



Can you answer these three questions?

1. Can you distinguish between these types of sales work- 'Sales Talk', 'Sales Strategy' and 'Total Planning'?
2. Why does urgent drive out important in executing one's plan?
3. Do you know the difference between 'possibility' and 'probability' for an order?



Can you solve the following three problems?

1. A small company with 6 salespeople holds a meeting every quarter to review and forecast sales for the balance year ahead. An important part of this exercise is the "pipeline". Each salesperson presents enquiries and offers being managed by him/her. Total value of these enquiries and offers being progressed is termed by the team (mistakenly) as total pipeline. Sales Manager simply applies a factor of 60% to such a grand total and conducts further discussions.
2. A salesperson once asked – "why do you multiply the total by 60% and not some other percentage?" Sales Manager's reply was: "Based on my past experience overall actual is 40% to 70% - I take it at 60%. But I think you are right. Different percentages should be applied to each deal in pipeline". A task force was then formed to take this up as a project. If you were a leader of such a task force, what will be your approach?
3. Anand has joined BRIGHT MOTOR COMPANY 1 ½ Years ago fresh from college as Trainee Sales Officer. He is hard working and has a good technical grasp. In his enthusiasm, he tends to become haphazard. He is working under the guidance of Ajay, a Senior Sales Officer. Ajay is unable to forecast to management what orders Anand would bring in during the month. When he discusses this difficulty with Anand, Anand tells him that the reason is very high competition in the market. Anand also genuinely believes, that at 50 customer visits a week, number of visits is already at the maximum level and so he is unable to see what needs to be corrected. What would be your advice to Anand if you were in Ajay's position?

Activity and effort planning

Every salesperson's job involves three things:-

1. Sales Talk: - Passing of meaningful messages between a customer and salesperson to create an action or a reaction. When done well this helps generate or influence a need, and lead to better conversion. This is a matter of each customer contact being most efficient.
2. Strategy: - This work can be of two types:
 - a. Overall way of working with each customer (especially large) for better success.
 - b. Reviewing total pipeline of all enquiries and decide how to (not if to)
 - i. Ensure more enquiries (increase size of your customer base),
 - ii. Improve conversion rate,
 - iii. Select enquiry mix in such a way that eventual average order size is bigger.
3. Total planning: - How balanced is attention given to all activities to achieve above.

The problem defined in title of this article concerns the third aspect above.

Do I have enough time?

One of the problem of most salespeople is that time available seems too less to do all the sales activities. It is a question of Time Management.

Poor time management can not only reduce time available for all result oriented efforts, but the sheer feeling of 'no time' further reduces effectivity and in panic one focuses on immediate conversion only - urgent driving out important!

Time Management

A salesperson spends his/her time in five different ways:-

1. Direct selling time – mainly visits to customers, but increasingly conference calls with customers also.
2. Indirect selling time – Mails, and persuasive proposals.
3. Time for enabling 1 and 2 – travelling/ commuting, waiting, organizing inputs for the proposal or presentation.
4. Other organizational working tasks like reports, meetings and internal conference calls.
5. Personal time.



- ❖ Let us call <1+2> as A
- ❖ Call <3+4+5> as B
- ❖ Results come from A.
- ❖ B is not avoidable fully, but certainly compressible.

[A] Vs [A+B] is only about 8 ~ 15%! Surprised? It has been found to be so survey after survey. The only way to increase A is to reduce B. You must first make more time available for result oriented activities then only TOTAL planning can be effective. Examine each element of B and slash it. – Related to objective of the meeting, and analysis of participants.

Estimating gap (target versus expected) for the period ahead

By period we mean the year or half year for which your targets are set. Half year period is more practical to have.

Do not confuse between possibility and probability of success with an opportunity (enquiry). Possibility is whether the event (in our case order) will happen or not while probability is the how likely is it that the event will happen if there is a possibility that it will happen.

Design a system of norms to assess the probability as a one-time exercise. Usually this would be done companywide.

Apply probability for each enquiry in the pipeline and total the expected result accordingly. Do this in a table with list of enquiries in left column and month by month columns at right. Write the multiplication product of (Enquiry value) x (Probability %) in the column of appropriate month as per your expectation of fruition of the order.

Compare total of such figures for the period under consideration with target to know the gap. This should form the backdrop of your activity planning as described in the next section.

Routine Sales planning – do you do?

Routine sales planning means listing the following activities end of Friday for the week ahead.

1. Customer contacts next week/fortnight for cold calls and new enquiries
2. Customer contacts next week/fortnight to present offers.
3. Customer contacts next week/fortnight to handle objections.
4. Customer contacts next week/fortnight to negotiate.
5. Customer contacts next week/fortnight for rapport building with decision makers.
6. Organizing offers for enquiries fully crystallized.
7. Number of phone calls for taking appointments ahead.



List these activities using not the enquiries as independent variable but customer names.

1. First look at each name of customer (existing or new) where offer has been submitted.
2. Then look at existing customers with rebuy possibility.
3. Thereafter new prospects (customer by customer) listed by you as promising.
4. Prospect information collection work

Review plan versus actual at the end of every week and then to the plan for next week. That way you will refine your planning in a few weeks' time.

Conclusion

The above is not rocket science. But surprisingly few salespeople do such total planning. Start doing it and experience the level of confidence going up. Three Mercuri concepts are very useful for this – Sales Time Management and Sales Platform. Of course, it will then avoid the problem mentioned in the title of this article – going deeper into one enquiry at the cost of your rest of pipeline.

Can you now review your answers to the questions in the beginning of this document?

Key words / Tags:

<i>Sales Time Management</i>	<i>Sales Effectiveness</i>
<i>Prioritizing sales efforts</i>	<i>Time Management</i>
<i>Sales Training</i>	<i>Mercuri Insights</i>
<i>Mercuri International</i>	<i>Sales Performance Improvement</i>

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We conduct a wide range of workshops for Frontline, Middle and Senior Management in the areas of Sales and Customer Service, across all businesses. We partner with our Customers to enhance their competitive strength through People and Process Development with the aim of taking sales to a higher level.

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