

Moving the Market:

Aligning Sales and Marketing to Support a Customer Winning Service Strategy



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SERVICE STRATEGY



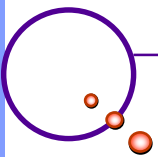
SALES

MARKETING

How Do You Bring New Products/Services to Market?

If your service has the value you think it has to the customer, then the next question is, “How do you bring it to market?”

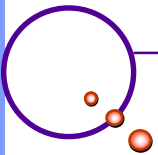
This starts by answering the question, “Who in the organization will be the decision-maker that directly benefits from the value created and will see enough value to purchase your service?”



What's Your Customer Journey Map Look Like?

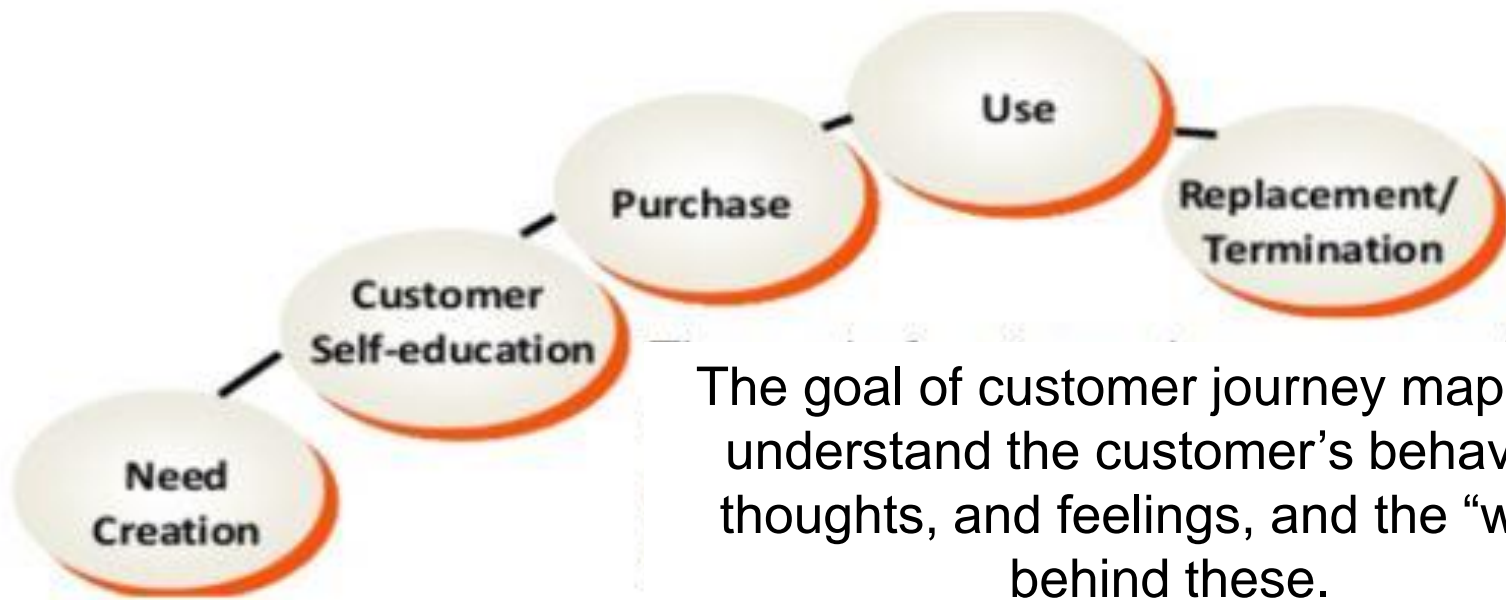


Once you have identified this person you need to develop a customer journey map to determine the purchasing process he and his organization will go through to purchase, adopt, and use your service.



Customer Journey Maps Help Better Understand Customers at Different Stages of Interaction with the Company/Product.

The Journey Map provides insight about the customer from the time the customer discovers a need (**Needs Creation**) to when he/she finds a better solution or no longer has the need (**Replacement or Termination**).



The goal of customer journey maps is to understand the customer's behaviors, thoughts, and feelings, and the "whys" behind these.

Read QDI's Customer Journey Map presentation at

<http://www.qdistrategies.com/presentations/customer-journey-maps/>

Are You Asking These Questions?

With this customer journey map in hand, you can now raise these questions:

“What does the sales and marketing organization have to do to execute this strategy?”

“How much change or risk will the organization have to undertake - customer base, channel competencies, channel connections, and channel commitment - to make this change?”

Channel coverage

- Do they have the customer base to sell this product/service?

Channel competency

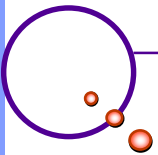
- Do they have the skills-sets (technical competency)?
- Do they have the product knowledge?

Channel connections

- Do they have connections with the people who decide on and use this product/service?

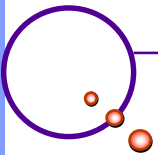
Channel Commitment

- Are they willing to commit the resources necessary to make this product successful?



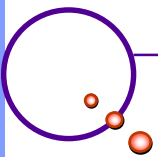
Ask These Questions, View Your Options.

Channel Questions:	Channel Gaps	Your Options
Channel coverage <ul style="list-style-type: none">Do your channels have the customer base to sell this product/service?	<ul style="list-style-type: none">Yes: Great!No: Can they capture the customer base you need?	<ul style="list-style-type: none">If yes: What do you have to do to help this happen?If no: Do alternative channels exist? Are you willing and able to do business with them?
Channel competency <ul style="list-style-type: none">Do they have the skills-sets (technical competency)?Do they have the product knowledge?	<ul style="list-style-type: none">Yes: Great!No: What skills are needed?	<ul style="list-style-type: none">If skills are needed: Do you have the resources and will you commit these resources to train these channels?



Questions, Responses and Your Options.

Channel Questions:	Channel Gaps	Your Options
Channel connections <ul style="list-style-type: none">Do they have connections with the people who decide on and use this product/service?	<ul style="list-style-type: none">Yes: Great, they have relationships with the right people.No: Can they get to these people?	<ul style="list-style-type: none">If they don't have the right relationships, what can you do and are willing to do to help them build these relationships?
Channel Commitment <ul style="list-style-type: none">Are they willing to commit the resources necessary to make this product successful?	<ul style="list-style-type: none">Yes: They are willing to invest the time and people to fill these gaps.No: They can't /won't invest.	<ul style="list-style-type: none">If they are willing to invest, you have a great channel partner. If no, you have to look elsewhere.

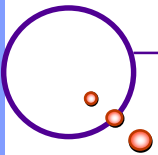


If Your Channels Have to Fill the Gaps, How Do You Support Their Efforts?

If the channel is capable and willing to make the change, then the next step is to determine, “How much and what type of support are you willing and able to give the channel in this effort?”

The greater the level of change a channel needs to make to support your new product, the greater the changes you will have to make in your organization to support that change.

You can use **QDI's Market Dynamics Decision Model** (described on following pages) to identify the impact of the degree of change you are asking the channel member to undertake and the corresponding support you should provide to this channel partner.

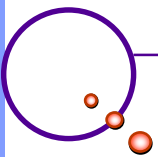
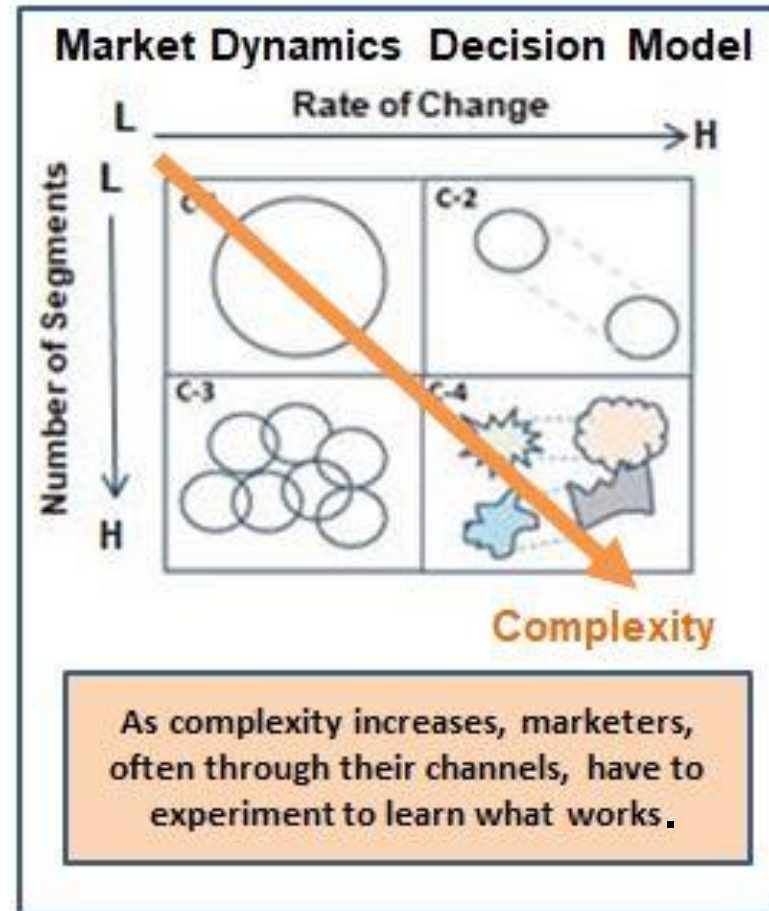


Review the Market Dynamics Decision Model.

The Market Dynamics Decision Model has four quadrants that profile the marketing situation that leads to the degree of changes you will have to make:

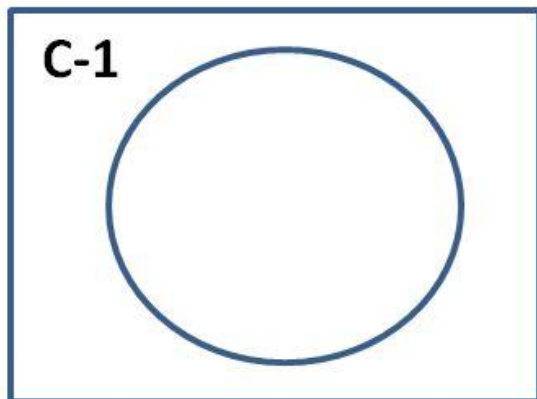
- C1 - Narrow product range and customer group with little change.
- C2 - Narrow product range and customer group with increasing rates of change.
- C3 - Broad product range and customer groups with little, or slow market change.
- C4 - Broad product range and customer groups with increasing rates of market change.

The greater the rate of change in the market and the number of customer segments (Quadrants C1 and C4), the greater your investments will have to be.

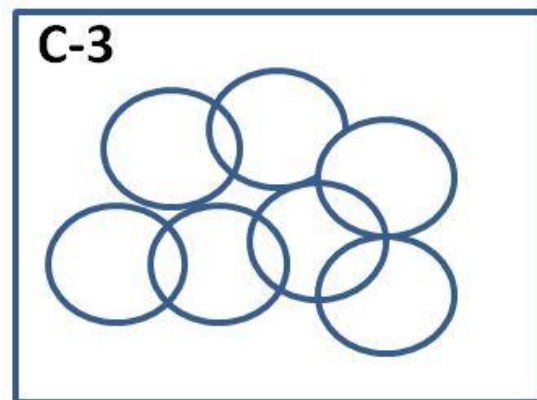


Take a Closer Look.

C1 and C3 are more traditional business models.

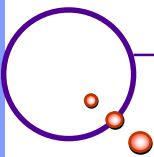


In C1, there is little change and only one market segment to address. In this scenario the marketer plays a strong leader role, setting the rules of operations for his channels.



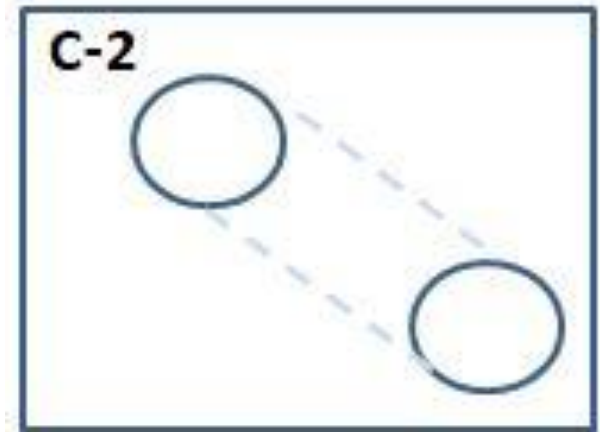
As the number of segments increases, shown in C3, the marketer can continue to play the market leader role, but has to devote the resources necessary to do this in multiple market segments.

As you move into markets where there is change, the marketer has to work with his channels so they can experiment and learn together how to navigate the change to more effectively sell and support the service.

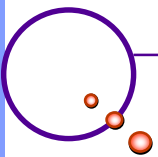
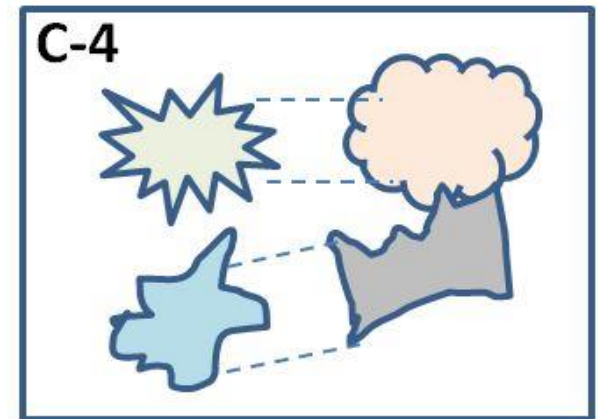


Increasing Rates of Change or Broad Product Range.

C2 and C4 represent the challenges of rapidly changing technology. In C2 the manager can play the leader role as long as he can focus on one technology application and market at a time. To be successful he has to understand the application and be able to teach his channels to successfully capture and serve this segment.

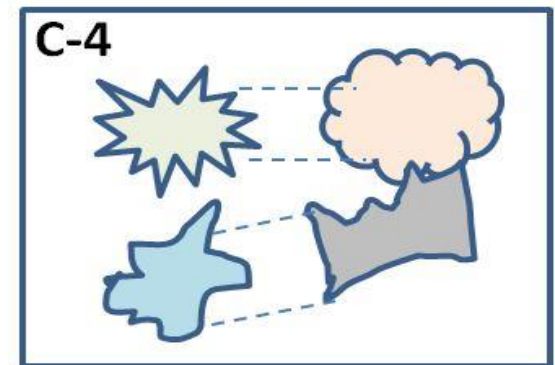
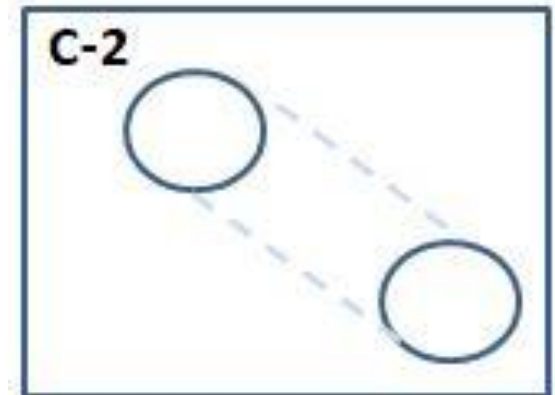


C4 is the most complicated space. Here the technology is impacting multiple market segments at the same time and in different ways. As a result, learning becomes more difficult for manufacturers and they risk falling further and further behind the market learning curve. Most marketers are struggling to figure out how to create value from all the data they are harvesting.

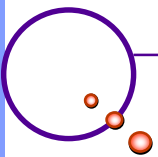


Learning from Experiences in Complex, Rapidly Changing Markets.

As you move into C2 and C4, the challenge is to learn from your experience in the market. The sales and adoption issues will vary from customer to customer until you begin to see patterns that can be replicated. Up to that point in time, it is incumbent on the manufacturer to provide significant sales, marketing,, and technical support to the channel member to help them through the cost, uncertainty, and risk of this learning curve.



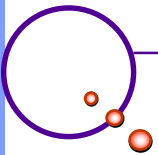
Once the patterns begin to emerge, the market can move back to more traditional business models in C1 and C3 as the marketer can build efficient sales and support models on what is working and bring that to the broader market.



As Complexity Increases, Traditional Marketing Approaches Don't Always Work.

The more the marketer, by his policies, metrics, or even unspoken expectations, limits the channel's ability to try different marketing and sales approaches in the area of selling services that impact the customer's process or product, the greater the chance of failure, as the marketer will never learn what works for different situations and segments.

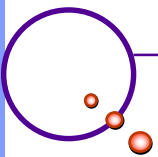
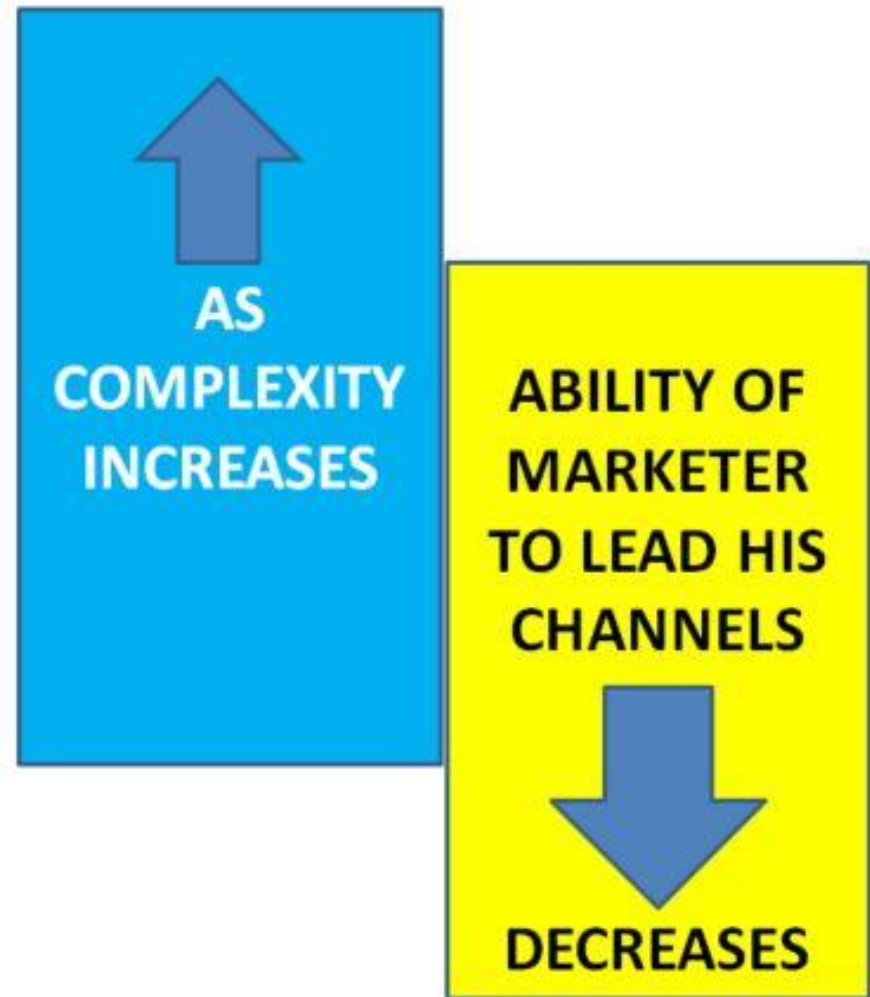
This opens the door to new types of competition, new disruptions in the marketplace, and often, weakening of existing competitive positions in the market.



Increased Complexity Makes Traditional Marketing Approaches Less Effective.

The bottom line -- as complexity increases, the ability of the marketer to lead his channels - i.e., tell them what they need to do to be successful with his product or service - decreases.

Traditional marketing approaches don't work if the marketers don't know what works. Marketers should plan to throw substantially more resources at this stage of the marketing process when he is trying to learn how to sell and support these market-changing services.

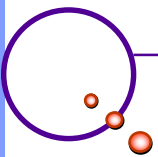


Technology Marketing Has Shifted To A Different Paradigm- Can You Keep Up?



As shown in the Market Dynamic Decision Model from QDI's white paper, "[Technology Marketing: A Different Paradigm](#)," markets become more complex as the rate of change increases and as the number of product/customer segments increases.

While in slower change markets, marketers can define the marketing roles and rules, in highly complex markets, the marketer can't take the lead and tell the channel what to do until the marketer knows what's going to work.



To Win in This Space, You Need to Think Differently.

If you expect to be a winner in this space, then you need a different channel management model and need to apply a different learning model to these channels. You can start by figuring out where you are.

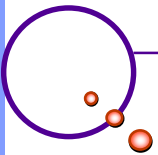
QDI's ***Technology Marketing Audit*** provides some key questions for you to start asking to assess where you are. It combines a look at your product and marketing technologies and determines how they are overlapping and working together or against each other in your business.

***An assessment of
“smart product technologies”***

***Roles of Manufacturer Channel
Support Organization***

***An assessment of
technology marketing***

Channel functions



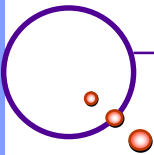
Key Questions for You to Start Asking.

An assessment of “smart product technologies”

What technologies are you marketing to make your products work smarter? Below we've listed just a few:

- Controls, tracking/sensors for early warning maintenance/other?
- Artificial Intelligence for predictive maintenance or for planning of production?
- Identification and tracing of raw materials and/or of finished products?

What business units and customer segments are most dependent on the successful adoption of these?



Questions for Technology Marketing.

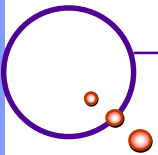
An assessment of technology marketing

What are you doing to develop the market for these technologies?

How critical of a role do your distributors play in successful marketing and support of these technologies and why?

What roles are your distributors expected to play?

- Awareness of education
- Pre-sale technical support
- Pre-sale commercial support
- Transaction support of delivery support
- Post-sale support
- Returns/warranty support

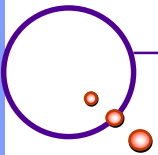


Key Questions for Sales and Marketing.

An assessment of technology marketing

What are your sales and marketing organizations doing to bring these technologies to market?

- What resources are performing these activities?
- Are these the same resources as used in the day-to-day business? Why?
 1. How are you organized to support the existing business?
 2. How does this differ?
 3. Use QDI's "Marketing Delivery System Framework" ([click link](#)) to compare how you are supporting the marketing of existing products versus your newer technologies.



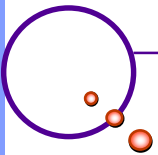
What Financial Models do You Have for Your Distribution Channels?

An assessment of technology marketing

What financial models do you have for your distribution channels to help them make investment and operational decisions?

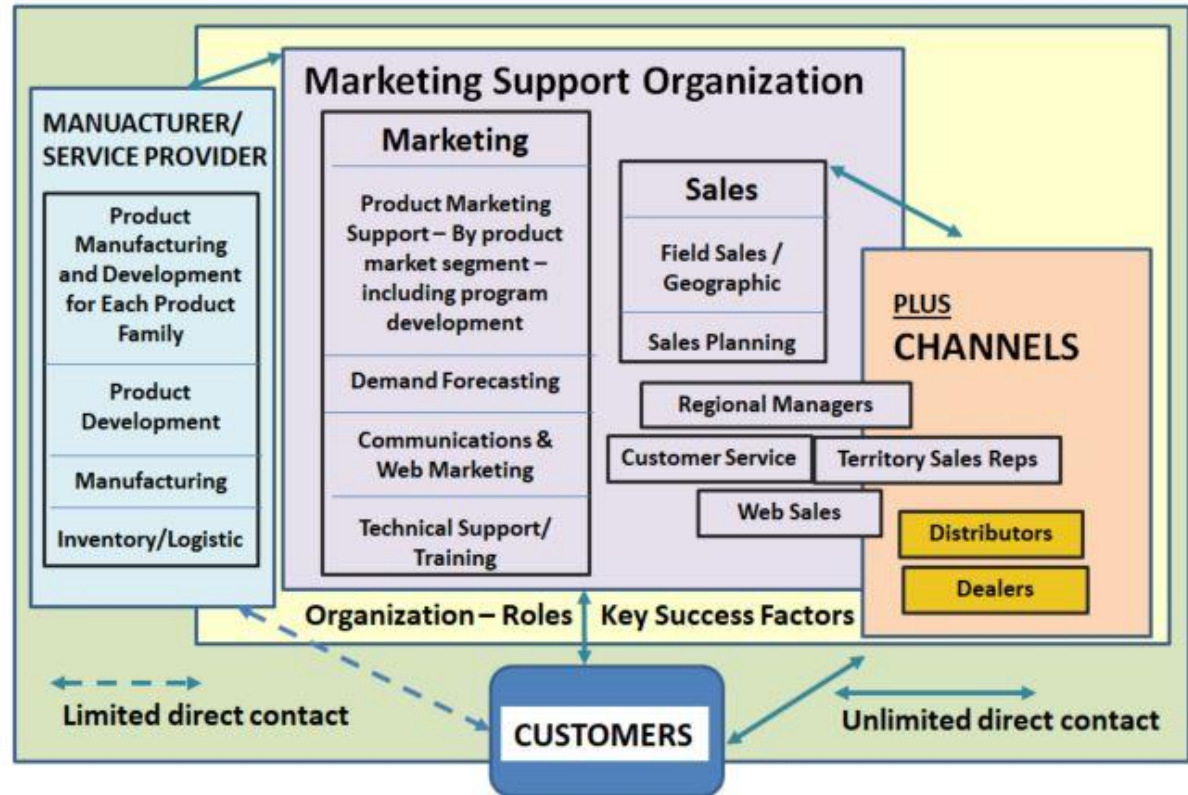
What prioritization do these activities have, such as, impact on rewards, recognition, and compensation?

- What are you doing to equip your dealers with the necessary skills and marketing models to sell and support these technologies?
- What are you doing to learn from your channel partners and transfer this knowledge to your channel network?
- How flexible are you in working with your channels in the marketing of these technologies?

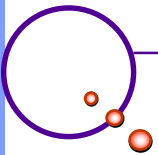


A Framework for Organizing your Thinking.

QDI uses the “Marketing Delivery System Framework” as a way to organize your thinking about the strategies, resources, and initiatives that companies use to support their channels.



This model identifies the role of the “Manufacturer’s Channel Support Organization” as focus of organizing and executing channel marketing programs. View QDI’s [Marketing Delivery System](#) presentation.



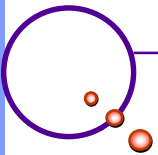
Answers to Your Questions Lead to New or Revised Roles.

Roles of Manufacturer Channel Support Organization

A look into the detail of these functions reveals the following activities that are roles for the channel support organization and the channels.

Manufacturer Channel Support Organization provides:

- Strategic direction - which channels to use, roles for each, policies, and metrics
- Channel development - select - recruit - sign-up and train
- Channel program development - value propositions - benefits - costs and required channel and customer investments
- Channel support - customer service - technical support - financing
- Channel management - line management of channel organizations



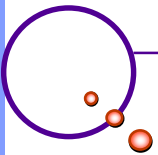
Key Questions Lead to New Roles for Channels.

Channel functions

These Include:

- Product / service logistics
- Communications
- Education
- Sales
- Transactions and financing of customer sales
- Customer training and post-sales support

You can use this framework to compare how you use your channels to market today and how you support them versus how you are using and supporting your channels in the marketing of your new technologies.



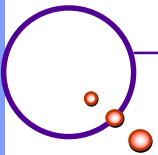
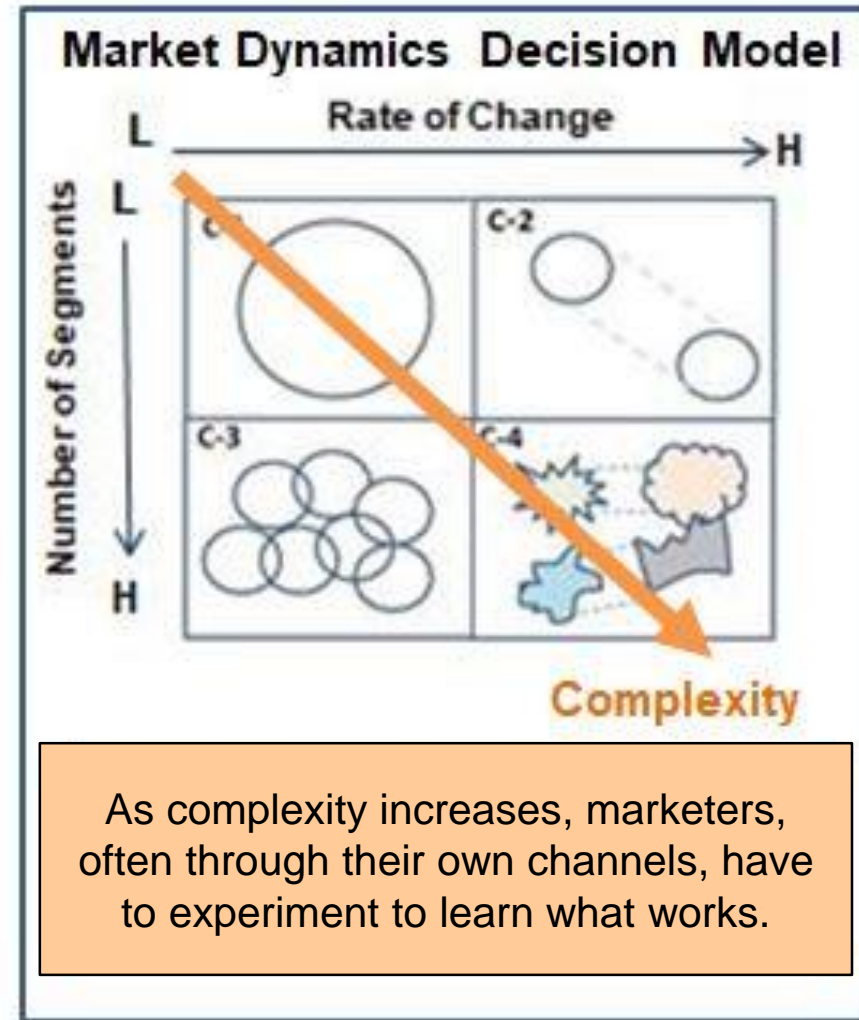
Where Is Your Company on this Chart?

Once you assess where you are relative to the marketing and use of technology in your business, you can then ask yourself which “Market Dynamics Decision” quadrant you are in.

And, you can begin to ask “What can marketers do?”

Read more about this on QDI Strategies web site.

“Market Dynamic Decision Model”
[Technology Marketing: A Different Paradigm](#) *(click link to open)*

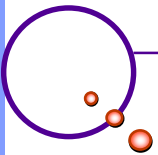


Turning Benefits into Marketing and Sales Gold.

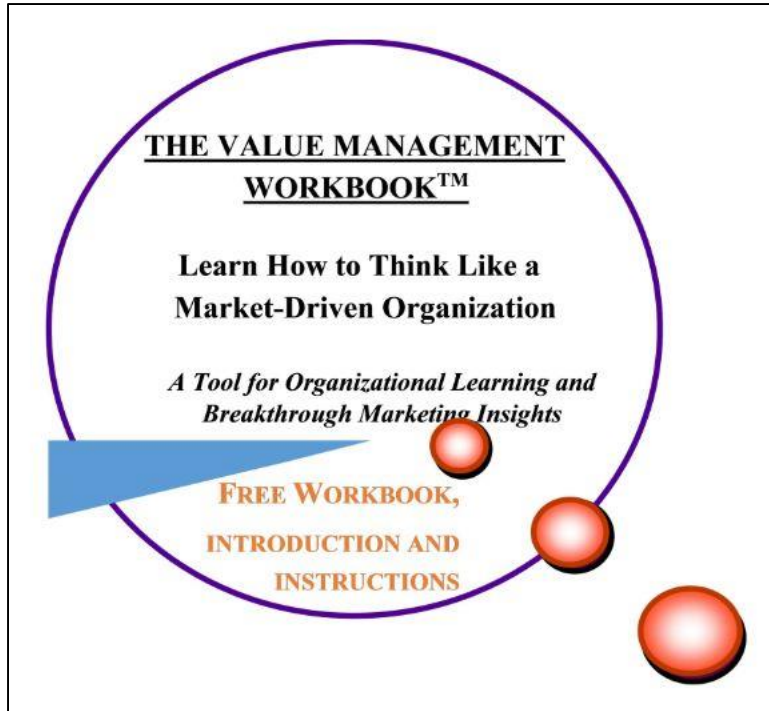
Watch this video to learn what Steve Bassill, president of QDI Strategies, has to say about VALUE and how organizations use [QDI's Value Management Workbook™](#), to turn benefits into Sales and overcome the market barriers to growth.



<http://www.qdistrategies.com/tools/turning-benefits-into-marketing-and-sales-gold/>



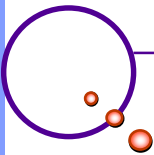
Getting Your Hands on a Measure of Value.



Find Workbook at
[http://www.qdistrategies.com](http://www.qdistrategies.com/tools/value-management/)
[/tools/value-management/](http://www.qdistrategies.com/tools/value-management/)

QDI has developed a toolset to help you measure your relative value. In [QDI's Value Management Workbook™](#), there are pages dedicated to measuring your relative benefits and relative costs versus customer options, as well as calculating your expected Close Rate.

You can use it on your own, or have QDI consultants lead you through the evaluation. This evaluation is based on what you know. To learn more, QDI can help you find out how the market values your offerings.

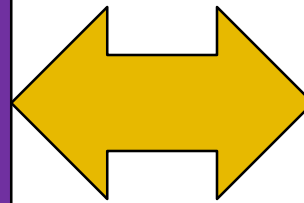


QDI Strategies Helps you Grow Your Revenue Stream.

We tell these stories because to be successful in overcoming the barriers to growth, companies have to do two things simultaneously:

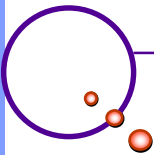
Learn what you can do to change customer behavior and what you must do to execute that change.

Step 1:
To Change Behavior:
Create a Winning
Value Proposition



Step 2:
Implement the Changes
to Communicate and
Deliver Your Value

Neither of these steps is trivial. A company must consider many things in creating a winning value proposition. However, implementing the changes and communicating value to customers requires work inside of the company as well as its external distribution channels. This can be more difficult.

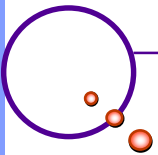


QDI Helps You “Learn What You Need to Learn” to Break Through Your Market Barriers to Growth.

QDI Strategies works with your team:

- To frame the underlying marketing issues and organizational barriers to change
- To execute discovery research to:
 - Find opportunities to create value
 - Identify and overcome barriers to execution (value delivery)
 - Validate, modify, or radically change assumptions based on organizational learning
- To develop and test:
 - Customer value propositions
 - Organizational implementation requirements
- To track ongoing program performance and to modify the value proposition and / or the execution plan and support to keep growth on target

Let us help you break through your barriers to growth.



What QDI Strategies Customers Say

"QDI's work quantified the opportunity in our "mega" segment and identified the criteria this group uses to evaluate us. We're in the process of putting in place the information and communications necessary to win these customers."

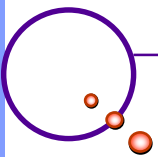
Jack McQuellon, Caterpillar

"In my experience, what distinguishes QDI is that they identify the deep underlying insights quickly. Their research techniques draw the relevant truths out of the marketplace and these enable us to develop valid strategies that will make a difference. Our company's true opportunities in the current marketplace become apparent . The interactive process gets buy-in from the participants within our company so at the end of the project, we have actionable strategies."

Michael Hadjinian, TPI Composites

"Terrific work- based on QDI's findings we are already putting marketing programs in place targeting buyers at the key decision points they identified."

Frank Dennis, Dennis Consulting



Visit the QDI Strategies Web Site and Learn More About How We Can Help You Add Value and Grow Your Business.

How does QDI help?

QDI listens and understand what customers, channel partners, and other customer facing people are saying and grasp how it relates to your business challenge - whether that is kick-starting a stalled product line or effectively marketing a new product.

For products and services that impact customer process and products, QDI can help your organization learn, and accelerate your learning to identify what you and your channels need to do to successfully market these valuable services.

QDI has an intellectual and intuitive skillset and a process for linking what they are learning to your business to find solutions for your problems and how to execute those in the market. To learn more, take a look at QDI's White Papers with case histories about companies facing market challenges: <http://www.qdistrategies.com/resources/case-studies/go-to-market/>

Email Steve or Mike

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