

# New Year, New Goals – The Importance of Business Planning

For companies aligned with the calendar year, early January is typically focused on finalising plans to achieve sales goals. For many animal health sales professionals, whether calling on companion animal practices or large animal food production segments, the inclination is to jump in full steam ahead. However, a thoughtful and focused approach with rigorous business planning leads to better results.

Keep in mind the following general principles when developing your plan (geography or account based):

#### Plans have to be aligned with business strategies:

- Have a full appreciation of business objectives, emphasise brand strategies, and seek clarification as needed
- Strategically aligned business plans lead to effective execution when there is greater appreciation for the “why” behind tactical activities and day-to-day actions
- Incorporate leadership guidance into your planning process; the higher level company or strategic goals that must be met, and then translate these into the territory and account levels

#### Plans should include a focus on top tier prescribers / accounts:

- Develop a “watch list” that includes these accounts and monitor their performance regularly
- Develop goals related to penetrating accounts to expand opportunities

#### Sales professionals will be accountable for their business success:

- Recognise that plans need to be adapted and changed based on marketplace forces and internal direction
- Sales professionals should be prepared to share a rationale for their focus, goals, and actions with their managers
- Marketplace forces require monitoring and adapting plans
- Business planning and resource allocation decisions need to be evidence-based

#### Learning about your marketplace is cumulative:

- Depth of knowledge changes over time
- Limit the scope of what needs to be analysed to remain focused and efficient
- Do a “gut check” and validate with evidence

#### Plan the Work – Work the Plan!

As sales professionals, it is critical to use a disciplined business planning and resource allocation process to stay competitive and relevant, and to drive performance. Sales professionals need to evaluate their marketplace, assess their performance, identify opportunities, and establish a general plan consistent with company strategy and guidance. Planning provides the opportunity to specify how growth will be created.

#### WLH Guided Questions to Support Business Planning

##### I. Internal guidance:

###### What are the goals for my geography?

Professional sales planning does not happen in a vacuum. Consider therapeutic area priorities and brand goals:

- What are the brand objectives and goals?
- What does your organisation want to accomplish within a geography or specific account?

##### II. External marketplace context:

###### What is unique about my book of business?

Every field-based professional needs to understand the local marketplace relative to its company’s portfolio and the assigned geography and accounts. When performing marketplace analysis, it is important to evaluate the larger context. For example, are there business and economic drivers impacting your geography? Are there any state legislative or regulatory changes impacting the marketplace? For those calling on animal production segments, weather or other cyclical factors may alter customer concerns. Lastly, paying close attention to competitor activity in the marketplace may lead to different goals and planning requirements.

##### III. Critical customers:

###### Who are my priority customers and why?

After you have an appreciation for the broader marketplace factors, it is important to identify and prioritise accounts and specific veterinarians. Evaluating who your priority customers are requires both an evaluation of past performance and making assumptions about future potential.



The following questions can be helpful in evaluating past performance:

**Reflect upon and analyse overall performance**

- Where is most of your business currently concentrated?
- Where is the business trending up (growing), down (declining), and staying the same (flat)?
- Which accounts are providing the majority of growth / decline?
- What may be contributing to variations in growth/decline across the territory?
- What percentage of accounts (%) comprise the majority (80%) of your growth?

**Analyse performance by product**

- What is the performance by products across the territory?
- For each brand or therapeutic area, what is the percent of customers that comprise 80% of your growth?
- How concentrated is your business growth?
- Does over concentration present a potential risk?
- How would broadening the customer base impact your total business?

**Assess penetration levels**

- Begin to look within accounts and where appropriate for multiple brands, what is the penetration?
- Can you go "deeper and wider" within an account?
- What is the penetration (by emphasis product) across the customer base and at the top tier across territories?
- How would broadening the customer base impact your total business?

Past performance is not the only indicator for future success. It is important to develop specific goals and actions that target veterinarians as a result of future potential. Use the following factors as a means for determining forward-looking potential:

**Volume and share:** How much of your collective business does this customer represent?

**Local key opinion leaders/influencers:** What are the opportunities to drive buying decisions based on their relationship and respect of key opinion leaders?

**Adoption status:** How would you characterise your customers' adoption status? Are there ways to increase the speed of adoption, intensity of use, and propensity to increase business?

**Unique circumstances:** What else is important to understand about this customer?

**Length of established relationship:** Is the customer a long-standing prescriber?

**Competitive activity:** Are there actions / solutions being provided by competitors that require specific response and focus?

**Segmenting accounts:** Are there specific actions you want to take related to accounts where building, defending, or maintaining business is important?

**IV. Moving to action: What is my plan?**

The areas outlined earlier are all filtering methods to help sales professionals identify opportunities and prioritise customers. Once this is completed, sales professionals can translate insights into overall goals and specific actions. The following questions and considerations can help you organise your territory plan:

- What are the top three to five goals? Have you written them as SMART goals?
- What are the specific actions and tactics that when implemented will achieve the goals?
- What processes are in place for monitoring achievement of goals?
- What resources will be deployed to achieve goals?

**V. Executing your plan**

Creating a territory plan is one of the key differentiators between "good" and "great" sales representatives. The other differentiator is effective plan execution. Sales representatives who follow their plan stay focused in pursuit of the broader goals. Even with a plan in place, plans need to be adapted based on marketplace conditions or other changes. It is important to review plans on a regular basis, leverage existing business analytics and reports to assess if on track for goal attainment, and learn from both successes and actions that did not produce the intended results.



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