

Salespeople Finding a Silver Lining in the Market Meltdown

It's no secret that the Canadian economy will outperform that of the United States even though the U.S. slump will drag down Canada's exports and manufacturing sectors. Although Canada's financial institutions and housing market have been spared the kind of carnage seen just across the border in the United States, the main stock markets still plunged threatening personal savings and investments and housing values have declined by several percentage points. The expression "it's a buyer's market" is being heard all over.

Salespeople are a clear indicator of the health and prospects of companies selling business-to-business services. There are fewer customers to sell products and services too, and their existing customers are deferring purchase decisions.

Survey Says....

In a recent survey, LEAPJob surveyed sales professionals on how the market turmoil is impacting their sales. The results were very revealing for the health of North American businesses:

73.1% of sales professionals say we are headed for recession

- 50.2% of respondents said their customers are deferring buying decisions.
- 30.1% of respondents felt revenue will decline in the next six months, while only 25.6% felt they could grow revenue.
- 33% of respondents do not expect to achieve their sales quota in the next six months, and 32.2% of respondents see the size of their sales funnel declining.
- 38.2% of respondents will have to discount their products and services to win sales.

"Salespeople are a resilient group. Even though times look bleak they see a silver lining in all of this chaos," said Jeremy Miller, a Partner with LEAPJob. The survey asked respondents to offer suggestions on how their company should combat a recession. Miller goes on to say one respondent wrote just one word, "Diversify." Diversification is a clear strategy for many salespeople as they try to find industries and services where there are revenue opportunities. Respondents reported healthcare (64.3%), pharmaceutical (59.6%) and information technology (41%) are industries that will perform well in the next 12 months.



Creativity is a major theme for salespeople to combat a recession, and here lies the silver lining. "Find more creative ways to cross-sell to existing customers, and look for talent that becomes available from other firms," wrote a respondent. In hot economic times people are selling as much as they can, and as efficiently as they can to maximize revenues. In slow economic times salespeople have to look closer at their customers, and identify new and creative ways to contribute value. One comment suggested, "In order to be more competitive and not reduce prices, my recommendation is to explore additional value-added services. They cost you very little, but they are highly beneficial for your customers."

Businesses may also want to consider improvements to their sales processes to increase their overall financial health and profitability. Companies may want to look at increasing the frequency, volume and profitability of each purchase from existing customers, integrating their marketing and sales efforts to determine their lead to sale ratios, investing in additional training and development for their sales team to prevent their top performers from leaving the company and boost skills and morale.

The fears of a recession are real. Even though salespeople are buckling down and working harder, they are changing their personal habits. Fifty-six per cent of respondents will defer major purchase decisions for the time being. With such volatility in the market everyone is trying to mitigate their risks.

About LEAPJob: LEAPJob is a sales recruiting firm based in Toronto, Canada. LEAPJob recruits sales professionals and sales leaders for many of Canada's most recognized companies. Their clients range from the Top 50 Employers to smaller organizations building their first sales force. For more information visit www.LEAPJob.com. 