

Sales Skills for the Future

By Josephine Rossi

As the industry evolves, sales success hinges on individualized abilities

With a continued focus on strategies to drive future payments business, ETA's 2008 Strategic Leadership & Networking Forum featured speakers and expert panelists who discussed the industry from a number of perspectives. And while their individual perceptions varied, they all agreed that the rapidly changing industry is forcing salespeople to adopt a new skill set in order to compete.

In addition to selling a value proposition and having a clear understanding of industry issues, the most profitable salespeople will need to become the following:

1. ANALYTICAL THINKERS. The more government regulation that is imposed on the industry, the more important it becomes for salespeople to become certified or licensed as many other industries require. The net effect of a more regulated industry is a sales force that costs more to train and retain over longer periods of time.

"And, you're going to have to pay them a lot more, which ultimately is a way to counteracting the margin squeeze," says Calpian CEO Harold Montgomery. With tight margins, ISOs "cannot sustain high five-figure, low six-figure levels of compensation. Something has got to change, and regulation may force that issue."

2. NICHE BUSINESS SPECIALISTS. Several of the speakers discussed how vertical markets offer ISOs lucrative opportunities. But to take advantage of those opportunities, salespeople must understand the business issues facing those industries.

"They are going to have to understand not only how to sell our product and the complexities of it, but also understand the complexities of the client's industry, the financial implications of what they face, and how the technology solution accomplishes solving that problem," says Mary Dees Griffith, president of Preferred Health Technology. "And that may be a very different salesperson than the ones we have today who are selling a terminal to a restaurant."

3. CONDUITS FOR SPECIALIZED KNOWLEDGE/RESOURCES. As the industry grows, ISOs cannot be experts in every issue their customers face. However, the ISOs that will be most effective in the fu-



Payments experts candidly discuss industry issues at the 2008 Strategic Leadership & Networking Forum in Chicago.

ture marketplace will be those with an arsenal of resources to offer merchants.

"The great salespeople are like a table of contents page," explains James Schockett of the YUM! Brands restaurant chain. "In a lot of cases, it will be too complicated [for them] to know everything, but knowing where to go to get to that next step makes all of the difference."

4. DEEPLY VALUED AND TRUSTED BUSINESS PARTNERS. The presenters indicated that competition and growth in the industry over the last decade have changed ISOs' relationships with merchants. Particularly among national customers, salespeople once were regarded as experts who made their customers' needs a priority. The payback for maintaining that relationship was that the salesperson knew the customer would not leave them for a slightly better deal.

That situation has changed, according to Global Payments CEO Paul Garcia. "We've commoditized ourselves to a point where whoever can give the best rate or shave off another basis point wins," he says.

Solid customer relationships become imperative in the future as the industry undergoes rapid change and becomes more complex. Salespeople will have to maintain merchant relationships that foster trust and help their customers adapt along with the industry.

"If it is all about picking the cheapest person, I think that is bad news for the merchant and for us if we play into it," Garcia adds.

5. PRICING EXPERTS. Because pricing is so complex, most merchants do not understand it and are

suspicious of salespeople who cannot adequately explain it.

"If you can't understand the cost of doing business as a small merchant, and the next guy is always [questioning what your merchants are paying], then the merchant becomes highly skeptical and distrustful, which comes back to haunt the processor as well," says Schockett.

"As an industry, we really have to get to a [common] understanding of pricing and communicate pricing in terms of absolute definitions for our own benefit, for our customers' benefit, and for the benefit of regulators' who want to look over our shoulders," Griffith adds.

Many SLNF presenters mentioned that the industry has grown convoluted and is in dire need of simplification. While the simplification of the industry as a whole may be too daunting, individual ISOs may benefit from a simple, but strategic approach to their business goals.

A more plausible proposition, says Janet Estep, president and COO of NACHA, might be for individual organizations to address their own specialty, and then develop a plan for its salespeople, service organization, and clients that includes simplified terminology, structures, and tool sets.

"That might be a great value proposition for the business itself, and much more doable than if we all do something together."

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