

New Account Game Plan

By Roger Bostdorff

Every company I work with wants to grow. They better want to grow or eventually they will go out of business. There are two ways of growing. One way is you can grow the amount of business (\$\$) you do with your existing customers. Assuming you have a good relationship with your existing customers, this is the easiest growth path available. You/your company already have a trust and bond built that has been created by delivering value to your customer while building a relationship. You/your company evidently did what you said you were going to do when you said you were going to do it, over and over again. Many of you reading this are thinking that attaining that type of relationship is only common sense, and I agree. However, it is amazing how many organizations cannot execute that feat.

However, there is a limit to the amount of growth one can accomplish by only servicing their current customers. Therefore, the other way to grow is to gain new accounts. I define this as creating a financial relationship with an organization where you have no financial relationship today. This is hard! This is costly! This can be like sliding down a 1000 foot razor blade for some folks. (Ouch!) So what does a company do to solve the problem?

First, you need to identify that this is a need. Then you need to sit down and create a game plan. Since this is hard and costly, as well as painful, many times creating the game plan never occurs. Therefore, that is a critical first step.

The second step is to identify your target. Picture a funnel. In the top of the funnel goes all of the prospects you talk with. You want to then narrow down this group of prospects to qualified prospects where a certain percentage of them become qualified leads. The qualified leads narrow down to a specific percentage being closed business. If we want to create X number of new accounts/month we need to work our way back up the funnel. What is our close rate? If we have 10 qualified leads, how many close within those 30 days? How many prospects do we need to deliver the required qualified leads?

Now that we have the target number of Prospects we need to put in the top of the funnel, we then need to create the mechanism/s to deliver the prospects. The appropriate mechanism will differ by industry, product and customer set. However, it is safe to say that this is NOT a one dimensional approach. You need to create a multi-dimensional approach with an appropriate follow-up mechanism to be successful in the new account arena. The approach may include direct mail, telemarketing, networking, publishing, and yes, even cold calling. The challenge is to achieve the correct balance amongst all of these alternatives.

Do you or your company have your New Account game plan defined? It does not HAVE to be like sliding down that 1000 foot razor blade!

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