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SALES OPPORTUNITY MANAGEMENT

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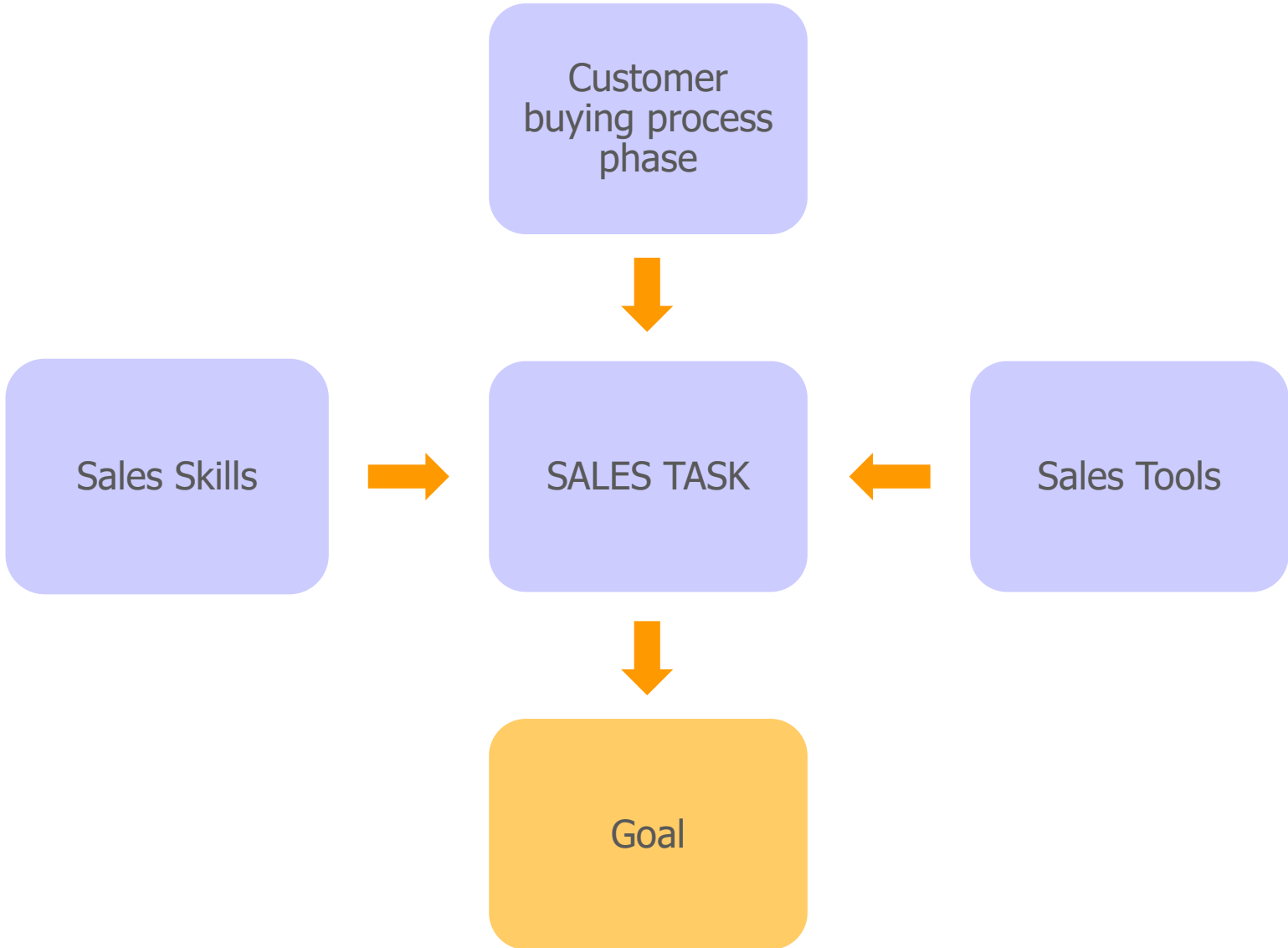
PREREADING

Sales opportunity management is identifying, reviewing, planning, and acting on a sales opportunity that deserves attention. This guide describes the process and tools for managers.

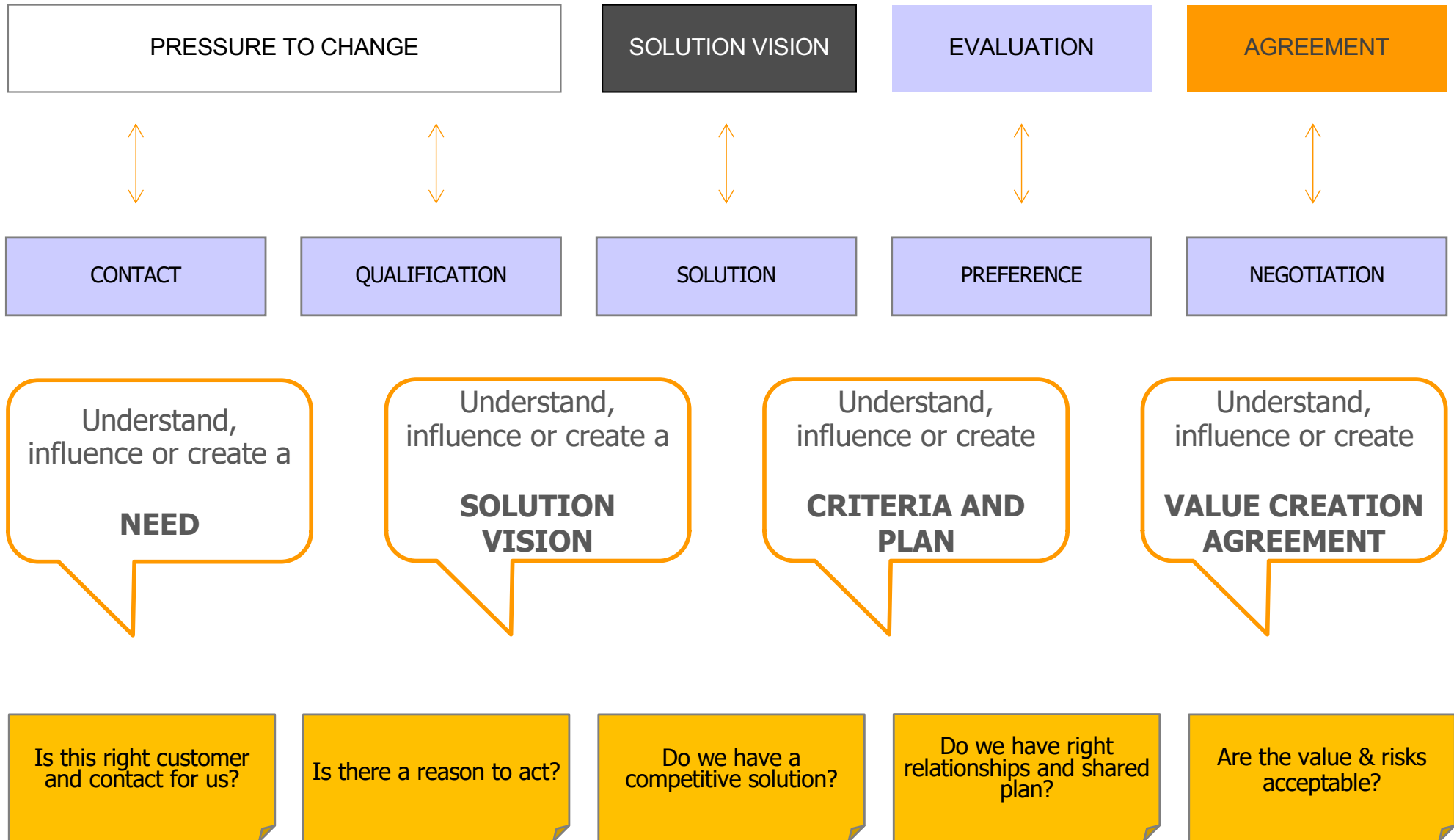
SALES OPPORTUNITY MANAGEMENT



SALES TASKS HAVE MEASURABLE GOALS



BUYING AND SELLING CONNECTED

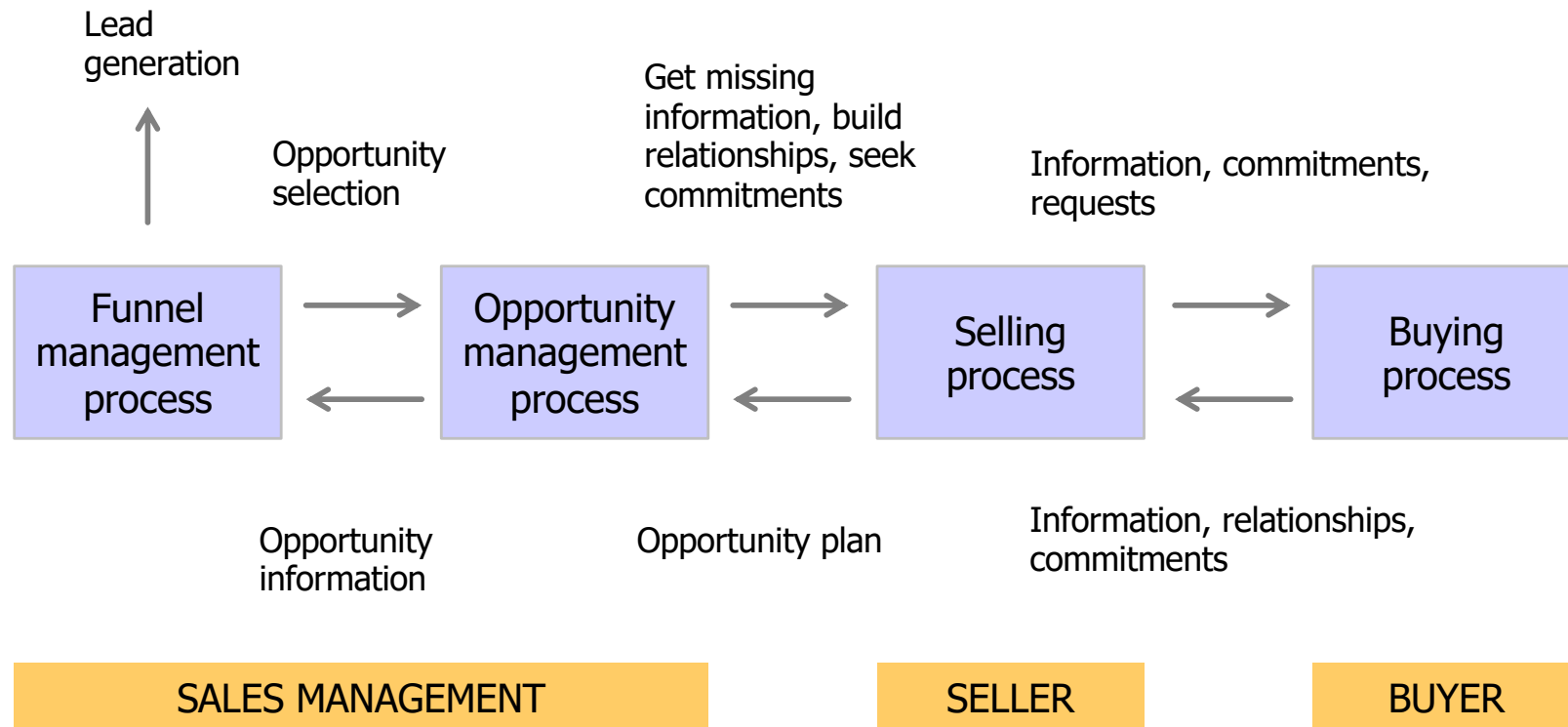


GROUP DISCUSSION

Why and when is sales opportunity management needed? Or is it?

Prepare to share your findings with the rest of the group

OPPORTUNITY MANAGEMENT FRAMEWORK



WHY ACTIVE SALES OPPORTUNITY MANAGEMENT?

1. Decisions based on **facts** instead of opinions
2. Improve sales quality and **skills**
3. Improve **success** rates
4. Focus on **right** opportunities
5. Use **time** efficiently
6. Create and share **best practices** and sales culture

GROUP DISCUSSION

Let's say that you have two promising sales opportunities, but you can only choose one, and drop the other.

1. What information would you like to have to make your decision and why?

Prepare to share your findings with the rest of the group

GROUP WORK

The table on the next page provides an example set of questions for analyzing an opportunity. Discuss the different questions in your groups for **10 mins**, and answer the following question:

1. **Which questions are the 5 least important and why?**

Prepare to share your findings with the other groups

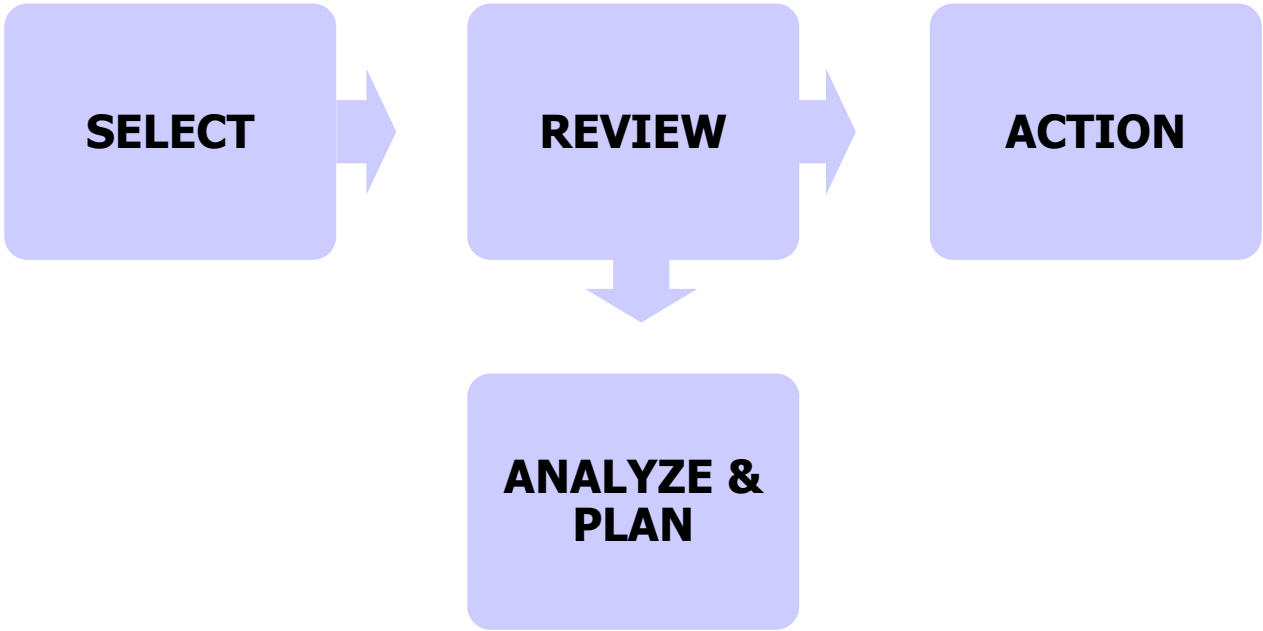
2	Right customer	<ol style="list-style-type: none"> 1.Should we be selling to this customer? (how do they compare to our ideal customer criteria?) 2.Any potential showstoppers? (What is their buying history?)
3	Need (are they likely to buy?)	<ol style="list-style-type: none"> 1.What is their reason to buy? 2.How compelling is their reason to buy? 3.Is there an influential decision maker who wants to buy? (personal win) 4.How much have they invested (time, money, resources) to buy? 5.Is there a deadline for their decision?
4	Solution	<ol style="list-style-type: none"> 1.How valuable is the solution? (can we show the value in customer's terms?) 2.How do we compare to the customer's criteria? 3.Who is the competition and how do they compare to customer's criteria? 4.Do we have unique differentiators? (where are we better than competition?)
5	Organisation & relationship	<ol style="list-style-type: none"> 1.Who cares? (do we have a sponsor in their organization?) 2.How is our relationship to the power sponsor(s)? 3.Why would they choose us? 4.Where were they in their process when we got involved?
6	Decision process	<ol style="list-style-type: none"> 1.What is customer's plan to proceed & decide? Can we propose/influence the plan? 2.Can we compete? (do we have the resources & skills to meet customer's requirements & timetable?)
7	Value & risk	<ol style="list-style-type: none"> 1.How valuable is this opportunity for us? 2.Strategic value (new customer, new market, ..)? 3.How high and how risky is the cost of sales? 4.What other risks have we identified? (reputation, delivery, margin, relationships)

OPPORTUNITY MANAGEMENT PROCESS

Select an opportunity requiring attention

Review progress and outstanding actions

Agree on actions to progress the opportunity



Analyze the opportunity information

SELECT

Opportunity that is important	Make sure we do our best with the strategically and commercially important opportunities
Opportunity that is not moving	Opportunities that are not making progress need attention
Opportunity that is new	Qualify new opportunities
Opportunity that is expected to close soon	Prepare for negotiations and make sure everything is done

REVIEW

Opportunity review

1. What is the sales process stage?
2. What is the status of the previously agreed actions? / What has happened since the previous review?
3. Any issues preventing from moving ahead?
4. What could prevent us from winning?
5. What are the actions required to win?

1 – SITUATION ANALYSIS		6 – CLOSING PLAN				
How important is this opportunity (in relation to other opportunities)?						
What is the status of the previously agreed actions?		How do we influence the customer's decision process?				
What is the next step agreed with the customer?		What information are we missing?				
Is there anything preventing from moving ahead?		What relationships we need to focus upon?				
What could prevent us from winning?		What risks have we identified?				
Do we know what we need to do to win?		What internal decision need to be made?				
2 – CUSTOMER SELECTION		3 – NEED AND URGENCY		4 – SOLUTION CRITERIA		
Fit with our customer selection criteria?		What is their reason to buy?		Does our solution meet customer's criteria?		
Customer's buying history?		How compelling is their reason to buy?		How do we differentiate?		
Strategic value? Deal profitability?		Where are they in their buying process?		Can we assess the solution value?		
Customer-related risks for failure?		Is there influential internal support for buying?				
Our ability to deliver?		Is there a timeline for a decision? Resources?				
5 – KEY DECISION INFLUENCE	ROLE	Goal and business challenges		RECEPTIVITY G, T, I, O	INFLUENCE 1 - 5	RELATIONSHIP -2, ... , 2

PROBABILITY OF WINNING A SALES OPPORTUNITY

	WHY is this important?	HOW do we know?	WHAT do we do?
Where are they in their buying cycle?	<ul style="list-style-type: none"> <input type="checkbox"/> Customers are investing time, resources and money to progress their buying process <input type="checkbox"/> The further they in the process, the more likely they are to buy 	<ul style="list-style-type: none"> <input type="checkbox"/> We need to decide, what are the "<u>verifiable buying actions</u>" that we would like to see happening 	<ul style="list-style-type: none"> <input type="checkbox"/> We assign the PROJECT PROBABILITY depending on where they are in their buying cycle: <input type="checkbox"/> Assessing NEED <input type="checkbox"/> Defining SOLUTION <input type="checkbox"/> PURCHASING the solution
How likely are they buying?	<ul style="list-style-type: none"> <input type="checkbox"/> Customers buy, IF <ol style="list-style-type: none"> 1. Their reason to buy is strong 2. The solution is valuable 3. The decision makers are personally motivated to buy 	<ul style="list-style-type: none"> <input type="checkbox"/> We have a set of test questions to evaluate the opportunity, SEE NEXT PAGE 	<ul style="list-style-type: none"> <input type="checkbox"/> We INCREASE the probability, IF <ol style="list-style-type: none"> 1. Their NEED is compelling 2. The SOLUTION is valuable 3. DECISION MAKERS are committed (= they personally win)
How likely are they to buy from us?	<ul style="list-style-type: none"> <input type="checkbox"/> We win, IF <ol style="list-style-type: none"> 1. The overall solution vision is better fitting than competition 2. The solution value is higher than competition 3. The relationship to decision makers is better than competition 		