



RedCard Solutions

+\$5B Global IT Solutions Distribution Client

Anatomy of a Win: An In-Depth Client Case Study



Sales Performance Coaching

Foreword

Today, many companies are putting every business process under a microscope in an attempt to transform how they communicate, collaborate, innovate, and go to market. In highly competitive hardware, software, and service product markets, many companies engage customers based on a “portfolio” driven sales paradigm. Sales teams engage customers attempting to emphasize the value of their differentiated portfolio capability, but winning customer business often comes down to the procurement organization’s lowest-cost-vendor-wins decision criteria. In highly competitive markets, this drives an insidious downward race-to-the-bottom erosion of margins, and diminishes the value of a direct sales force when they believe their ability to win is solely determined by the answer to the question, “What’s our bottom line price?”

To maintain customer relevance and sustain profitable growth in highly competitive markets, many companies are discovering they need to transform their selling motion to focusing on the acceleration of their customer’s business strategy and the transformational business outcomes their customers are trying to achieve. Successfully transforming their selling motion, not only requires selling teams to “raise the dialog” they are having with their customers to create alignment, their success relies on the ability to engage customer executives who own the business strategy and outcomes. If they want to change the customer’s perception of their company’s ability to deliver differentiated value, sales teams can no longer afford to limit customer interaction to Evaluators, Implementers, and Procurement managers who solely focus on lowest cost providers of what is perceived to be commodity capability (i.e., multiple vendors offering the same capability). From business unit leaders to C-Suite executives, sales teams need to be able to engage customer executives responsible for creating, integrating, communicating, and achieving innovative transformational imperatives. Sales teams must apply a repeatable process of executive discovery and solution mapping to achieve differentiated value from – the customer’s perspective. They have to be able to not only access these executives, they have to know how to drive meaningful dialog with them. That’s a huge shift for most sales teams.

“Innovate or Perish” was the marketer’s cry of the 1960s (Journal of Marketing. Vol 31 January 1967 pp12-19). Today, few companies can escape the question, “How do we remain relevant to our customers?” The quest to answer this question is driving customers to transform faster than their competition to avoid extinction, and it’s creating unprecedented opportunity for companies who can help them. Ultimately, it all comes to rest on the selling team’s shoulders to directly uncover the customer context that creates this relevance. Transforming your selling motion to help your customers achieve aggressive business outcomes begins and ends with having the right perspective, and the only one that counts is – **THE CUSTOMER’S PERSPECTIVE**. Only when you understand your customer’s perspective can you align your messaging to their vision and achieve relevance in their eyes. Do you know if you’re selling teams are capturing the right customer scouting input at the right level? How confident are you in your sales team’s “blocking & tackling” ability to target and access the right customer executive, ask the right questions to drive the right dialog, and have confidence the answers accurately represent key targeted customer executive stakeholder perspectives? Developing a winning deal specific game plan is not only based on the sales team’s scouting input, it also requires objectivity to transform their scouting input into the right next-step actions. Sales Performance Coaching ensures the sales team is scouting the right information, interprets the captured scouting information objectively, and optimize the deal specific game plan to close gaps and advance the deal. The challenge for most organizations is they lack a consistent platform to coach against, and as a result, any Sales Performance Coaching is sporadic at best. In the absence of consistent Sales Performance Coaching, companies compromise collaboration, the prioritized utilization of finite resources, and the ability to identify, pursue, and win the right deals. Sales Performance Coaching drives both an individual’s and especially a team’s ability to achieve peak performance.

Since 2006, RedCard has been leading a new era of Sales Performance Coaching that integrates you into your client’s business vision. With a world-class team of sales performance coaches, we illuminate the path to growth helping clients win real deals – right now. By leveraging our innovative Web-enabled global presence, decades of cross-industry practical complex sales expertise, and our easy to implement coaching process, RedCard enables clients with the ability to more consistently close “Must Win” deals that deliver transforming business outcomes to the markets they serve. We’ve been helping clients sell smarter by unlocking the power of vision driven collaboration to elevate customer dialog. From customer vision to business outcomes, to influencing customer buying criteria and customer perception, RedCard helps clients solve complex selling challenges that drive differentiation and growth in highly competitive markets.

But don’t just take our word for it...

In the pages of our “Anatomy of a Win: An In-Depth Client Case Study” are examples of how RedCard Solutions applied our coaching platform to empower our client’s ability to transform their selling motion and take customer relevance to new heights of alignment by accelerating their customer’s business strategy. We also include an example of how the client transformed their relationship with their largest account, as well as how they won a huge opportunity at a second marquee account. The examples we’ve provided represent how RedCard Sales Performance Coaching enabled our client, a global brand, to answer their customers’ most challenging business questions. The Result: our client achieved unprecedented top line and bottom line growth in the 2nd year of our engagement.

How can RedCard Solutions help you?

Steve Urell
Managing Director

Welcome

Introduction

In this in-depth client case study, we will provide context around our client's situation and our engagement.

After introducing the challenges our client faced, we describe our approach and the outcomes & benefits our client has realized at the 2nd-year mark of our ongoing engagement.

We conclude with an example Account Plan approach for a specific key target account (+\$20B global telecommunications service provider), and also describe the Anatomy of a Win (\$10M deal) at one the world's largest telecommunications service provider accounts.



Client Situation

The Client

A global publicly traded multi-billion dollar value-added Information Technology Solutions Distributor.

Entering their engagement with RedCard, our client's Global Service Provider Industry Business Unit was a global organization selling primarily into Europe and North America driving sub-\$500M in revenue with low single digit average Gross Margin.

We were engaged by our client's Global Service Provider Industry Business Unit who competes in a highly competitive market where their customers are large telecommunications Service Provider accounts (e.g., AT&T, Verizon, Vodafone, Telefonica, British Telecom, Sprint, Orange, Telstra, et al.). The Service Provider's procurement organizations traditionally awards vendor orders based solely on - lowest cost provider wins. This "race to the bottom" engagement paradigm continued to erode our client's margins. Our client's Executive Management recognized they were at a critical inflection point in their business, and there was no way they could drive profitable growth continuing down the same road.

In a traditional distributor sales paradigm, the Service Provider's Global Selling Teams would be selling to their customers. When the Service Provider's deal got to a point where they had to figure out where to procure the necessary hardware or software solution content, the Service Provider's procurement organization would call our client's Sales Team. Our client's Sales Teams solely calling on the Service Provider's procurement organization would reactively quote the order and try to win it. With direct competition on every order, if our client couldn't quote the best price, they were guaranteed to lose. If they couldn't also quote the best delivery, they would need to give additional price concessions or risk losing.



Client Engagement

Our client engaged us to help them implement a strategy to transform their selling motion from a reactive sales fulfillment model competing on price and delivery to a proactive sales model differentiating on value.

Transforming the selling motion from reactive to proactive.

To move away from a “race to the bottom” lowest price wins engagement paradigm, we helped our client implement a global strategy to proactively go sell - with - the Service Provider’s global sales teams helping them win their customer’s business by enabling a higher degree of solution differentiation through our client’s value added capability.

The proactive strategy was designed to enable the Service Provider to address bigger problems and achieved bigger outcomes for their customers. When the Service Provider wins the business, our client was already positioned and specified as part of the Service Provider’s solution well ahead of the procurement organization’s involvement.



Client Challenges:**Change the Sales Organization's internal mindset**

The biggest challenge for our client was to first convince their Sales organization the approach they've followed for decades, focusing solely on reactively selling to the Service Provider's procurement organization, was not sustainable. They had to call outside of the Service Provider's procurement organization if they were going to drive profitable growth.

Empower the Sales Teams with the skills & abilities to succeed

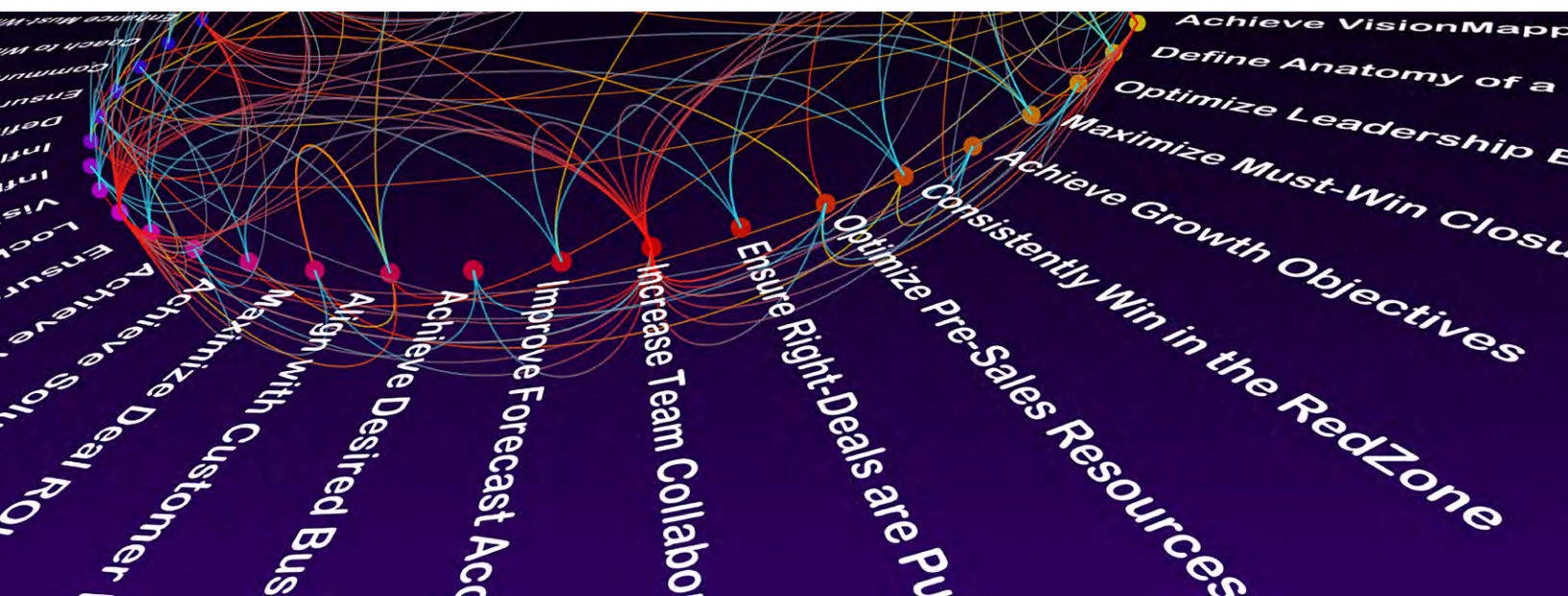
Once they believed they had to call outside procurement, the challenge was to enable our client's Sales Teams with the skills and abilities to go call on functions within their Service Provider's organizations such as Sales, Solutions Architects, Project Management, and Program Management. Our client's Sales Teams needed to learn how to discover and understand what challenges the Service Provider is trying to address with the respective Service Provider's customer; and how the Service Provider could partner with our client to provide solutions to the Service Provider's customer directly ultimately driving the Service Provider's procurement organization to place the order with our client.

Empower the Sales Teams with the ability to rebrand and reposition their value

Though technically a Distributor, our client had developed additional value added services capability allowing them to function as a value added solutions provider. Our client realized they were no longer simply competing with Distributors; they are now competing with big regional VARs around the globe for the Service Provider business.

Our client's Service Provider customers had no idea our client possessed value added capabilities extending beyond a Service Provider's ability to simply procuring low margin commoditized IT hardware and software. They had no idea partnering with our client gave them the opportunity to sell high-value (i.e., high margin) professional services capability to include large warehouses where our client is able to stage and kit equipment before it ships to the Service Provider's end-user customer, equipment installs, and financial service wraparounds supporting CapEx, OpEx acquisition models and traditional leasing.

It was imperative our client's Sales Teams not only learned how to get in front of the right people at their Service Provider customers, they had to learn how to also rebrand and reposition themselves once they secured meetings with their Service Provider customer. Our client's Sales organization had to learn how to change their Service Provider's perception from being perceived solely an IT distributor to seeing them as a high power value added solutions provider with a large portfolio of services capabilities the Service Provider can in turn leverage to differentiate themselves with the Service Provider's clients.



**On-boarded Asia Pacific
and Latin America
Sales Teams**

Our Approach

Championed through executive mandate, the RedCard engagement started with driving weekly accountability by establishing a regular cadence with the client's Sales Teams coaching them against the client's account planning platform to facilitate changing their mindset.

During the first year of engagement, RedCard on-boarded our client's newly acquired Latin America and Asia Pacific Sales Teams enrolling them in the program and driving weekly accountability by establishing a regular cadence and coaching them against the client's account planning platform.





Even though our client had a typical in-house account planning platform, they weren't coaching against it. The Sales Teams quickly recognized the benefits of the external perspective provided by RedCard sales performance coaches holding them accountable every week to make progress on their account plans.

RedCard Solutions Approach

Establishing the coaching theme

The RedCard coaching theme focused on elevating our client's Sales Teams ability to identified and secure meetings with strategic stakeholders outside their Service Provider customer's procurement organization to with the customer's business line executives. Successfully calling higher (leveraging up in the client's organization) securing meetings with Service Provider stakeholders in their Sales, Solutions Architects, Project Management, and Program Management organizations, the RedCard coaching theme empowered our client's Sales Teams ability to rebrand and reposition their value educating stakeholders on the differentiated value added capabilities our client possessed.

Establishing a new perspective

As part of RedCard's weekly coaching cadence, RedCard sales performance coaches would collaborate with our client's Sales Teams strategically on which Service Provider stakeholder groups to get in front of, which individuals to target in those groups and how to confirm "friend vs. foe"; and then tactically, once the client's Sales Teams secured an appointment, coach them through real-time call planning and role playing associated with how they were going to handle the actual Service Provider customer meeting. Our client's Sales Teams began consistently establishing themselves with the Service Provider's sales teams as a value added partner as a result of engaging Service Provider stakeholders involved in the Service Provider's customer sales cycles way before any procurement need was identified.



The Starting Point

Client Revenue:
Sub-\$500M

Average Gross Margin:
Low Single Digit %

Entering their engagement with RedCard, our client's Global Service Provider Industry Business Unit was a global organization selling primarily Europe and N. America driving sub-\$500M in revenue with low single digit average Gross Margin.



Client Outcomes & Benefits

Over the last 24 months:

**Revenue: 100% Growth
(Sub-\$1B)**

**Average Gross Margin:
100% improvement
(High Single Digit %)**

Two years later, our client's Global Service Provider Industry Business Unit closed their year driving 100% growth (sub-\$1B) in revenue with 100% improvement in average Gross Margin (high single digit %).

By leveraging the rigorous weekly accountability RedCard sales performance coaches facilitated combined with the strong partnership we established with our client's executive management and the Sales Teams they lead, our client successfully transformed their selling motion from a reactive sales fulfillment model to a proactive sales model.

Our client ran a very flat organization: all Europe reports to a single executive, all N. America reports to a single executive, all Latin America reports to a single executive, all Asia-Pacific reports to a single executive. With both the Sales Teams and the executive management team being in constant motion, by RedCard driving weekly accountability translated into both the Sales Teams and Executive Management being able to take the opportunity to step back from the business on a weekly basis to talk about the plan, and hold everyone accountable to executing the plan. On a weekly basis, RedCard injected external perspective ranging from strategic insight to tactics on how to execute that plan better every week.

Over the last 24 months we've also introduced RedZone (RedCard's Sales Performance Coaching platform) to our client. RedZone helped our client develop a consistent deal specific platform to coach their Sales Teams against and hold them accountable, in line with RedCard's mantra – "Sales is a Contact Sport" – they need to get out and meet people. As Sales Teams started uncovering opportunities working with the Service Provider's sales teams calling on the Service Provider's largest clients, our client is now able to consistently coach their Sales Teams to identify gaps, tactics and strategies to identify key players critical to a deal coming our client's way, identify the competition, identify all the critical issues, and then differentiate themselves. All of this has become part of our client's everyday sales culture.

In our client's vernacular, RedZone enabled our client to transition from an account plan to an opportunity plan, what they call "a deal led strategy". In order to be "deal led" and drive pipeline our client requires their Sales Teams to call on people that own the quota at the Service Provider.

Initially, our client hired RedCard to add value and hold their Sales Teams accountable. The engagement showed our client that if you implement correctly, hold firm, and not just hold your Sales Teams accountable, but add value by coaching them, that you can drive unprecedented results.



Our Client Today

Right now, the team is entering their new fiscal year with a business plan that is twice the margin the rest of the company drives, they're getting twice the resources that the rest of the company gets because they are driving twice the margin, and they continue to add team members that embrace this deal led approach.

The most important thing is our client doesn't act like a Distributor anymore.

The most important thing is our client doesn't – act – like a Distributor anymore. In Distributor language, the individuals responsible for capturing customer revenue are called “Business Development Managers” (BDMs), and even though they still call them Client Business Development Managers, they understand within the culture of their Global Account Team they are – the Sales people, and their mission is to go call on their Global Account's selling teams.

RedCard was able to help our client transform how they sell. Our client has in turn changed their culture and internal processes to support how they are now selling.



Account Example:

Our client's largest Service Provider account

+\$20B Global Telecommunications Service Provider

Our client's customer has 20 top accounts in the UK. Our client's Account Team now calls on their customer's selling teams that in turn call on the customer's top 20 accounts in the UK. The RedZone coaching platform helps our client understand critical components of key opportunities, and helps drive collaborative dialog on how to differentiate our client with their customer's selling teams by not only enabling their customer to win larger opportunities at the 20 top accounts their customer targets in the UK, but also how their customer can deliver those opportunities at higher margin. Not only does our client make more money, our client's customer makes more money – a true Win-Win.

The customer's target account places a PO that goes to our client's customer who in turn places the order with our client. For example, the customer delivers a IT route/switch solution to one of their top 20 accounts, but instead of buying the IT route/switch solution direct from the OEM, they buy it through our client. Rather than have it ship from our client's warehouse to the customer requiring the customer to stage and kit it for delivery to one of their top 20 accounts, our client warehouses it, stages and kits it, and ships it to the customer's account. Our client even solves the customer's problem of the customer's backlogged field engineering team with respect to installation upon arrival at the customers account. Our client rapidly deploys the route/switch solution our client has staged and kitted utilizing our client's own field service engineering resources. From the perspective of our client's customer, there's "one throat to choke", the entire implemented solution is all under the customer's SLA account contract; our client is simply under their customer's SLA authorizing our client perform services.



**New ability to
dramatically grow
revenue**

Our client's biggest "Ah Ha!" moment

Using our client's +\$20B Global Telecommunications Service Provider customer as the example, the biggest "Ah Ha" moment for our client is when they totaled up the quotas for their customer's Top 20 accounts in the just the UK, their customer is looking at over \$500M in quota. Our client realized that even though their customer's \$500M in quota includes way more than what would be relevant for our client to participate in, our client realized if they participated in 50% of the opportunity within just those 20 customer accounts, and won 50% of the business they were relevant in, they now realize this single customer is potentially a +\$125M account – just in the UK.

Our client has realized selecting RedCard to help them drive and implement executing a unified strategy is driving unprecedented results, as they not only engage with this same customer around the globe in all theaters (e.g. the Global Telecommunications Service Provider has many large US customer accounts), but also how our client now can employ and replicate this strategy across all of the large 15 Service Providers customers our client's Service Provider Business Unit targets.



Anatomy of a Win:

Anatomy of a \$10M Win

A Top 5 Global Telecommunications Service Provider

Our client's UK based Account Manager, responsible for a Top 5 Global Telecommunications Service Provider customer, started to identify their customer's large account teams and the accounts they cover. Our client's UK Account Manager learned their customer was just awarded a large complex deal (in July) with a large retail chain account headquartered in the UK with retail chain presence across EMEA. The awarded deal required our client's customer to install equipment in every one of the large retail chain's locations across EMEA (12 countries; 280 locations). Our client engaged with their customer later than they would have liked given customer's retail chain account had already awarded (in July) our client's customer a contract with SLAs requiring the installs to completed and live by the end of calendar year.

The Global Telecommunications Service Provider customer's selling team responsible for the quota with the large retail chain client account tells our client's Account Manager that she has to talk to and engage with the Global Telecommunications Service Provider's Project Management team. Our client engages with the customer's Project Management team that's running the large retail account's deal implementation. Our client's Account Manager secures a face-to-face meeting with the customer's Project Manager. In the meeting, the customer's Project Manager starts describing issues she's going to have in trying to meet the SLA she's been handed based on shipping requirements, and the OEM product availability delivery timelines the major hardware supplier and others were able to meet (e.g., the major hardware supplier is a Just-In-Time manufacture).

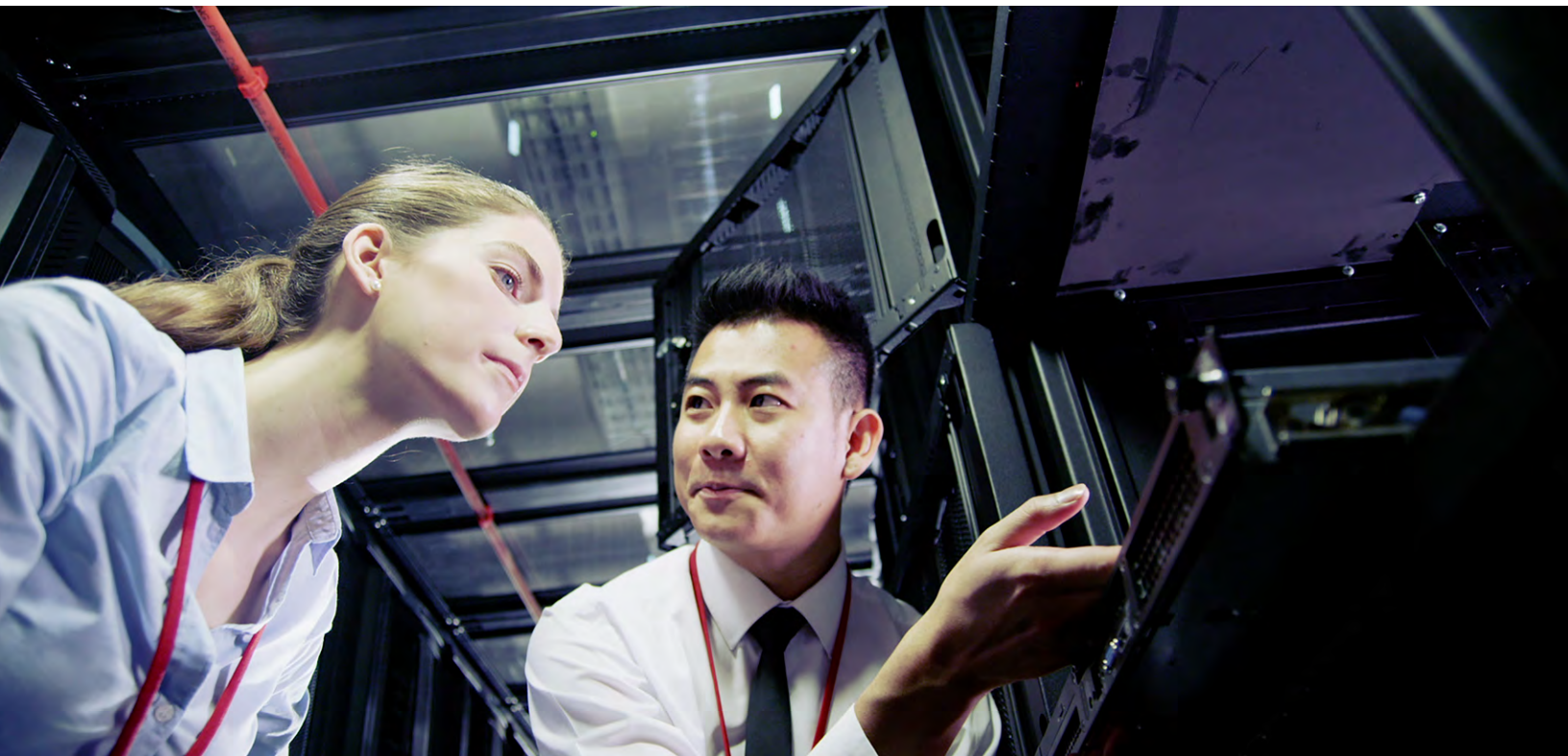


Uncovering the Problem/Opportunity

Identifying the key OEM's JIT manufacturing problem threatening our client's SLA success leads to a seamless highly differentiated solution.

Our client's Account Manager asks the Global Telecommunications Service Provider customer's Project Manager, "Did you know we have all of these capabilities? Why would you buy directly from the key OEM?" The Project Manager confirmed the only reason the key OEM's Account Manager (who owns quota for the large retail chain client) wanted the Global Telecommunications Service Provider to buy the hardware direct from the OEM was to ensure the OEM's Account Manager (responsible for the quota selling to the Global Telecommunications Service Provider) would get year-end credit for the procurement. The OEM Account Manager is telling our client's customer to buy directly from the OEM. The Global Telecommunications Service Provider is telling the OEM Account Manager, "If we buy directly from the OEM, then we'll miss our SLA, I'm not going to be able to procure it, stage it, kit it, and install it under our large retail chain client required timeline."

Our client's Account Manager engaged with the key OEM Account Manager who owns the large retail chain client account. The OEM Account Manager states, "As long as you can guarantee I'll get year-end credit, I don't care who gets the order." Our client's Account Manager proved to the OEM Account Manager she would get credit if the deal is placed with our client, and also made her realize that if the project goes south, the OEM Account Manager is at risk of losing the rest of the enterprise because the key OEM's direct competitor is nipping at their heels, and if the project goes south her large retail chain client account is going to start looking at alternative platform providers.



Our Client's Solution

The value of a highly differentiated seamless solution

Our client's Global Telecommunications Service Provider customer's Project Manager cares about being able to meet SLAs she's been handed, and is showing concerns about buying directly from the key OEM who then ships to client's customer; the customer then has to stage and kit each install and turn around and ship directly to each of the 280 retail store locations across 12 countries; each shipment is met by another 3rd party installer resource (a major field service provider competitor to our client who was already set up to do the installs at the large retail chains 280 locations).

Proposing a better alternative, our client's Account Manager asked, "Why would you do that? The solution that makes this simple and addresses all of your concerns is – One Throat to Choke. Place the hardware order with us. We'll procure it directly from the OEM; we'll hold it in our warehouse; we'll pre-stage and kit it; we'll ship it to each of the 280 locations; when it arrives on site, there will be an engineer we control and use to install it, and we'll leave. Everything will be installed on schedule and on time to meet the SLA you've signed up to."

Our client's Global Telecommunications Service Provider Project Manager says, "This is great, but now you have to sell this to our Account Manager that owns our quota for the large retail chain client account."

Our client's Account Manager gets back in front of the customer's Account Manager who owns the customer's quota for the large retail chain client account, and raises the same issue our client's Account Manager did with the OEM Account Manager stating, "There is risk in doing it the way you're considering it, and we'd like you're support in helping us sell this new paradigm that we get the order, we procure it, stage it, kit it, ship it, install it." Our client's Account Manager addressed all of his issues, including the biggest issue stating, "No one is going to remember you saved 5% on project costs when this project goes sideways. The only thing that's going to happen is your bosses' boss is going to get a call from somebody at your client who is disgruntled. Your management is going to get involved, the key OEM's management is going to get involved. Next thing you know everyone will be saying - Why didn't we do this a different way?"



Winning the Deal...

Because of their highly differentiated seamless solution, our client was able to sell this engagement at 5% premium on +\$10M project, even though they entered the sales cycle late. Our client's Account Manager got their Global Telecommunications Service Provider customer to switch procurement from directly procuring from the key OEM to through our client; and our client's Account Manager got their Global Telecommunications Service Provider customer to unhook a relationship with the 3rd party installer resource who was already set up to provide the engineering services to do the installs at the large retail chains 280 locations resulting in our client taking the whole deal down. Not only was it a success, our client's Global Telecommunications Service Provider customer has issued another \$10M award for the next phase of this project which is upgrading routers and switches for all of their retail locations.

The Global Telecommunications Service Provider customer has issued an additional \$10M award

... and pulling the rug out from under the competition

The 3rd party installer resource (a major field service provider competitor to our client) was already set up to do the installs at the large retail chain's 280 locations. If our client only competed for the install, they would have lost to the 3rd party installer resource. If our client would have only competed based on - buy from us vs directly from key OEM - they would have lost due to no compelling reason to pay a premium to simply buy OEM hardware from our client vs. direct from the OEM.





Want to learn more about how we help our clients achieve peak performance by Selling Smarter – from Vision to Win?
Contact Us: info@redcard-solutions.com
714.660.9203

About RedCard Solutions

Since 2006, we've been helping clients sell smarter by unlocking the power of vision driven collaboration to elevate customer dialog. From customer vision to business outcomes, to influencing customer buying criteria and customer perception, RedCard helps clients solve complex selling challenges that drive differentiation and growth in highly competitive markets.



Learn more at
redcard-solutions.com



© Copyright 2017 RedCard Solutions LLC. The information contained herein is subject to change without notice. The only warranties for RedCard Solutions products and services are set forth in the express warranty statements accompanying such products and services. Nothing herein should be construed as constituting an additional warranty. RedCard Solutions shall not be liable for technical or editorial errors or omissions contained herein.

All trademarks mentioned in this document are the property of their respective owners.

4RB27-0417RCS, April 2017, Rev. 1