

9th June 2021



AMPLIFY

Sales and Project Management Forum

June 9-10, 2021

Account Management and Sales in a Post-Pandemic World

Richard Brooks

@RichardMBrooks

Richard-Brooks.com

Hello America

Download this slidedeck:

<https://richard-brooks.com/downloads>

Executive Director

Elia
(and former ALC Exec
Director)

MBA

Majoring in Economics
and Marketing.

CEO

K International Ltd
UK Based LSP

My own career...
Admin - Creative - Manager -
MBA - CEO - Owner/Investor.

an introduction to

Richard Brooks

Active Investor

Interests around
electrification, green
technology, uranium,
Gold/Silver/Copper.

Consultant (new for 2021!)

Sales team training, C Level
Coach, key account
management, strategy
development, family business
facilitator.

Director

Cranfield School of
Management Key
Account Management
Best Practice
program.

**A good conversation is
better than a lecture.**



@RichardMBrooks



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Contact me anytime about any of this...

TL;DR

A health crisis IS an economic crisis.

<https://www.nytimes.com/interactive/2021/world/covid-cases.html>

Supply chains are disrupted... US economy doing well.

Customers don't care about you.

Everything is being automated... so where are you going to position your company?



An Inflection Point

Gerd Leonhard

There will be more changes in the next 20 years than in the previous 300.

- change is happening fast



The 4th Industrial Revolution

The blurring of boundaries between the physical, digital, and biological worlds.

A fusion of advances in artificial intelligence (AI), robotics, the Internet of Things (IoT), 3D printing, genetic engineering, quantum computing, and other technologies.





UBER

The world's largest taxi firm owns no vehicles

NETFLIX

Fastest growing TV company lays no cables



Most popular media provider creates no content



The world's largest retailer has no inventory



The world's largest accommodation provider owns no property



Tesla made more money speculating on bitcoin than making cars

Transformational Business Models

Traditional

Banks →

Hotels →

Taxis →

Food retail →

Restaurants →

Car dealerships →

Gyms →

Universities →

Retail/Malls →

Art →

Transformational

Fintech, Paypal, Apple Pay, Monzo

Airbnb

Uber, Lyft

Hello fresh

Just eat, Doordash

City car clubs

Peloton

Coursera

Alibaba, Amazon

Non-fungible token (NFT)

Hype Cycle

Hype Cycle for Emerging Technologies, 2020



[gartner.com/SmarterWithGartner](https://www.gartner.com/SmarterWithGartner)

Source: Gartner
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Gartner.

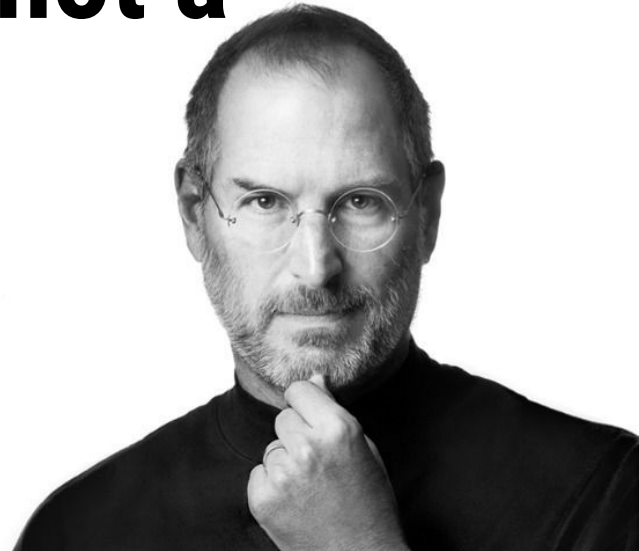
Some questions to include in your strategic planning

Are you looking at how these technologies will impact your ability to create value?

Are you looking at how these technologies are impacting your customers ability to create shareholder value?

<https://www.gartner.com/smarterwithgartner/5-trends-drive-the-gartner-hype-cycle-for-emerging-technologies-2020/>

**Innovation is the ability to see
change as an opportunity not a
threat.**



Is this what you
think about what
someone
mentions sales?
#sleasabag

We have 8,000
translators. Good
price. Best quality.
All Languages. Sell
my Grandma. etc
etc....

this is not sales



Or do you think of this guy?

Two choices...

- A) say it's an amazing pen... it'll last forever... it good value for money... it's amazing... you should buy this pen...etc
- B) start asking questions to understand why the customer wants a pen...



The Wolf of Wall Street (2013)

Sales is changing

McDonald's Share Price



"I'm loving it"

Sources:
<https://uk.finance.yahoo.com/quote/MCD>
<https://www.statista.com/statistics/819966/mcdonald-s-number-of-employees/>

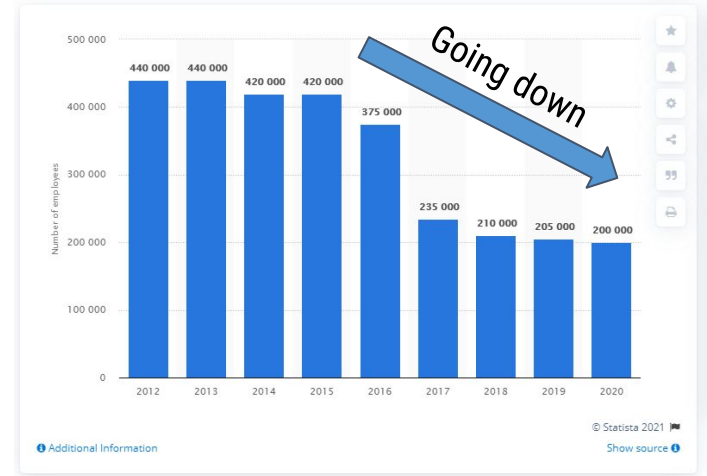
Sales is changing

McDonald's Share Price



"I'm loving it"

Number of Employees



"I'm not loving it"

Sources:

<https://uk.finance.yahoo.com/quote/MCD>

<https://www.statista.com/statistics/819966/mcdonald-s-number-of-employees/>

McDonald's plans for greater restaurant automation with third acquisition this year

◇ TECHNOLOGY by ANDREW SEYMOUR on 11TH SEPTEMBER 2019

f FACEBOOK

tw TWITTER

in LINKEDIN



McDonald's has made its third technology acquisition this year after snapping up a firm whose software will enable greater levels of automation between its drive thrus and kitchens.

The company has purchased Apprente, a two-year-old business that specialises in voice-based, conversational technology.

McDonald's said the takeover gives it "first-mover advantage" in the voice recognition

Transactional sales has been automated... not just in MCD, everywhere!



Jul 11, 2018, 02:20pm EDT

McDonald's Says Goodbye Cashiers, Hello Kiosks



Ed Rensi Former Contributor @ Policy

Follow

⌚ This article is more than 2 years old.



McDonald's Self Ordering Kiosk (Wall Street Journal, Kevin Hagen) WALL STREET JOURNAL

"Would you like fries with that?" may soon be a phrase of the past.

As minimum wage levels approach or surpass \$15 nationwide, restaurant customers expecting to be greeted by a smiling face will instead be welcomed by a glowing LED screen.

Evolution of B2B Purchasing

90% of decision makers say they never respond to cold outreach.

Harvard Business Review

75% of B2B buyers expect to use social media in future purchases.

Social Media B2B

5.4 people now have to formally sign off on each purchase.

CEB survey 2015

buyers are 57 % of the way through the buying process before they contact a potential supplier

CEB

MBAs in procurement outnumber MBAs in sales by 10 to 1.

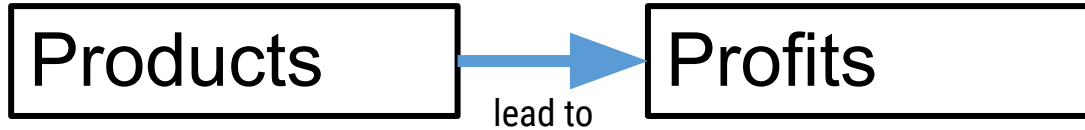
67% of the buyer's journey is done digitally

Sirius Decisions

3 out of 5 buyers are now millennials



Organised people will think that...



But profits come from
Customers...

July 1925 E.K. Strong The Psychology of Selling

Download link:

<https://catalog.hathitrust.org/Record/000475708>

PSYCHOLOGY OF SELLING AND ADVERTISING

CHAPTER I

THE TWO POINTS OF VIEW

There is a real need for salesmanship in the world today. Even though everyone should know exactly what he wanted, he would not know just where or how to obtain it. The salesman's function is to make him realize his wants and to show him how to find satisfaction.

It sounds easy. But it is not so simple as it sounds.

There are, of course, many reasons, connected with the product itself, why a given product does not sell. It may be as out of date as a mustache cup, as limited in appeal as a pet rattlesnake, as disappointing as a cheap cigar, once tried and ever after not wanted. The chief concern here is not with such cases. It is taken as a premise that our salesman is dealing in a reputable, authentic commodity which is designed to serve some useful end or increase the sum total of human happiness.

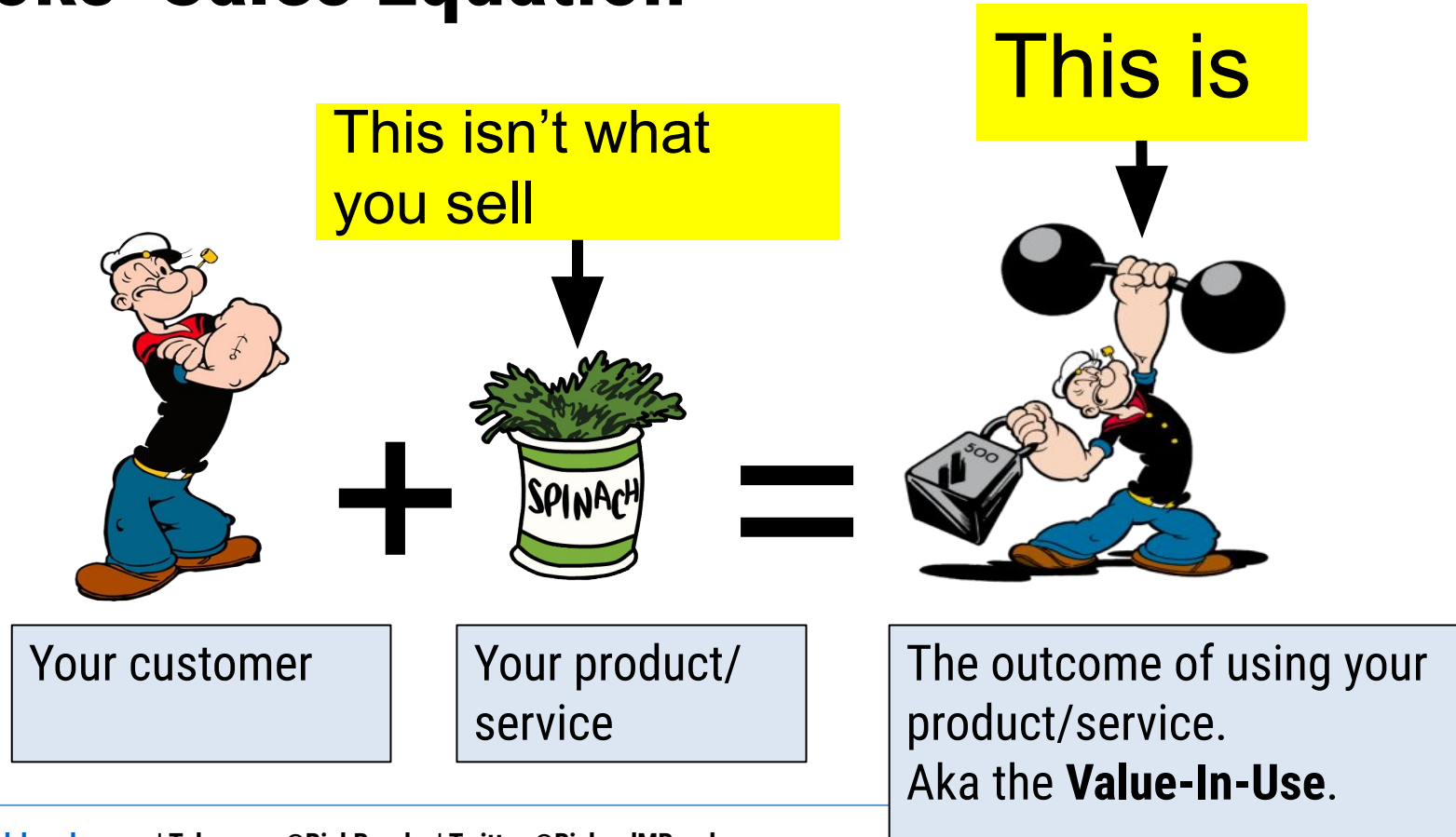
But many a worth-while article does not sell as it should. Obviously, then, the trouble is with the salesman. He is not reaching all his real prospects. Or if he reaches them, he is not interesting them. Or, if he interests, he is not holding them. Why?

One of the chief causes of such inefficiency is illustrated in the following story told by Lambert:¹

A salesman had covered three states in the South for a year and a half and was not making the progress that the sales manager expected. The product was something new in ice boxes and rather costly. It embraced several patented features, among which was a home process for manufacturing the ice.

¹ LAMBERT, S. C., "When the Salesman Samples His Own Line," *Printers' Ink*, Jan. 19, 1922.

Brooks' Sales Equation

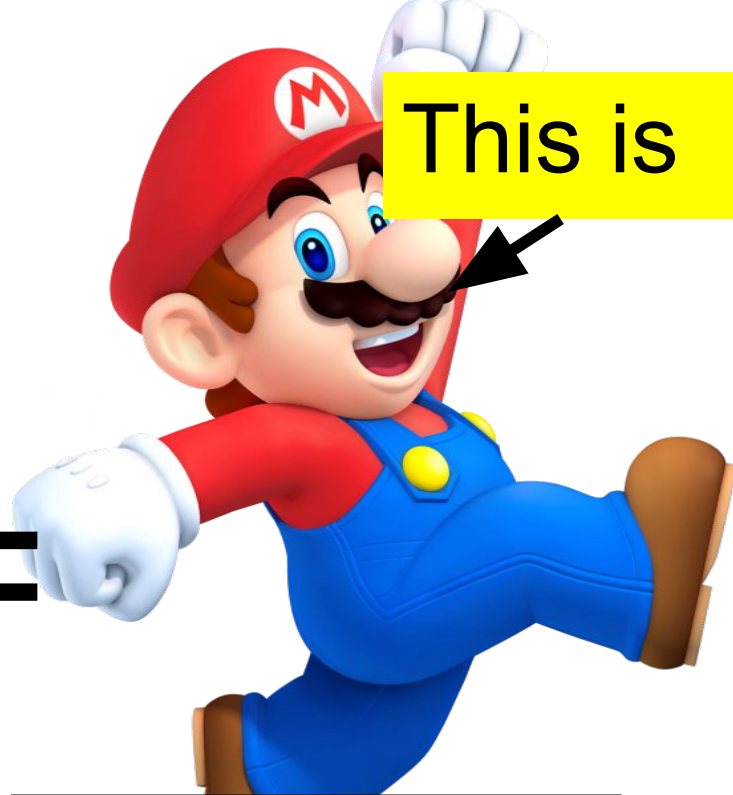




+



=



This isn't what
you sell

This is

Your customer

Your product/
service

The outcome of using your
product/service.
Aka the **Value-In-Use**.

Global Growth

Linguistics

Her career

Cambridge Analytic

Stock price

**User engagement
(\$256/user)**



So... what happened next?



A queue formed



*We have 8,000
translators. Good
price. Best quality.
Me me me me me me
me me me.... Here's
my business card*

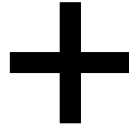
A queue formed

They took turns to say this

Brooks' Sales Equation - applied



Facebook



World class
Loc services.



2 billion users
worldwide = \$\$\$\$\$\$



The customer doesn't care about you... they care about the thing they can do when they use your service.

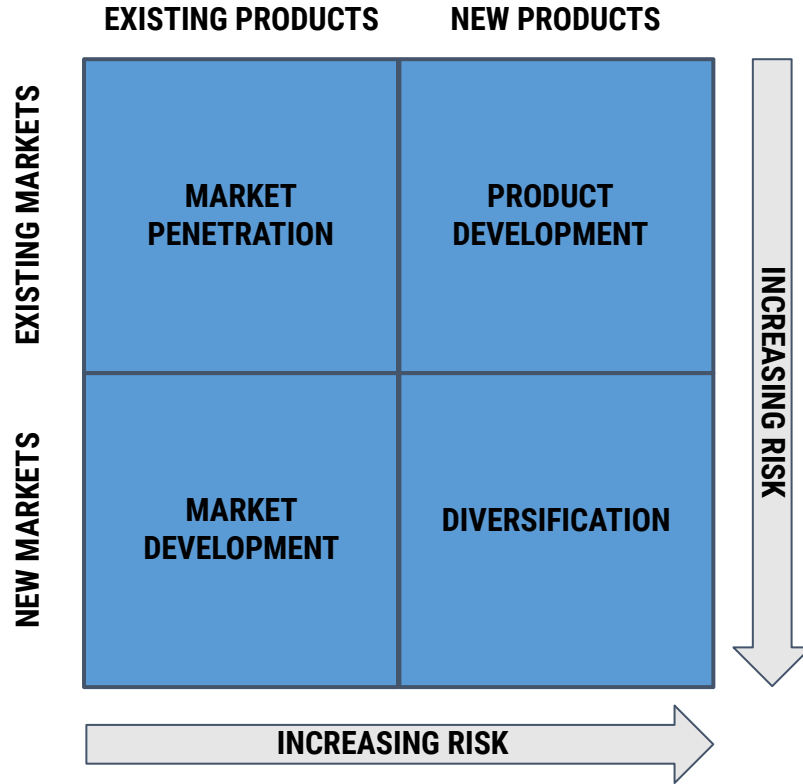
Key questions

- What does the customer want to achieve?
- How can we help them make it happen?
- What will they pay for the privilege? (how much value will this create?)

Price is what you pay.
Value is what you get.

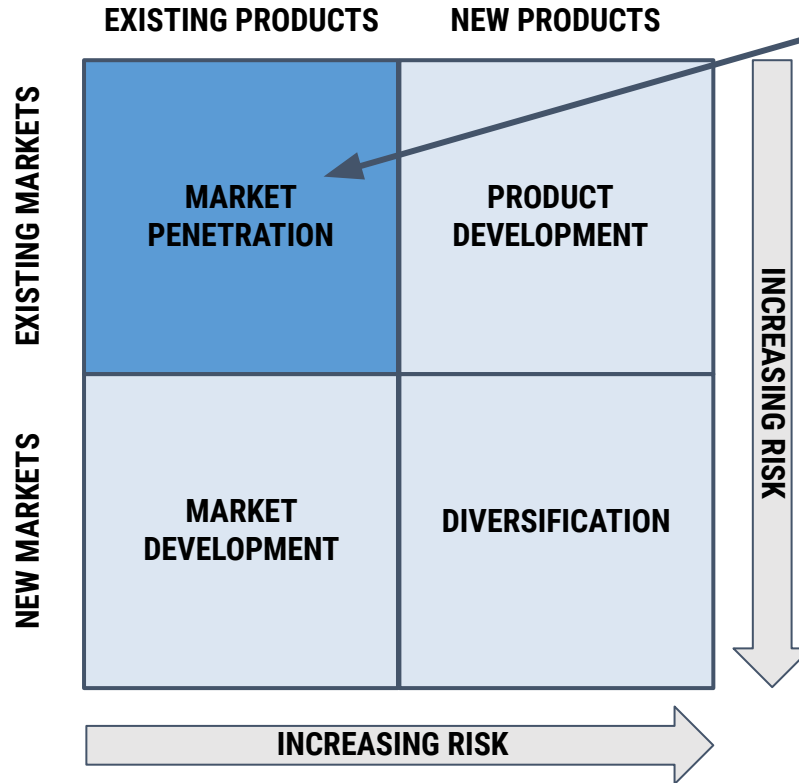


Portfolio Risk



Adapted from Igor Ansoff's (Harvard Business Review, 1957) original paper.

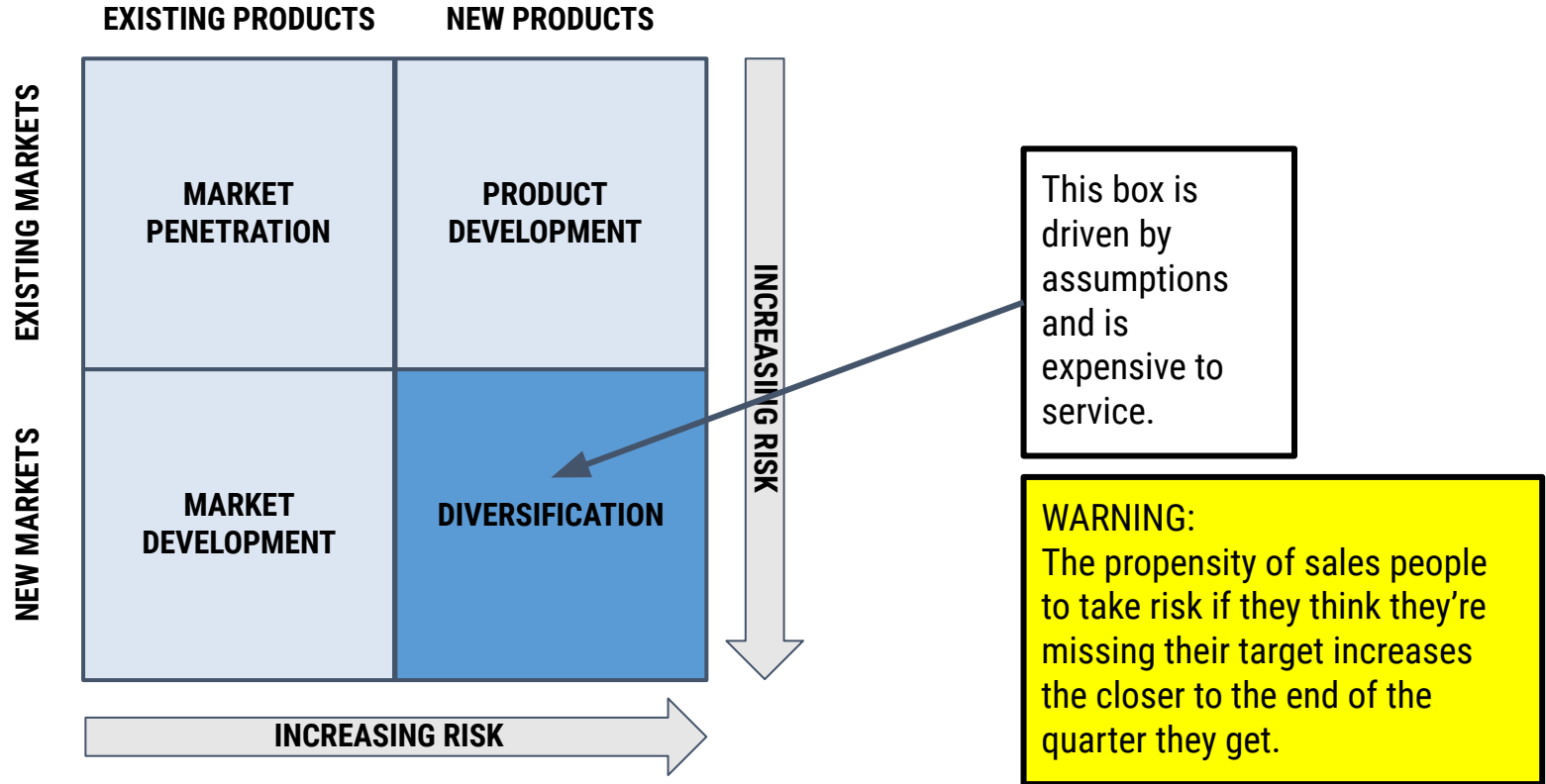
Portfolio Risk



This box is driven by insights... repeat business is very profitable.

Adapted from Igor Ansoff's (Harvard Business Review, 1957) original paper.

Portfolio Risk



Share of Wallet

maximise the share of wallet...

- what you sell them
- what they buy from your competitor
- what they do themselves
- what they should do but don't



Share of Wallet

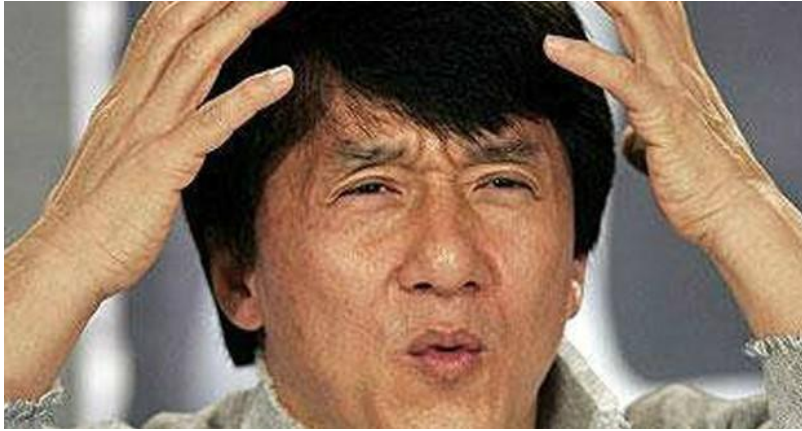
maximise the share of wallet...

- what you sell them
 - what they buy from your competitor
- what they do themselves
 - what they should do but don't



Huge opportunity
here in our industry

Sell on value not price but...



WTF is value... and how do we identify and sell value?

Where can you create value?

Top Line. Trends/Competitors/Cultures.

Bottom Line. Cutting Costs/Improving Yields.

Business Reputation & Continuity.

Perception/Safety/Social Media.

Strategy, Organisational & Other Advisory.

Legal/Compliance/Governance.

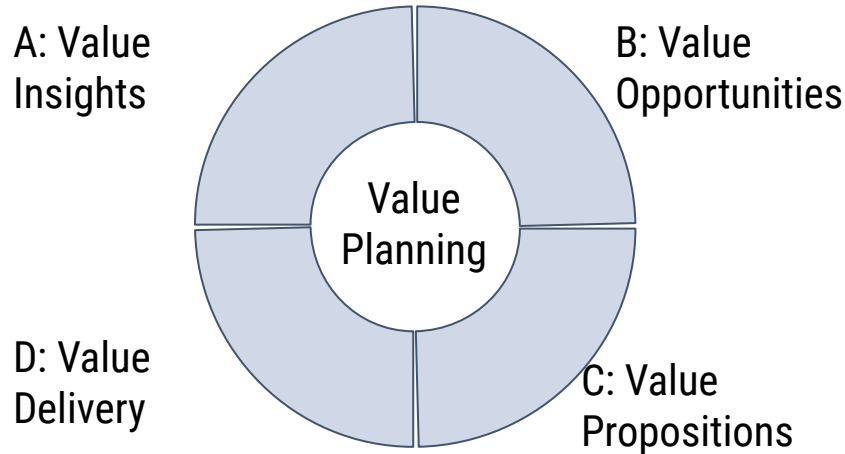
The Customer's Customer.

Supply Chain. You're a cog in a very big machine.

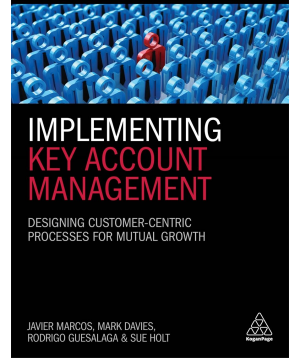


Adapted from. Infinite Value, Mark Davies

Value Planning Framework



A: Analysing the customer's world
B: Analysing the supplier's world
C: Creating and selling value
D: Demo quantifying and delivering value



Your Toolbox



A: Analysing the customer's world

- Customer PESTLE analysis
- Customer Competitor analysis
- Customer internal analysis
- Customer strategy via 9 box SWOT

B: Analysing the supplier's world

- Your competitor analysis
- Your internal analysis
- Your strategy (9 Box SWOT)
- Relationship Map and Decision Making analysis

C: Creating and selling value

- Value Proposition

D: Demo quantifying and delivering value

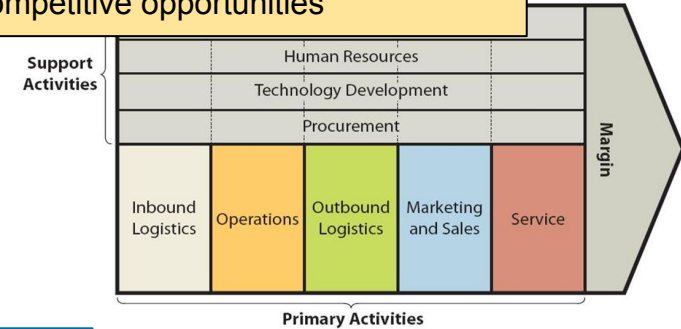
- Action Planning
- Delivering and Capturing Value
- Financials

P	E	S	T	E	L
Political	Economic	Social	Technological	Environmental	Legal
<ul style="list-style-type: none"> Government policy Political stability or instability overseas Foreign trade policy Tax policy Labor laws Terrorism and military considerations Environmental laws Funding grants and initiatives Trade restrictions Fiscal policy 	<ul style="list-style-type: none"> Economic Growth Interest Rates Exchange rates Inflation Disposable income of consumers Disposable 	<ul style="list-style-type: none"> Population growth Age distribution Health consciousness Career attitudes Customer buying trends Cultural trends Demographics 	<ul style="list-style-type: none"> Producing goods and services Emerging technologies Technological maturity Distributing goods and services Target Market 	<ul style="list-style-type: none"> The decline of raw materials Pollution and green house gas emissions Promoting positive business ethics and sustainability Reduction of their foot print. and mental on physical location (and accessibility) 	<ul style="list-style-type: none"> Health & Safety Equal Opportunities Advertising Standards Consumer Rights and laws Product Labeling Product Safety Safety Standards Labor Laws Future Legislation Competitive Legislation
PEST or STEP or PESTEL...			Potential Return on Investment (ROI)		

Use these tools from the customer's point of view.

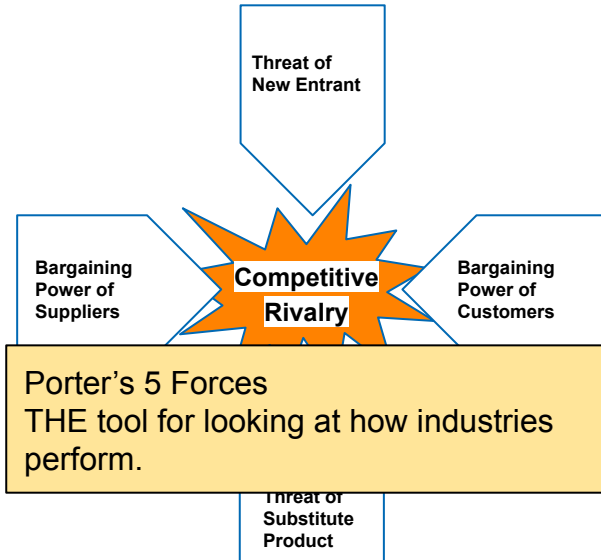


Value Chain Analysis.
Examine business activities and find competitive opportunities



SWOT analysis is a **Stupid Waste of Time** but a 9 Box SWOT is very useful.

OBJECTIVES	Strengths	Weaknesses
Opportunities	Quick Wins	Invest
Threats	Diffuse	Defend



Financial Analysis/Ratios

- Quick ratio/acid test, Working Capital
- Return on Assets, RO CE, ROE, Profitability
- Debtor days, Creditor days
- Debt to equity, Interest coverage

Ask your accountant to prepare these.

Your Toolbox

A: Analysing the customer's world

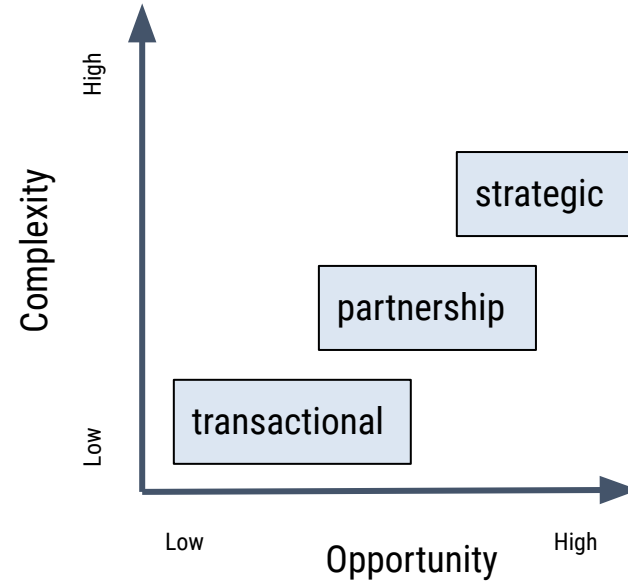
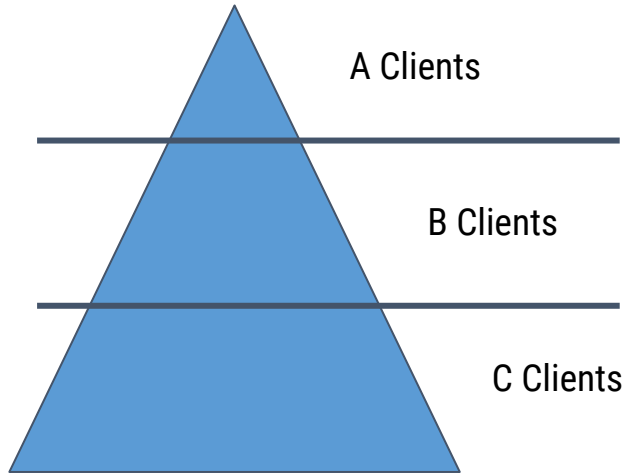
- Customer PESTLE analysis
- Customer Competitor analysis
- Customer internal analysis
- Customer strategy via 9 box SWOT

What is the CEO of the organisation you're selling into concerned about?



Jack Ma

Segment your Customers



Prince Charles and Ozzy Osbourne are in the same customer segment



Prince of Wales

- Born in 1948 in England
- Married the second time
- 2 kids
- Successful
- Very Wealthy
- Spend winter vacations in the Alps
- Likes dogs

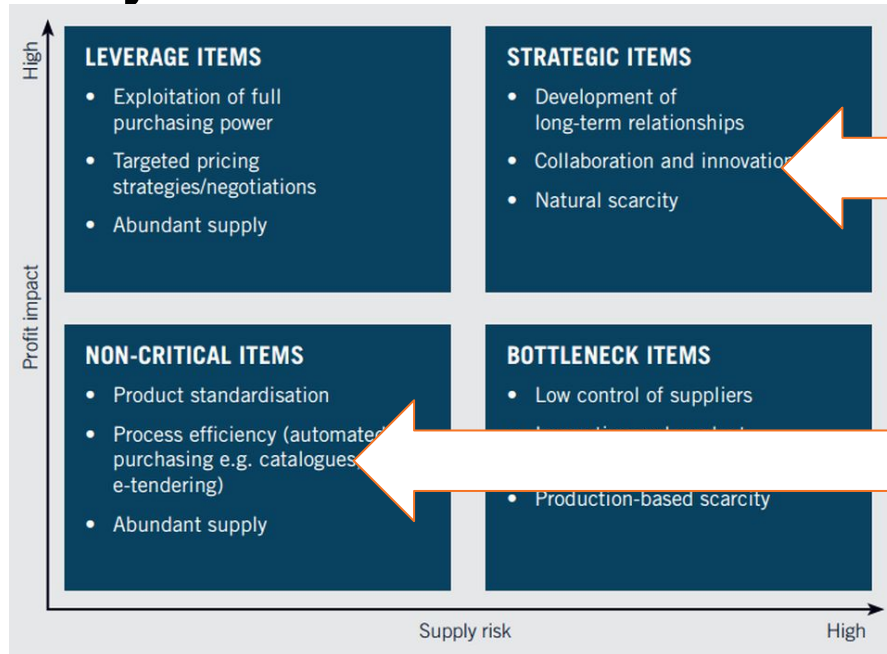


Prince of Darkness

- Born in 1948 in England
- Married the second time
- 2 kids
- Successful
- Very Wealthy
- Spend winter vacations in the Alps
- Likes dogs

Your customers will segment you

Kraljic Matrix



if you're selling you want to be here but...

... the buyer will want you to be here.

Kraljic, P., 1983. Purchasing must become supply management. Harvard Business Review 61 (5), 109–117.



**"THE REASON IT SEEMS
THAT PRICE IS ALL YOUR
CUSTOMERS CARE ABOUT IS
THAT YOU HAVEN'T GIVEN
THEM ANYTHING ELSE TO
CARE ABOUT."**

Seth Godin

Speak Finance

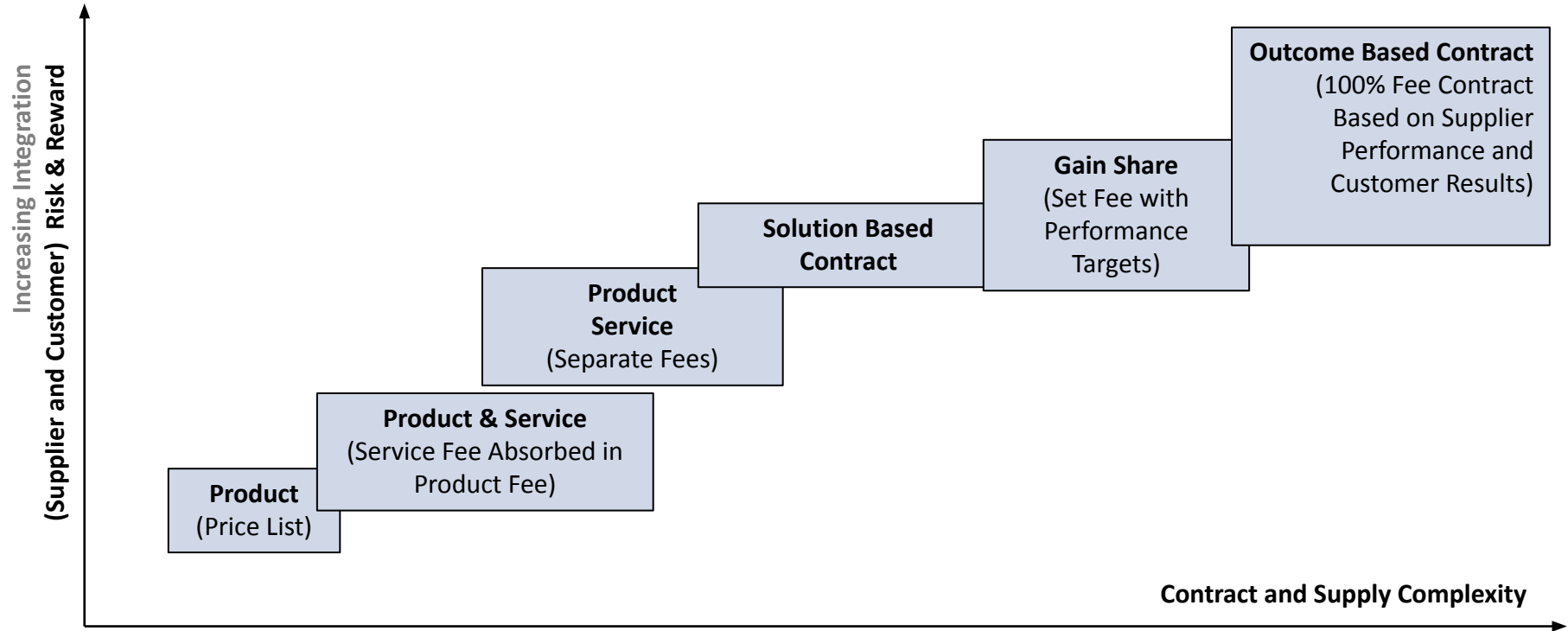


If your customer just sees a price... then this is what you get... what you need to do is to inflate VALUE.

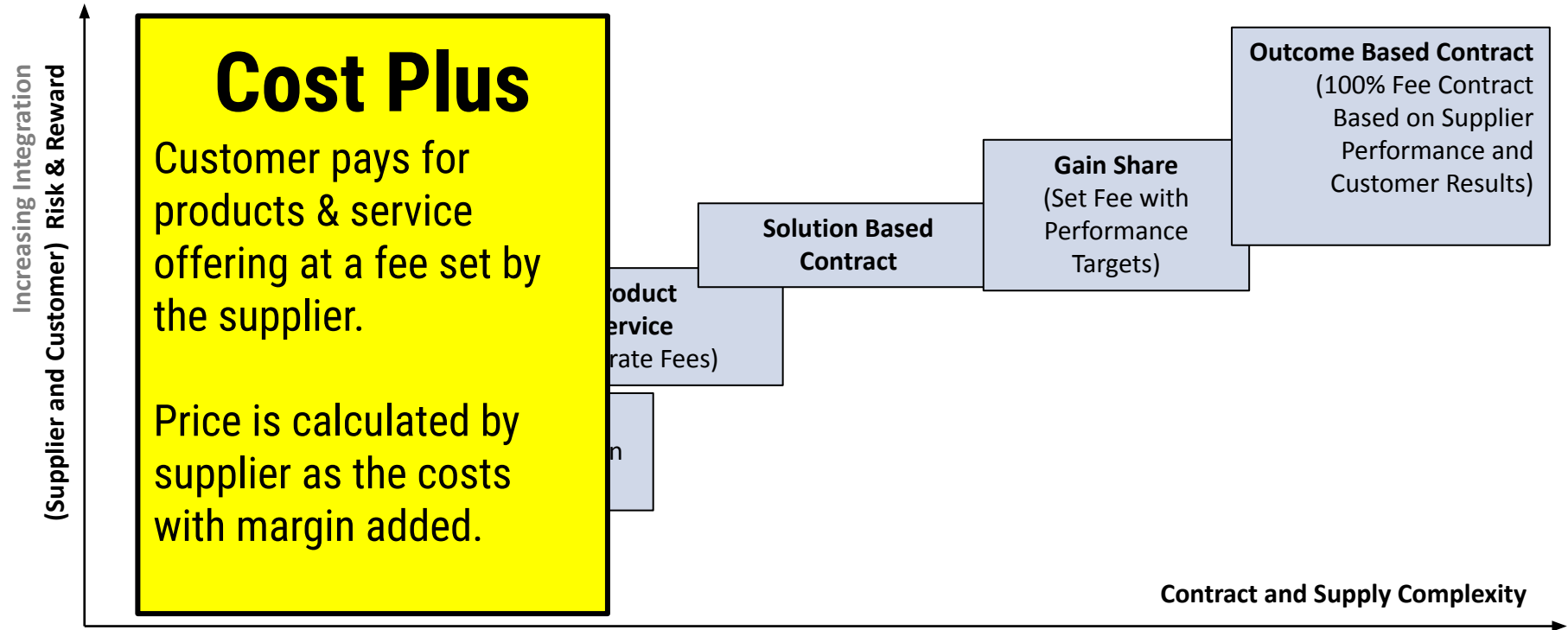
It is your job to identify and talk about value.

Learn how to read the customer's P&L and work out where you sit on it (COGS? - often sifts out the reality).

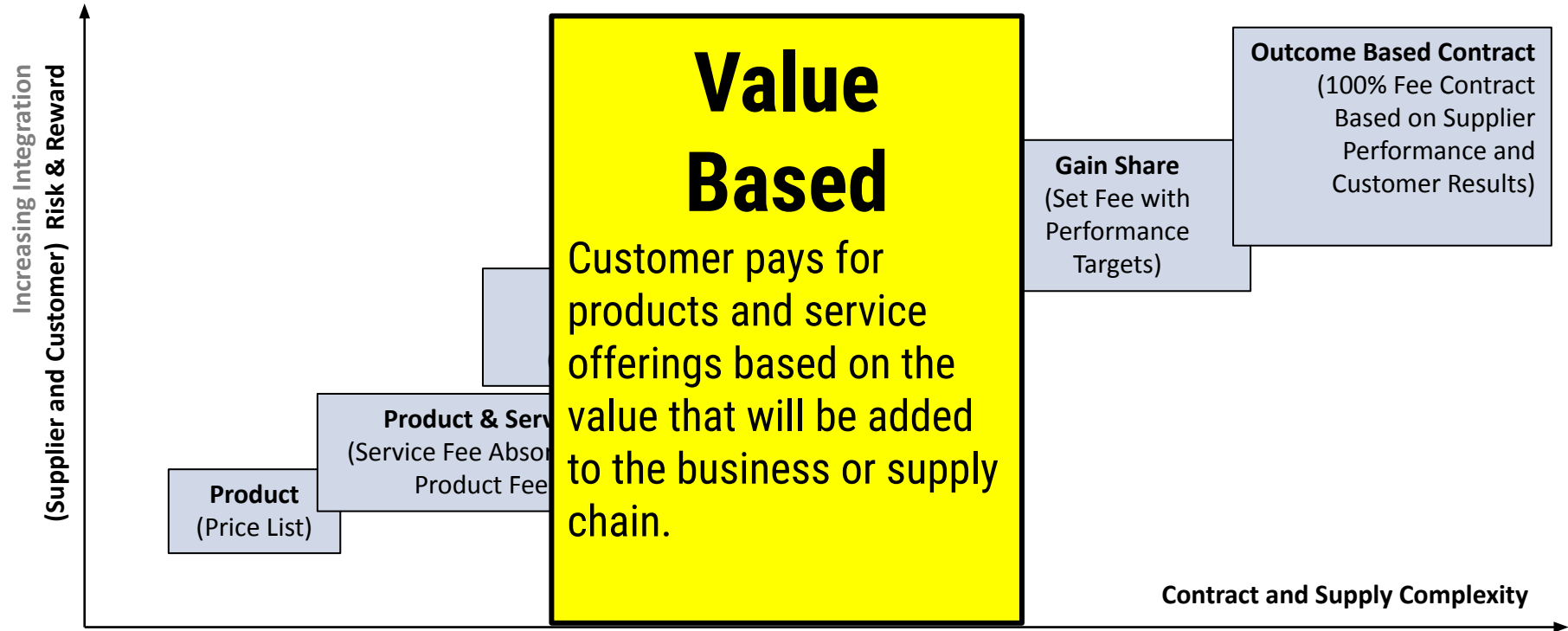
Get out of the Commodity Box



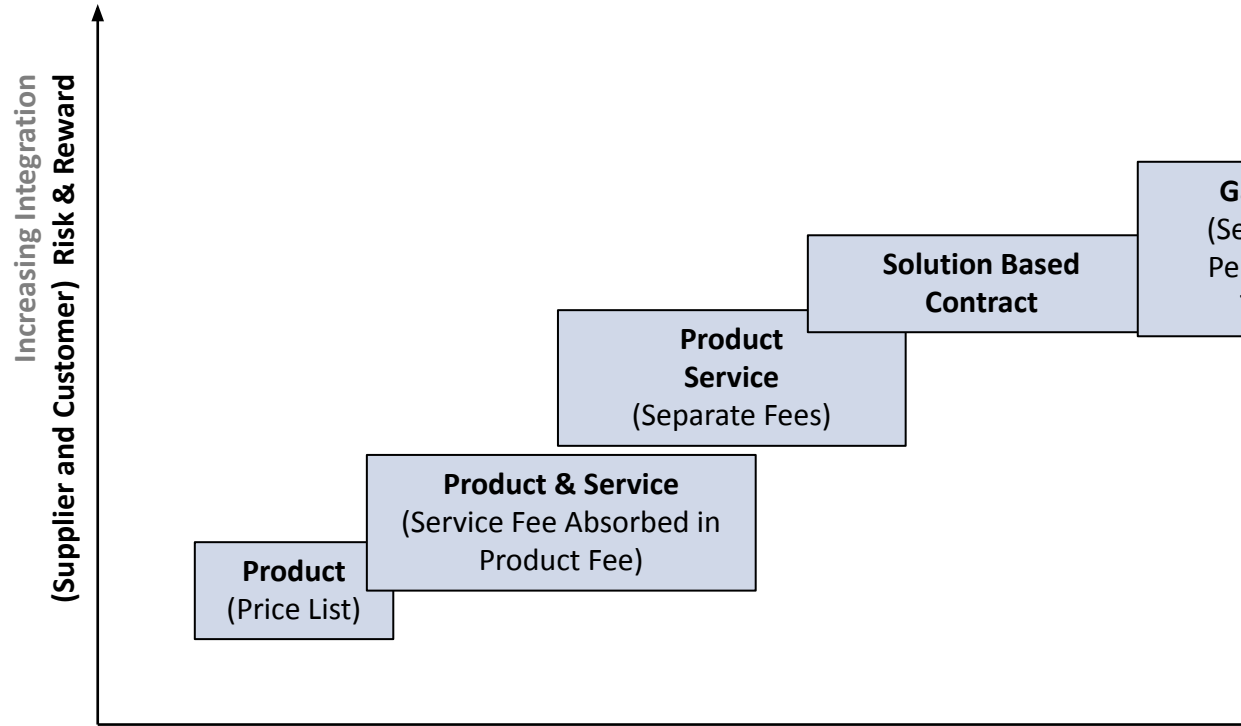
Get out of the Commodity Box



Get out of the Commodity Box



Get out of the Commodity Box

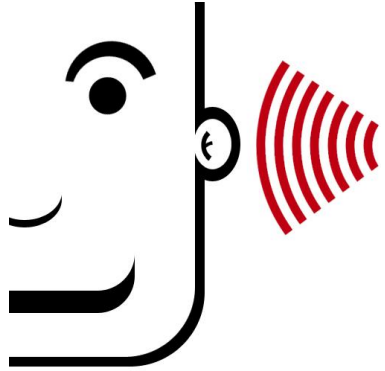


Results Based

Customer pays the supplier based on results actually delivered.

There is an increased risk for the supplier that a loss will be incurred if they do not deliver expected performance.

**Go to your
customers and
give them a
really good
listening to.**



**"If I had asked people what
they wanted, they would have
said faster horses."
- Henry Ford**

B2B

1. Extent of personal contact
2. Flexibility
3. Implicit understanding of customer needs
4. Pro-activity in eliciting customer's objectives
5. Pro-activity in checking everything is ok
6. Promise fulfilment
7. Knowledge

Source: Lemke, Clarke & Wilson (2011)
Journal of the Academy of Marketing Science

B2C

1. Helpfulness
2. Value for time
3. Customer recognition
4. Promise fulfilment
5. Problem solving
6. Personalisation
7. Competence
8. Accessibility

**People who will buy from you
again value this (so measure it!)**

What do you hire a milkshake to do?

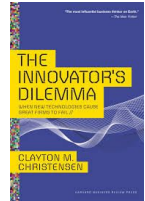
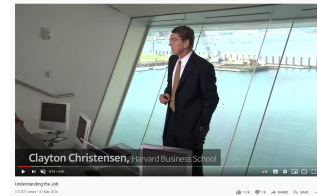
Q: Why do customers buy milkshakes from fast food restaurants?

Question was framed around what do you hire this product to do?

2 groups

Commuters. BIG shake, fits in the cup holder.

Parents. A milkshake is an easy yes.



watch this video >>> <https://youtu.be/sfGtw2C95Ms>

How much value does your brand add?



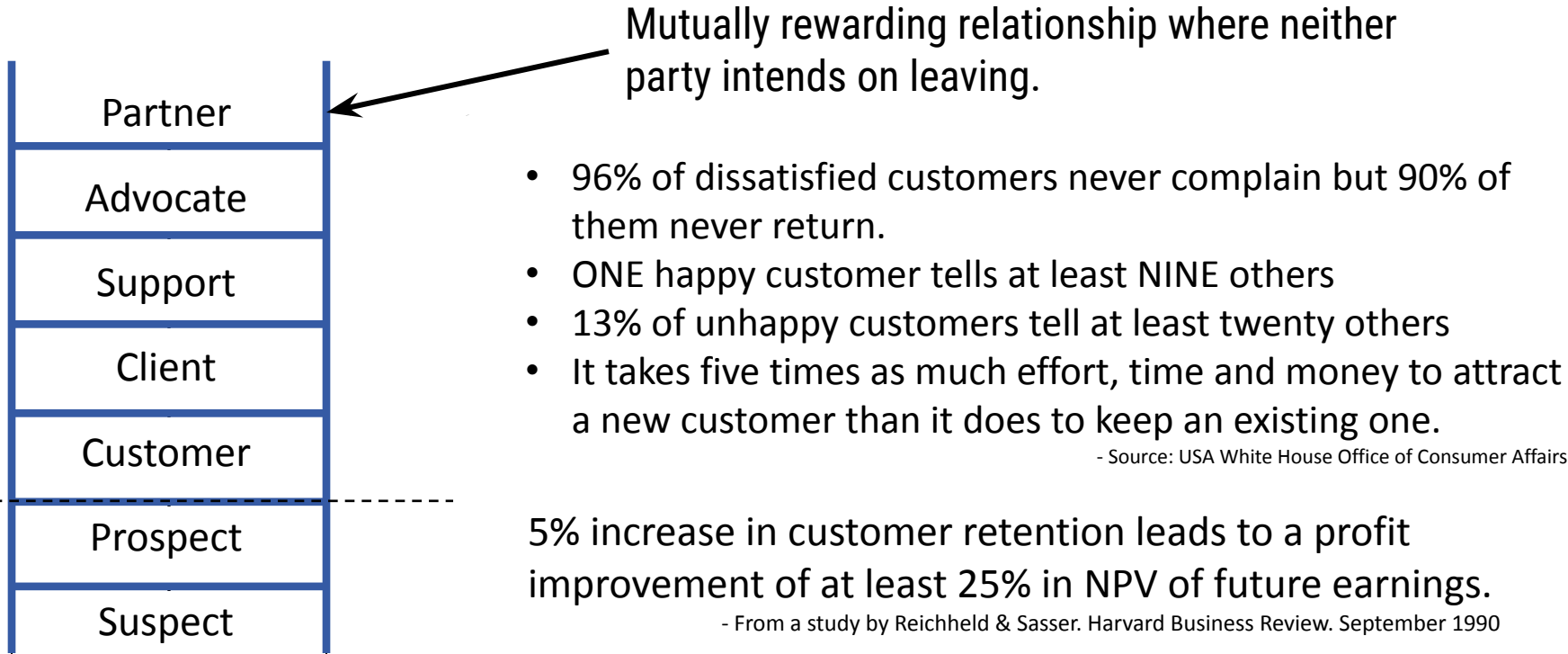
\$1.25



\$3.25

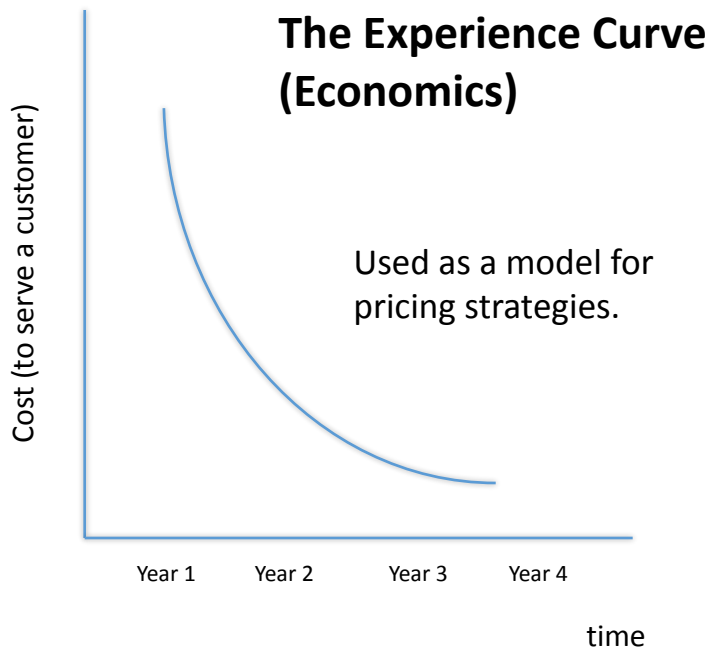
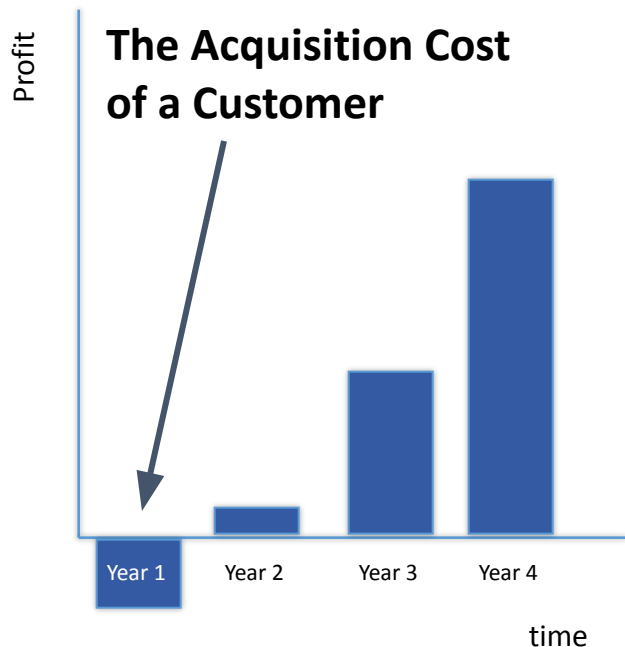
The Ladder of Loyalty

Moving your key accounts up the ladder

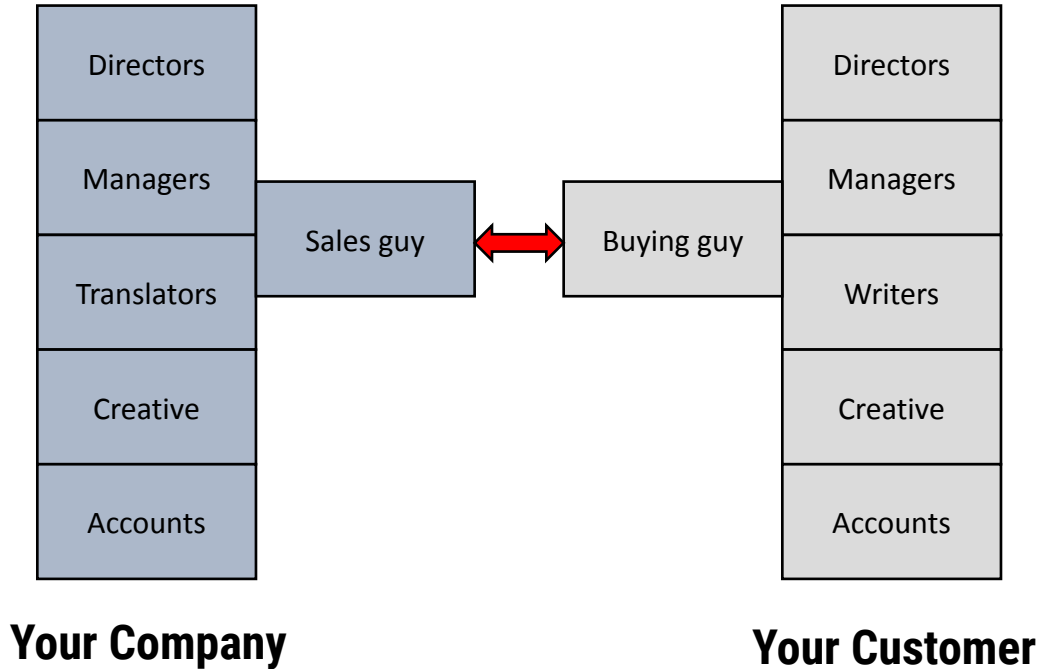


Cost of Customer Service

The cost to serve your customers decreases over time



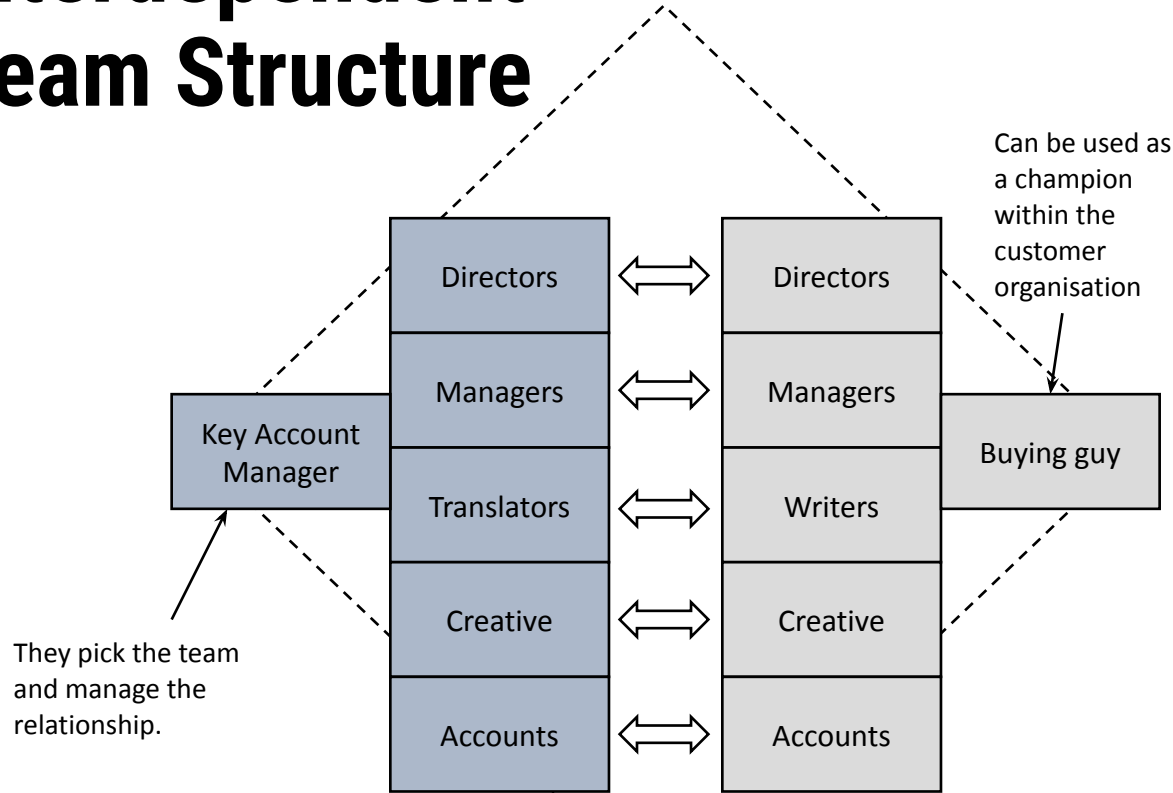
Traditional(?) Team Structure



Traditional relationship.
Means that the sales guy is incredibly valuable (they like this) and will get head hunted by the bigger companies to work for them (they like this as well).

Lose the sales guy lose the client.

Interdependent Team Structure

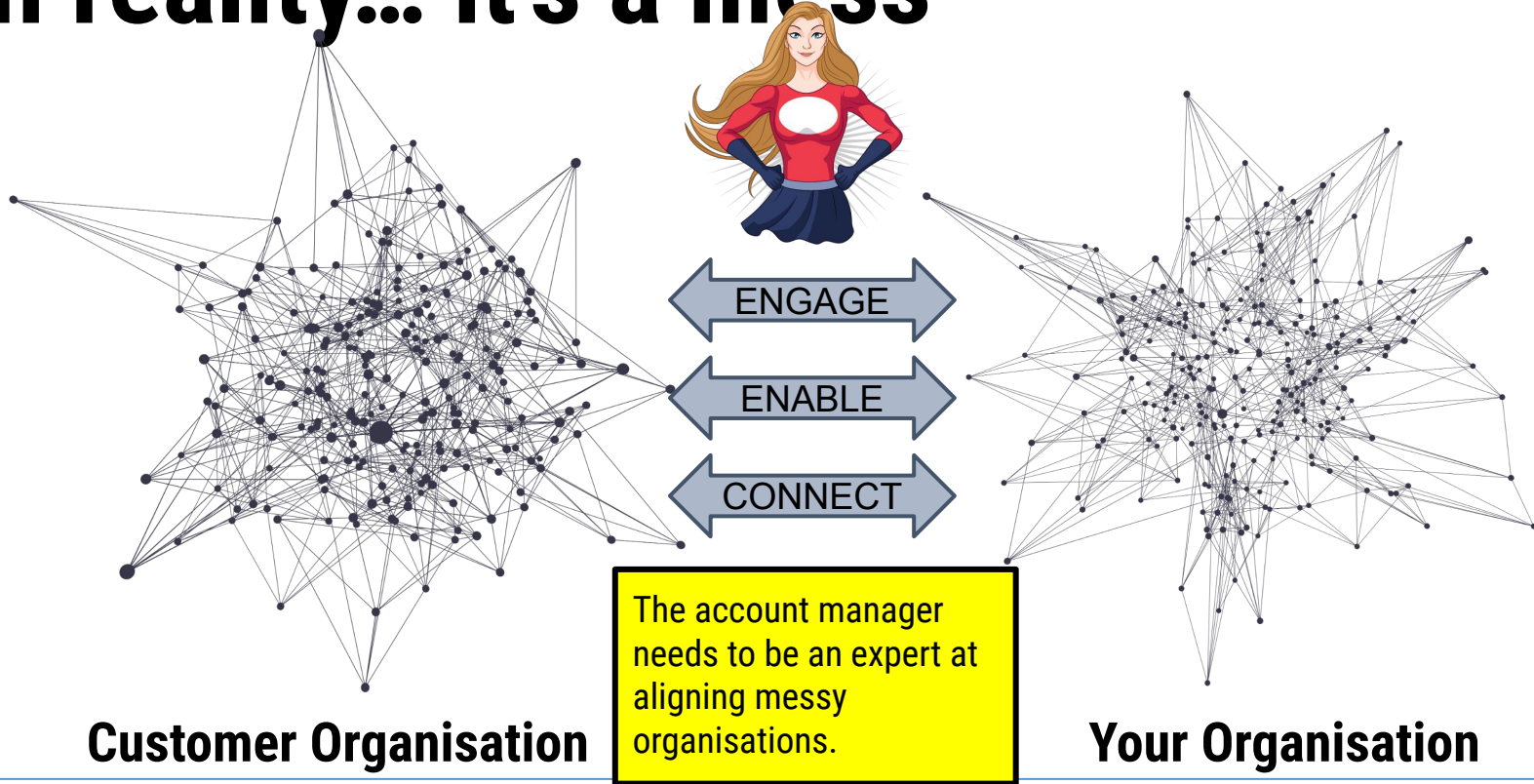


A stronger relationship.

If the sales guy goes... you're more likely to keep the client.

This relationship can then develop... R&D teams can merge, teams on customer site, joint board meetings, joint strategy development and social events.

In reality... it's a mess



Tips for competing with BIG companies

1. STUDY	Find their strengths and especially their weaknesses Know everything about them, especially what their customers don't like
2. NICHE	Spot one thing they haven't thought about and fill the gap
3. SURPRISE	Never attack their points of strength (David and Goliath)
4. WORK HARD	Enthusiasm, commitment, energy and , above all, perseverance e.g. more attention to instant customer service
5. BE SMALL	Be small, but above all, be professional, not amateurish
6. PLAN AHEAD	Develop your strategy (doing the right things). The above tactics will ensure success (doing things right). Plan for the future, not just for this year.

Look after your team



Look after yourself



Look after your time

	Urgent	Not Urgent
Important	DO IT NOW!!	Schedule it for later
Not Important	Delegate it	Bin it

Look after your cash



Look after your key customers

	Supplier strength with customer	
	High	Low
High	Strategic Investment	Selective Investment
Low	Proactive Maintenance	Management for cash

THE END :(

Thank you

Are there any easy
questions?

Special thanks to the ASL Team.

Reading List

Here's a list of the books I mentioned (directly or indirectly)

Corporate Strategy

Competitive Strategy: Techniques for Analyzing Industries and Competitors by Michael E. Porter

Blue Ocean Strategy by W. Chan Kim and Renée A. Mauborgne

Start With Why by Simon Sinek

Business Model Generation by Alexander Osterwalder and Yves Pigneur

The Fourth Industrial Revolution by Klaus Schwab

Management

The Practice of Management by Peter Drucker

Managing by Henry Mintzberg

The Innovator's Dilemma by Clayton M. Christensen

ReWork: Change the Way You Work Forever by Jason Fried

The 7 Habits of Highly Effective People by Stephen R. Covey

Who Moved My Cheese by Spencer Johnson

Sales/Marketing/Account Management

Implementing Key Account Management by Javier Marcos, Mark Davies et al

The Challenger Sale by Matthew Dixon and Brent Adamson

Purple Cow by Seth Godin

The Effortless Experience by Matthew Dixon , Nicholas Toman, et al