

Production Chemical Company



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- GBD Manager

New Key Account Management Program Pays Early Dividends

When this production chemical company was started in 1993, the founder envisioned a successful company built on long-term relationships with customers. He expected his employees to earn their customers’ confidence and consistently exceed their needs and expectations in order to make the company the customer’s supplier of choice. In 2006, building on the company’s success to date, the global business development (GBD) team implemented a new strategic sales process that aligns the company’s products and services with customer needs to leverage long-time relationships and build new ones. The results so far? The company enjoys a more accurate and enhanced image in the market, and has recently landed a new multi-year, multi-million dollar contract with a large Barnett Shale producer.

When the global business development team was formed last year, it was charged with correcting and enriching the chemical company’s perception in the marketplace, optimizing growth and opportunities in the company’s top accounts, and raising its exposure among the major oil and gas companies. The GBD director recognized the need for a strategic approach to these directives. He sought a framework that would help position the company as a global solution provider, assess the true state of customer relationships, determine immediate and long-term sales opportunities, and improve cross-company communications about the company’s major accounts.

Critical Path Strategies, Inc. (CPS) was engaged to customize a strategic account management process and critical-thinking planning tools, incorporating the chemical company’s organizational structure and business needs. The major account management program was rolled out in August 2006 to the GBD group and region managers. Using process-driven management tools such as gap assessment, customer value alignment, opportunity planning, and organizational mapping, the participants analyzed real-world customer accounts and prospects.

Account Management in Action. Using the CPS tools, the GBD manager developed a cohesive account strategy for a large Barnett Shale producer that had a large portion of their chemical business out for bid. The chemical company had done some quality work with this producer in the Texas Panhandle. This work was sold and serviced at the field level, as was the case with the majority of customers that the company developed over the years.





While most of this producer's employees in the field were highly satisfied with the company's superior local service, the GBD manager discovered that some decision makers in the corporate offices viewed the company as a small, "West Texas foamer company." Utilizing the account strategy, the company went to work to change that perception, hosting "lunch and learns" to tell its story: from humble beginnings 14 years ago in the founder's garage, to one of the largest production chemical companies in the world today.

Over time, the producer began to perceive the company in a different light. The producer grew more confident in the company's ability to handle an account as large as theirs. Relationship gaps began to close, and the company's ability to discover the producer's needs and meet them began to pay off.

"Our company is just now beginning to take on the qualities needed to manage larger, more complex accounts, thanks to the tools provided by CPS," the GBD director explained. "Our GBD manager took the tools and worked in lock-step with our field personnel and region and area managers to address the issues that our target account had in mind, but had not yet verbalized to anyone inside the company. We were able to take that information and fashion a strategy that would alleviate the producer's fears about giving us a large portion of their business. In the end, we acquired a two-year contract for new business valued in excess of \$10 million a year."

The use of the new tools has also been instrumental in penetrating existing accounts. "We have customers in a 'zone of indifference,'" the GBD manager explained. "They're not unhappy with us, but they're not really partnering with us either. We're using the gap assessment to identify how we can bring additional value to these customers and generate new business. We think we can grow \$30-50 million this year just from existing accounts."

Where Do We Go From Here? About 40 people are currently using the new sales process, and that number will more than double by the end of June. In the last 30 days, the company launched the program to train field salespeople and area managers. "One of our competitive differences is our superior local service," the GBD director said. "The more salespeople who use the new sales process, the better we communicate internally and more effectively address our customers' needs."

The chemical company grew 67% last year. In the first four days of 2007, the company booked over \$40 million in new business. Exponential growth like this takes careful management. "We work with large, complex accounts. A single account with a large independent or major O&G producer can span multiple divisions in a variety of geographic areas, customer contacts at different levels, and involve a host of our personnel," the GBD director explained.

The CPS tools are now a standardized communication component for the GBD team. Account progress is monitored in conference calls held on the second and fourth Mondays of the month. Four times a year, team account reviews are conducted for the company's top 20 accounts. "The new tools mean seamless communications internally, as well as better communications with our clients. And our sales growth proves it."

For more information about this client, contact CPS Client Services at clientservices@cpstrategy.com.

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.

