

sales & marketing ideas

Regular ideas for business clients and associates from John Lees, sales & marketing specialist
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The main causes of under-budget performance by sales people...

In many organisations most of the sales people regularly perform (?) below target. Assuming that the company sales budget represents a reasonable, advancing goal, we must then examine where management and the sales people go wrong. Here are my findings and ideas on this critical issue:

- The budget is allocated incorrectly. Sales people perform at different levels and so allocations should reflect these differences (and salaries should too!). In other words if one person generates 25% of the sales and another manages only 15%, then they should receive budgets that closely reflect these 'contributions'...otherwise lesser achievers will fail and high achievers will make budget 'too easily'
- The budget is not broken down into 'qualitative' segments. A total \$ budget fails to alert sales people to the key elements that make up the complete target. And when a rep achieves budget in total but fails to hit the specific 'quality' targets, you're in trouble!
- The sales person is not required to create an action plan (to be approved by management) to balance the budget. Targets are clear-cut and involve figures, action plans require serious consideration concerning what must be done, when and how, and with which customers and key prospects
- Plans are too complex. I believe that a sales plan should be featured on just 1 page, showing both results to be aimed for and activities planned (ask me if you wish to see such a simple planning device)
- Progress to plan is not measured by sales people or followed up well enough by management. It is critical that sales people be required to know at all times where they stand in relation to budget achievement, with

no excuses! Every week management should ask one pivotal question of each sales person (over the phone): 'As of this week will you definitely achieve sales budget for the month?' If the answer is yes, fine, but if the answer is no then bells must ring loud and management and the sales person must agree on 'what will you do and what can I do to help you achieve budget?'

- There is no responsibility to achieve specific results (budgets?) 'with and for customers'. It is success with customers of course that dictates whether sales people achieve success for the company, and yet hardly any sales people are held accountable for reaching mutual performance achievements at market level! Imagine moving to the point where performance promises were made directly to the market (involving mutual effort) each month. All hell would break loose if customers were promised a certain result and were then disappointed. As it is sales people achieve 'only for the company and themselves'
- Sales people do not possess the triple-barrel weapon that is needed to 'create' excellent results. That weapon is a distinctive, mutually performance-producing value proposition...supported by strong sales strategy and intensive, continuous training to ensure success. Without this weapon sales people can become 'commercial beggars'!
- Achieving less than budget is 'accepted and forgiven'. If under-achievers continue to be employed in a company, then guess what message that sends to all managers and staff?

In leading businesses the achievement of budgets is a minimum expectation. Below that point is commercial death or deformity!

To ensure that your sales people achieve nothing less than budget, request that they write to all customers at the start of each fiscal year stating what improved business results they will aim to create for each customer in total (with details on specific performance areas and joint action to follow). The market will be delighted, intrigued and impressed...and your team will be committed to achieve excellent results like never before!

Joking aside... In 1965 the Pope at that time was starting a tour of America and when he arrived at the airport there were great crowds of people shouting 'Elvis, Elvis'. This confused him but he waved at the people and then he travelled through New York in an open car and everywhere he went the people shouted 'Elvis, Elvis'. Again he was baffled but soon he arrived at his hotel, only to find more crowds shouting the name of Elvis. At last he got to his room and when he opened the door there was a beautiful girl on the bed shouting 'Elvis' and so the Pope sang 'Love me tender, love me true...'