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System development. Where value selling begins: Part 3

n this, our third and final column considering Systems Value Selling, we want **L** to address the topic of Positioning. That is, positioning in your customer's mind that you and your company's capabilities alone are the resource "go-to" organization for problem salvation and opportunity considerations. Simply speaking, you are the customers profit improver.

The Systems Value Seller (SVS) achieves this profit improver position by affecting the customer's processes in two ways:

- Reducing the contribution a process makes to cost; or
- By increasing the contribution a process makes to earning new sales revenues.

The SVS' method focuses on the ultimate end benefit of systems, not their components and costs. Therefore, the SVS' identification must be with the end-game profit improvement and not with products, equipment, services or even with systems themselves. By being identified with the deliverable objective-profit improvement—you have cast yourself, as a Systems Seller who understands his or her customer's total economics. This is power indeed since you and your customer have the same profit-improvement objective.

The added benefits forthcoming from a successful SVS experience is that the process professionalizes the seller's mission by expressing it in business management terms, not sales talk. This gives you the seller the same language as the customer.

POSITIONING AND SERVICE

To say that a SVS is "customer oriented" is correct, but a gross understatement. The SVS must be the ultimate in customer orientation. If the tables were turned and you are now the customer, what would you want a SVS to look like as a package of capabilities?

A SVS's profile would include:

- · An in-depth knowledge of one or more of your processes;
- How that knowledge can be applied to create the most cost-effective solutions to the operating problems they create for you;
- The SVS would know that most process problems occur together as a system where one problem can cause or aggravate another; and
- The seller's solutions are also based on systems and each system will be a custom-tailored package of hardware (equipment), raw materials (coatings, chemicals, adhesives, etc.) and services, or the software (plant engineering consulting, tech service, customer service, product delivery, etc.).

A SVS's objective is to impress you as the customer by:

- Beginning the "sale" with an intangible such as the performance of an in-depth analysis of your process. This sets the stage under the SVS' control;
- · The SVS, by working closely with your process managers, will agree on the nature of problems or issues uncovered;
- The SVS must determine what individual differences of the process are as well as factor in the similarities from the SVS' experiences;
- The SVS is under no obligation to advocate only a single cookbook solution. The sole preconception governing the SVS' prescription is to find the solution that best meets your cost and operating requirements; and
- By bringing together a combination of personal expertise, experience and information resources on your industry, the SVS begins to relieve you of many of the complicated burdens of improving cost efficiency.

ULTIMATE OBJECTIVE

The SVS's ultimate objective in this selling

The last of a threepart series exploring the topic of svstem selling.

Business Corner STRATEGIES & ANALYSIS

process is to earn the role of an implicit partner with the target customer. Alternatively, the SVS wants to literally earn a seat at the table of decision-making within the confines of that customer.

My mentor was Bill Smith, product manager and excellent SVS. When Bill was discharged from the Marines at age 28 he had already received his BS in Advance Chemical Engineering from the University of Missouri in only two and a half years and became a chemical salesman in a New York office. One of his assigned accounts was the Fleers Double Bubble Gum Company. Fleers was the market leader in bubble gum at that time but used BF Goodrich latex, the main component of the bubble gum formula. Bill was determined to crack the account.

Bill tried in vain to make an appointment to see the president since he was the one to make all material change decisions in the company. He decided to bring a birthday carrot cake to Sid, one a week for as long as it took. By the third week Sid came out to see this weird person and ask, "why the cakes?" Bill admonished that he had to get Sid's attention in some unconventional manner. Sid laughed and asked Bill what he wanted.

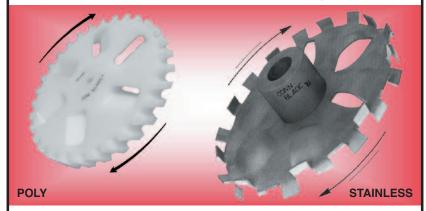
Bill said, "All I want is the chance to assess your production process to determine how I, and Goodyear Tire & Rubber Co., can make you more money. I have a bedroll, changes of cloths and toilet articles with me now, so I would plan on staying inside your plant until I can tell you something of value to your business. Can I start now?"

Bill solved issues with the BF Goodrich latex, his competitor and the Fleers' incumbent, amounting to \$450,000 per year in process cost savings and, within eight months took all of the \$5.5 million latex business into Goodyear's chemical division at a slightly higher price per pound selling price.

Systems Value Selling can pay off if analysis disciplines are applied and well thought out in advance. **CW**

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