

What to Base Your Strategy On: Important Questions to Ask and Answer

In our last article we discussed what a sales strategy is, and why it is important to have one. In this issue we'll explore what to base your strategy on and important questions to ask and answer in building that strategy.

Recall that a strategy is defined as a *careful plan or method* and has at least five critical components:

1. The strategy must be specific and detailed.
2. The strategy must be measurable.
3. The strategy must be attainable.
4. The strategy must be realistic.
5. The strategy must be time sensitive.

To develop that *careful plan* or *method* for the company we used as an example earlier, the company wanting to move from the auto manufacturing to the medical manufacturing market, let's list questions to be answered:

Defining the Market

- Who is considered to be part of the medical manufacturing market?
- What are the barriers to entry into this market?
- What is the geography of that defined market?
- What limitations or considerations do I have in working in that geography?
- What are the names of the companies that are part of this market?
- What is/are the buying criteria of this market – the requirements?
- Who are the decision-makers within the companies that are part of this market?
- What is the decision-making process within the companies that are part of this market?
- Who are my competitors already selling within this market?
- What are the competitors' advantages / disadvantages over me and my offering?
- Etc...

These are baseline questions, with many sub questions, to ask in order to begin defining what the market looks like (now) and how to approach it.

To define your target market further, ask questions directly related to your **products or services.**

- What proportion of your target market has purchased a product similar to yours?
- From what competitor?
- Why?
- At what price?
- What was the delivery and install like?
- How was the account serviced after the install and training?
- What could have been done better?
- Etc...

Then, make *projections* about your target market to determine impacts to your business in this market based on various factors:

- How much of your product or service might your target market buy?
- What proportion of your target market might be repeat customers?
- How might your target market be affected by demographic shifts?
- How might your target market be affected by economic events?
- How might your target market be affected by larger socioeconomic trends?
- How might your target market be affected by government policies?
- Etc...

The answers to these questions will give you a glimpse into potential obstacles to address before entry into that particular market.

What is the best way to obtain answers to these questions?

If you have the budget for it, the easiest, most efficient and thorough way to get this data is to use a market research firm. Market research firms are uniquely equipped to find this data and report it to you in an efficient manner. You may also consider contacting your local university's business department and find out if a professor is willing to make this research a class project.

If you wish to do this research yourself or with existing staff, there are resources available, such as reference librarians at the local library, local field offices of the Department of Commerce, business libraries of local universities and colleges, local SBAs, and of course, the Internet.

With these baseline questions asked and answered and the appropriate data obtained, quantified, and recorded, you now have some of the information needed to develop your go-to-market strategy and your marketing and sales plan for entering this new market or launching this new product.

In our next article we will explore the importance of aligning your sales strategy with your sales people.

Until next time...

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