

Sales 2.0: How Businesses are Using Online Collaboration to Spark Sales

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for TheCustomerCollective



Introduction

A new set of business practices are slowly but steadily starting to creep into the way companies sell their wares to customers. This new trend in selling is being called “Sales 2.0” by some. It’s an unsophisticated, yet appropriate, moniker for this phenomenon, since many of the tools and methods that are fueling the Sales 2.0 trend have their roots in the Web 2.0 movement.

Before we focus on Sales 2.0, it is instructive to examine and to try to define Web 2.0, which we do later in this paper. Indeed, the definitions of Web 2.0 and Sales 2.0 are problematic since both are relatively new phenomena. They are also hard to define because they are grass roots or bottom-up movements, and as such, have very hazy boundaries. It’s very difficult to determine where Web 1.0 ends and where Web 2.0 begins and the same can be said for Sales 1.0 and Sales 2.0.

Web 2.0 is a movement fostered by incremental improvements in technology and greater adoption of the Internet which fundamentally is altering how we live today. It’s changing how we gather information, how we shop, how we interact with friends and colleagues and touching innumerable other facets of our daily lives.

One of the central pillars of this movement – if not the central pillar – is collaboration. Web 2.0 is allowing us to work together and to share information and experiences in ways we never could before. It is empowering us to convey our thoughts, ideas, hopes and dreams and to make them easily accessible to others online. In doing so, it’s allowed us to tap into a collective online wisdom that far surpasses what we could accomplish as individuals in the offline world.

Now businesses are trying to harness some of the same empowering forces of Web 2.0 and to apply them to their sales and marketing efforts. They know from their Web 2.0 experience that working collaboratively online will allow them to better understand and connect with their customers and to market and sell their products and services more easily.

So, what is Sales 2.0?

At its essence, it is the adaptation of Web 2.0 concepts and technologies to improve and accelerate the sales process. To learn more about what Sales 2.0 is and where this movement is headed, we tapped three sources of information:

- 1) We polled sales and marketing professionals through a mini-survey online using [TheCustomerCollective](#), an online community for sales and marketing executives, to learn to what extent companies and sales and marketing professionals have adopted and are using Web 2.0 tools both inside of and outside of their companies for sales and marketing purposes.
- 2) We sought feedback from [Techdirt Insight Community](#) experts about how they and their companies are using new collaborative technologies to improve their sales and marketing efforts.
- 3) We also pieced together publicly available information from [Oracle](#) (a sponsor of The CustomerCollective and this paper) about several new sales tools which the company

The Impact of Web 2.0 tools in the Work Place

“Our project is very new, and we do not have measures of improved efficiency yet. Anecdotal evidence strongly indicates that teams and workgroups that transition some portion of their processes to the Enterprise 2.0 portal see reductions in the volume of status e-mails and reductions in the number and/or time spent in standing meetings. This suggests to us that some of the lowest-hanging fruit in the adoption of Enterprise 2.0 is the maintenance of situational awareness.” ([more](#))

August Jackson

Insight Community Expert

calls Oracle Social CRM applications. Oracle is designing these tools to boost the power and efficiency of rank and file salespeople while eliminating the repetitive, low value tasks such as data entry, which limit the usefulness of first-generation tools.

Here is what we found:

- Sales 2.0 is a bubble-up phenomenon as opposed to the more traditional, top-to-bottom initiative that is more commonplace in the corporate world. Like Web 2.0, many of the tools, technologies and techniques of Sales 2.0 are being born of experimentation. Small companies and a few large ones are taking online consumer applications, tinkering with them and re-engineering them to suit business purposes.
- Sales 2.0 is in its infancy. It's clear from every data source we tapped that we're in the earliest days of this phenomenon. Users are starting to experiment with collaborative tools such as blogs, wikis and mash-ups. They're just beginning to discover how they can leverage these tools for sales and marketing purposes. And vendors such as Oracle are just starting to integrate these tools into their offerings in an effort to make their customers more productive.
- Sales 2.0 is radically reshaping every facet in the process of how companies market and sell to their customers. It's helping salespeople do a better job of identifying leads, of turning leads into opportunities and of converting those opportunities into customer wins.

Primary Sales 2.0 concepts from Web 2.0

Since the genesis of collaborative Sales 2.0 tools is Web 2.0, it is critical that we explore some of the key concepts underpinning Web 2.0 and how they relate to Sales 2.0. [Web 2.0](#) is a term that describes "the use of Worldwide Web technology and Web design that aims to enhance creativity, information sharing, and most notably, collaboration among users." That definition comes from [Wikipedia](#), one of the best examples of the power that online collaboration and Web 2.0 has unleashed. The definition goes on to note that these concepts have spawned user generated content in the form of [social-networking sites](#), [wikis](#), [blogs](#) and [folksonomies](#) (the

practice of collaboratively creating and managing tags to annotate and categorize content).

Another Web 2.0 concept that is germane to this discussion is the notion of [mash-ups](#). Mash-ups merge content from a variety of different sources to create a new application which is more valuable or useful than the sum of its parts. The form of the content can take many shapes – text, graphics, audio, video, and animation – but the importance of this Web 2.0 technology is that it is emblematic of Sales 2.0. It's a classic bubble up technology that

CHICAGO POLICE DEPARTMENT
CLEARMAP
CRIME SUMMARY

HELP FAQ TROUBLE

System Requirements: Pop-up Blockers Disabled, JavaScript Enabled, Minimum Display Resolution 1024x768.
Supported Browsers: Firefox 1.5 & 2.0, Internet Explorer 6.0 & 7.0, Netscape Communicator 8.1. Feedback: gisteam@chicagopolice.org

STEP 1: **SUMMARIZE BY:** Police Beat

STEP 2: **CATEGORY:** Index Crime

STEP 3: **TIMEFRAME:** Past 90 Days ~ 3 Months

STEP 4: **CLICK:** LAUNCH MAP!

INFORMATION: THE CHICAGO POLICE DEPARTMENT DEVELOPED THIS WEB APPLICATION TO PROVIDE RESIDENTS OF THE CITY OF CHICAGO WITH A TOOL TO ASSIST THEM IN PROBLEM-SOLVING AND COMBATING CRIME AND DISORDER IN THEIR NEIGHBORHOODS. IT IS BASED UPON THE CLEAR (CITIZEN LAW) THIS DATA REFLECTS CRIMES AS REPORTED TO THE POLICE AS OF THE CURRENT DATE.

DISCLAIMER AND RESTRICTION OF USE: THIS WEB APPLICATION ALLOWS THE PUBLIC TO QUERY THE CHICAGO POLICE DEPARTMENT'S DATABASE OF REPORTED CRIME. THE INFORMATION ON THIS WEB PAGE IS ALSO ACCESSIBLE THROUGH THE CHICAGO POLICE DEPARTMENT'S RECORDS DIVISION.

This mash-up integrates crime data from the Chicago Police with Google Maps to visually represent where the crime rate is high.

fosters collaboration among users. The beauty of the Sales 2.0 movement is that companies can adapt the best tools and techniques from Web 2.0 and use them for a variety of purposes in very different ways. Members of the Techdirt Insight Community explain how their companies are doing this internally while Oracle's efforts give us insight into how one vendor is incorporating these concepts in an effort to improve the sales and marketing tools it offers to the marketplace.

Companies are using Sales 2.0 tools to try to extend traditional networking activities both inside and outside of the company. The use of Sales 2.0 tools internally allows employees and other closed groups, such as channel partners, to collaborate and share proprietary data and ideas behind their corporate firewalls. This is akin to a private conversation. Companies also are using Sales 2.0 tools externally to reach out and connect with prospects, customers and others in the equivalent of public conversations.

Different Sales 2.0 tools are best applied to different situations. For instance, because, in general, a wiki can be modified by any user who has access to it, they are more likely to be used internally for sharing information between employees within a company and behind a corporate firewall. By contrast, blogs are more likely to be used outside the firewall because usually the corporation or bloggers within the corporation control and limit the content posted to the blog. The blog still is collaborative in that readers may interact in the blog format via either open or moderated comments.

Survey Findings

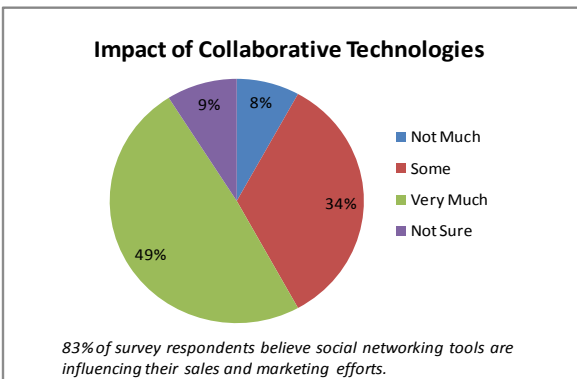
Just as Web 2.0 is reshaping how consumers collaborate online, Sales 2.0 is transforming how companies go about the business of selling to their customers. Our mini-survey targeted sales and marketing professionals and executives via TheCustomerCollective, a Web site that caters to sales and marketing professionals. Of the almost 100 respondents who answered our mini-survey, 44% held a sales role within their company while 39% came from the ranks of marketing.

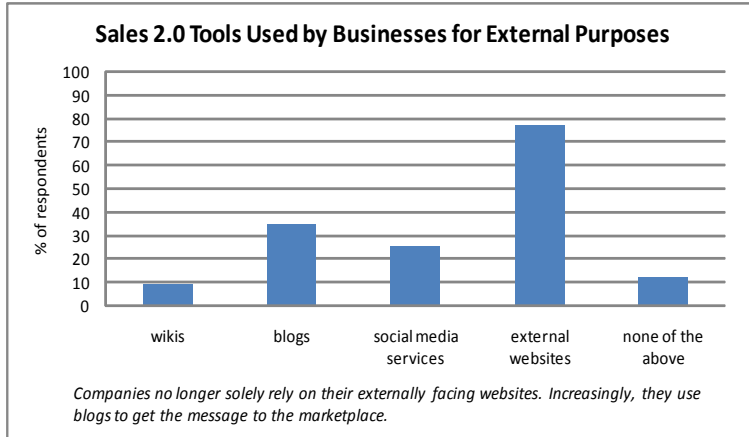
Most respondents came from smaller sized companies. Of those surveyed, 70% were from companies of less than 500 employees, while about 60% of the total came from companies with under 100 employees. Since Sales 2.0 is a grass-roots phenomenon, feedback from smaller companies is important since it gives a better sense of how far this movement has spread and where it is heading. And because smaller companies have fewer resources and generally are less restricted by their IT departments as to what online tools they can use and what Web sites they can access, they are more likely to be early adopters.

Leveraging Web 2.0 to be a better salesperson

"Writing intelligent commentary, adding notes to people's profiles, and adding to the conversation brands a salesperson and allows prospects and clients to feel they know the salesperson prior to even the initial call. In my business, I'm surprised at how often a call turns into a sale because the client already feels they know me and what I do. The easiest way to do this is writing a blog, a spectacular way to showcase one's interests and experience as a thought leader.... This is gold for salespeople. A well-written blog in the industry is a way to capture mindshare and set oneself apart from other salespeople who are seen as cold-calling pests." ([more](#))

James Durbin
Insight Community Expert





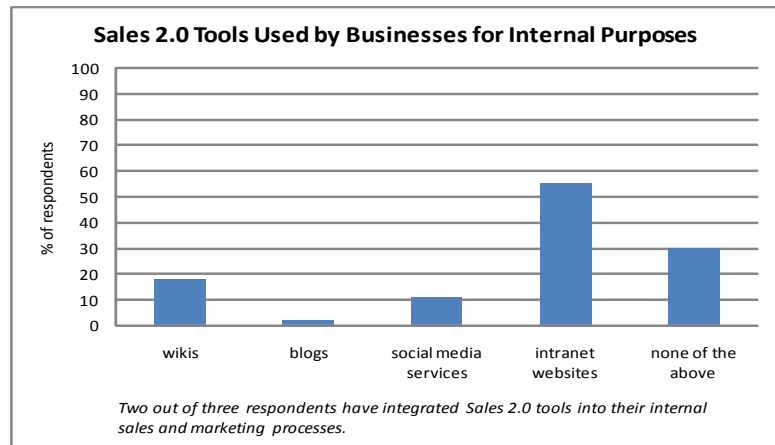
Generally, respondents felt that collaborative online tools were having an impact on the sales and marketing efforts at their company. Forty-nine percent of respondents felt the impact was significant, while 34% said these tools were having some positive impact on their jobs. Contrast that with only 8% of respondents who felt that collaborative online tools were having little to no impact on their jobs.

And while many companies are using Web 2.0 technologies both internally and externally for sales and marketing purposes, there still appears to be plenty of room for additional adoption, even among smaller companies. Less than 20% of companies we surveyed use wikis for internal sales and marketing purposes while, even fewer -- just one in five -- use blogs internally for sales or marketing. Blogs are better suited to sales and marketing for external purposes and more popular. Thirty-five percent of respondents say they use blogs to further their sales and marketing efforts.

Sales 2.0 still in its infancy

Sales 2.0 is in its infancy and still has a long way to go before it permeates corporate America. Of those surveyed, 30% said they do not use any tools such as blogs, wikis, social media applications, or even intranet Web sites for sales and marketing purposes inside the company. And - surprisingly - 12% of our respondents don't use any of these tools for sales and marketing outside of the company.

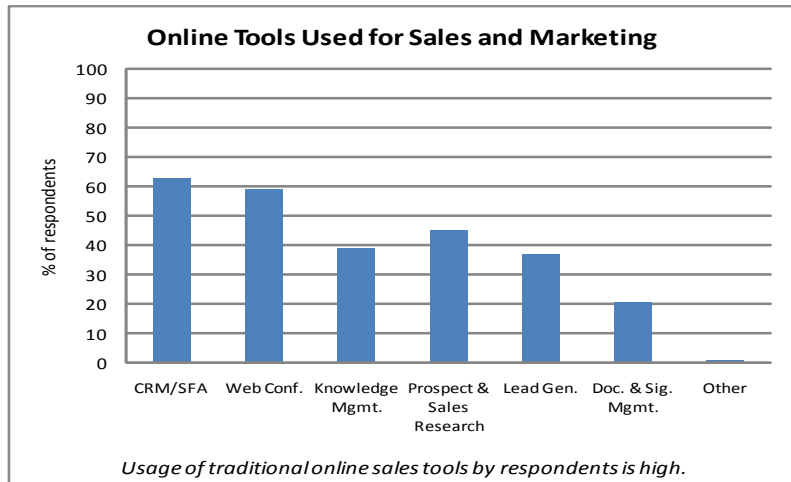
Only 25% of our audience said they use external social media applications such as Facebook, LinkedIn and Twitter as part of their sales and marketing efforts. And an even smaller number of companies have started to integrate Sales 2.0 tools internally into their operations. Only 11% of those surveyed said they are using applications with social elements inside of their company. And our data almost certainly overstates the overall adoption of Web 2.0 and Sales 2.0 technologies, because the survey was targeted at early adopters.



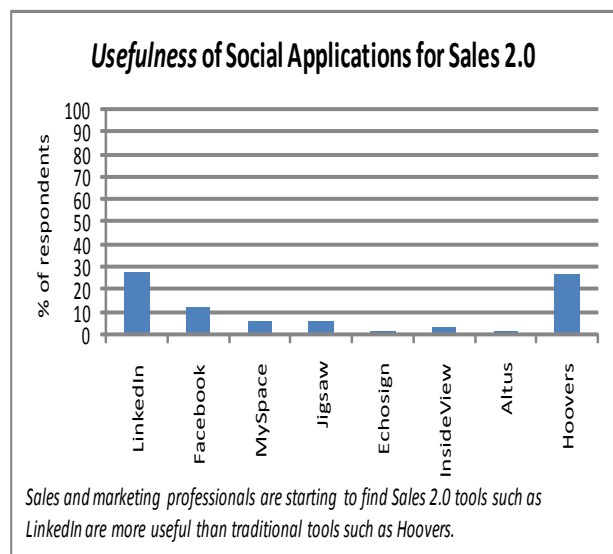
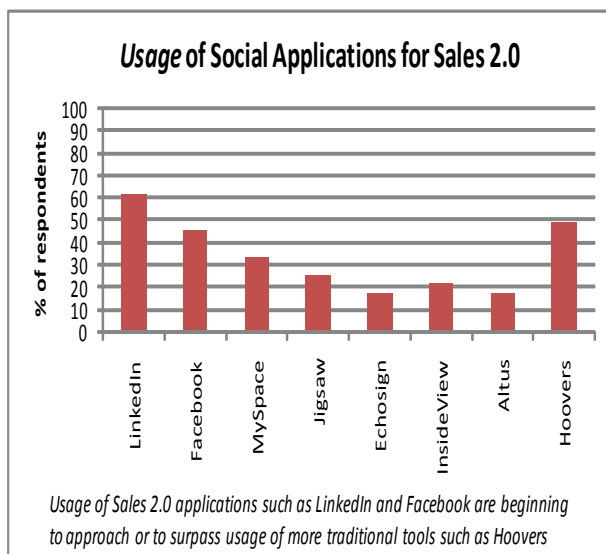
Since the data was collected online via an opt-in survey hosted on [TheCustomerCollective](#), a blog-driven Web site, respondents tend to be more net savvy and to have had more exposure to these tools than the general population of sales and marketing professionals. In addition to coming from predominantly early stage companies, most respondents work in service oriented business, many of which have an online component to their business. And many respondents held jobs in technology dependent industries such as information services or telecommunications sectors, making them more likely to be exposed to and more comfortable

with these new tools.

To understand how pervasive online technology is used at their companies, we asked respondents which online tools they use for sales and marketing purposes. The results suggest a large number of the respondent pool use sophisticated online tools to sell and market to their customers. Of those surveyed, 63% use CRM/SFA software while 59% use Web conference software and services. Forty-five percent use prospect or sales research services while 39% use knowledge management tools or portals and 37% use some form of lead generation tools or services.



An impressive 62% of respondents who use social media applications are using LinkedIn for sales and marketing purposes while 46% are using Facebook. Other Sales 2.0 tools sited in our survey have yet to see that rate of adoption, but usage of these types of applications will grow as sales and marketing professionals discover their value. For perspective, 49% of our respondents use Hoovers, a well-established first generation online sales tool. It is interesting to note that 41% of LinkedIn users find the tool useful for sales and marketing purposes, slightly more than the 39% who value Hoovers for its sales and marketing usefulness.



Case Study: Using Web 2.0 Tools to Sell in Sales 2.0 World

Zack Miller

Insight Community Expert

Sales 2.0 has begun to redefine the traditional sales funnel. Because Web technologies are involved, a certain level of new automation has crept into the sales process. For me and others competing in today's marketplace, Sales 2.0 has done a couple of things: Increase the circumference of the funnel, shortened cycle times and increased conversions.

Increasing the Circumference of the Funnel

I'm finding that I'm able to get a dramatically greater reach with my marketing efforts, effectively creating wider and more frequent ways to connect with potential clients. From there, given Sales 2.0 tech and platforms, I'm able to push more people through a wider funnel.

Casting a wider net: Web 2.0 technologies are effectively being used by sales organizations to build brand over a wider reach. Companies like mine are using these technologies to build huge marketing machines in a much softer, gentler, and more precise way-- via content.... I work with blog aggregation firms like SeekingAlpha to ramp up my exposure. [SeekingAlpha](#), due to its content base of hundreds of blogs, has negotiated distribution deals with Yahoo Finance and E*Trade, deals I could never have negotiated on my own. Now, my content shows us exactly in front of the types of people who are my potential clients.



I'm using metrics tools like [Google's plug-and-play Analytics](#) to track my efforts and in step, I add more marketing/content gas to those sites providing the best feeders to my core business. Enabling my content with RSS allows me to get my content out there. Sites like RSS hosting/tracking firm, [FeedBurner](#), allow me to position my content to become portable and allow users to read my content wherever they may be. As I'm building a Sales 2.0 organization, it's more important for me to reach a larger audience at this point than it is to drive direct traffic to my own blog.

Reputation building or becoming an expert: these technologies provide companies and individuals with the ability to build their own brands in increasingly narrow niches. I run my blog on the WordPress platform. [WordPress](#) has developed an app so that my blog posts also show up on Facebook. Not only does this further my reach beyond my blog and any aggregators to whom I'm submitting content, it also gets my content onto [Facebook](#).

I've just begun to use [Twitter](#) to microblog some of my market commentary during the day. As more and more mainstream users adopt twitter-like apps, I am sure that this will compete for other media as a way to build reputation and distribute my expert opinion.

I'm using sites like [Vestopia](#) and [Stockpickr](#) to increase sales. Both sites allow me to create model portfolios and submit them to a community of like-minded investors.

I'm using [Meetup](#) to plan, manage, and communicate with numerous seminars that I'm holding as a way to garner new business. All these things are providing mechanisms for me to connect with as many warm leads as possible and bring them into a process that I can begin to close a proportion of them.

One-to-one sales: Sales 2.0 technologies essentially allow one to widen the mouth of the traditional

sales funnel by creating a cheap and wide-reaching distribution network and given the ability to build brand/reputation along very narrow borders, companies are able to cast their message to the appropriate audience in a way that was never possible previously. The result is that I'm consistently marketing to my existing and future customers.

Sales 2.0 is all about relationship marketing. My future clients are reading my content on my blog, on SeekingAlpha and on Yahoo Finance. The next step in the process is to make the relationship a little more intimate by soliciting an e-mail address. I accomplish this by using an e-mail services company, like Constant Contact or StreamSend. These service providers provide hosted e-mail services including easy-to-use auto responders.

Making customers into distributors: Sales 2.0, given its integration into the tangle of relationships that is Web 2.0, has some interesting outcomes. Satisfied customers actually become value-added distributors for my business. The more users I have tracking my portfolios on Vestopia or Stockpickr (see above), the more legs my sales and marketing efforts have. In turn, users who track or follow my followers are also exposed to my content. In turn, what's occurred, is that my customers or soon-to-be customers reinforce my positioning as an expert in my field and in turn, act as quasi-distributors lending approbation to my efforts.

Shorten Cycle Time

I spend most of my time creating content and allow the hooks into various Sales 2.0 platforms to work their magic. Every article I write shows up on my Facebook profile because I've integrated WordPress and Facebook (see above). My e-mail auto-responders treat every new trial subscription to my research the same way. A series of personalized, automated messages go out, creating a conversion channel for my readers. RSS feeds are pushed out automatically via FeedBurner.

The Sales 2.0 funnel is inherently stickier than its predecessors. Potential clients enter my wide-mouth funnel and have access to my research, my blog, my real-time market commentary. It's not hit or miss advertising. Instead, potential clients who don't buy right away continue to hear, see, and feel my messages. They stay connected to me longer and instead of just slipping through the funnel, they hang out for a while. While cycle times are sped up, more conversions actually take place. To read the complete case study, [click here](#)

Oracle's Social CRM Initiative

One company leveraging Web 2.0 technologies and concepts in an effort to improve its products is Oracle (a sponsor of this paper and TheCustomerCollective Web site). Rank and file sales people feel CRM has made them less productive because time consuming data entry takes them away from customer-focused activities. By infusing their products with Web 2.0 functionality, Oracle hopes to take the emphasis away from reporting and to put it back on selling.

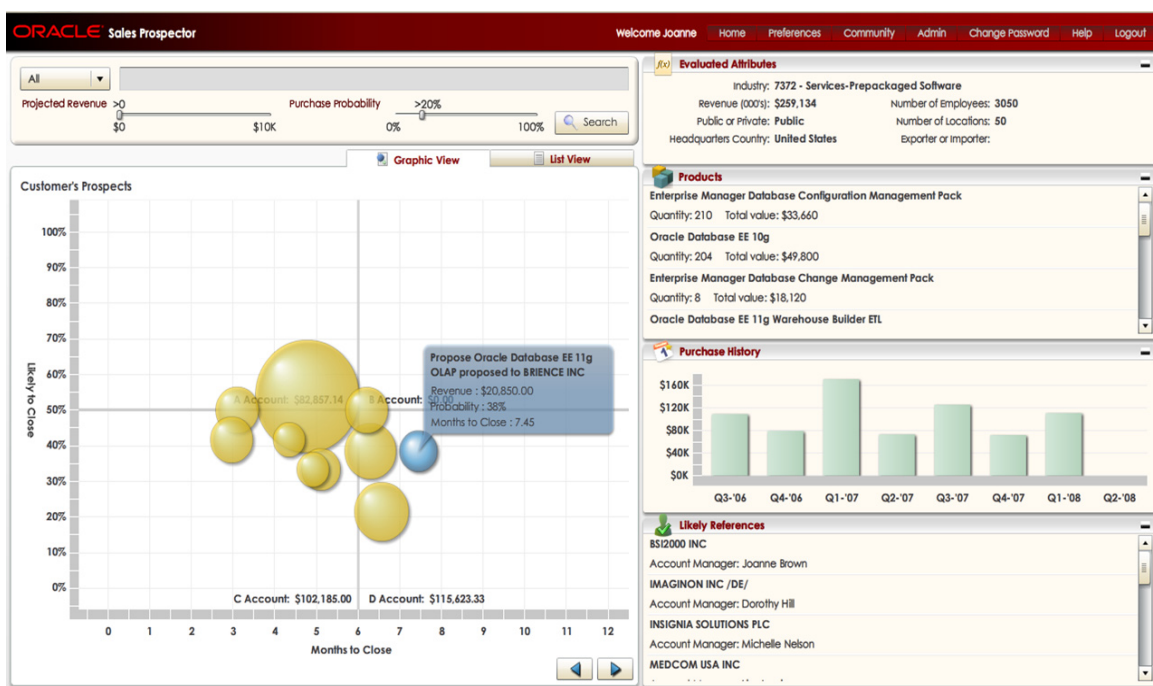
With this in mind, Oracle is developing a new breed of social sales applications designed:

- To be more intuitive,
- To model common tasks sales representatives execute every day
- And to leverage the knowledge and wisdom of collaborative sales communities.

While traditional CRM offerings will continue to be a critical application for organizations to automate and optimize their sales operations, Oracle Social CRM Applications are intended specifically for sales users, rather than sales executives, and are designed to provide immediate benefits while eliminating some of the time-consuming elements associated with CRM, such as data entry. Ultimately these tools are seen as a key to help sales users increase their sales effectiveness, or more simply stated, to sell more. This is accomplished through single-focused applications that are designed to be easy to use, mash up and present data from disparate sources in visually compelling forms in order to solve business challenges, and harness collective intelligence across companies or business networks comprising multiple organizations. The company is developing a family of what it calls Oracle Social CRM Applications.

Oracle Sales Prospector

The first, called Oracle Sales Prospector, delivers a highly graphical mash-up of internal and external data sources that help sales people identify the top prospects they should target with



specific products or services. The software bases its recommendations using sophisticated analytics that identify buying patterns based on purchase history, suggesting not only potential deals for a sales representative to pursue, but also the projected revenue, close probability, and time to close for each deal predicted.

Oracle Sales Campaigns

Oracle Sales Campaigns allows salespeople to create and share HTML e-mail campaigns, and then track and measure their effectiveness. The idea is that collaborating on and pooling the best material available for a campaign benefits the entire sales team by guiding representatives to those campaigns that have been most effective in specific scenarios, such as initiatives targeted to prospects in a specific industry. In addition, this application reduces the amount of repetitive work that each salesperson normally would undertake in order to conduct her or his own campaign.

Oracle Sales Library

The idea behind Oracle Sales Library is to create a single repository of sales materials and to empower users with Web 2.0 tools such as tagging, rating and reviewing in order to help them determine which assets are most effective. The aim is to empower an individual salesperson to be able to quickly and easily download individual slides or an entire presentation to be used for his or her own meetings. Today a sales user must download an entire presentation from an internal portal, find and select slides to her or his liking, and then has no way to share the wisdom she or he gained in assembling the presentation, other than via e-mail.

Other Social Innovations

In addition, Oracle has unveiled a task-based mobile application, Oracle Mobile Sales Assistant, which eases the ability of sales reps to access critical customer information while on the go. It is also introducing a series of widgets that expose pertinent customer or sales information on the user's desktop or within the portal of her or his choice. This frees the user from having to open a CRM application in order to access this information.

These applications are all built on Oracle's standards-based Fusion Middleware platform to facilitate easy integration with other business applications and to provide the scalability and security that businesses require.

Conclusion

While the majority of sales and marketing professionals are not yet using social media applications such as LinkedIn, Facebook, Myspace, Twitter and Jigsaw, for business purposes, that's rapidly changing. People are beginning to understand the power of collaboration and Sales 2.0. Sales and marketing professionals are beginning to see they can use these tools to do a better job of selling and marketing to their customers. And our research from the Techdirt

Using Social Media to Connect with Prospects

"Using social media, salespeople can gather in-depth, up-to-date, targeted demographic and contact information that is pre-filtered by the clients themselves. If a buyer or hiring manager or decision maker wants to get found, the most current contact information is the information they entered in a social network.... Using my [LinkedIn] network of over 1,400 connections, I can contact every Fortune 1000 company in the country through a warm lead, an advantage not easily replicated even for those with large rolodexes. If a manager leaves a company, their contact information goes cold. On LinkedIn, or any of the other networks, the information changes with the move. What this means is that you no longer lose contacts when they leave companies, and have the best opportunity to know when to contact them about new business." ([more](#))

James Durbin

Insight Community Expert

“Companies considering Enterprise 2.0 should begin with considering what it is they are trying to do as opposed to thinking of the tool first. At our company we saw specific problems with our existing processes that we believed we would be able to address with specific Web 2.0 tools.” ([more](#))

*August Jackson,
Insight Community Expert*

Insight Community shows, sales and marketing professionals who use these types of tools gain a competitive advantage over their peers who do not use them. Businesses are starting to see that wikis make their internal teams more productive while tools such as blogs help them target and direct their message externally to customers. And vendors such as Oracle are seeing that incorporating Sales 2.0 tools and concepts into their products will empower sales and marketing teams, making them even more effective.

Next Steps

- If you are a sales and marketing professional and you are unfamiliar with new social media services such as Facebook, Jigsaw, LinkedIn or Twitter, you should consider experimenting with them.
- Once you've grown comfortable with Web 2.0 concepts and services, think about how you can leverage these tools and the concepts into your role and the sales and marketing process at your company. How can you use them to better identify and target customers, to expand your sales funnel and to close deals more quickly?
- And if you'd like to learn more about Oracle Social CRM Applications, you can start [here](#).