

# Ending the War Between Sales and Marketing

A synopsis of *Ending the War Between Sales and Marketing* by Philip Kotler, Neil Rackham, and Suj Krishnaswamy.

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In too many companies, Sales and Marketing feud like Capulets and Montagues. Create the right relationship between these departments, however, and you reduce internecine squabbling, enabling these former combatants to boost top and bottom-line growth, together.

When sales drop, Marketing blames the sales force for its poor execution of an otherwise brilliant rollout plan. The sales team, in turn, claims that Marketing sets prices too high and uses too much of the budget, which instead should go toward hiring more salespeople or better commissions.

When both groups are out of synch the organization suffers. But, when Sales and Marketing work well together, companies see shorter sales cycles, lower market-entry costs, and overall lower cost of sales.

## Marketing Roles

Most small businesses don't establish a marketing group at all, instead relying on managers, the sales force, or an advertising agency to create marketing ideas. They equate marketing with selling. They don't conceive of marketing as a broader way to position their firms.

Successful small businesses add a marketing person, or team, to help relieve the sales force of some chores. These new staff members develop collateral materials to help the sales force attract customers and close sales.

As companies become larger and more successful, executives recognize that effective marketing calls for people skilled in segmentation, targeting, and positioning. Marketing becomes an independent player.

## Why Can't They Just Get Along?

The two sources of friction between Sales and Marketing are economic and cultural. The marketing group is under pressure to achieve revenue goals and wants the sales force to "sell the price" as opposed to "selling through price". The salespeople favor lower prices because they can sell the product more easily and have more room to negotiate.

Promotion costs are another source of friction. Marketing needs to spend money to generate customers' awareness of a product. Sales views the large sums of money spent on advertising as a waste of money.

When a product is launched, salespeople often complain that it lacks the features, style, or quality their customers want. The marketing team is concerned about releasing products whose features have broad appeal.

## Four Types of Relationships

Given the potential economic and cultural conflicts, Sales and Marketing departments generally exhibit four types of relationships.

*Undefined.* When the relationship is undefined, Sales and Marketing have grown independently, and each is preoccupied largely with its own tasks and agendas. Each group doesn't know much about what the other is up to, until a conflict arises.

*Defined.* In a defined relationship, the two groups set up processes—and rules—to prevent disputes. The marketers and salespeople know who is supposed to do what, and they usually stick to their own tasks. The groups start to build a common language, such as “How do we define a lead?”

*Aligned.* When Sales and Marketing are aligned, clear but flexible boundaries between the two exist. The groups engage in joint planning and training. Marketers confer with salespeople on important accounts. They play a role in transactional, or commodity, sales as well.

*Integrated.* When Sales and Marketing are fully integrated, boundaries become blurred. Both groups redesign the relationship to share structures, systems, and rewards. The two groups develop and implement shared metrics. A “rise or fall together” culture develops.

## Moving Up

So...what are the keys to creating a stronger alignment, and fostering integration, between the two groups? Here are a few ideas that promote it:

- *Encourage disciplined communication.* Hold regular meetings between the two groups.
- *Create joint assignments.* Send marketers on sales calls, salespeople should sit in on promotional campaigns.
- *Colocate marketers and salespeople.* Being in the same office area increases interaction between the two.
- *Rotate jobs.* Appoint a liaison from Marketing to work with the sales force, and vice-versa.

## Moving from Aligned to Integrated

Most organizations will function well when Sales and Marketing are aligned. Every company can and should improve the relationship between Sales and Marketing. Carefully planned enhancements will bring salespeople's intimate knowledge of your customers into the company's core. These improvements will also help you serve customers better now and will help you build better products for the future. They will help your company marry softer, relationship-building skills with harder, analytic skills. They will force your organization to closely consider how it rewards people and whether those reward systems apply fairly across functions.

Best of all, these improvements will boost both your top-line and bottom-line growth.