Introduction: So You Want to Be a Sales Professional

If you are reading this book, there is a good chance that you are either new to sales or looking to recharge your sales career. In the latter circumstance, you may have forgotten more about sales than most people remember. No matter what the circumstance, you have purchased the right book.

If you are new to sales, you are about to enter one of the most exciting professions in the world. Sales is not a fallback career that you enter because nothing else appeals to you. Sales can be one of the most intellectually stimulating and financially rewarding careers in the world. Very few people earn more than the best sales professionals in their respective fields. Also, very few people have the opportunity to create something from nothing every day. When you apply your product or service to the customer's business in exactly the right way, you have created something special—the solution to a business problem and the possibility of helping your customer be successful.

This is what I mean when I say that sales is an incredibly rewarding profession. That is, in sales, you have the opportunity to create something from nothing, which is a rewarding way to earn a living.

Sales gives you the opportunity to use all of your brain power to create great solutions for your customers. Every selling situation is different in some way. That is, many customer needs are similar, allowing you to leverage your prior success, but no two selling situations are *exactly* the same. This gives you the unique opportunity to go where no sales person has gone before.

If you are not new to sales, but a field-tested veteran, you may have forgotten why you got into sales in the first place. For you, sales may have become a hard way to earn a living. You may have reached a point in your career at which making that next sale is laborious. But you have purchased this book to get you back on track. At this stage, you cannot afford to start over in a new career. Rather, you must renew the fire in your belly that was there when you started in the business.

This book is written by a sales professional who cherishes the opportunity to be called a sales *professional.* And I place emphasis on the word *professional* because sales is no less of a profession than is that of doctor, lawyer, or accountant. My goal in this book is to provide a complete system for sales success. This system is based on my three-step sales process: Plan, Execute, and Close—PEC, for short.

Consistent with this sales process, the book is divided into three parts. Part I is called "World-Class Sales Planning," and it is in this part that I discuss the "triple crown" of sales planning: prospecting planning, territory planning, and account planning. I do not provide a comprehensive process for any of these three areas of sales planning. Rather, because I am helping you lay a strong foundation for selling success throughout your career, I select one or two high-impact ideas from each area that you can implement immediately. Prospecting planning is covered in Chapter 1, designed to help you get your sales career off to a quick start. If you are a field-tested veteran, on the other hand, expect an almost immediate increase in sales opportunities once you implement those Chapter 1 ideas. Chapter 2 is devoted to the crown jewel of sales planning: territory planning. As you will see, your territory plan is, in effect, your sales business plan; both the prospecting plan and the accounts plan support your overall territory development strategy, as documented in the territory plan. Thus, Chapter 2 also introduces my large-account strategy. If implemented, this strategy will vault you to the top of your industry in terms of selling success. Chapter 3 completes the discussion of sales planning and focuses on account planning. As you will learn, sound account planning led a sales professional in my first company to what we considered to be the "greatest sale in the world" at that time. If you implement what I tell you in Chapter 3, you too can generate your own "world's greatest sale."

The next logical step after sales planning is sales execution. Part II explains my sales process, or Execute, and is titled "High-Performance Sales Execution." It also has three chapters.

When you first get started in sales, you have no customers and no associated revenue, so the need for prospecting is quite apparent. However, as you become more successful, the need for prospecting seems less clear and soon you may not prospect at all. But, because you have not been keeping your sales pipeline filled with new opportunities, you are left with few, if any, sales opportunities—you are in a "sales valley." When this happens, you prospect again, and if you stick with it long enough, you resume your former level of success (peak), only to repeat the process throughout your career. Fortunately, these sales peaks and valleys have an easy-to-implement solution, which I show you in Chapter 4.

When you successfully complete a prospecting call, you get to the most important phase of the process: sales discovery. This is the point at which you work with the customer either face-to-face (if you are a field seller) or over the telephone (if you are a tele-seller) to ask a series of open-ended questions that will reveal customer needs. It is only through they sales discovery process that you can create those winning solutions, as well as differentiate your solutions in a competitive market. The sales-discovery process is discussed in Chapter 5.

Invariably, over the course of a given sales cycle, the customer will ask for clarification, and this clarification process is often called a “sales objection.” That is, the customer may tell you that your price is too high, or he may believe that he already has a similar solution from the competition. If the customer mentions the competition during the process, it usually comes early and often—this is called the “competition objection.” Chapter 6 shows how to manage the objection by welcoming its arrival in the sales process!

To enjoy the fruits of the sales process, Part III takes you to the third step: the close.

There are many ways to close a sale. For instance, you can first review the solution you have proposed and then ask a question such as, “Are you ready to proceed with the order?” This is a technique called the “direct close,” but it is effective. In Chapter 7, I review the different types of closing techniques and show how to incorporate them into the sales process.

For some sales, typically larger sales, you may also be asked to deliver a presentation to a purchasing committee or to write a proposal. Sales presentations and proposals are crucial tools in the sales process, so in Chapters 8 and 9, respectively, I show how they can greatly improve your success rate.

Chapter 10 provides ten strategies that you can take along on your journey to sales excellence.

RED-HOT SELLING

PART I

World-Class Sales Planning

CHAPTER 1

Prospecting Plans
Keeping the Pipeline Full

Most sales professionals do not like to plan. Their classic argument is that planning time takes away from selling time in the field. They could sell more if they didn't have to waste time drawing up plans to sell.

If you are new to sales, you have a unique opportunity to start your career off on the right foot. That is, you can develop good sales habits as opposed to bad ones. The decision to forgo planning is a poor choice you could make as a new sales professional, and it would establish one of those bad habits. Instead, right from the beginning you can make planning a regular part of your sales procedures. On the other hand, if you are a seasoned sales person looking to re-invigorate your sales career, then planning is a great place for you to start the process.

Planning Is a Natural Part of Living

If you think about it, we plan our daily lives in a variety of ways:

- ❑ You plan a course of study when you begin college so that you can graduate with expertise in your chosen field.

- ❑ You plan when you decide to go on a vacation.
- ❑ You plan for your financial future and retirement.

If we look at planning from the opposite perspective—that is, the idea of *not planning*—the results lead us to the same conclusion:

- ❑ How many games would a team win if its coach didn't have a game plan?
- ❑ Would you invest in a fledgling company whose entrepreneur didn't show you a business plan?
- ❑ How nice will your life be if you haven't saved enough money for your retirement?

If you consider these examples, it is quite clear that planning is an integral part of daily life, and it must be part of the sales process as well. For instance, what degree of success could you possibly have if you approached a major account without a sales plan or account plan? We are all familiar with the phrase "Work smart, not hard." That's what planning is all about—working smart and making every effort count.

Yet, for some reason, sales planning has gotten a bad reputation. My guess is that the bum rap is a result of all the day-to-day pressures that are part of a sales career. Sales people have goals that have to be met, whether weekly, monthly, quarterly, or annually, depending on management and the industry. It's difficult to live under a microscope like that. And the measurements and metrics do not stop with periodic sales goals. There are pipeline metrics, gross margin metrics, and phone metrics (if you work in a telesales organization or a call center). Facing a never-ending stream of measurements and management scrutiny, sales people say it's hard to think about doing anything other than meeting those goals. So, the general lack of interest in sales planning (and that's putting it nicely) is more a matter of situation than of philosophy. The idea of planning seems great; the problem is being able to devote the time and energy it takes to reap the rewards of any planning efforts. No matter how difficult it is to find the time to plan, *not planning* does much more of a disservice to you as a sales professional. Planning is an integral part of life and an integral part of sales. In telling yourself (or your manager) that you do not have the time to plan, you are only making excuses for yourself that ultimately will limit your ability to be successful, in both the short and long term.

The important thing to remember is that sales professionals work in a resource-constrained environment, and time is one of those resources. You could say that you don't have time to plan, but any good time-management book will tell you otherwise.

In sales, planning is the only proper response to this dilemma. In fact, in my book *Red Hot Cold Call Selling* (AMACOM, 2006), I make the point that the business of sales is "selling as much as you can, given the time permitted." This can be done only with good sales planning, no matter what anyone else says. You must *plan* in order to be successful.

You Are the CEO of Your Own Territory

Perhaps the best way to think about sales planning is to view a company CEO from a sales perspective. That is, the major difference between a CEO and a sales professional is the size of each's territory. The CEO's territory is either the entire world or the smaller region that the company does business in. That CEO's sales territory is then divided up and given to the sales people in the company.

The sales person's territory is simply a subset of the CEO's territory. The CEO is responsible for making sure the company reaches its sales objectives. Likewise, the sales professional is responsible for making sure that he or she achieves the objectives for that individual territory. Because the only substantive difference between the sales territory and the CEO's territory is size, successful accomplishment of the objectives requires the same types of activities.

Now, what would you think of a CEO who did not have a business plan? Not much, probably. The same can be said of the sales professional. Remember, you are the CEO of your own territory, and so it is crucial that you develop a plan to achieve maximum success, given the time and resources at your disposal, as well as the nature of the accounts in your territory.

Sales Planning Essentials

I have limited the discussion of planning to the most crucial elements for getting started. That is, I share with you three essential tools for sales planning.

1. A prospecting business plan
2. A territory plan
3. An account plan

These tools are interrelated, and together they provide your overall sales business plan. The remainder of this chapter discusses the first tool, the prospecting business plan.

Your Prospecting Business Plan

Designed to help you grasp the effort involved in being successful in sales, the *prospecting business plan* helps you avoid the selling peaks and valleys referred to in the Introduction.

If salespeople were able to maintain a consistent time investment in the prospecting process, the selling peaks and valleys would be rare occurrences. The fact that these selling peaks and valleys are prevalent demonstrates that how great the need is to address this matter in the first chapter of this book.

Sales peaks and valleys—especially the valleys—are costly. To understand just how costly they can be, let's take a look at three broad categories of activities that sales professionals typically engage in.

1. *Opportunity management*. Some of a sales professional's activities involve existing opportunities. These activities start when the opportunity is first identified and continue through the sales process, up to and including the close of the sale.

Examples of opportunity-management activities are attending a face-to-face meeting after the opportunity has been identified, writing sales proposals, preparing and delivering sales presentations, writing letters and e-mails and making telephone calls.

Opportunity management even includes administrative activities, such as following through on purchase orders, helping the accounting department complete a credit check, or assisting the accounting department in preparing invoices in formats specified by the customers.

2. *Prospecting*. When you thing about prospecting, consider all of the activities that sales people engage in to identify new opportunities. These includes cold calling, letter writing, and

e-mails, research on the Internet (say, to learn about a company), and preparing or updating account plans as they relate to new opportunities.

When you think of prospecting activities, think as broad and comprehensive as possible—as comprehensive as opportunity management. For instance, it includes holding a seminar attended by a room of prospects, as would the preparation and delivery of a speech at your annual industry conference if the conference were attended by companies in your target market.

3. *Nonselling activities.* In stark contrast to the two other categories, nonselling activities are residuals—everything not included in the first two categories. Typically, there are only a few activities in this category, such as training, sales meetings, and completing expense reports. It is important to note that most of the activities you might be tempted to place in this category really belong in the other two groups.

For instance, you might think that planning is a nonselling activity. However, planning clearly belongs in one of the other two categories, depending on whether the planning is for existing opportunities or to identify new opportunities.

Another activity traditionally placed in this category is the paperwork associated with completing a sales transaction, such as purchase orders, contracts, and other required documentation. However, paperwork is an opportunity-management activity, since it pertains to existing sales opportunities.

Why I am telling you all of this? Because we need to be clear on the definitions of these terms, mentioned throughout this book. The reason there are selling peaks and valleys is that sales people tend to over-invest in opportunity management and under-invest in prospecting. The explanation for this situation is the generalized "fear of rejection."

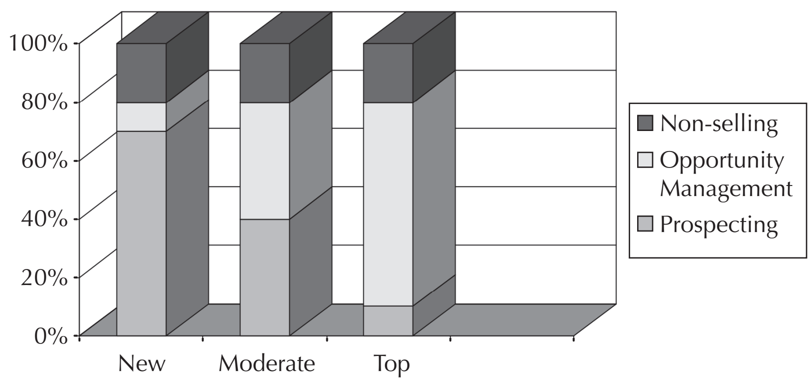
Most sales professionals would prefer to do anything, including knowingly having a sales strategy that produces less income, than address their fears of rejection and consequently earn higher income. Because we try to avoid rejection, we spend more time with known prospects, as we can anticipate fewer rejections than from new opportunities. As a result, we implement a less-than-optimal sales strategy. You will sell more and earn more if you make the appropriate investments in both categories of sales activities.

Apportion Your Time

By managing your time well, as you will learn in this book, you can make those investments in both categories and optimize your sales and income as a result. This will become clearer when you refer to Figure 1.1, which illustrates the apportionment of time for sales planning activities.

The first thing that you should notice about Figure 1.1 is that there are three categories of sales professionals: new, moderate,

FIGURE 1.1 Sales Time Management



and top. A seller in the "new" category is not generating much in the way of current opportunities. These sellers are the lower performers on the sales team (at the moment), owing to their relatively low number of opportunities in the sales pipeline. A "moderate" seller has a moderate level of opportunities in the sales pipeline. Last are the sellers with many current sales opportunities. These are the top sellers in an organization, and they have noticeably more current opportunities in their sales pipeline.

Note in Figure 1.1 how the magnitude of nonselling activities does not vary much in relation to the opportunity category for each sales type. After all, if sales training and sales meetings are two key elements in the nonselling category, all sellers on the team must sit through the seminar to complete the program. Likewise, all sellers sit through the sales meeting. The point is that there are no economies of scale for sales training or team meetings as they relate to the different categories of sales professionals. Thus, we can expect the time allocated for these activities is relatively fixed.

Another interesting point about nonselling activities is that typically they are not at the discretion of the sales person. When the manager calls a sales meeting or decides to hold a training session for the team, everyone is required to attend. The sales person does not get to decide how much time he or she chooses to allocate to nonselling activities. Thus, the matter of time management in the area of sales is best summarized by answering this question: How does one allocate selling time between prospecting activities and opportunity-management activities?

Most sellers would prefer to be closing a deal or working an active opportunity rather than prospecting for new opportunities. Yet overinvesting in opportunity management works to the detriment of prospecting for new sales opportunities. How do you balance the two? By making a fixed and measurable daily commitment to performing the prospecting activities. This is exactly what the prospecting business plan is designed to do.

The Model for the Plan and its Variant

The prospecting business plan is presented in Figure 1.2. While the figure is not terribly sophisticated, it is an important report. The first line of the plan is the current year's sales goal. (Experienced sales people will be quite familiar with that figure.) Figure 1.3 is a plan for when you want to start this process in the middle of a year.

Figure 1.3 shows two additional rows on the basic plan. Both plans start with the current year's sales goal; Figure 1.3 takes into account the fact that a portion of the year has elapsed. Of course, as with any planning tool, you will have to refine your approach over several years of testing your assumptions and building in seasonal or other variations.

FIGURE 1.2 Prospecting Business Plan Model

Current year's sales goal	
Average sales size ($50K)	
Sales required (sales goal ÷ average sales size)	
Opportunities required (sales required × 3)	
Meetings required (opportunities required × 2)	
Completed calls required (meetings required × 4)	
Dials (CCs required ÷ .4)	
Dials/day (dials ÷ 250)	

FIGURE 1.3 Prospecting Business Plan—Mid-year Implementation

Current year's sales goal	
Less: year-to-date sales	
"To Go" sales goal	
Average sales size ($50K)	
Sales required (sales goal ÷ average sales size)	
Opportunities required (sales required × 3)	
Meetings required (opportunities required × 2)	
Completed calls required (meetings required × 4)	
Dials (CCs required ÷ .4)	
Dials/day (dials ÷ 250)	

To use the prospecting business plan, deduct your sales to date from the current year's sales goal to determine your sales goal for the remainder of the year. We call this the "To Go" sales goal. Then divide the "To Go" sales goal by the average sales size. If you do not know this figure, you should be able to get it from your sales manager. If your manager does not have this information either, make an educated estimate. Now, divide the average sales size by the "To Go" sales goal to determine the number of sales that you must make during the remainder of the year in order to reach your sales goal.

Now, An Example

Figure 1.4 illustrates the process by way of example. In Figure 1.4, we start with a sales goal for the year of $1 million. Sales to date, to the point of implementation, are $250,000. This gives us a "To Go" sales goal of $750,000.

FIGURE 1.4 Prospecting Business Plan—Mid-year Implementation, Actual Example

Current year's sales goal	$1,000,000
Less: year-to-date sales	250,000
"To Go" sales goal	750,000
Average sales size ($50K)	50,000
Sales required (sales goal ÷ average sales size)	15
Opportunities required (sales required × 3)	45
Meetings required (opportunities required × 2)	90
Completed calls required (meetings required × 4)	360
Dials (CCs required ÷ .4)	900
Dials/day (dials ÷ number of selling days left in year)	5

Assuming that the average sales size in this example is $50,000, this means you must make 15 sales during the remainder of the year to reach the annual sales goal. Next, multiply the number of sales required by 3 to come up with the number of opportunities required to reach your sales goal. That is, in my consulting work, I have found that a closing ratio of 33 percent—or one out of every three valid opportunities—is a reliable starting point for estimating your closing ratio. Using the ratio of three opportunities to one closed sale, you will need 45 opportunities to gain the 15 sales required to reach your "To Go" sales goal.

Of course, in your company, the closing ratio may be different, so you can go to your manager and ask what the company's historical sales data suggest, then use this as your closing ratio instead. Always use internal company data where available, though the 3-to-1 ratio here has proven reliable after many years of research and the experience of many thousands of sales people. Remember that, no matter what ratio you use, you should periodically compare it to your actual results and refine your approach to determine your true sales ratio.

Next, you calculate the number of new opportunity meetings you need to have to meet your sales goal. A new opportunity meeting is the first meeting you have with a customer or prospect that has the potential to yield a new opportunity. As you know, once a new opportunity is identified, it may take additional meetings to close the sale. In this context, the second, third, even tenth meetings regarding the same opportunity are not counted; only the first meeting counts as a new opportunity meeting.In this sample plan, the requirement is 90 meetings, based on a meeting-to-opportunity ratio of 2 to 1. That is, for every two meetings you have, one will result in a new opportunity.

The ratio is close here because a customer or prospect generally entertains a sales meeting for one reason only: to meet an unfilled need. When the potential customer invites you to a meeting based on an unfilled need, you have a relatively high chance that a sales opportunity will result from that meeting.

Note that this does not suggest you will close the sale. Rather, you have about a 50 percent chance of identifying a new sales opportunity. You then need to follow through on the opportunity with additional meetings. Ultimately, you will arrive at the point of sale, and this is the point at which you win the one-sale-out-of-three opportunity that characterizes the example. So, in this example, 90 new opportunity meetings are required to reach the "To Go" sales goal.

The next step is to consider the completed calls. A "completed call" is when you pick up the phone (i.e., when making a prospecting call) and speak to the person you intended to reach. If your intent is to speak with the vice president of human resources at XYZ Company, that vice president actually says hello to you. Leaving a message on the voice mail or speaking to the administrative assistant does not count as a completed call. However, if you do leave a message, and the vice president calls you back, that is considered a completed call. Again, you must have had direct, voice communication in order to count a phone call as a completed call.

The plan uses a 4 to 1 ratio of completed calls to meetings. I have worked with companies where this ratio is higher, but for purposes of illustration here, I use this ratio. If you work for a global company like IBM, Microsoft, AT&T, Coke, or Pepsi, your ratio of completed calls to meetings will likely be higher than if you worked at the local office-supply store. The brand recognition provided to the sellers by these global giants elevates the ratio in your favor—their very names open doors for you.

Now, based on that 4-to-1 ratio, you will need to have 360 completed calls to get 90 meetings. These 90 meetings will then yield 45 opportunities, and 45 opportunities will result in 15 sales. These 15 sales, at approximately $50,000 each, allow you to reach your "To Go" sales goal for the year.

The second-to-last step in the process is to calculate the number of dials you need to make to get 360 completed calls. In our example, I use a dial-to-completed-call percentage of 40. This 40 percent result is a function of the time of the day when you call (there are better times and there are worse time to prospect) and also of the quality of the script you use or the message you leave. A weak script will yield poorer results while a polished one, with a strong value proposition, can achieve better than average results. The return ratio here is impacted by the brand recognition of your company as well. A seller in a global marketplace with a high-recognition name will likely outperform a seller for a local, nonbranded business, all other things being equal.

In this example, you will have to make 900 dials over the course of remaining year to reach your sales goal. But first let's define what is meant by a dial.

A dial (of the phone) is the act of picking up the phone and dialing the number of the person you are trying to reach. The phone number can be a direct dial number or the general company number, as long as you can theoretically reach the person you want to reach. Additionally, the phone must ring! Only then can you record the activity of making one prospecting "dial." That means "busy" signals don't count.

Also, a prospecting dial—as opposed to another type of dial—must have the objective of setting up a meeting, either face to face or on the telephone. As you might expect, the meeting cannot be just any meeting, however. It must be a new opportunity meeting, meaning it must have at least the potential of generating a new sales opportunity.

Ultimately, what Figure 1.4 is demonstrating is the number of prospecting dials you need to make to reach your annual and/or "To Go" sales goal. As Figure 1.4 shows, this number of required dials is going to be large. The final step in this process is to calculate the number of dials per day that you need to make to reach that large total. So, the final step is to divide the total dials (900, in our case) by the remaining days in the year. As you know, there are four quarters to the sales year, and each quarter contains 13 weeks (52 weeks in the year divided by four quarters). There are also five days in a week, so to calculate the required dials per day, you first need to figure out how many days are left in the year.

Assume that you have completed the first quarter of the year, with three quarters to go. Since each quarter contains 13 weeks, there are 39 weeks left in the year, or 195 days. Divide the 900 calls by the 195 days and you have a result of five prospecting dials per day. Actually, the calculation yields 4.6 prospecting dials per day, but since you cannot make 60 percent of a prospecting call, round off any fractional values even if the fraction is less than 50 percent. More dials will result in more income for you over the long run.

And let me make one more important point: consistency is preferred to urgency. There is a big difference between making five dials per day for five consecutive days and making 25 dials on one day per week. Let's take a closer look at what we mean.

First, if you have ever tried to diet and lose weight, you probably found out that you cannot lose that weight by dieting only one day per week and then eating what you want on the other days. Consistency is always preferred to urgency. Likewise, if you have ever tried to work out to get into shape, you have discovered that you cannot work out one day per week and expect to be in great physical condition. Consistency is always preferred to urgency.

Second, if you leave all (or most) of your calls for one day during the week, especially Friday, you find too many unplanned activities will arise that will take you away from making your calls. Leaving your calls for the last day of the week, or trying to make all of your calls on one day per week, is a relatively risky implementation strategy.

Remember that the ratios used here are of little consequence because you will soon have your own ratios to work with. You can use these as a starting point until you get enough data (i.e., have made enough prospecting calls) to know what ratios are meaningful for you.

Final Thoughts

Congratulations! You have your first planning tool. It is called your prospecting business plan. Use this plan to determine the number of prospecting dials you will have to make each workday in order to reach your sales goals by the end of the year. You have this plan for two specific reasons:

1. To ensure that you always reach your sales goal. After all, this is the most important reason a company hires sales professionals in the first place.
2. To eliminate the selling peaks and valleys that plague most sales professionals. There is no need to experience selling peaks and valleys, so long as you make a fixed and measurable investment in the prospecting process. And when I tell you to make a fixed and measurable daily investment (of five dials per day, in our example), I mean daily, not weekly.

Remember that salespeople tend to overinvest in opportunity management and underinvest in prospecting. This, in and of itself, will keep you from realizing your full potential in the field of sales. It may even be sufficient to ruin your sales career.

Remember also that your prospecting business plan is based on a number of estimates and assumptions. It is up to you to reevaluate your performance on a quarterly basis. Start with the full-year plan presented in Figure 1.2 for the first quarter, and then use the mid-year implementation in Figures 1.3 and 1.4 for the remaining three quarters.

Also, you do not have to wait until the end of the quarter to do your evaluation. Sales quarters are made up of three sales months, and sales months are made up of four sales weeks, so you can use any of these smaller periods to assess your prospecting business plan. The longer you wait into the year, the more difficult it will be to adjust the plan.

In the next chapter, I introduce your next sales planning tool: your territory plan.

CHAPTER 2

Territory Plans
The Heart of the Sales Planning Process

The territory plan is the crown jewel of the sales planning process. When you consider your options for increasing your sales, there are only two ways to accomplish that result. The first is to find new customers—this is why I gave you the prospecting business plan in the prior chapter. With this plan you invest appropriately in the new business development or prospecting process. The second way is to implement the large-account strategy.

In a sense, the implication of the prospecting business plan is that prospecting is simply a numbers game. However, that's not really the case, so I follow the prospecting business plan with the territory plan. Indeed, there is quite a bit more to prospecting than just determining the number of proactive, outbound new-business-development calls that you make on a daily basis. So, the second key element of your sales strategy to obtain new customers (which is one of the two ways to grow sales) is your territory plan.

I don't mean to imply here that prospecting is limited to finding new customers. You can also prospect existing customers and expand an existing relationship. For example, suppose you have a customer with two divisions, a wholesale one and a retail one. Also assume that you do business with the retail division. You can leverage your relationship with the retail division by prospecting to expand that relationship into the wholesale division. Likewise, account planning, which is discussed in Chapter 3, is not limited to existing customers. If you have a large potential customer in your territory, you can develop an account plan that will increase your chances of penetrating that new account.

But, with the understanding that prospecting can be used to both obtain new customers and expand existing customer relationships, and the recognition that account planning can be used to both expand existing customer relationships and open new accounts, we can turn our focus to the territory planning process. Indeed, the territory plan is the heart of the sales planning process. This is because your prospecting business plan and your account plans provide the details you need to execute your territory plan. In a sense, the territory plan is like the entrepreneur's or CEO's business plan. It is the document and strategy that allow you to achieve your sales goal. And that, of course, is what selling is all about.

Sellers and Strategies

There are two types of sellers in the field. The first is the large-account seller; the second is the territory seller.

The *large-account seller* will have one, or a few, large accounts that make up the individual's customer/prospect base. My favorite example of a large account is General Electric. If you were to study General Electric from a sales perspective, you would find that it has between 150 and 200 operating companies. Each of