

IDEAS
TOOLS
RESOURCES



BUSINESS
YOUR
GROW
TO

August 22, 2012

Planning for Growth

Chad Root, Spearhead Sales and Marketing



Spearhead Helps Companies Grow, One Relationship at a Time.

With relationships come opportunities, with opportunities come increased sales and profits, and with increased sales and profits comes growth. When that growth is managed wisely, everyone wins: owners, managers, employees, contractors and suppliers; their families; their communities. This is why we do what we do.

We integrate sales and marketing through consulting, branding, advertising, public relations and web marketing.



223 S. Main St. Elkhart, IN 46516
(574) 294-6900
info@spearheadsalesmarketing.com

“He who fails to plan is planning to fail.”
– Winston Churchill

Planning for Growth



Copyright © 2012 Spearhead. All rights reserved.

Step 1 - Clarify Your Business Development Objectives



Copyright © 2012 Spearhead. All rights reserved.

Which is Your Business Most Like?



Mystery



Art

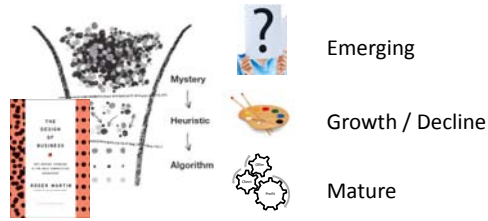


Machine



Copyright © 2012 Spearhead. All rights reserved.

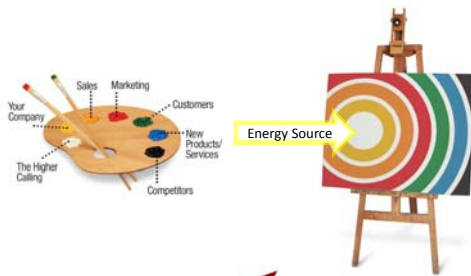
Business Development Cycle










Managing the Business Development Cycle is an Art



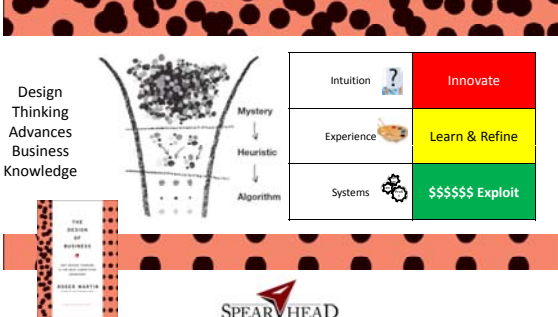
Paint a Business Development Target




Well Oiled Machines	Innovators
	
	
	


 Copyright © 2012 Spearhead. All rights reserved.

Business Development Cycle




Intuition ?	Innovate
Experience	Learn & Refine
Systems	\$\$\$\$\$\$ Exploit


 Copyright © 2012 Spearhead. All rights reserved.

Plan Management Time and Money to Advance Through the Cycle

Ingredient	Desired Result	Time Commitment	Money Commitment
Intuition	Innovation		
Experience	Structure		
Systems	\$\$\$\$\$\$ Exploit		


 Copyright © 2012 Spearhead. All rights reserved.



1. Lumping it all into a “sales” or “business development” job doesn’t work. Requires Sr. Leadership to advance through Mystery › Art › Machine.
2. How bad do you want to grow? Requires sacrifice, cash, focus and yes...change. Changing systems, habits, beliefs; “The way we’ve always done it.”
3. It’s more profitable in the short term to fine tune your existing machine. This is a double edge sword.



Step 2 – Fine Tune Your Relationship Development Machine



I want to do business with _____ (specific person).



This person wants _____.
(hint: trick question)



MYSTERY

"Find out what jobs consumers need to get done. Those jobs will point the way to purposeful products – and genuine innovation." - Marketing Malpractice, The Cause and the Cure

- 1) Meet commitments
- 2) Feel important
- 3) Help others
- 4) Prevent mistakes/problems
- 5) Manage key variables
- 6) Communicate
- 7) Manage time
- 8) Have fun



"If I had asked my customers what they wanted, they would have said a faster horse."
- Henry Ford



© 2011 Spearhead Sales and Marketing. All Rights Reserved.

I can help them get _____ better
then these alternatives _____.

(...to and from, better than "faster horses" or other options.)



© 2011 Spearhead Sales and Marketing. All Rights Reserved.

Better because _____. And, not just because I say so, but because we've put our solution to the test. _____ (people) confirm it. _____ (people) are advocates.



How do you get them to buy from you?





Even if you get an appointment, the chances of meeting a buyer that is ready to change right away is like finding a needle in a hay stack.



Copyright © 2012 Spearhead. All rights reserved. © 2009 Spearhead. All rights reserved.

The Key is to...



NOT




Copyright © 2012 Spearhead. All rights reserved. © 2009 Spearhead. All rights reserved.

People buy from people they know, like and trust.



Copyright © 2012 Spearhead. All rights reserved.

It takes time to get to know someone.



Copyright © 2012 Spearhead. All rights reserved.

“Like” is a natural filter. We can’t be all things to all people.



Copyright © 2012 Spearhead. All rights reserved.

Trust requires confidence and credibility.



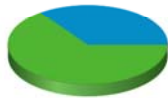
Copyright © 2012 Spearhead. All rights reserved.

Other considerations...

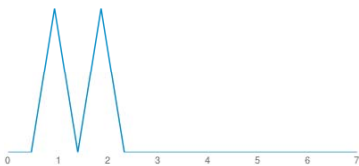
80% of leads are never followed up on.



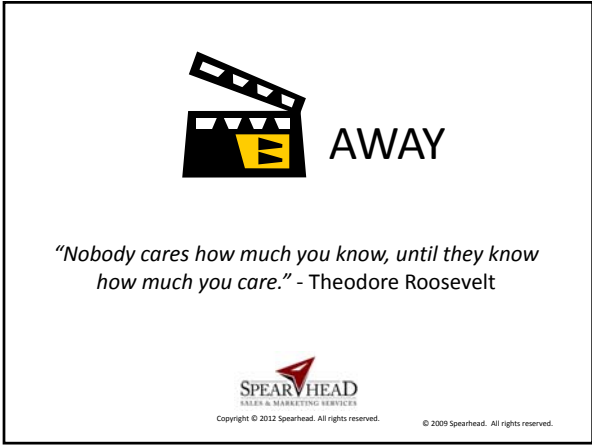
45-65% of leads buy within 6-18 months of their initial search.



Most sales people give up after two attempts.



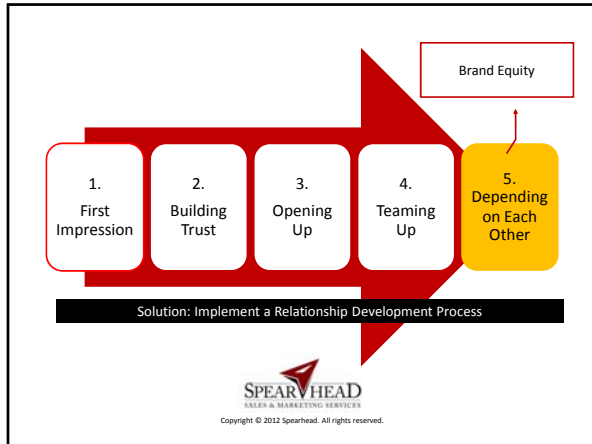




Keys:
Single shot or disconnected sales and marketing tactics don't work.

You need a relationship development process that enables you to STAY-IN-TOUCH in a helpful way so that you establish credibility and build confidence.

SPEAR HEAD
SALES & MARKETING SERVICES
Copyright © 2012 Spearhead. All rights reserved.



Step 3 – Determine Your Investment Priorities and Budget

SPEARHEAD
SALES & MARKETING SERVICES
Copyright © 2012 Spearhead. All rights reserved.

Priorities Assessment

I Need	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Stronger brand image and recognition					
More direct leads					
To do a better job following up with leads					
To close a higher % of proposals					
To sell more to existing clients					

Copyright © 2012 Spearhead. All rights reserved.

New vs. Existing Relationships


Odds of Buying...

Product Stage	Customer Stage	Odds of Buying
Established	Existing	1 in 2
New	Existing	1 in 4
Established	New	1 in 8
New	New	1 in 24

Lesson's to Seller's...

- Priority #1 - Secure existing customers with established and new products/services
- Priority #2 - Re-visit accounts that got away
- Priority #3 - Hunt new accounts

Source: Selling In A Down Economy by Robert B. Miller, Founder, Miller Heiman



SPEAR HEAD
SALES & MARKETING SERVICES

Copyright © 2012 Spearhead. All rights reserved.

34

ROI of Earning “New Buyers”

Description of Variable	Variable Amount Example
How many potential new buyer relationships do you have?	100 people
Multiply by .45 (45% make a buying choice in 6-18 months)	45 people
Multiply by .125 (1 out of 8 if existing product, otherwise multiply by .04 is new product)	5 people
How much profit can you make over the lifetime of a client?	\$10,000 per client = \$50,000
How much are you willing to invest for this return?	\$25,000


If, you have 7-12 strong interactions over 6-18 months from the time you meet this is the maximum you should spend to get and stay in touch with them (marketing and sales investment)

Copyright © 2012 Spearhead. All rights reserved.

ROI of Growing “Existing Clients”

Description of Variable	Variable Amount Example
How many of your existing clients could give you more business if they chose to?	50 clients
Multiply by .5 (1 out of 2 if existing product, otherwise multiply by .25)	25 clients
How much profit can you make over the lifetime of the incremental new sales?	\$5,000 per client = \$125,000
How much are you willing to invest for this return?	\$62,500

If, you have 7-12 strong interactions over 6-18 months from the time you begin marketing and selling, this is the maximum you should spend to grow your share of their business.



SPEAR HEAD
SALES & MARKETING SERVICES

Copyright © 2012 Spearhead. All rights reserved.

Total Investment over 6-18 months

Objective	Investment Amount
Earn 5 New Clients that produce \$10,000 of lifetime profit	\$25,000
Get 25 Existing Clients to buy more; resulting in \$125,000 of incremental lifetime profit	\$62,500
Total Investment	\$87,500
12-Month Budget (multiply by .66)	\$57,750



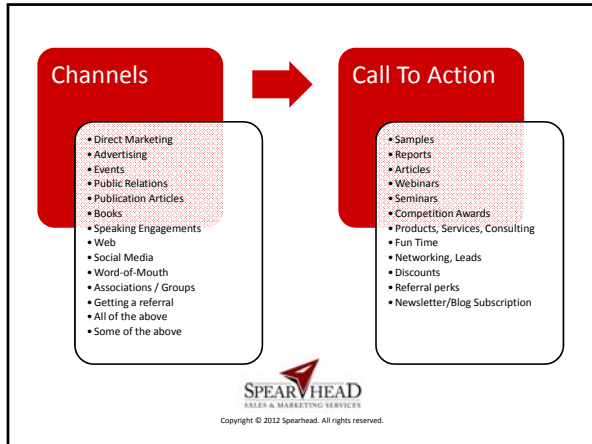
The Cost of Doing Nothing

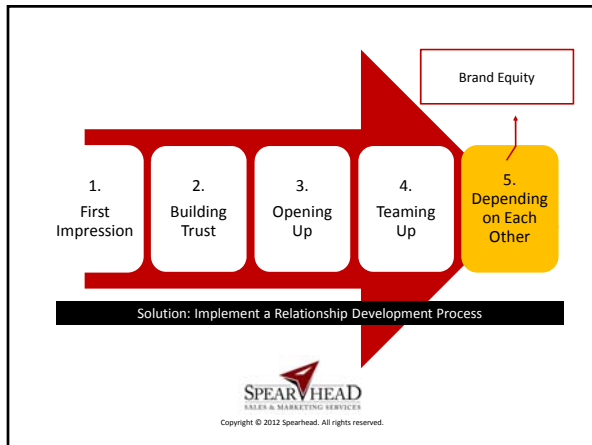
- Do sales go down with existing clients?
- Does your brand reputation take a hit?
- Do you give up longer term benefits like increased brand equity?
 - Helps with company market value
 - Helps with employee recruiting
 - Helps with referral generation

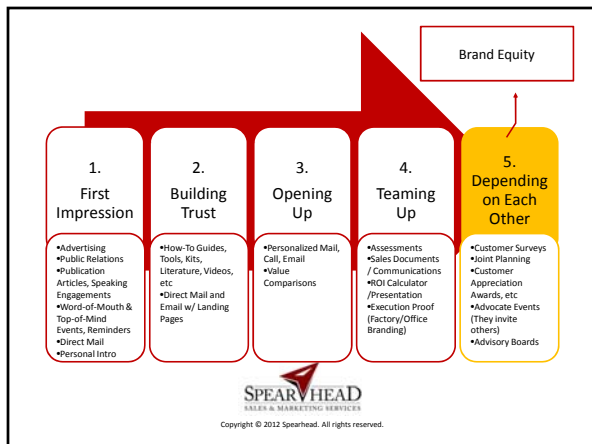


Step 4 – Select Your Channels and Call-To-Actions











223 S. Main St. Elkhart, IN 46516
(574) 294-6900
info@spearheadsalesmarketing.com

STAY SHARP

- ✔ Member access to proven methods of growing sales and building brands
 - ✔ Luncheon sign-up to spark new ideas in an interactive session
 - ✔ Exclusive book clubs to study with non-competing peers
 - ✔ Public access to a library of best practices and recommended reading
- Next steps to take action with Spearhead

www.spearheadsalesmarketing.com/subscribe