

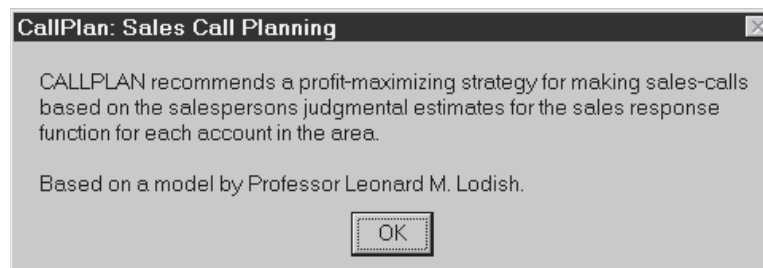
# 20. TUTORIAL FOR CALLPLAN: SALES CALL PLANNING (callplan.xls)

## CASE: THE JOHN FRENCH EXERCISE: SALES CALL PLANNING FOR UBC, P. 409

Callplan was developed by Lodish (1971) to help salespeople allocate their calling time to customers and prospects based on judgmental response functions.

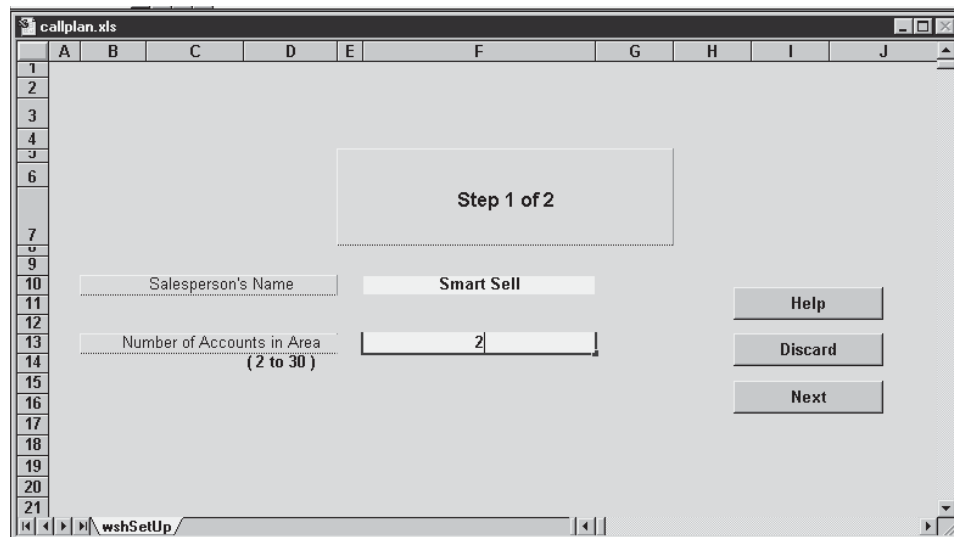
JFrench.xls is specifically designed to accompany the Unsweetened Breakfast Cereals (UBC) exercise. This spreadsheet incorporates the Callplan model and includes data for that exercise.

On the **Model** menu, select the **Generalized Callplan Model** to see the **Introduction** screen.



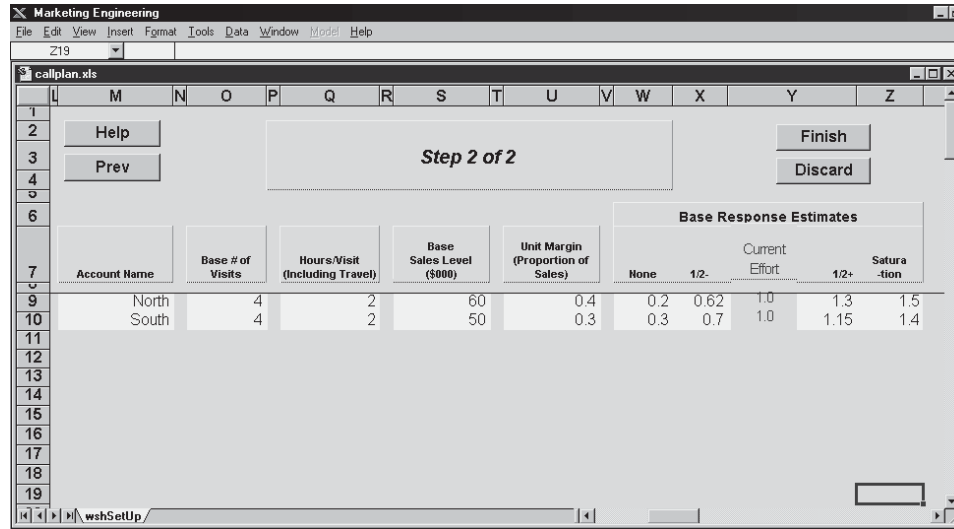
Click **OK** to go to the first of two dialog boxes, which will prompt you for your input.

As an example, we will set up a simple model for Mr. Smart Sell who serves two accounts.



Click **Next** to go to the second setup box.

Next name the accounts, provide some baseline information about sales visits currently made during a selling period, sales levels, and sales margins, and estimate sales response to variations in sales effort to determine the shape of the initial response curves.



Click **Finish** and the system estimates the coefficients for the response curves and then prompts you for a file name under which to save your basic model setup. (This can take some time on slower machines: the system must set up and run two separate estimation procedures for each account, the actual response curve and a concave envelope that is needed for optimization.)

It is a good idea to save your newly configured model now. Give it a name other than Callplan.



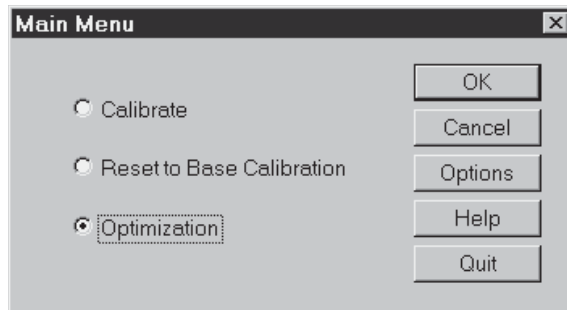
Click **Yes** to see a summary of your input information.

Account	Base Selling Effort	Recommended Effort	Recommended Sales Level (\$)	Unit Margins (0-1)	Constraint Effort Low High	Base Response Estimates None 1/2- 1/2+ Sat.	Current Response Estimates None 1/2- 1/2+ Sat.
North	4	4	62.8	0.400		0.20 0.62 1.30 1.50	0.20 0.62 1.30 1.50
South	4	4	50.0	0.300		0.30 0.70 1.15 1.40	0.30 0.70 1.15 1.40
Total	8	8	112.9				

Net Profit = \$ 40.1      \$ 40.1

Note: user can change only unit margins.

To start the optimization, go to the **Model** menu and select **Main Menu**. For this base calibration, select **Optimization** and click **OK**.



Now specify the time frame for the optimization. For this example, specify a two-day selling period for Mr. Smart Sell. In addition, you can provide constraints on the number of visits.

Click **OK** to start the optimization process.  
The following shows the results of the optimization run.

Account	Base Selling Effort	Recommended Effort	Recommended Sales Level (\$)	Unit Margins (0 - 1)	Constraint Effort Low High	Base Response Estimates None 1/2- 1/2+ Sat.	Current Response Estimates None 1/2- 1/2+ Sat.
North	4	5	70.3	0.400	0	0.20 0.62 1.30 1.50	0.20 0.62 1.30 1.50
South	4	3	43.8	0.300	0	0.30 0.70 1.15 1.40	0.30 0.70 1.15 1.40
Total	8	8	114.2				

Net Profit = \$ 40.1 \$ 41.3

Note: user can change only unit margins.

Help

For the unconstrained case, the solution suggests that by shifting one unit of effort (for our example, two hours of selling time, including travel time) from South to North, Mr. Smart Sell could gain \$1300 in net profit over the base case. You may wish to rerun the analysis and impose a new overall constraint, i.e., the number of (eight hour) days in a selling period, or change the limits for each individual account. You can also recalibrate any of the account response functions at any time.

To perform other analyses or to exit the program, go to the **Model** menu and choose **Main Menu**.

## REFERENCE

Lodish, Leonard M. 1971, "CALLPLAN: An Interactive Salesman's Call Planning System," *Management Science*, Vol. 18, No. 4, Part 2 (December), pp. 25-40.