

Selling Unified Communications in recessionary markets

This article looks at how to sell unified communications in a recessionary market by delivering business benefit where it is needed most. Commissioned by 5i Ltd, 2009

With daily press reports of more layoffs and the still unravelling mess of the banking and financial systems, it's easy to accept customer claims that 'we're cutting costs' or 'we've got no budget' at face value.

It's true that when times are tough even the most cash rich company will be questioning expenditure. Managers previously given spending autonomy may find their budgets reined in. But is it really all doom and gloom?

Research by organisations such as McKinsey & Company ('Learning to Love Recessions') demonstrates that those companies that see the opportunities beyond the short term risks outperform their competitors both during and coming out of recession.

Whilst reduced access to credit may have stymied some companies' cash flow, there are alternatives to the 'bunker down' reaction – and unified communications plays an important part in achieving this.

So, what do successful businesses do?

Keep customers!

During recessionary times, it becomes increasingly critical to retain customers and maximise their spend. Companies need to consider their approach in terms of aggressively defending their existing customer base and attracting new customers away from weaker competitors.

All of which requires greater and closer communication, both internally and with customers, faster decision making and, ultimately, improved sales and customer service.

Spend wisely

At the same time as creating loyal customers, companies need to keep control of costs and focus on doing more with the same or less.

However, this is not about simply cutting costs – that's a bunker mentality. It's about focusing spend on the things that will create opportunities in the recession and put the business in pole position for the upturn. Spend may come in the form of acquisitions of other companies, recruitment of good staff from weaker competitors and investment in systems. Most importantly, this recession is seeing companies invest in things which drive productivity and efficiency, such as IT and training. Companies recognise that without the right technology they can never achieve the efficiency and productivity to genuinely and sustainably achieve more with less. Similarly, without the right skills staff can't fully deliver against the company's goals.

Maintain staff engagement and morale

Whilst it's easy to create an empowered, trusted workforce in the good times, many companies quickly revert back to a command and control management style as soon as they are under stress. Fear over job security may drive compliance but this is very different to a motivated and creative workforce. Companies need to maintain the flat organisational structures and autonomy to maintain trust and morale. To achieve this in a tougher and tighter economy means maintaining realistic positivity through constant communication, absolute clarity of goals, priorities and focus areas whilst giving people flexibility in execution.



Anticipate and act quickly

Companies that are successful in recessionary times keep their compass pointed toward the distant horizon but are also quick to adapt to the changing currents to take advantage of short term opportunities and protect the business against emerging threats. Again, this means quick consultation, decision making, communication and execution with robust and practical feedback to maximise performance during uncertain and ambiguous markets.

So what does this mean for unified communications?

The move from traditional to IP telephony is now well understood and firmly in the mass adoption phase. However, many companies have perceived some of the broader 'unified communications' applications as 'nice to have'. In times of boom that may be true – does it matter particularly if staff and systems are not working as efficiently or productively as they might?

However, in a downturn, collaboration, productivity and efficiency are paramount. Unified communications – perhaps better referred to as collaboration – is no longer a luxury. It's a key enabler to a recessionary business strategy and therefore an imperative.

Companies need fast collaboration and communication at all levels in the business. They need to optimise every sales lead, raise customer satisfaction and reduce churn. They need to be able to make decisions quickly, whether about a single customer or process or about the whole company, and to communicate these immediately and effectively. They need to eliminate silos and ensure they maintain transparent and open communication. They need to reduce costs, such as travel costs – thus helping their carbon footprint at the same time – and ensure that remote, home-based or mobile staff are as productive away from the office as in the office.

For companies on the acquisition trail they need to quickly integrate acquired businesses into their processes.

For all these challenges, there's unified communications. Companies that bunker down and push back UC spend will find their more proactive competitors stretch ahead of them and the road to recovery will become slow and arduous. But investment in UC made now will support businesses both through the current turbulence and place them in a strong position to take advantage of the upturn when it arrives.

How to sell unified communications?

1. Understand the customer's business – what their pressures are and how they are adapting their business to address the current and future market
2. Don't look specifically for budgeted projects but for the unsolved challenges in the business
3. Use existing IT relationships to introduce you to the business decision makers – you will need to sell higher and wider
4. Talk business not technology – relate unified communications to specific business challenges and opportunities.
5. Justify spend against the risks for or against addressing today's market challenges and opportunities as well as simple cost reduction.