketing platforms will provide you with analytics attached to each campaign. Learn how to **leverage the information you'll get after every campaign**.

Attracting more qualified leads isn't difficult; it just requires a little more time, in the beginning, to pay off big in the end. However you choose to start marketing your services, it's important to set specific goals before you launch your campaigns. For example, aim to get a certain number of new contacts, sales calls, or subscriptions to your newsletter. Track how many people open your emails and how many click through to your website from there. Afterward, you can calculate your marketing analytics to get a big-picture understanding of its success, and what you can do to improve your results next time.

Want to add more minutes to your day? Marketing automation is the answer. Equip your tech solutions business with a powerful tool that offers robust reporting features and aligns with your business management platform.

Part 2: Sales

Think Differently!

After you adopt the as-a-service model and begin expanding your service portfolio, you and your sales professionals will have to **start thinking differently about the value you're delivering to customers.** You'll need to develop a new approach and a new type of conversation with prospective clients. **Get started with these tips for overhauling your sales plan.**

The simple truth is that your clients have become savvier about technology and what it can do to enhance their business. Retailers are comfortable talking about technology, but they need a knowledgeable guide to help them navigate the best tech for their business objectives. Better yet, they are willing to pay not to deal with the headache of figuring it out.

For instance, simply offering hardware or software as-a-service is not a compelling reason for a client to purchase a monthly service bundle from your company. There are hundreds— maybe thousands— of apps and tools in the marketplace, plus numerous competitors in your geographic area.

Understand the 'Why'

Before you begin selling bundled services and systems, rethink the 'why.' Why should clients buy from your company and not others? What are the compelling and unique types of value you bring to the table?

Hint: It's not the bells and whistles of your latest technology.

If you fail to differentiate your company's true value, you end up with the same commodities (SaaS and HaaS) that competitors offer. That's a quick path to a price war.

The reasons clients should want to buy from you will have everything to do with the value of your complete package—the bundle of systems and services you offer, and more importantly, your unique experience, your industry and technology knowledge, and the value of your advice. **Your job is to convince them why you're worth the investment.**

"Your value proposition can't just be a monthly payment. Smart, financially sound customers will look at the numbers and know that they're paying more on the as-a-service model in the long term. Rather, you must identify, create, and employ value-added services and know how to convincingly convey such value-adds to customers so they understand that the monthly payments are not just convenient, they're beneficial."

— MIKE MONOCELLO, Co-Founder, XaaS Journal

Fine Tune Your Sales Presentation

After you've got a firm sense of what sets your company apart—your value—it becomes easier to fine tune your sales presentation for the new model. While you can still sell on hardware specifications, you need to focus on the total value of your systems, services, and knowledge and how it can solve problems in your client's business. **This technique is known as solution selling—a highly consultative approach that works best for as-a-service sales.**

The best sales professionals have always been good listeners. Selling thoughtfully constructed service bundles that generate monthly recurring revenue (MRR) will take that to a whole new level! As you redefine your business's role as a trusted technology advisor, **train your sales reps to start a conversation, versus giving a presentation**, about your comprehensive service offering. Facilitate their ability to discover your customer's pains and challenges, and then explain how your services are a solution to each problem.

Be sure to have answers ready for these questions from prospects—they come up more frequently than any others during as-a-service sales presentations:

- How long am I paying for this?
- Can I try this for just 6 or 12 months?
- When do I own the hardware?

Carry on this conversational style of selling with your existing clients to get them on board with your recurring revenue model. Be prepared for their questions about price increases, service level agreements, and other changes they may notice by creating a frequently asked questions (FAQ) document, or section on your website, that your sales team can share if they encounter objections or skepticism about opting in to your new arrangement.

As you begin to win more deals, you might see the areas of your sales approach that need to evolve and **leverage tips and examples from vendors and peers to improve your sales presentation**. Some cloud vendors, like Microsoft®, will even provide you with sharable information about the cloud. When you talk to other business owners who have made the switch to the as-a-service model, you will come away with some good ideas that you can apply to your sales efforts. You'll also learn how to avoid some pitfalls!



CompTIA and ConnectWise have excellent communities for this type of knowledge exchange. You can also ask for sales and marketing resources, and best practices from your PSA or RMM vendors. They've helped thousands of technology companies successfully launch new practice areas. You're not in this alone!

Adjust Your Compensation Plan

Changing your business model will also require developing a [new sales compensation plan](#). Most sales professionals are accustomed to earning commissions at the front end of a deal, but that may be too big of a drag on your cash flow now.

Here are some tips for designing a better compensation plan for as-a-service sales commissions:

- **Sales professionals need extra carrots.** When you're overhauling your business model and assigning your services to specific bundles, you must design a plan that gives extra incentive for your salespeople to close monthly recurring revenue deals instead of falling back on traditional sales. This might involve a higher commission level for specific service bundle sales, or for winning a long-term deal with a new client.
- **Renewals are not new sales.** When a contract automatically renews at the end of the agreed upon term, it should not count as a new sale in terms of compensation. If your sales strategy asks salespeople to proactively work out contract renewals ahead of expiration, that should involve some form of extra compensation.
- **Get creative to optimize commissions and cash flow.** You'll have to find the formula that works best for you and your sales reps. Consider paying a full commission upfront on the first year of a long-term agreement, and then providing a residual commission during each of the following years.
- **Pay a percentage of gross profits, not gross sales.** Protect your profit margin and cash flow while still incentivizing your sales reps by paying them a percentage of gross profits instead of basing their commissions on the gross sales.
- **Highly paid sales people are a win-win.** Don't worry about your salespeople becoming highly compensated over time. High commissions mean that your business is growing and meeting sales targets. If your sales professionals are doing well, you're doing even BETTER!
- **Don't let them rest on their laurels.** If sales professionals build up enough residual commissions to live comfortably, they may be tempted to slow down on making new sales. To keep motivation high, define performance levels (quotas) to require new sales in order to meet expectations.
- **Reflect and revise.** You may have to adjust the compensation plan as you add new services to your portfolio. And to further ensure long-term sales success, compare notes with other technology professionals and talk to your salespeople.

Check out the [Sales and Marketing Demo](#) to create, deploy, and track marketing campaigns to increase leads and drive more sales.

Investing in tools, training, and incentives will not only lead to winning more deals. By equipping sales professionals with what they'll need to successfully broadcast your business's major differentiators (your value-added services), you'll be putting them in a position to grow recurring revenue by building the case for a **long-term partnership between your customers' businesses and yours.**