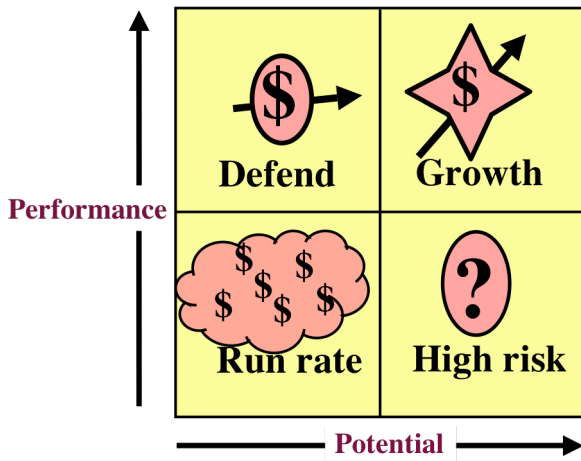


## QuickTips

While many sales people are adept at developing and using Account Plans and Opportunity Plans to increase their account penetration and win ratios, few people pay much attention to Portfolio Planning, which is how they go about allocating their most precious resources (primarily time) to the group of accounts that they manage.

High-volume Sales Representatives will have many tools and devote significant preparation to the whole topic of 'Time and Territory Management', yet B2B Account Managers with a portfolio of accounts, often organised by industry sector or solution set, rarely put any rigour into deciding on how much time / resource to apply to different accounts.



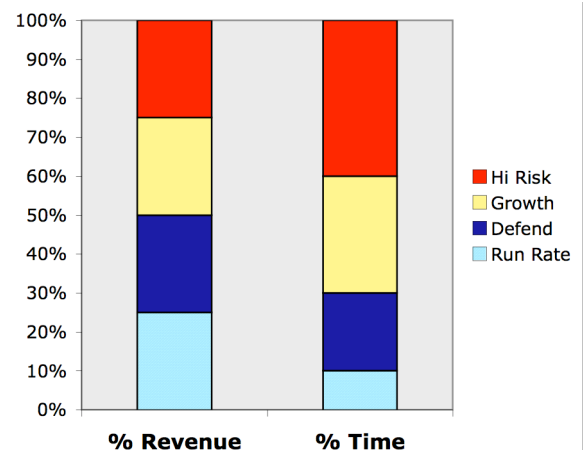
Practically everyone agrees that not all accounts should be given the same level of resource investment, but how resources are actually used are more often the result of immediate opportunity. Our Account Segmentation Matrix provides a simple conceptual model to start a Portfolio Planning Exercise. It looks at the two factors that will mostly determine how much resource is put into an account: the current performance and future potential.

At a very simple level, the model is used to determine which of four basic approaches to take per account. Growth Accounts, where we are doing good business today with a lot of future potential, will have an Account Plan and are well resourced. Hi-Risk Accounts are so called because they are doing very little (often nil) business today, we are interested in them because of their future potential, but putting resource into them represents a significant risk. We will have a Break-In strategy for these accounts, where on-going check-pointing and qualification are paramount.

Defend Accounts will be doing good business today, but may have plateaued or were 'one-hit wonders'. Because they are often historical accounts who know our company and may make us feel very welcome we often end up spending far too much time with these customers; time that would be better spent developing Growth or Hi-risk accounts. Run-Rate accounts are those that are not doing much business today and will probably never do much business; we treat them respectfully, apply programmes to keep them informed so that they can buy from us, make occasional contact to spot emerging potential (in which case they are qualified as possible Hi-Risk accounts) but we will not be proactive on an individual account basis.

Obviously classifying accounts using the model is only the first step in developing a Portfolio Plan. A second simple step is to plan your time against the four classes of account, and perhaps for major Growth and Defend Accounts to the individual customer level.

A full Portfolio Planning and Management process will involve much deeper analysis including account potentials, market opportunities, effect of new product / service introductions etc., however a good start can be made by individual account managers employing simple tools such as those above.



*QuickTips are produced by ProAct Business Development as an additional tool for existing clients. The QuickTips address only very limited topics, and need to be read against the context of our overall approach. Further QuickTips are available from the Client Resources section of our website, where we are constantly adding more materials to support you in your continuing development.*