

Most of our clients with medium to large sales forces (30 – 100+) sell through and service some form of distributive network, where results depend partially on programs negotiated at key account level and partially on ability to **drive usage or “sell through”** at user or retail outlet level.

We believe that maximum performance depends on a coherent and consistent national selling and performance management system for the field sales team. Sure, well differentiated, market leader products may “sell themselves” ... great sales people will achieve results doing it their way Local market differences require differences in sales tactics but these are exceptions rather than the rule.

1. WHO BENEFITS?

The company needs such a system to maximise return on investment on its expensive, but limited sales force resources.

Sales people need a consistent system to give direction, equip them with selling tools and get simple performance feedback.

Sales Managers need it to simplify their job of getting results through people.

Key Account managers need it to direct, manage and fine tune program implementation.

Customers need it because they are often part of the sales team and also want to attract customers and sell more.

2. WHERE ARE YOU NOW?

Few companies have a well developed, integrated selling and performance management system. Many remain dependent on individual managers or sales people to create their own processes.

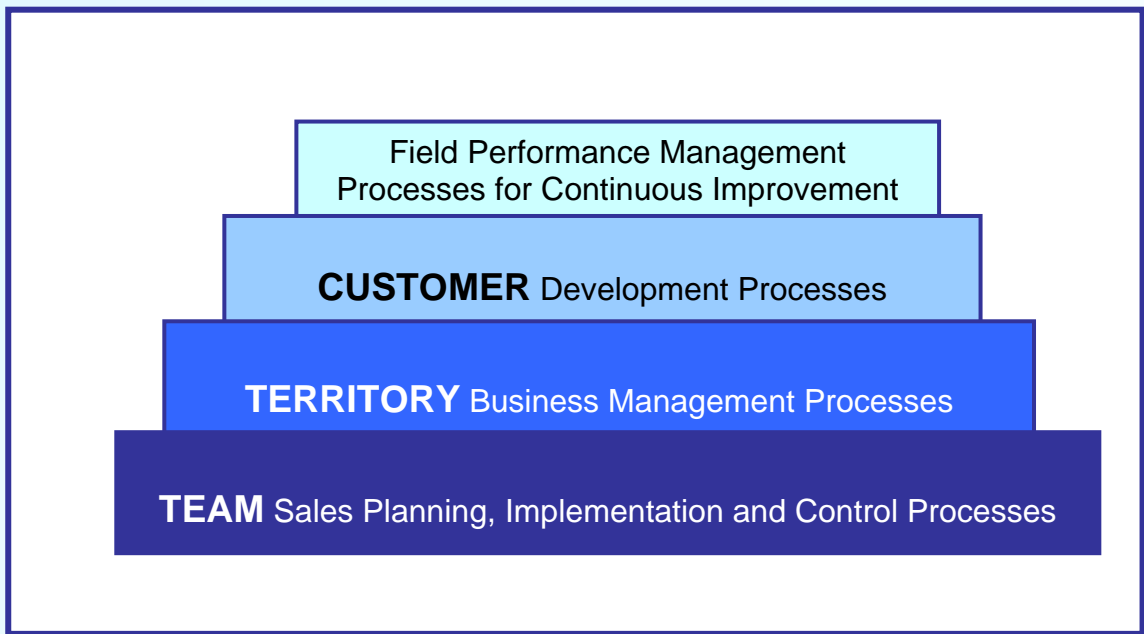
What do we typically see?

- Local sales budgets, sometimes down to product mix level, but underdeveloped **sales strategies and plans** at local business unit, territory or target customer levels.
- Frequently outdated or nonexistent **Position Descriptions**, Key Results Areas (KRAs) or Key Performance Indicators (KPIs).
- Little rigour in **Territory Workload Management**: customer classification; call frequencies, call duration, activity mix. A tendency towards too much routine service and small customer activity.
- Sales results as the main performance measure, even though a proportion of these (often large) are outside the individual's direct control. Little measurement of the **activities that create sales**.

- Limited “**selling aids**”: most presenters are self created by individual sales people from price lists, marketing briefs, etc. They rarely have a simple sales story supported by visuals and financial end results.
- Too little field accompaniment, **field performance management** and coaching by first line supervisors.
- Inadequate two way **communication** between field sales and key account management.

This paper introduces some useful models for system development.

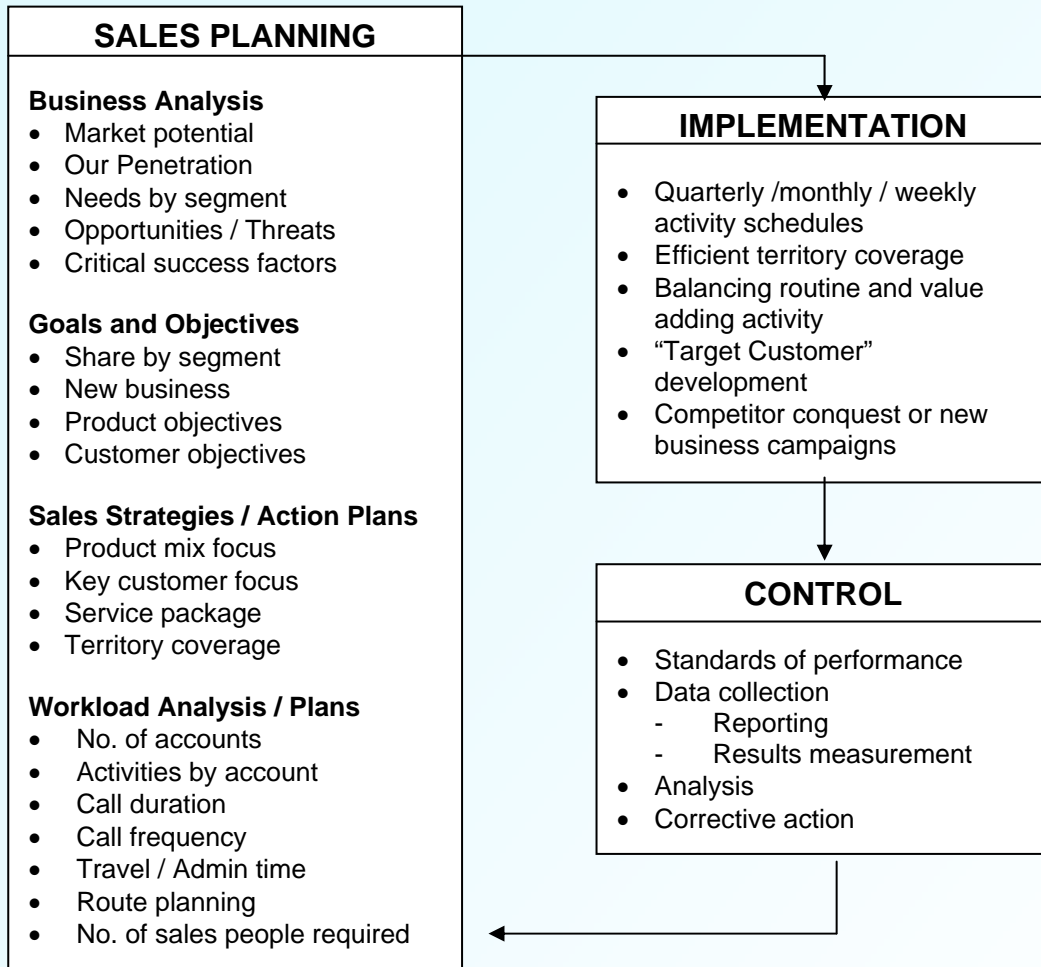
Figure 1: Main Elements of the System



3. LOCAL BUSINESS UNIT SALES PLANNING AND CONTROL

The model in **Figure 2** is a set of assumptions on what may be needed at local field team (eg, regional) level.

Figure 2: Field Team Planning and Execution.

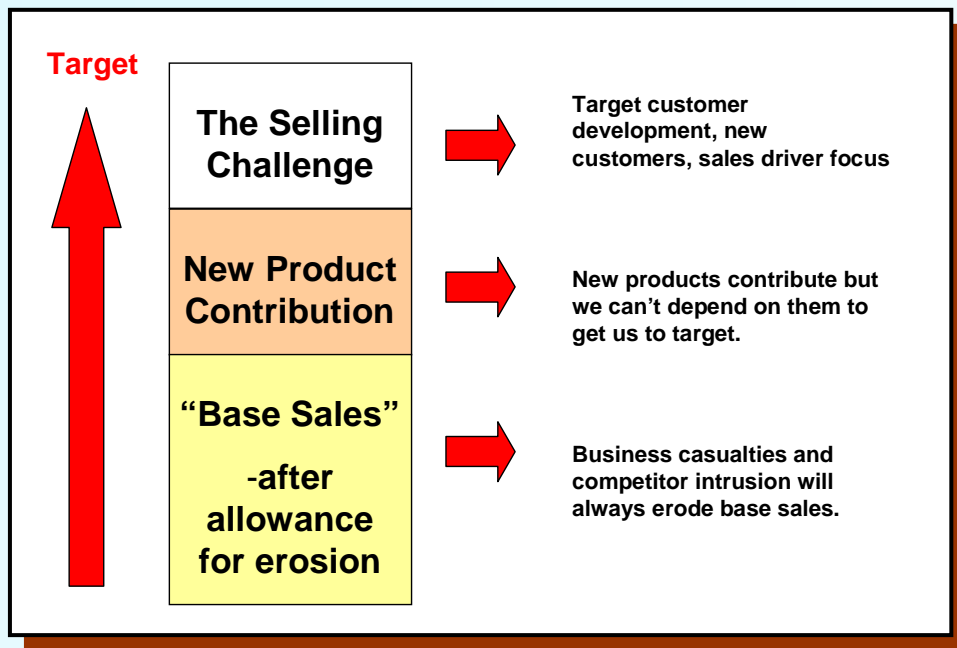


(See also the JSA paper, “*Developing Sales Strategies at the Front Line*”).

This can be simplified into four questions:

1. What is the business unit “**sales gap**” (see Figure 3)?
2. What do we have to **do** to fill the gap?
3. How do we adjust **workloads** to:
 - balance business maintenance and business growth activity?
 - focus more on “target customers”?
4. How do we measure progress?
 - measure **activities** and results

Figure 3: Calculating the Sales Gap



4. TERRITORY BUSINESS MANAGEMENT

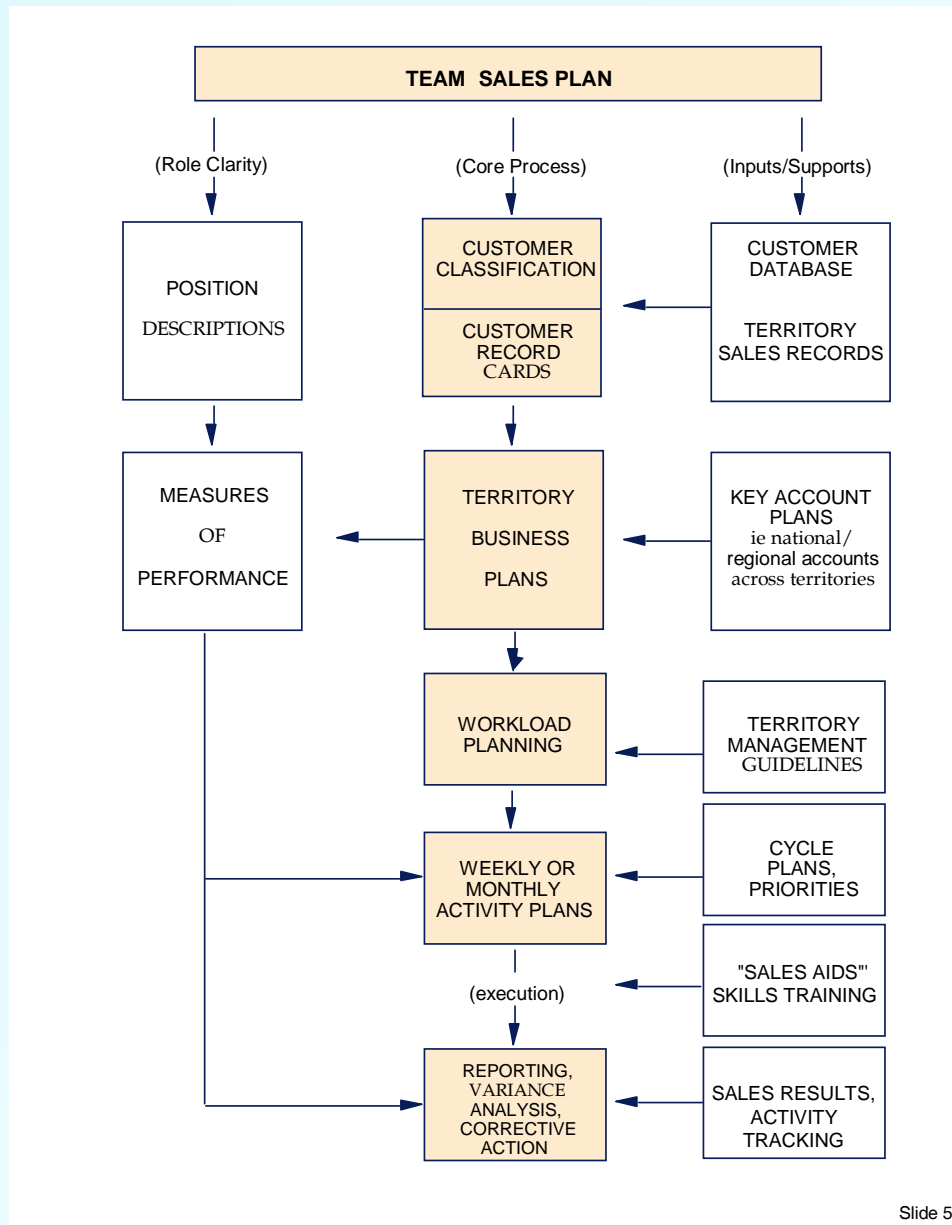
We want sales people to manage their territories as businesses:

- to execute the Team Sales Plan
- to align with marketing and key account plans
- to achieve personal KPIs

Ultimately, we would like to see sales people accountable for "**controllable contribution**".

Naturally, they need a process and simple, practical working tools:

Figure 4: Territory Business Management



Slide 5

5. CUSTOMER DEVELOPMENT: FOCUS ON THE “SALES DRIVERS”

Nothing changes a “sales culture” faster than **results**, so we start with answers to a few questions:

What drives sales at outlet level?

- What do our customers need to do to grow sales?
- How can we best support that?

How do we get our customers to want to run their business this way?

If customers buy in, our sales people will be much more motivated, focused and effective.

How do we communicate the message?

Customer wants simple, **visual** stories with examples of success they can relate to – presenters with high photographic content, etc.

Figure 5: Store Sales Drivers

STORE SALES DRIVERS <i>(Grocery Store)</i>	
1.	Core range carried
2.	New lines stocked and in the “window” (waist to eye level shelf position)
3.	compliance to planogram (chains) or our layout in place (independents)
4.	% Shelf space = market share
5.	No out of stocks
6.	All shelf tickets in place / accurate
7.	Major promotion compliance (chains) or participation (independents)
8.	Major promotion commitments increased at store level
9.	Unpaid secondary display(s)
10.	Monthly / cycle priorities implemented

Once you have a clear view of the “drivers”, it’s a matter of:

- ◆ **Tight definition of the standards**
- ◆ **Measurement, every store, every call**
 - at the **end** of calls to give the sales person a chance to act on “fixable” drivers (layouts, POS materials, etc)
- ◆ **Gaining customer buy-in**
 - sales presenter with lots of examples / proof
 - reinforcement of the customer’s sales gains (or cost reduction or profit growth) as he begins to implement the system

6. FIELD PERFORMANCE MANAGEMENT

Sales people are more responsive to **immediacy** of performance management, than they are to, for example, half yearly appraisals. The formality of such an appraisal versus practical KPIs is good, but it is made much better and easier for all concerned if it is a summary of regular discussions in the field between appraisals.

Managers should be in the field, coaching with sales people at least monthly. At the end of each coaching day they facilitate a **Daily Work Review** with two components:

1. A review of Sales Driver penetration across all customer visited:
 - identify “gaps” and agree action
2. A review of knowledge and skills versus agreed competency standards:
 - identify 1 or 2 personal development priorities.

We use the word “facilitate” deliberately. We want the **salesperson** to lead discussion on these issues. The manager’s role is to ask questions, prompt, support and add value based on his/her experience (much of which is current and relevant from accompanying *other* sales people).

Figure 6: “Training Action Planner”

NAME: _____				TERRITORY: _____				DATE: _____					
POTENTIAL TRAINING NEEDS				Above	Std	Below	POTENTIAL TRAINING NEEDS				Above	Std	Below
KNOWLEDGE						BASIC SELLING SKILLS							
1. Company & Competitive Product Knowledge						10. Gaining Retailer’s Attention							
2. Company Policies & Procedures						11. Qualifying Customer’s Needs							
3. Brand Plans, Cycle Priorities						12. Selling Benefits							
4. Retailer Policies, Methods						13. Handling Objections							
PLANNING / MANAGEMENT						14. Negotiating							
5. Territory Organisation & Coverage						15. Closing the Sale							
6. Using History Cards						IN-STORE TASKS							
7. Promotional Planning, Control						16. Store Check							
8. Target Customer Development						17. Gaining New Distribution							
9. Call Planning / Aiming Higher						18. Implementing Head Office Promotions							
						19. Merchandising / Space Management							
						20. Gaining Off Location Displays							

Notable Strengths

1

2

3

Personal Training Needs

1

2

3

Action to Address Needs

7. SUMMARY

Every “selling system” we introduce with a client is different, but the differences are largely those of emphasis – supporting the critical sales drivers, keeping the best of current processes, creating a foundation appropriate to the introduction of more technology (eg sales force automation tools). The criteria are simple:

- **national consistency of processes** even though local tactics or organization may vary to suit the marketplace;
- **user friendly:** simple enough to ensure that it *will* be used;
- **involving customers too: if we depend on their ability to sell our products then they are part of our team.**

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