



Sales Smarts

A Focused Approach to Account Assignment

Empower Your Sales Force: Remove the confusion of

“which account do I call on next.....”



Developing specific customer account lists for sales people is a valuable opportunity, overlooked by most businesses today.

Empower Your Sales Force: remove the confusion of “which account to call on next.....”

Productivity – Everyone wants to maximize productivity but what is being done to make it happen?

In today’s corporate organizations much thought is given to product differentiation and target audience. Strategy teams develop plans. Marketing creates advertising, brochures and pricing finds the tipping point. Finally, sales presents the products and services to customers. Sounds good, but under closer scrutiny gaps appear. Does the intent of the strategy team ever make it to the front line sales representative? Are marketing campaigns backed by the sales effort? What is the thread that connects the desired direction with the reality of street activity?

Ultimately, when a sales representative walks out the door on a Monday morning, do they have clear direction from the company who they should call on next?

Ask most sales representatives and managers and the answer is no.

The question needs to be qualified; almost everyone is under the illusion or impression that someone along the way has dealt with this detail. It is so obvious and simple; someone should have done it, right?

Not so fast, before you call into question the aptitude or capabilities of the sales representative or management team, let us discuss the potential intricacies of the real challenges in providing such a list, which includes numerous data points, hundreds of thousands of records and complex sorting potential.

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Consider a few of the identifiable factors that are needed to create such a list for each sales representative and distribution channel:

- Geography - Distance in relation to a reps home address
- Revenue opportunity – what are the best targets?
- Target Industries - SIC - 4, 6, 8 digit classifications – how specific can you be?
- SIC's - each industry segment as a percentage of the reps total account base
- Account sizes – by industry (20-150 employees may be the target for some industries)
- Work-Load balancing by existing & prospective customers
- Sales cycle - by SIC and account size
- Attrition considerations – customers and sales people
- Accounts with national contracts vs. local companies
- Competing and/or supporting distribution channels and service
- Sales representative type, capabilities and skill sets

Potential issues:

- How big of a gamble are you taking by letting each individual sales person determine the next prospect without your specific direction?
- Are your sales people given an equal distribution of account opportunities? What is the impact or liability of their perception?
- How do you know if you have the optimal amount of sales distribution for the current opportunity?
- How much time do managers spend identifying the best opportunities and how do they make these determinations?
- What business continuity do you have with your customers when a sales representative leaves?
- Who is managing your current customers?
- Are current customers as important as prospective customers?
- How do you quickly identify new emerging markets and assign the appropriate sales distribution to capture that opportunity?

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What are the associated hard costs for sales people?

The fully loaded cost of a \$100,000 per year earner cost a company \$130,000 add in another \$50,000 if this is a new employee, for ramp and training = \$180,000 before any revenue is generated.

A \$100,000 employee should have a 4 month ROI for the company so the assumption is each employee generates on average about \$400,000 per year in revenue.

Thus total cost of performance is $\$130,000 + \$400,000 = \$530,000$ divided by 2080 working hours = \$254 per hour. (see *example chart exhibit A*)

How many hours per week are wasted because a given rep does not know who to call on next or makes the decision to call on a customer of minimal value to the company?

If a company had 50 sales representatives and each had just one unproductive hour per week, per year, $50 \times 50 \text{ weeks} \times \$254 = \$635,000$ in lost productive time and potential revenue.

Benefits of specific account lists

- Confidence that the sales team is calling on the accounts that management determined as the best opportunity for success
- The ability for management to quickly change focus or address new opportunities, utilizing all distribution channels in concert
- Give each sales representative the confidence that they have an equal opportunity to succeed
- Relieve frontline managers of the daunting and unfulfilled task of identifying your best targets and focus on supporting the team's success
- Closely align marketing efforts with sales activity
- Align training by representative and target market
- Clearly and quickly identify successful sales strategies and replicate them
- Clearly and quickly identify unsuccessful sales strategies and remove them
- Size sales distribution by the available opportunity and desired penetration rate

Sales Smarts Solutions

Our unique ability to take current customer information, match it against the available target market creates a clear picture for management to identify the best targets for future sales growth. Creating specific criteria for each individual sales representative or sales channel creates a focused and measurable approach in selling to current and prospective customers. The specific criteria can be modified by management to customize customer segments that best suit the abilities of each individual sales representative, sales team, current market conditions, products or promotions.

Sales Smarts is a marketing and sales technology company providing unique solutions as professional services. Our objective is to partner with our clients to create long lasting value and long term relationships.

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