

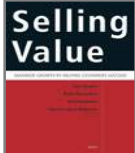
5th Industrial Service Business Day

**Developing Sales Leadership:  
Managing the revolution from providing technology to  
providing solutions and service**

Professor Kaj Storbacka



## Long-term research on sales transformation

Year	Project	Content	Publications
1998	<p><b>Key Client Management</b> How to Create Win-win Relationships with Your Most Valuable Customers</p>	<ul style="list-style-type: none"> <li>• <b>Strategic Account Management</b></li> <li>• Selecting strategic accounts</li> <li>• Introduction of relationship and opportunity management</li> </ul>	
2004	<p>Strategies and Tools for Investing in Customers</p> <p><b>Customer Asset Management</b></p>	<ul style="list-style-type: none"> <li>• Management of <b>customer relationships as assets</b></li> <li>• Management of customer portfolios</li> <li>• Management of the quality of customer base</li> </ul>	
2002	<p><b>SALES DRIVER</b> Next generation strategies and tools</p>	<ul style="list-style-type: none"> <li>• <b>Value sales</b> as the next development stage</li> <li>• Increasing role of sales planning and forecasting</li> <li>• Tools for effective management of sales</li> </ul>	
2005	<p><b>mc€arnie</b> Business model innovation for earnings growth</p>	<ul style="list-style-type: none"> <li>• <b>Business model innovation</b> and tools for growing earnings and improving performance</li> <li>• Business model framework with focus on value</li> <li>• Tools for analyzing and developing business models and describing the transformation process</li> </ul>	
2006	<p><b>Transforming Sales</b> Creating and winning the strategic sales cases</p>	<ul style="list-style-type: none"> <li>• Sales needs to adjust to strategy</li> <li>• <b>Sales as the shaper &amp; implementer of strategy</b></li> <li>• Transformation needs to be achieved in the personnel's mind-set, the structure and the key processes and tools related to sales</li> </ul>	

Prof.dr. Kaj Storbacka:

# Chair of Sales and Account Management

 ahrend

 Aon

 GAMMA HOLDING

 ING

 KONE

 nashuatec  
Your partner in performance

 ROYAL HASKONING

 PHILIPS

 SCHOUTEN & NELISSEN  
management, organisatie, training en opleiding

 usg capacity

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**DRIVING FIRM PERFORMANCE  
WITH STRATEGIC ACCOUNT MANAGEMENT**  
PROF.DR. KAJ STORBACKA



**Can be downloaded at  
[www.vectia.com](http://www.vectia.com) ("news")**

**1**

**Understanding next generation sales**

**2**

**Understanding solution business**

**3**

**Consequences for sales management**

# **Sales is dead!**

**At the same time the share and importance  
of managed accounts is increasing**

## **From push to pull:**

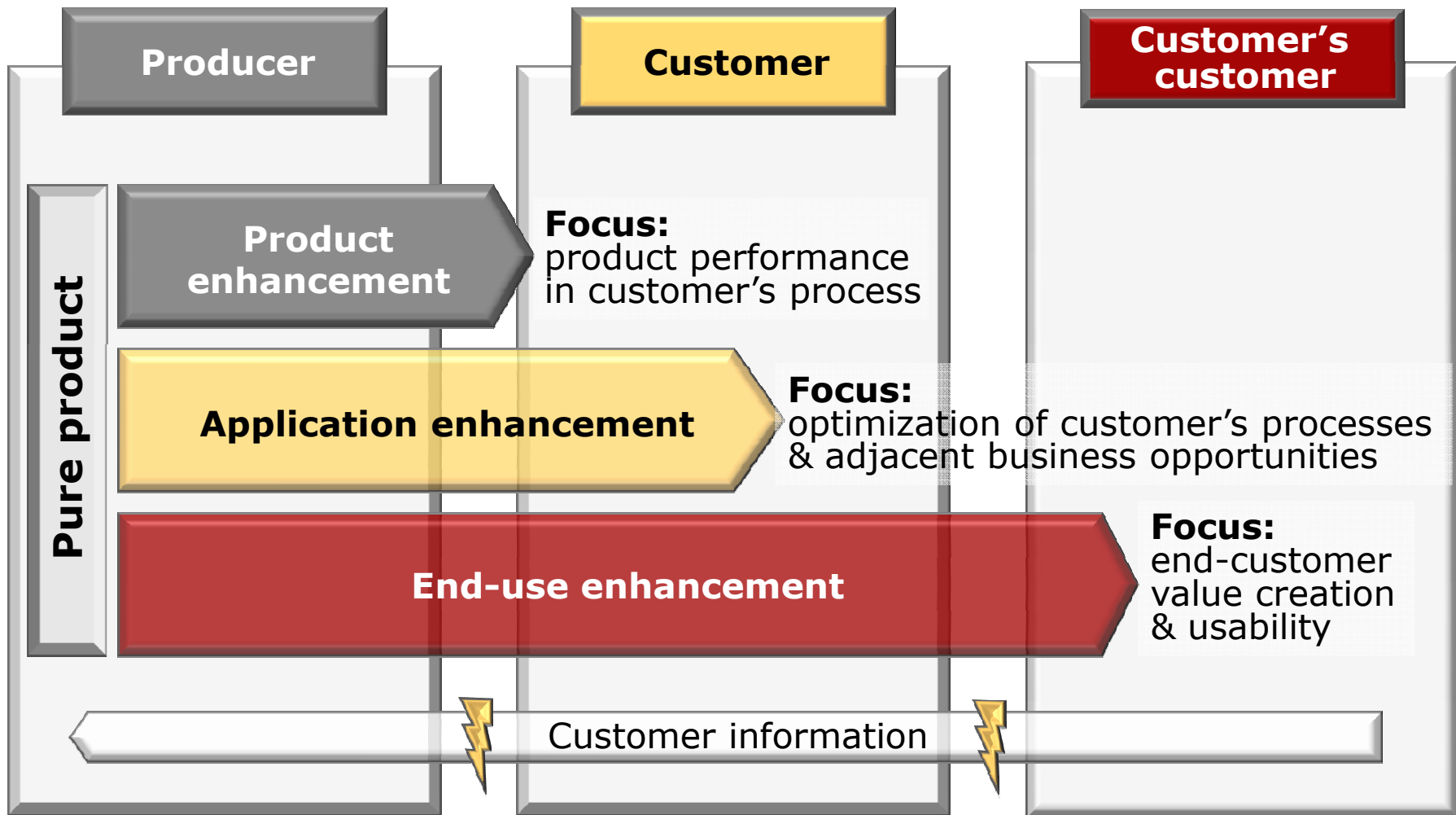
**The new purchasing reality:  
Transforming the Supply Chain  
into a Demand Chain**

## **The extended enterprise:**

**Strategic agility may be the only  
sustainable competitive advantage**

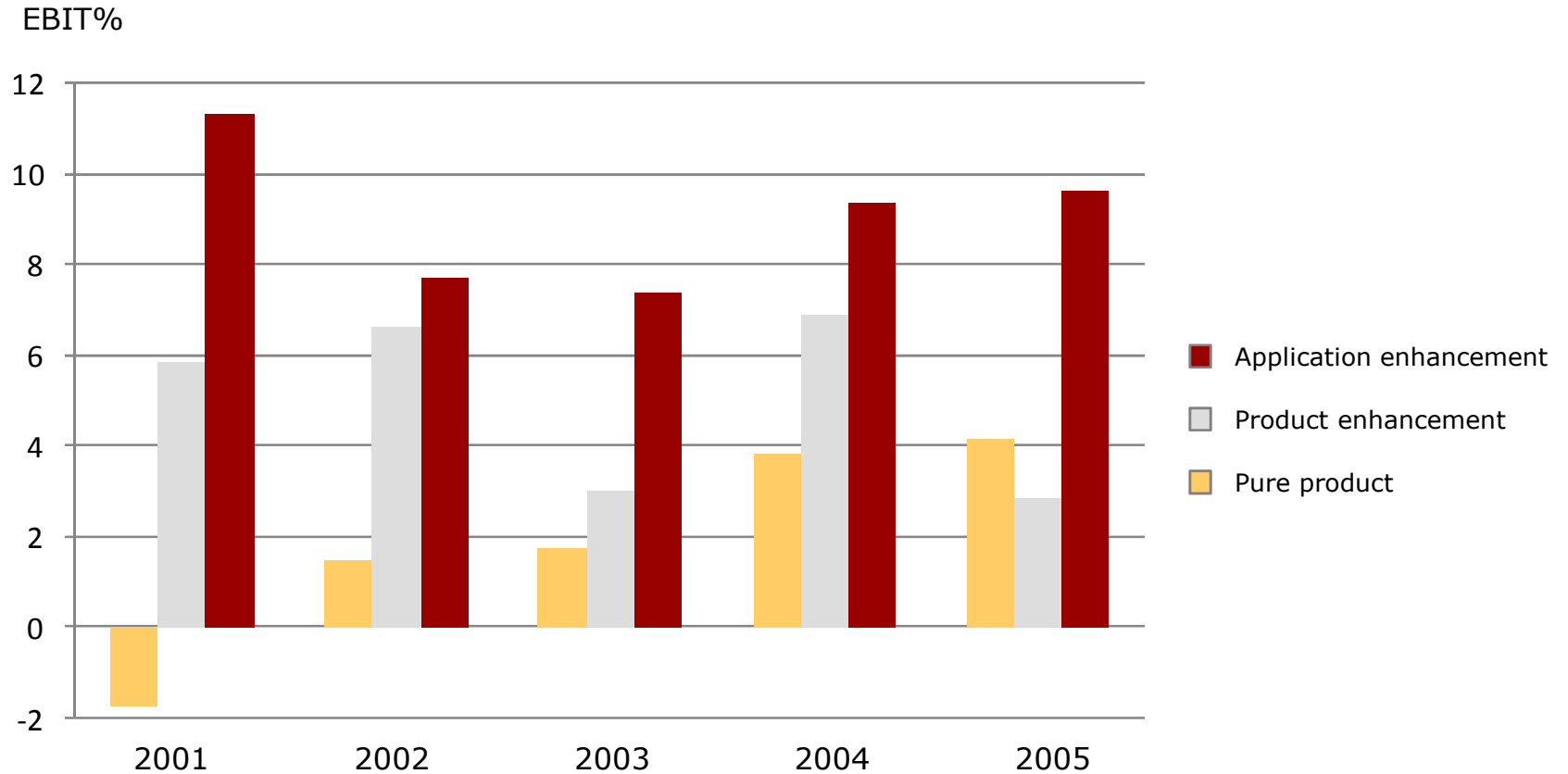
# Solution business development

## Strategic options



# Solution Business is more profitable than pure product business

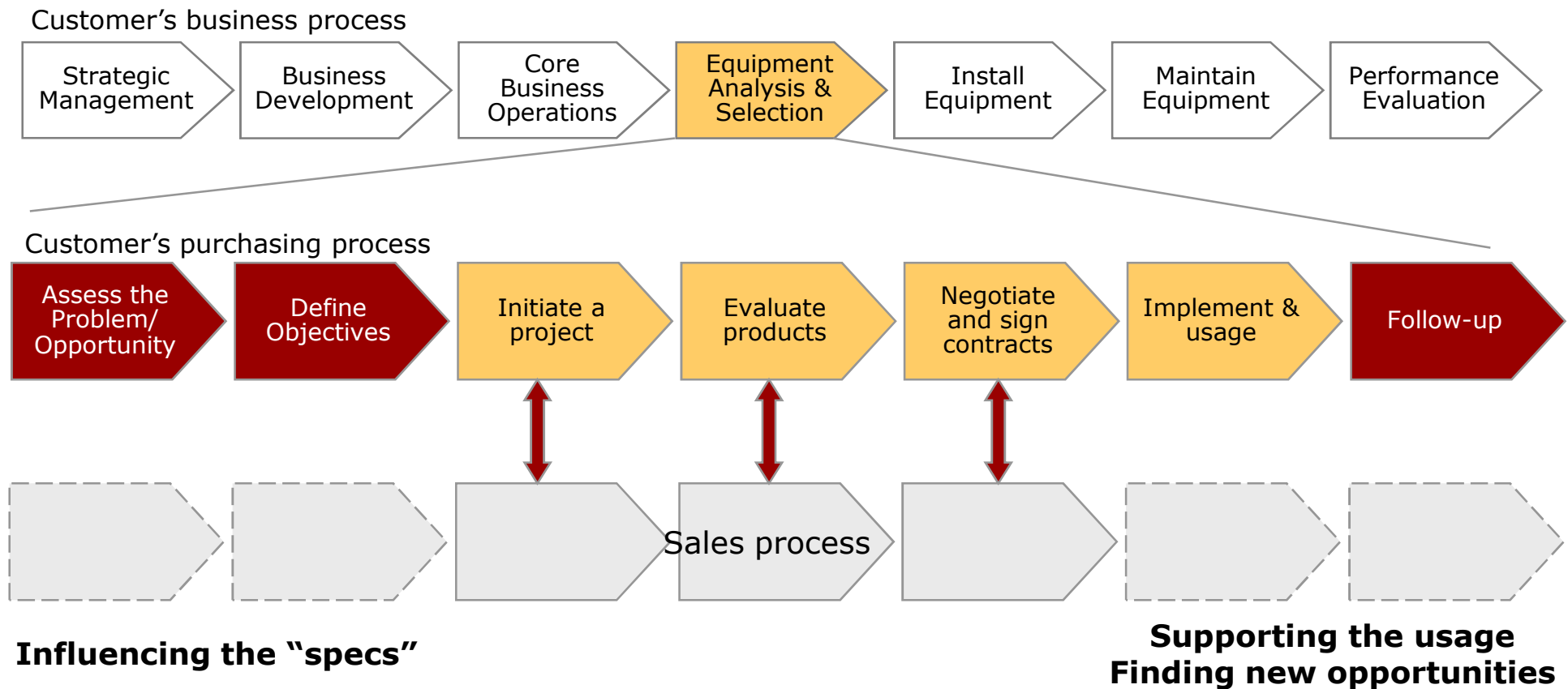
Findings from Benchmark



*n=73 companies: Application enhancement 36%, Product enhancement 53% and Pure product 11%*

# Widening the sales process

## From "specs" to new opportunities



**Customer's functions**

**Agenda**

**End-use enhancement**

Strategy

Finance

Business development

Sales & marketing

- Strategic goals
- Business drivers
- Opportunities for process innovation
- CAPEX, OPEX & EVA

**Application enhancement**

R&D

Product development

Manufacturing

- Solution specifications
- Installation & usage
- Enhanced operations
- Operating cost structure
- OPEX focus

**Product enhancement**

Logistics

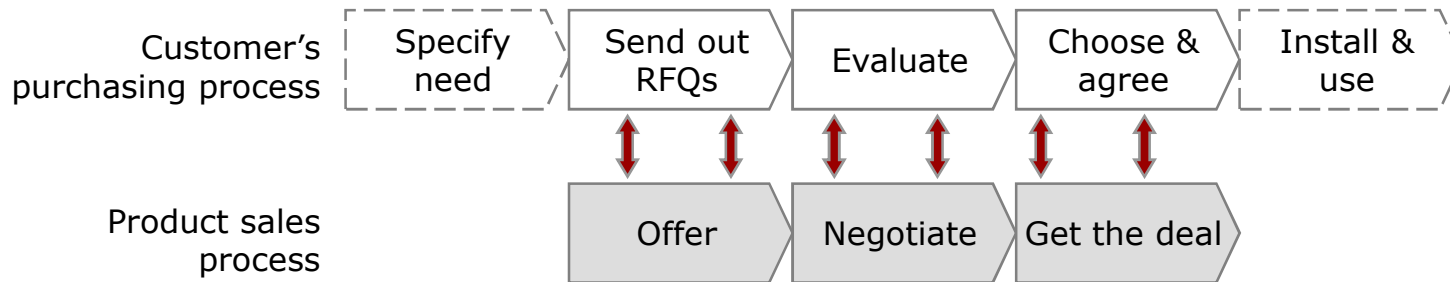
Purchasing

- Price, payback time, ROI
- Logistics, delivery time
- Product specifications
- CAPEX focus

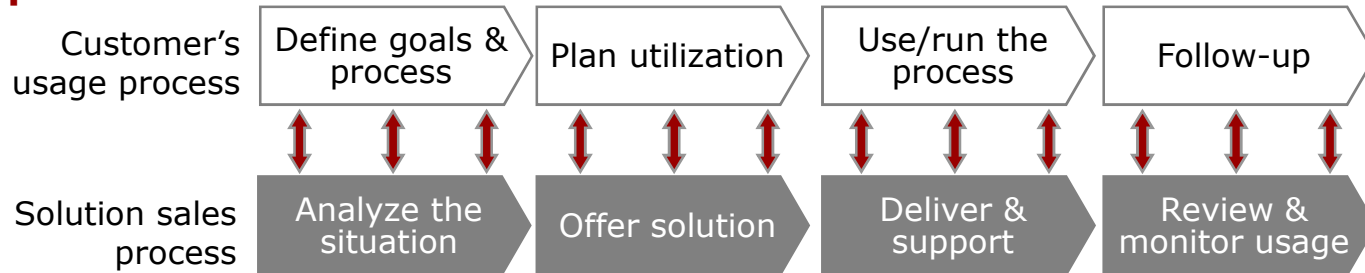
# The sales process needs to be managed cross-functionally

Product sales is different from values sales!

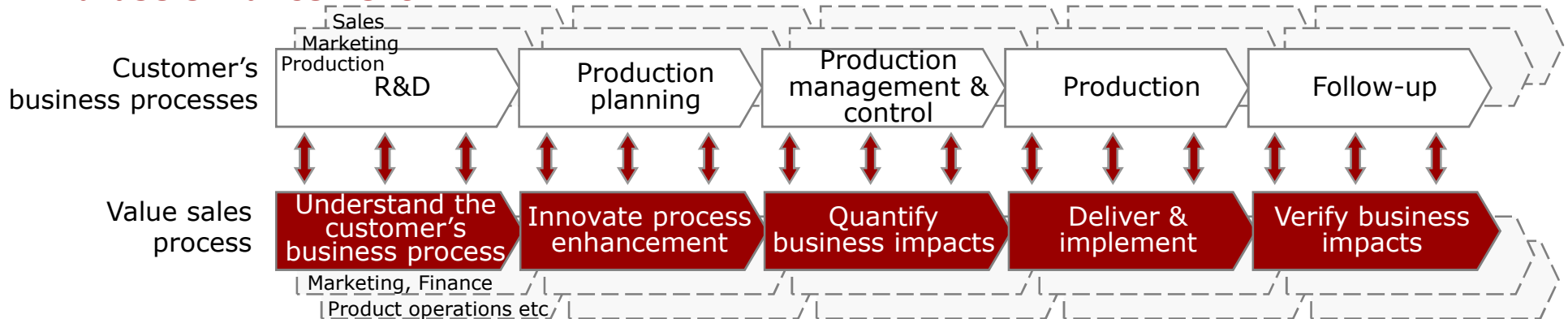
## Product enhancement



## Application enhancement



## End-use enhancement



## Four generic sales models



# Sales management framework

## Building blocks of sales management



**vectia**

Driving growth.