



MEDIA SALES PRODUCTIVITY PAYBACK PERIOD

▶ HOW TO ACHIEVE A TWO-MONTH PAYBACK PERIOD ON AN INVESTMENT IN WANTED SERVICES

Assumptions

Users: Telephone sales representatives within a Media Company

Responsibilities: Each sales person is expected to:

- Make outbound sales calls to identify **new** prospects
- Schedule sales presentations
- Make presentations and close sales

Performance Targets

Each sales person is measured by:

- Monday-Wednesday: 75 calls per day / 20 contacts per week
- Wednesday-Friday: 6 sales presentations per week
- Number of closed sales on new accounts per month: 12
- Value of average sale: \$500
- Total value of new account business per month: \$6,000

Actual Performance Compared to Targets

Despite their best efforts, sales people on the team are not achieving their goals of \$6,000 in new account business per month:

AVERAGE SALES PERFORMANCE BEFORE WANTED SERVICES			
Activity	Target	Actual	Difference
Calls per day	75	75	0
Contacts per week	20	15	(5)
Sales Presentations	6	4	(2)
Sales per month	12	8	(4)
Average Sale	\$500	\$400	(\$100)
Monthly Revenue	\$6,000	\$3,200	(\$2,800)

Assessment

Salespeople are making the required number of outbound calls, but their contact rate is below expectation. Because they are not making the required number of sales presentations, they are not closing the expected number of sales each month.



▶ “PAYBACK PERIOD” DEFINED

Payback Period, like **Return-On-Investment**, is a way to evaluate an investment in new services. The Payback Period is a simpler calculation than ROI, and is used to assess how long it will take your business to recover the cost of new products or services through increased sales.

The quicker the payback period, the more attractive the investment.

In other words, for every \$1,000 you spend on a new product or service, how long will it take you to generate \$1,000 in new sales using that product or service?

For more information, please visit our website at www.wantedtech.com.

Conclusion

Sales people are not calling on their highest potential prospects. Their activities are not sufficiently targeted on the companies that are most likely to require their services and generate incremental revenue.

Corrective Action

Management licenses WANTED services to provide the comprehensive data and analysis that allows management to better focus the sales efforts of each salesperson.

WANTED Professional Service Investment

The investment required to introduce and train sales people on WANTED's services:

- Annual investment per sales rep: \$4,000 (WANTED Professional)
- Lost sales during training and learning curve: \$2,000

▶ RESULTS AFTER SIX MONTHS OF WANTED PROFESSIONAL SERVICE DEPLOYMENT

WANTED's Professional products and services enable management and sales people within an organization to target their sales efforts more effectively. Through improved sales targeting, sales team members can achieve the original goals set for their group.

Average Sales Performance After WANTED Services			
Activity	Before WANTED	After WANTED	Difference
Calls per day	75	75	0
Contacts per week	15	20	5
Sales Presentations	4	6	2
Sales per month	8	12	4
Average Sale	\$400	\$500	\$100
Monthly Revenue	\$3,200	\$6,000	\$2,800

Payback Period Calculation

The calculation of the Payback Period involves dividing the cost of the WANTED Professional service per sales person by the incremental revenue generated per month based on the improved targeting of outbound sales calls.

$$\frac{\$6,000 \text{ per sales person}}{\$2,800 \text{ per sales person / month}} = 2.1 \text{ Months}$$