Step1: Set a sales goal.		
(a)	= Last year's sales = Next (or this) year's sales goal	

Step2: Multiply Retention by Previous Year Sales				
Previous Year Sales <u>x Rate of Retention</u> (b) Retained Sales	x			

Step3: Calculate Sales Increase Requirement		
(a) Overall Sales Goal (b) Retained Sales (G) Sales Increase Goal		

## Step 4: Estimate Closing Ratio

(C) = \_\_\_\_

#### **Step 1: Overall Sales Goal**

Previous Year Sales \$3,000,000

(a) Goal for Upcoming Year \$3,300,000

NOMINAL SALES INCREASE 300,000

### **Step 2: Retained Sales Estimate**

Previous Year Sales \$3,000,000
Rate of Retention <u>x 80%</u>

**(b)** Retained Sales \$2,400,000

#### **Step 3: Actual Sales Increase**

(a) Goal for Upcoming Year \$3,300,000

(b) Retained Sales \_\_ \$2,400,000

( $\mathcal{G}$ ) ACTUAL SALES INCREASE \$ 900,000

#### **Step 4: Closing Ratio (New Business)**

C = 10%

## **KEY**: Goal Setting Metrics

G = Sales Increase Goal C = % Closing Ratio

p = Volume of Activity needed to Achieve Goal

# Step 5: Compute Prospecting Goal

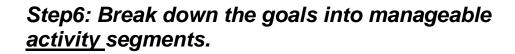
If 
$$p \times c = G$$
, then...

**FORMULA** 

$$p = G/c$$

Example: G =

$$p = G/c$$



$$(\mathcal{P})$$
 Annual Activity Goal = \$ \_\_\_\_\_

(
$$p$$
/12) Monthly Activity Goal = \$ \_\_\_\_\_

(
$$\mathcal{P}$$
/50) Weekly Activity Goal = \$ \_\_\_\_\_

(Weekly/4) Daily Activity Goal = \$ \_\_\_\_\_

**Lead Tracking** 

Lead Tracking		
Opportunity	Approx. Annual Value	