

Unleashing High Impact Sales Enablement

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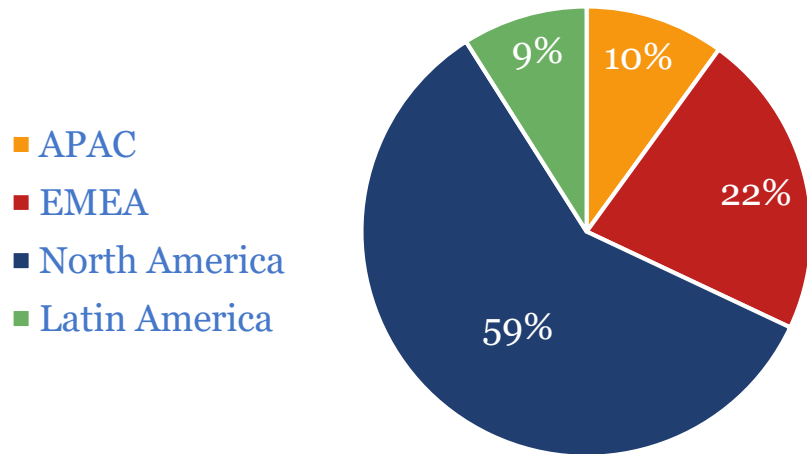
CONNECT. SHARE. GROW.

Unleashing High Impact Sales Enablement

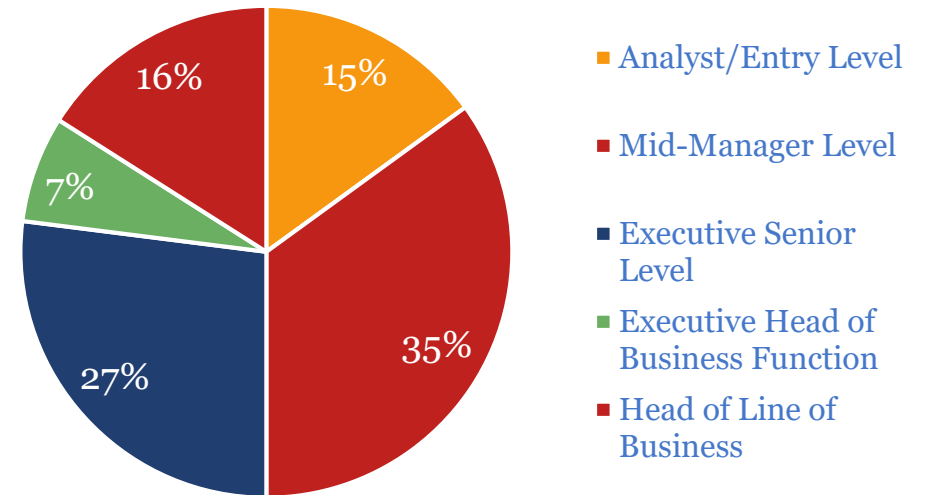
The Unexpected Support That Best Drives Revenue

SURVEY DEMOGRAPHICS

Responses by Region, *Percentage of Respondents*



Responses by Seniority Level, *Percentage of Respondents*



N = 88.
Source: CEB 2018 Commercial Banking Agenda Poll.

2018 COMMERCIAL BANK EXECUTIVE PRIORITIES

Three Business Objectives

1. Delivering on **customer expectations** around **products**
2. Reducing points of friction in buying and service
3. Getting more **operating efficiency** from sales coverage

Top Concerns

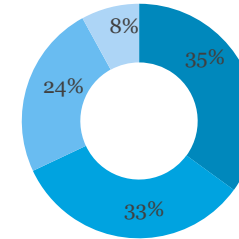
50%

of commercial banking executives expect to be most concerned with **growth through new customers.**

28%

will focus on **operational efficiency**

Anticipated Changes



Technology and Products (35%) will change the most.

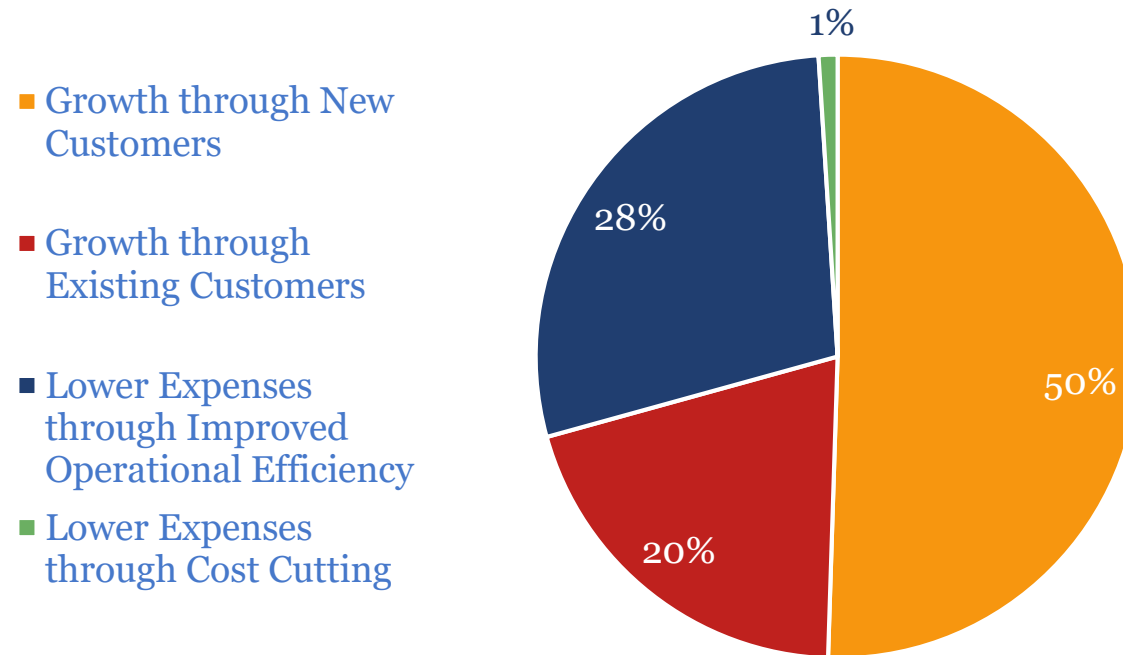
Customer Experience (33%) and **Sales Model (24%)** are also expected to change.

Talent Management (8%) will change the least.

TOP ECONOMIC CONCERNS

Top Economic Concerns for 2018, Percentage of Respondents

Q: *What do you expect your business line's top economic concern to be for 2018?*



N = 88.
Source: CEB 2018 Commercial Banking Agenda Poll.

CRITICAL OBJECTIVES, BY BUSINESS LINE

Critical Area	Small Business	Business Banking	Middle Market
Mapping changing customer channel usage and expectations	72%	73%	72%
	47%	48%	51%
Pinpointing how the bank can influence customer purchasing in sales interactions	72%	68%	67%
	51%	53%	56%
Utilizing tech partnerships and APIS to transform customer experience	81%	75%	70%
	60%	58%	44%
Scaling Bank supports for RM customer quality interactions	79%	78%	72%
	49%	52%	56%
Removing RMs' administrative and compliance burdens	72%	77%	67%
	33%	40%	37%

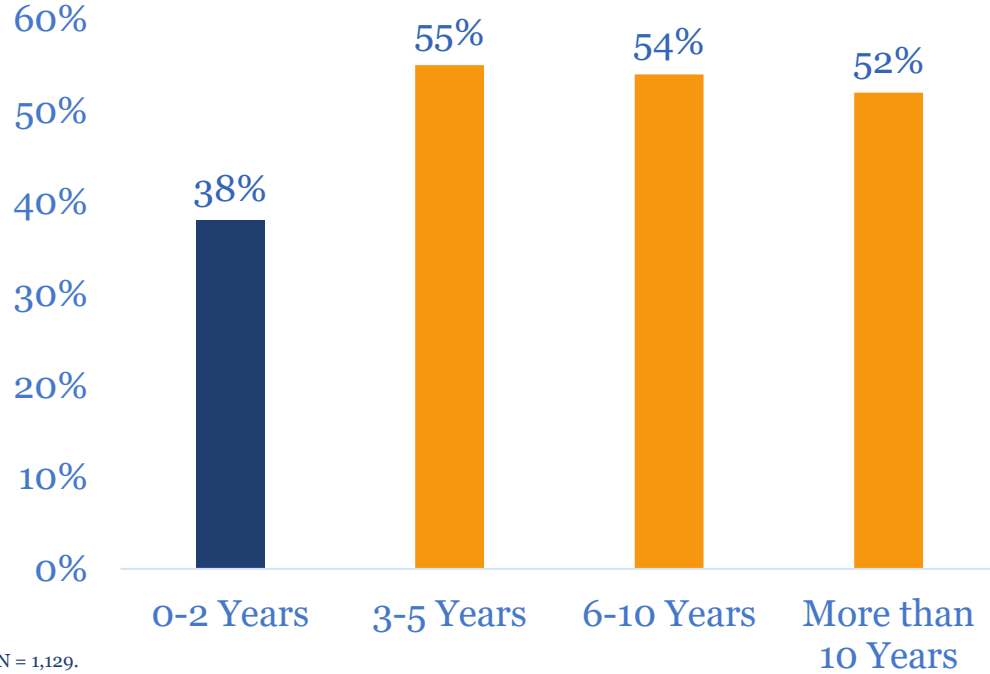
N = 88.
Source: CEB 2018 Commercial Banking Agenda Poll.

 Importance

 Confidence in Execution

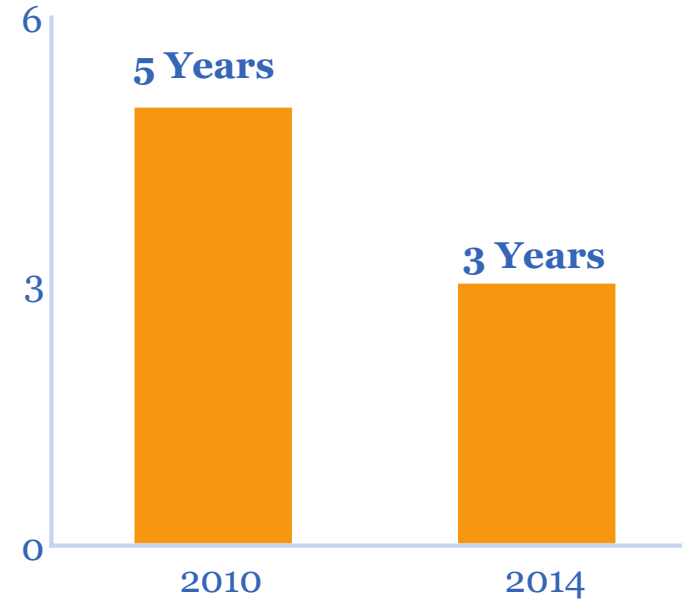
CAN'T JUST HIRE MORE

Percentage of RMs Whose Loan Generation is Greater Than the Bank Median
By Tenure in Seat, North America



N = 1,129.
Source: CEB 2014 Sales Force Assessment.

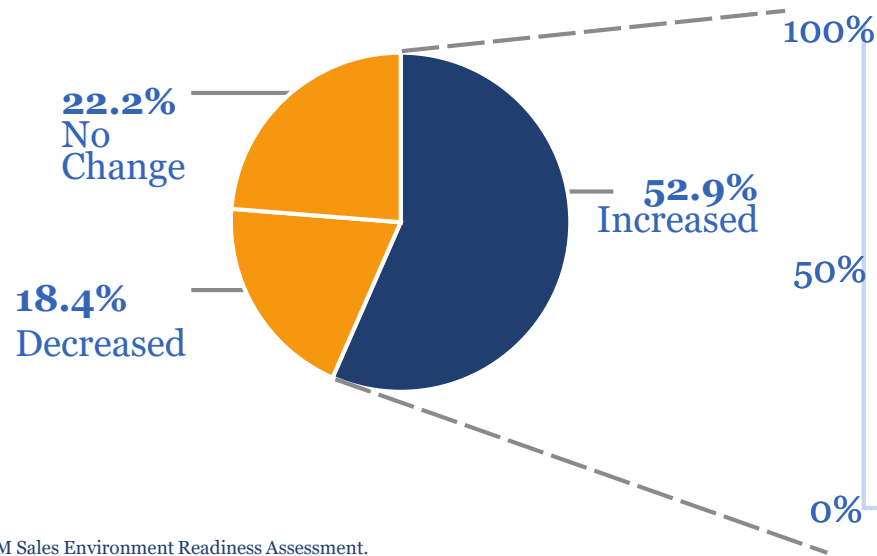
Average RM Tenure
Median Number of Years in Current Role at Current Bank



N = 2,884 RMs (2010); 2,702 RMs (2014).
Source: CEB 2010 and 2014 Sales Force Assessment.

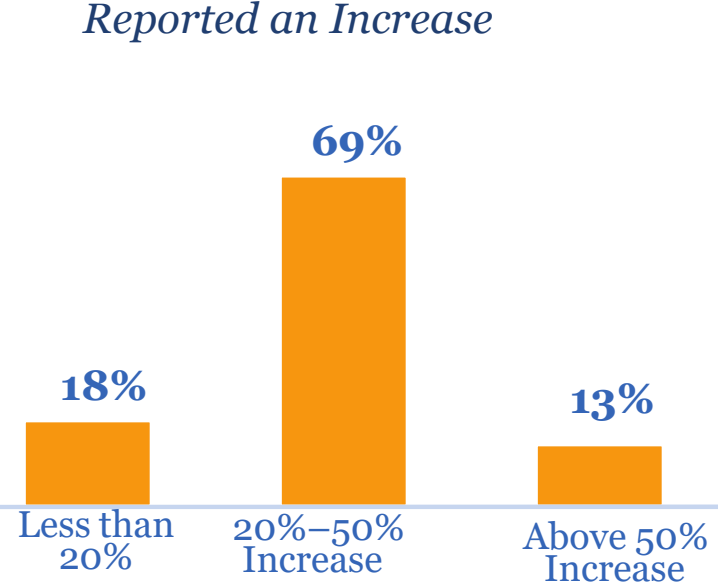
CAN'T JUST WORK MORE

How Has Time Spent on Non-Client-Facing Work Changed in the Past Two Years?
Percent of RMs Responding



N = 890, 507
Source: CEB 2017 RM Sales Environment Readiness Assessment.

Magnitude of Increase in RM Time Spent on Non-Client Facing Work
Percent of RMs Responding, Among Those Who Reported an Increase

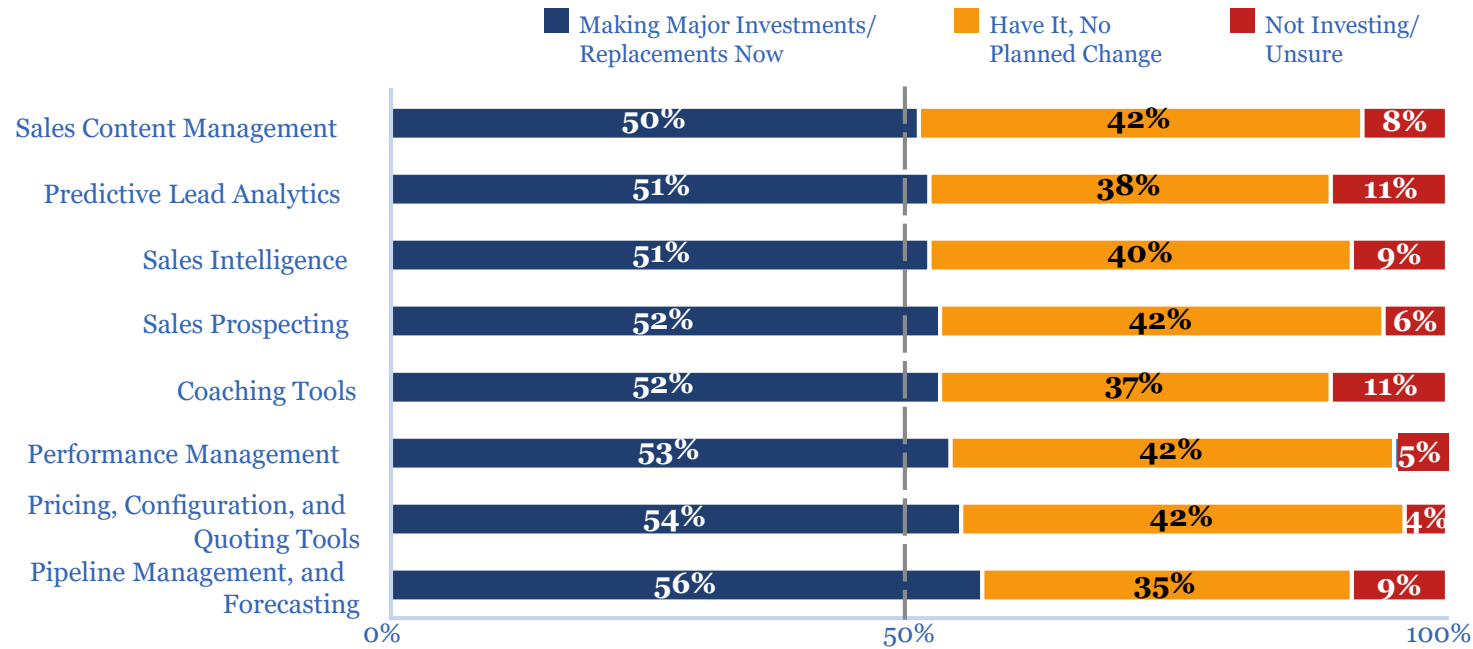


“We’ve been doing really well, but we’re like the duck on the water: it looks calm on the surface, but under the water the feet are moving like crazy.”

Head of Sales Force,
North American Commercial Bank

ALL IN FOR TECHNOLOGY ENABLEMENT

Banks Making Investments in Sales Enablement Technology Now, by Type of Technology *Commercial Banking Only, Global*

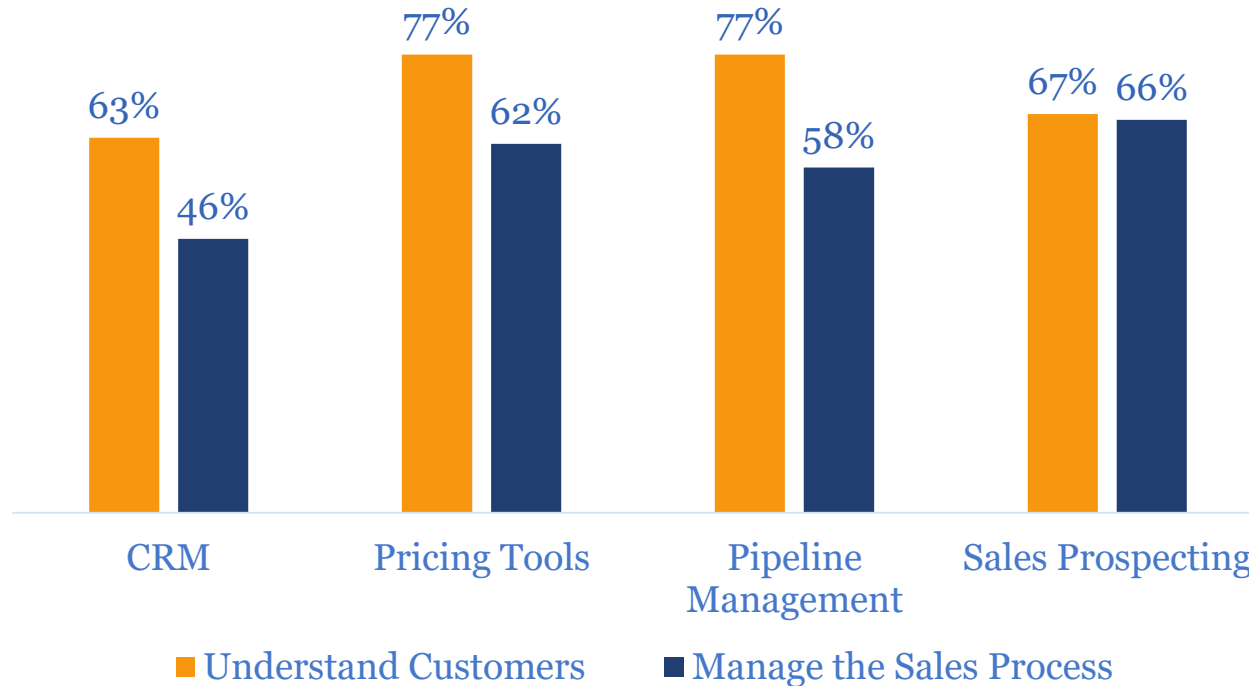


“We view technology as an enabler, but it isn’t solving the root cause problem – which is a broken sales process.”
Group Vice President, North American Commercial Bank

N = 259.
Source: CEB 2017 Financial Services Technology Survey
Note: Total does not equal 100% due to rounding.

CURRENT TOOLS DON'T HELP WITH OUTCOMES

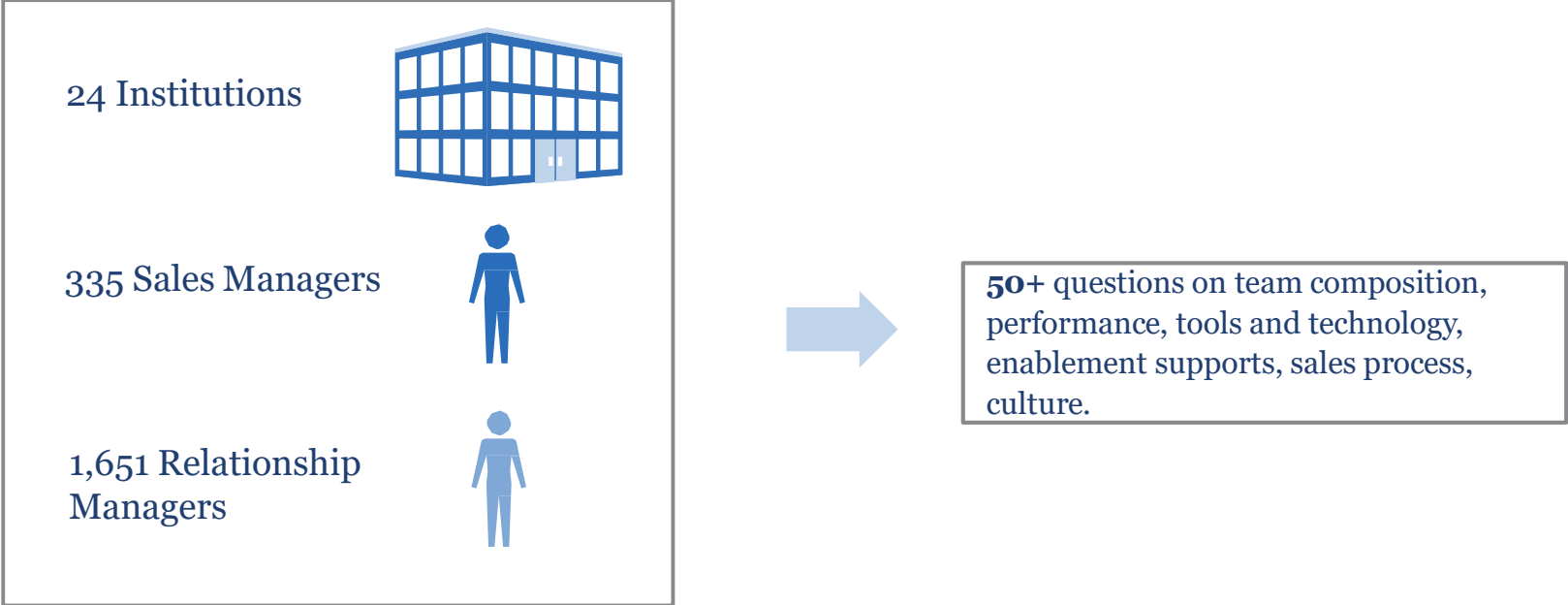
Extent that Tools Fail to Help RMs Better Understand Customers or Manage the Sales Process More Effectively
Percentage of RMs Neutral or Not Agreeing that the Tool Helps Them



N = 1,269.
Source: CEB 2016 Sales Environment Readiness Assessment Survey

UNDERSTANDING SALES ENABLEMENT

1. Sales Environment Readiness Assessment



2. Qualitative Interviews

45-minute interviews with executives at 26 institutions across all business lines to understand their sales enablement strategies and challenges

Source: CEB Analysis

NEW MANDATE: ENABLE YOUR SALES FORCE

Executives' Three Approaches to Sales Enablement

Goal: Hire and Manage Talent

- Hiring
- Training
- Coaching/
- Incentives
- Customer-Facing Time

Talent Supports

Goal: Make Bankers More Efficient

- Usable CRM
- Customer Segmentation
- Market Coverage
- Leads Identification
- Sales Process
- Internal Collaboration
- Specialists
- Ethical Sales Culture

Process Supports

Goal: Fulfill Customer Needs

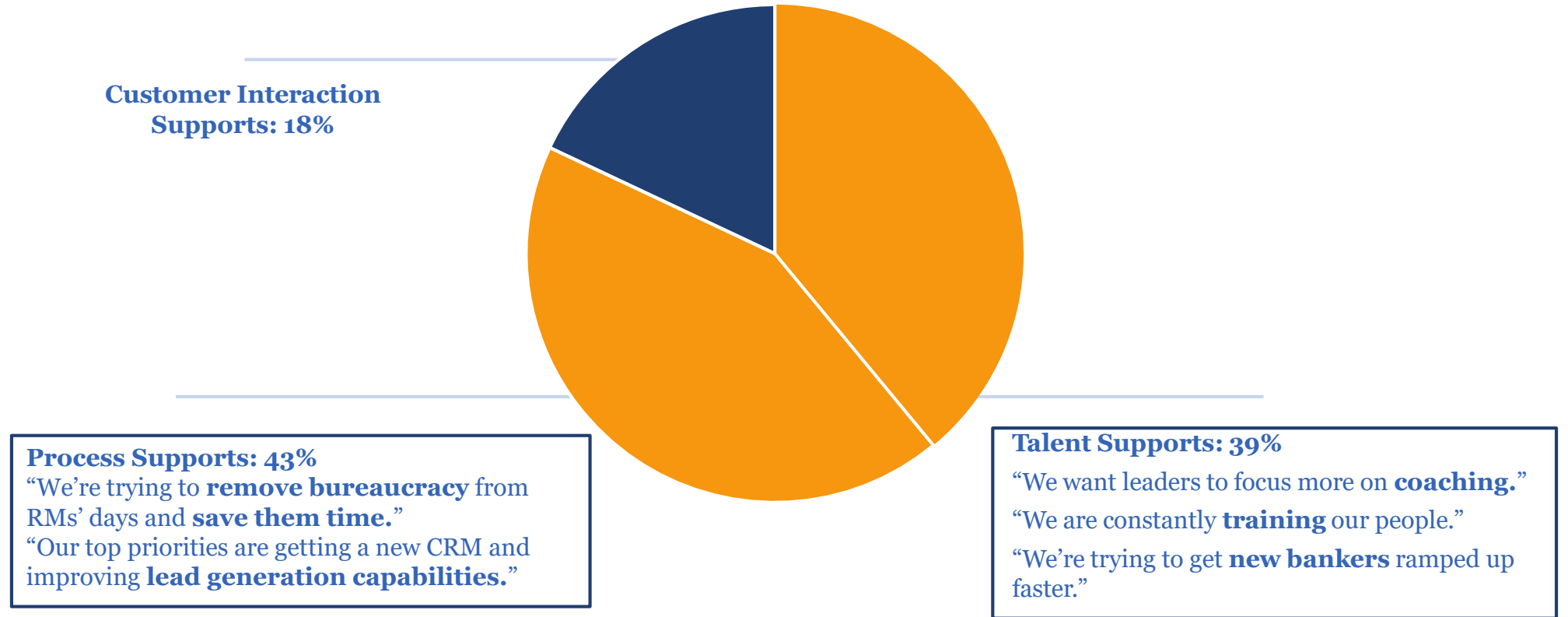
- Commercial Insights
- Customer Needs Understanding
- Value Proposition
- Relevant Messaging
- Differentiated Products
- Customer Accountability
- Sales Discretion

Customer Interaction Supports

Source: CEB Analysis

PROCESS AND TALENT ARE THE BIG BETS

Sales Enablement Strategy Prioritization, by Enablement Approach
Percentage of Initiatives, Among Total Initiatives in Sample

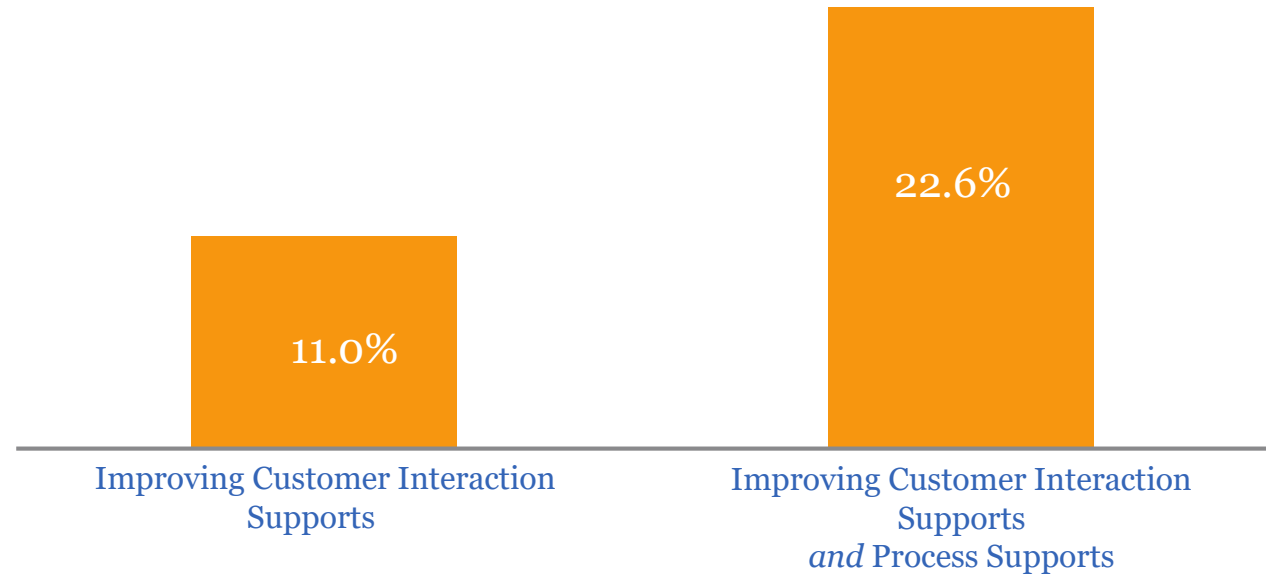


N= 26 Institutions

Source: CEB Analysis; 2017 Research Interviews with Commercial Banking Executives

WHAT MATTERS MOST

Relative Impact of Improving Sales Enablement Approaches on RM Revenue Goal Achieved Percentage Point
Change in RM Revenue Goal Achieved When RMs' Perception of Bank Effectiveness Increases



The results of all other scenarios tested were not statistically significant.

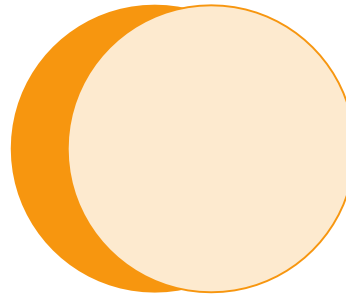
N= 962
Source: CEB 2017 Sales Environment Readiness Assessment

CUSTOMERS WANT OUTCOMES

Traditional Overlap Between What Customers Valued and What Banks Offered

Customers Valued: Access

- Access to local knowledge
- Access to staff who could provide reliable service support and match needs to products
- Access to financing



Banks Offered: Access

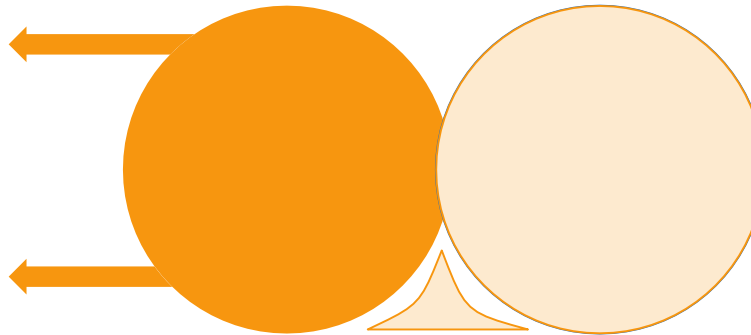
- Access to local staff
- Access to RMs who could offer reliable service, diagnose needs, and provide solutions
- Access to the balance sheet

Aligned Around Access

Current Disconnect Between What Customers Expect and What Banks Still Offer

Customers Value: Outcomes

- Relevant and timely information to drive business outcomes
- On-demand availability to ensure timely business outcomes
- Access to financing on their terms to deliver business outcomes



Banks Still Offer: Access

- Access to local staff
- Access to RMs who can offer reliable service, diagnose needs, and provide solutions
- Access to the balance sheet

Disconnect: Outcomes Versus Access

Source: CEB Analysis

INTERACTION SUPPORTS HELP DRIVE OUTCOMES

How Customer Interaction Supports Help RMs Drive Clients' Business Outcomes

What RMs Need to Help Customers Achieve Outcomes

1. Guidance to Understand Customer Needs

Key Components of Support to RMs:

- A clear understanding of customers' basic needs.
- A value proposition that underscores how the bank is uniquely positioned to help customers achieve business outcomes.

+

2. Unique Insight and Products to Deliver to Clients

Key Components of Support to RMs:

- Commercial insights that help achieve customers' business outcomes.
- Useful messaging or collateral that can be used with customers.
- Differentiated products and services that help customers achieve their business outcomes in ways other banks cannot.

+

3. Discretion—and Accountability—to Tailor the Interaction to the Client

Key Components of Support to RMs:

- Significant discretion on how to sell.
- Accountability for ensuring customers receive the most appropriate products and services to meet their needs.

Source: CEB Analysis

A NEW GOAL

Executives' Three Approaches to Sales Enablement

New Goal: Help Customers Achieve Business Outcomes

Goal: Hire and Manage Talent

- Hiring
- Training
- Coaching/
- Incentives
- Customer-Facing Time

Talent Supports

Goal: Make Bankers More Efficient

- Usable CRM
- Customer Segmentation
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Process Supports

~~Goal: Fulfill Customer Needs~~

- Commercial Insights
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- Value Proposition
- Relevant Messaging
- Differentiated Products
- Customer Accountability
- Sales Discretion

Customer Interaction Supports

Source: CEB Analysis

PROCESS TO WHAT END: ENABLING OUTCOMES

Selected Process Support and End Goal

Support	End Goal: Enable Banker Efficiency	End Goal: Enable Customer Outcomes
Customer Segmentation and Market Coverage	Align Bank Resources to Service Preference	Align Bank Resources to Customer Outcomes
Leads Identification	Identify Large Pool of Prospective Customers	Identify Precise Customer Segments Whose Outcomes the Bank Can Deliver On
CRM Platform	Accurately Match Product to Customer Need	Accurately Identify Insight That Drives Customer Outcomes
Specialists and Internal Collaboration	Deliver Technical and Closing Support to Drive Purchase of Diverse Suite of Products	Deliver Specialized Insight and Solutions Aligned with Client Goals
Ethical Sales Culture	Ensure Compliance and Avoid Mis-Selling	Ensure Accountability for Driving Customer Outcomes

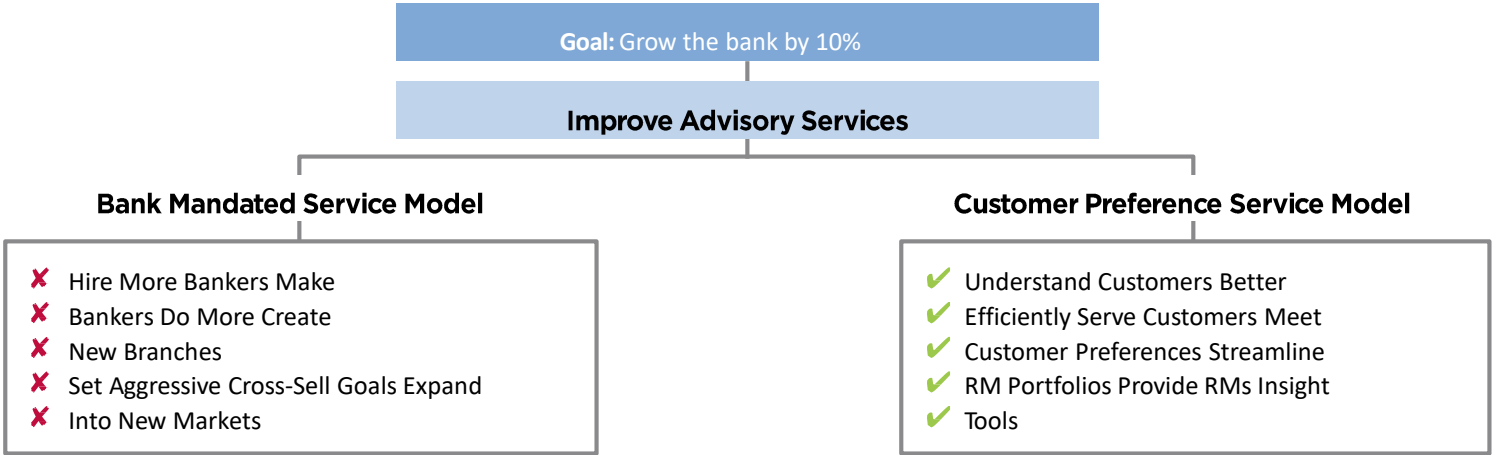
Source: CEB Analysis

Appendix: Align Process Supports With Customer Outcomes

A Case Profile of BDC

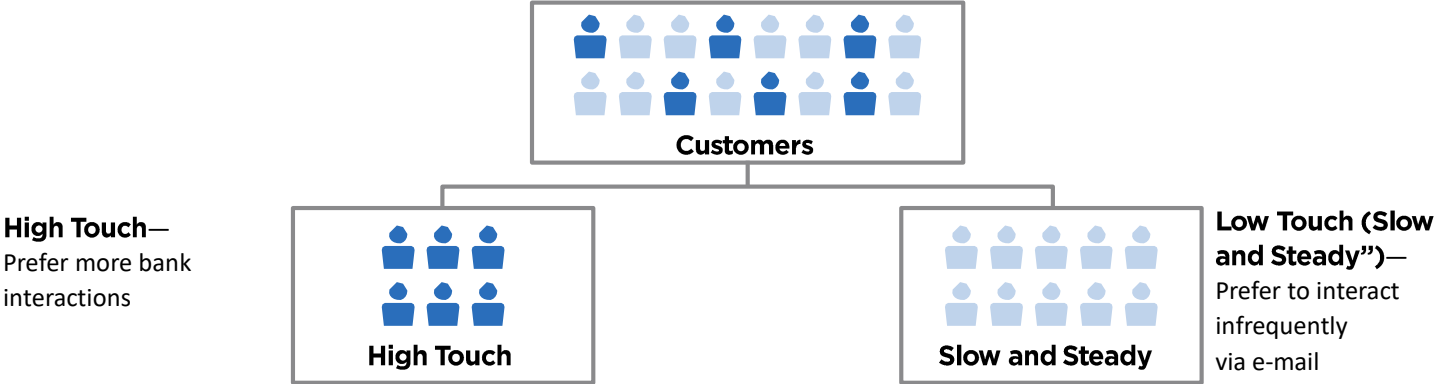
ADJUST SERVICE MODEL TO MEET CUSTOMER NEEDS

Challenge: Enable RMs to Serve Customers Efficiently



Source: CEB analysis.

Solution: Bifurcate High and Low Touch Customers



Source: CEB analysis.

IDENTIFY CUSTOMER INTERACTION PREFERENCES

1. Survey RMs

BDC surveys RMs and learns that 32% of bank's portfolio is low activity customers that prefer to interact with the bank only if they need service. They tracked customer website behavior to understand them and provide tailored solutions.



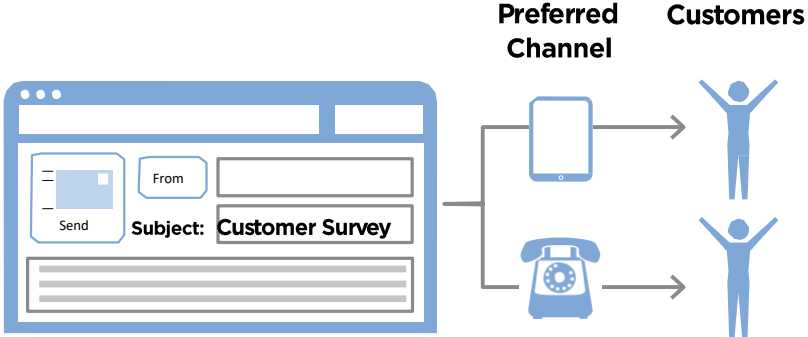
2. Conduct Customer Panels

BDC conducted customer panels to gather input on what they were doing right and what they were doing wrong, as well as customers preferred level of service.



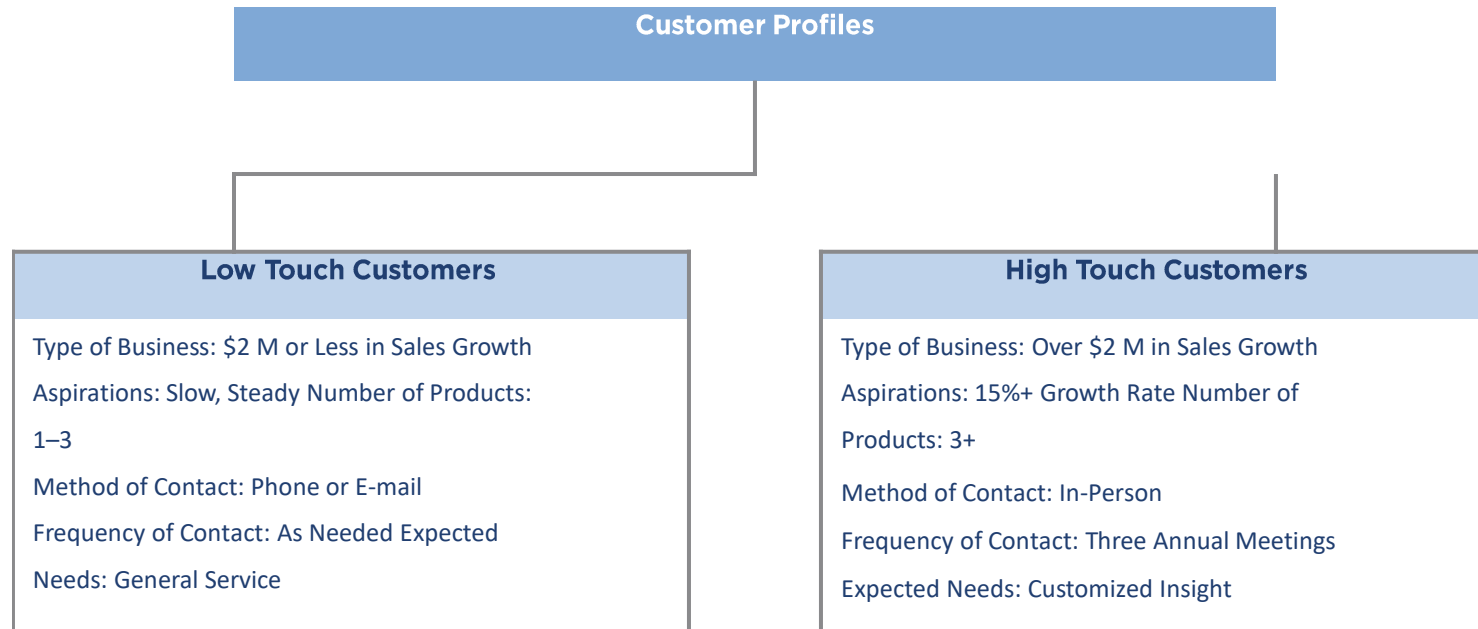
3. Survey Customers

After identifying preferred levels of service, BDC sent customers a survey via e-mail to identify their preferred channels.



Source: CEB analysis.

ALIGN PORTFOLIOS WITH INTERACTION PREFERENCES



As customer financing needs change, they are reassigned to another RM portfolio to fit their new needs.

Source: CEB analysis.

LOW TOUCH: HELP BANKERS SERVE EFFICIENTLY

Outbound: Low-Touch E-mail Example Sent from Marketing Every Six Weeks

The screenshot shows an email interface with the following details:

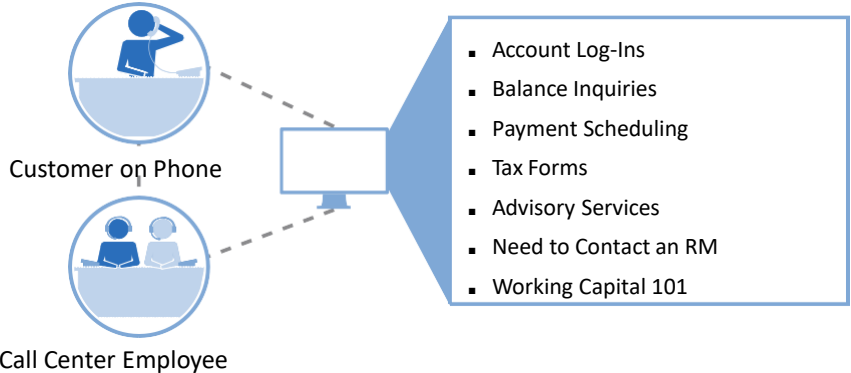
- From:** Sarah
- Subject:** Evaluate Your Financial Performance
- Body:** Hello John, Financial ratios provide valuable information about the health of your business, get started today with our free ratio calculators. Thanks for choosing BDC!
Sarah, BDC Relationship Manager
1-800-CALL BDC

Two callout boxes on the right provide context:

- Top callout: E-mail content is not sales or marketing material, but help customers run their business more effectively. (Points to the body text)
- Bottom callout: E-mails are signed by customer's RM. (Points to the signature)

Source: CEB analysis.

Inbound: Customer Questions to Call Center



Source: CEB analysis.

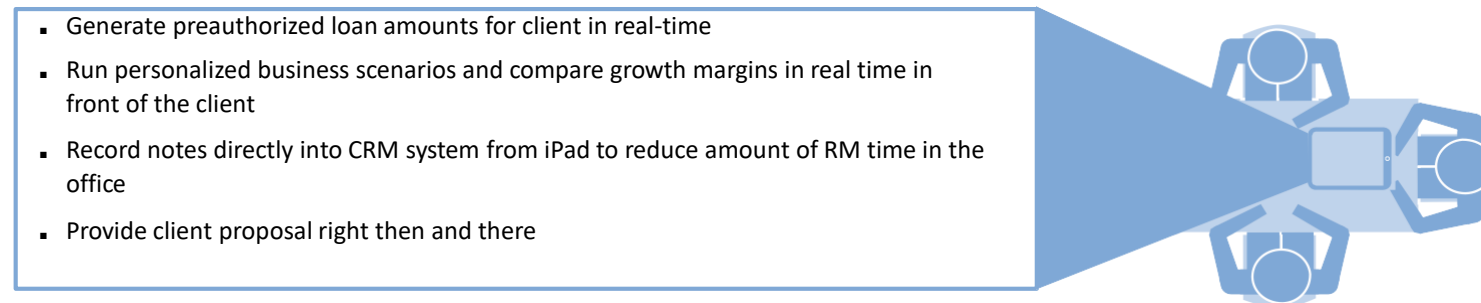
HIGH TOUCH: HELP BANKERS SERVE EFFECTIVELY

RMs Conduct Customer Phone Calls or Site Visits Three Times a Year

Pre-Meeting: High Touch Customer Meeting Prep



During Meeting: App-Enabled Customized Conversation

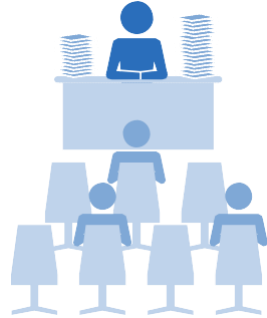


Source: CEB analysis.

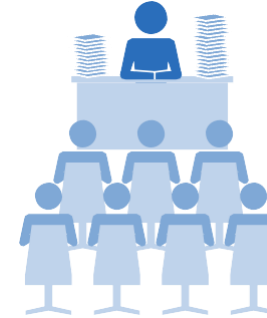
RESULTS

Bifurcating the service model has reduced the average high-touch portfolio from 50 customers to 35, and allowed the RMs to focus on selling.

High Touch



Low Touch



10% growth from 2015 to 2016
Repeat customers have increased,
and attrition has decreased.



12% change in new customer
acquisition



Client satisfaction has grown
10 times Customers
reporting to be satisfied or very
satisfied has
jumped from 61% to 71%

Source: CEB analysis.