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Leveraging Technology to Increase Sales

Investments in technology routinely rank high on the priority list for most financial service providers, having dominated the industry's agenda for the past 15 years. Enhanced MCIF systems, data warehouses, platform automation, call center systems, contact management applications, intranets, or interactive web sites are found on the current project list or shopping list of almost every financial institution.

For many financial institutions, "investments" in technology turn in to unrecoverable expenditures because the company looked to technology to solve the wrong problem, overestimated the efficiency or production benefits, underestimated the cost of development and testing, wrongly predicted customer behavior, or failed to see the impact of technology solutions on employees. Technology, of course, is not the villain.

Technology solutions have provided tremendous efficiencies in transaction processing, made it easier for customers to reach us, identified high profit clients and opportunities, improved internal communications, and enhanced decision making capabilities. However, technology has fallen well short of expectation in helping financial institutions sell more. In the absence of focus, accountability and skill training, access to systems and information alone hasn't been enough to sustain the preferred sales behaviors required to leverage technology that companies put into place.

Here are nine ways to leverage technology to increase your sales:

1. Change Employee Behavior Before Investing in Technology
Some forms of technology seem to drive behavior change while other's do not. If CRM had the same effect on salespeople as Facebook or Twitter has had on the general population, every purchaser of CRM technology would be a world class selling machine. Unfortunately, CRM and other forms of sales automation have done little to spur non-sellers and low performing sellers to sell more. Bottom line—if someone is not already proactively selling then they won't see the value in sales technology and will resist its use. The key is to change employee selling behavior, sales skills, expectations and accountability before rolling out new technology so employees view it as a tool to help them succeed.

2. Design Your Company Intranet With Sales In Mind
Use your company's intranet to organize sales related information and to keep the most important data at your sellers' fingertips. The collective sales knowledge for the entire organization should be cataloged and maintained in an easy-to-query format, using "hot key" or "one-click" access to frequently used information

on products and services, to recall best sales practices, and to retrieve sales performance data.

Specific sales applications for your intranet include an on-line product manual containing product rates and terms, benefits and strengths, competitors weaknesses, and proof of performance; and a sales guide containing best practices for completing written sales proposals, a sales letter library, tips on organizing for sales activities, prospecting and calling methods, and pre-call planning. You can also facilitate supervisory and self-coaching by maintaining all management reports and sales performance data on-line.

In addition, you'll want to maintain a bulletin board or blog for employees to post suggested best sales practices, and questions and answers about difficult selling situations.

3. Make MCIF Data Actionable

MCIF systems might just be the least leveraged technology in financial services. Phrases like "its easy to use", "we definitely know our most profitable clients", or "we get great sales leads" are seldom heard in connection with MCIF, and many companies do not use MCIF beyond direct mail and simple member or customer household relationship.

Common problems limiting MCIF utilization are the frequency at which data is updated, the lack of "non-company" information on clients or members, and attempting to use the MCIF for tertiary applications. Using an MCIF system to perform product profitability analysis or track sales might give you some insight on how you're performing. However, the real value of MCIF is in focusing your retention efforts, predicting the buying patterns of your members or clients, and directing marketing professionals and sellers to their best opportunities.

For most financial institutions, making MCIF actionable will require wholesale changes to the data collection and updating process, including continuous updates by product application and servicing systems, and appending 3rd party and public data. Information on home ownership, the amount of equity clients have in their home, credit scores, motor vehicle information, ages, income levels and family composition (e.g. presence of children) will advance the financial institutions predictive marketing and sales lead capabilities.

4. Establish a Relationship Valuation Methodology

Use the company's collective knowledge of product profitability, product decay and retention rates, predictive sales indicators, key profiling data and sales closing rates to estimate the lifetime value of customers and prospects.

Snapshot or point-in-time profitability calculations won't help marketing professionals or salespeople identify best prospects to call on. As a result, bank sellers spend too much time calling on prospects and customers with little or no likelihood of doing business. The direct marketing and sales leads you provide should be based on projected lifetime value of a prospect or the projected incremental value of a current member or customer.

5. Provide Relationship Management Tools

Develop the capability to assign customer or member portfolios to individual employees, and to measure the growth and retention of the relationships within each portfolio. Create portfolios based on the customers or members potential for additional business, and then assign them to employees accordingly. For example, assign some employees portfolios comprised entirely of customers with a high potential for doing more business with the bank, while assigning other employees portfolios comprised of high profit customers with a retention focus.

Establish guidelines for frequency of contact for each type of portfolio, and build an automatic notification process to alert employees when its time to call. Deliver household profiles and profitability indicators to employees at the point of customer or member contact, such as teller stations, new accounts desks, call center work stations and customer service counters.

6. Make it Easier for Managers to Provide Coaching Support

Technology vendors are providing outstanding sales solutions to the financial services industry, but they seldom provide help and coaching in the application of those solutions in everyday selling. The proper use of technology has to be sold and reinforced through supervisory coaching. Without motivation and coaching salespeople will fall back to work routines that are comfortable resulting in under utilization of the tool provided. Armed with the right information gleaned from MCIF systems, platform systems, and contact managers your sales supervisors can dramatically increase their ability to assess employee behaviors and provide feedback on performance.

To help your sales coaches, design MCIF and sales tracking reports to spot-light possible employee product knowledge or product bias issues, to high-light top and low performance, or spot key opportunities for improvement. Make it easy for sales managers to identify employees for quick coaching intervention or recognition. Also provide remote access to individual employee contact management files so that sales supervisors can monitor employee utilization and call activities.

Collect sales related information from all the institution's various systems, and develop a simple one or two page summary report that provides activity and performance data for each employee. Factors such as sales per employee, sales to best members or clients, referral results, prospecting and call activities, sales pipeline progress, and add-on sales should all be provided on one easy to read report. The use of multiple reports to gauge employee performance almost always leads to under-utilization of all reports or over-emphasis on one.

7. Use Technology to Improve Distance Management

For district, regional or area managers, supervising sales activities in multiple locations presents a significant challenge. Office visits may occur less than once per month, travel between locations is frequently wasted time, and when managers do conduct visits, needed information is usually back at the office. Managers frequently avoid going into the field for fear of being out-of touch, or they use office work as an excuse to avoid making field visits.

Even technology as old as the telephone is still underutilized when it comes to managing remote sales units or individual sellers. The use of conference calling to conduct weekly sales meetings will cut down on travel time and help insure that sales meetings actually occur, and the phone can be a effective tool for providing daily coaching and feedback.

Cellular phones, laptop computers, e-mail, and access to the financial institutions wide-area network or intranet from multiple remote locations (including home) will create a virtual office that increases efficiency and eliminates excuses for not making office visits. Distribute sales performance, budget and staffing reports in electronic file format via e-mail or web access, and put all reports required to be completed by sales managers on-line, allowing them to get out of the office and still complete required paperwork from remote sites.

8. Support Product Delivery

Program your product delivery systems (platform, loan application, and call center) to complete routine approvals and background checks “behind the scenes”. New account verification and approvals, approvals for overdraft lines of credit or credit cards, and debit card approvals should all be automated based on employee input of a few key bits of customer or member data. This will allow your employees to stay focused on their sales conversation, provide more time for profiling and add-on sales, and increase overall efficiency. Not to mention it’s a great way to “wow” your members or customers.

Import MCIF and profitability data automatically at the start of each sales or service session, and make updating of key customer data simple. Build system input screens to flow with sales conversations, rather than being a detractor that pulls employee attentions away from the customer.

9. Customized Instant Messages

All the bank's capabilities in MCIF, CRM, predictive marketing and identifying each household's potential for new business can be pulled together to deliver instant messaging at every point of customer or member contact. Deliver customized sales prompts to tellers, new accounts representatives, or call center reps while they're talking to the customer regarding "next logical cross-sell" based on life events, lifestyle, or segmentation and relationship data. Instant customized marketing messages can also be delivered to customers or members on your VRU, company web site and internet banking site via banner ads, and at ATM's.

The bottom line: technology can and will help your employees sell more, but only if they are already selling. It has been our experience that companies get a much faster payback on their investments in technology when expectations for sales results and proactive sales activities, meaningful sales goals, and preferred selling behaviors are in place.

About the Author

Michael Shallanberger is Executive Vice President & Director of Consulting Services for Schneider Sales Management, LLC, a position he has held for the past eleven years. Michael will complete his M. Ed. in Adult Training & Education from Colorado State University in 2010. He graduated summa cum laude from Metropolitan State in Denver, Colorado with a B.S. in Organizational Change Management and holds an A.S. degree in Banking and Personal Finance. Michael is also an alumnus of the Pacific Coast Graduate School of Banking.