

SAMA EMEA
Conference 2018
Sound bites

**Learning and observations
from the event organised by
the Strategic Account
Management Association**

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March 2018

SAMA is the Strategic Account Management Association. The SAMA EMEA 2018 Conference took place in Berlin on March 15 & 16.

Strategic or Key Account Management (SAM/KAM) practitioners from Europe but also from all over the world, gathered for two days to listen to other practitioners and to share experience and ideas on current trends.

This year's conference theme was "*From Beginning to Winning in a new SAM Ecosystem*".

This text is an attempt to summarize a good part – not all – of what was discussed in Berlin. It represents the understanding and opinion of the author.

Despite new and crucial trends, the fundamentals of SAM/KAM do not change: it is about persistence, patience and regular monitoring

It might be perceived as non-sexy by a journalist or by a social media fan, but despite new and exciting trends, the fundamental challenges of successfully launching and ramping-up a SAM/KAM programme do not change.

Frederic Kahn, an executive with a long experience driving SAM/KAM in the pharmaceutical industry explained how a CDMO (Contract Development Manufacturing) company developed and implemented a 3-years plan to establish its SAM programme. From his 15-years' experience managing SAM/KAM, he presented some of the key invariants.

- An innovation-driven company has to have a solid SAM initiative as the two complement each other's.
- A SAM initiative without active sponsorship from the top management and a fairly good organisational alignment on KAM execution is bound to fail.
- Innovation and SAM initiatives have a limited impact without a true customer orientation effort driven in parallel (more on this topic below).
- A 3-years SAM initiative development roadmap must be defined with an evolving focus over time. This must include a clear strategy and the associated account plan for each Strategic Customer.
- There must be a solid yearly selection and deselection process.
- Identifying and developing the right talents is absolutely crucial and training must take place every year.
- A SAM/KAM programme must be audited regularly to check its strengths and weaknesses and to define the improvement roadmap. The quality and relevance of this audit is much better when it is conducted by an external provider.

The power of leveraging an ecosystem for co-creation

Since several years, one of SAMA's fundamental stance is that true Strategic Account Management is defined by the engagement in a **CO-CREATION** process with selected customers, this process aiming at creating value for all involved parties. At each SAMA conference companies demonstrate that this view is neither a theoretical nor a long term-vision, it is today's reality for the best-in-class players in SAM/KAM. This year, Peter Oosterveer, CEO of ARCADIS a design and consultancy firm for natural and built assets, opened the Conference with a speech on how co-creation is enabled by pulling together an ecosystem of players and creating an environment which encourages a true out-of-the-box thinking.

- At ARCADIS, the Deep Orange initiative is used to pull together cross-organisations and cross-companies team who create totally new approaches for customers. This process has led to the development of very innovative custom-build solutions for some key customers.
- In addition to creating multi-functional teams and leveraging young talents, Deep Orange relies on **DESIGN THINKING**, a powerful method to help support this co-creation process and unleash the creativity of individuals and teams. Design Thinking can be learned and, to become effective, need to be practiced regularly as the individual and collective proficiency develops with experience.

A SAM/KAM initiative often co-exists with other initiatives and synergies should be developed and nurtured

Along the specific processes and capabilities required to implement SAM/KAM, there are other key topics which can justify a specific initiative handled as a company-wide effort and which complement and enhance SAM/KAM.

- **TRUE CUSTOMER ORIENTATION DRIVEN BY ADEQUATE METRICS** – All customers in general and even more strategic customers in particular do care for their experience with their vendor. Therefore, articulating quite precisely the tangible meaning of Customer Orientation and measuring it with adequate KPIs is a matter of credibility. It creates the adequate foundation for a successful SAM/KAM Programme. This must go way beyond the measure of a standard NPS score on a few high-level contacts as this does not provide enough insights. Also crucial is the fact that the Customer Experience and Satisfaction must be discussed openly during the Business Reviews (as well as the Supplier's ones by the way) as this is the sign of a healthy business relationship.
- **SALES EXCELLENCE & SALES ENABLEMENT** – Sales Excellence aims at implementing behaviours, processes and tools at sales rep and sales managers level which create the conditions for a sustained performance in sales. Sales Enablement aims at arming sales teams with the knowledge and content they

need through the buying process followed by their customers. National Instruments have integrated a Sales Enablement approach into their SAM Framework. The goal is to help Account Managers change the dialogue with their key contacts at the customer. The method is based on 3 components. First, Mental Models help explore where to focus a growth effort on a given type of target customers. Business Impact Playbooks help explore pre-selected business needs which are met at 80% of the customers of a given type. Third, a diagnostic tool used during a collaborative workshop at the customer's positions the Account Manager as an advisor. This approach allows NI to scale and dramatically speed-up their efforts to change the engagement with customers. One should also note that this effort is embedded into a more global Sales Excellence initiative. Although not discussed at the SAMA Conference, how well a Sales Excellence and a SAM/KAM approach complement each-others is a key factor in a company's commercial success. Both have a different focus, broad for Sales Excellence and narrow for SAM/KAM but the reality is that they often partially overlap as very well demonstrated by the approach of National Instruments.

- **SHARING INSIGHTS AND SHIFTING THE FOCUS OF DISCUSSIONS** - NOKIA, now positioned as a provider of telecom infrastructure, is driving a change in the relationship with its key customers by providing deep insights and by driving a business-agenda focused discussion rather than a technology-focused one. This means enhancing the individual and collective capacity to articulate a relevant Value Proposition for each type of contact. In this approach as well the notion of ecosystem is crucial as NOKIA brings to customers an extensive knowledge of the relevant players in the customer's industry which allows to build end-to-end solutions.

Important enablers of SAM/KAM

In order for a SAM/KAM programme to fly, there are many other things which need to evolve and improve. Below a few initiatives which can be considered as enablers of SAM/KAM are briefly described.

- **ENGAGE WITH PROCUREMENT WITH A GREATER CONFIDENCE** – Yes procurement has gained in power and this is not going to go away. But procurement organisations and people have challenges and sales teams in general and Strategic Account Managers in particular are in a favourable position to help. Davis Atkinson, a former Chief Purchasing Office and a consultant, highlighted how important it is for sales teams to understand the goals of procurement, how they work and how they look at purchasing categories and vendors. Only with this knowledge can the sales teams shift the balance of comfort and power and develop a more confident way to work with procurement.
- **LEVERAGE CUSTOMER FEEDBACK** – Although a tool like NPS is now broadly used, it has some serious limitations and companies are not equal in terms of how well they collect and leverage customer feedback. A truly leading-edge practice of collecting and leveraging the Voice of the Customer should be, at least

partially, predictive. It should also lead to a clear definition of corrective actions and their respective owners and timeframe. In addition, the customer feedback process must be fully embedded into the Relationship Management part of each Account Plan and must include a face-to-face dialogue with the adequate stakeholders. This seems obvious but is not the reality for many companies today. As an example, Abbott Diagnostics decided to go beyond NPS and introduced a loyalty-measurement tool which provides actionable insights on what needs to be done and with whom to keep an important customer. This initiative has proved very efficient to save key relationships at risk and to get closer to several customers. It is now being enriched and extended to involve all functions within the company.

- **HARNESS THE POWER OF GOOD MESSAGING AND STORY-TELLING** – Being a Strategic Account Manager is about communication, conviction and building influence. The consistency of messages delivered to Strategic Accounts and the adaptation of these messages to each audience type on the Account is a key element to execute efficiently on the strategy. In addition, the format of the messages and the way to deliver them matters. How arguments are presented, which types of visuals are used and how, plays a role in the impact of a pitch or of a presentation. Last but not least, messages and the associated material should vary with the audience and with the stage of the buying process. These are reasons why more and more companies use specialists of messaging, story-telling and content creation to learn how to increase the impact of their communication.
- **DEVELOP A COACHING CULTURE** – It is widely recognized that there is no strong Sales Excellence approach without the development of sales coaching. The process of developing the skills of Strategic Account Managers also strongly benefits from leveraging coaching. However, the reality covered by the term coaching may vary. A true coaching process implies that through questions and feedback, the coach helps the coachee explore a given situation and find a solution on their own. Using this process implies either working with a certified coach or having equipped the managers (or the persons in charge of coaching the SAMs) with solid coaching techniques. A true coaching culture is associated with the capacity to provide honest feedback to each other's and to listen.
- **UNDERSTAND AND MANAGE YOUR COMPANY CULTURE** – Culture shapes how members of an organisation see the world and how they behave. Therefore, how any strategy is designed and implemented, and how organisational alignment is achieved, or not, is determined by culture. Deploying a Customer Orientation and a SAM initiative, introducing a systematic practice of coaching or of Design Thinking, fostering cross-functions organisations, all of these are elements which gradually lead to a change in culture. When designing and implementing SAM or any of the initiatives mentioned in this article, the Leadership Team should explore the key elements of the current and desired culture and think about tangible actions and behaviours that will foster the cultural change and reward those who drive it at all levels of the organisation. Failure to do this will undermine all initiatives for which this cultural shift is both a foundation and an outcome.

By the way, where has digitalisation gone?

In 2017, in association with Prof. Kaj Storbacka, SAMA published "*The Digitalisation Drive*", a report on how digitalisation impacts how SAM should be designed and operated. Because digitalisation is about new business models, richer interactions, availability of a massive amount of data and new ways to create value, this quite conceptual report is foreseeing and recommending a radical change in the way SAM programmes are designed and executed

The picture of the current practice of SAM given by the presentations at the 2018 Conference validates the importance of the shift in business models and of the capacity to mobilize an ecosystem beyond the supplier's organisational boundary. It also validates the fast-growing importance of leveraging analytics to explore customer needs and market trends, as well as the shift in culture and collective mindset required to be able to do this.

However, it also demonstrates that this evolution is, on average, slower than what is most often painted by the media, academics and consulting firms. For the good or for the bad, the evolution of SAM remains determined by the pace at which a company has to or is willing and able to drive the evolution of its business model and of how it engages with its ecosystem. No real surprise here but moving slowly and protecting the status quo is a risky choice.

Conclusion

SAM/KAM is a rich multi-disciplinary field where one has to leverage a broad span of disciplines and initiatives. What matters is the global coherency of all these initiatives and how well they complement each other's and create effectiveness. That is what makes it so fascinating and what makes attending a SAMA Conference so valuable.

About the author

Dr. Olivier Riviere is a consultant focused on Key Account Management, Sales Excellence, Sales Enablement and B2B Influencer Relations. His career path holding management and executive positions in several large companies and global SMBs from various countries of origin with clients across numerous industry segments has given him a rich and highly diverse experience that he leverages as a consultant.

Founder of OR consulting, Partner at POWERING. Creator of the KAM Reloaded™ methodology, he is a member of SAMA (Strategic Account Management Association), Deputy Chairman of AKAM (the Association for Key Account Management) and member of the Sales Enablement Society. In his work, he puts a lot of emphasis on the cultural change and the collaborative dynamic of an organisation. Trilingual, he lives in Munich, Germany and Paris, France and operates across Europe and worldwide. He is also a teacher, speaker and writer.

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