Performance/Execution Integrated Sales and Marketing

The Data-Driven Approach to Creating Customers and Capturing Profitable Revenue

by Tim Smith, PhD

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Management Science Meets the Creative and Relationship Edge

Marketing is often considered a creative activity: images that convey the company brand; copy that excites customers to purchase; deliverables that convey the look-and-feel of the company. We can agree that marketing has a creative element, but that isn’t its entire domain.

Likewise, sales is often considered a relationship building activity: making introductions; developing common interests; exploiting opportunities. We can agree that developing relationships are the focal activity in sales, but that doesn’t constrain sales to the fuzzy box called “relationship building”.

Despite the fuzzy definition of the activities of sales and marketing teams, their hard and clear goal is achieving financial results. As such, each activity is part of a larger business process related to creating customers and capturing profits. Once management agrees that sales and marketing is a process, leaders can then use the management science of experimenting, measuring, and analyzing to improve the process.

Considering the process and its results, along with the creative side of marketing and the relationship side of sales, enables management to embark upon Performance Execution Integrated Sales and Marketing (PE-ISM). PE-ISM is a quantitative economic-efficiency approach for deploying sales and marketing and generating business revenue.

Integrated Sales and Marketing Process

In PE-ISM, the objective of each sales and marketing activity is to move a customer from one state to another. There are five defined customer states that correspond to the customer lifecycle. These are: Unaware, Aware, Investigate, Choice, and Experience. Activities are evaluated according to their ability to support the sales and marketing process and their ability to meet their specific objectives.

For the Unaware in the target market, the goal of the sales and marketing activity is to create awareness. For Aware prospects, the sales and marketing goal is to uncover an opportunity to serve and drive investigation. When the prospect is in the Investigate state, sales and marketing provides the necessary information to define the specific sales objective with that prospect and drive choice. For business markets, Choice is usually associated with a proposal, though other methods are be used. After the customer has made their choice, sales and marketing shift goals towards supporting a positive customer experience. By providing a highly satisfactory Experience, the business wins a long-term relationship for both repeat business and referrals.

Any sales and marketing effort is composed of many activities. Some of these activities support more than a single objective. In PE-ISM, each activity must meet two criteria. These are: (1) the activity integrates into the process to support the demands of prospects and customers at one or
more stages; (2) the message communicated by the activity identifies, clarifies, or expands
messages in the process.

Integrated Sales and Marketing requires sales and marketing to work together as a single unit. It
assumes a process approach to generating revenue while executing a specific campaign or
improving an individual attribute. For creating customers and capturing profits in business
markets, these aspects ensure that all pistons of the engine are firing in concert, rather than
working against each other.

**Measured Performance, Directed Execution**

Integrating the Sales and Marketing activities is only the first step of PE-ISM. The second step is
the measurement of performance and the direction setting of future execution. Recall, PE-ISM is
a quantitative economic-efficiency approach to business revenue generation.

Assigning goals to specific sales and marketing activities enables managers to measure the
effectiveness of the activity or set of activities in achieving that goal. For instance, if the goal is to
convert prospects from awareness to investigation and the activity is cold-calling, managers can
measure the number of calls placed and the number of inquiries made to determine the
effectiveness of cold-calling at generating investigation.

PE-ISM then combines the measures of effectiveness with budgets and expenditures to
determine cost efficiencies. Activities that are most effective at accomplishing their goal and least
costly to perform, achieve the highest cost efficiency.

In examining past performance and future execution at the activity level through PE-ISM,
decision-makers are able to determine which activities were most successful at meeting their
goals and which areas need improvement. Furthermore, decision makers can determine the
effects of increasing specific activities and the end result with respect to total-cost-of-sales and
revenue generated.

Using the activity-level analysis and activity goal-orientation, decision makers don’t have to wait
until all revenues are achieved before determining the expected success of their integrated sales
and marketing effort.

**Implementable**

While the level of work and analysis associated with PE-ISM brings to mind Fortune 500
companies, the approach can and should be implemented in smaller firms.

PE-ISM integrates the sales and marketing process, measures the effectiveness at each stage,
and clarifies the economics. It is a quantitative, economic efficiency, approach to supporting the
sales and marketing process and generate business revenue.

The construction of PE-ISM relies upon the sound sales and marketing approach of integrated
activities to support the customer development process. At the analysis stage, it requires an
understanding of the activities’ goals, measurement of effectiveness at achieving those goals,
and the full-cost accounting of the expenditures required to conduct each activity.

At Wiglaf, we have developed a direct approach to implementing PE-ISM in businesses. Unfortunately, the constraints of an article prevent us from sharing the entirety of the approach.
However, we encourage interested readers to schedule an appointment with Bob Cermak, Wiglaf Principal, at bob_cermak@wiglaf.biz, 773-871-5550.

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**Author**

Tim Smith, PhD is a principal at Wiglaf LLC and Adjunct Professor at DePaul’s Kellstadt Graduate School of Business. Wiglaf is a Market Research and Sales and Marketing Strategy consultancy serving tech-driven businesses operating in business markets. [www.wiglaf.biz](http://www.wiglaf.biz).