Introducing Sales Targets

If a business isn’t growing then, chances are, it is in decline. So properly set sales targets can be a defining factor in setting your business on the journey to success.

Too many business owners don’t treat the budgeting process with the respect it deserves.

“If you achieve enough you will make money, achieve a lot more and you will be successful.”

When Michael Gerber coined the notion of working ‘ON’ the business rather than ‘IN’ it, he would most certainly have considered the budgeting aspect as an integral part of ‘ON’.

Unfortunately many business owners consider the budgeting aspect as being separate from, rather than an integral part of, what is required to achieve desired results.

Their view is that they can’t “make” someone buy, so a sales target is only useful until the day after it is set and they aren’t met. And the targets become less significant as time goes on.

The fact is that sales are the difference between your success and failure. Fall short and your business might be doomed.

Therefore to not apply targets to the most significant aspect of a business can make it more difficult to achieve success.

Sales are the linchpin between marketing and profit. So your sales targets should reflect that. They should be the catalyst for your marketing plan, rather than the other way around.

It is imperative that you know your conversion rates. That is, how many advertisements, how many click-through, how many client enquiries, how many telemarketing calls does it take to make a sale.

You also need to know your average sales value. With the knowledge of how many transactions you need, you will be able to calculate the necessary marketing investment and identify the most effective channels to spend that investment.

Monitoring can then be focused on the marketing and selling conversion rates and the average sale value. Corrective action can then be taken to ensure those sales targets are achieved.

TECHNOLOGY CAN’T COMPETE WITH THE PERSONAL TOUCH

Despite modern technology allowing us to participate in video teleconferencing the fact remains that we develop better relationships by maintaining the personal touch. Our physiological makeup places great importance on allowing our senses to form an opinion of our surroundings and, perhaps most importantly, of the people we meet. Use technology to complement those face to face meetings, not as a cost-saving means of replacing them.