

MANUFACTURING

Paper manufacturer doubles sales calls to increase customer retention



The client is an international leader in the manufacture of paper products for personal and health care. Their products are sold in more than 150 countries around the world with sales totalling US\$16bn. After recently stripping out costs from manufacturing and operations, the President was determined to find ways to sell more products in new channels as well as improve gross margins.

WHAT WE FOUND

Proudfoot undertook a business review of the sales function and found the following:

- Lack of an adequate sales management operating system meant that forecasting, planning and reporting was poor
- Unclear roles and responsibilities within the sales function led to poor accountability and time spent on non value added activities
- Poor management and very little coaching style behavior

WHAT WE DID

Working closely with the organization Proudfoot mapped the sales process to identify non value added activities. We developed three tools to enhance sales preparation and eliminate these non value added activities.

In particular, a management operating system called FACT: focused account calling tool, was developed. This now drives day to day activity and produces weekly reports which the leadership team utilizes to manage the sales organization. This system is web based to enable real time reporting on activity and sales volume.

Two support departments were realigned to support specific sales districts. Administrative duties were taken from the sellers and given to these support team members to free up the sales team's time.

To ensure long term sustainability and ownership of the change, in house Capability Development Managers were trained to help with the rollout of the tools and systems to various sites across the organization.

THE RESULTS ARE STAGGERING

- On average the number of sales calls per seller went from a base of 6 calls per week to 11 calls per seller per week
- There was a dramatic shift in the mix of calls. Historically the sellers had focused on acquiring new business

and spent very little time on current customers resulting in a loss of 20% of customers each year. They are now moving towards calling on 25% new customers with 75% of calls focused on current customers

- Sales conversions in one region consistently reached 20% whereas before the project they were struggling to maintain 15%. Going forward the challenge is to get the sales conversion rate to 25% in all regions as well as to continue to balance the portfolio of new and current customers

The salesforce of this organization has been known as the best organization in the industry. This project helped to widen the distance between it and its competition. The system and process tools installed have elevated the service and professionalism of the sellers. As a result, it has been getting accolades from its distributor network.

Impact on sales

