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THE PROFESSIONAL SALES PERSONALITY

By Michelle B. Currie, Managing Partner

In the First Quarter of 1999's Consulting Corner, I wrote of the motive drives of salespeople: ego drive, empathy, emotional resiliency, conviction, and relentlessness. These motive drives are the basic internal characteristics of the effective salesperson. Yet, every salesperson needs the ability to tap specific personality traits to be utilized in conjunction with their motive drives in order to be outstanding salespeople. This article will explore the specific personality traits required of the Professional Salesperson.

Much has been written about sales personalities. Often, you'll hear other people say, "She has a good sales personality." Did you ever ask, "What does that mean?" The term personality has many definitions but no universal meaning. Nevertheless, a common theme runs throughout most definitions, such that "personality" usually refers to the distinctive patterns of behavior, including emotions and thoughts, that characterize each individual's adaptation to the situations of his or her life.

In today's business environment, personality is often equated with effectiveness. That is, "personality" is the ability to elicit positive reactions from other people in one's typical dealings with them.

An understanding of personality is a determinant of a

CUSTOMER SHARE

By George Keen

Controlling the desire to supply **some** of the products to **all** of the customers instead of focusing on becoming the single source supplier for **all** of the needs of **some** of the customers is critical. The benefits for both customer and dealer of a single source relationship are considerable. Consider the two different philosophies of doing business. First, is the dealer striving to get only unit sales in the market area? While doing this they fail to capitalize on the parts, rental, service and other business needs of

customers. Then there is the dealer who is using account management to secure all of the unit sales in the market area and all of the aftermarket business possible. Clearly the second philosophy is a better choice. It is good business to provide the complete package of products and programs as a single-source, and we will discuss those reasons in this article.

Clear expectations communicated from the customer about their company and the processes that make their company function well will give you a better

salesperson's success or failure. In the process of self improvement, the salesperson should be searching for ways to solidly improve their personality as a necessary sales tool. If an individual personality is not able to become an integral part of the sales process, then, the knowledge of various sales techniques becomes ineffective. It is fair to assume a poor salesperson, regardless of the strength of their product, won't succeed. While a good salesperson, even with an average product, will succeed. Such success can only be attributed to one's personality.

Research has indicated there are really three distinctive sales personality traits present in salespeople. They are the traits of engaging, assuring, and compelling.

THE ENGAGING PERSONALITY

There are a number of salespeople who work from an engaging personality. When analyzed, people buy from them because they like them. That's not necessarily bad!

In fact, if you're in the right kind of sales position where there is very little difference between products and price points, and you're more "likable" than all the other salespeople — you'll get the business. You may not want to rely entirely on an engaging personality but it is a significant part of a complete sales personality.

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understanding of what you can offer of value to them. Once you find what Phase of the Marketing Evolution a customer is in, you will be better able

Marketing Phases				
The View of the World	Phase I	Phase II	Phase III	Phase IV
Product	Premium Product	Premium Product	Premium Product	Premium Process
Price	Premium Price	Lowest Price	Cost of Ownership	Cost of Process
Sales Force	Product	Service	Information	Process

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The Professional Sales Personality

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One of the problems of the engaging personality (if that's the only characteristic of a particular salesperson) is that she will need to work significantly harder than other salespeople with a more rounded personality. In other words, if she sees twice as many people a day as everyone else, she will see enough people who will like her and, thus, buy from her.

The following is a set of guidelines that will aid you in becoming more engaging:

1. **Be humble.**
2. **Search for good points in everyone.**
3. **Aid a customer whenever possible.**
4. **Recognize your success.**
5. **Don't get personally involved.**
6. **Be thoughtful of others.**
7. **Appear happy.**

THE ASSURING PERSONALITY

This is a very interesting personality type. People buy from the assuring personality because they trust this person. They respect their product knowledge or their judgment. They don't necessarily like this individual (although they may). Their real reason for buying from them is because they trust them. For example, the person who repairs your TV may not be the most likable in the world but if she does the job right, the first time, at an attractive price, and has always been trustworthy, you'll always do business with her. If you feel assured that you'll be treated fairly and correctly, most people will want to do business with that type of individual even if their personality is not at all engaging.

However, when you can combine the engaging and assuring personalities into one person — the result is more than twice as good as either of the two taken separately. They synergize.

The following points will assist you in increasing your assuring personality:

1. **Know your product.**
2. **Know your customer.**
3. **Don't lie.**

THE COMPELLING PERSONALITY

The third personality type that's found in highly effective salespeople is the compelling or leader-oriented personality. People buy from this individual because they sense their leadership and follow their direction. Many times this is referred to as the hard closer — but that isn't the true

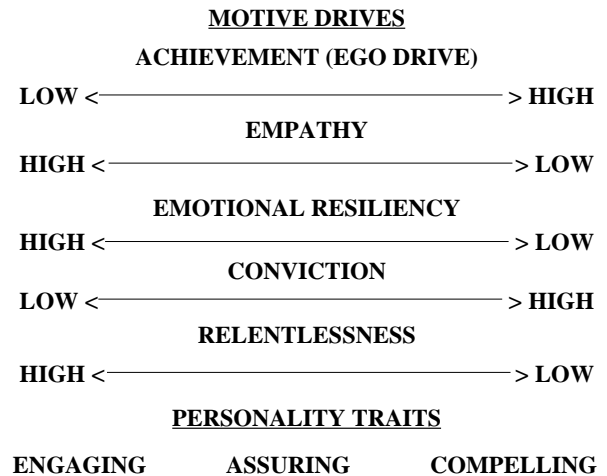
manifestation of this personality. The compelling personality exhibits certain behaviors that induce people to follow their conclusions. Those behaviors are: summary, vote taking, initiating ideas, and reflective questioning.

The following points will encourage development of the compelling personality:

1. **Develop strong self direction.**
2. **Be assertive.**
3. **Be enterprising.**

The three personality traits: engaging, assuring, and compelling are all strong tools you can use in a complete selling cycle. We're not interested here in just developing one personality type — we want you to use all three personalities at the appropriate time in the sales process.

The following diagram illustrates the level each of the five motive drives is at when each of the three personality traits are being utilized. For example, when a salesperson is being engaging the motive drives of empathy, emotional resiliency and relentlessness are high while achievement and conviction are low. What we're after is getting you to be engaging, assuring, and compelling at the appropriate time in the sales process while recognizing the appropriate motive drives.



In the next issue of The Consulting Corner we will look at the Selling Cycle and how the five steps in this cycle fit with the motive drives and personality traits. If you have any questions concerning the development of your sales team, please call. We would be happy to discuss your specific needs.



Customer Share

Continued from Page 1

to design an approach for the customer in regard to products, services and information to add value and improve the processes of their company.

From one marketing strategy or buying stage to another, customers begin to recognize the increasing value of a supplier in several areas. You might begin supplying them all of their parts and all service through a full maintenance contract including information or technology. Mature customers have learned that suppliers are better who act as a single source for certain elements of their business process or function. Consider some of the implications for you and the customer.

BENEFITS OF SINGLE SOURCING TO THE DEALERSHIP

- Capturing the *full business opportunity* from the account. *Revenue* is increased and *gross profit* as a percent of that revenue, increases.
- The *market share* of the dealership increases in both units sold and share of customer’s total materials handling expenditures.
- *Customer satisfaction and retention* is increased.
- *Cash flow* is stabilized in the area of full maintenance contracts.

BENEFITS TO THE CUSTOMER

- There is an *expense savings* from outsourcing the process to one company.
- *Increase the uptime* of the customer’s equipment and process.
- Single sourcing enables the customer to *focus on their core business*. By invoicing the customer on a set schedule and only for what is included in the contract, there are savings in accounting and administrative time.

You will want to select target customers to initiate this process. If you have not done this in the past, be cautious and select customers where you can have the greatest impact. Consider a simple matrix to assist you in identifying your targets.

On the left side of the matrix we group customers according to the size of their fleets. The top 40% of sales dollars represent your “A” accounts, the next 30% of sales dollars are generated by your “B” accounts, etc. This

helps you identify those customers who represent a large portion of your business. Now you might want to group these accounts into high, medium and low priority. Your criteria for these might be proximity to your locations, credit history, loyalty to your brand, amount of national purchasing they do, or other issues of concern to you.

Priority			
Size	H	M	L
A. 40%			
B. 30%			
C. 20%			
D. 10%			

Now that you have identified the most important prospects/customers consider taking on a couple target accounts.

Managing these target accounts through account management as well as all of your other responsibilities as the single source supplier becomes the next major function to be successful. Assuming your brainstorming produced a great needs analysis, your next step is estimating and planning your contract. But the section we see dealers stumble on is the follow-through. There are two issues in follow-through, first is defining success and second is monitoring progress. Comparing these two issues is the key to being a good single source supplier.

Being a single source supplier for your customers can put profits on your bottom line and theirs. Your customers, once they have realized the benefits they have incurred from making you their single source supplier, will have more of a relationship with you. The task ahead of you now is to keep continuity and satisfaction with these customers through account management.

To do this think outside the standard box, innovate, sell, implement and monitor what you are doing to become a new single source supplier to your customers.

Select target customers to initiate this process. Be cautious and select customers where you can have the greatest impact.



MARKETING

By Magda Popescu

Marketing is the process of matching products and services with end-users that have the money to buy those products and services. The way you market your products and services is very important, but have you thought about where you are concentrating your marketing efforts? Knowing the sales potential within each geographic market area has become critical to manufacturers whose market areas are global as well as to dealerships that have very specific market areas.

In our work analyzing the market potentials of various geographic areas in the United States and the World, we discovered that there is a strong correlation between Gross Domestic Product and economic growth which equates to a market's ability to buy products and services. In the US the same correlation takes into account the gross state product (GSP) and economic growth. GSP is the state counterpart of the Nation's GDP (gross domestic product). National GDP is derived by adding all the gross state products from all industries in a state. In concept, an industry's GSP, or its "value added" is equivalent to its gross output (sales or receipts and other operating income, commodity taxes and inventory change) minus its intermediate inputs (consumption of goods and services purchased from other US industries or imported).

So, where is all the money to be spent? Let's take a look at the figures! In 1996, the total GSP was \$7.6 billion. 40% of the total GSP is concentrated in 6 states: California, New York, Texas, Illinois, Florida and Pennsylvania.

The first three states account for almost 30% of the US total GSP, while 20 states represent 80% of the total GSP. As a manufacturer you want to make sure you have the appropriate coverage in California, New York and Texas and so on. As a dealership you want to know the size of your market and size your business to serve that market. If you happen to be in a state with a relatively small market potential you may need to expand on the products and services you are offering in order to grow your business.

If you are a global player, you need to look at the bigger picture. In 1996, the worldwide GDP was \$28.6 billion. US and Japan represented 40% of the global GDP. Twenty countries accounted for 84% of the total GDP. Again, as a global manufacturer you need to make sure you are covering the two largest markets, the United States and Japan. Then prioritize the countries based on market potential and develop the appropriate coverage strategy.

You can get even more specific, by analyzing market data by the performance of a set of industries or industry group and by region (county, state, and country). For more information on the United States, BEA prepares estimates for 63 industries, by county and by state. Globally, OECD provides this information by industry contribution to GDP and by country.

This is the first step in realizing your market potential. The next step is to analyze your current performance and then prepare a gap analysis. If you would like more information on GDP concentration, please give me a call.



ASK CMC

By Phil Wind

With new Currie Dealer Groups starting, combined with the current push toward the rental department becoming a significant profit center, I've heard the question over and over "What should we be measuring in the Rental Department?" This is an easy question to answer, there are two great measures in the rental department. With the Rental Revenue Multiple and the Washout Analysis, a manager can accurately measure the performance of any rental operation.

Certainly you can look at the net profit in dollars that the department contributes to the bottom line of the dealership. You can express profit as a percentage of total rental revenue with or without the revenue from the disposal of the units. You might also create a set of benchmarks for COGS and expenses, then measure your performance against these benchmarks.

The problem with these standard measures, when applied to the rental department, is that two expenses, namely Depreciation and Interest, are significant as a percent of revenue and can have a smokescreen effect on your performance. Depreciating over 3 years with no residual and paying a high financing rate to a financing company owned by the dealer principal would create an appearance of under performance. However, if maintenance expenses are under control and utilization of the fleet is in the 80% range, with an emphasis on high priced daily rentals you may be performing very well.

In the rental department nothing beats money coming in the door. Look for rental assets to generate revenue, and lots of it! The Rental Revenue Multiple is calculated by dividing the monthly revenue generated by the total acquisition cost (not book value) of the rental fleet. A well-managed rental fleet should produce a minimum of the incoming cash a unit (or units) has produced; rental

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CMC ANNOUNCES BRUSSELS OFFICE

From the very start, Currie Management Consultants has had a very international or even global customer base. Robert Currie was, very early on in his consulting career, requested to do work outside the USA. Requests from clients for work to be performed in Europe became so frequent that CMC decided, towards the end of last year, to open an office in Europe. Brussels, with its central geographical position (all major European cities are reachable within a maximum of 2 hours) and its leading role in many pan-European, international or global organizations, became the prime choice for the office.

On January 19th of this year, the dream became a reality: Currie Management Consultants, SPRL with offices at Rue Verbist, 95 in 1210 Brussels started its activities.

In spite of the excellent knowledge of European situations and markets which exists in the central CMC office, it was felt that the addition of the Brussels office, headed by a European person would be a strong plus for US based international clients. At the same time, of course, CMC SPRL can offer to European clients the wealth of experience about the US market existing with CMC headquarters.

"Although English is more and more the common international language, it still is a strong advantage in certain stages of any project, to be able to communicate with your partners in their own language and to make them feel that you are aware of the special market conditions in which they work" said Felix Vanholsbeeck, who is heading up the Brussels CMC branch. We have capabilities available in English, French, German, Dutch, Italian and Spanish -- but other languages are certainly a possibility.

CMC NEW EMPLOYEE

Hello! My name is Rebecka Letendre. I just joined Currie Management Consultants June 1st as a Research Associate. I have had previous experience in consulting in the computer and bridal industries. I will be graduating from Worcester State College this August with a Bachelor of Science degree in Business Administration with a concentration in Marketing.

I am very excited to be a part of Currie Management Consultants and I am looking forward to all the knowledge and experience I will be gaining as part of the CMC team.

Felix Vanholsbeeck comes to CMC with academic degrees in Journalism and Financial Sciences and with a wealth of experience at various high level marketing functions in multinational companies -- many of which dealt with distribution issues through independent dealers. He has been trained for over a year in the Currie Management Consultants vision, so that the "modus operandi" in Europe is guaranteed to be consistent with the US headquarters.

"This decision to invest overseas was not an easy one," said Robert Currie, Managing Partner. "After all, we are a relatively small company. But, for many of our clients future growth will have to come from their overseas subsidiaries or daughters -- and in the first instance from Europe. We want to be available to them where they need us, when they need us and with the same high class performance as they are used to in the US."

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COMMENTS FROM THE SENIOR PARTNER

By Robert P. Currie

Everyone no doubt agrees that the pace of change has been extraordinary in the last few years. The need to improve organizations – the need to radically redesign organizations is with us constantly. Many change efforts are implemented because of these needs – but not many seem to succeed, or succeed to our expectations. So, what are the factors that drive successful implementation? What are the issues executives in a manufacturing or dealer/distributor arena should be concerned with, to drive effective change?

We think there are five key factors around which change efforts occur.

Those factors are:

1. Executive commitment – without the firm, clear, consistent support and reinforcement of the change effort by senior management, change efforts don't stick or in some cases don't even begin.
2. Design – in many cases change efforts are a response to a felt pain. We look for the easy solutions like taking two aspirins. In fact, successful change requires a thorough design of the intended end result. This design can be done by outsiders, such as ourselves, or insiders such as your management team – if they have the commitment and time.
3. Education regarding the design – In many cases, those people responsible for the design are so enthralled with their own brilliance, that they think the understanding of this design is obvious to everyone in the world. Thus, they don't see the need to educate, or, as we might say, let everyone catch up with where they are.

4. A Scoreboard – To keep an emphasis on the output of the design, the performance of a specific variable, which has been chosen as the essence of the design, should be posted each day on a visible scoreboard. For example, it could be bookings or gross profit or service productivity. Pick one, post it and update it daily.



5. Review and Refinement – Any change effort will run into barriers at the implementation level that were unforeseen in the original design. Make sure the organization does not play the game of blemish and lose concentration on the change effort because of a few minor “blemishes”.

Of course, this final review leads you back to step 1 (the feedback loop), around which you continue to bring this process to a higher level. Once this process is in place then the executive needs to work on other strategic change initiatives. In this way the organization has a continuous flow of improved processes, around which it generates improved revenues, improved profits, and most critically, improved shareholder value.

One of the interesting questions to ponder is, “Which of the five items mentioned above could be eliminated and still preserve the effectiveness of the entire change process?” We believe the answer is none.



Ask CMC

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revenue plus disposal sale then subtract the outgoing cash required; acquisition cost, interest, and maintenance & repairs to get Washout GP. Before you go any further you need to decide what you are looking to accomplish. Are you trying to generate profit in the rental department or are you trying to move units into the market in order to service those units? What you decide is not important because the dealership can benefit from either style. What is important is that you make a decision.

If your decision was to create profit in the rental department you will look to increase the Washout GP per year for each unit. This means keeping the unit in the fleet until the expenses of keeping it around warrant it's dis-

posal. If you are looking to get as many pieces of equipment into the market as possible, you can accept a lower Washout GP per year. Therefore turning over the fleet in a shorter amount of time, just long enough to get the price down, is an acceptable goal.

Now, look at your initial investment. Say you bought a new skid steer for \$25,000. Three years later, after disposal it generated a total of \$15,000 in Washout GP. We had a \$25,000 investment, which returned an average of \$417 in GP per month. This is a monthly washout gross profit percentage of 1.6%, which is a good return for a rent to sell unit. You would expect a rent to rent unit to generate a monthly washout of gross profit of 2.5%.



CREATING LONG-TERM MARKET

By Jeff LaBonte

One of the common issues we hear from industrial product dealers is how to gain a competitive advantage in a mature – and increasingly commodity – market. Providing outstanding service is a given, and even if we are outperforming our competitors in this area, they will eventually catch up. One way to distance yourself from the competition is to be the leader in creating a new market or fundamentally changing the existing market.

Generally, the most effective market entry strategy is to be the first entrant, also known as pioneering or first-mover advantage. A significant body of research supports this finding (Glen Urban 1986; Kalyanaram 1995), especially in the consumer product sectors. An increasing body of evidence mirrors these findings in the industrial goods industry (Lambkin 1988). As a general rule of thumb, later entrants' market share will be about one divided by the square root of entry of the new entrant (Kalyanaram 1995). In other words, a second entrant's market share will only reach about 71% of the pioneer's market share.

How does a dealership begin to think about creating new markets for its products and services? They are not in the business of research and development or manufacturing new products. In order to be a pioneer at this level, a dealership must be innovative and have a thorough understanding of its customer's businesses and needs. Typically, when we talk about pioneering we refer to the first competitor to offer a particular product or service to a market segment. We could easily broaden that definition to include the first competitor to effectively package a set of products and services. The key is determining what packages of products and services can be marketed to customers that will differentiate your business from competitors.

Can you identify any common unmet needs within your existing customer base? Are there services or products that all or many of your customers use, but that your dealership is not offering? Consider the case cable internet access. There are countless internet service providers (ISPs) around the globe today; most of which require dial-up access via a telephone line and modem. As the internet gains in popularity and usage, the demand for greater connection speeds increases. One solution is cable internet access using a cable modem and a cable line just like the one carrying hundreds of television channels into 90% of all American households.

What types of value packages could your dealership offer to its existing customers?

The cable companies that took advantage of this opportunity early on will likely experience a significant advantage on two fronts: they can offer very fast and reliable internet access to their existing cable television customers and they can offer bundled cable television and internet access to customers more cost effectively. With deregulation of cable television, the early entrants into this area will also be at an advantage over emerging cable companies or companies started specifically to provide cable internet access.

Existing internet service providers trying to convert from telephone dial-up access to cable internet access will be at a disadvantage not only from an infrastructure point of view, but also because cable companies can provide a broader range of service. Note that the cable companies are not introducing a new product or creating a new market, they are simply combining two existing markets – cable television subscribers and internet users – using a value-added bundle of services.

What types of value packages could your dealership offer to its existing customers? An example might be to extend unit repair into trailer repair and possibly even tire management (replacing, repairing and retreading tires). If your dealership could build the capability to manage all of your customers' trailer fleet needs, could you sell this concept to your customers at a premium price? There are likely numerous opportunities available depending on your location and customer base.

There are, of course, risks involved with being a first entrant. New product and service ideas are, by definition, untried. There is no sure way to know if your idea will be a success in the marketplace, so operating a profitable dealership that is generating free cash is imperative. As with any investment, there is the possibility of losing money and you do not want to risk your business if the idea fails. However, diligence on your part – knowing your customers, their business and their needs – along with some reasonable risk can be profitable.

Offerings beyond the scope of what competitors can provide help to build customer loyalty and potentially introduce your business to new market segments that may be horizontally or vertically aligned with the traditional customer base.

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Creating Long-Term Market Advantage

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The evidence clearly demonstrates that businesses that are able to lead their market with innovative product and service options enjoy significant marketshare and profit advantages. The benefits of a successful initiative can far outweigh the initial startup cost and risk. Offerings beyond the scope of what competitors can provide help to build

customer loyalty and potentially introduce your business to new market segments that may be horizontally or vertically aligned with the traditional customer base.

We will keep you updated as we continue to research and expand on this topic as it relates to our dealer clients. In the meantime, if you have any questions or comments, feel free to call Currie Management Consultants.



THAT MEETING PUT ME TO SLEEP!

By Sharon Mezzano

How many times has this happened to you? The meeting begins, the lights dim, the slide show and presentation begins, and oops, your eyes get heavy, your head begins to nod and you begin to doze!

Many of us have this problem according to the National Sleep Foundation. If you find yourself drifting off in a meeting it may not be because the speaker or meeting is boring but because you're sleep deprived. Too few ZZZZs the night before or jet lag and an overheated meeting room, combined with a heavy meal before the meeting, create all the necessary ingredients you need to fall asleep no matter how hard you try to stay awake. Your own tricks may work but if not, the experts offer the following advice:

Use Caffeine Strategically.....

Caffeine takes 15 –30 minutes to take effect and lasts from 3-4 hours. Make sure you have coffee or soda with caffeine, about a half-hour beforehand, giving it time to kick-in.

Drink Water Dehydration can make you feel tired. Most meetings provide ice water in the room or on each table.

Breathe Deeply..... When you're tired you breathe shallowly without realizing it. As a result you take in less air, which makes you feel even sleepier. To counteract this, breathe deeply, from your diaphragm rather than your chest. This will get more oxygen to your brain and revive you.

Move.... Even though you can't leave your seat during the meeting you can still do isometrics: Flex your toes and feet, clench your buttock

muscles; tighten and relax your shoulders, hands and thighs, rotate your head. And, during the break, walk briskly around the area for a few minutes.

Power Nap.... Cat-Nap.....Catching a few winks is the most effective way to beat fatigue. More than 45 minutes however will make you groggy. Research done by NASA proved that catnaps improved pilots performance by 34 % and their alertness by 100%. If possible, take a power or cat-nap during the lunch break, when the meeting reconvenes you'll feel more awake naturally.

IF ALL ELSE FAILS..... Be aware that your alertness level goes through 90-minute cycles.....if you can get through the next hour and a half you'll be awake for the remainder of the meeting!

