

7 Mistakes That Cost MSPs Sales



When you run a Managed Services or IT support company, it can be hard to prioritise business development.

But without new clients, your business will fail!

Discover some of the mistakes that are costing you sales and how to start fixing them.



Introduction

THERE IS MONEY TO BE MADE IN 2024!

The MSP market is experiencing robust growth, and is expected to grow by 12% year-on-year to 2027 according to Government-backed research*.

Top-performing MSPs are experiencing staggering conversion rates.

But many others are struggling.

Sources:

*[Perspective Economics 2023](#)

**[Datto Global State of the MSP Report 2023](#)

Problems with developing and maintaining effective go-to-market strategies, robust sales processes, well-designed client engagement plans and sound pricing strategies mean many MSPs are missing out on a gold mine of opportunities.

More than 50% of global companies are looking to use MSPs for data processing over the coming year** – but only those with a strong business development strategy and plan will benefit.

This short guide explains the common mistakes that cost MSPs sales and how you can avoid them.

01 Client base is too small

Referrals, networking and legacy clients are irreplaceable. They can be an MSP's financial backbone.

Unfortunately, relying on a small client base is NOT ENOUGH to achieve your growth plans.

It's essential to look for ways to improve your acquisition rates and grow your client base if you want to stay competitive.

Being on top of your sales game to acquire new clients in a competitive environment is not a choice – it's a necessity.



- When you attend industry events, make sure you listen to your prospects' pains so you can work out how to better serve them.
- Deploy proven business development strategies and tactics to expand your reach and gain access to a broader customer base.
- Get into the habit of following up and get training for you and /or your team on how to close deals.



"MSPs are not without challenges in 2024. New customer acquisition, upskilling existing staff... are significant hurdles they will face."

Channel Futures, 2024

02 No Defined Sales Process



For owner-managed businesses, the best person to sell is often the one who's at the helm.

But only if your internal processes (speed to produce quotes, legal approvals, etc.) are well systemised.

A lack of a clear sales process will impact on your customer acquisition, your sales cycle – and your customer churn rates.

By working with a professional business development consultant, you can put all these steps in place and start to reap the rewards.



Map Out Your Sales Process

- Have an MSP-specific sales process including consistent tactics, regular outreach and reliable deal qualification methods.
- Know your numbers such as client acquisition rates, churn and close rates to measure effectiveness.

*Top performing MSPs win up to 70% of their deals thanks to **robust sales processes**.*

Zomentum, 2024

03 Disjointed conversations

Fundamental errors in the way your sales team communicates with your clients can be catastrophic.

Frequent, consistent communication with your customers is essential if you want to renew, cross-sell and upsell.

MSPs with communication plans that outline clear expectations and set specific goals will help themselves greatly!

More importantly, documenting the journey is crucial to show transparency and professionalism.

Businesses need to be kept in the loop as technology and business change, and be shown how you solve their issues so you are perceived as a trusted advisor.



- **Provide helpful resources**

Via a portal or handy online resources with frequent updates.

- **Regular check-ins**

Discuss ongoing projects for consistent communication

- **Document results**

Your client satisfaction rates will significantly increase.

- **Anticipate problems**

Use your experience and knowledge to neutralise issues.

- **Have a dedicated account manager**

Appoint someone to look after the client – however busy you are.

04 Pricing blunders

Is Lower Better?

Cutting your prices is not always the right way to win sales!

If you go into the red trying to keep clients, your business will struggle and you will quickly undermine the quality of the service you offer.

Be consistent in your business and focus on the value and the guarantees you provide to your customers.

If you don't take this approach, you can be sure that your competitors will!

Sudden price increase or a bigger portfolio?

Communicate price changes with your customers as soon as possible. Explain about the unpredictable external factors that are having repercussions on the cost of the services you deliver.

Tough news is always hard to announce when people are caught by surprise. Don't fall into that trap!

Protect your bottom line by being candid and transparent in your communications with your customers.



Get Clear On Pricing

- Clearly identify and communicate your Unique Selling Point and price your services according to the value you provide
- Price according to how much you make a difference to your client's bottom line.

05 Flawed sales execution

Standard training, standard results

Once you have hired the right sales people, it's important to align training with data-backed sales methodologies.

Many MSPs believe that using off-the-shelf sales strategies and standard presentations will enable them to reach annual revenue goals. But sadly sub-par sales training could seriously damage your business.

Create & keep business

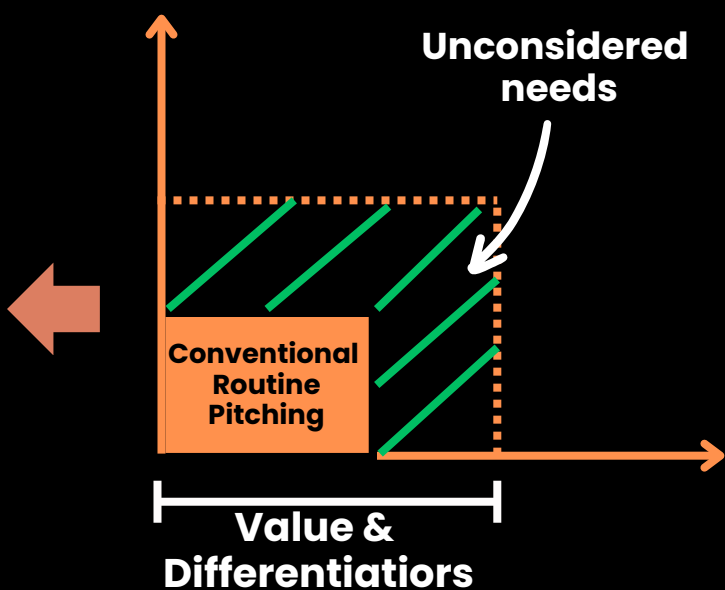
To win and retain business, it's essential to look beyond the obvious to understand a client's unconsidered needs.

A consultative selling approach - coupled with quiet persistence - will win the day.

Focus on creating a clear business development strategy that will help you achieve your revenue goals.

Use a cohesive, structured multi-channel approach to help increase conversion rates for cold and warm leads.

Create New Opportunities



"Only 38% of CEOs are confident in their team's ability to execute on their growth strategy."

SMB index, 2023

06 Employing a sales team

Many people feel they need to have all their sales resource on the payroll.

But a sales director could cost you between £150 - £300K and a VP of Sales could cost up to £500K.

A full in-house sales team with business development, account management and sales consultancy professionals will be even more.

As you scale, you need to keep your salary bill to a minimum.

Using professional, outsourced help means you can handle operational challenges, whilst still keeping sales on track.



● **DIY is Not for Everybody**

Using an outsourced sales resource offers scalability without the challenges of hiring and onboarding new employees. So you can focus on your core competencies and save your energy for mission-critical activities such as product development and customer service.

● **Cost-effective Expertise**

Outsourcing your business development can be more cost-effective than in-house hiring and lead generation as you don't have to invest in the infrastructure and personnel.

● **Expert skills**

The right business development partner will get you the right type of leads, making conversion far more likely.

They will also know the right technologies to use for the best outcome for your business.

07 Choosing the wrong sales partner

“Outsourcing doesn’t work”

We’ve heard this many times from MDs of MSPs and IT companies who have been scarred by using a sales agency that has promised plenty of meetings full of opportunities but never delivered.

Make sure you partner with someone with expertise in your industry and who has a proven record of lead generation and conversion.



Be Sure to Find The Right Partner

- Research and compare services. Then, make sure that they specialise in your niche. Check their references to understand what type of engagement they use and the results they can offer .
- Ask them to analyse your closed-won opportunities so they can assess which of your live leads are most lively to deliver.
- Consider their level of expertise and the methodologies they use. Are they experienced in cold calling, LinkedIn prospecting, email outreach, trade show follow-ups, strategy & vision and sales consulting?

How I Help



Hi, I'm Felix

I'm a Sales Consultant who specialises in helping MSPs, IT Support companies, and SaaS startups boost their organic sales engine by serving as their outsourced revenue partner.

My focus is 100% on increasing sales and boosting the value of your company.

When you choose me, you get the right sales strategy for your company with the opportunity to create a strong pipeline and the skills needed to close deals.

After achieving several promotions in renowned UK-based tech companies including BT, Rotageek, IBM Turbonomic and Fuze.

Let's Grow Your Business, Not Your Headcount

I'm ready to help you:

- Grow your annual revenue.
- Build a sales machine that will enable your business to grow .
- Create and manage a pipeline of well-qualified leads.
- Implement new strategic and tactical ideas to enhance your sales process.
- Help you recruit the talent you need to reach your next revenue milestones.

Let's discuss how I can build the right sales strategy for your company to create a strong pipeline and close deals.

Felix Gyamera

Founder, Top Sales Dev

+44 (0) 7479494903

Email

felix@topsalesdev.com