

Sales Made MSPeasy

The Ultimate MSP Guide to Successful Sales

Introduction

If selling isn't your favourite part of being a managed service provider (MSP), you're not alone. Most MSPs have a technical background rather than one in business or sales and struggle with these critical aspects of running a successful business. Growing a business is important, especially when you're just getting started in the managed services field. While some growth might occur organically through word of mouth, this isn't going to guarantee you consistent new business, even if you deliver great services.

To ensure predictable growth, MSPs should take a proactive approach. This is where a sales strategy comes in. The primary goal of sales is to generate new business for your company. For MSPs in particular, sales and marketing aren't just about closing deals. Since MSPs sell services, these disciplines should be about identifying and engaging the right prospects. In this eBook, we've put together the key sales strategies for MSPs looking to increase profits and drive new business.

Build Sales Expertise

There are two ways to build sales expertise - hire someone with sales experience or train existing staff to sell like professionals. If you're getting serious about sales and growth, hiring skilled sales staff can make a big difference. However, many shops can't always afford to hire new employees. If that is the case, identify and train sales representatives from within. Who knows, you might just have a sales rock star within your reach and you don't even know it!

Many shops don't have the bandwidth to focus on sales and business development. Your staff already has their hands full doing what they do best - monitoring, improving, and repairing current clients' IT infrastructures. If they do have any free time, it is unlikely to be consistent enough to have a real impact on business development because efforts are not sustained. This is an issue, but a resolvable one. It comes down to carving out time to make it happen. One way to do this is to delegate. Let's say you are the owner of an MSP with five full-time employees (including yourself). You are the senior engineer and there is one employee with a lot of experience and three additional juniors. What's stopping you from training your senior employee to take over some of your technical responsibilities? Or if you (like many MSPs) aren't sales inclined, perhaps one of your employees is a better fit for taking on a sales role (more on that later). Sitima Fowler, Partner at [Iconic IT](#), says this has worked well. "My primary responsibilities are marketing, business development, and sales," she says. This kind of focus allows Fowler to put in the sustained effort necessary to consistently develop new business.

Of course, some MSPs may not have the option to move a current employee to sales full time. That's okay, but it's not going to happen on its own - someone





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Andrew Hutchison
Senior Infrastructure Consultant
Blackpoint IT Services

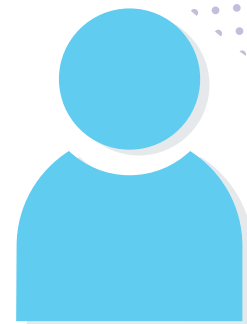
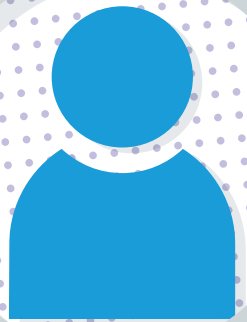
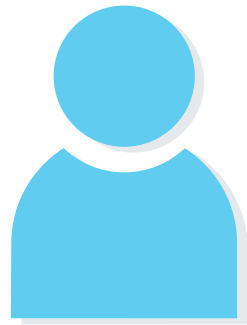
has to put in the time. "If you intend to grow, pick the most suitable person for sales and reduce their billing requirements [to let them focus on sales part-time]," said Andrew Hutchison, Senior Infrastructure Consultant with [Blackpoint IT Services](#) in Tukwila, WA.

Another option is to get the technical staff involved in the sales process. After all, they have the most contact with current clients, which means they may be able to identify potential sales opportunities better than anyone else. "Even with a sales team, we find it beneficial to include engineers in the sales process since they're speaking with our clients day-to-day," said Billy Adams at [ACS Services](#), Inc. "Engineers start the conversations and pass them off to the sales team to manage the opportunity."

Hutchison agreed and said that, while Blackpoint doesn't have a programme in place to incentivise engineers around sales, it is an effective approach, especially for smaller shops that don't have sales staff in place. If you take this approach, it must be appropriately structured. Your customers should always perceive your engineers as trustworthy resources that are there to solve problems - not someone trying to get them to spend money. To preserve this reputation, create a structure like the one Hutchison described in which technical staff can make recommendations to customers, but then refer them to a salesperson to finalise the deal.

Select And Train Sales Staff

Not everyone can succeed as a salesperson, just as not everyone can succeed in a technical career. Whether you are hiring a new salesperson or transitioning a current employee into a sales role, you should look for specific qualities



that indicate they will be likely to succeed. "You are looking for people that are confident, personable, and embrace technology," said Tony DeMarco, President of Ridgefield, CT-based [CorCystems, Inc.](#) "They don't have to be technical, but they need to have the aptitude to develop a decent understanding of the technologies you sell." Hutchison agreed. "You want someone that understands the product and can ask the right questions." Sales training is essential. DeMarco said that CorCystems' sales training programme takes about a year in total. Sales employees are trained in the customer relationship management (CRM) system, technology and services that the company delivers, and in customer needs. DeMarco said that the company's sales training programme has developed over time and is designed to teach salespeople how to build relationships with customers and prospective customers. "You can't always be trying to sell," he said. "It's about forming that relationship."

Develop A Sales Process

Developing a sales process is another essential step towards sales success. The specifics will differ from business to business, but generally speaking, a sales process is a repeatable set of steps salespeople follow to move potential clients from a prospect to a customer. The stages of the sales process typically include the following:

- **Lead generation/prospecting:** This is the process of generating and qualifying leads. This may involve researching potential clients, cold calling, and inbound marketing efforts such as blogging and social media, attending networking events, etc.
- **Initial contact:** The goal of initial contact is to gather information about the company's specific needs and further qualify the lead's potential to become a customer.

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- **Technical presentation:** This stage is a formal presentation or demonstration of what is being sold. For new customers, it might feature several technologies depending on the customer's specific needs. This step is reserved for well-qualified leads.
- **Close:** Closing the deal includes getting buy-in from decision-makers, negotiating price, etc. Adams said that ACS's sales process follows a similar path, starting with lead generation. "Referrals are our most common way to get leads," he said. "We get referrals from our clients but also from the vendors we partner with. Prove to vendors that you can perform installs to their exacting specifications, and they'll be more likely to pass potential clients on to you," he said.

Hutchison said that Blackpoint uses a similar strategy. "Technical presentations are tailored to the size of the company and their technology needs," he said. Both said that the technical knowledge of the customer is also considered. In other words, a conversation with a business owner might be focused on what the technology does, rather than how it works. However, if the discussion is with the head of an IT department, it will likely be much more technical. Of course, not every call leads to a closed deal or even a technical presentation, and not every potential customer is going to be a good match for the services that you deliver. The prospecting phase of the sales process is your chance to identify customers that are a good fit.

For example, DeMarco said that CorSystems weighs potential customers against specific criteria including company size, location, and industry during this phase of the sales process. Consider adding a module about identifying the right customers to your sales training programme. Other leads might make ideal customers, but are not ready to make IT decisions at the time of initial contact. In that case, you need a way to track leads, so you can follow them up at a later date.



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Track Sales Progress To Hit Goals

Tracking sales daily, weekly, and quarterly ensures that potential opportunities do not slip through the cracks. It's also the most effective way to achieve goals. Meeting goals is the measure of sales success - setting and tracking progress towards goals is the standard and most effective way to ensure sales accountability. Hutchison and DeMarco said their companies use the customer relationship management (CRM) tools native to their [professional services automation](#) (PSA) software to track and report on sales progress toward goals. If you are already using a PSA tool, this is an excellent option for sales tracking and reporting. If you are not yet using a PSA tool, and you are getting serious about sales, this might be the tipping point for adopting the software. Many shops that are making the transition from [break-fix to MSP](#) adopt PSA and RMM (remote monitoring and management) software in the process. PSA tools such as Autotask PSA give MSPs the functionality to manage client relationships, track the sales pipeline, and other key business metrics.

CRM tools provide automated alerts aimed at preventing common mistakes, such as not following up with potential clients or checking in with current ones. These alerts can be configured to each salesperson's specific needs. Automating these alerts creates a roadmap of sorts for salespeople to follow to communicate with customers. CRM also ensures accountability among sales staff. Since the software tracks every activity as it is performed, everyone is on the same page, and you can monitor salespersons' progress toward their goals. "In addition to tracking sales progress, we also meet weekly to discuss where each rep is toward their weekly and monthly quotas," said DeMarco. "It's all about accountability. Tracking and regular meetings provide support and structure to



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help sales succeed." He went on to say that his sales goals are very specific - "think X number of calls per day, per week," he said. "It's like that saying, 'if you can measure it, you can manage it.'"

Sales Incentives

Sales incentives represent the flip side of the sales success coin. Compensation plans motivate salespeople to close more deals. Typically, sales compensation plans feature a base salary and a commission, which is tied to their success in bringing in new clients or renewing current customer contracts.

According to DeMarco, you should look at individual salespeople rather than the group as a whole when coming up with incentive plans. "You need to find ways to incentivise your team to perform the actions they are accountable for," said DeMarco. "And incentives should be tailored to each individual on the sales team. Some people are motivated by money, others may not be." Be certain to utilise a CRM tool to automate alerts for reps and track progress toward sales goals. This is probably the single most important step you can take when building a sales programme for your business. Tracking sales activity keeps sales accountable and regular meetings with sales staff allow you to address issues as they emerge rather than after it's too late. Make sure that the goals you define are specific and well-documented.

Conclusion

An effective sales strategy is the most effective way to ensure predictable growth for your MSP business. However, the right sales process will vary by business. Ensure the specifics of your business dictate the foundation of your sales structure and process, your sales staff are educated on best practices and incentivised to grow your business, and you have the foundations for an effective sales approach. Happy selling!