

The Verto Vantage:

Is The Sales & Marketing Divide Killing Your Business?

Is There A Sales vs. Marketing Problem?

Everybody in B2B is talking about it (and has been for some time apparently) – the terrible relationship between sales and marketing. Is the sales-marketing gap true, and is it killing your business?

As far back as July 2006, Philip Kotler, Neil Rackham, and Suj Krishnaswamy were already talking about this, in their *Harvard Business Review* article, “Ending the War Between Sales and Marketing.” Numerous articles and blog posts have followed in the intervening years. We might conclude, therefore, that there’s a lot of “ink” out there regarding sales and marketing discord, and that it’s a problem that’s been festering for some time. So how do you assess the impact on your business?

The Great Divide

If we assume that there is a substantial sales and marketing divide in some companies, there are a range of

symptoms to watch out for, which will vary based on company size. The role of marketing will also vary, bringing us to one of the causes (which is a lack of definition around the marketing function.) We’ll come back to that. So, what will you see that implies that the culprit might be disharmony in sales and marketing?

Inconsistent Revenue

The dysfunction caused by the gap between sales and marketing leads to inconsistent revenue. It’ll be good years followed by poor or flat years. Generally, what you’ll see is that the company finds a “natural” revenue ceiling that it cannot break through and stay above. Sales and marketing dysfunction is not the only cause of this, but it usually plays a significant role.

Sales & Marketing Turf War

If you see sales and marketing tripping over one another, doing things the other used to do, or even duplicating effort, you’re witnessing a wasteful “turf war.” You’ll see sales changing company messaging, making content (like videos, for example) and acting independently around things like events. In this case, sales condemn marketing to “doing the coloring in and making pop-up books” as we used to call it. On the other hand, marketing will be manically trying to produce leads to publicly prove its worth, or might have already accepted defeat and reverted to essentially a Marcom function.



Neglect to mind the gap between Sales and Marketing at your own risk.

Losing Deals To “NDI”

When sales and marketing are divided, you'll see sales losing more deals to “No Decision, Inc.,” or NDI. NDI does well when the prospects are either confused, unqualified, or you have failed to compel them. Where does sales and marketing discord play a role here?

- A prospect's confusion will emerge due to conflicting noise in the market. It will also emerge when your marketing and sales messages are inconsistent, and the sellers are engaging erratically.
- Poor prospect qualification results from a lack of communication between sales and

marketing around lead definition. Sellers hang on to poor prospects in the absence of better ones, which means that no one is being effective at building pipeline.

- Lack of compulsion means sales and marketing have not agreed (or are not implementing an agreement on) how and when sales should engage with a prospect. Worse than this is that when sellers do engage, they use *messaging du jour*.

Why Is It Happening?

We've seen some of the symptoms of the sales and marketing divide, so let's look at the “why.”

Lack Of Definition

Once more, in their July 2006 *Harvard Business Review* article, “Ending the War Between Sales and Marketing,” Philip Kotler, Neil Rackham, and Suj Krishnaswamy make the point that “the nature of the marketing function varies significantly from company to company.” Again, without jumping to conclusions, company ownership and leadership need to spend time defining the “nature” of not just the marketing function, but the sales function as well. Defining “Demand Type” (for example) is a conversation that involves sales AND marketing, and a lack of consensus around whether sellers are expected to “create demand” or “manage demand,” for example, is fatal.

Defining the marketing function is discussed at length by the University of Virginia's Kimberly Whitler and Neil Morgan, in the July/August 2017 *Harvard Business Review* article “The Trouble with CMOs.” Whitler approaches it from the perspective of why a CMO might fail, emphasizing the importance of defining the marketing function upfront, which happens

less than you would think. Even when marketing does get “defined,” the functional description often looks like a shopping list of requirements, four pages long, requiring “super-human” qualities to succeed at all of them. CMOs dig themselves a hole from which they will never escape when they commit to these.

Financial Follies

We’ve gone from measuring nothing in marketing to measuring everything. There used to be a saying that marketing leaders “knew they were wasting half of their budgets; they just didn’t know which half!” We’ve lurched to the other extreme these days, arguing that if “it isn’t measurable, then it isn’t meaningful.” Not only do we have to measure everything, we’re compelled to credit the architects of the revenue via attribution. We’ve created a destructive race for recognition where everyone’s obsessed with competing with one another to be

credited, rather than competing with the competition.

Lack Of Leadership

In complicated times, leadership must step up. They are not clearly

defining roles, seemingly happy to be influenced one way or the other OR refusing to bring clarity altogether. Leaders can also be victims of their own baggage, unable to accept that

the roles of both sales and marketing in modern B2B are evolving. Leadership needs to be decisive and inclusive in agreeing on the specifics of these evolving roles.

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How To Bridge This Fatal Divide

Here’s what we think you should do.

- Some more practical considerations from “Ending the War Between Sales and Marketing” by Philip Kotler, Neil Rackham, and Suj Krishnaswamy bear repeating. If these three conditions exist, then don’t do anything: 1) The company is small. 2) Sales and marketing enjoy good informal relations, or 3) Marketing is still a sales support function. A combination of 2) and 3) is ideal in a small company environment!
- Define the sales and marketing roles, accepting that it’s okay for you to make up your descriptions. It’s fine to take advice and look at best practices,



Bridge the gap and end the war between Sales and Marketing.

but with some general exceptions, all companies are different. What's more important is that you all agree on whatever definition you choose.

- Appoint a CRO. While I object to fashionable titles and unnecessary executive overhead, a position responsible for both sales and marketing MUST define these roles and enable them to serve one another for the greater cause of the business. They can also defuse the "race for recognition" we

mentioned, reasserting the primacy of company goals.

- Find rallying points for sales and marketing to collaborate around. For example, lead generation (inbound and outbound), messaging, content, and – increasingly today – technology. All represent opportunities that force constructive and necessary communication. Insist that the marketing team (or person) spends time in the field with sales visiting customers and

prospects. Get them out to trade shows and events engaging with real prospects, not just laying out the booth.

- Finally, we're not fans of the sellers also being required to build most (or all) of their own pipelines. Prospecting is a thankless task, and given an option, people just won't do it. Use a third party or inside LDR team as quickly as you can. They're more effective as they have no other options...that's what they do.



VERTO

The gaps in sales and marketing have gotten wider thanks to the "new" normal. As a result, B2B leadership needs to do more with less. Demand generation, digital marketing, and sales enablement should work together, be simpler, cost less, and produce more.

Verto makes it happen.

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