Business Strategy
and
Winning in the Market Place

Donald Turner

And so the story begins.......

Industry Decline
Reduced Volumes
De-skilled Industry

Margin Erosion
Rising Costs
Price Undercutting

Globalisation
Stiff Competition
Poor Customer Loyalty

"if you don't create your reality, your reality will create you"

Lizzie West, b.1973,
American singer-songwriter
and social campaigner

"But its all about price…………. isn't it ?"

Almost every salesman I have ever worked with! Including myself

Could we change the status quo by using different sales methods?

Transactional - Standard offer

Competitors - easy to replicate and therefore always price sensitive

To manage - very scalable and can offer to all

Value Selling - Standard offer with added benefits

Competitors - more difficult to replicate as you have a strong Value Proposition

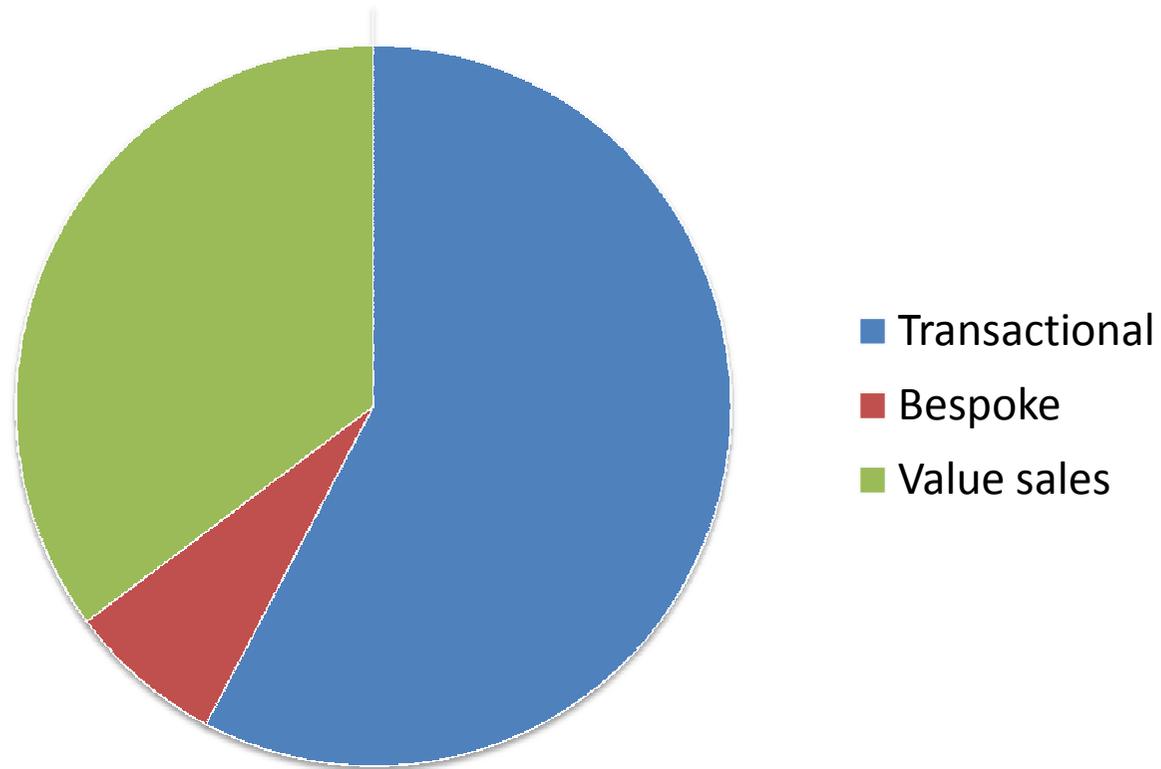*To manage* - scalable but not all customers are suitable

Consultative - Bespoke offer

Competitors - extremely difficult to replicate

To manage - not scalable as unique to each client

Which customers are suitable?

- Transactional
- Bespoke
- Value sales

What is value?

Promote your customer to their customer
e.g. environmental services, innovative products, joint promotions

<u>Constructively</u> help your customer cut their costs
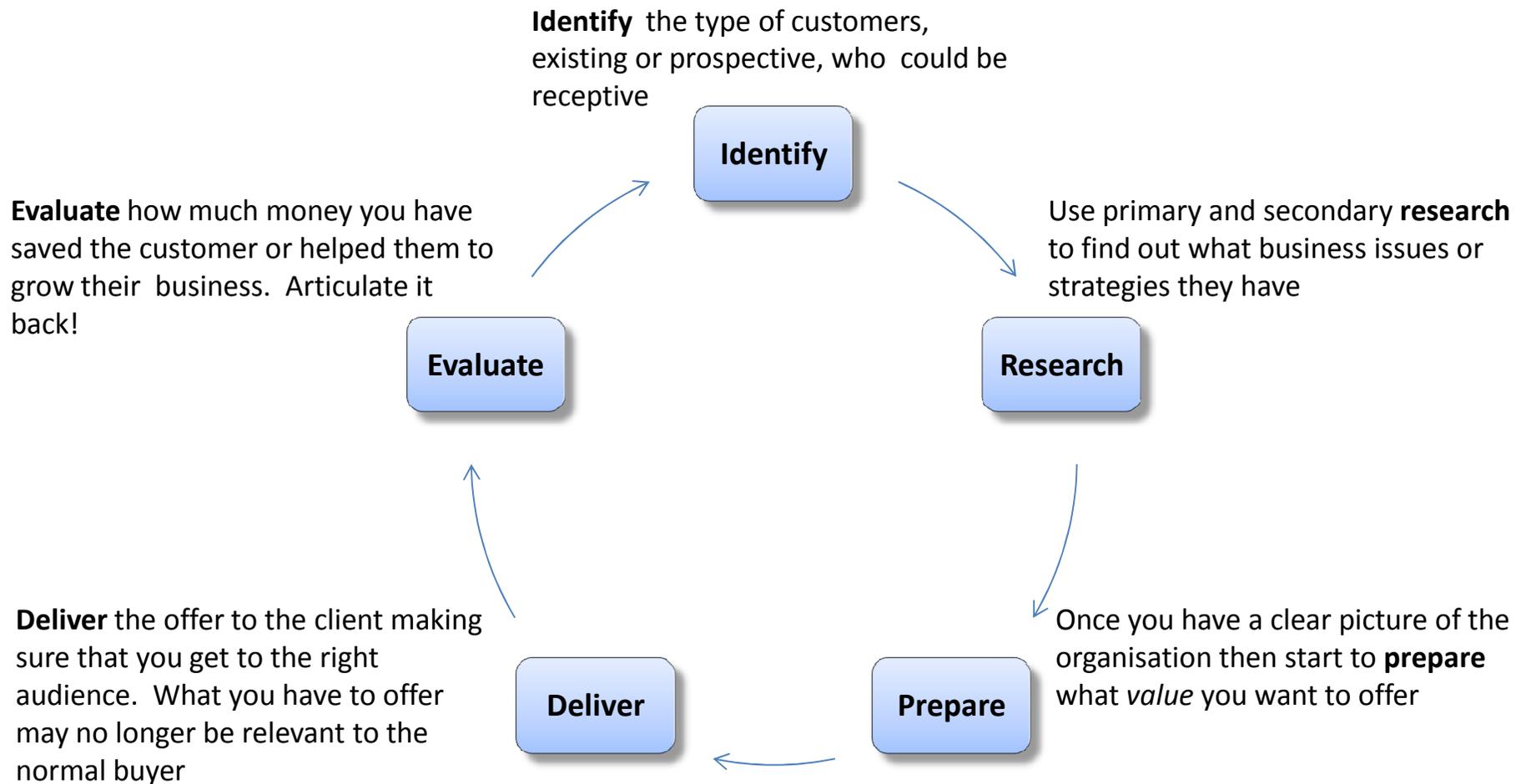*e.g. fewer press passes, bespoke size paper, shorter runs, high bulk paper*

Make your customers life easier
e.g. ISO 12647-2, job tracking, soft proofing, excellent customer service, web to print

Validation became important

Strategic Value Selling

BlueGreen

Identify the type of customers, existing or prospective, who could be receptive

Evaluate how much money you have saved the customer or helped them to grow their business. Articulate it back!

Use primary and secondary **research** to find out what business issues or strategies they have

Deliver the offer to the client making sure that you get to the right audience. What you have to offer may no longer be relevant to the normal buyer

Once you have a clear picture of the organisation then start to **prepare** what *value* you want to offer

Identify

Research

Evaluate

Deliver

Prepare

This was a fundamental change to how this company went to market

Was it easy ?

Institute of Directors published

"78% of new strategic initiatives fail"

Most common reasons given:

- **Lack of acceptance of the need to change**
  - *Lack of buy-in from the organisation*

- **Lack of a powerful, united guiding coalition**
  - *Management are not 'joined up'. Staff watch for cracks in the armour*

- **No clear vision of the future or poor communication of the vision**
  - *What's the plan?*

- **The vision is too complex to deliver**
  - *Good plan but does not fit the business*

- **Obstacles placed in front of the vision**
  - *Too much bureaucracy, change management style or influential saboteurs*

BlueGreen

Could this company be one of the **22%** who **win**?
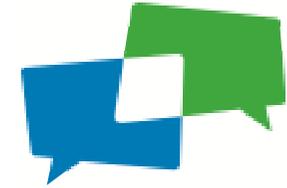
What happened next?

- This company questioned all aspects of the current business.

- Built a clear strategy and ensured "buy in" with those who would be responsible for the management of the vision.

- Importantly they made sure the plan was within realistic capabilities of the organisation
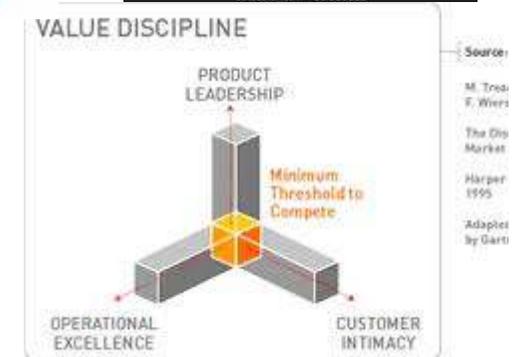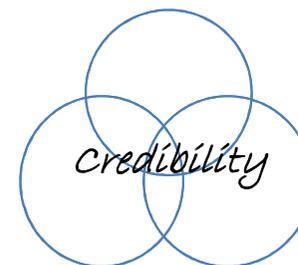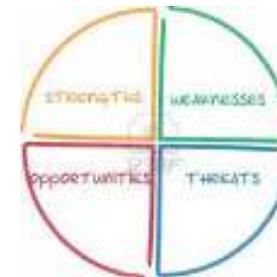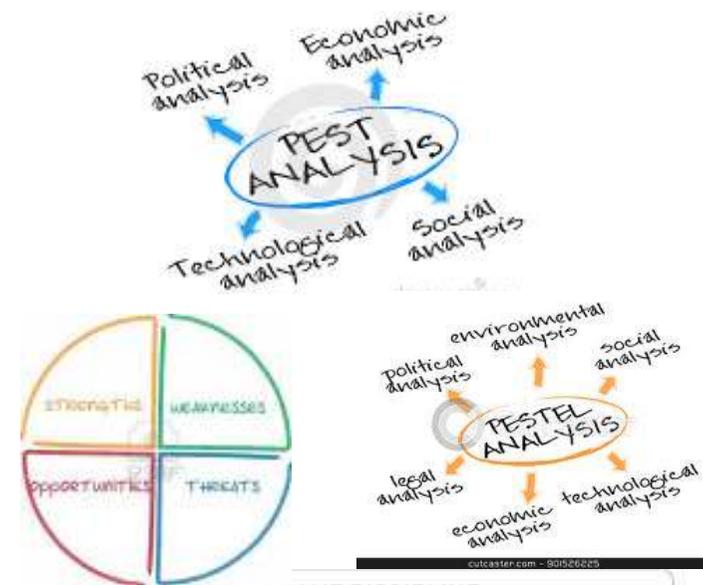
And then?

The Strategic Plan was presented to the business ensuring that all people knew exactly what part they played, what the time scale was and what the prize would be.

Ensuring a wider "buy-in"

Managing through the process
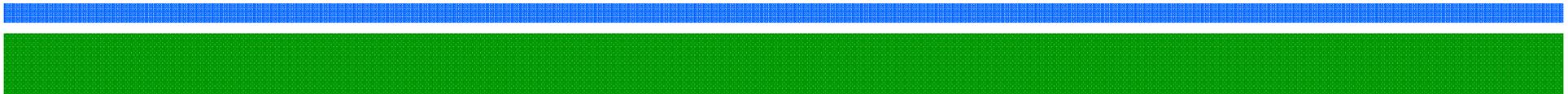
Reaction to the new strategy or way of operating
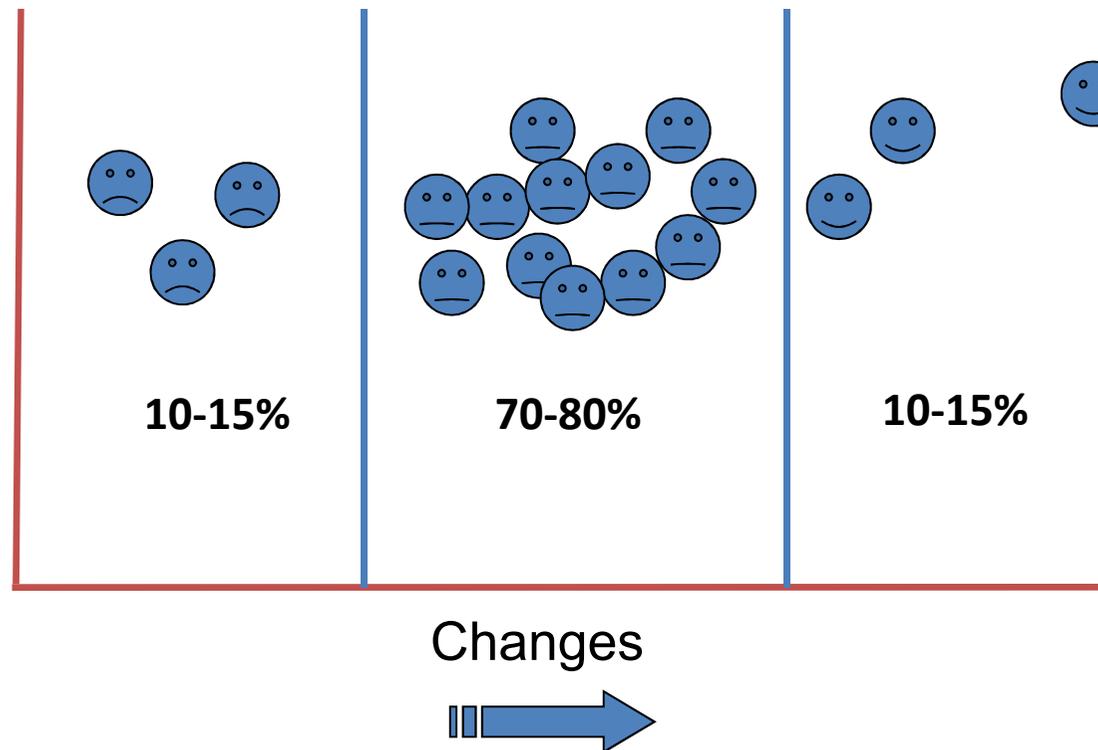
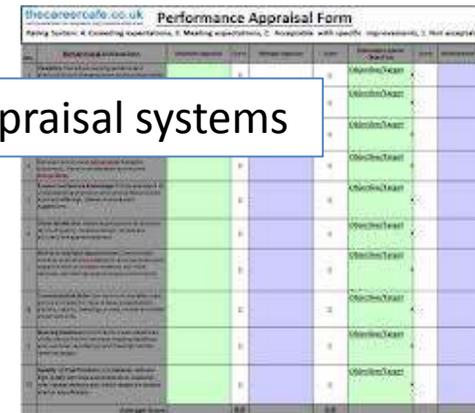# Performance Management
Competences required to deliver on SVS

- Strategic thinking
- Market intelligence

Identify

- Use of value demonstration tools
- Understanding of finance and ROI

Evaluate

Research

- Internet research www.
- Google alerts
- LinkedIn
- SPIN techniques

a lot of new skills to learn to become the salesperson of the future

- Presentation style
- Ability to connect with the correct audience
- High levels of Interpersonal Skills

Deliver

Prepare offer

- Technical knowledge
- Product knowledge
- Analytical reasoning

Managing people through the change

Clear competencies

Appraisal systems

Job descriptions that reflect the role

Motivation, reward and profiling
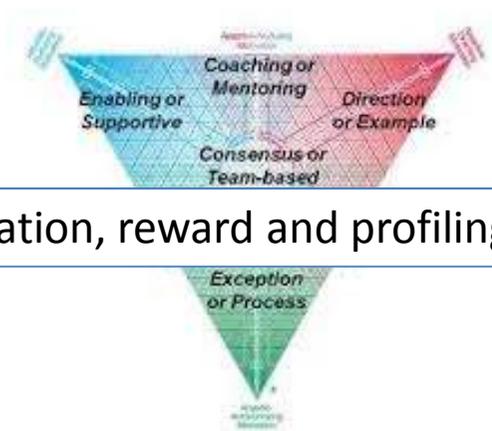
Is it worth all the effort?

Some lessons we learnt

- Change can be painful and you have to be focused
  - *not everybody made it through the change!*

- Customers can take all the value without reward
  - *they had to implement contractual Service Level Agreements to ensure pay-back*

- The journey was longer and took more effort than was first anticipated
  - *they had to keep 'the faith'. It would have been easier to revert to type*

It does work and you can get the rewards

The Measurable Results

Third year results – Highlights

- **We changed the company perception in the market** *– Feedback surveys showed that this company was seen as forward thinking and innovative*

- **We won £986K of new business on "Consultative" bespoke customer contracts** *– We put contracted out services into customers and got 4 times payback on costs*

- **We won, at least, an extra 1.6m GP for contractual SLA's based on "Value Selling" activities** *- We learnt that SLA's were the best way of ensuring that we got a return on our investment*

- **We achieved a cost savings of 390K and a further 80k GP for innovative online trading solutions** *- Hooking 136 customers into online bespoke ordering systems, ring-fencing and growing business*

- **We launched a new market service, achieving an extra 720K of new business and an extra margin increase of 53K**

- **We found evidence to show a higher margin was achieved or prices held-up against our competitions activities**

BlueGreen

To Summarise
Third year measurable results

We increased the Gross Profit (where it could be measured) by
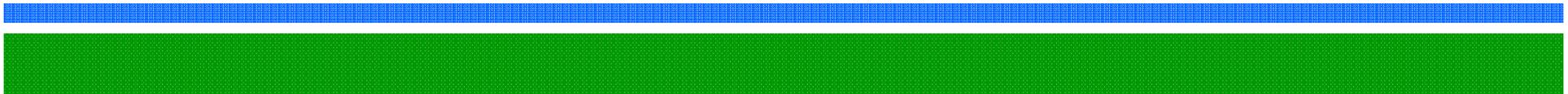**£2.5m or 15.6%**

The best result was?

The Salesman said
"we don't talk about price anymore, we talk about what we can do for the customer "

"doing this stuff makes you different - and being different makes you money"

Harrison Lloyd,
Online marketer - 2013

"Thank you for Listening
and Good Luck"

Donald Turner
Personal and Organisational Development Specialist- 2013

investigative questioning	
1	situation
2	problem
3	implication
4	need-pay-off

SPIN