

Digital Print Sales – How Much? How Soon?

A print industry sales and marketing consultant friend and I were discussing a question that we both often hear: "How much volume should you expect from a digital printing sales person in their first few years?"

The answer, like most perplexing questions in the print industry, is that it depends.

In this case, I think it depends largely on three things:

- How good is the company?
- How effective is the organization's strategy on how they are going to apply digital techniques in the marketplace and
- How good is the salesperson?

Notice the order in which these are presented. It is not by accident that the salesperson is third on the list.

How Good is the Company?

When leaders in printing organizations ask me what volume he should expect from a digital sales person in the first few years, I usually ask, "What have you done to ensure their success?" "What technology have you invested in, and what systems architecture have you built to make the solution successful." And, "Is the right marketing plan being executed?"

If the company has a solid infrastructure in place, then success can happen more quickly, and the account executive is likely to produce much larger digital print volumes. Companies that have intangibles connected to printing such as document management software, e-procurement solutions, and an integrated distribution fulfillment system, should certainly expect more than a company that is reengineering itself to incorporate digital.

Depending on its size and its primary market, a company new to digital printing, should expect somewhere from \$150,000 to \$500,000 in sales as a realistic first year expectation. And if the sales hunter is also asked to serve as the company's "change agent," and project manage building the digital system, then results could be much lower. In year two they should be selling \$500M and in year three \$750 thousand to \$1.5 million combined with conventional printing and systems. I have never seen a million-dollar-a-year digital sales person that sold just digital and nothing else (systems or conventional) who did not have some sort of a sophisticated system surrounding them.

If the right systems are in place (e-commerce portals, mail expertise, database programmers, designers, distribution fulfillment, and a great marketing plan), then there

is small population in the industry that can sell over \$5 million a year. And these people are largely sought after and they command a large salary.

Sales that involve a digital solution can take much longer than conventional printing sales because your digital solutions team is usually solving a business problem that involves more than asking question, "Do you have anything for me to print today?" If the sales rep is young and completely new to selling, this sales cycle can even take longer. It may take six months to see anything.

How Effective is Your Strategy?

I'm often amazed at the lack of leadership in many printing organizations. One consultant I know suggests that because the printing industry has always been full of craftsmen and accountants, most leaders arrive in their positions unprepared to lead people and forge a vision for the company's direction. Twenty plus years spent mastering their craft or watching the numbers doesn't necessarily prepare one for leading a company to the frontier of digital excellence.

Look at those companies that have been successful in the digital arena and you often see dynamic leaders who are championing new ideas in business communications. These leaders espouse a coherent plan for where they want to go. Sometimes simply standing before your company and telling them what direction you are going and what it will look like when you get there, can be a powerful authenticator of what your company must focus on. It helps your team know you are committed to reinventing your business, and making digital a part of your total communications solution.

How good is the salesperson?

A good digital sales person is someone that is a savvy business person and could easily be a business consultant--someone that can see a complex project to the end and never gives up. Such persistence is a key trait, and I've talked about this at length in other articles.

A common mistake of sales managers and sales people in almost any type of sales is that they "hop out of line" and give up just when things are about to happen. To be successful and achieve momentum it's important to hang in there and just keep pushing. It's often when things seem the most bleak, that we need to stay in line.

Have you ever hopped out of a slow moving line at the bank or grocery store to try a line that appears to be moving faster than the one that you are currently in? What happens to the line that you were in? It starts moving faster! And you realize that if you had just stayed in line that you would have been placing your groceries in the car by now. This illustration applies to the complex sales cycle of the digital solutions provider.

Recommendations

Give some house accounts to a beginning digital sales representative where digital solutions can be explored. Giving him or her some accounts to grow in year one. This is a

part of the development of the sales person and can allow you to find low-hanging opportunities with existing customers.

Leaders should accompany sales people. When I was leading a company and I'd go with our sales people. It seemed we were very successful and I thought sales were easy. The company leader's presence in the sales call sends a message to the customer that they are important and that hard decisions can be made at the table, often leading to powerful discussion during the sales appointment. It also shows the digital sales person that you are committed to seeing digital success in your organization.

Be patient. Conventional printing leadership is not accustomed to the patience necessary for the sales cycle of digital. In year two and three, a good sales person is harvesting digital printing annuities that are systems related and have taken a while to harvest. An Old Testament proverb says we never sow and harvest in the same season. Some people like to refer to these long sales opportunities that include these peripheral solutions as Print Management Systems. These solutions may incorporate a supply chain distribution challenge or e-commerce interface.

Training. Teach your sales team how to assess and charge for intangible value. In year two and three a couple of things happen. The sales rep learns to charge for intangible value that is hard to assess and justify to a customer as a fledgling sales person. There is tremendous consultative value in overseeing a one-to-one marketing project, but as printers we're apologetic in charging for it. Marketing companies can charge for these services, those companies with "printing" in their names, have a harder time at it. It's worth it!

Digital printing can be four times more profitable than conventional printing. So take the above sales numbers and multiply them by four and see if that gets anyone excited. Some CFOs in conventional companies have a hard time with this one, because of the sheer throughput necessary for heavy metal capacity. But I'll take a \$500,000 digital sales person over a \$1 million conventional sales person any day. Let's not confuse activity with profit.

And finally, if a digital sales person doesn't pan out, leadership in the company has to accept some of the responsibility. We're asking people to sell things that most companies aren't even sure how to produce yet. It's a lot easier for conventional sales people to sell printing in most traditional printing companies since the workflows and systems are fairly established. Digital sales take time. Stay in line...and your cashier will be bagging your elephant soon.



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