

PLANNING & INFLUENCING TOOLS

The next few pages describe tools for building and managing key person relationships, communicating value, and controlling the buyer-seller process. In your team, explore the tools in one of the tool categories:

1. Building relationships
2. Influencing by value
3. Controlling, evaluating, and planning sales actions

Each group reviews the tools in one category (20mins) , and prepares to answer two questions on ONE of the tools in a category:

1. What is the goal and purpose of the tool?
2. In your opinion, is the tool important or unimportant?

We then join two groups to one, both with different tool category. Both groups answer the two questions for the other group (10mins)

EXERCISE

[illegible]

ENGAGE WITH VALUE:

Relationship process

HOW IMPORTANT ARE YOU?



DISCUSSION

In which category would you like to be in, and how do you get there?

In an attempt to structure and organize buying and procurement, firms have widely implemented category management.

Category management assign procurement items (and suppliers) into categories.

Each category has processes and practices of how suppliers are managed.

Suppliers in the "commodity" category have very little influence on anything, while the partners in the "strategic" category are treated very well.

DISCUSSION: What implications does the category management have on suppliers?


KEY PLAYER MAP

Key player profiles

The following roles are present in a sales opportunity. The different decision making roles are either assigned to different key players (large opportunities), or all the roles could be played by the same key player (small opportunities)

Key player profiles

Open the COACH profile description [here >>](#)
Open the CHAMPION profile description [here >>](#)
Open the DECISION MAKER profile description [here >>](#)
Open the IMPLEMENTATION OWNER profile description [here >>](#)
Open the FINANCIAL APPROVER profile description [here >>](#)
Open a USER profile description [here >>](#)
Open the BENEFICIARY profile description [here >>](#)
Open an ADVERSARY profile description [here >>](#)



The key player map is visual description of the influential key persons in the customer organization:

1. Job title and role
2. Relationships

For each person we would like to know

1. Their perception of the goals, challenges, and solution vision
2. Their influence
3. Their relationship to us

DISCUSSION:

KEY PLAYER MAP

NAME	ROLE	GOALS & CHALLENGES	PRIMARY CONTACT

The “relationship map” is a listing of the key players in customer organization or in a specific business opportunity. The content describes 1) the role of the key player, 2) the goals & challenges of the key player, 3) our primary contact to the key player.

DISCUSSION: What thoughts do you have on the role, importance, and content of this planning tool?

CHAMPION LETTER

Letter elements	Content
Customer objective	You told me your primary goals are to 1) reduce machine downtime, and 2) reduce the energy cost of fiber-making
Current situation	You said the that the issues you face today include: 1) the number of shutdowns is too high and they last too long, 2) too many unplanned shut downs, 3) mainline grinders uses too much energy (due to outdated technology), 4) manual grinder sharpening is causing quality fluctuations that consume energy
Capabilities they need	You feel you could increase the machine up time by one percent that would bring 0,25 million euromore profit a year and reduce the energy expenditure spend in fiber making by 6 million euro annually, if you had the following capabilities: 1) Had access to high performance original parts all the time, 2) capability to execute predictive maintenance and avoid potential shut downs, 3) ability to utilize diamond surface grinding stone to save energy consumption, 4) automatic water jet sharpening system to also save energy in fiber making
Value	We have examples of such capability request globally. Our customers have been able to gain quantifiable result s such as improved equipment TCO, Improved Mill Efficiency and reduced energy spend. As discussed during our meeting you expressed that the financial benefit can be up to several millions a year. And as indicated the potential value for yourorganization, 5% increase in the production efficiency, is around 8 million Euro per year
Next steps	Based on our agreement to further investigating our solutions. I'd like to propose the following next steps: 1. Confirm you are in agreement with the summary of our discussion; 2. Help us to arrange an interview with your mill manager and maintenance manager, who would all be involved in the development of production efficiency. I'll call you on Tuesday next week at 09.00 AM to review the above and to discuss next steps. I look forward to working with you. Best regards, John Waits

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The above "Champion letter" is a sales tool sent to a key person after an initial "needs exploration" meeting with a goal of building a strong connection to the person. Potential Champion is a customer's key person that fulfills three criteria:

1. Has a (compelling) business goal
2. Wants to change things to reach the goal
3. Is receptive to our solution ideas

Champion letter is a tool (usually an email) that follows a predefined structure to verify the outcome of a recent business meeting. The letter states:

1. What was understood as the key person's business goal (objective)
2. How the current business situation was described (by the key person)
3. What is their "solution vision" (capabilities they need) to reach the goal
4. What is their anticipation of the value of reaching the goal
5. What was agreed as the next step (this is really the key outcome of the meeting)

DISCUSSION: What thoughts do you have on the role and importance of a champion?

CHAMPION QUALIFICATION

CHECKLIST ITEM	DESCRIPTION	CHECK
What is the goal of the key player?	Change agent within the company. Has a compelling goal.	Y/N
How credible is the key player?	Knowledgeable about their company. Credibility in the organization. Willing and able to help you getting access to other key players.	Y/N
How is the solution vision of the key player?	Solution vision aligned with our solution offering.	Y/N
How is our relationship with the key player?	Positive, trusting relationship with us: willing to share their goals and challenges. Provides useful information.	Y/N
Drive?	Actively working on to achieve the Goal. Doing internal selling, pro-active on your behalf and keep promises	Y/N

Champion qualification test a key person against five Champion qualification criteria to find out whether a key person could be considered as Champion.

DISCUSSION: What are your thoughts on the sales task "qualify a key person relationship", supported by this tool?

ENGAGE WITH VALUE:

The “content” process

OPPORTUNITY PROFILE

Customer name and HQ location	Please input your customer's name and headquarters location here
Customer's critical business issues	Please enter your customer's critical business issues here
Potential solution (what will be sold?)	Please provide a brief summary of the expected solution
Sales estimate (your sales budget)	What is your estimated sales value of the opportunity?
What is the value of the deal(s) for customer (estimate)?	In your opinion, how critical, how valuable, is this opportunity for the customer?
Customer Key Players	How much do you know of the customer's key people in this opportunity?

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The opportunity profile describes a sales opportunity by six topics:

1. Name of the opportunity
2. Critical & prioritized business goal
3. Our idea of the solution "solution vision"
4. Expected sales revenue
5. Business value of the solution to the customer (our estimate)
6. Connection to the key player maps

DISCUSSION: What information would you like to include in an sales opportunity description?

EXPLORE BUSINESS CHALLENGES

Menu of Challenges

The main objective of the menu of challenges is to prepare for a customer dialogue from their perspective. The idea is to treat each potential customer influencer individually, first understanding their personal goals and business problems and only after that proposing a matching idea from our capabilities. At this stage (first meetings) we can have the dialogue on common level without introducing the technical solution yet.

As we all know, business challenges repeat themselves from market to market and therefore we have gathered here some commonly recognized customer challenges for your use.

Please select target industry

Board & Paper mills

Please select key player profile

Production Manager

Search

Add a challenge

Key player challenges

- 12 Unplanned downtime
- 5 High cost of energy
- 3 Fluctuations in quality due to grinder sharpening
- 2 Lack of resources for preventive maintenance
- 4 Production waste percentage too high
- 4 Running time with rubber covers only 2-3 weeks
- 2 Significant wear problems in the edge area
- 3 Uneven quality
- 4 Sticks cause web break

An essential part of a (proactive) sales conversation is to understand 1) the customer goal, and 2) the challenges (or opportunities) that prevent (or help) achieving the goal.

Sometimes (or oftentimes) the customer goal is rather trivial or obvious (such as earning more money), sometimes need verification (goals such as improve production volume or similar). Often salespeople find questions, such as "what is your goal" quite awkward, but questions like "what are your current business challenges?" easier to ask, especially if preceded by a quick demonstration of topical and relevant business challenges.

The "Menu of Challenges" tool displays topical and prioritized business challenges for a target profile (by industry, by key player profile, etc).

DISCUSSION: How do you feel about this tool for exploring customer challenges?

DEMONSTRATING VALUE WITH BENCHMARKING

CHALLENGE

The need for a systematic assessment framework for concretising value, benchmarking it and ultimately optimising the offered solutions has been the motivation behind this study. Due to the arbitrariness of value estimation and value definition in general, an additional target of the study has been to generate an argumentation tool serving as an aid to visualise the different sources of value.

RESULT

The aim has been to develop a benchmarking method to compare different sites according to their operational environments. Benchmarking includes e.g. the assessment of maintenance work procedures, selection of relevant indicators, preliminary interviews for installed base units and tool development. The benchmarking aims to produce knowledge about the applicable asset management policies for different operational site typologies.

IMPACT

With the help of the benchmarking tool the case company can: (1) Demonstrate improvement potential in asset management and make recommendations of applicable asset management policies, (2) optimize customer specific product and service offering to facilitate sales, and (3) concretise customer value of Outotec's offering



The "Demonstrating value with benchmarking" is an example of a **success story** in a structured format. The success story documents a) the challenge a customer had, b) the solution implemented to solve the challenge, and c) what was the outcome.

DISCUSSION: When, and for what purpose can a seller use this type of a success story? What are the potential benefits?

SUCCESS STORIES

Success story repository

Success stories are very powerful tools at the different stages of a sales process.

We have selected a representative collection of success stories from different business lines and regions to help you show how we have been able to help our customers to achieve their business goals and overcome the business challenges.

Browse success stories by target industry:

All

Browse success stories by business challenge:

All

Search

You can also add success stories to our success story repository:

Add story

Success stories by your selection

- Additional Revenue from Bio-oil Production
- High energy cost and out dated IR dryers
- Production of Climate-friendly Bioethanol from Agricultural Waste
- Fuel Production Technology for Biogas Vehicles
- Efficient Board Making with OptiConcept M
- Replacing Fossil Fuels with Renewable Energy
- One of the World's Largest Pulp Mills Supplied by COMPANY Successfully Started up in Brazil
- Lime Kiln Technology
- Fulfilling Local Electricity Needs
- Utilization of a Wide Range of Locally Available Fuels
- Multi-Year Mill Maintenance Agreement
- New Revenue Streams Through Lignin Separation
- Printing & Writing Paper Machine Rebuild
- Top Shape Mechanical Paper Production Line
- Focus on Machine Performance and Productivity
- Increased production, improved quality
- New Technology Improves Productivity and Quality

The success story application is a database of documented customer cases. Each success story is constructed in line with this:

1. What was the customer challenge?
2. How did we help solving it? (what was our solution)
3. What was achieved? (At best, a monetary estimation of the value created)

DISCUSSION: How do you feel about this tool for accessing categorized success stories?

SOLUTION PRESENTATION

Presentation elements	Objective
Review of the customer objectives	Summarize customer's business goals, challenges and needs. This is why the solution is required.
Customer outcomes	Provide a summary of the expected customer benefits.
Our solution	Summary of our solution.
Project delivery plan	Summary of our delivery plan and key project milestones.
Proof	Evidence of our capabilities to deliver the solution.
References	Conclude your presentation by showing few relevant success stories, where similar solution has been implemented.

The solution presentation template is an outline for constructing a solution proposal presentation. The tool serves as a checklist for including all relevant items.

DISCUSSION: How do you feel about this tool for planning a solution presentation meeting?

CASE
PAPER MACHINE
MODERNIZATION

VALUE OF MODERNIZATION

Scenario 1	Current	Improvement Target	Production	Additional revenue	Energy savings
Speed	695 m/min	57 m/min	+22 000 tons	+ 3 200 kEur	-
Breaks	5,1%	1,0%	+ 3 000 tons	+ 440 kEur	+ 160 kEur
Steam consumption	16 kg/s	0 %			0 kEur
Electricity consumption	19 MW	-200 kW			- 100 kEur
TOTAL			+ 25 000 tons	+ 3 640 kEur	+ 60 kEur
ESTIMATED BENEFITS PER YEAR					3 700 kEur
INVESTMENT					4 000 kEur
DISCOUNTED PAYBACK TIME					14 Months
Production line data and calculation parameters	Operating days 355 per year	Average grammage 152 g/m ²	Trim width 6,1 m	Speed 695 m/min	Current annual production 263 000 tons per year
	Unplanned shutdowns 4,0%	Planned shutdowns 2,0%	Breaks 5,1%	Broke 10,0%	
	Electricity cost 60 Eur / MWh	Steam cost 25 Eur / MWh	Cost of capital 10,0%	Gross margin 150 Eur/ton	

This is an example of a value calculator that estimates the economic value achieved by modernizing a cartoon machine. The tool features standard elements of a value calculator:

1. The comparison is made "before" and "after" the solution (= modernization) is implemented
2. The calculator identifies few parameters ("value dimensions") that change: 1) production speed, 2) production reliability, and 3) electricity consumption
3. The calculator estimates the magnitude of change along each value dimension (such as speed change from 695 to 752 m/min)
4. ... and calculates the impact of each change on common measure of value. In this case, as it often is, the measure is money.
5. Finally, the solution cost is compared with the (gross) value to yield (net) value (such as payback time)

DISCUSSION: How do you feel about this value calculation tool?

ENGAGE WITH VALUE:

The “control” process

CHAMPION LETTER

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Value	We have examples of such capability request globally. Our customers have been able to gain quantifiable result s such as improved equipment TCO, Improved Mill Efficiency and reduced energy spend. As discussed during our meeting you expressed that the financial benefit can be up to several millions a year. And as indicated the potential value for yourorganization, 5% increase in the production efficiency, is around 8 million Euro per year
Next steps	Based on our agreement to further investigating our solutions. I'd like to propose the following next steps: 1. Confirm you are in agreement with the summary of our discussion; 2. Help us to arrange an interview with your mill manager and maintenance manager, who would all be involved in the development of production efficiency. I'll call you on Tuesday next week at 09.00 AM to review the above and to discuss next steps. I look forward to working with you. Best regards, John Waits

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The champion letter also acts as a tool to control the joint buyer-seller process. The champion letter helps:

1. Verifying the customer goal, challenges and solution vision
2. Estimating the criticality of the sales opportunity
3. Making sure both parties agree on the agreed future actions

DISCUSSION: What are your thoughts about using this type of tool in building and managing a key player relationship?

ACTIVITY PLAN

Action	Time	Billable	Responsibility	Go / No Go
Determine solution performance metrics	September 14		Shared	<input type="checkbox"/>
Process audit and study	By End September	50 k€	Supplier	<input type="checkbox"/>
Investment proposal including pricing	November 2014		Supplier	<input type="checkbox"/>
Approval of the investment proposal	13th December 2014		Customer	<input type="checkbox"/>
Detailed project plan and project organization	February 2015		Shared	<input type="checkbox"/>
Reference visit and executive meeting	March 2014		Shared	<input type="checkbox"/>
Review of the contract with legal	April 2014		Customer	<input type="checkbox"/>
Pre-proposal meeting and signing of the purchase agreement	Late April 2015		Shared	<input type="checkbox"/>

Add key player row
Save worksheet
Print worksheet
Send worksheet

Usually the buyer-seller process progresses smoothly up to a point, usually up to a point where the solution proposal & the solution offer are made.

If nothing is agreed as a follow-up action after the solution presentation, the seller loses connection to the buyer's process at this point.

The activity plan tool is an attempt to agree on joint activities to maintain contact to the customer for influence and control.

DISCUSSION: What are your thoughts about this tool? When could it be used, would it be difficult or easy to agree on process steps with the customer?

CLOSING CHECKLIST

CHECKLIST ITEM	DESCRIPTION	CHECK
Goals/challenges/reasons identified		<input type="checkbox"/>
Vision of solution		<input type="checkbox"/>
Solution value		<input type="checkbox"/>
Implementation plan		<input type="checkbox"/>
Pricing		<input type="checkbox"/>
Proof		<input type="checkbox"/>
Legal		<input type="checkbox"/>

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The sales opportunity closing checklist helps verifying that the seller understands what are the important milestones along the joint journey, before trying to reach an agreement ("close the sale").

DISCUSSION: What damage can the seller cause by trying to "close the deal", before all the necessary intermediate steps have been agreed upon?