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Strategic priorities of B2B customer management

THIS WILL DESCRIBE YOU BY 2018
OVERALL PRIORITIES

- 1 **Relationship & Value Building (Farming).** Our business is primarily sustained by developing long term customer relationships, which are deep and broad. Every interaction is an opportunity to up/cross-sell or deepen relationships.
- 2 **People & Competencies.** Our people are a key competitive advantage, consistently living the customer culture with high levels of knowledge, skill and attitude. We hire for attitude and attract, develop and retain the best.
- 3 **Brand & Proposition.** Our brand personality is clearly defined and we are excellent at marketing it. Propositions are hard-nosed promises not vacuous “we’ll try to” statements, and staff are clear on whom and how to deliver them to.
- 4 **Hunting New Business.** Market share growth is the key driver in our business. Our pipeline is quality-managed and the front line is organised for new business development. We celebrate wins and learn from unsuccessful bids.
- 5 **Target Market & Sectors.** We drive competitive advantage through our expertise in the markets and sectors that we choose to target & develop. We are disciplined about not spending time and effort on off-target opportunities.
- 6 **Key Account Management.** Key Accounts are strategically important to our business. Dedicated teams, joint business plans, contact strategies and relationship quality assessments ensure high levels of co-working & shared values.
- 7 **Negotiating & Selling.** We negotiate hard but fairly and use insight to never lose a bid from poor preparation or win a bid that turns out unprofitable. Our staff are trusted advisors as well as technical experts.
- 8 **Organisational Design.** We are a customer-centric organisation with innovation, flexibility and entrepreneurialism in our DNA. We never allow internal silos, power bases or politics obstruct our excellent customer experience.
- 9 **Channel Management.** We monitor and optimise channels & media to grasp opportunities for quicker/better/cheaper ways to sell/service our propositions. Intermediaries & brokers rate us highly as preferred partners.
- 10 **Ways of Working.** We have clearly defined our way of doing things to continuously make it easier and cheaper to do business with us. Efficient and up-to-date processes ensure operational excellence and a ‘personal touch’.
- 11 **Information & Technology.** Leading-edge technology is core to our proposition and we practice what we preach through pioneering IT and passion for customer data quality.
- 12 **Category Management.** An insight-driven product or end user-defined category perspective is employed that focuses on understanding, targeting and developing each category as a market in its own right.

Peter Lavers

What did companies prioritise?

- The first section of the report reveals that, at the overall level, **Relationship & value building (farming)** takes top priority. However, it is not an emphatic victory – it comes out on top because half the respondents rated it in their top three.
- **People & competencies** is a strong second overall and **Brand & proposition** completes the top three, underlining the vital importance of interpersonal skills and staff stability in offering and providing a compelling customer value proposition.
- The two threads that relate to **acquisition** (hunting and market targeting) come next in the priority list – indeed they are top priority in some regions and sectors.

Golden Thread	OVERALL RANK				
	Banking & Financial	Telco & Techology	Advertising & Marketing	Manufacturing	Insurance
1 Relationship & Value Building (Farming)	1	3	1	3=	4=
2 People & Competencies	2	2	4	3=	1
3 Brand & Proposition	7	9	3	6	2
4 Hunting New Business	5	1	2	2	6
5 Target Markets & Sectors	6	6	5	1	4=
6 Key Account Management	3	5	6	8	10
7 Negotiating & Selling	11	4	7	7	3
8 Organisational Design	4	7	11	5	8
9 Channel Management	10	11	8	12	7
10 Ways of Working	8	10	10	9	9
11 Information & Technology	9	7	9	11	12
12 Category Management	12	12	12	10	10

- **Key Account Management (KAM)** and **Negotiating skills** make up the mid-table. These are more sophisticated elements of customer management, suggesting that many B2B companies are still concentrating on getting the basics right.

Strategic priorities by sector

When considering the priorities by sector, **farming** is the top priority in only two of the five most populous, but it ranks in the top three of two others. **People & competencies** is similarly consistently ranked in the top three, but thereafter a wider spread of priority emerges. Several sectors lead with an **acquisition** focus, and manufacturing favours its approach to **Markets & sectors**, possibly reflecting globalisation.

Regional strategic priorities

Some similarities and distinctions emerge across regions. UK and European B2B companies are much less customer acquisitive; the Americas aim to rely least on people but more on **Channels & categories** both hunt and farm; Africa/Middle East are the most focused on **KAM** and organising for customer centrality.

The larger B2B businesses are more people, retention and KAM focused than their smaller counterparts. This is reinforced with a higher priority for **Organisational design**.

Conclusions

- “The top three priority Golden Threads should all be seen as crucial for companies to be corporately competent at,” comments Peter Laver, author of the report. “There is a risk of a company being left behind if it fails to be at least on a par with good practice in these areas because B2B companies overall are strategically aiming to excel in them.”
- The threats posed by competitors’ customer acquisition strategies and activities (which are top priority in some sectors and regions) must be taken seriously and responded to accordingly. “Strategically this means either bettering their strategies if acquisition is also your primary aim, or countering their targeting with excellent loyalty-building capabilities. The numerous respondents who rated both hunting and farming in their top three will need to be incredibly well led, organised and measured to create a culture that is effective at both.”

Methodology

This research was carried out internationally by Customer Attuned and its partners in the summer of 2015. There were 105 people responses, representing 15 different sectors of B2B industry. The online survey was simple to complete. It asked some qualification questions (name, email, company, job title, industry, employee numbers and country) and then listed 12 “desired states” of B2B customer management (one per golden thread) that could describe your business in 2018. Respondents were asked to prioritise them by clicking and dragging them into priority order. Finally, it asked one open-ended question as to why your top-priority choice is so crucial.



Further information

For further information on the research or for a copy of the full report, please contact the author, Peter Lavers: Peter.Lavers@customerattuned.com.

What are the 12 Golden Threads?

The 12 Golden Threads are divided into four categories under three subject areas. They seek to define critical business-to-business (B2B) capability across knowledge, strategy, planning, implementation and results in relation to Customer Attuned’s assessment process.

Operating in and developing your market	Managing account relationships	Organising resources and operations
Target Markets and Sectors	Hunting New Business	Organisational Design
Brand and Proposition	Negotiating and Selling	People and Competencies
Category Management	Relationship and Value Building (Farming)	Ways of Working
Channel Management	Key Account Management	Information and Technology



About the Researcher

Peter Lavers is a co-founder and Director of Customer Attuned Ltd. He is an expert in CRM and customer experience management, and recognised as a top influencer in the subject. His early career was with Rolls-Royce and Bentley Motors, where he trained as an engineer and went on to hold senior roles in commercial and logistics, market analysis, customer satisfaction, regional marketing and in his last client-side position as head of relationship marketing. He joined customer-management consultancy QCI, and rose to become QCI’s managing partner after its takeover by OgilvyOne Worldwide, who also appointed him as MD of Customer Futures, their international network of customer experience learning groups. In addition to Customer Attuned, Peter is MD of WCL Customer Management Ltd and represents Deep-Insight in the UK.