

Information Superhighway

Use research to speed up your search for new customers. By Rick Davis



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A successful sales campaign begins with a systematic approach to market research that includes two valuable sources of data: public information from associations and the government, such as the NAHB and the U.S. Census Bureau, and direct research. In the case of the latter—which can be your most powerful fountain of knowledge—you obtain intelligence by targeting a specific audience and developing a methodology to gather information that will help you make more sales. Direct research allows you to explore company culture, vision, goals and marketing plans, and more, and is powerful because it includes information not readily available from public sources.

Here's how one salesperson I know did it: Scott is a Sales Leader for a national building materials manufacturer. When his company decided to focus its sales energies on the production builder market, Scott received very specific instructions by higher-ups to systematically

distribution and gained insights into distribution channels that facilitated sales and created more credibility among all partners in the supply chain. Scott's company dramatically improved relationships with dealers because of the ability to bring strong builder relationships to the table.

In the end, this story is not about the volume and quality of information, but rather the effort and dedication that went into obtaining the data. The simple truth is that any hardworking salesperson can achieve this same level of power by adopting a dedicated, systematic approach to market research.

Information Is Power

When I was the sales manager for a national window manufacturer in the mid-1990s, my vision was to target architects we could effectively sell to on an ongoing basis. Rather than targeting every architect, which would have wasted

investigate the marketing, production, and purchasing practices of the top 20 builders in the United States. He was told *not* to sell, but instead to determine how this potential customer base thinks. As a result, he took the initiative to phone the offices of the builders and travel to jobsites throughout the country to compile a report that exceeded the expectations of every person on the manufacturer's executive staff.

Bound in a three-ring notebook, the deliverable included nearly 100 pages of information about sales volume for each builder, target markets, purchasing, production methods, and more, along with names and addresses of key contact people and locations of developments. The information was so powerful that the company kept it closely guarded after Scott presented it to the executive staff. Isn't that report something you would like to get your hands on?

Not surprisingly, as Scott gathered all this information while at the same time *not* trying to directly sell products, three of the top 10 builders in the country became customers. His professional approach focused on understanding the audience's needs before trying to push for a product sale. Additionally, he was able to better control the methods of

immense amounts of time, the program would be successful only if a unique audience of architects was identified, specifically the small architectural firms that designed large custom homes and additions.

My investigation began with a survey of semi-public information. First, I

that were focused exclusively on new custom homes, a very lucrative customer base for high-end product manufacturers. This information was particularly powerful because it was not readily available. There was only one way to identify this audience—through hard work.

I fully realized the magnitude of our

builder was a much more lucrative and stable market for our products.

2. Read. Visit Web sites that provide marketing information about trends in the construction industry, such as the NAHB (www.nahb.org) or the U.S. Census Bureau (www.census.gov). Visit your local library



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identified the universe of architects in the United States who are members of the American Institute of Architects, which numbered approximately 18,000 firms. More than 75 percent of those companies had less than five architects on staff, and it is this audience that provides the most lucrative opportunity for salespeople of residential products. I knew from my experience as a sales representative that approximately half of these small architectural firms would fit the realm of architects that designed residential projects and had some degree of influence over product selection. Thus my sales division was attempting to target 7,000 AIA architects.

I began by hiring a dedicated architectural sales staff strategically positioned in major metropolitan markets. Additionally, I created programs that promoted the sales participation of the regular sales force in areas in which it was not practical to hire devoted architectural sales representatives. Within three years, the company database included basic information for about 5,000 residential architects throughout the country.

The information my team had gathered was powerful, not just because of the volume of data, but also the quality of it. We were able to identify the architects

research after a sales representative I met at a trade show was anxious to sell our company a list of architects and data that he said could benefit our sales department. I asked him to identify ways in which he could help us target custom home leads and the architects that were designing them. During his demonstration, he did a search for residential architects in a major metro market and found only *two*. At that moment it dawned on me that I could have sold him *my* database of information!

Power Plays

If you want to harness the power of information when defining new customer bases, try the following:

1. Identify your target. If you randomly strive to obtain information, you will end up with a lot of data, but no sales focus. Create your objectives first by concentrating on a single audience, such as big builders, remodelers, small custom builders, or even specialized subcontractors. And be prepared to adjust your target market if you learn unexpected information. For example, in the scenario I just described, my employer's original push was to generate commercial product sales. The sales team accidentally learned that the custom home

and ask the librarian for research advice. Read *PROSALES* and other trade publications on a regular basis.

3. Pick up the phone. Start dialing and begin meeting companies that are part of your target audience. Focus on learning about them, not selling to them at the outset. Schedule meetings to interview players in your market.

4. Write it down. The information you gather is meaningless if you don't have a systematic method to manage it. Create a plan to store the information for future analysis. If you're a high-tech person, create a spreadsheet or, better yet, database application. If you're a pencil-and-paper type, make a plan to keep organized folders or notebooks. If you don't write down and store information as you gather it, your efforts will be fruitless.

I guarantee these methods work, and the stories shared within this column illustrate two very powerful benefits of a systematic approach to market research. First, you discover that information obtained gives you insights that are hard-earned and put you years ahead of the competition. Second, you may surprise yourself by selling something in the process! ■

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