

Changing
Customers
into
Strategic
Partners



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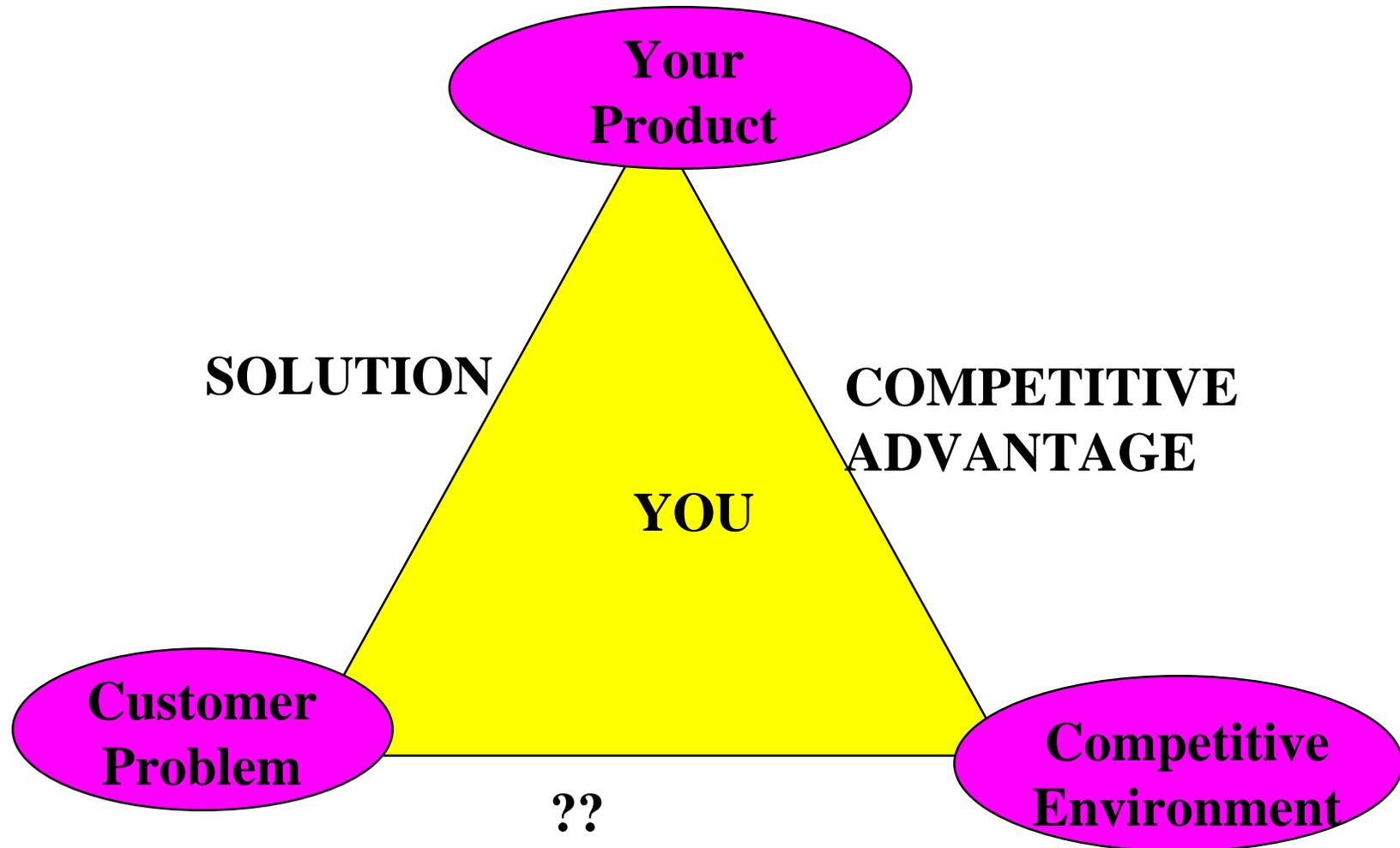
Know Your Customer Quiz

- **Name your BEST Customer**
- **List the Number one Product he/she buys from you**
- **Explain in 5 words or less why he/she buys that product from you.**

Know Your Partner Quiz

- **What industry is this customer in?**
- **Who are his/her top three competitors?**
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 -
 -
- **What are his/her top 3 business challenges today?**
 -
 -
 -

What does Your Customer Need?



Define Strategic Partner



Successful Partnership Defined

- **Help your Customers make Profits**
 - **You are an Investment in Their Business**
 - **Your Solution = Their Competitive Advantage**

IF THE CLIENT WINS, YOU WIN

Your Job = Change Customer Perception of You & Your Product



Before you Start

- Know your Partner's Industry
 - Growing
 - Mature
 - Customers are the Architects of our Future
- Know Your Customer's Business
 - Growing/Shrinking Market Share
 - Product Line
 - Keys to his/her Success
- Know your customer's Product Life Cycle
 - Where is the Product
 - Where is your Customer's Product in the Market

What does Your Customer Need?



How to Form a Partnership

- Link into his/her communication network
- Assess Current Situation
 - Which Business Issues are Important?
 - Where can you add value?
 - What Value do you bring?
- Jointly develop a solution
- Gain their commitment
- Implement it
- Verify Rewards

Link into His/Her Network

- **Communication – Up**
- **Communication – Down**
- **Communication – Peer to Peer**
- **Communication – Outside the Organization**

Assess Current Situation



- **Identify a Sponsor**
- **Identify Business Issues**
- **Define the Obstacles to Resolving those Issues**
- **Quantify the Impact of not Resolving those Issues**
- **Understand the Costs of those Issues**

The Sponsor's Role



- **Your Champion Inside Organization**
- **Your source of Information**
- **Your Introduction to Key People**
- **Defines Buying Process**

How to Identify a Business Need

- Customer's Critical Success Factors
- Individual Interviews (sponsor should set up - on site)
- Focus groups on Areas of Obvious Concern (focus on where you can help)
- Identify and Quantify Problems
- Collect Costs and Inventories

Your Partner's Business Issue(s)

- **Identify one Business Issue for your #1 Client**

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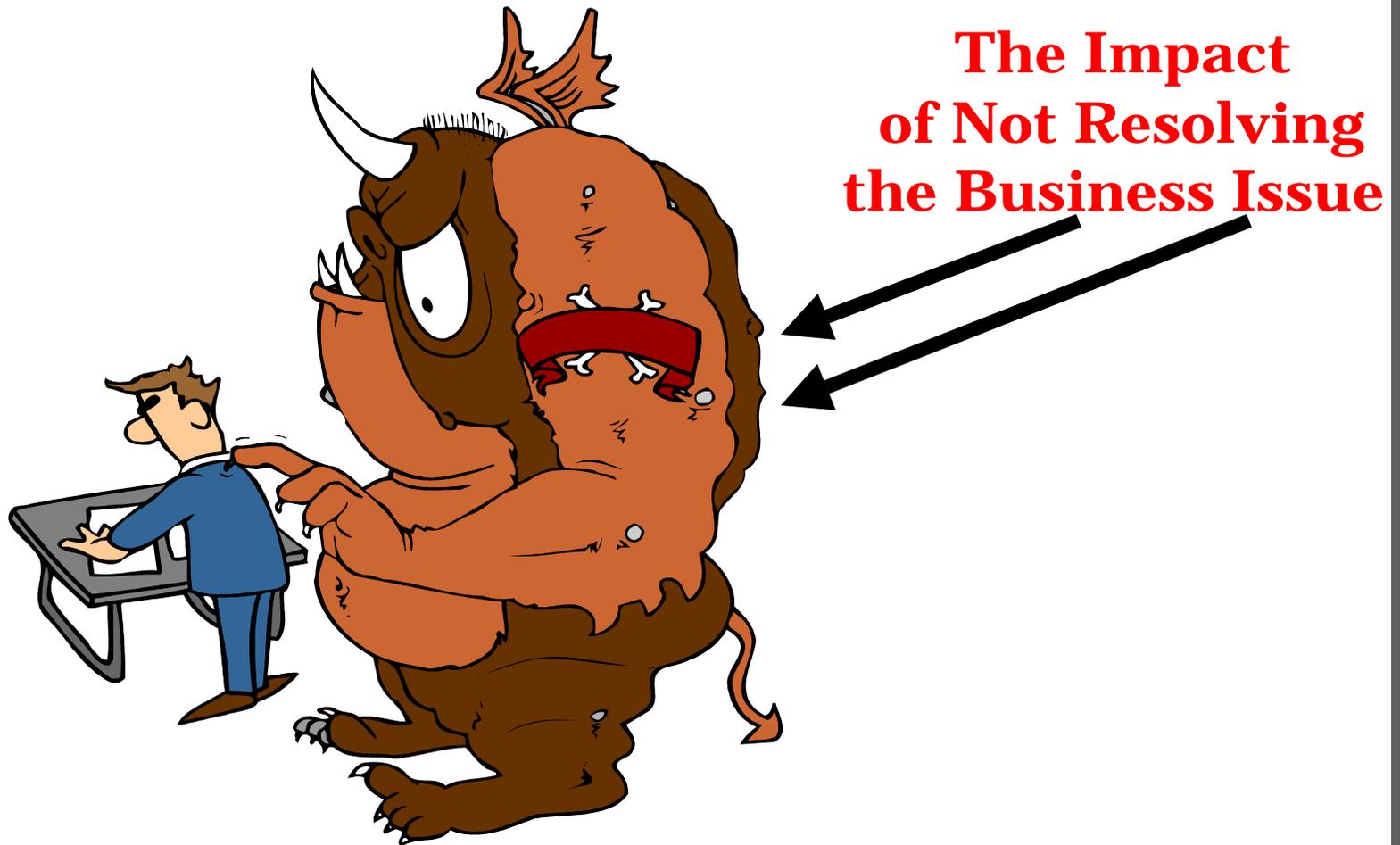
- **Define 3 Obstacles that inhibit your client from resolving this issue**

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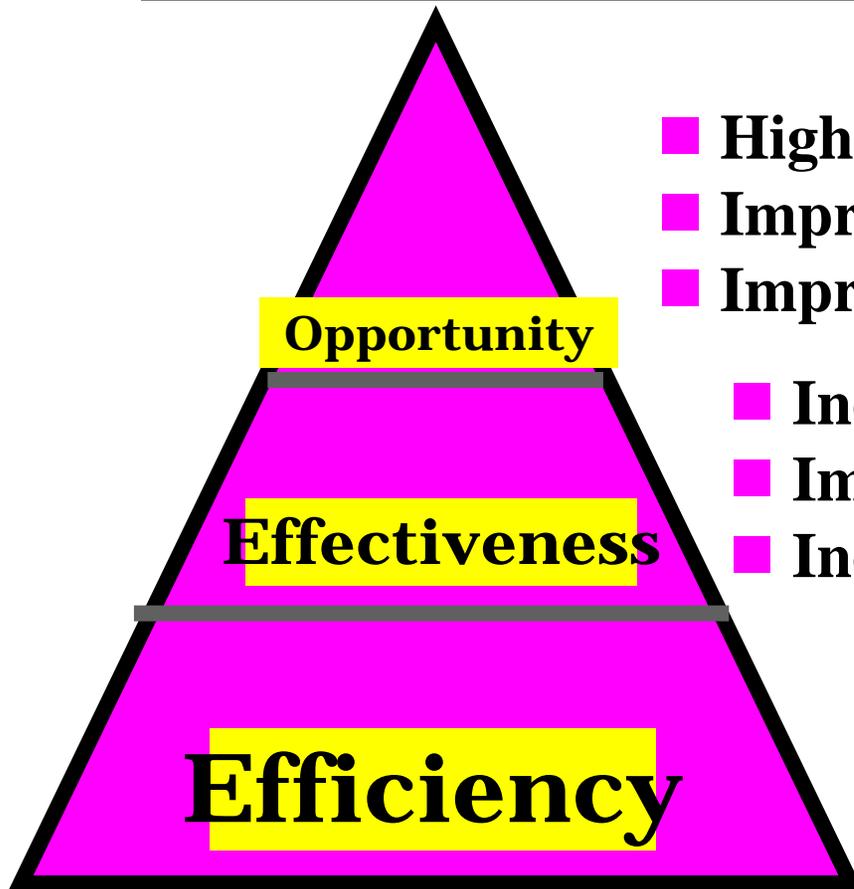
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Impact Statement



Impacts



- Higher Morale
- Improved Quality
- Improved Competitive Position
- Increase Revenue
- Improved Timeliness & Accuracy
- Increase Productivity
- Personnel
- Equipment
- Facility

Identify the Impact to Your Partner

- **Identify Two to Four Impacts for the Obstacle you Defined**



Quantify the Impact



TO FIX

OR



NOT TO FIX

Quantify the Impact

- So What?
- Are there Personnel Costs (how much)?
- Are there Material Costs (how much)?
- Are there other costs (how much)?
- Do they lose business because of this (how much)?
- Show me the MONEY!!!!

Partners DON'T SELL

ACTIVITY	VENDOR	PARTNER
SELLS		
COSTING		
SALES VEHICLE		
REASON TO BUY		
COMPETITIVE SITUATION		
BUYER		
SALES TERRITORY		
SUCCESS		
TEAM STRATEGY		

Jointly
Create
the
Solution



Let's try with YOUR Product

PRODUCT	WHY YOU SELL	WHY THEY BUY

Develop Total Solution

- Product alone may be worthless
- What services are required to be successful
- What are the criteria for success? Keep the business problem in mind
- Delivery is not implementation

Offset Investment with Savings

- Customer focused - why will this solution help?
- The solution shouldn't cost more than the problem.

Reality Check

- **Customer fit**
 - **Matches high level objectives/priorities**
 - **Issues severe enough to warrant the cost**
 - **Users see the need and value**
 - **Affected departments want it**
- **Technical Feasibility**
 - **Is this really do-able?**
 - **Bleeding edge or stable solution**
- **Economic fit**
 - **cost of problem justifies price**
- **Implementation Feasibility**
 - **partner has available resources**
 - **partner is committed**
 - **you have required resources**
 - **your management is committed**
- **Schedule Feasibility**
 - **Project team has resources to complete on time**
 - **Project team has expertise to finish the job**
- **COMPLETE A RISK ANALYSIS**

Gain

Their

Commitment



Know the Buying Process

- What is the next step?
- Who makes the go forward decision?
- Will they pay you to do the next step?
- Who makes the next decision?
- Know all the steps & decision makers
- Timeframe
- Selection Criteria

Be Prepared to Negotiate

- Listen very carefully to client's questions
- What parts of the solution is he/she comfortable with?
- What parts of the solution is he/she uncomfortable with?
- Client must feel he/she WON.

Implement

the

Solution



Successful Implementation

- Meet prerequisites to success before start
- Ensure CSFs are in place
- Deploy Resources Properly
- On-going Retrospective Analysis
- Manage Risks
- **NOT YOUR PROJECT!!!**
Success Due to Client

Maintain
the
Relationship



Maintain the Relationship

- Marketing and client perception is more valuable than expertise
- Every engagement is important - build a reputation for delivering promised results
- Clients must trust you
- View you as extension of themselves
- Stay in touch even after the job is done

Continuous Improvement

- Constantly add to your product.
- Add additional products in same business
- Upgrade your old clients (reason to call)
- Integrate new into old for totally new version

Orange Situation

- Select a Partner
- Each Take a Situation Card
- Work to Negotiate a Settlement
- Share it with Class

Next Step

- Position yourself as a Partner!!!
- Know your Partner
- Know his/her Industry
- Know his/her Business Wins
- Know his/her Personal Wins
- Know his/her Critical Success Factors

IF THE CLIENT WINS, YOU WIN