



A CUSTOMER STATE OF MIND

A CHANGED PERSPECTIVE OF COMMERCIAL EXCELLENCE IN THE IT INDUSTRY

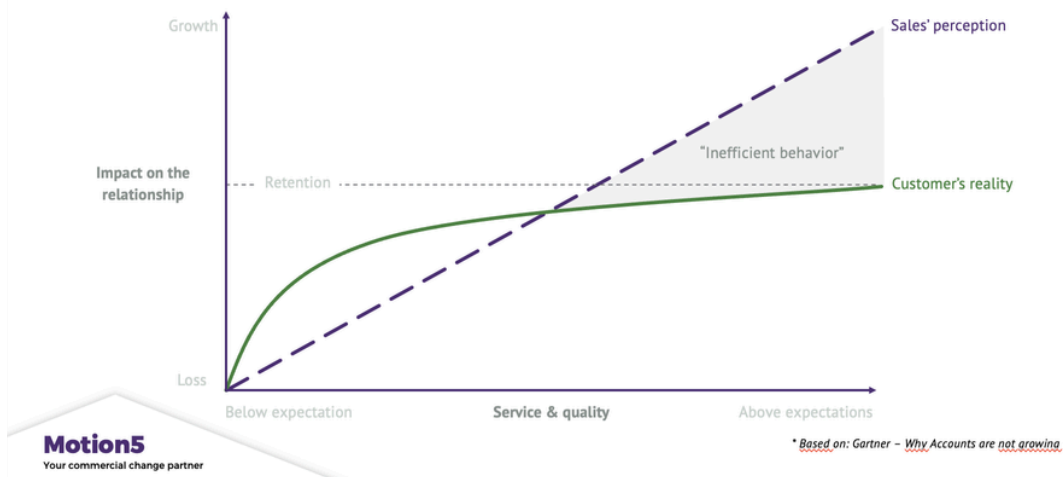


In this whitepaper about commercial excellence in the IT industry, we elaborate about how the value of IT provides will be perceived from a customer perspective and how this will significantly impact the opportunity management and key account management approach. Main question: 'How to create an impact for growth?'

Gartner has researched that companies that contribute to business success from the customer's perception realize growth while focusing on ever-improving service only leads to retention.

Retention vs. Growth

The mismatch in perception between customers and sales



But what is 'business impact'? What are the issues at stake in today's IT market? How does that affect your account approach? These questions shape a real challenge for many CCO's. Why? IT organizations are often technology companies. They push their technology in the market, with the intervention of Marketing perhaps embellished with features and benefits, not repackaged in clear value propositions.

However, there is a vital dilemma here. If your reasoning is purely from the customer's perspective and listening to what a customer wants, it may happen that what you have to offer is not entirely in line with what you have on the shelf. The value you bring to the table doesn't feel like a 100% fit.

Reframing

Reframing could be the solution. Reframing is a psychological process about creating a new context in a customer's mind. It's one of the most powerful and effective ways of communicating. Especially critical when you are trying to compete for attention or acceptance. The idea is to shift the customer dialogue onto your playing field. You teach the customer what alternative possibilities are for an already biased solution. Then, you can reframe a preconceived solution to one that better fits what you have to offer, leading to fewer customizations, more standards, in the end, better quality, much lower cost, and a higher rate of success.



Top issues

That leaves the question within the IT market: What are the top issues on the agenda of top CXO executives? Let's pick one common denominator 'accelerating the time to market, time to profit.'

This ambition involves the entire chain from ideation to commercialization. Product development, go-to-market strategy, product launch, lead development, winning first orders, service/product delivery, repeat orders, etcetera.

Competition is accelerating fast, and to combat this pressure, organizations should build and implement world best class commercial capabilities to gain significant competitive advantages and stay ahead of the competition.

"ACCELERATING THE TIME TO MARKET, TIME TO PROFIT."

Key account management plays an essential role because product innovations lengthen the customer life cycle, and existing customers are often more open to acting as first movers. A structured engagement model will create a deep relationship with existing customers. Innovations are also the best remedy to handle pricing and profitability.



Intelligent data

From an IT perspective, all developments and commercial processes need to be supported by systems and intelligent data. In many organizations, a lack of both will block time to market. As a result, application modernization has become crucial, driven by time to market. Time to market is an essential business driver and has become one of the biggest differentiators in today's world. Making changes in legacy applications to increase time to market is complicated from a skill, timing, and cost point of view, and hence, the applications often have to be rebuilt in cloud-native.

The transformation from on-premise Infrastructure and applications to the Cloud (IAAS, SAAS, PAAS, BPAAS) will help increase the time to market as changes to cloud Infrastructure are much quicker and less costly to make and maintain.

Another interesting phenomenon is the lack of alignment between business and IT. The company drives sales and account management. IT is often doing their work in isolation. Sales, marketing, account management, delivery, and IT are interconnected. A more holistic perspective is needed to increase the original goal and shorten the time to market.

IT providers offering a more integrated approach from a business perspective will win the attention of key customers and will grow their revenue and share of wallet. Sometimes customers are preoccupied with point solutions and lose sight of the big picture. Key account management plays a crucial role in this. They talk to the business, link business and IT, guide the team to team engagements, create so-called smart ideas, and build coalitions. In many cases, they become the trusted advisor to the customer.



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In closing

A complex set of activities ultimately lead to more commitment and a better positioning of your company towards the customer. It will help if you have an approach, a clear strategy, conversations at different levels with different stakeholders. In addition, the availability of data is increasingly important to make better decisions and to be able to monitor the account management process continuously. Account planning in which you create a manuscript once a year and then disappear into a drawer is no longer of this time.

About the author

Peter Rademakers, Founder and Managing Director of Motion5, has a distinguished history guiding international companies through significant transformations. With a wealth of experience in over 100 multinational projects, Peter is an expert in Commercial Excellence programs within the IT industry.

Want to know more?

We are happy to support with any commercial challenges. Contact us via www.motion5.com or send an e-mail to info@motion5.com.

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