



How to Construct an Achievable Business Development Strategy





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INTRODUCTION

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.

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Jonathan Farrington



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?

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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.



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

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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 international subsidiaries 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:

- ★ 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

The important thing is to make an early decision in terms of what you are going to try.

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!).

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A Typical Business Development Plan:

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- ★ 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





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".

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- ★ 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.





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

He is Chairman of The Sales Corporation, CEO of Top Sales Associates and Senior Partner at The JF Consultancy based in London and Paris.

Formerly, Jonathan was the Managing Partner of The *jfa* Group which he established in 1994.

Early in 2007, Jonathan formed Top Sales Associates (TSA) to promote the very best sales related solutions and products. TSA is now a subsidiary of The Sales Corporation, based in London and Paris.

The JF Consultancy – www.jonathanfarrington.com, launched early in 2008 and Jonathan's highly popular daily blog for dedicated business professionals, which attracts thousands of visitors every day, can be found at www.thejfblogit.co.uk

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