

HOW TO PREPARE A STRATEGIC SALES PLAN FOR A SMALL BUSINESS



STRATEGY IN ITS SIMPLIST FORM

- Strategy is expressed and perceived as a “fancy” subject.
- In fact, it is simple and straight;
 - Having a vision (at least a wish to happen) first
 - Then working on it for sometime to understand “today” and make some “educated guesses” for “tomorrow”
 - And then trying to describe the road map to reach out the vision or new targets of the business
- What is difficult: To execute the plan as it is planned!
- This is the enjoyable part; No plan is destined to be realized exactly as it is expected. Do not worry!
- When you have a strategic plan you need to follow up during the execution period. And see which goes inline with the plan and which does not.

STRATEGIC SALES PLAN

- When strategy and sales come together, this means that you are talking about marketing
- Marketing and sales are totally different things. Marketing designs the sales system by answering certain questions while the sales only contacts to the target customer and tries to sell the targeted products/services with given parameters by the marketing.
- Marketing Plan sets the full parameters for a business to start selling.

STRATEGIC SALES PLAN: MARKETING PLAN

- A marketing plan is expected to answer certain questions for the business and most of them are relevant to the main strategy of the business.
 - Which products/services to sell?
 - To whom they should be targeted to be sold?
 - At what price(s)?
 - What kind of distribution channels (wholesales, chain markets, retail, online, governmental contracts, etc.) will be used?
 - How will be the sales management system?
 - What promotions and advertisements are planned to support the sales?
 - Will there be an aftersales service and revenue from it?
 - Etc.

VALUE AND VALUE PROPOSITION

- Sales is not as simple as providing something that your customers need to.
- Sales is related to a value your business proposes for your target customers and it is appreciated by them.
- Offering something that your customers are in need, is a kind of value but not the whole story.
- Value proposition questions?
 - What kind of benefits will be achieved from your products/services
 - Which problems of your customers' is aimed to be resolved by your products/services
 - The reasons for which our customers shall prefer us despite the competitors in the market

SUBJECTS OF STRATEGIC SALES PLAN

- Customers and Markets
- Customer Relations
- Promotion and Advertisement Plan
- Sales Target
- Action Plan
- Resources

CUSTOMERS AND MARKETS

- The traditional question to be answered is: “What does the customer want to?”
- The question was improved as “What will the customer want in near future”. For which the answer is not in the customer but our company must explore.
- The customer is not only be satisfied by providing what she/he wants. But also;
 - Fore and after sales services,
 - Proper communication (by mailing, internet, social media, physical visit, etc.)
 - Guidance
 - Brand for trust
 - Etc.

CUSTOMERS AND MARKETS

- It is wise to widen the customer groups base. But they should be in the “span of control”.
- It gets harder to satisfy every customer groups as the number of customer segments increases. Customer segment diversification that is more than your business can take care of, is the starting point of the struggle for any business.
- While an extended customer segment structure is good for the risk management of the business, a narrow customer segment group is good for focusing on the customer purchasing journey and become a solution partner for the client needs.

CUSTOMERS AND MARKETS

- If you know better your customers you are able to make client based promotion and convey your messages specific to the client.
- The market is to be studied to decide on target customer segments. The market is not limited to where your business is located. It is wise to examine the localities and regions your potential customer segments are concentrated. This will be used to decide on where to extent your business in the market.

CUSTOMERS AND MARKETS

AS A CONCLUSION ;

YOU NEED TO HAVE A DECISION ON YOUR TARGETED CUSTOMER SEGMENTS AND MARKETS. BUT THIS IS NOT GOOD ENOUGH! STRATEGY IS THE ART OF MANAGING THE CHANGE FOR THE LONG TERM. YOU SHOULD HAVE PLANS ON HOW TO IMPROVE CUSTOMER SEGMENT STRUCTURE AND MARKETS FOR YOUR BUSINESS ON THE LONG TERM.

CUSTOMERS RELATIONS

- Deciding on the customer segments or groups will lead the way to how to contact to them.
- There were only classic methods in the past like customer visits, calls, sending brochures, advertisement, etc.
- Now there are digital communication channels like web site, mobile channels or social media.
- There are also some unexpected methods like giving trainings, providing technical assistance, etc.

CUSTOMERS RELATIONS

- There are some strategic questions to answer:
 - What is the first priority of the customers as for being contacted?
 - What are the main channels that you contact to customers?
 - What are the costs for using each channel?
 - Is the customer relations coherent with the strategies of the business?
- These are the questions to be answered and reflected to the plan.

PROMOTION AND ADVERTISEMENT PLAN

- Digital methods mostly replaced the classical methods during and after the pandemics.
- Promotion and advertisement methods differs from business to business and for each targeted customer segments.
- While a business' main channel is social media another may prefer to use blog articles. There is no right or wrong. It totally depends on your sector, products/services, targeted customer segments and of course on ability of your company on marketing.

PROMOTION AND ADVERTISEMENT PLAN

- In these days internet provides opportunities for effective marketing for relatively very low costs. This opportunity is really a gate to being a high brand for small companies of course for which, uses digital channels effectively for marketing and sales.
- On the contrary, if the time and money you and your company spend on internet does not pay back itself the it is time to re-consider that tool for marketing.

SALES TARGET

- You need to have a system for having a sales target whether weekly, monthly or yearly. This is the starting point for talking about marketing and sales system in a company.
- If you have a marketing plan there should be sales target for the existing clients and also for the new customers, customer segments and regions targeted.
- It is not all to set the targets in order to realize the target. The target should be divided into sub-intervals, promotion, advertisement and customer contact plans should be ready. There should be a plan to motivate the sales team as well.

ACTION PLAN

Any proposition which is not put into a solid plan, is just a wishful thinking. All the strategic decisions on marketing and sales must be put into a plan with time constraints.

It should be noticed that some activities in the plan will be run once, some periodically and some in routine.

Plans are for checking if it goes as planned. Check;

- If the activity is executed
- If the result is effective
- If you are on the right track to your strategies
- If there is something wrong now and for the coming future
- If there is a need to reconsider and update the plan in order to reach the targets

RESOURCES

- It is required some resources to make ready for realizing any plan. These resources are time, money, human resources and others.
- Resources needed should be prescribed and decided before finalizing the plans.
- Which resources is needed? Are there any that the company does not possess? Is there a way to acquire it for the company?
- Even a perfectly looking plan is destined to fail if it is not supported with resources needed. Since a small company has limited resources, plans must be done carefully, resource usage must be followed up closely. There is no resource for misuse anymore!

IN CONCLUSION

- If you have a plan, you are able to examine if it is applicable in total or if there are some activities not applicable, if your resources are enough to execute the plan.
- Plans are tools to see if there is a need for revising the plan in the midway. You may decide to narrow down the sales regions or you will decide to use online channels for sales. These are some examples of likely change needs in your plans depending on the performance on the way for the long term.
- You need have real and relevant data and information to use in the planning stage. And then you may end up with a plan with limited requirement for revision on the execution period.