



E-book

Newsletter #10

Review Accounts to Set Priorities



For over 25 years, it's been a pleasure to publish my newsletter, *Sales Management Tips*. Using the analytics information in SquareSpace (my website provider), I determined the Top 10 most popular from visitor / reader downloads. I'm starting with #10. Once all ten have been posted, I will compile them into an e-book.

A complete library of my newsletters can be found [here on my website](#).

Introduction

One of the first things I ask company or sales leaders to do when I begin working with them is to run a report showing their Top 10 or Top 20 (depending on the size of the company) accounts by sales revenue.

In doing so, I stumbled on something that surprised me: many were unclear about which of their valued clients were in the Top 10 or Top 20 until they saw the report.

Of course, they knew who the majority of the larger accounts were. Once we had the report, though, company leaders expressed amazement at the actual ranking of each one. Accounts they thought were number three or four, turned out to be eighth on the list and vice versa.

Running the Top 10 or Top 20 report has helped many companies make positive and long overdue changes in how certain accounts get managed going forward.

Enjoy the eBook!

Suzanne



Newsletter

I always advise my clients to run a report of their current accounts, sorted by the amount of sales revenue they represent. The largest clients should be at the top and the smallest clients at the bottom. These are the questions they frequently ask me about this activity.

What am I likely to find?

Most of my clients discover the following:

- Once they get past the top 10 or 20 accounts, the remaining accounts represent much less revenue than they thought. The dollar amount drops off fairly quickly.
- One or two accounts that they think are top accounts and have paid considerable attention to are not in the top 10 or 20.
- Several accounts spend a lot more money with their company than they realized and they do not spend any appreciable time with them.
- The account list is “top heavy” and “bottom heavy” with few accounts in the middle.
- Many accounts are stagnant. They spend the exact same amount of money every year and buy exactly the same type of product. There is no growth.

What should I do with this information?

Once you have established who your top customers are, determine what percentage of your allotted sales time should be spent with each one and on what type of activity. Some may just want to meet and discuss business; others might like to play golf.

- Figure what the top companies have in common as well how they are different from each other. Let the commonalities help you to identify the ideal customer.
- Let the differences serve as a guide to the type or size of company that might be missing from your account list. Create a sales and marketing plan to proactively add those types of companies to your account roster.



- Make sure that your salespeople understand who the very top accounts are, have the skills necessary to grow the accounts, and are spending the right amount of time with them.
- Learn about and get to know the second tier customers to determine which ones might have strong growth potential in the coming years.

What should I do about the large number of companies who do almost no business with my company?

Divide that group of companies up and have the salespeople call on them. Determine which ones have potential and which ones do not. After that activity is complete, there may be some companies that should move into inactive account status. You might consider dropping them from sales territories and marketing campaigns. Put your efforts into bringing on the type of accounts that you really want to do business with.

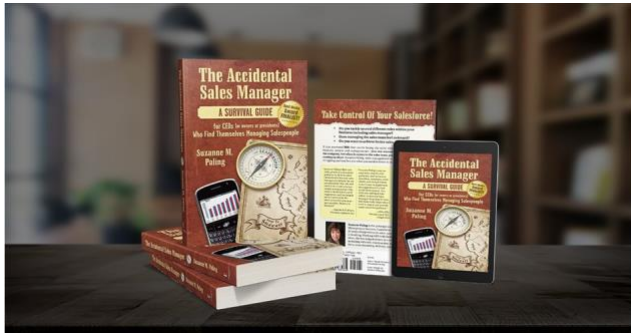
How often should I run this type of report?

Every other month. If you do this exercise on a regular basis, you will rarely be as surprised by what you see as you were the first time. But you will become more adept at spotting trends within your customer base and you will be more aware of how individual companies are performing.

There is one added bonus that my clients often overlook. Running a report like this makes you less dependent on your sales representatives “take” on how things are going with a certain account. You now know. It makes conversations with them more constructive and you won’t be caught off guard late in the year when a particular account is down by a significant percentage. You will have the account information at hand.



Additional Resources



The Accidental Sales Manager

The Entire Book
Every Chapter

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The Sales Leader's Problem Solver

Chapter 2: Selling Only to Existing Customers

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Sales Management Tips

[Mid-Stage Deal Reviews](#)

[The Whys and Hows of Sales Contests](#)

[Review Accounts to Set Sales Priorities](#)

[Meeting Customers is Critical for Executives](#)