

Capital Equipment
Distributor



Major Account Management Program Fosters Commitment,
Collaboration for Customer Win

“We brought value to our customer by problem-solving, not product-pushing.”
Last fall, a billion-dollar capital equipment distributor activated a new Major Account Management Program that capitalizes on cross-company teamwork to better serve its major accounts. The program, tailored specifically for the company by Critical Path Strategies, Inc., provides a proactive framework for assessing customer business gaps, aligning to customer initiatives, developing intentional relationships, and planning the most important actions required to win major opportunities. The new program has been instrumental in several customer wins. Armed with the Account Management planning tools, a sales representative enlisted his account team and utilized his creativity and problem-solving skills to fashion a comprehensive strategy for a customer that resulted in the largest single package sale—37 units—of his career.



The customer was a major construction firm whose relationship with the capital equipment distributor goes back 50 years. With a fleet of 100+ machines, the customer provides excavation services for residential and commercial development in Texas.

The customer wanted to place an order with the distributor for 25 new machines. Learning that delivery of the new model was delayed, the distributor substituted 25 previous-generation models for the customer to use in the interim. While awaiting delivery of the new machines, the customer observed that the current model had begun to test the limits of its design capability in the harsh conditions of Central Texas where it was being used. By all accounts, an enhanced structural package was needed for such an extreme application. What would this mean to the pending \$3.5-million order for the new model?





"The basis of the program is to figure out where your relationships are and where they need to be. If you don't have a relationship, the critical-thinking planning tools point you in the right direction to build one."

— Account Representative

ABOUT CPS. Critical Path Strategies helps clients improve their competitive position by providing comprehensive consulting services to improve the effectiveness of major account sales organizations. Our portfolio of services addresses the strategic, organizational, and relationship issues that impact selling performance. Engineering successful sales teams the Critical Path Way enables clients to develop strong selling organizations, build high-value customer relationships, and accomplish strategic business initiatives. Our clients—emerging companies and members of the Fortune 500 alike—typically measure 100 to 500 times their CPS investment in revenue growth.



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Program planning tools provide discipline, prompt BNAs

To manage this situation, the account representative and his sales manager turned to the new account planning tools. They developed and executed an Account Plan that aligned and engaged internal stakeholders—the company's product group, technical support, and finance unit—with the customer's critical success factors. With the extended account team on board, they methodically identified the best next actions to win the business, and continued to use the plan to communicate and document their progress.

Collaboratively, the account team aligned the value of its solution to what the customer wanted to fix, and then some. The product group immediately increased the structural integrity and retrofitted the enhancements into all of the customer's current machines. Working with technical services, the account rep took the customer's management team to the company's manufacturing facility to tour the plant and review the new series equipment. The company had modified the new equipment to address every issue that the customer had ever raised. Now a virtual member of the product development team, the customer realized how much the distributor valued its business.

A field test of the new equipment followed the visit to the factory. The account rep used this opportunity to educate the customer about the improvements to increase their awareness and comfort. Challenged by a recent price increase on the new model, the rep focused the customer on the intrinsic benefits of the machine—standardized product, high utilization rates, low cost per hour, low cost on parts, residual value, dealer support. He also secured an out-of-the-box warranty to cover any structural issues.

"Write it down!"

The account rep is a firm believer in the new Account Management Program. As he explains it, "The basis of the program is to figure out where your relationships are and where they need to be. If you don't have a relationship, the critical-thinking planning tools point you in the right direction to build one." The rep, who has been selling for 21 years, believes he intuitively has been creating Account Plans, but he wasn't writing them down. "I wasn't as deliberate. But if we get in a new situation or are threatened with losing an account and don't write down our plan, we could potentially overlook a key item or best next action."

The company's vice president of marketing proclaimed the account rep's Account Plan a role model for other account reps to follow. "What made the difference is how well he knew his customer and used the planning tools to validate his customer's business requirements and critical success factors. By documenting and communicating the best next actions required to execute his strategy, he and the entire extended account team stayed on task to close the business."

The account rep says the well-defined process that commits the entire account team to delivering value to the customer's business priorities is what makes the new Major Account Management Program successful. "We worked as a team and now we have the bulk of the customer's business in terms of dollars and units of equipment," he reported.

The account rep maintains that seasoned salespeople and brand new ones alike can benefit from completing Account Plans for their major accounts. "You have too much to lose by not taking the time to do it. In our business if you lose a deal, you lose it for the next 5 to 7 years. It's a lot harder to get them back in the tent then."

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