



# Revenue in the age of hyper-competition

## Lessons from the military for sales and marketing leaders

Given eight hours to chop down a tree, Abraham Lincoln suggested he would spend the first seven sharpening his axe. How many of us would simply blaze away into the tree? Lincoln's high level plan may well have ended up with the same result, but his approach would be radically different to the one some of us would have adopted. We would have expended considerably more effort than Lincoln, while exposing ourselves to a much higher risk of ultimate failure.

Metaphors aside the concepts of marketing and sales strategy have changed little down through the years, but their use and meaning have been segmented, bastardized, misinterpreted and appropriated into just about every area of commerce and government. In an era when there are more customers, brands, products, services, companies and choices than at any other time in human history, clarity around "revenue strategy" is critical. More precisely "revenue strategy" that can be implemented effectively, but altered as circumstances change is more critical than ever.

Too often "core competencies" determine our market-facing strategies, as they appear similar to costs i.e. they are more controllable. But customers don't buy competency or capability, they buy value – they buy **solutions to their problems**. At RPMG, we love using a customer-centric definition of strategy; *a high-level plan which compels customers to give us revenue*.

### Time to decide

Deciding is at the heart of strategy and deciding inherently makes people nervous. Deciding usually mean giving something up – which humans hate doing, but it also means mitigating risk. In and of itself that is no guarantee of success, but almost invariably it's about the future and options and what we are prepared to sacrifice – and at what cost.

Commerce borrows heavily from the military lexicon. We talk of targets, attack, "killing off", wars etc. But our vocabulary now needs to evolve to include collaboration, sharing, co-opetition, and nimbleness. The remaining essence however, is still the art and science of how to compete with what you've got.

Right now someone somewhere is working on a way to "kill" your company or category or take every customer you've got. They can do it from a Starbucks using what I'm writing on now, a WiFi connection and some decent broadband. But along with the obvious and immediate threat, this situation also highlights that we can not only compete but succeed with an imperfect company, in an imperfect category with imperfect data, about imperfect customers. You cannot wait until everything is perfect in order to succeed. Our biggest enemy now isn't our competitors, nor even ourselves. The enemy now - is time.

## Competing in the age of infotonics

The list of things we compete for is virtually endless. We compete for likes, follows, eyeballs, fingertips, hearts, minds, talent, to be noticed, for resources, to be heard, for ideas, for partners, for share of wallets, in the schoolyard, at the school drop off, we compete in the traffic for every little inch. Competing is almost embedded in us.

The infotronic age has taught us that what we once thought to be customer loyalty, was in fact lazy habit, and as soon as a more convenient way to switch became available that so-called “loyalty” evaporated. Turns out those customers we competed for might not have been telling us the truth, the whole truth and nothing but the truth in our focus groups, as their behavior makes liars out of them and confuses us.

We have more tools at our disposal to compete with than we ever have – which is both blessing and curse. Marketers use every known method – not all of them so ethical, to entrap and bribe customers with offers of rewards and services which turn out to be no such thing. Some work – for a while, until word gets out on Facebook and Twitter, and the empty promises blow back on those who made them, leaving their brands and reputations tarnished – sometimes in ruins.

How many of us have sat in meetings where we all agreed not to “boil the ocean”, only to go ahead and do just that? Good revenue strategy is only good if you can implement it. It needs to, but rarely does, provide the clarity upon where and how to compete, and help us decide “what will we do next?”. And even more importantly, “what won’t we do next?” It needs to take the complex and make it simple, so it can influence people more easily. It should challenge and test conventional logic, and make the implicit explicit. The process to achieve it is reductive and it should illuminate and expand opportunity. It shouldn’t and doesn’t need to be laborious, but it will be as thorough as necessary.

While moving through space at 107,000 km/h the earth also spins 28 km every minute. Down on the surface, our world of technology and customers seems to spin almost as quickly – and quicker each passing day. The laborious strategy market and sales planning processes of the past – and unfortunately the present, are now redundant as emergent strategy gains primacy supported by deliberate and effective execution in order to .....compete!

For the past decade or more, we have travelled the world working with and for companies and on brands in international, pan national and domestic markets. We have seen the most beautiful, comprehensive and articulate marketing and sales strategies. Plans that cost many millions of dollars to prepare. All of which failed dismally because by the time they were implemented – if they ever were, the customers and markets they were targeted at, had moved on and left them behind.

*“The infotronic age now upon us is also the age of relentless hyper-competition, where clarity and simplicity of implementable strategy are the new table stakes.”*

## About RPMG

Since 2005, the Revenue Performance Management Group (RPMG) has been helping organisations around the world use data and analytics to unlock the secrets to sustained revenue improvement. Across 139 clients to date, those clients have enjoyed year-on-year revenue improvement of 24%.

To learn more about how our Telemetry1™ Revenue Performance Engineering solution can do the same for your organization, visit our website at [www.rpmgi.com](http://www.rpmgi.com) or email us at [info@rpmgi.com](mailto:info@rpmgi.com).