

# Sales excellence

Boosting efficiency and  
mastering complexity



## Sales excellence

This Roland Berger approach supports you in achieving sales excellence by answering these key questions:

"What is the best sales organization for us?"

"What is the right sales channel portfolio?"

"How can we optimize the performance of our sales operations?"

"What is the best way to manage and control our sales activities?"

### 1. Sales organization

#### Determine your success factors to define your organizational structure

To satisfy the needs of today's demanding customers, companies are increasingly aligning their sales organizations to both customers and channels. However, this alignment risks reducing sales efficiency or expertise in individual products. Bundling and commoditization can put pressure on margins.

When designing your sales organization, three key questions are essential:

- > What is the ideal segmentation of your customer base?
- > Which factors make your sales organization successful?
- > Which organizational structure (customer, region, product, function, channel) supports these success factors best?

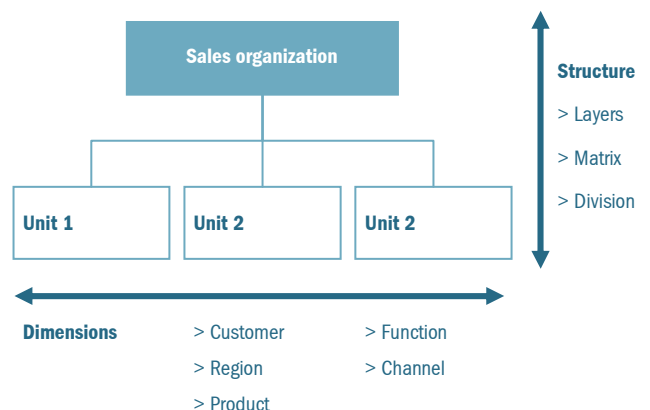
In redesigning a sales organization, the first step is to segment customers and identify the relevant success factors. In particular, the correlation between customer segments and the most important products in a segment helps you decide on the right focus: on products, customers, divisional organization or on industries.

This shape of the sales organization forms the basis for designing sales units such as key account management – either with lead key account structures or with selling teams of product and sales experts. The next steps are then to describe and size the functions and set up a transfer matrix.

#### Project example

We helped develop and implement a new customer-focused sales organization for the European fleet services business of an international oil major. In-depth customer knowledge, new segment-specific offerings and cross-selling were the key success factors. These factors created the framework for a customer-oriented organization. The organizational design was based on customer segmentation by value and by requirement, taking local specifics into account.

#### Sales organization



## 2. Sales channel management

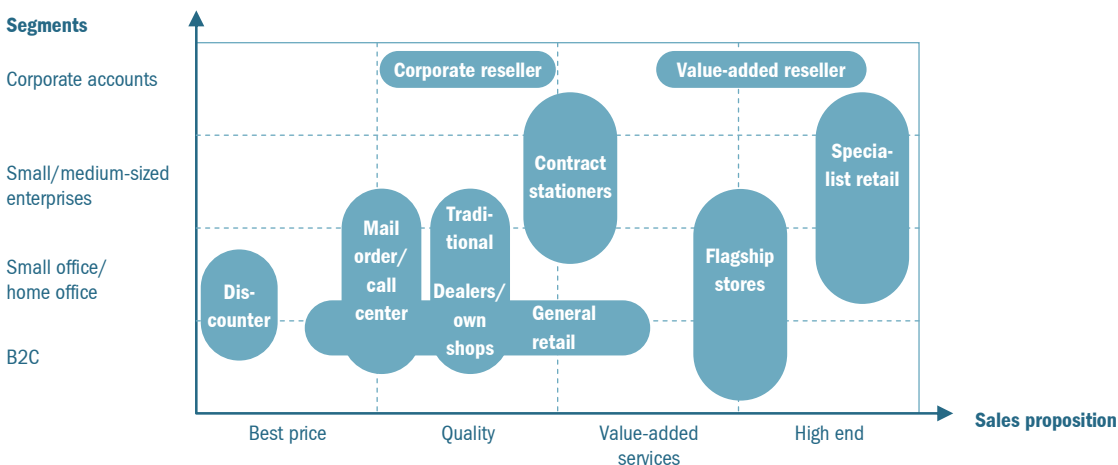
### Mastering channel complexity and innovation

Both B2B and B2C companies are finding it more and more difficult to choose from and manage the huge variety of sales channels. With customer needs becoming ever more diverse, the era of a mainstream channel mix and one-size-fits-all approach is over. Sticking to poorly performing traditional channels is simply a dead end.

Companies that use innovative routes to the market are more successful in responding to customer needs and outperform the competition. However, selecting, managing and steering a complex channel portfolio remains a challenge. As the number of sales channels grows, interfaces and conflicts multiply.

Our pragmatic, action-driven and proven approach looks beyond traditional angles. We focus on spotting performance gaps in channel management and providing the means to eliminate them. Our clients have achieved amazing results – with cost reductions of up to 20 percent and a 5 percent rise in sales. And our cross-industrial experience ensures seamless implementation with a focus on quick wins.

### Example channel positioning



## 3. Sales performance

### Improving sales efficiency fast and flexibly

"After years of capacity adjustment in the construction industry, we will in the future focus more on improving sales performance – the main levers are customer acquisition in sales and more emphasis on potential, differentiation and focus in the treatment of customers."

This statement by one of our clients indicates a new approach many senior managers are taking these days: Sales performance is still seen as a key success factor, but the focus is shifting from cutting costs to improving sales effectiveness.

In order to exploit the hidden potential in our clients' sales systems, we have developed a fast, flexible and feasible sales performance approach. And it pays off. Our projects typically improve sales efficiency by 10 to 20 percent. These savings will be used to increase sales effectiveness and boost sales figures and margins.

To improve efficiency to such an extent, we need to address all the important levers in sales operations – from increasing process efficiency to optimizing the customer and offering mix, adapting service levels or run a dedicated SalesUp! program. We identify benchmark-based efficiency targets, define suitable levers and develop individual concepts to optimize (not restructure) the existing sales operations.

## 4. Sales management

### Four components help you strengthen your sales monitoring system

Many companies make do with rather unsophisticated sales monitoring systems. They cannot precisely allocate indirect costs to customer segments or products. Reporting systems often focus on financials only and do not properly illustrate results. Planning instruments and processes fail to indicate inconsistent forecasts and budget deviations at an early stage.

The weaknesses are manifold and are often the same across industries. To help companies eliminate them we have developed a sales management tool consisting of four components:

- > **Sales forecasting** increases the quality of your sales forecasts. It does this by developing a standardized planning process, a forecasting tool and a monitoring tool to alert our clients to the risk of missing their targets.
- > **Sales cost accounting** helps your company focus more rigorously on profit by using customer-specific and/or product-specific contribution margin accounting.
- > **Sales reporting** redesigns the reporting system. It offers a customized data analysis tool and a newly designed sales report.
- > **Incentive systems** for sales introduces (more) variable salary components for sales staff and provides a model for evaluating individual performance and calculating bonuses.

### Sales management

