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It's a banker...

*There are few IT salespeople who don't dream of a big order from a retail bank. Yet it has to rank as one of the most tricky markets to crack. Mike Kelly, managing director of TSL, **has been helping IT companies sell to retail banks for 4 years.** Here he shares some of his expertise on how to sell up a storm on the high street.*

Ask any IT sales person to construct a wish list of their top ten most-desirable customers and, chances are, a retail bank will appear somewhere near the top. On the face of it, the entire financial services marketplace is a fast-changing, highly competitive business environment in which efficient technology is crucial. But for some IT vendors, retail banks still remain an elusive target market. Why?

As with most other types of commercial institution, the economic downturn has meant a big shift in attitude for the retail banks. Instead of investing in new software to help attract customers, they want to focus on maximising the potential of existing systems.

This attitude is in sharp contrast to the previous desire for enterprise-wide systems that promised competitive differentiation, and has been exacerbated by the investment which many banks have made in costly CRM solutions that failed to deliver the promised returns. Now, they must focus on protecting and retaining existing customers using existing technology.

### ***The first step to a sale...***

The key to sales success with a retail bank is to understand these changes and recognise what it is the banks want from their technology right now. For IT vendors, this could mean re-engineering the sales message to reflect banks' new priorities. A salesperson that persists in talking about technology as a means to achieving



competitive advantage is missing out on precious sales opportunities because they are failing to observe their target customers' current business objectives.

The most successful sales proposition is one which promises to drive up efficiency. For example, applications that monitor and improve call centre efficiency.

### ***Know who's who***

Once your sales force is equipped with the right message, the next crucial step is to identify to whom that message should be delivered. One of the biggest challenges to technology firms keen to sell into this lucrative marketplace is the complex process of decision-making within the retail banks.

At this point there is no substitute for hard graft. Getting round and talking to each of the parties that will be affected by your product or service is the only way to ensure a fully developed sales pitch which addresses the needs of staff throughout the organization. It will also ensure no 'chinks' in the decision-making chain are missed.

To sell a remote-working solution, for example, salespeople need to talk to the remote workers themselves, to address any concerns about ease-of-use. It's also crucial to talk to the IT professional whose job it is to implement the solution and see that it is functioning correctly. Good practice includes presenting to the financial director who may have final sign-off.

### **Avoid the veto**

Another reason why some technology vendors have difficulty selling to retail banks is that IT purchasing decisions are often overseen by 'IT architecture and strategy' bodies residing deep within each institution. These are often superior to the IT department in rank and have the power to veto a technology buying decision if the technology has not been approved across the entire organisation, even in instances when the financial director has agreed to a purchase.

**The best way to avoid a veto is to identify some of the strategic influencers and engage them in conversation early on in the sales cycle. This will help**



**identify any potential compliance issues that may arise later in the process, allowing time to address any gaps between the product and the requirements of the IT architecture and strategy body. If the product alone cannot fulfill these requirements, forming an alliance with other IT experts is a useful route to presenting a comprehensive and compatible solution.**

Room for a small one?

Selling new technology to retail banks is a challenge for a sales team even in the most profitable times. But when tougher economic conditions prevail, conditions can be particularly cruel for smaller tech companies. Not only are retail banks most likely to use their IT budget on 'safe' purchases such as replacement technologies but banks are naturally sceptical of dealing with IT companies they do not have experience with.

In this case, the best way forward for a smaller vendor is to focus on appreciating the current priorities of retail banks, and on selling to those individuals within each department that may have an influence on the decision-making chain. Stick to the basics, and you can greatly increase your chances of success this year in what remains a highly desirable and lucrative target market.