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### Overview

You must sell enough of your products or services to keep your business running. You need to understand your market to sell your products or services at a profit. You need to investigate how you sell your products or services to improve your sales. This information will help you to prepare plans that will aim to improve your profits. The detail of what you need to look at will depend on your type of business and the sort of customers you will be selling to. You also need to look at what your competitors are doing and think about ways to win more business.

You might do this if you are:

1. setting up a new business or social enterprise
2. expanding your business or a social enterprise
3. changing or adapting the products or services offered by your business or a social enterprise
4. reviewing how you sell your products or services

Planning how you will sell your products or services involves:

1. finding out about and comparing different selling methods
2. setting targets for sales
3. writing a sales plan

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## Plan how you will sell your products or services

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### Performance criteria

*You must be able to:*

- P1 research the different ways to sell products or services
- P2 work out how different selling methods may affect numbers of sales
- P3 work out how many sales can be made
- P4 work out when, how and where sales can be made
- P5 make sure that your targets for sales match the targets you have set for your business
- P6 write a sales plan based on your investigation of the market and include the sales methods you will use
- P7 decide a reasonable time to reach the sales targets
- P8 prepare a detailed budget for sales and look at what effect achieving the sales targets will have on your business
- P9 produce a complete sales plan and include all the information to show how you have reached your decisions
- P10 decide what things you would look for to see if your sales plan was successful
- P11 decide what information you will use to judge your sales performance
- P12 decide how often you will review sales performance to see if you need to change any of your targets
- P13 think about where things might differ from the plan, and think about how you would deal with this

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### Knowledge and understanding

*You need to know and understand:*

#### **Information about the market**

- K1 ways of finding out the information you need and where to get it
- K2 what has happened in the past in a sector
- K3 the available methods of selling or providing a product or service
- K4 where to go for advice and help

#### **Sales targets**

- K5 why setting targets for sales is important
- K6 how to set targets for sales which will include:
  - K6.1 sales volume
  - K6.2 profit margins
  - K6.3 cash flow
  - K6.4 providing customer service
  - K6.5 getting repeat business
  - K6.6 product or service quality
  - K6.7 whether clients are creditworthy

#### **Sales plans**

- K7 why planning sales is important
- K8 ways of developing and presenting a plan
- K9 what you should include in a sales plan
  - K9.1 what the market is
  - K9.2 what customers need and want
  - K9.3 the number of sales you aim to achieve and what the profit margin target is
  - K9.4 who will be involved in selling (for example current staff or new staff)
  - K9.5 forecasting sales by product or service and by each salesperson
  - K9.6 how and where the product or service will be sold (for example wholesale, in shops, mail order or through the internet)
  - K9.7 what the cost of selling is.
  - K9.8 how sales will contribute to business success

#### **Sales performance**

- K10 how to judge whether or not you are meeting sales targets
- K11 how to include some flexibility in judging success, to take account of what actually happens
- K12 how to set up your business to make sure that you can get information about sales easily
- K13 how to identify the points at which business differs from the plan (for example higher or lower sales figures, more or less demand from

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Plan how you will sell your products or services

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customers)

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### Additional Information

#### Links to other NOS

1. WB1 Check what customers need from your business
2. WB2 Plan how to let your customers know about your products or services
3. WB5 Sell your products or services

#### Links to other standards

If your business grows and develops a management team it may be appropriate to consider the following units from the Management and Leadership Standards.

4. B3 Develop a strategic business plan
5. F4 Develop & review a framework for marketing

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