

How to fast-track sales in business-to-business relationships

White Paper



Contents

Introduction	03
From value selling to value creation	04
The problem: Product-centric thinking	05
The solution: Customer-centric thinking	06
The "DNA" of high-value relationships	07
A five-step process to create value	08
The result: Fast-track sales growth	09
Conclusion	11



Introduction

Five years ago, a Forrester Research report forecasted that alone in the U.S., one million B2B salespeople will lose their jobs until 2020. Enter COVID-19 and ask yourself what's left of the good old times of personal selling?

Well, the world is still turning, but the future has arrived faster than most of us thought. Yet, sales jobs still exist so far, and there is always a future for B2B salespeople.

But the job is changing, and it's changing fast. In the future, B2B customers will only rely on very few highly qualified salespeople that help them to co-create value and give timely advice on future business opportunities.

However, the unanswered question is how quickly your salesforce will master the transformation to this new reality, and find new and sustainable ways to stay close to customers even during difficult times.

In this white paper, you will learn about:

- Where to find common ground for value creation beyond products
- A five-step process to create value from a customer-centric perspective
- Cases of fast-track sales growth from different B2B companies and industries

From value selling to value creation

A little while ago, our team had an Aha-moment which looks almost prophetic in hindsight:

We were facilitating an in-person workshop with about 50 corporate client managers from a leading European bank. The participants were supposed to share their best-ever value creation stories.

After a brief introduction, the first presenter on stage concluded with a proud smile on his face: "I have created value by extending the credit line of my customer from 900 million to one billion Euro." The audience applauded, the bank's leaders nodded appreciatively, and our external advisor team was left stunned. About half-a-dozen other examples with more or less similar results followed.

Building on the Forrester scenario's logic, it was evident that many jobs at this company would soon be at risk. In the future, this bank would no longer need highly-paid salespeople to approve the extension of a long-term customer's credit line. And needless to mention that the client did not too well receive our polite but straightforward comment about the below-par value creation approach.

Not surprisingly, the bank struggled heavily to deliver profitable growth in the following years and recently announced a significant change in their go-to-market strategy for corporate clients after COVID-19 had hit.

Case: BASF and 3M



But luckily, there are also contrastingly positive experiences. Consider Alan Weinstein, Global Account Manager at BASF for 3M. Some years ago, Alan was challenged by his customer with the following comment: "You are already one of our top suppliers globally. But if you really want to differentiate BASF, help us grow in Asia."

Using the Triple Fit Canvas as featured in this white paper, Alan reached out to his regional teams and developed a global commercial network aiming at the untapped potential of 3M business across different BASF units. Three years later, BASF had achieved a 15 percent Compound Annual Growth Rate (CAGR) with 3M and was awarded supplier of the year by the customer.

Reflecting on his experiences, Alan concludes: "The Triple Fit Canvas helped me develop regional growth strategies with my customer. It also enabled us to create a project pipeline and rapidly bring new products to the market and accelerate growth. Building on the experiences with 3M, BASF launched a new global strategy that includes customer networks with strong executive support to drive further growth."

The problem: Product-centric thinking

The myth of the "Strategic Fit"

In an ideal world, business relationships would end up like the case of BASF and 3M. All you would need to do is establish the notorious "strategic fit" between your customer and your supplier organization.



That's why companies spend much time and energy selecting (or deselecting) customers who seem to fit best to their product & services portfolio and then proceed with a polished value proposition communicated to the market.

In theory, there is nothing wrong with this approach. But in practice, the strategic fit is instead a myth than reality. Consider the case of a U.S.-based tech company that addressed its top customers with the following statement:

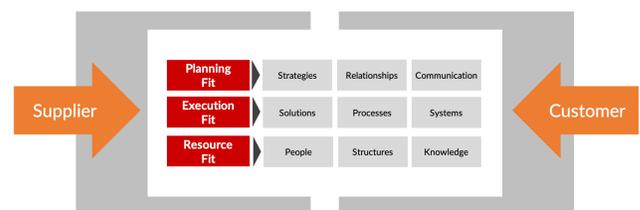
"We define the strategic business relationship between our organizations as a long-term commitment dedicated to lowering costs and increasing revenues for both companies. "

The customer's response was immediate: "You should be doing five times the business with us if you got your act together. You work with most of our organization but focus on nothing!"

The need for a "Triple Fit"

While the tech firm quickly learned its lesson, we still observe many organizations, teams, and individuals struggling with the same challenge. The reason is that they only focus on product (or service) features, functions, and benefits instead of taking a broader perspective on value.

Getting there is pretty simple: All you need to do is expanding the search for "value" beyond products and services. It's better to search for value from aligned strategies, relationships, and communication first, thus creating a "Planning Fit" - the first of three appropriate levels that define high-value B2B relationships.



The second fit level focuses on value resulting from solutions (your products and services), followed by processes and systems required to create a seamless customer experience. We call this the "Execution Fit".

The third fit level, which we call the "Resource Fit", emphasizes the value resulting from people, structures, and knowledge, altogether too often overlooked by product-centric mindsets. All three fit levels together form the so-called "Triple Fit" framework, which expands the product-centric to the customer-centric perspective.

The solution: Customer-centric thinking

Introducing the Triple Fit Canvas

Strategies 	Relationships 	Communication 
Solutions 	Processes 	Systems 
People 	Structures 	Knowledge 

Based on the Triple Fit framework's logic, we have developed the so-called Triple Fit Canvas as a fast and visual way to master value creation. Its origins stem from the research of Valuecreator's founder, Prof. Christoph Senn, and were first applied in industries such as automotive, banking, consumer electronics, energy services, precision optics, sports equipment, and semiconductors.

Today, after hundreds of successful projects with sales teams from across the world and all types of industries, the Triple Fit Canvas serves as a shared lens to find common ground for value creation from both the supplier's and the customer's perspective.

By applying the Triple Fit Canvas, you will be able to identify new sources of value beyond products and services in any business relationship of your choice. It will also help stakeholders adopt a customer-centric perspective and look at issues from an outside-in, and no longer from an inside-out perspective.

When organizations are able (and willing) to take a hard look at their performance in each of the nine building blocks of the Triple Fit Canvas, they can achieve above-average results, as the case of a global, Germany-based company illustrates.

To raise awareness for value creation beyond technologically superior products, the supplier firm invited a high-rank procurement executive from their customer Procter & Gamble to deliver a keynote at their global sales conference.

Many of the product-focused supplier employees were quite surprised when the P&G executive told them: "I am not expecting a ground-breaking technology solutions every year from you. It's OK if you can deliver this every few years. But what we need from our key suppliers is continuous commercial innovation - from strategies and structure to processes, systems, and knowledge."

Following a heated debate, the supplier firm decided to change the sales focus from inside-out to outside-in. Sponsored by their CEO, the firm then implemented a large-scale transformation, addressing a more pro-active and strategic mindset and behavior of their salesforce.

The key to success was to adopt a 360-degree perspective for the most important customers, which later became the blueprint for managing all of the firm's key partnerships. As a result, the supplier firm enjoyed fast-track growth. It could sign a deal worth 150 million Euros with one of its global key accounts only six months after the first Triple Fit workshop.

The "DNA" of high-value relationships

Solid performance in all nine building blocks drives success

Strategies  ★★★★★	Relationships  ★★★★★	Communication  ★★★★★
Solutions  ★★★★★	Processes  ★★★★★	Systems  ★★★★★
People  ★★★★★	Structures  ★★★★★	Knowledge  ★★★★★

To define a high-value relationship in your industry, ask yourself how many of your customers would rate your performance with five-stars. Specifically, what would it take to receive a five-star rating in each of the nine building blocks of the Triple Fit Canvas? If you get high ratings, then the chances are high that you are already enjoying a high-value relationship with your customer. Lower ratings are a strong signal for further improvement.

Consider the account manager of a global logistics firm, tasked with turning around the relationship with a major manufacturer. Labeled as „mission impossible“, the account manager was told that her assignment would be the last effort after many years of fruitless investments by the logistics firm. If she would also fail to transform the relationship, the supplier would pull out of the relationship and leave the business entirely to competition.

An initial analysis revealed Triple Fit ratings of 1 or 2 stars per building block. In total, the Triple Fit score was 12 stars (or points) on the possible range from 9 (minimum) to 45 (maximum) points.

Considering the customer's business drivers, the account manager initiated a strategic dialogue between top-ranked executives up to the CEOs from both companies to break the ice.

Of course, there were challenges, like the need to sharpen the reporting and communication lines on a global scale or to overcome silo-thinking and turf battles. But both organizations benefited from the 360-degree perspective and so could continuously build trust. One customer quote illustrates the upside potential: "In case you can solve our issues here, you can have the rest of the (business) volume too."

But the account manager's work did not stop there. She made no secret that she and her team would like to become the number one supplier of this customer, with Triple Fit ratings of 4 and 5 points, and at least a total score of 36 points. To this end, she convinced senior leaders to accept shared risk models and implement a global team, with a dozen full-time members worldwide.

The results confirmed the Triple Fit's impact while the marshaling of resources and risk management efforts across all nine building blocks continued. The outcome was double-digit growth of sales plus a replicable logistics solution for the whole industry vertical. At the end, the relationship had grown from less than ten million Euros to more than 200 million Euros of annual sales.

A five-step process to create value

To get started, choose the format



Completing the Triple Fit Canvas is easy. Simply follow the five steps of the Triple Fit process as described on this page, and achieve a reliable result within a few hours of work.

Depending on your preference, you may choose to capture and share the results of your work with the print version or the digital version of the Triple Fit Canvas.

The free print version works best for occasional users and large groups in face-to-face meetings. The digital version offers a flexible subscription model, which works best for remote work and heavy users.

For more information and accessing our tools, visit valuecreator.com.

Then, follow five intuitive steps

Step 1: Run a Maturity Check

Rate your company's performance in each Triple Fit building block on a scale from 1 to 5. Whenever possible, validate the result together with your customer.

Step 2: Analyze Value Gaps & Risk Impact

Explain the ratings (why are we in this position?) and identify risks associated with strengths and weaknesses per building block. Ask at least five times "why?" until you get to the root cause.

Step 3: Develop Value Booster Ideas

Think of the difference you could make by jointly solving the identified issues and develop first ideas to boost value and reduce risks. Ask "what?" could we do to change the situation?

Step 4: Translate Ideas into Actions & Projects

Select the most promising ideas and ask "how?" can it be done? Split your next steps into 90-day quick-wins and projects with a timeline of up to three years, and summarize your estimated ROI (robust assumptions are sufficient).

Step 5: Pitch the Game-changer Story

Develop a central message to achieve buy-in from all stakeholders. Summarize your decision proposals, investment, and support requests, and point out the consequences of approval, respectively non-approval.

The result: Fast-track sales growth

Benefits of the Triple Fit process

First, your sales teams will develop customer-validated strategy roadmaps with a clear action plan that serves as a hands-on tool to engage local sales teams and drive sales growth.

Second, the combined Triple Fit Canvas results will allow for an agile business review of your customer portfolio, thereby supporting your top management's resource allocation decisions for breakthrough results.

And third, you can train your sales, marketing and business development teams on a shared language and framework for value co-creation that can be replicated with your own resources.

"The Triple Fit Canvas is a powerful way to assess B2B relationships and fast-track my growth plan. I can now do my account planning in one day where I before needed five days..."

Strategic Account Executive
Fortune 500 company

"When I saw the Triple Fit Canvas for the very first time, I was blown away. It is an excellent tool to create future-proof relationships. We will use this method all across our company."

Global Head of Sales & Marketing
Fortune 500 company

Case: Schindler and Lendlease



Schindler Group is a Swiss-based multinational company that manufactures escalators, moving walkways, and elevators. Lendlease Group is a multinational construction, property, and infrastructure company headquartered in Sydney, Australia.

The history of the relationship between the two companies dates back many years. But it didn't grow fast until both firms agreed to evaluate their relationship with the help of the Triple Fit Canvas.

Schindler then initiated several game-changer actions, saving the customer CHF 15+ million and generating CHF 150+ million new business for Schindler.

On top of that, Lendlease awarded Schindler 100 percent of their business, with full visibility of the customer's project pipeline for the next ten years.

Case: Sonos and Best-Buy



Sonos is an American developer and manufacturer of wireless home audio products, including smart speakers. Best Buy is an American multinational consumer electronics retailer headquartered in Richfield, Minnesota.

Three years ago, Sonos conducted a 360-degree review of key customer relationships. Several cross-functional business teams applied the Triple Fit process from an internal perspective.

Then, Sonos approached customer Best-Buy to include their unfiltered external perspective into the Triple Fit process. After a joint meeting, both parties agreed that a pro-active collaboration at all levels of the Triple Fit Canvas would help them unlocking further profitable growth.

The resulting courses of action were summarized and approved for further work, orchestrated by both companies' responsible liaison contacts. As a result, the joint Triple Fit exercise and resulting strategy roadmap created additional momentum and above-average growth rates at both sides.

Case: Vodafone and SCB



Vodafone Group is a British telecommunications company with global headquarters in London, England. Standard Chartered Bank (SCB) is a British multinational banking and financial services company headquartered in London, England. Despite its UK base, SCB does not conduct retail banking in the UK, and around 90 percent of its profits come from Asia, Africa, and the Middle East.

To improve its relationship with SCB, the Vodafone sales team performed a Triple Fit Canvas analysis, focusing on value gaps and risk aspects. The team then identified several strategic moves to help their client to get ready for the future of mobile banking.

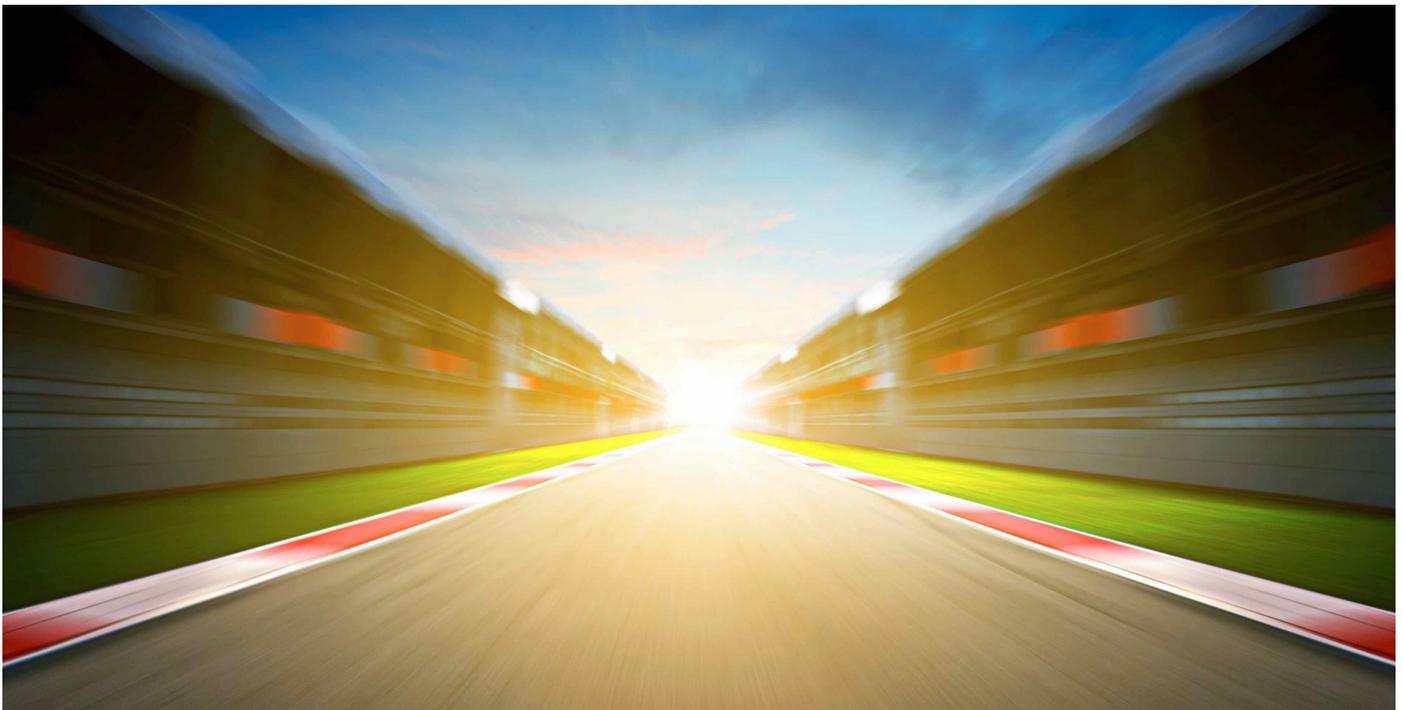
As a result, Vodafone's sales with SCB grew by 11 percent per annum over the next three years, and the opportunity pipeline grew by 30 percent. And last but not least, Vodafone's global sales team won the internal GAM team of the Year Award.

Conclusion

The Triple Fit process can be performed by individuals, a team, the supplier, the customer firm, or both. The experiences are always the same: By zooming in on the single customer-supplier relationship as an object of analysis, organizations can find new common ground to build mutually beneficial, high-value relationships. From a business point of view, the Triple Fit Canvas helps organizations better understand the maturity of their relationships and take appropriate measures to advance them to the next level from an organizational perspective.

A final remark:

Applying the Triple Fit process will not turn low performing salespeople into star performers. The truth is that many will never make it to such a level. But the Triple Fit Canvas allows sales teams to develop more strategic acumen and apply insights at the frontline in the most flexible way, also skipping the scripts of “one-size-fits-all” selling methodologies. By introducing new and relevant ideas for value creation, they will transform how they collaborate with their customers forever (and eventually keep their jobs).



Valuecreator is a consulting company helping organizations build high-value business relationships.

Global enterprises as well as small and medium companies worldwide rely on our services – powered by our proprietary Triple Fit Canvas concept – to develop customer-validated strategy roadmaps, future-proof relationship portfolios, and enable strategy execution across functions and geographies.

To learn more, visit valuecreator.com