

REVENUE GENERATION FUNDAMENTALS

Akeydor Limited is a software house, a consulting and training company exclusively working with information technology professionals. We provide individual consulting, we develop and facilitate company ideas and workshops to enable clients become market leads. We use many different software products/services because we perform many different jobs and because our processes are extremely digitized, but can also be carried out manually depending on the job.



Any company in the world needs to continuously consider how they can generate more revenue with fewer resources. (If you do not belong in this category I would be very interested in listening to your story.)

Even if you do not have any ambitions for growing your revenue, you still have to consider how to keep your customer acquisition and renewal costs at bay.



There are a handful of fundamental concepts on which you must have a firm grip, and they are your business model, your ideal customer profile, your target personas, your customer value proposition and your revenue generation process.



If you serve the market through resellers, then you can add your ideal reseller profile, your reseller value proposition, and your reseller program.

My message in this post is: Don't waste your time reinventing the wheel – there are plenty of definitions already available that you can implement immediately.

Alexander Osterwalder documents the definition and the guidelines for how to work with the business model and the value proposition.



Revenue generation is a profession, and as with any job, you need to learn the trade first before practice makes you a professional. There is no school teaching you how to design a scalable revenue generation platform so you have to put the curriculum together yourself.

Study and pick the frameworks you prefer and then apply them. You will most likely make a twist here and there, but as new employees come on board, you now have a documented framework that they can learn and that you can help them internalize. If you hire outside help, then you can specify exactly where to focus.



In an era where the price of communication has dropped the volume of propaganda has increased correspondingly. Our customers are more careful than ever when they venture to find solutions for their needs, challenges and opportunities.

At the same time our industry is constantly developing improvements and inventing completely new value propositions that our customers can benefit greatly from if they only knew about them.

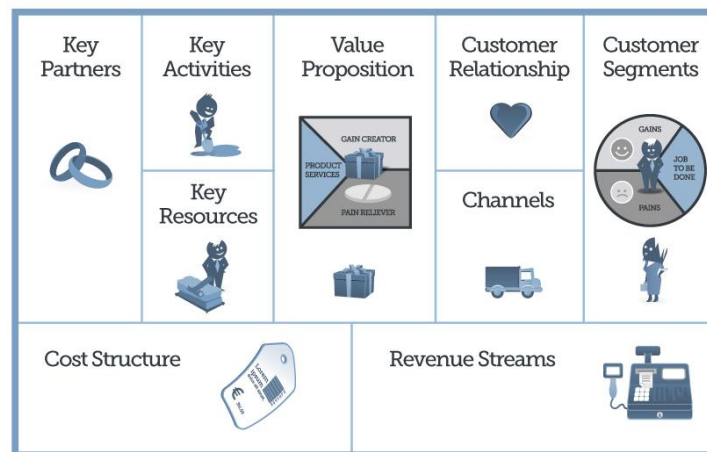


THE REVENUE GENERATION ORGANIZATION

Running the revenue generation process in sync with the buyer's journey requires the cooperation of what we traditionally call business development, marketing and sales. Over the last few years a couple of new roles have been added to the revenue generation organization, so let me provide a few definitions before we move on.

BUSINESS DEVELOPMENT

The Business Model Canvas



Business development is the discipline of finding a match between our value proposition and a well-defined segment in the market. Business development can make changes to both the value proposition and the definitions of the segments. You cannot scale anything in the revenue generation office before the business development people have done their jobs. When they have identified and verified a match then it is time to scale the revenue generation operation.

The following functions cannot change the value proposition or the segment definitions. If something fundamental doesn't work or if you for other reasons need to change your value proposition or your target market segment definition, then business development must be reactivated.

MARKETING

B2B marketing basically has two main functions:

- Generate inbound leads
- Provide contextual tools that improve the productivity of sales development.

SALES DEVELOPMENT



Sales development is the discipline of activating, developing and qualifying) leads.

INBOUND SALES DEVELOPMENT

Inbound sales development takes care of all the leads generated by the marketing people.

OUTBOUND SALES DEVELOPMENT

Outbound sales development reaches out to potential customers with the objective of starting and accelerating the first five stages of the buying process

SALES

Sales is the discipline of facilitating the last mile of the buying process (win and make) and converting potential customers to real customers.

ACCOUNT MANAGEMENT OR CUSTOMER SUCCESS (FARMING)

Account management or customer success is the discipline of working with your current customers to maximize the value they can achieve through their relationship with you and thus maximizing the customer lifetime value. Their job is to keep and grow customers.

THE REVENUE GENERATION PROCESS

If customers are travelling on a buyers' journey then what do you, as a vendor, have to do to follow or even accelerate the journey? How do you design a process that engages with the customer where she is in the buying process and help her move forward?

I will call this process “the revenue generation process” and assign the following steps that corresponds with the buyers’ journey.



IT’S THE PROCESS FIRST AND THE PEOPLE NEXT

I cannot emphasize the word “process” often enough. If your ambition is to scale your revenue generation so that you grow faster than your market and faster than your competitors, then you must take a “process” approach to the endeavor. Finding people that can “figure it out” or leaving it to “resellers” to figure it out will not scale. Period.

You must find a process that can be operated by normal people. You must create an environment where normal people are empowered and feel motivated to make extraordinary results. If you are not happy with the outcome of your revenue generation efforts look at the processes first before looking at the people.

In smaller companies this may initially be the same people, but they must understand that these jobs are fundamentally different. Companies that remain small apparently haven’t found the match yet.



Work by Hans Peter Beck.