

Ending the sales and marketing war

A topic that Rackham considers to be a hotspot is the alignment-or rather lack of it -of sales and marketing. With marketing expert Philip Kotler, and sales and marketing specialist Suj Krishnaswamy, he wrote a long article on the topic, based on interviews with sales and marketing executives, in a special sales issue of the Harvard Business Review called "Ending the war between sales and marketing" (which is now available this year as a download from Amazon).

Broadly, it demonstrates the damage to company performance that can happen when sales and marketing are not aligned - for example, salespeople can be worried about fulfilling product demand and not creating it, while marketers fail to link advertising spend to sales made.

As firms grow, marketing becomes increasingly sophisticated, moving beyond the four Ps of product, price, place and promotion to tackling segmentation and working more closely with departments such as product development and finance. It also competes with sales for resources, and people - including sales - can wonder if marketing really possess the competences and understanding to transform the company into a 'marketing-led' organisation. Frictions between sales and marketing revolve around that economic competition for money and in thinking about products - sales wants to be close to individual clients, while marketing wants products that have broad appeal. Culturally, the two groups can differ greatly - marketers tend to be coldly focused on product performance

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working from the office while salespeople are the skilled relationship builders in the field. This can manifest in conflicts about margins and which products to sell, with different types of incentive often at the root of the problem. Rackham and his fellow authors have developed a model of four types of relationship between sales and marketing – from 'undefined to 'integrated' - and provide a tool to gauge where you are in this spectrum. If it is

appropriate to increase alignment - and it may not be in small firms where informal working is best - they suggest more disciplined communication, creating joint assignments, co-locating sales and marketing, improving sales-force feedback and appointing a 'chief revenue or customer

officer', not a head of sales and marketing.

In summary – the key findings

- The marketing function takes different forms in different companies at different product life-cycle stages –all of which can deeply affect the sales-marketing relationship.
- The strains on sales and marketing fall into two main categories: economic and cultural.
- It's not difficult to assess the quality of the working relationship between sales and marketing.