

FinListics Customer-Focused Enterprise Account Planning Guide

Purpose

- Help enterprise sales organization create account plans the are more customer-focused...take an outside-in view
 - Expand deal size by better understanding current buyers and identifying new buyers
 - Provide case studies that make it easier to apply to your solutions and targeted industries
 - **Please read presenter notes for more details.**
-

Case Study

Buying Customer

Manufacture parts company with **\$3.5** billion in revenue that helps other companies build equipment in industries like food production, robotics, and renewable energy

Seller's Solutions

Provides solutions that help lower operating expenses

Solution Stack

- Automation
- Sensors
- Connectivity
- Analytics

Making Plans Customer Focused



**GREATER
CUSTOMER
INSIGHTS**



**TAKE OUTSIDE-
IN VIEW**



**BUILD NEW
CUSTOMER
RELATIONSHIPS**

Customer Insights



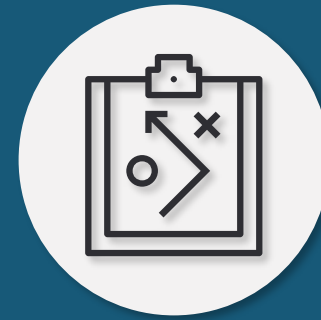
#1

**GOALS &
STRATEGIES**



#2

**EXECUTIVE
COMPENSATION**



#3

**FINANCIAL
ASSESSMENT**

#1: Goals and Strategies

Drive profitable organic growth

- Be a technical leader, market growth in attractive sectors
- Expand both product portfolio and geographic presence
- Deliver best-in-class customer service

Operate with excellence

- Drive enterprise-wide lean and continuous improvement efforts
- Build a more cost-effective global manufacturing footprint
- Deliver efficiencies across supply chains
- Optimize processes and SG&A efficiency

Sources: Customer's Annual Report & Investor Presentation

#1: Financial Goals (5-Year)

■ Annual Revenue Growth

- Goal: **6%**
- Historical average **5%**
- Revenue gap **\$35 million**
(\$3.5 billion revenue x 1% gap)

■ Profit margin

- Goal: **20%**
- Historical average **16%**
- Profit gap **\$140 million**
(\$3.5 billion revenue x 1% gap)

Sources: Customer's Investor Presentation

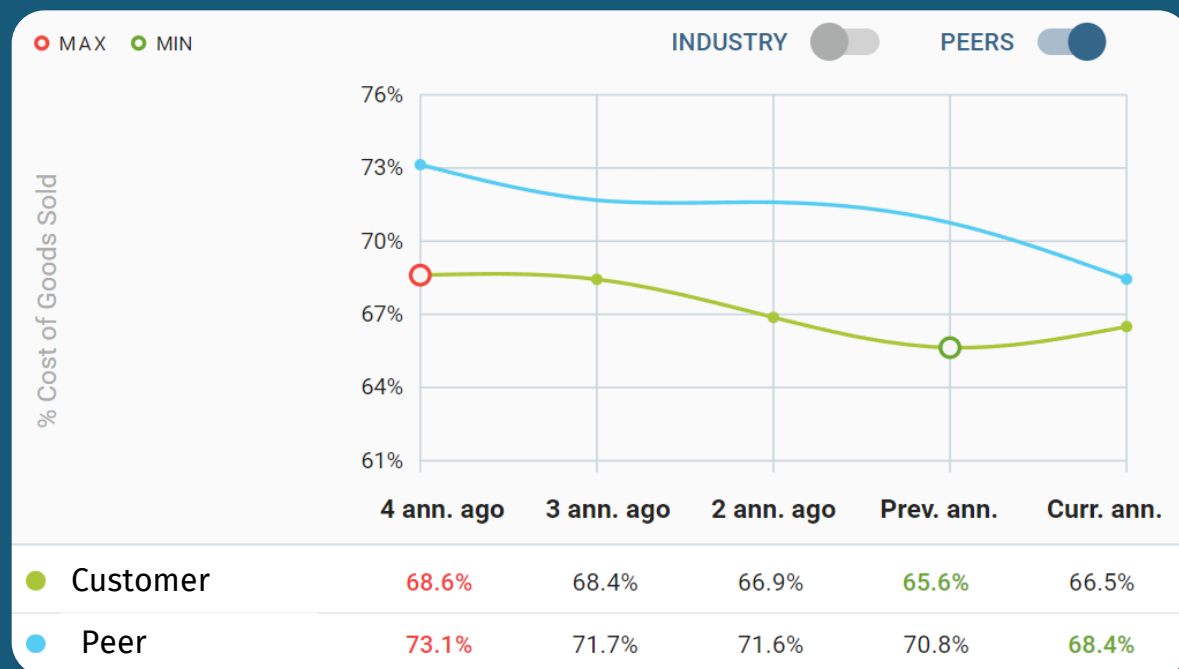
#2: Executive Compensation



To learn more about using executive compensation in the sales cycle see
[Making Proposals Personal With Executive Compensation](#)

Source: Customer's Proxy Statement

#3: Financial Analysis*



Source: FinListics ClientIQ

Gross profit decreased, primarily due to the impact of:

- lower volume
- unfavorable foreign exchange rate
- unfavorable manufacturing performance

These items were partially offset by:

- Acquisitions
- lower material and logistics costs
- favorable price/mix

Source: Customer's Annual Report

To learn more about using financial insights in the sales cycle see
[Curing Sellers Fear of Finance](#)

Tips on Customer Insights

1

It's a team effort

2

Don't boil the ocean

3

Conduct account plan health check

Outside-In View



#1

**CONFIRM YOUR
FINDINGS**



#2

**ASK PROBING
QUESTIONS**



#3

**SHARE “HOW” YOUR
SOLUTIONS CAN HELP**

Outside-In View

*“When we were looking at automated sourcing solutions, we set up one-hour calls with two vendors, a day apart. The first vendor had **clearly done their homework**.*

*They spent the **first seventeen minutes** of the call verifying what they knew and getting clarification on what they didn’t, asking a lot of questions about our business and the problem we were trying to solve.*

*Only then did they shift to **“Let us show you our solution.”** They explained how it could work for us, and after some discussion we were confident enough to say, “We like what we’re seeing. What’s the next step?”*

Justin Honaman, former VP/GM, Analytics, Data & Digital Transformation,
Strategic Sourcing & Procurement, Georgia Pacific

Tips on Outside-In View

- 1 Don't assume priorities today are the same as tomorrow
- 2 Remind them of their pain
- 3 Create case studies

New Relationships



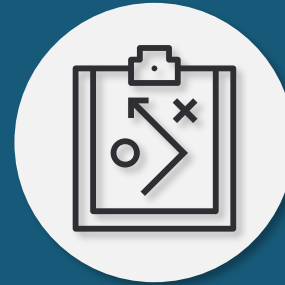
#1

**LOBs SUPPORTING
GOALS &
STRATEGIES**



#2

**LOBs'
INITIATIVES**



#3

**LOBs SCORECARD
(KPIs)**



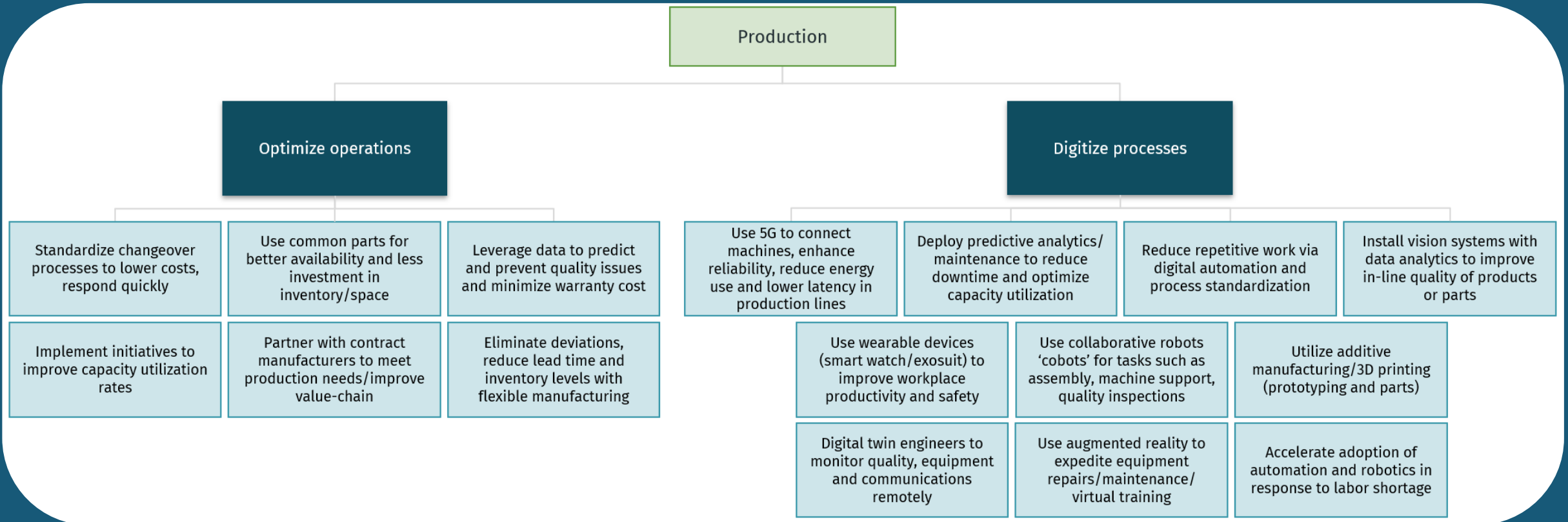
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**VALUE
OF SOLUTIONS**

#1: It Takes a Village

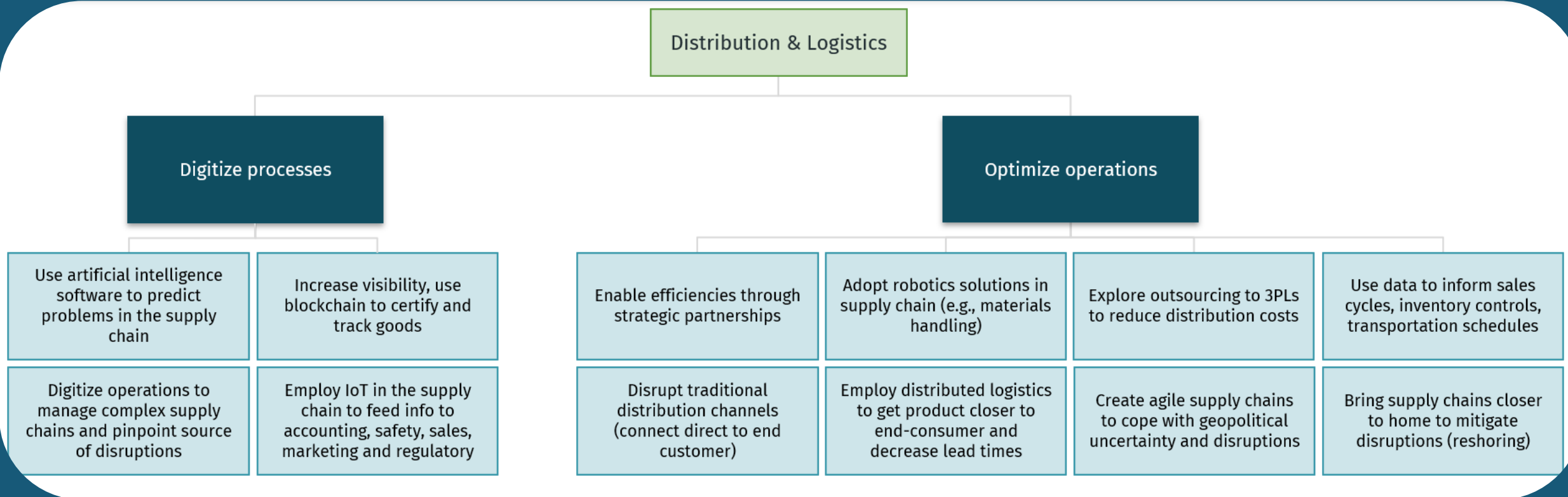


#2: LOBs Initiatives



Source: FinListics Industry Blueprints

#2: LOBs Initiatives (continued)



Source: FinListics Industry Blueprints

#3: LOBs Scorecard (KPIs)

Production Key Performance Indicators

- | | | |
|---|--|------------------------------------|
| ▪ Materials expense | ▪ Warranty | ▪ Unplanned machine downtime |
| ▪ Labor expense | ▪ Maintenance on production and logistics assets | ▪ Yield |
| ▪ Overhead expense | ▪ Spend on MRO consumables | ▪ Mean time between failure (MTBF) |
| ▪ Total cost to manufacture | ▪ Forecast accuracy | ▪ Mean time to repair (MTTR) |
| ▪ Overall Equipment Effectiveness (OEE) | ▪ Production capacity utilization | |
| ▪ Scrap and rework | | |

Distribution and Logistics Key Performance Indicators

- Total logistics cost
- Warehousing process
- Maintenance on logistics assets
- Returns inventory
- Unplanned downtime

Source: FinListics Industry Blueprints

#1 - #3: LOBs, Initiatives & KPIs

LOB: PRODUCTION INITIATIVES

Standardize changeover processes to lower costs, respond quickly	Eliminate deviations, reduce lead time and inventory levels with flexible manufacturing
Deploy predictive analytics/maintenance to reduce downtime and optimize capacity utilization	Reduce repetitive work via digital automation and process standardization
Digital twin engineers to monitor quality, equipment and communications remotely	Accelerate adoption of automation and robotics in response to labor shortage

Financial Metrics

- Cost of Goods Sold
- Days In Inventory
- Fixed Asset Utilization

Operational KPIs

- Materials
- Labor
- Overhead
- Capacity Utilization
- Unplanned Downtime

LOB: DISTRIBUTION & LOGISTICS INITIATIVES

Use artificial intelligence software to predict problems in the supply chain	Increase visibility, use blockchain to certify and track goods
Digitize operations to manage complex supply chains and pinpoint source of disruptions	Employ IoT in the supply chain to feed info to accounting, safety, sales, marketing and regulatory
Adopt robotics solutions in supply chain (e.g., materials handling)	Use data to inform sales cycles, inventory controls, transportation schedules

Financial Metrics

- Cost of Goods Sold
- Days In Inventory
- Fixed Asset Utilization

Operational KPIs

- Transportation
- Warehousing
- Reverse Logistics

To learn more about tailoring the sales message for individual LOBs see
[Building Relevancy for Your Buyers by Tailoring the Sales Message](#)

#4: Value of Solutions

Value of 1% Improvement in Production KPIs.

KPI	Improvement	Power of Improvement (Millions - USD)
● Total Cost to Manufacture	+ 1 %	\$23.13
● Material Cost	+ 1 %	\$12.85
● Overhead Cost	+ 1 %	\$5.61
● Labor Cost	+ 1 %	\$4.67
● Scrap and Rework	+ 1 %	\$0.35
● Warranty Cost	+ 1 %	\$0.88
● Maintenance on Production and Logistics Assets	+ 1 %	\$0.58

To learn more about tailoring the sales message for individual LOBs see
[The Power of One: Help Close Deals Faster by Showing Value of 1% Improvement](#)

Tips on New Relationships

- 1 Identify new LOB initiatives
- 2 Leverage existing relationships
- 3 Tailor the sales message.

Stay in Touch



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**FinListics
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