

This Month

Annual Sales Plan

- ◆ Going beyond sales quotas.

Past Issues

Sales Management

- ◆ Effective feedback nurturing growth.

Sales Performance

- ◆ An equal measure of expectation and accountability.

Making the Correct Decision

- ◆ The customer is served; the company is not put at risk.

Performance Management

- ◆ Expectations and needs, the cornerstone to significant growth.

Skip Flinn

I send this letter out to all my clients as a reminder to address the basic questions and issues on a regular basis. If you'd like more information about this topic, or would like to receive this letter on a regular basis, contact me at: skip@flinnassociates.com

Sales Plans – The Foundation of the Selling Process

As 2006 rapidly ends, current accomplishments quickly become “yesterday’s news”. With the coming of the New Year, most successful organizations will establish written strategic sales plans. Yet many companies fail to go beyond ascertaining sales quotas and engage the sales staff in the process of creating detailed sales territory plans.

Going beyond sales quotas, the five key components of a territory sales plan:

- ◆ Customer segmentation matrix – identify
 - Customers who remain critical to the success of the organization
 - Customers who are up and coming
 - Customers who are vulnerable
 - Customers who are no longer viable
- ◆ Types of products or services needed to grow sales in each of the customer segments.
- ◆ Level of service required – time management:
 - How often and in what manner do you interface with each customer?
- ◆ New product introduction matched to appropriate customers
- ◆ New customer development – prospecting

Avoid feeling overwhelmed by considering a two-step process.

1. Start with identifying the top 15% to 20% of your customers who generate approximately 80% of your business.
2. Create a specific sales plan for each of these customers.
 - a. Where do they fall in your customer segment matrix?
 - b. What types of products or services are they likely purchase?
 - c. What level of service is needed?
 - d. Are they accepting of new products?

Repeat this process with the next 20% of your customers. You now will have covered the portion of your customer base, which generates approximately 85% to 90% of your revenue. Last step, monthly review the sales plan with each sales rep and update the plan as necessary.

Summary

A sales person without a plan of action is likely to be scattered, disorganized, and less effective. More importantly, a sales person without a measurable sales territory action plan is extremely difficult to manage and nearly impossible to hold accountable.

Remember: One of your most significant expenses is the cost of your sales staff. Maximize your return via establishing specific and measurable sales plans, and then continue to monitor, evaluate, and adjust to insure the success of your plan.

For further insight into this subject, contact skip@flinnassociates.com.