



SOLUTION SELLING AT HILTI

Aalto University
27.10.2022



AGENDA

- **Who we are**
- Our philosophy – what do we want to be
- Our sales approach
- Examples how we communicate value
- Customer case example
- Q/A

WHO AM I?



Career in Hilti:

Head of Software Services 08/2021 ->
Category Manager 01/2021-07/2021
Product Manager 03/2019-12/2020
Account Manager 08/2017-03/2019

Educational background:

Master of Science in Industrial Engineering and
Management, Lappeenranta University of
Technology

Work experience before Hilti:

Project worker in Metsä Fibre
Sales Support specialist in Metsä Fibre
Research Assistant in LUT

THIS IS HILTI

- Founded in 1941 in Schaan, Liechtenstein
- A world market leader in fastening and demolition technology for construction professionals
- Sales of CHF 5.3 billion (2020)
- About 30,000 employees in more than 120 countries
- Direct sales approach:
Roughly 250,000 customer contacts per day
- 100% family owned: all shares held by the Martin Hilti Family Trust



WE PROVIDE SYSTEM SOLUTIONS FOR CONSTRUCTION PROFESSIONALS

Engineering



- Design
- Specifications
- Consulting
- Software

Measuring and aligning



- Distance measuring
- Leveling and aligning
- Detection

Drilling and demolition



- Drilling and chiseling
- Diamond systems

Cutting and grinding



- Cutting and grinding
- Diamond systems

Fastening and installation



- Direct fastening
- Screw fastening technology
- Anchor technology
- Installation

Firestop and insulation



- Construction chemicals
- Firestop


Services



- Fleet and asset management
- Repair service
- Lifetime service
- Delivery service
- Training and consulting

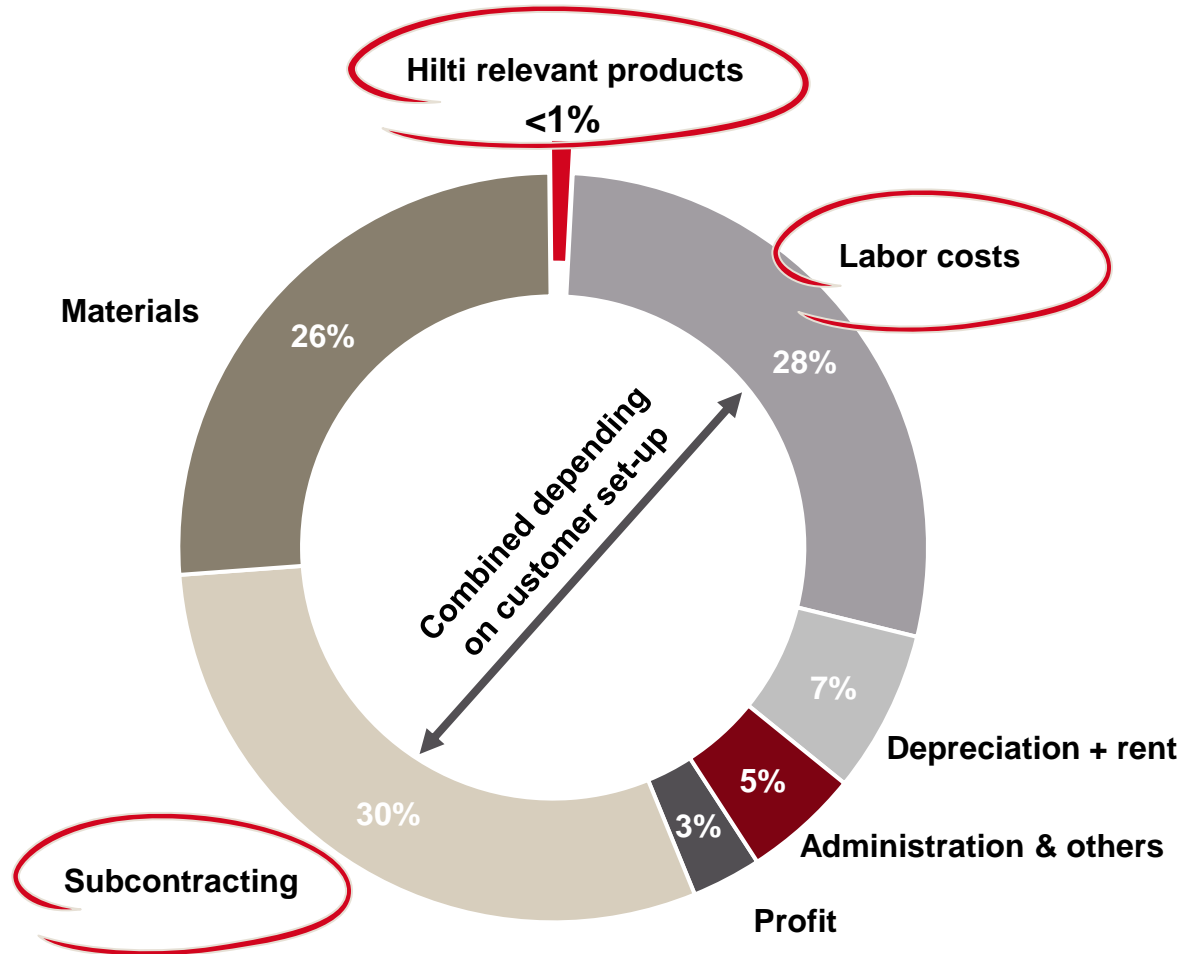
OUR PHILOSOPHY

WE PASSIONATELY CREATE ENTHUSIASTIC CUSTOMERS AND BUILD A BETTER FUTURE



We don't want to be a little for everyone. We want to be everything for the selected customers & create partnerships with them

PROBLEMS WE FACE IN THE CONSTRUCTION INDUSTRY



- Hilti relevant assets form such a small share of the costs of a construction company that as a tool provider we would not be able to establish partnerships
- As a tool provider we would only end up in price competitions (bids) that we would most likely lose...
- Therefore, we need to offer solutions for our customers that bring profitability for the customer in the long term

BUILDING PARTNERSHIPS REQUIRE CONTACTS IN THE TOP MANAGEMENT LEVEL

Topics that are in the interest of key decision makers (at the top level)



**Why would a tool provider talk about these topics? What would they know about these?
How an earth could they help us on these areas?**

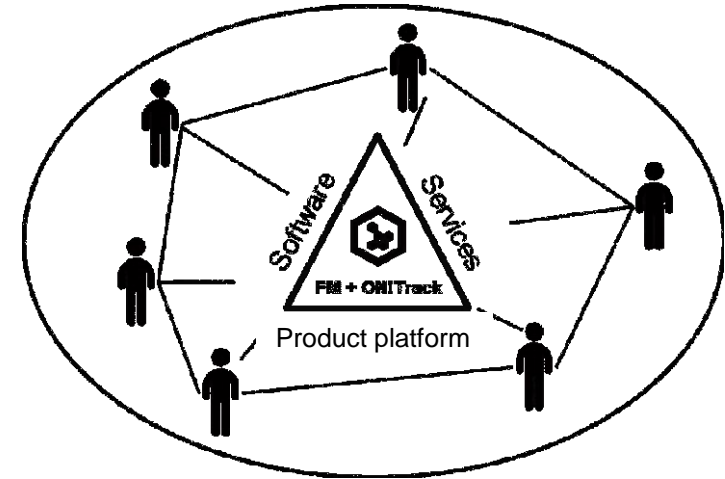
WHAT THIS MEANS FOR THE SOLUTION SALES PROCESS

WE HAVE HAD TO CHANGE WHAT WE COMMUNICATE

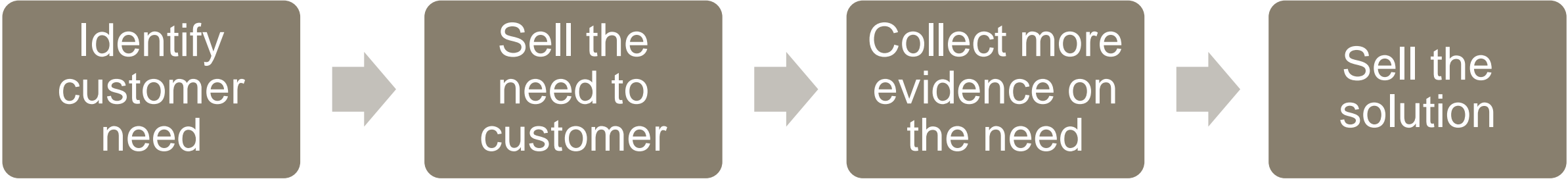
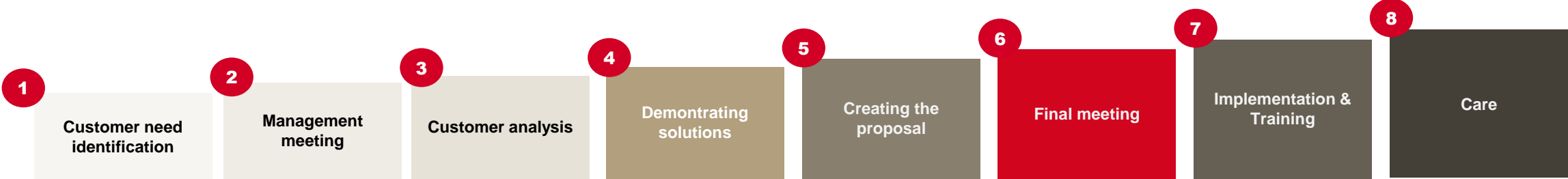
From a transactional and feature driven sale ...



... to solution selling



SOLUTION SELLING PROCESS



A KEY PART TO IDENTIFY CUSTOMER VALUE IS THE CUSTOMER ANALYSIS

A day of expert consulting support includes:

- Interviewing employees
- Observing operations on sites, offices, etc.
- Identifying & validating inefficiencies with people
- Documenting & quantifying impact of inefficiencies on the business: e.g. each year on average
 - “On average, 90 hours a month are spent searching for assets across construction sites. ”
 - “On average, 6 assets are lost every month, potentially adding up to 36 000 € a year”
- Validation of solutions

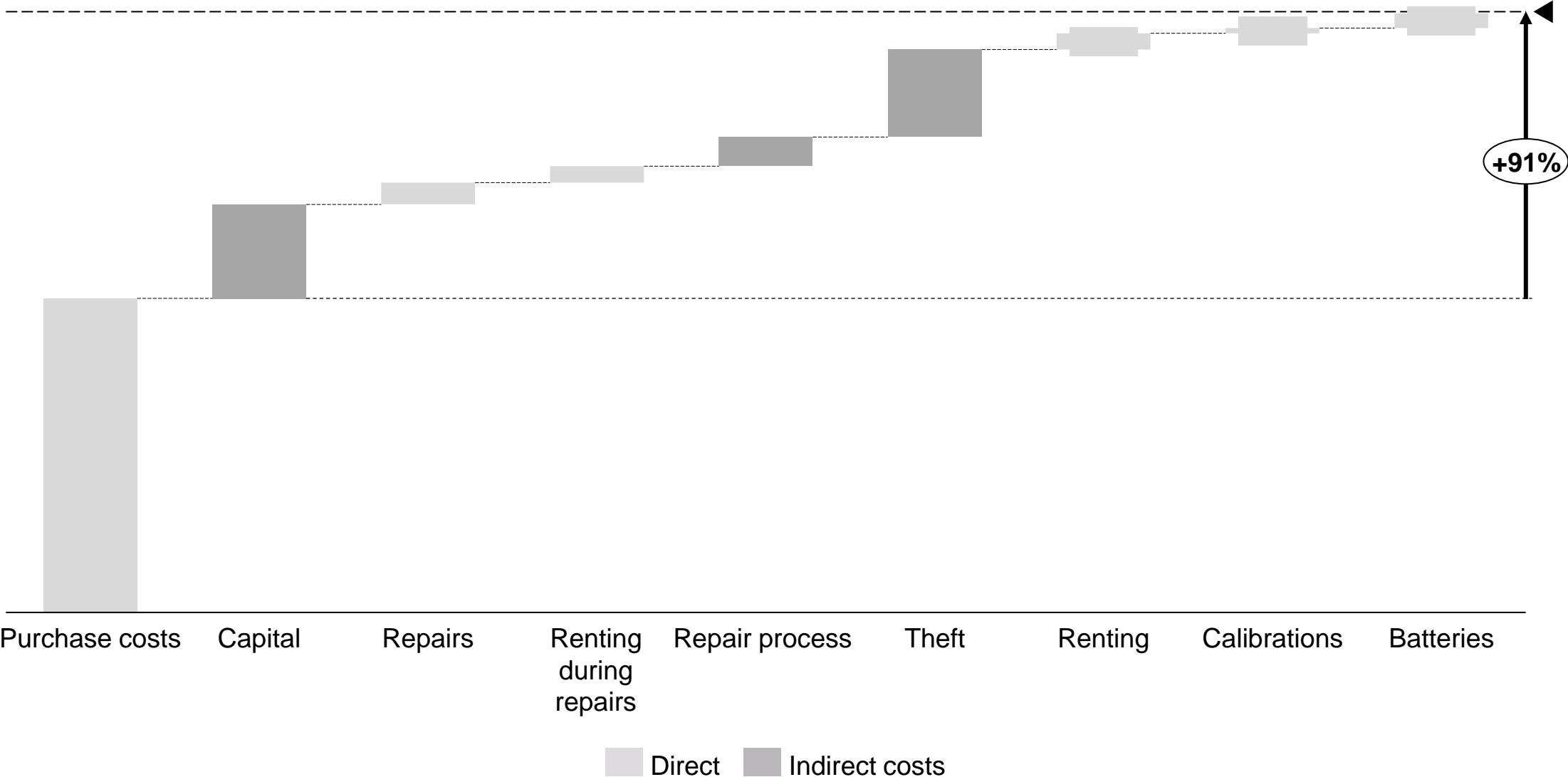
A productivity analysis report includes:

- Overview of opportunities to
 - improve on-site productivity
 - improve office-based related processes
- Proposed solutions to address opportunities
- Documentation of feedback on potential solutions
- Business case for each solution
- Implementation plan & Hilti support to make it happen

This is a charged service, conducted by our trained service specialists.

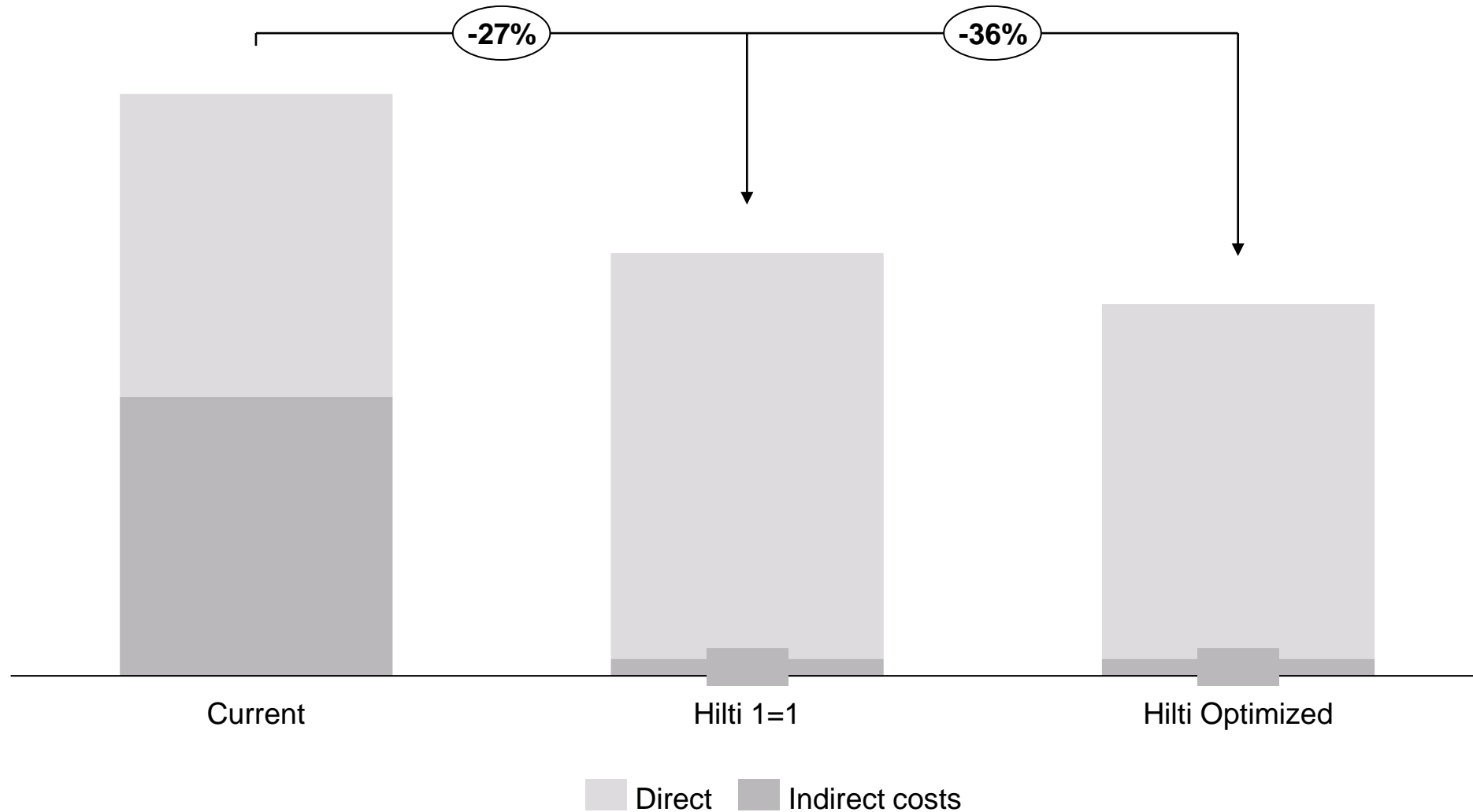
EXAMPLES HOW WE COMMUNICATE VALUE (AFTER WE HAVE MANAGED TO SELL THE CUSTOMER ANALYSIS)

TOTAL COSTS OF YOUR CURRENT TOOLPARK



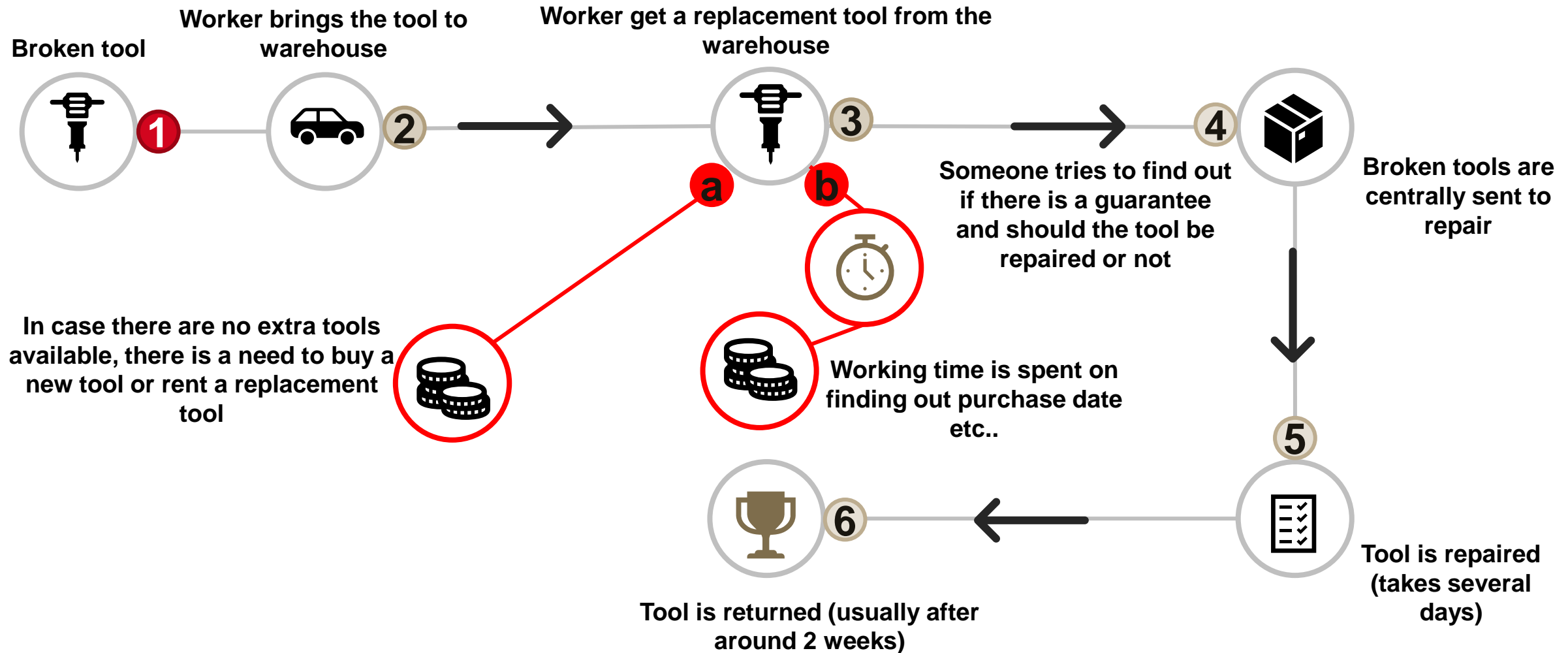
COMAPRISON ON COSTS

POTENTIAL SAVINGS X € PER YEAR



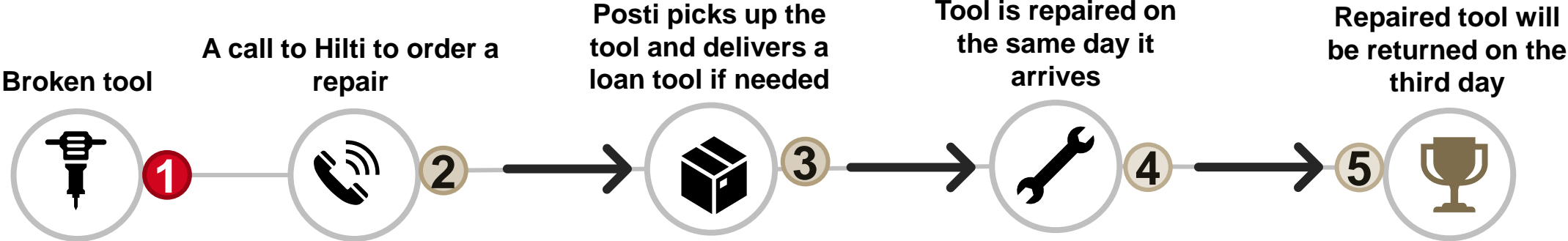
REPAIR PROCESS

CURRENT



REPAIR PROCESS

FUTURE



CASE EXAMPLE

CASE EXAMPLE FROM BIDDING TO PARTNERSHIP

An important customer of us was planning to renew their toolpark and they asked us to participate a bid (=provide the lowest possible prices that we could sell our tools for them).

We knew that most likely we would not win this bid and started to think that we do not even want to offer the tools for the customer to purchase. We wanted to follow our philosophy:

Past way of working:

- Selling as many tools for the customer as possible
- Trying to find the price point in which customer is willing to buy but we maximize our profit



Optimizing the customer's toolpark to consist only those tools that customer needs

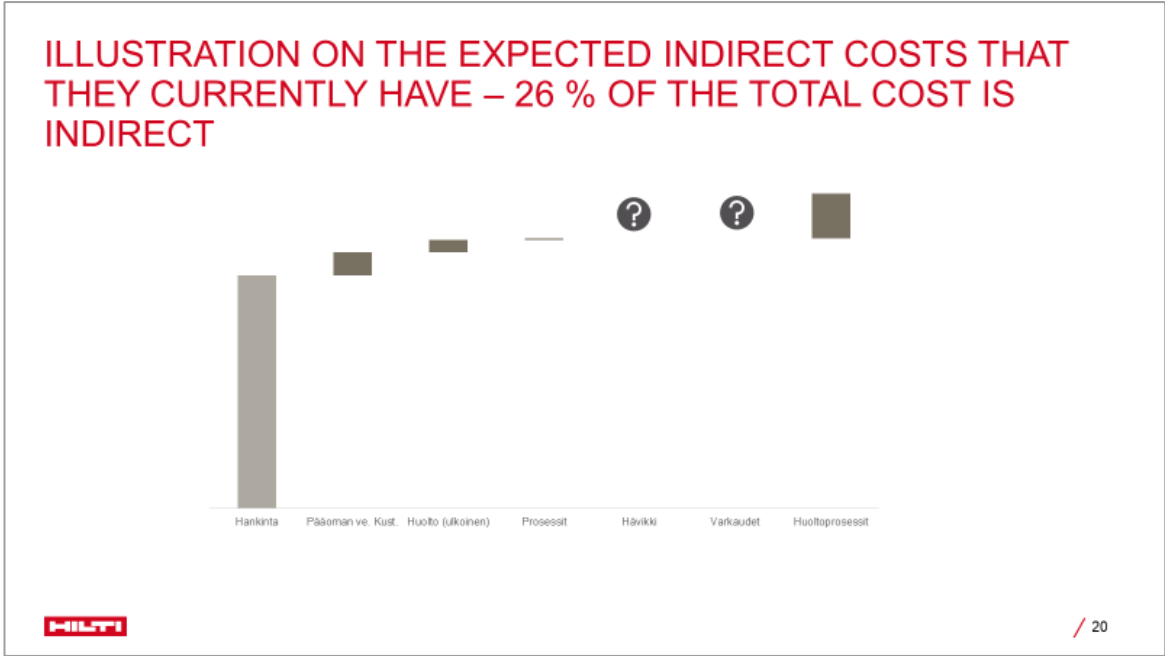
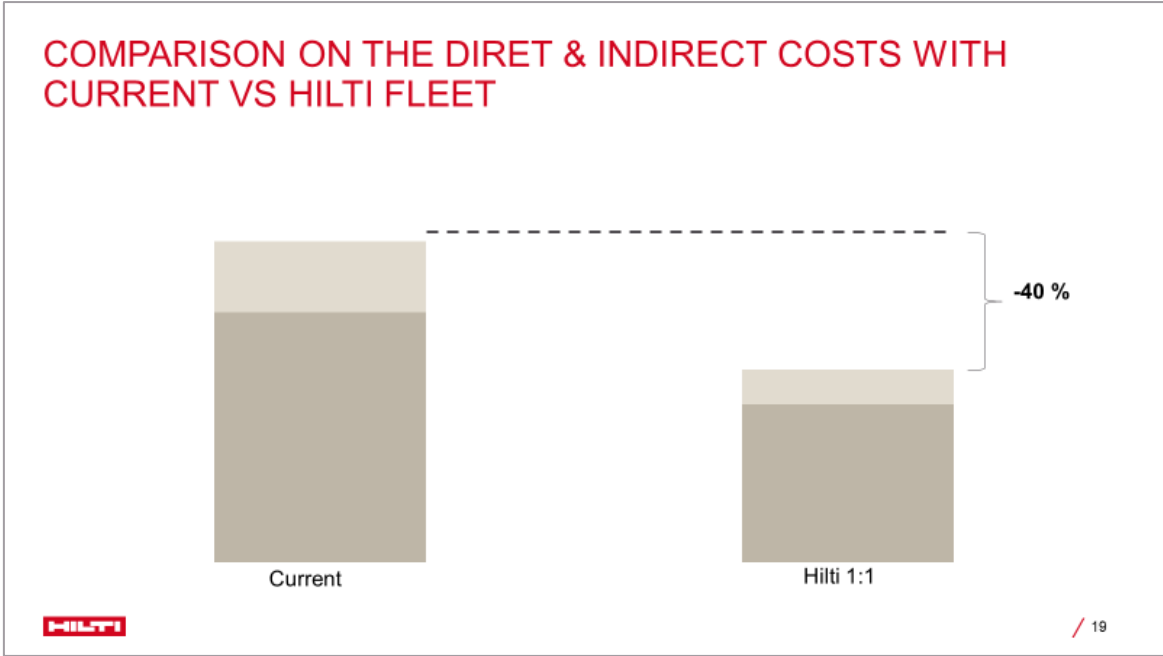


Calculate the life-cycle costs of the toolpark and try to minimize that for the customer (while making profit for us)



Change the customer's mindset from owning the tools to using the tools according to circularity principles

INSTEAD, WE SHOWED THE CUSTOMER HOW WE COULD POTENTIALLY DELIVER VALUE FOR THEM



IN ADDITION, WE HIGHLIGHTED
THE SUSTAINABILITY BENEFITS
THAT WE CAN OFFER...

LIKE OUR SUSTAINABILITY PRIORITIES:



We Care for our Environment



Become **CO₂ neutral** by 2023



Lead the industry in **circularity**



We Care for People: Customers, Employees, and Partners



Differentiate through **user health & safety** and **building safety**



Lead in **employee health & safety**



We Contribute to a Better Society and High Ethical Standards



Create **social impact** at scale



Uphold ourselves and the industry to highest standards in **business ethics**

AND WE ALSO SHARED WHAT WE ARE ALREADY DOING...

27%

**of a Hilti tool's mass
is recycled material
vs. 8% global average**

24,930

**tools, batteries and
accessories were
collected by Hilti
Suomi in 2021**

38,7 tons

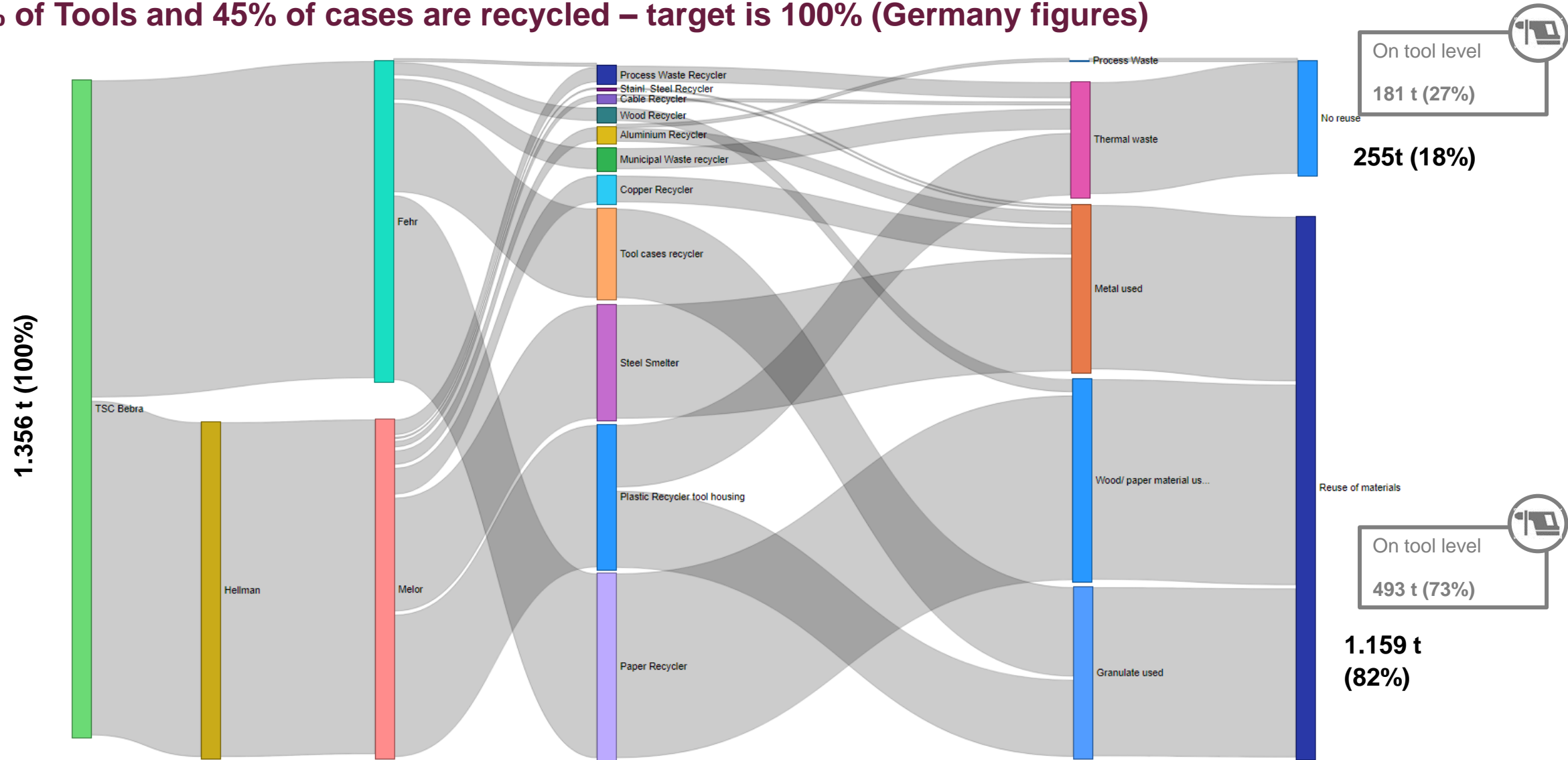
**of all collected
material was recycled
for material reuse**

98 %

**of all collected
material was recycled
for material reuse**

AND WE ALSO SHARED WHAT WE ARE ALREADY DOING...

73% of Tools and 45% of cases are recycled – target is 100% (Germany figures)



WITH THIS PROCESS WE WERE
ABLE TO WIN THE CUSTOMER
OVER AND GAINED NEW BIG
ENGAGED CUSTOMER

QUESTIONS? COMMENTS?



THANK YOU

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