



HERSUITE SPOT™

Basic Sales Plan

Every entrepreneur or sales team should have a sales strategy plan outlining their values and mission, goals, product offering, customer profile and customer retention plan. At a minimum your sales strategy should include the following steps or phases:

- **Sales Planning**

The planning step helps you develop sales and data plans that will allow the business (you) to make the numbers. You will know what data you need along the way to help you make decisions. With the right plans in place, you improve your chances of success.

- **Sales Prospecting**

This is the step where you are searching for prospective customers or clients from your leads, with the goal of identifying qualified potential buyers that can move through your sales process and convert into paying customers for your business.

- **Sales Retention**

Entrepreneurs and small business owners shouldn't forget there is huge potential for revenue in their list of existing customers. Retaining customers and having sales follow-up strategy is a great way to boost your revenues by selling more to existing customers and by getting referrals to new customers.

Sales Planning

When developing an effective plan it's important to keep in mind your businesses' vision, mission, goals and objectives. When you want to achieve higher sales targets through proper planning, refer to these key elements for reaching the desired outcome:

- **V**ision
- **M**ission
- **G**oals and objectives
- **S**trategies and tactics

Vision Statement

A vision statement is a tagline that summarizes the future that the business owner wants for their business. The objective of having a company vision is to both inspire and guide the business towards taking the right steps. This helps to balance goal-seeking with sensible insights into the potential future. The strategy is communicated externally through website, various marketing and social engagement, etc.

Eg. We envision a world in which women, regardless of race, ethnicity, income level or social status, are empowered to reach their fullest potential.

The Mission Statement

The chief purpose of a mission statement is to identify and delegate various business activities. It acts like a map that connects all the various operations running in a company, along with their objectives. It is an efficient tool to motivate potential partners and sponsors, employees, and teams.

Eg. Our mission is to strengthen the leadership, power, and voices of girls from marginalized and underserved communities.

Goals and Objectives

Goals are short and long term directions that help you to proceed in your mission. Your goals should be specific, measurable, attainable, realistic and time specific – and stated in either monetary or volume terms.

Eg. 'I want to acquire 5 new clients per month, with a targeted sale of \$100,000 for the next year' OR 'I want to sell 100% of projected sales within the next year'. Be as realistic as possible in your forecast. Use your recent revenue history as a guide, accounting for significant changes in the market that may decrease your revenue or create new opportunities in the future.

1. Vision, Mission, Goals and Objectives


Vision Statement



Mission Statement



Sales Goals and Objectives



2. Strategic Review

SWOT Analysis

Strengths
Weaknesses
Opportunities
Threats

3. Summary of Strategic Issues Emerging from the SWOT Analysis

Use the SWOT Analysis and these questions to identify the key strategic issues for your business:

- How can you build on strengths to differentiate the business?

- What strategic weaknesses are barriers to growth?

- What major external changes are taking place?

- What threats are imminent and pose a major risk?

- Which opportunities are most attractive?

Where should you focus your resources?

(e.g. Reduce dependence on major customer by growing customer base)

4. Sales Forecast and Goals

What is your sales forecast (what do you project you will achieve) in terms of the following:

What is the **sales measurement unit** you use in your business (e.g. service hours, units sold, etc.) and what is the cost per measurement?

What is the **cost of goods sold** to make the product or service (how much is it to make the product or service. You may decide include both fixed e.g. fixed: rent, insurance, salaries, subcontractors and variable, e.g. variable: materials used, shipping costs, credit card fees to get net profit and margins)?

What is the **revenue** per unit of product or service? (how much do you sell your product or service?)

What is your **profit** per unit mentioned above? (revenue – cost = profit; gross profit does not include fixed and variable cost, add them to calculate net profit)

What is your anticipated **profit margin** per product/service? ($[\text{revenue} - \text{cost}] / \text{revenue} \times 100$)

How many units do you plan to sell for the year to hit your **annual sales target**?

What are the sales goals of your business for the next year? Keep in mind months where you expect more volume because of external opportunities that you should have identified in your SWOT, eg. Popup shops, tradeshow, speaking engagements

Month (specify)	Sales Target in measurement	Sales Revenue

5. Growth Options

Use the following questions as prompts to consider your growth options.

Growth Option 1 – Increase the Number of Customers

- Is your market growing?
- How much market share would you say you have?
- How many more customers would you need to satisfy your growth ambitions?
- Do you have capacity to add new customers?
- How effective is your sales and marketing?
- Is there a potential niche in your market that you could serve more effectively?
- Are there other growing markets that you should really be developing?
- Are you equipped to take business from competitors?
- Honestly, is your product/service meaningfully superior to your competition?
- Honestly, what is the customer's experience of your product or service? How do you know?
- Honestly, why don't more customers buy from you now?
- Are you lacking good quality information to help you answer any of these questions?

Increase number of new customers by: (e.g. going into new markets outside your current region)



Growth Option 2 – Increasing Average Purchase Size

- Could you make the unit of purchase bigger than what you are selling now?
- Are there any opportunities to bundle more products together to make a bigger purchase?
- Are you pricing appropriately? Are you charging enough?
- How do customers view your offerings compared to the competition?
- Are you doing enough to position your offerings so you can charge more?
- Are your sales team doing enough to upsell at the point of purchase?
- Have you got the right products/services that would attract a higher price tag?
- Are you lacking good quality information to help you answer any of these questions?

Increase average purchase by: (e.g. offering discount for larger volume purchases)



Growth Option 3 – Increasing Purchase Frequency

- How loyal are your customers now?
- Honestly, how often would a typical customer have any contact from your company now?
- What is your approach to retaining customer loyalty?
- How do you increase “urgency to buy” with your customers?
- Honestly, what is the customer’s experience with your product/service? How do you know?
- Honestly, how do you rate your product/service quality?
- Are you lacking good quality information to help you answer any of these questions?

Increase frequency of purchase by: (e.g. better and more regular marketing activity)



Growth Option 4 – Increasing Average Margin

- Are you charging enough for your product/service?
- How would customers view the quality of your product/service? How do you know?
- Are you selling to the right customer group who would value what you are offering?
- Are there other obvious markets where your offering would be more valuable?
- How meaningfully unique are your offerings?
- How efficient is your method of producing/delivering your product or service?
- What is the source of your differentiation?
- Could you be overestimating your uniqueness?
- Are you selling to a niche market?
- Do you have the right business model for your business?
- How much waste occurs in your key processes?
- How well are you using technology to improve efficiency?
- Can you increase your sales volume to give you economies of scale?
- Are you buying your materials and supplies cost-effectively?
- Are you lacking good quality information to help you answer any of these questions?

Increase average margin by: (e.g. improving efficiency and reducing costs)



6. Innovation Choices

Where do you need new ideas in your business?



How can you change or improve your existing products or services?



What scope is there to develop and introduce new products or services?



What new markets might offer an opportunity for existing products and services?



What new markets might offer an opportunity for new products and services?



7. Sales Growth Objective

	Current Year	Year 1	Year 2	Year 3
a. Overall sales objective				
b. How much of this will be achieved by sales of existing products/services to existing markets?				
c. Sales will have to come from new products or new markets (a-b)				
d. What % of this figure will be delivered by sales of existing products/services to a new market?				
e. What % of the sales objectives will be delivered by sales of new products/services?				

The strategic focus will be on achieving the following by the end of Year 1:

- Increase in our existing markets from \$_____ to \$_____.
- Generate \$_____ Sales from new markets.
- Generate \$_____ Sales from new products.

8. Target Market

Who is your target customer for each product/service?

Which geographical areas (markets) are you targeting per product/service?

What is the size of your market(s) in monetary terms?

What are the current and projected market or demand drivers for your product/services? (e.g. legislation, consumer demand, seasonal factors, technology, etc.)

Who is the person you generally sell to per product/service? [CEOs, marketing managers, HR managers, etc]

When a potential customer does not purchase your products/services, what are their stated reasons?

'IMMEDIATE' Action Plan

Action	Intended Outcome	Resources Re-quired (use your SWOT)	Completion/Re-view Date

'6 Months to 1 Year' Action Plan

[illegible]

'1 Year to 3 Year' Action Plan

[illegible]

Sales Prospecting

Prospecting Your Potential Customer

Sales prospecting is a business process wherein sales representatives perform outbound calls or perform email marketing in order to create opportunities and gather leads for account executives. The goal is to search for potential customers, potential clients, or potential buyers in the hopes that a new business will be developed. The main goal when sales' prospecting is performed is to turn these prospects into long-term, loyal customers. The more loyal customers, the better as revenue will always be generated.

Lead vs. Prospect

- Leads. Leads are potential customers who may have expressed their interest in what your company offers. This can be displayed behaviors such as constant browsing of the website or social media site, downloading from the website, commenting on the website, inquiring about the products available, or messaging.
- Prospects. When leads become qualified as potential customers, they are now considered to be prospects. Leads become qualified once they align with the person or the characteristics of someone who falls under the target market. Prospects do not necessarily have to be a lead as some prospects are categorized to be potential customers despite having little to no interaction with the company.

Lead Generation vs. Sales Prospecting

- Lead generation, typically a process that's driven more by marketing, represents both inbound and outbound efforts to gather leads—potential customers—who've expressed interest in your product or services through actions like visiting your website, subscribing to blog content, joining a course or downloading an eBook.
- Sales prospecting activities tend to be much more warm than lead generation, and are directed toward efforts that are intended to convert your existing leads into paying customers. Sales prospecting activities include outbound calling and emailing to your leads, with hopes of nurturing them into becoming buyers.

Nurturing Potential Customers

Whether or not you are dealing with leads or prospects, your goals are the same: be able to nurture and give importance to them until they end up buying the products and/or services that are available in your company. Here's how you do the nurturing process from the very beginning:

- Research. Doing your research can help you determine the quality of your leads. Typically, in evaluating your leads, you would have criteria that you would use in order to determine whether a lead or a prospect will become a customer of your company. You can either do this evaluation manually or via a customer relationship management (CRM) software.
- Prospect. Make sure that you aim to have a good connection with the people who interact with you. In order to do this, you need to know the gatekeeper and decision-maker.
 - o A gatekeeper is a person who is in charge of relaying or blocking certain information from reaching the decision-maker.
 - o A decision-maker is a person who is in charge of making decisions regarding sales.
- Connect. Connecting means making that very first phone call or sending that first email. The first phone call or email is crucial since this is the step where you will be able to gauge whether the potential lead can be considered for the next step of the sales cycle.
- Educate and Qualify. Make sure that you evaluate and qualify the needs of the prospect. You have to determine the pain point in order to efficiently identify the needs and supply more value to said needs and be able to move them to the next step of the cycle.
- Turning Prospects into Customers. There are two potential outcomes when it comes to closing. You will either:
 - o Succeed which means that you have turned the lead into a customer (prospect bought your product or service). This is your main goal when you close the sale.
 - o Lose or if the buyer does not end up buying the product or service.

Want to know what your customers think about your services? Have them fill out a customer feedback forms (google forms) and use the results as a means of improving your lapses.

Common Sales Prospecting Techniques

There are two common methodologies used when it comes to sales prospecting: outbound prospecting method and the inbound prospecting method. To give you a better example of each type of method, we will give a couple of examples of each type of method.

Outbound Prospecting Method

- **Outbound Calling.** This is calling potential customers and discussing with them the product or service that you are offering.
- **Social Media Spamming.** This refers to sending unsolicited social media messages or emails in order to sell a product or a service.

In doing outbound prospecting, you need to make sure that you do your research well. This is a time-consuming process but you want to make sure that you are well-equipped with enough information about the potential customer and you will be able to easily establish a connection.

Inbound Prospecting Method

- **Warm Emails.** This refers to emails sent to potential customers who have been determined as leads or those who have expressed familiarity with the product or service available in your business.
- **Social Selling.** This refers to sending social media messages in order to explore your relationship with a lead. Through social media messaging, you can easily answer queries that they have if they have any.

Since inbound prospecting is already done with leads, this means that previous interaction, plus contact information are readily available, the research process is way shorter. Through the previous interactions, it will also be easier to assess the interest and purchasing behavior of a customer. This makes reaching out more personalized.

Make sure that you have a record of all the outbound calls and inbound calls that have occurred during the day. Use a CRM or Excel to keep track of the data.

Outbound Prospecting vs. Inbound Prospecting: Which One to Choose?

Inbound prospecting may seem better than outbound marketing as you have some of the most vital information ready right in the palm of your hands compared to outbound prospecting where you have to do your research from scratch. In marketing, time is of the essence, so you have to be quick in terms of growing your market. Who likes getting cold calls nowadays anyway, right? I recommend cold calling to leads that you've nurtured.

Performing inbound prospecting also helps you to pay more attention to your buyers and understand what they need and what they want.

How Often Should Prospecting for Leads Be Done?

Most of the time, sales representatives prospect for leads on a weekly basis in order to hit targets easier and on a regular basis. It will also depend on the needs of the company. Prospecting is usually a routine type of work that ensures that you have a constant record of old and new leads. The more leads you have, the highly likely your market will grow.

Remember that the importance of Sales Prospecting is to Increase Customers and Increase Revenue!

What are your outbound prospecting strategies?

What are your inbound prospecting strategies?

Sales Retention

Entrepreneurs and small business owners shouldn't forget there is huge potential for revenue in their list of existing customers. Retaining customers and having a sale follow-up strategy is a great way to boost your revenues by selling more to existing customers and by getting referrals to new customers.

The period immediately following a sale is what is often called "the honeymoon phase," when there's a certain level of excitement on both sides. The client has just fulfilled a need or solved a problem; your company has closed a deal.

But this is also a vulnerable time. Your attitude in this phase can make or break the future relationship with the customer.

Customer retention is the ability of a company to retain its customers over a period of time. Customer retention is a percentage that measures how many customers a company keeps at the end of a set time period, and the number impacted by the number of new customers acquired and the number of customers who churn.

Customer Retention Rate =

$((\# \text{ Customers at End of Period} - \# \text{ of New Customers During Period}) / \# \text{ Customers at Start of Period}) \times 100$

If you started the month with 5 customers from last month, ended this new month with 7 customers and 3 of them were new.
 $((7-3=4)/5) \times 100 = 80\%$ retention

Customer retention is important to any growing company because it measures not only how successful they are at acquiring new customers, but how successful they are at satisfying existing customers. It's also easier and more cost-effective to retain customers than to acquire new ones, returning customers spend more and buy more often, and refer friends and family. Only a 5% increase in customer retention can increase company revenue by 25-95%.

The number don't lie: Retaining customers brings companies a ton of ROI.

There are a few reasons why customer retention is critical to company growth and success:

- **Affordability:** It's 5-25X more expensive to acquire a new customer than it is to retain an existing customer. (Harvard Business Review)
- **ROI:** A 5% increase in customer retention can increase company revenue by 25-95%. (Harvard Business Review)
- **Loyalty:** Retained customers buy more often and spend more than newer customers. They've learned the value of a product or service and keep coming back, again and again. (American Express)
- **Referrals:** Satisfied, loyal customers are more likely to sing a company's praises and refer their friends and family -- bringing in new customers, free of charge. (American Express)

7 Strategies to Increase Customer Retention

1. Set expectations early and often.

If you don't set expectations and communicate these clearly, customers can easily become upset. They might believe you can deliver on certain results, while in reality, those results are only seen in month six or with additional initiatives and work input.

2. Communicate results on a regular basis.

Customers are more likely to stay with your company if your product or service is delivering results and ROI for them. If a customer can point to the fact that your company has influenced or increased leads, MQLs, SQLs, lifetime value, their own customer retention, etc., then it will be much more difficult for the customer to say goodbye.

3. Ask for feedback and act on this information.

You can't improve customer retention without first understanding why customers leave your company. Once you know the reasons and the correlating signs, you can work to prevent customer churn by proactively dealing with issues.

4. Map out a consistent customer experience.

Consistency builds trust with customers. They know what to expect and can rely on your team to get the work done and deliver the results they need. Build out processes for on boarding new customers and kickoff meetings to create a smooth customer experience. Have set agendas for meetings. Build workflows around projects and share these with customers. Having a process for each of these activities will make your team more efficient, and the customer will have insight into what needs to be done, and when.

5. Create a customer relationship marketing strategy.

Have you considered what the communication from your company looks like once a customer signs on? Yes, she emails and works with her customer success manager, but how often does she hear from the new business director who convinced her to buy from you?

6. Keep a record of communication and any past problems.

Your company's culture, leadership, and business practices all contribute to retention, but another way to prevent disruption in changes in personnel is by adopting a CRM where you can store notes from meetings and phone calls, ongoing issues, personal preferences of the customers, etc.

7. Build a customer loyalty program.

One of the wisest ways to foster customer loyalty and retention is by providing even more value to them -- and this can take the form of a customer loyalty or rewards program.

List the strategies you can implement immediately:

List the strategies you can implement in the near future and provide a date:

Has creating your sales strategy help you better understand your business and how to increase revenue? Send us an email with your feedback to admin@womenontherisenetwork.com