In today’s hyper-competitive world, your sales and marketing functions must yoke together at every level—from the core central concepts of the strategy to the minute details of execution. Harvard Business School professor Benson Shapiro on creating the customer-centric team.

Financial performance is the result of operating performance. Operating performance includes all the things that a company must do to win the competitive battle in its industry to attract, retain, and profitably serve customers. It varies greatly among industries, but generally includes activities such as customer acquisition, on-time delivery, developing new services and products, and running efficiently.

But operating performance is also a result; it is derivative of human performance. Human performance involves many things but is primarily dependent on three: the personal capabilities of the individuals in the business, their individual motivation, and their ability to work together harmoniously.

Nowhere is the need to work together more important than in the twin customer-facing functions of marketing and sales. Sales and marketing look similar at a distance, just as Americans think of Singapore and Shanghai as similar and close. But, when you get near the functions, you begin to understand the differences and to appreciate the challenge of coordinating and integrating them for improved operating performance and outstanding financial performance.

**IF MARKETING AND SALES DO NOT COOPERATE, THE COMPANY’S STRATEGY WILL BE INCONSISTENT AND WEAK.**
— BENSON SHAPIRO

If marketing and sales do not cooperate, the company’s strategy will be inconsistent and weak; and execution will be flawed and inefficient. In today’s hyper-competitive world, the sales and marketing functions must yoke together at every level—from the core central concepts of the strategy to the minute details of execution.

**New World, New Roles**

When companies generally made their money in a large number of mid-sized accounts, marketing was typically seen as the strategic function that concentrated on product and service lines, market segments, and competitive positioning. Marketing did the thinking, managed the brand and consumer franchise in consumer goods companies, and provided support to the sales force. In this simpler world, sales did the execution in the field and sold to end users and distributors in business markets, and the "trade" (wholesalers and retailers) in consumer goods markets. Marketing was cerebral, creative and long-term oriented; and sales was action-oriented, relationship-focused, and short term.

But, the world has changed. Now, in most industries, there are a relatively small number of large major accounts, some mid-sized ones (the previous focus of the field sales force), and often a bunch of little ones. And, accounts are complex collections of diffuse buying teams involving different customer functional departments (purchasing, engineering, information technology, operations, finance, etc.), different levels in the customer’s organizational hierarchy, and different customer regional and line of business organizations.

Customers are reached through complex overlapping means including global and national account teams; field sales including product and market specialists as well as territorial generalists; telesales and telemarketing; service specialists; distributors; dealers; value-added integrators, resellers and packagers; wholesalers; retailers; direct mail; and e-commerce. Procter and Gamble, for example, has well over one hundred people on the ground in Bentonville, Arkansas to sell and service Wal-Mart. Large individual accounts are now separable market segments, and even profit centers supported by their own multi-functional organizations. The days of easy separation of sales and marketing are gone along with the homogeneous, simple, mid-sized account base.

At the top of the customer base pyramid where the accounts are huge, marketing and sales must make joint decisions about product, price, brand, and all kinds of support. When heavyweight distributors demand private label merchandise, both organizations need to be involved. Pricing, product customization, and service customization cannot be entrusted to either group alone. The impact on economics, the whole account base, and corporate strategy require an integrated approach.

At the small account end, the sales force competes with and is often complemented by telemarketing, direct mail, catalogues, advertising, and diverse distribution channels. Often in the past, these were the sole purview of the marketing people. Now, the marketing and sales organizations must make joint architectural policy and execution decisions. Without coordination, the decisions will be shortsighted, sub-optimal, and conflict-ridden. For example, when field sales, telesales, and
Industrial firms have traditionally had closer sales-marketing ties than consumer goods companies, especially consumer packaged goods companies. Even the traditional industrial goods ties are not strong enough for the current challenges. But, in consumer packaged goods the changes are proving catalytic. The sales force can no longer passively accept and execute plans from marketing. Account managers, product managers, and advertising managers need to work together to protect profits and enhance volume in the harsh world of customer power, intense competition, and over-capacity. Most of all, the product managers and advertising managers need to develop a new respect for and understanding of individual customers, account managers and sales managers. No longer will headquarters reign supreme. As power shifted from seller to buyer, it also shifted from headquarters to the field.

**An Integrated Approach ... To Integration**

There are many approaches to improving integration. They work best when they themselves are well integrated (big surprise!). Thus, the stress here will be on "mixing and matching" the individual elements of coordination to get a robust, efficient program.

All programs must begin with two hallmark approaches. First is a common understanding of the need for integration, and for both sales and marketing to focus on productive sharing of power, information, and resources. Neither the field force nor headquarters managers can say that pricing, for example, is their purview only. It is an issue that involves both.

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The second hallmark is a clear, unified, explicit strategy. Here such topics as custom product or service programs for large customers, and coordinated communication messages for all dealers and end users can be specified. A major underlying point of contention will be the freedom for people in the field to "customize" policies for individual customers. The limits of such customization must be set, and the processes for approvals clarified. Otherwise, there will be constant tension and infighting between headquarters and the field.

Once the common understanding and the strategy are developed, major integrative tools include organizational structure, formal management processes, information technology, the informal social network, and people.

Organizational structure is a natural beginning but most people expect too much from it. There is no "perfect" structure. Instead, there are many tradeoffs to be made. And, almost invariably, each option will have both strengths and weaknesses. The important thing is to organize to accomplish the most important strategic objectives given the current environment.

And, as the objectives and the environment change, as they inevitably will, the structure must change. One major point of contention is with organizational units whose purpose it is to coordinate field and headquarters around issues such as regional promotions. At one time, Campbell Soup had eighty-eight regional promotion managers scattered across the country with one person for each of four product lines in twenty-two regions. Such approaches are very expensive and often create a barrier rather than a conduit for good field/headquarters communication.

At other times, such field-positioned marketing people work well. Hewlett-Packard once had a large number of "market development managers" scattered in the field force to facilitate the introduction of complex new products. Subtle decisions such as the location of such boundary-spanning units, and the level and experience of the people appointed have big impact. A unit located at headquarters will have access to different information, involvement with different people, and a self-image that is quite different from the same group sprinkled throughout the field organization.

Formal management processes such as planning and budgeting approaches, compensation schemes, training programs, coordinating committees and task forces, and review procedures are very important. Some companies have found that a standing committee including both marketing and sales representatives to discuss a specific issue such as pricing and discounts goes a long way to ameliorate conflict over normally contentious topics. Of course, such approaches can also add to a bloated bureaucracy and constipated decision-making.

**CLEARLY DYSFUNCTIONAL ACTIVITIES, EVEN IN FUN, SUCH AS A SALES VS. MARKETING GOLF TOURNAMENT AT THE NATIONAL SALES MEETING, ARE TO BE DISCOURAGED.**

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Information technology is probably the only really good news here. It enables sales and marketing to gather, catalogue, analyze, and share such information as current sales rates, customer response to new initiatives, competitive activity, and marketing communication literature including brochures, proposals, and presentations. Companies have found success and/or failure with large integrated Customer Relationship Management (CRM) systems depending upon design and implementation. And, increasingly the integrated systems can be supplemented with powerful point solutions such as those designed to manage marketing literature and disseminate it to the field.

**Fighter Pilot Vs. Button Down**

The final two items are very important, but very subtle: the informal social system and the people who populate the organization. Typically the field force is made up of more independent, free-spirited people who idealize a "fighter pilot" mentality. Headquarters marketing is more "button downed" and idealizes a more sophisticated, centralized approach. Both often "look down" on one another.

Anything that can be done to bridge the gap is very useful. Several things can be done to encourage informal social ties between marketing and sales. Rotation of people from marketing to sales and vice versa helps. So too does co-location. Of course, as the company grows large and more global, co-location becomes difficult.

And, there are conflicting needs. Should, for example, the product managers be located near headquarters sales management with benefits of coordination around customer needs and information, or near the research and development people with benefit of coordination around technology and new product launch? The appropriate tradeoff will depend upon the current strategy, challenges, and opportunities as well as feasibility issues like space availability. But, clearly dysfunctional activities, even in fun, such as a sales vs. marketing golf tournament or softball game at the national sales meeting, are to be discouraged. They only contribute to the schism.
The nature of the demands on sales and marketing mean that different people are appropriate for each function. Even different sales jobs require different personality profiles. "Hunters" who can open new accounts are more ego driven and less relationship oriented than "farmers" who are outstanding at servicing and developing existing accounts. These differences limit the opportunities to develop people who are "dual-faceted" and good at both the sales functions and the marketing functions. But, some companies successfully try to hire people who have good "cross-over" skills and can team well. Some companies have also found that rewarding and promoting people who can team, and actively work across the marketing/sales boundary leads to a cadre of more balanced managers. These same companies also often explicitly punish salespeople and marketing executives who callously disregard the importance of the sister function.

Marketing and sales should not be the same because the functions they perform require important differences. But, they can be complementary and operate in such a way that customers are efficiently and effectively acquired, developed, serviced, and retained.
Alignment between Marketing and Sales is potentially the largest opportunity for improving business performance today. When marketing and sales teams unite around a single revenue cycle, they dramatically improve marketing ROI, sales productivity, and, most importantly, top-line growth. “No matter how the CRM industry evolves, getting the sales and marketing teams to synergize is organizational goal number one. Although aligning the two sounds easy enough, both teams have different goals and different expectations of each other. If Marketing and Sales join together with the same revenue-generating goals in mind, they will be well on their way to success in today’s ever-changing, fast-paced business world. The Problem: Sales is From Mars, Marketing is From Venus. In many companies, sales forces and marketers feud like Capulets and Montagues—with disastrous results. Here’s how to get them to lay down their swords. Marketing people, in turn, believe the sales force is myopic—too focused on individual customer experiences, insufficiently aware of the larger market, and blind to the future. In short, each group undervalues the other’s contributions. Both stumble (and organizational performance suffers) when they are out of sync. Yet few firms seem to make serious overtures toward analyzing and enhancing the relationship between these two critical functions. Curious about the misalignment between Sales and Marketing, the authors interviewed pairs of chief marketing officers and sales vice presidents to capt It means the marketers have to understand the customers’ need and want first, then combination the products, services, information or … But to decide what the marketing strategy firm has to use, the firm has to fully understand the customer needs and wants. Like the hungry people wants to eat noodles or something else. Thus, once the firm understand what is the customer really want that they can decide a right strategy for their future marketing action. And the marketing mix is a tool to make sure firm can really deliver value to customer.