

Determining which of your Key Accounts has the potential for future growth

...is a challenge faced by many organisations today. In a world where margins are being constantly squeezed; where it seems competition is increasing almost daily; and where the demands on the few precious resources you have are stretched to breaking point, how do you determine where you should invest, and what you should invest in, to ensure maximum future return?

History is no gauge for future success. Why not? The rate at which your customers' markets are changing, and hence the rate at which their demands on you are changing means that something that was right only last month, can be no longer valid today.

Given the Pareto Principle (the 80:20 rule) holds true, and generally it does, these major accounts are likely to be the source of your future growth as well as your current business. The problem is, whether you currently have a framework agreement, an outsourcing agreement, or you are working on a project with these clients, future success will require investment now, in the right things and on an ongoing basis if you are to retain and grow these valuable customers.

So, what do you need to invest your time, effort, energy and cash into that will produce these results? The answer is blindingly obvious; you invest in the things that are worrying your customers about their futures.

Businesses today need to make their customers' challenges their own!

There are three areas that are key to achieving this: Knowledge. The knowledge required to become a high performance organisation is more about customer's customer, and beyond if appropriate, than it is about own business, own customer or own competition. ICDL's ethos is predicated on answering the question 'so what?' from the customer's perspective. The achievement of this goal normally requires a significant change in the type of data that is perceived as critical to success within the organisation.



Organisational approach. Many organisations are not driven by the only goal that matters in business; that of becoming more important, invaluable and indispensable to their customers every day. Instead they are driven by what they think is important. This drives short-term only cost-cutting thinking, not the short, medium and long term customer-partner thinking that is vital to long term sustainability in a competitive world. The achievement of this goal usually requires the implementation of a different business approach or structure to achieve optimal success.

Individual mind resetting

People over time have become 'used' to a certain way things are done around here. The critical change underlying the ability of any organisation to improve sustainable success rests here. Some organisation will be ready to accept that success in the 21st Century requires different thinking patterns to those that achieved success in the 20th Century, some won't. Those that do recognise this and implement the mind resetting that is required will succeed; the rest will fail.

Customers are getting more sophisticated. They are having to; they have the same issues of reducing margin and increased competition. They have to meet the expectations of their customers and, if they are not an end user sales organisation, their customers then have to meet the expectation of their own customers. Improvements in distribution logistics and communications have enabled nearly all businesses to buy, sell and cooperate on a global level. Customers, meanwhile, have the chance to shop around and compare prices globally. The result, even locally orientated mid-sized companies find themselves in a global market, even if they do not export or import themselves.

Business has always been like this, it is just that today, end users are becoming more demanding, with price expectations being set by low margin internet businesses, and service levels likewise. It is no longer enough just to be competent, to succeed today you have to create Value at each and every step of the process. Value is the ability to create perceived differentiation, and the perception of enhanced quality when viewed from the ultimate end user's perspective. Why do end users perceive more Value in Sony products than JVC when they are built on the same production line?



Finding the answers to questions like this forms the core of the knowledge that organisations require today to compete successfully and thrive. If organisations are not creating Value and differentiation, and positioning the qualities that underpin these factors in the minds of their customers and beyond, they will be at the whim of the market, rather than being a driving force dominating the market.

Research shows that senior level customers are looking for salespeople who can offer new insights into their challenges, and who can help them develop new strategies. These sales people become 'Trusted Advisors'. To become a Trusted Advisor, a salesperson needs to have a deep understanding of the customer's business challenges, an equally deep understanding of their own organisation's capabilities and to be adept at helping customers break out of old assumptions and create net new Value.

ICDL enables organisations to develop high value long term relationships with their clients by ensuring that the business needs of clients are clearly understood, and the organisation is aligned to exceed delivery expectations.

"Bombardier can now prove that it can effectively target the most profitable customers and manage risk".

Heikki Viika, VP Sales & Marketing, Bombardier Rail Control Systems

For more information on how ICDL can help you, call us today on +44 (0)118 979 8433 or e-mail enquiries@thebusinessaccelerators.com

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