

**Excellence in Key Account Management requires a strong focus on Customer Knowledge - including the motivation of sales teams to provide and use it.**

“Key accounts are those that will provide the largest contribution towards future profits”, says Bill Schuh of Callidus Software. “Customer and market knowledge is needed to drive this decision process, also to develop the account plans, teams, propositions and partnerships required to achieve success for our clients and our investors”

While there is considerable cross-industry experience of managing key accounts, most industries fail to understand and deploy the best practices that are available elsewhere. However Callidus Software often finds itself acting as a conduit for best practice in Sales Performance Management across industries and countries, supporting the deployment of best practice key account management as part of broader sales strategies that involve complex channel mixes.

Increasingly our sales teams need to be motivated to collect and utilise customer knowledge for the benefit of all, rather than acting in the traditional role of ‘sales hero’. These are some of the most important uses of that customer knowledge which will support key account sales growth:

- **Market segmentation:** Which are your current and future key accounts and will they see you as a key supplier? Which accounts contribute to revenue and profit but see your propositions as commodities and are unlikely to value additional efforts? Which segments and other client categories are there and how can they be serviced more efficiently to release resources towards key account and profit development?
  
- **What buyers and buyer types exist in key accounts?** Which roles and individuals are most influential in determining future market strategies and the suppliers that will assist in differentiation and value delivery? What are their growth and customer experience objectives within their business value chain? What external industry influencers are there that they seek guidance from? How are their procurement processes directed by their ‘value add’ business objectives?

- **Proposition:** How can customer knowledge be used to develop the right proposition and marketing, sales and service approaches? How can we best share this knowledge with the partner companies that help to deliver a consistent proposition? Where does the value lie and how can each partner be appropriately rewarded?

- **Customer experience:** How do customers see you core purpose versus their experiences? How can customer journey planning and customer experience be mapped and major gaps identified and filled? How is this achieved when working with distribution partners and complex channel mixes?

- **Measures, incentives and alignment:** What measures are appropriate to running the business and how can they best be identified via customer knowledge (e.g. affordable beneficial outcomes for key accounts). How can the executives create the environment for a sustained move from 'hero sales' to profitable key account management? What customer knowledge will they receive during this progress? How will the virtual key account team members (e.g. technical, administration, finance and pricing etc) gain access to the customer knowledge they require to carry out their sales support roles most effectively?

Of course many companies are already implementing systems to support sales teams in collecting, sharing, analysing and distributing customer knowledge effectively, but the 'hero sales' team member still needs internal encouragement to take a full and active part in this growth process, rather than hoarding customer contacts and knowledge for themselves as individuals.

A research project led by Portsmouth University (UK) is currently reviewing this important customer knowledge issue on behalf of a small number of major European company sponsors and is due to make its recommendations public early in 2008.

Bryan Foss is an independent director and board advisor, also the author of several business books including 'Key Account Management in Financial Services'. He previously worked globally as an executive with IBM, with a special focus on the successful governance of companies in transformation. More details are available at [www.fossinitiatives.com](http://www.fossinitiatives.com), Bryan can also be contacted at [bryanfoss@gmail.com](mailto:bryanfoss@gmail.com)