Break Through – With A Relevant New Sales Model

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When European and Asia Pacific (APAC) based LSPs seek growth in North America, their CEOs weigh the cost of hiring and training sales staff in the US. The common, low-cost alternatives they consider include hiring and training salespeople:

- At their company headquarters, or
- In a US time zone country with a lower salary base, e.g., hosting the sales teams in Canada, Argentina, or Central America.

The missing option in many of these cost/benefit comparisons is a new alternative to hiring: "Sales-as-a-Service", a sales outsourcing strategy for LSPs pioneered by Group-Q. This article examines the cost and risk benefits of outsourced sales and account management for companies looking to expand a key strategic client or a portfolio in the US.

Originally published in collaboration with



EUROPEAN UNION OF ASSOCIATIONS OF TRANSLATION COMPANIES

Inflection Point, USA

Entering the North American market may come naturally, with US, LATAM, and Canadian buyers seeking out your company's services. Or it may result from a strategic decision to sell into a new region. Either way, most industry CEOs in Europe and APAC eventually consider how they can add more "feet on the ground" in the US, with objectives such as:

- Increasing market share in a new region
- Expanding within an existing portfolio
- Delivering accelerated results for new investors
- Ramping up sales revenue and margin prior to selling the company

Hiring an individual or a team to accelerate sales in the Americas will entail cost, time, and risk, requiring the expansion minded LSP to also devote considerable management bandwidth (effort) from company leadership to increase results.

Sales Team Strategies to Support US Customer Growth for LSPs

	COST		RISK	EFFORT
Hire at HQ (home country)	Medium	Short	Medium	Medium
Hire in US	High	Long	Medium	High
Hire in US Time Zone country (outside US)	Low or Medium	Long	Maximum	High
Trusted Partner Group-Q	Medium	Short	Minimum	Low

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Managing the global effort of selling to large, multinational, enterprises headquartered in the US has its challenges. Many times, this critical function is delegated to one or two sales professionals who operate in a silo, resulting in a disconnect from operations. Gaps in planning and communication limit efforts to acquire and service US enterprise customers. The Sales-as-a-Service model draws on the strategic inputs of a solutions team, where planning and communications occur in real-time during US hours – at a fast pace that supports successful client engagement.

Cost Factors. Salaries, health insurance, benefits, commissions, and taxes make up the bulk of sales costs, along with capital expenditures, e.g., offices, computers, software, phones, data plans, and travel. North America is a vast region and requires either a virtual team in many locations or a lot of travel within the US and Canada. Employee living costs are highest when near business hubs in Boston-New York-D.C (Northeast Corridor), San Francisco/Bay Area/Los Angeles (California), or Portland-Seattle-Vancouver (Pacific Northwest).

Ironically,

LSPs talk to clients about the benefits of outsourcing and promote their vetted supply chains rather than building internal resources, but don't apply the same reasoning to their own business strategies.

- Time to Success. Hiring sales talent takes considerable time, including recruitment, onboarding, and training. After that, it can still take 9-12 months before you know if your hire will succeed. A single failure can set your planning back by two years.
- Risk Factors. Time elapsed and sunk costs are the major risks, but companies should also consider the time/cost/effort to unwind a failure. There is also brand risk from dissatisfied employees going to competitors.
- Effort. The time and attention required from the CEO, CRO, and COO to secure US revenue is a key consideration. Some executives devote significant time and personal energy, others want to delegate this to a head of sales. But success in the US cannot be delegated to a single executive, it requires commitment from operations, marketing, and sales working together, as well as executive and Board-level support.

Sales As a Service – How LSPs Benefit from Outsourcing

Any business function can be developed through partnering, or even outsourced completely. Sales is no different. Technology companies often rely on channel sales and strategic partnerships. Business service companies in many industries rely on the likes of Accenture to set up and run global sales operations. <u>Group-Q</u> may be the first company offering this service for LSPs but surely won't be the last.

Here are the benefits as we see them, based on three successful years of operating our business model.

Language entrepreneurs

don't hesitate to bring in experts in other fields but fail to implement this thinking for themselves around business development.

- You get a team. Sales is a team activity, benefitting from diverse skills and backgrounds. In a business process outsourcing (BPO) scenario, you get an orchestra, not a soloist. The BPO provider should also have acute business acumen to assist you in contract negotiations with US clients.
- Experience. Enterprise selling involves experts in multiple disciplines working as a team and interfacing with core functions in resourcing, project management, technology, and finance. Experienced teams understand the objectives and key results (OKRs) used by global procurement teams, how they stage purchasing decisions in multi-year cycles and how they move suppliers up and down based on performance, cost, and risk management strategies.
- No training necessary. An experienced team has both sales expertise and technology knowhow. They've worked in the language industry at large and small companies. Onboarding is required to learn the specifics of your tools and differentiators, but no training is required on how to operationalize enterprise sales or about language industry do's and don'ts.
- Easy out. While onboarding is fast, so is offboarding. Exit terms can be built into the contract. The contract is with a company, not an individual. The company you hire should already rely on its reputation, which provides you the assurance that if things don't work out, the parting will be amicable.

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Growing with Confidence

Are you revenue growth-minded? For CEOs and CROs looking to confidently expand your portfolio within the US market, "Sales-as-a- Service" changes your cost-benefit and risk-reward equations. It's a new service offering, but we think it's here to stay as part of the growing maturity of the language industry. Join fast-growing LSPs who tapped Group-Q to accelerate business in the US.

About the Author

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About Group-Q

Group-Q assists LSPs, language technology companies, and global brands with sales savvy creative business development, agile solutioning, and executive account management. Group-Q also brings revenue opportunities to partners through bespoke solutioning for its own enterprise customers. The Group-Q Team is accomplished, well-connected, and recognized as industry thought leaders: https://group-q.com/team/



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Diane is responsible for developing and managing industry partnerships and serves as executive sponsor for very large enterprise accounts. She is a recognized expert in sales optimization and business transformation.



Ben Sargent

Ben focuses on solutioning and the ROI of multilingual content. Ben's industry experience from production operations to marketing to consulting and digital transformation research helps clients keep strategy and execution in sync.



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José is responsible for business strategy, sales operations, and technology integration. He brings a wealth of experience in go-to-market planning, customer service, product management, and global sales operations.