

Prioritize Prospects to Close More Deals

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We squeaked by with sales in April and May, and I don't want to be here again. Had we not closed a couple pieces of business, it would have been a different, and difficult story. We need to be confidently bringing in business, but I don't have a good handle on which leads to prioritize, or how much I need to be doing in order to close what we want to close.

For many business owners it's frustrating to be working so hard, only to see inconsistent results. This certainly isn't the go-go economy of pre-2008. And that means that business owners are going to have to be on top of their game, better than ever at forecasting, closing more than their fair share, and making sure they're closing the right kind of business. It's not easy, but it is do-able.

Start by doing a reality check on what you've set as goals. Are you crystal clear about what has to happen each and every month. Is there a written game plan that you and everyone else in the organization can follow?

Decide how many sales have to happen each month. Check on loss ratios on existing business, and be sure to add in enough new sales to close the gap on losses in addition to getting growth. A good average growth rate, net of losses, is in the range of 10% - 15%, which should put you on track to grow faster than inflation.

Set your goals 15% - 25% higher than necessary. This may seem really high, if you're not already closing enough business. However under planning for what you need is likely to keep you in a cycle of shortfalls. Instead, get aggressive about over-achieving, rather than living with under-achieving sales.

Make a list of questions to ask every prospect. Start with the first encounter. Questions for the prospect can be woven into a script, and asked on every sales call. Keep notes on how prospects answer, and compare results down the road when you know how closed, and who didn't.

What questions would help your sales and service people know if someone is a legitimate prospect? Make a list of your best customers. Figure out what attributes they have in common. Create a list of questions that would lead to finding out if other prospects have those same attributes.

It may take a little time to come up with a list of questions to ask prospects. And it can sometimes seem like there's not enough time to work on making a list. However, think about the amount of time that's been wasted chasing prospects that didn't pan out, or

that turned into lousy customers. Focusing early on, on the right prospects, could save a lot of time and energy down the line.

Take a look at your closing ratios historically. How many prospects do you have to be talking to at one time, in order to get a sale? How long does it take to close a piece of business, from the time you first discuss an opportunity with a prospect, until you get a contract signed and check in hand?

You may find that there's some pipeline building to do. Often a company isn't closing enough business because they're not talking to enough of the right prospects. That makes it a pipeline filling problem, rather than a closing problem.

Look at the resources you have available to commit to accomplishing the company's sales goals. Do you have enough prospecting activity? Are there enough leads in the pipeline? Who else in the company can work on adding leads to the pipeline? Is it time to hire someone additional to help move sales forward?

Often business owners hesitate to commit additional resources to sales and marketing. They fear that they cannot afford the cost. However, if sales are slow, waiting to expand the team and increase results tends to keep the company in a shortfall situation.

Looking for a good book? *Selling in a Recession: 21 Tips and Strategies for Finding New Business in a Tough Economy*, or *Sales Prospecting Secrets, Sales Motivation, Negotiating Tips, and More to Increase Sales*, by Matthew Aaron.

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