

“I want more business”

Few companies are content with the level of business they attract. Most that I speak to talk of their need to attract new customers, to grow sales, to turn around the sales department or reverse declining revenues.

Many companies that I work with have tried to bring about these changes internally, but the “new regime” fails to deliver and it’s often at this point that I am called in.

The question that I am asked is “How can I use my sales department to retain existing customers and attract new customers?” This document gives the background to the answer I often give.

4 ways to grow sales

The sales process is simply a matter of helping a potential customer to identify a need, understand that your product or service will meet that need exactly and that it is great value. So why do we make it so complicated?

The reason I hear most often is that “our market is different” or “our customers are different”. This is simply not true! There are only four ways that you can grow sales in for company:

1. Charge more per item for your product
2. Sell additional items to existing customers
3. Sell each item to the customer more often
4. Attract new customers

It’s that simple! There are no other ways to (legally) grow your sales. There are two very useful points that come from these four items:

Your existing customers are a goldmine of new sales

Three of the four points talk about existing customers. What are you doing with your existing customers? Do you have: a strategy for “cross selling”; an approach to ensure that they order more often; and a regular price increase plan in place?

The maths is not complicated but it is revealing. If you undertake one of these four suggestions and achieve a 5% gain, your business will grow by 5%. However if you apply all three of these ideas to every existing customer, your business would grow by 125% ($5 \times 5 \times 5 = 125$) and this is without adding a single new customer!

New customers enhance your growth

Attracting new customers is the fourth way to grow sales. This has a big difference to business on its own, but done in conjunction with items 1, 2 and 3 above, can extend business growth by orders of magnitude.

Remember that as soon as a new customer is won, the other three strategies can be used.

How to use this knowledge

Before you read this report you had one view on sales. Now perhaps that view has changed slightly... but how can this affect your company sales?

By taking massive action! Without action this is useless knowledge, you might as well not know it. Here are a few questions that you could start by asking:

- What is our policy on price rises for existing customers? Do we include automatic annual price rises into our sales contracts?
- How can we ensure that every one of our customers is made aware of every one of our products and services just at the time that they will want to buy them?
- How long is our sales cycle? What do we need to do to halve it?
- What promotions or offers can we use to encourage our customers to buy from us more regularly?
- How can we capture what works with one customer to apply it to others?
- What technology can we use to keep in touch with and influence our customers?
- What are the most effective customer attraction strategies we could use?

And so on... Once you have answers to some of these questions, you can begin the process of changing the habits of your sales people to work in different and more effective ways.

The Advert

I work with companies as a freelance sales director or sales consultant to help them grow sales and exceed their targets.

My customers find that my service pays for itself in a matter of weeks through enhanced sales, better customer retention and bigger profit margins.

As I have worked in most industries from manufacturing through consulting, services, IT, distribution, finance, retail and public sector I have seen what works and does not work far more than anyone that has been confined to a few industries.

This means that I have a huge database of proven successful ideas that can be applied to your business today. It also means that I have failed more than most – and that's great as you can also learn from my mistakes!

Please get in touch – I'll happily spend an hour with you without charge.

Simon West – April 2005

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