

## Essential Sales Skills: Sales Planning is Crucial to Making Your Sales Goals —Part I

### Designing, Implementing, and Living Your “Battle Plan”

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#### The Basics: Why Plan?

The battle of Gettysburg started accidentally. And it was a mess. When the Yankees and the Confederates blundered into each other in southern Pennsylvania, neither side was ready for the battle that followed. No one had time to survey the landscape, position troops, and map out a foolproof military strategy. In three bloody days, thousands of soldiers were killed. When it was over, Robert E. Lee and his army limped back across the Potomac River, and the Civil War raged on for nearly two more years.

Now, making your sales goals may not be a matter of life or death—or as serious as war—but you’ll probably agree that you do *not* want to conduct your sales career like the battle of Gettysburg.

Wouldn’t you rather just make your goals? Be a hero? Come home to bands playing and flags waving? In other words, succeed? Of course you would. But remember: nothing ensures success like a successful battle plan.

Successful sales planning is something that professionals do. It denotes a level of expertise that separates you from the amateurs. It means you’re an officer instead of just an enlisted person. It keeps you from blundering into problems and then bleeding yourself dry trying to solve them.

But your sales plan does even more:

- It keeps you organized and on schedule.
- You can refer back to it to track a number of important tasks, like your follow-up to prospects. (Whom have you called? Do you need to call them again? If so, when? Whom do you still need to call? By when?) Keeping all these facts straight is very important.
- It also helps you track your own progress, whether you’re working alone or with a team, and (bonus!) as a result, it will make your sales meetings much more efficient.
- It will make you feel productive. It will help you to focus on the most important or valuable prospects and customers for your sales effort. It will help management evaluate and reward you, and will help you understand management’s strategic decisions more clearly. And your sales plan can keep you and your entire organization within budget, too.

Successful sales planning—your battle plan—not only makes you appear like a winner, you will actually *become* one. If you develop a good plan and follow it, you will serve your customer better, both during the sales process and after closing. You will also work better with your sales team colleagues.

You *will* succeed.

## **SALES PLANNING**

### **Here are the Weapons in Your Arsenal**

#### ***Your Goal***

In a global sense, your ultimate goal is most likely to be a simple one: generate new business. But your specific goal for your sales plan could be, for example, to increase sales by 25% by the end of the fiscal year. Your organization's size, resources, its position in the market, and external factors such as the overall health of the economy determine its goals.

#### ***Your Objective***

How will you reach that goal? This is your objective, Sample: Close 63% of likely prospects in order to achieve the 25% increase identified in your goal. (The specific percentages will depend upon the quality of your prospects.)

#### ***Your Strategy***

Your strategy is the approach you use to fulfill your objective. For example, your strategy could be to propose the services or products that you know your customers need, even if *they* don't know it yet. Make them realize that they want what you have.

#### ***Your Tactics***

Tactics are the methods you use in the actual implementation of the strategy. They can include (but aren't limited to):

- Conducting market research in your area to identify your customer base.
- Building a finely targeted, segmented prospect list according to predetermined criteria.
- Developing a work plan and timeline to map out your sales calls month-by-month and week-by-week.
- Scheduling appointments, doing follow-up, and developing a customer profile on each prospect to solidify your baseline information as you place calls.
- Establishing a tickler system to ensure that no prospect falls through the cracks.

### **The Crucial Parts of a Sales Plan**

You may not have tanks, missiles, jeeps, ships, and planes. But when you craft your battle plan, you have other necessary weapons in your arsenal. First, though, you have to think tactically. Decide what your major milestones (i.e., projected sales revenues) are, and when you have to accomplish them. (You won't be invading countries, but you *will* be staking your claim to some very vital territory: your sales prospects.)

Once you identify your milestones and the date by which you wish to accomplish them—say, the end of the fiscal or calendar year—work backward from that date.

In fact, everything in your battle plan will be ruled by deadlines. This may seem obvious, but it's worth revisiting. Sales professionals who plan effectively don't just have their eye on the final "drop dead" date. They thrive on meeting the multiple sub-deadlines (weekly, monthly, quarterly) that derive from the final, overall one. If you are able to discipline yourself to meet the deadlines in your plan, you will stay on track, with your goals well in sight.

Remember that your tactics will be key to your success. They are more important than strategy, because tactics exist at the ground level; they are the methods you employ "in the

trenches” to get the job done. If they prove to be less than effective you can change them, and thus alter your strategy. As Harry Beckwith says in *Selling the Invisible*, “You can’t learn from your strategy. It’s just sitting there pretending it knows what it’s talking about, while your tactics are out there getting battle-tested by the market.”

### **The Big Question: What’s the Budget?**

Wars are expensive. (Heck, *peace* is expensive!) And in effective sales planning, you’ve got to have the calculator handy. Responsible sales professionals will not only outline goals, objectives, strategies, and tactics, they also will be quick to ask the all-important question: What’s it going to cost?

However, budgeting is not scary. It’s logical. You can budget realistically and responsibly once you understand your sales revenue goals and the quality of your prospect list. Here’s how it works:

First, it’s wise to have a range of revenue goals. It doesn’t have to span the universe, but be prepared to live with a couple of different revenue outcomes. You definitely may want to close X number of sales, but if that is proven to be too ambitious, you would know it also would be acceptable to close Y number of sales. (Military analogy: we may not have captured Baghdad, but we did beat the Iraqi army.) You’re not lowering standards; you’re just giving yourself some wiggle room. In short, don’t set yourself up to fail. Then, build contingencies into your expense budgets based on that range of goals, making adjustments as you implement your plan over time.

When you determine your revenue goals and then budget your expenses accordingly, you essentially are forecasting what you think will happen in the coming year. How many units of your product/service will you sell? At what price? The answers will depend upon customer need, which in turn will depend upon patterns of consumption and market saturation (your research mentioned under “Tactics”) and the buyers’ sensitivity to your price.

Remember, too, that your numbers *will* be adjusted over time. You will not need to score 100% accuracy at the beginning, but neither should your numbers fluctuate wildly. You *are* budgeting responsibly; you’re just updating it continually as well. Be realistic, but at the same time be flexible, creative, and quick to respond.

So—take your revenue goals, your prospect list, your agreed-upon tactics, and forecast how much you think you and/or your sales staff will spend to close each sale. The key here: your prospects. Professional sales people budget and manage their expenses in a way that is specifically tailored to the available customer pool. Different prospects can require different tactics, which only you will know as you get to know them and their needs.

Line items in your expense budget can include:

- Printed & promotional materials:* Are you designing and printing a new brochure? Or will you reproduce that award winning annual report? Do your sales people all have the necessary business cards, note pads, and official stationery for personal follow-up notes? Will they give prospects small gifts, such as writing pens with your company name on them?
- Sales kits geared to the specific prospect:* These can include personalized appeals on company letterhead, charts and graphs, research downloaded from the Internet, biographies, press releases, and clips. (These must be reproduced handsomely; don’t just throw in crookedly photocopied or faded, hard-to-read newspaper articles.)
- Mail & delivery services:* Are you mailing that sales kit, handing it over in person, or will you have a messenger drop it off? Decide what approach is appropriate for whom. Then

- budget for everyone from the U.S. Post Office to your sales team's gasoline expenses to that bicycle messenger weaving in and out of downtown traffic.
- ❑ *Presentation materials:* Will you make a formal presentation to your prospect(s)? If so, you could need posters, transparencies for overhead projectors, the projector itself, slides, videos, color photocopies, etc.
  - ❑ *Food & beverage:* Are you hosting your prospect(s) for breakfast, lunch, coffee, drinks, or dinner? Will you ask them to tour your office and set out soft drinks and cookies for them afterwards?
  - ❑ *Internet charges:* This is a vital tool for research and cultivation. (See “sales kits,” above.)
  - ❑ *Laptop, pager, etc.:* The necessary tools and technology will keep you competitive.
  - ❑ *Long distance cell phone charges:* Not every prospect is around the block; some may be across town, across the country, or around the world.

### **Chickens, or Eggs?**

Your battle plan and its budget will have a “chicken and egg” circular relationship. Don’t worry, this is normal, healthy, and professional. That’s because when you plan and budget, you forecast and predict. Then, as you put your plan into action, you soon will see what’s working and what’s not. In other words, you’ll track and measure results, which will affect not only any contingencies in this year’s plan, but also next year’s, as you start the process all over again.



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