



# **Las Vegas Showdown:**

## **Strategy vs. Skill**

**A**s veteran consultants, we have worked with practically every type of sales force, so we are rarely surprised by the clients we encounter. However, we have to admit we suspected someone was joking when we heard that a Las Vegas casino wanted us to help them with a sales force that services high-stakes gamblers. Were we being set up by a devious reality TV show producer? After finally admitting that this was not a joke (and after a fair amount of negotiation over who would get to be on the team), we packed our lucky bags and set off to one of the most surreal locations in America.

### **Shining Stars in the Desert**

The problem facing our client was a familiar one: They wanted to improve their sales force's performance. In this case, however, the sales force sold a unique product – entertainment. The salespeople were effectively dedicated customer service representatives to gamblers who frequented Las Vegas, and the 'sale' was to entice the individuals to visit their hotel and casino rather than the competition's. Once on the property, the salespeople ensured the guests enjoyed themselves as they spent and lost tens of thousands of dollars. As sales objectives go, this was one of the most fascinating goals that we'd encountered.

Like most sales forces, there were a few superstars who brought in 3 to 4 times more revenue from their clients than their average salespeople. And like most sales forces, no one understood what the star salespeople were doing that led to such miraculous performance. Therefore, we set about the task of analyzing this sales force to uncover the actual reasons that some sales stars shine brighter in the desert sky.

### **The Usual Suspects**

As we like to do, we began by asking the sales managers why *they* believed their top performers were so outstanding. Their responses were similar to the answers we usually hear – likable personality, hard work, proactive behavior, etc. We also asked the top salespeople why they believed they were successful. Their opinions were similarly familiar – interpersonal skills, time management, work experience, etc. While their answers were not surprising, they were also not accurate.

As we often find, sales management and salespeople tend to focus sharply on one aspect of selling – sales skills. We suspect this fixation is a remnant of 'old school' selling, when sales were mostly transactional and driven by learned techniques of persuasion and pressure. In these types of sales, you didn't need a great deal of strategy, the sales process was simple, and sophisticated sales tools didn't really

exist. Success was, in fact, largely determined by the ability of the salesperson to control the sales interaction and manipulate the buyer.

As the complexity of products and customers has increased, so have the number of factors that affect sales performance. Sales skills will always be fundamental to success, but they are now intertwined with many other elements of an intricate selling system. Despite this fact, selling skill is still the first place most people look to improve a sales force or explain its performance. So too was the case in Las Vegas.

### **Dazed and Confused**

After spending a few days (and nights) side-by-side with the casino's sales force, we reached conclusions that were quite different from their original self-assessment. Surprisingly, we saw no particularly noteworthy use of selling skills in the top salespeople. To the contrary, we observed better questioning, time management, and interpersonal skills in many of the average performers. The best salespeople were skilled, no doubt, but it was not a critical differentiator between them and the rest of the sales force.

Using our Sales Force DNA<sup>SM</sup> framework, we analyzed other pieces of their selling system as well. Though the casino had no standardized sales methodology, everyone generally followed the same sales process – calls came in, calls went out, and travel accommodations were made. Regarding sales tools, the sales force was in the process of migrating to a new suite of software applications, but some of the top salespeople were actually using the older, less functional tools – so no clear advantage to the superstars. What, then, was the source of the large disparity between the productivity of the top and average sellers?

### **The Secret Is Revealed**

If sales skill is the component of a selling system that gets too much emphasis, then sales strategy is the element that gets too little. From our analysis, it was clear to us that the top performers were succeeding because they had each developed their own targeted customer strategies. Without knowing it, each of the top sellers had carved out their own market segment and developed very efficient methods of satisfying their needs. For instance, one star salesperson was focused on extremely wealthy gamblers, and he maintained a relatively small base of clients that individually contributed large portions of his sales. These clients required a lot of attention, and trouble brewed if there were ever more than 2 or 3 in the casino at the same time.

On the other hand, a second top performer had created a niche that suited his more reserved personality. He catered to mid-market gamblers who were not very needy, and he accordingly had hundreds of clients that frequented the casino. Since they required much less attention than the rich and famous, he could have dozens on the property at any given time and satisfy them all with brief, casual conversation. Like the other star performer, he too had developed a highly efficient customer strategy, though targeting a different customer segment.

The average performers tended to have the worst of both worlds – relatively needy customers who were not very profitable for the casino. These salespeople spent much of their time negotiating with patrons who were fighting for every last perk but didn't contribute substantially to the sellers' sales numbers. This inefficient model unknowingly doomed them to ho-hum performance that kept them hovering around their quota.

While these customer segmentation and service strategies sound apparent when described on paper, you can imagine how confusing this scenario was for a sales manager searching for the specific skills that led to success in the sales force. One top seller was aggressive and highly attentive, while the other was low-key and casual in his business relationships. The two didn't demonstrate any apparently similar skills or personality type, so sales management kept digging deeper and deeper looking for the skills silver bullet. However, selling skills were not to blame for their superior performance. Over time, they had found distinct market segments and developed appropriate strategies to service each efficiently.

In this duel between sales strategy and sales skill, skill had come up a bit short. Customer segmentation and service efficiency were the true determinants of success in this casino's sales force.

### **The Moral of the Story**

Personal skills are critical to success in any selling environment. The abilities to question, listen, educate, negotiate, convince, and manage are basic requirements for a professional salesperson. However, skills are not enough. There is a system of interrelated components that requires the right mixture of strategy, processes, skills, and tools to engage, win, and retain profitable customers.

In this particular instance, it was not selling skills that were needed to boost the productivity of the casino's sales force. Rather, it was better customer strategies. To elevate the performance of your salespeople, you may need to look at any or all of the components in your selling system. A sales force can always improve their selling skills, since no salesperson is perfect. But skills training won't lead to more sales unless those precise skills you train are both critical to your sales force *and* inadequately developed in your salespeople.

Before you drive yourself crazy searching for the silver bullet sales skill, take a broader look at the way your sales force is interacting with your customers. Also examine their strategies, processes, and tools they use to win sales. The real leverage points might just be hiding in places where you haven't yet looked.