

Identifying competitive positions

A skills training and coaching project

Introduction

The bank had a customer base developed as a result of its banking services in Scandinavia to both Scandinavian and UK based multinationals. It wanted to develop this customer base to provide a wider range of banking services to clients and prospects in the UK.

The bank was concerned that although their product and service portfolio was very competitive they were not achieving the anticipated growth in market share.

Senior managers felt that part of the reason for this was the account development and sales skills of the bank's business managers.

They were also concerned about whether their business managers had sufficient knowledge of the competitive situation in clients to effectively exploit any opportunities.

Business objectives

- To improve the manager's awareness of the competitive situation so that they could position themselves more effectively to gain target customers;



"Understanding human needs is half the job of meeting them."

Adlai Stevenson (1960-1965)

- to improve the quality of objective setting and call planning;
- to improve the level of cross-selling.

And as a result:

- to improve overall levels of success.

Project approach

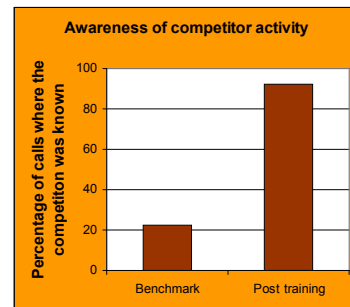
- We worked with senior managers in the line and in training to ensure we understood the banks business objectives, portfolio and differentiators.
- We then worked with the business managers to ensure they understood the sales model, its application in their marketplace and how their business managers could use it to enhance their account development skills.

Understanding of competitor activity

We asked the account managers to assess the competition in their target accounts as:

- **Entrenched:** has an existing banker that will be very difficult to either dislodge completely or to establish a 'Them and Us' position with.

- **Weak:** has an existing banker who we should be able to dislodge or get a 'Them and Us' as a minimum.
- **Not known:** unable to establish relative strength.



We found that initially, account managers did not establish their position relative to the competition, though they did establish who the competition was.

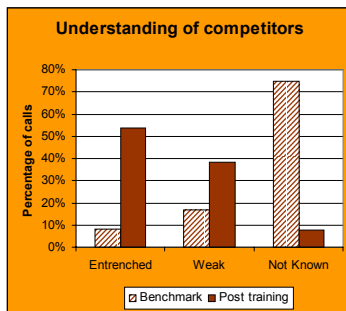
The danger of this was that they either had unrealistic expectations of their opportunities or wrote off targets where they stood a good chance of gaining business.

After coaching they knew in the majority of cases how well placed

Most complaints from customers about the incumbent bank centred on the bank's lack of understanding of their business and inability to forge a good relationship.

Financial Services Clients - Project Overview: Scandinavian Banking Client - 1994

they were to progress the business. This enabled better account planning.



Business objectives and call planning

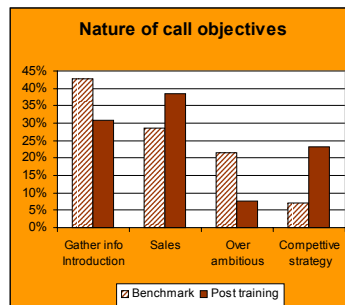
The data showed that initially the account managers were not specific or sales oriented when setting most of their call objectives, this lack of commerciality was reflected in their overall call planning.

In many cases the sellers aimed low - merely looking to introduce the bank to the target customers.

In some case the account managers were over-ambitious – they were unlikely to become the sole banker of the target client on the basis of one call!

Most call plans were similarly non-sales oriented seeking simply to gather information and identify opportunities. Only one call had an objective related to progressing the sale.

After coaching the quality of business objectives for the calls improved, with an increased awareness of the need to plan how to handle the competition.



Cross-selling

Generally the benchmark data showed that the account managers did take the opportunity to talk to target clients about more than one service. Where product data was recorded it showed that 71% of calls covered two or more services. With an overall average of three per call. However, success rates were generally low as the graph shows.

After training, during the coaching project the amount of cross-selling discussion increased with:

- 92% of calls covering two or more services.
- the average number of products discussed increased from three to four per call.
- there was a slight, but valuable increase in success, from 4% to 9%.



"Opportunity is missed by most people because it is dressed in overalls and looks like work."

Thomas Eddison