

How to Construct an Achievable Business Development Strategy



THE JF CONSULTANCY
FROM THE SALES CORPORATION

www.jonathanfarrington.com

How to Construct an Achievable Business Development Strategy

The Business Development Strategy is used to underpin your main Business Plan and, essentially, it sets out a standard approach for developing new opportunities, either from within existing accounts or by proactively targeting brand new potential accounts and then working to close them.

This document highlights the key issues you should consider, prior to compiling your own plan, and will hopefully guide you logically through a proven framework.

The key word is **Strategy**, because you are creating a workable and achievable set of objectives in order to exceed your annual target.

Your Starting Point:

The key words are Who? What? Where? When? Which? Why? How?

For example:

- ★ **Who** - are you going to target?
- ★ **What** - do you want to sell them?
- ★ **Where** - are they located?
- ★ **When** - will you approach them?
- ★ **Which** - are the appropriate target personnel?
- ★ **Why** - would they want to meet with you?
- ★ **How** - will you reach them?

If you have conducted regular account reviews with your key accounts during the previous twelve months, you should be aware of any new opportunities that will surface during the next twelve months. You will also, when assessing what percentage of your annual target usually comes from existing accounts, need to review data over the last two or three years (It is likely that you can apply Pareto - i.e. 80% of your business will probably come from existing accounts and in fact 80% of your total revenue will come from just 20% of your customers/clients).

You will be left with a balance – i.e. “20% of my business next year will come from new opportunities” – therefore you can then begin to allocate your selling time accordingly.

The key word is Strategy, because you are creating a workable and achievable set of objectives in order to exceed your annual target.

Ideal Customer Profiling:

Pro-active business development demands that we create an ideal target at the front end – i.e. an Ideal Customer Profile. The essential characteristics you will need to consider are:

- ★ Industrial Sector
- ★ Geographical Location (Demographics)
- ★ Size of organisations (Turnover, number of employees etc)
- ★ Financial Trends
- ★ Psychographics – i.e. Philosophical compatibility

Many strategic sales professionals merely profile their best existing clients and try to replicate them. There is nothing wrong with doing this, but we should always remember that we are seeking an **ideal** and we can always improve on what we already have.

New Opportunities From Within Old Accounts:

Because it costs approximately ten times as much to first locate and then sell to a new customer as it does an existing one (although these costs are rarely reflected in the cost of sales), it is essential that we fully develop our existing accounts working upwards, downwards and sideways, thus making the most of the (hopefully) excellent reputation we have developed already. Most corporate accounts have several divisions, departments, sites, even country offices and you must satisfy yourself that you have exhausted every possible avenue. Don't be afraid to ask the question "Who else should I be talking to in your organisation"?

Developing New Opportunities:

There are a number of ways in which we can target new opportunities e.g.

- ★ Direct Mail
- ★ Telephone Canvassing
- ★ Researching Archived Files For Customers Who Used To Buy From Your Company
- ★ Exhibitions
- ★ Seminars
- ★ User Groups
- ★ E-Mail Campaigns
- ★ Referrals
- ★ Qualified Leads
- ★ Advertising

Many strategic sales professionals merely profile their best existing clients and try to replicate them.

Not all of these will be appropriate to your particular industry, but you should not be afraid to experiment - i.e. challenge the paradigm - and do not accept that just because a particular idea has not worked in the past that it will not do so in the future (Remember when you were learning to walk ... it didn't work first time then!).

The important thing is to make an early decision in terms of what you are going to try and then build this (those) ideas into your master plan.

A Typical Business Development Plan:

You should plan out the whole year and review / revise quarterly.

- ★ List your existing accounts and plan what activities / actions need to be completed in order to fully exhaust all opportunities. You may for instance, plan to cover more bases within the decision making unit or contact associated companies or offices. The Strategic Account Profile can be used as a prompt.
- ★ Begin to target new accounts using business directories etc. and set targets per week / month / quarter i.e. I normally allow for eight hours per week as a minimum (Don't forget to continually refer back to your Ideal Profile)
- ★ Then build in what assistance you need from your marketing function – i.e. qualified leads, seminars, exhibition attendance etc.
- ★ Finally share your plan with your manager and then commit to it.

You should also measure it against **S.M.A.R.T.E.R.** - i.e. is it?

Specific

Measurable

Achievable

Relevant

Timed

Exciting

Recorded

You should plan out the whole year and review / revise quarterly.

Linking With Your Commercial Plan:

I have suggested that your Business Development Strategy would link with your Master Business Plan, but logically you should also integrate it into your Commercial Kit - (this is a document that outlines your monthly, quarterly and annual targets) - specifically the areas that deal with new business generation, account management and development, four tier account lists etc.

These three documents, when combined should drive and guide you through the next twelve months and beyond.

SUMMARY:

- ★ As I have said often enough: "People do not fail because they planned to fail, but rather because they failed to plan".
- ★ The man who knows where he wants to go is more likely to get there - he just has to decide how to get there. All plans are essentially maps and guides; the strategic element is the 'How'.
- ★ Do be prepared to change course, flexibility is key. And don't be afraid to experiment, look outside the square.

*The man who
knows where he
wants to go is
more likely to
get there; he
just has to
decide how to
get there.*



Jonathan Farrington is a globally recognised business coach, mentor, author, and consultant, who has guided hundreds of companies and tens of thousands of individuals around the world towards optimum performance levels.

Formerly, the Managing Partner of The jfa Group, which he established in 1994, Jonathan formed Top Sales Associates (TSA) in 2007 – the first initiative, Top 10 Sales Articles launched in April that year. Visit here: www.top10salesarticles.com

TSA is now a subsidiary of The Sales Corporation which is based in London and Paris, where Jonathan is the Chairman. Visit here: www.thesalescorporation.com

The JF Consultancy – www.jonathanfarrington.com launched early in 2008 and Jonathan's highly popular daily blog for dedicated business professionals can be found at www.thejfblogit.co.uk

Look out for Jonathan's forthcoming book "Tougher At The Top" to be published by Sales Gravy Press.

Details can be found [here](#).

THE JF CONSULTANCY

FROM THE SALES CORPORATION

Communications House 26 York Street London W1U 6PZ
Tel: +00 44 (0) 845 026 4752

www.jonathanfarrington.com

Copyright © 2008 Jonathan Farrington.