

THE STATE *of* PRECISION

Aligning with your strategic customers for
extraordinary results

Design and implement a strategic account growth
model in a matrixed global company

SAMA ANNUAL CONFERENCE

May 20-22, 2019 | Hilton Orlando | Orlando, Florida



Design and implement a strategic account growth model in a matrixed global company

- ▶ Context – 3M snapshot
- ▶ External market trends and drivers of change
- ▶ Organizational design
- ▶ Change management
- ▶ Key playbook elements
- ▶ Results, learnings and challenges
- ▶ Common questions



Former Director - Strategic Accounts Organization – 3M (retired)



Global Commercial Leader – Strategic Accounts – 3M

3M at a glance



Sales in ~200 countries



\$34 billion in sales



Four business groups



113,000 patents



90,000 3Mers globally



101 straight years of dividends



One of 30 companies on the Dow Jones Industrial Index

Global capabilities

Sales in 200 countries

Operations in 70 countries



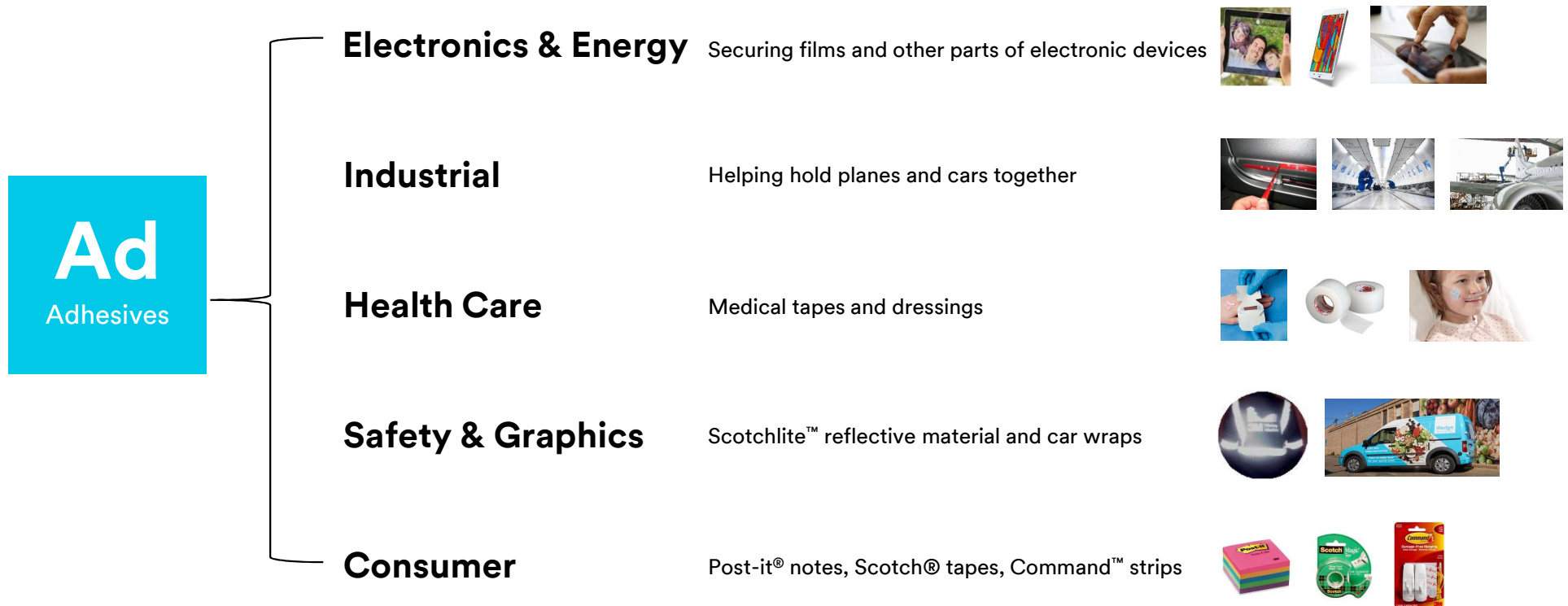
Labs in 36 countries

Plants in 37 countries

Key
 ● Sales and marketing
 ◆ Manufacturing/converting
 ■ Technical capabilities



We apply individual technologies across our businesses...



...and combine them in unique and creative ways

Ad Adhesives	Fi Films
Nt Nano-technology	Lm Light management

High-performance window film



Ad Adhesives	Fi Films	Fc Flexible converting and packaging	Pm Polymer processing
Nw Nonwoven materials	Sm Specialty materials	Su Surface modification	Wo Wound management

Medical dressings



Am Advanced materials	Ce Ceramics	Nt Nano-technology	Co Advanced composites
Do Dental and ortho materials	Pd Particle and dispersion processing	Su Surface modification	Bi Biotech

Filtek™

Dental adhesives, restoratives and crowns



We bring solutions to markets through our business groups

2018 results **\$34B** revenue

**Safety & Industrial
Business Group**



**Transportation &
Electronics Business
Group**



**Health Care Business
Group**



**Consumer
Business Group**



Safety & Industrial

Advancing safety and industry performance

2018 sales

\$12B



- Spec-in, regulated, consumables
- Primarily sold through channel partners including ecommerce
- Business includes:
 - Personal safety
 - Adhesives and tapes
 - Abrasives
 - Closure and masking
 - Electrical markets
 - Automotive aftermarket (excluding retail auto care)
 - Industrial minerals

Transportation & Electronics

Advancing transportation and a connected world

2018 sales

\$10B



- Design-in, spec-in, regulated
- Direct to OEMs, tier suppliers, converters or channel partners
- Business includes:
 - Display materials
 - Automotive and aerospace
 - Electronics materials
 - Commercial solutions
 - Advanced materials
 - Transportation safety

Health Care

Improving the quality and delivery of health care

2018 sales

\$7B



- Regulated, consumables
- Primarily sell direct to healthcare professional or channel partners
- Business includes:
 - Medical solutions
 - Oral care
 - Separation and purification sciences
 - Health information systems
 - Drug delivery
 - Food safety

Consumer

Bringing 3M to the hearts and minds of customers

2018 sales

\$5B








- Consumables
- Predominantly sell through consumer retail, B2C and omnichannel
- Business includes:
 - Home improvement (including auto care)
 - Stationery and office
 - Home care
 - Consumer health care

External market trends and drivers of change



Key market trends impacting our strategic accounts

Trend		Impact on 3M	3M growth programme(s)
<p>Digitalized economy Continued shift towards a digitalized economy (i.e. ecommerce, social selling)</p>		<ul style="list-style-type: none"> - Selling and marketing platforms - IoT offering - Analytical capabilities 	<ul style="list-style-type: none"> - E-Channel acceleration - Social selling approaches (LinkedIn) - 3M Connect Leverage
<p>Consolidation Continued acquisitions by the larger TNDs creating fewer, larger distribution channels</p>		<ul style="list-style-type: none"> - Pricing pressure - Power struggle - Private label opportunities 	<ul style="list-style-type: none"> - Pricing harmonization - POS and category management
<p>Borderless business Rise in cross-border purchasing/selling activities (i.e. transnational customers)</p>		<ul style="list-style-type: none"> - Account management - Supply chain management - Pricing strategy 	<ul style="list-style-type: none"> - Strategic accounts organization - Centralized business models
<p>Customer buying behaviour Shifts in how customers choose to buy</p>		<ul style="list-style-type: none"> - Increased need for SAM - Value creation beyond product delivery 	<ul style="list-style-type: none"> - Customer journey mapping - CII acceleration - SAM talent development
<p>Sustainability, design & IoT Increasingly on C-Suite agendas – need to leverage as differentiators</p>		<ul style="list-style-type: none"> - Demonstration of our heritage and capability 	<ul style="list-style-type: none"> - Top 2 top sustainability meetings - Leverage 3M Connect and Design - Embed in all CII

Strategic account model and projects aligned with today's impacting trends

Our challenge...



How to build a truly customer-centric SAM organization within a heavily matrixed and siloed organisation...

and opportunity.



Customer insight led us to believe that if we could be easier to do business with, simplify 3M and create value through our enterprise solutions – we would deliver higher growth.

Necessity of a strategic account model

1 Customer buying behaviours have changed and continue to change

Customer executives stated that **only 7%** of suppliers “understand my business needs and are worthy of a long-term strategic relationship”

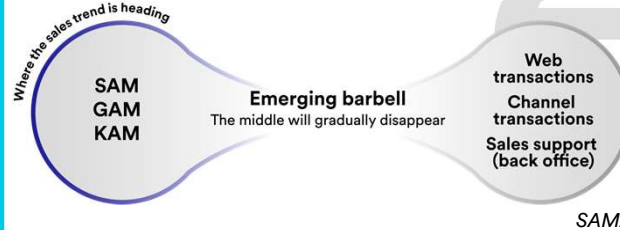
Our markets are changing
Market trends and preferences are changing faster than we are

Our customers are changing
B2B customers are starting to expect B2C type experiences

Our competitors are changing
Competitors are changing their go-to-market strategies to meet evolving customer needs

The Summit Group/LBS

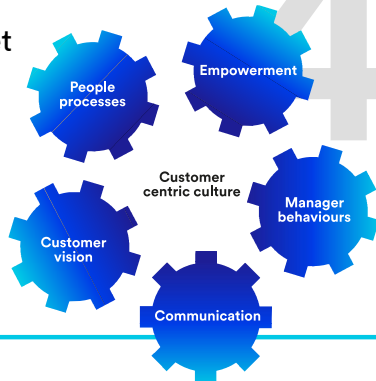
2 Commercial transformation needed in go-to-market models: strategic account management is a business model



3 Customer experience: single point of contact for BIG 3M makes us easier to do business with

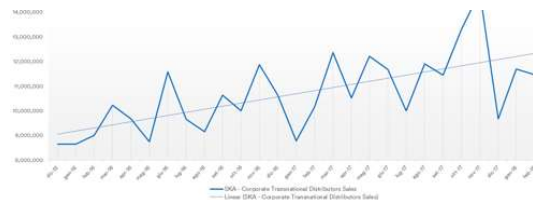


4 Customer centricity and insight: personalized, tailored mindset and marketing

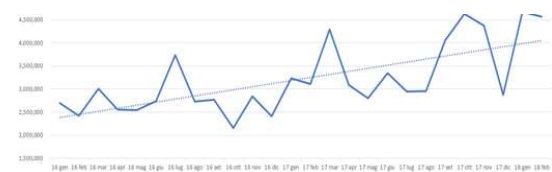


5 Profitable growth

TND 3 year CAGR 15%



End user direct sales 3 year CAGR 18%



Driving efficient growth through customer first mindset

Creating a customer first culture



Enhanced customer experience

- Digital and e-commerce acceleration through centralized organization



Leverage the 3M brand

- Brand campaigns
- Sustainability and design



Key account penetration

- Centralized Strategic Account organization



Sell BIG 3M

- Market facing models
- CRM and POS



Relevant go-to-market models

- Inside sales capabilities in every country
- Channel management

Situation analysis: process overview



Internal diagnostics

- Workshops in UK, FR, GE, IT
- 16 1:1 in depth interviews
- >500 'voices' captured
- Business problem assessment
- Clustering and prioritization



Internal best practice

- Six Sigma project review
- Identification of progressive approaches
- Focus on Automotive Cocoon project and E&E KAM process and Wal-Mart model
- US sales excellence team



External in perspectives

- Thought-leading associations (SAMA, CEB, Cranfield, Chapman Group, TNS)
- Peer companies: Ingersoll-Rand, Microsoft, Cargill, IBM, Orange, Siemens...

10 prioritized areas for focus have emerged

Key accounts – what success looks like

Changing to meet the needs of our customers



Designing a world-class key account business model that aligns our total company's 'eco-system' resources with the most important customers to drive transformational value creation



Hallmarks of our future success

World-class key account model

>15% CAGR growth

Unrivalled Co-creation growth and share gain excellence

Strong C-suite relevance and engagement

Customer centric mindset

Full resource alignment with top accounts

Fluid collaboration and teamwork




Customer Centricity: Definition

What is Customer Centricity (C.C.)?

- The alignment of systems, processes and people to deliver products and services to internal and external customers in the most agile way (*Charteris*)
- C.C. involves aligning organizational resources for effectively responding to the ever-changing needs of customers, while building mutually profitable relationships (*Craig Bailey & Kurt Jensen*)

Source: Cranfield University



Customer
Centricity: much
broader than
Customer Focus

- Day by Day Sales and Logistics/Service activities
- Organizational structure
- Strategy, Planning and Execution
- People compensation
- Overall Corporate capability

Source: Cranfield University



Customer Centricity: Analysis

Who is the Customer?

- End Consumer or user of your products
- Is he paying your invoices for the product or service you provide?
- Channel or Distributor?
- Global or Local ?

Source: Cranfield University

How Customer Centric is your Organization?

How Customer centric is your organization?

Using the scale, complete the quick check table & compare your results with the score ranges given in the result table. You might want to take the average of a broad section of people across your organization, as each will have a different perspective.

Customer Centricity Scale

0	1	2	3	4	5	6
N/A	Strongly Disagree	Disagree	Slightly Disagree	Slightly Agree	Agree	Strongly Agree

1 Customer Offer Development	Score
The practise of customer specific offer development in our organization can be regarded as best practice	
2 People Aspects	
Everyone in our organization has customer specific objectives	
3 Organizational Structure	
Our organization is structured around customers rather than products, geographies or functions	
4 Processes & systems	
We have processes & systems in place that allow & achieve fast and effective customer management	
5 Data & Measurements	
All customer KPIs are understood across our organization	
6 Business Planning	
Customers contribute to plans & the plans involve all functions	
7 Culture & Leadership	
Customers are at the heart of everything we do here	
Total	

Results	Score Range
Little importance is given to specifically meeting the needs of the customer	0-12
Some parts of the organization are trying to be customer focused	13-22
Some elements of customer centricity are being practised within some areas of the organization	23-32
Your organization is well on the way or is already achieving best practice customer centricity	33-42

Source: Cranfield University

A group of business professionals, including men and women of various ethnicities, are seated around a conference table in a meeting room. They are dressed in business attire (shirts, blouses, suits). The scene is dimly lit, with a focus on the participants. The text is overlaid on the image.

Table discussion:

How CC is your organization?

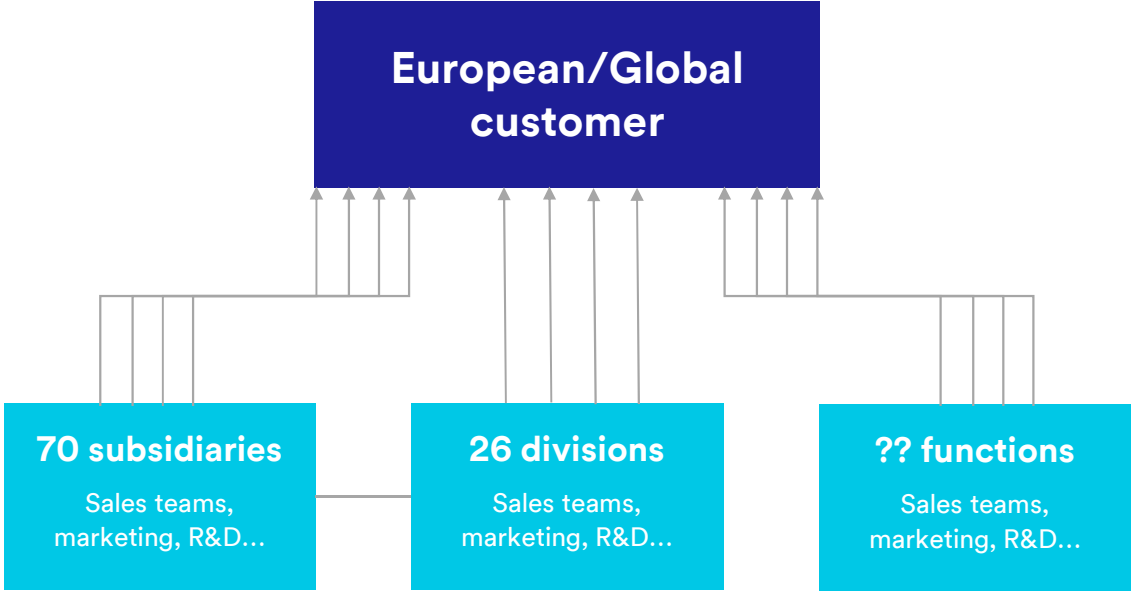
What are the biggest challenges?

What can you do to drive improvement?

Organizational design

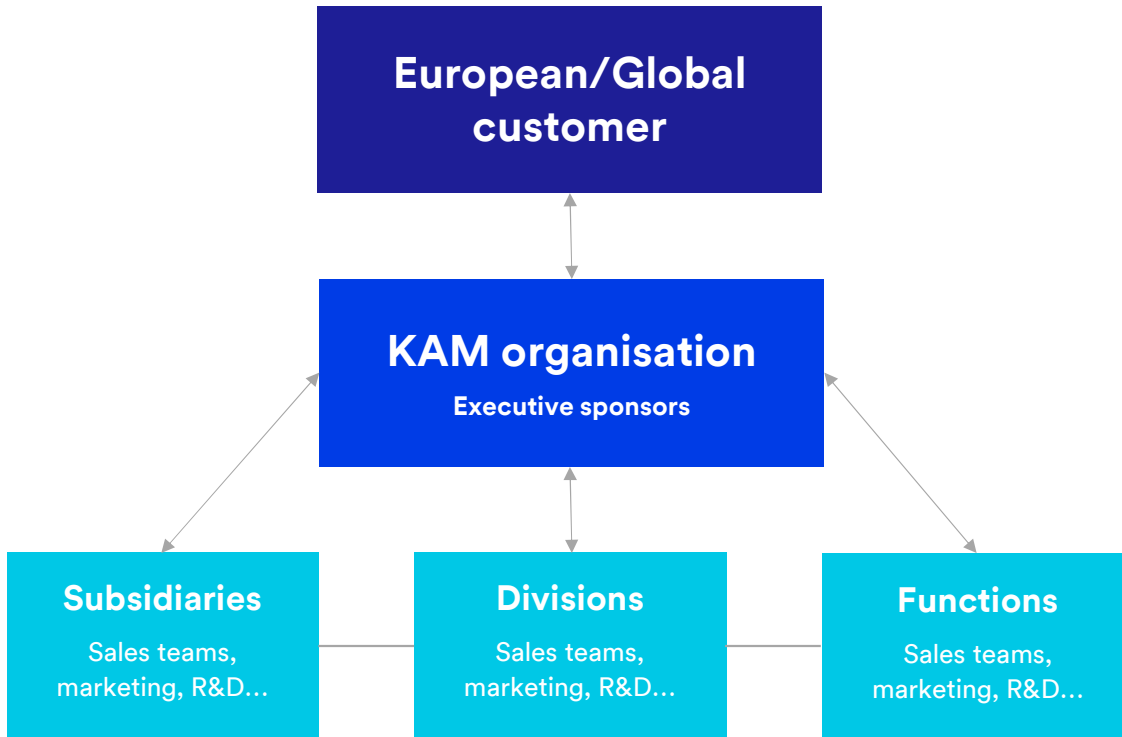


2014 – traditional European operating model



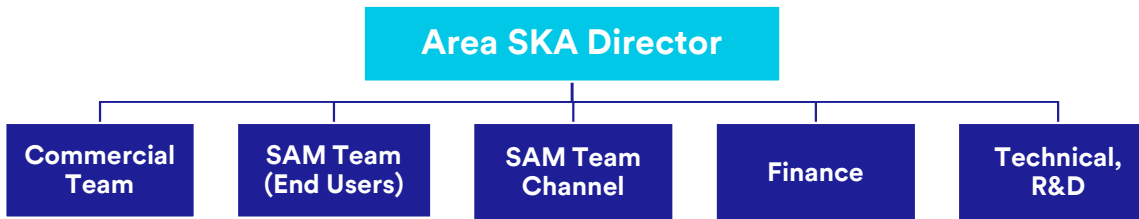
Multiple touchpoints and countries to one customer. Complexity at customer level.

2015 – new European operating model



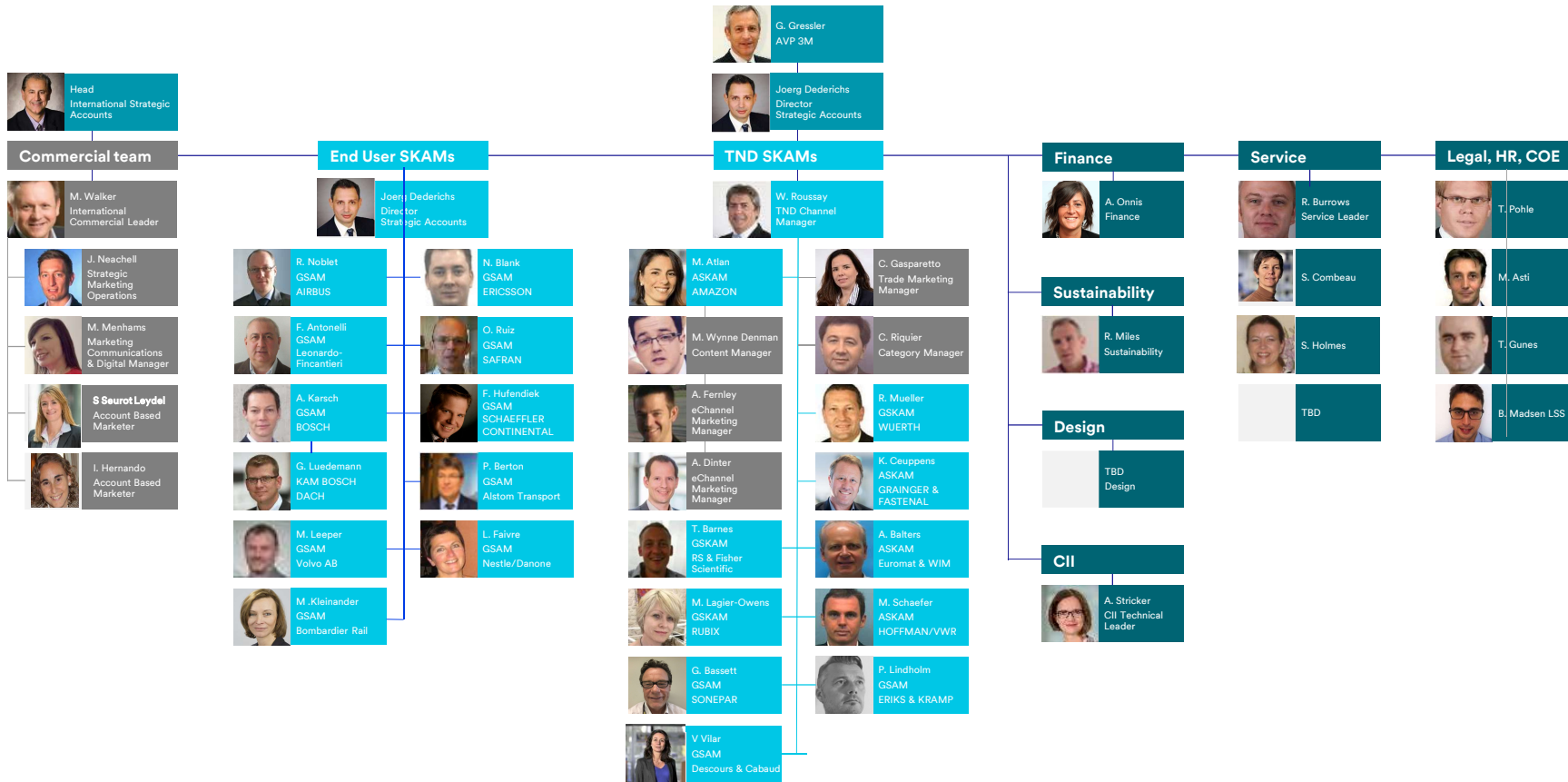
- ▶ Reduced complexity
- ▶ Single point of contact
- ▶ Easier to do business with
- ▶ Transparent
- ▶ Corporate – connecting the Big 3M

Sales and marketing alignment was designed in



Commercial marketing working with SAMs to drive customer first, enterprise wide value creation

Strategic Key Account Group



Change management



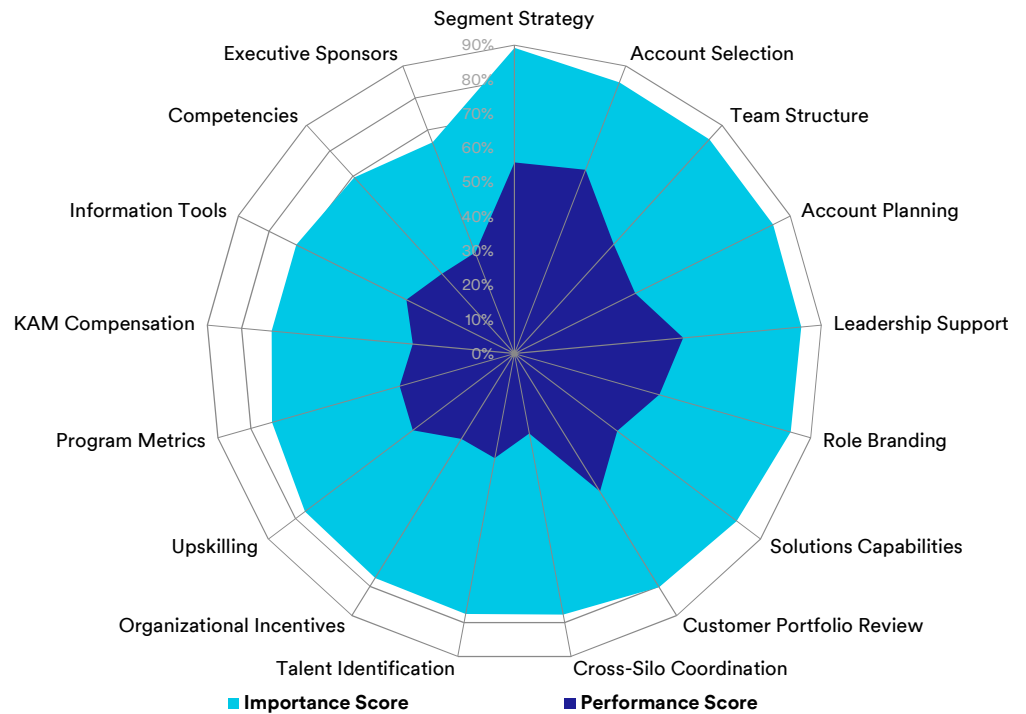
Change management



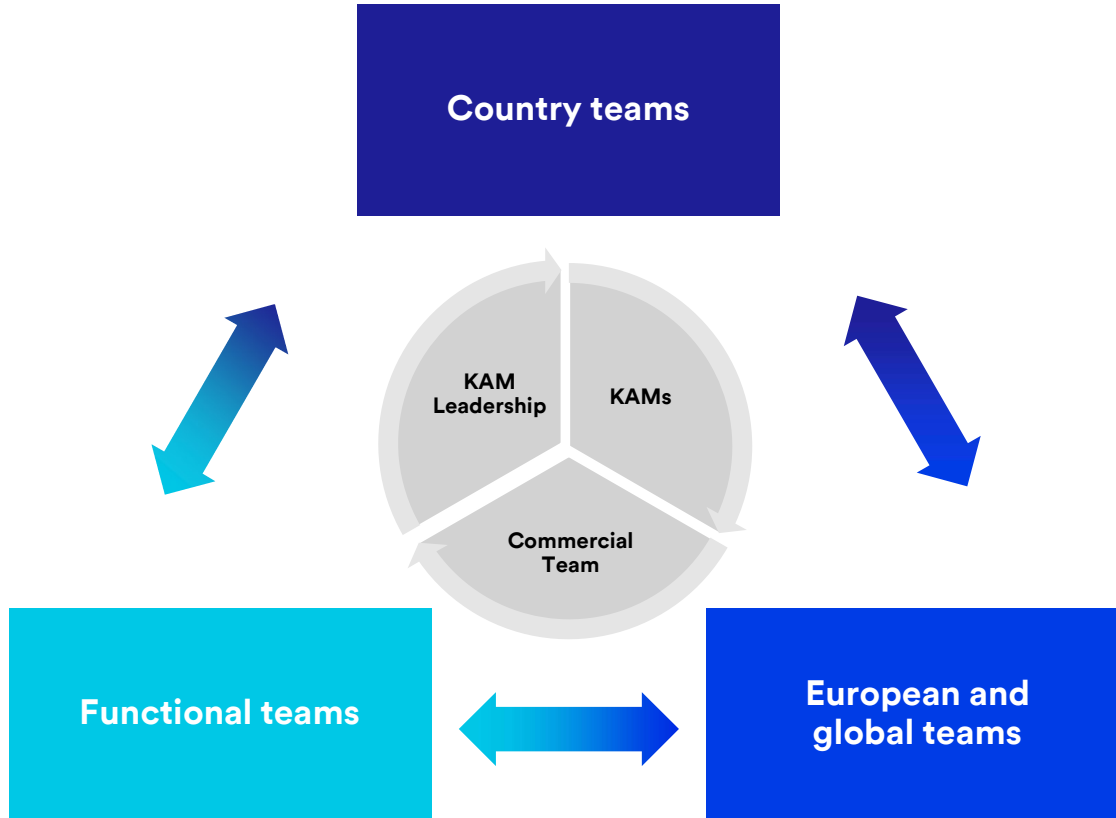
1	2	3	4
Context assessment	Compelling story	Stakeholder alignment	Organisational design
5	6	7	8
Change impacts	Coach, train and develop	Change implementation	Sustain and anticipate
			
Communication	Readiness	Measurement	

Change management – measurement

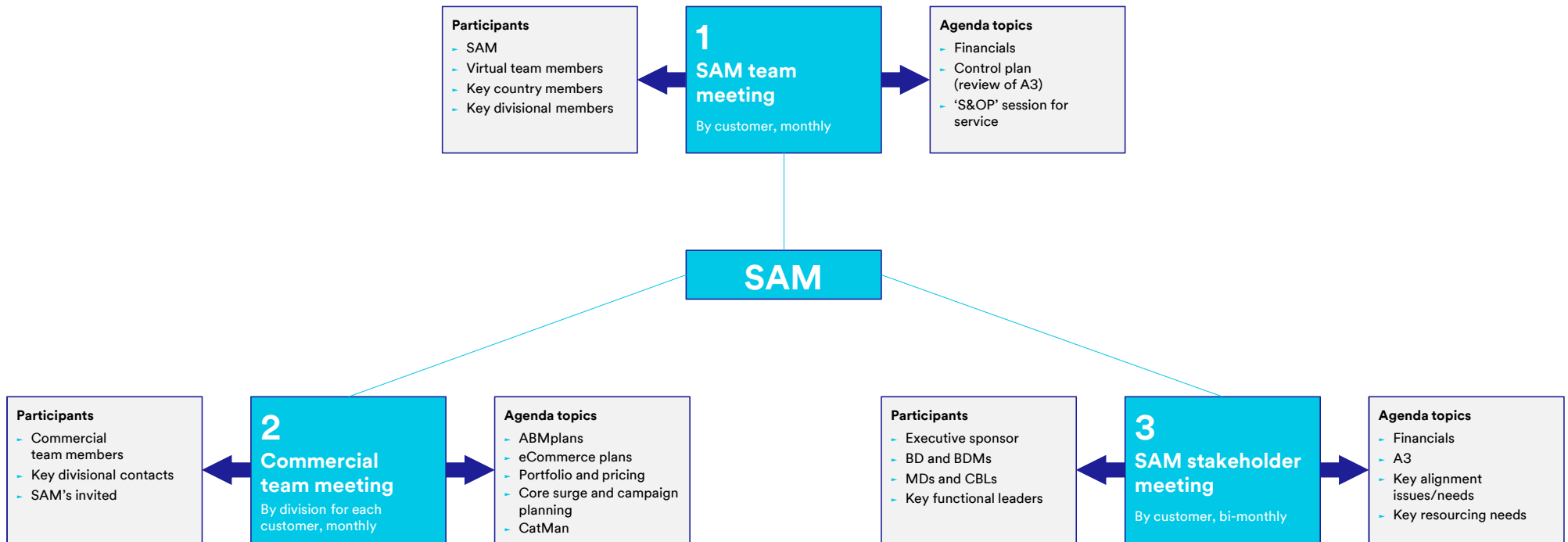
	Importance Score	Performance Score
Segment Strategy	89%	56%
Account Selection	85%	57%
Team Structure	85%	43%
Account Planning	84%	39%
Leadership Support	84%	49%
Role Branding	84%	44%
Solutions Capabilities	81%	38%
Customer Portfolio Review	80%	47%
Cross-Silo Coordination	78%	24%
Talent Identification	77%	31%
Organizational Incentives	77%	29%
Upskilling	77%	37%
Program Metrics	74%	35%
KAM Compensation	71%	30%
Information Tools	71%	35%
Competencies	69%	31%
Executive Sponsors	66%	32%



Internal interface and communication rhythm



Streamlining our internal communication



Communication to drive engagement and faster collaboration



Internal communications and change management




Key playbook elements



Winning with a new key account playbook



- ▶ Change management
- ▶ Customer centric mindset
- ▶ Boundary-less alignment



Breakthrough performance

International SAM programme playbook



A Day in a life of an Intl Strategic Account Manager

This schedule illustrates the cross-functional responsibility of a Strategic Account Manager.

Several activities occupy the Account team as they prepare for a series of customer meetings in the upcoming week. One meeting is with upper level 3M and the customer's technical organization to discuss the status of a new technology introduction. Another meeting with product design team to examine the results of their materials evaluation and plan the next phase.

Finally, a meeting is scheduled with a Global Supply Manager (GSM) to review a pricing and supply program. The following is the International Strategic Account Manager's schedule on a weekday leading up to those meetings

8:00 am	Email and Daily Priorities <ul style="list-style-type: none"> Create checklist for the day's most important tasks Send confirmation email to division sales for sample prep for product evaluation meeting
9:45 am	Urgent Customer Request <ul style="list-style-type: none"> Receive incoming email from customer to add a new agenda item on a new design challenge they are facing
10:15 am	Breakout meeting with Technical Manager <ul style="list-style-type: none"> Meet with Technical manager to identify the appropriate 3M resource to address new request and ensure the team is aligned on objectives and content for upcoming meetings Assign action item for EOD
10:30 am	Monthly Business Review meeting <ul style="list-style-type: none"> Review all projects in process with customer to ensure clarity in status and action items A pricing adjustment is necessary due to large competitive threat and requires follow up with marketing Document opportunity updates in Salesforce
11:30 am	Contact Marketing <ul style="list-style-type: none"> Follow up to previous meeting Leave voicemail for colleague to discuss pricing adjustment on an opportunity that is about to close.

Account Scorecard

The account scorecard reflects key metrics by which each account assesses 3M as a preferred supplier, couple with how the 3M account team is measured internally. The scorecard elements are agreed upon by the customer and business leadership. Achievements and tracking are the responsibility of each account team.

Service level	USA	WE	LA	GCA	ASIA	CEEMEA
On-Time Delivery	✓	✓	x	✓	x	x
Fill rate						
Lead time						
Price						
Promotion						

Alignment	USA	WE	LA	GCA	ASIA	CEEMEA
Corporate Direction						
Department Direction						
Third Box Thinking						
Value Messaging						
Marketing Strategy						

Relationship	USA	WE	LA	GCA	ASIA	CEEMEA
Stakeholder Alignment						
Strength of Influencers						
Executive Engagement						

Engagement	USA	WE	LA	GCA	ASIA	CEEMEA
Revenue						
Business Planning						
Geographic Exp.						
Division Penetration						
Executive Engagement						

A playbook that includes best practices from benchmark companies as well as lessons learned from WE, Automotive, Customer First playbooks.

A group of business professionals are seated around a conference table in a meeting. They are dressed in business attire, including shirts, blouses, and suits. The setting appears to be a modern office environment with large windows in the background. The text is overlaid on the image.

Table discussion:

Account Selection:

What criteria do you use to select accounts in your company?

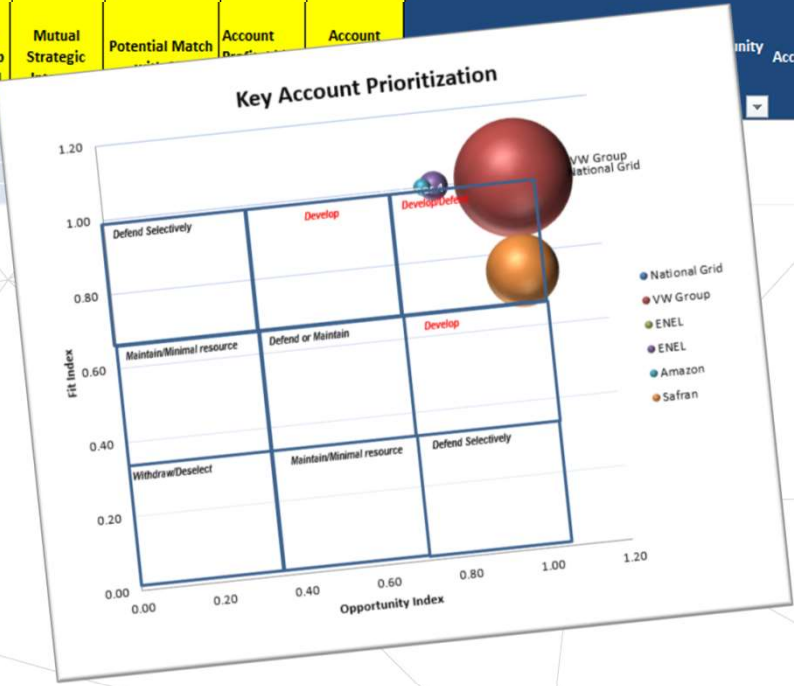
What are the challenges you experience?

Example of the account selection tool developed

		OPPORTUNITY CRITERIA				FIT CRITERIA				
Score Criteria	Weighting	9	6	4	5	6	9	5	7	6
	9	Above \$20M	> 20 %	Increasing share across	Industry Leader with	Strong Culture	Committed st	Strong match with	>25%	Centralised decision making, purchasing & contr
	3	\$10 to \$20	10 to 19%	Increasing share on s	Industry Leader with	Strong Culture	Strong Interest	Strong Match with	18-24%	Centralised Technical or Purchasing decisions
	1	\$5 to \$9	5 to 9%	Stable share	Not Leader but inn	Medium Cultu	Low/uncertain	Good match with	10-18%	Decentralised decision making
0	<\$5M	< 5%	Losing share	Non-industry leade	Low Culutral	None	One or few 3M c	<10%	No clear processes	
Key Account	2015 Total Sales Value (total 3M) Estimated \$M	Incremental Growth Value Achievable over 3 Year period	Growth of Customer portfolio over next 5 years	Trend of 3M share in Account	Account's market Position	Cultural & Relationship Fit with 3M	Mutual Strategic	Potential Match	Account	Account
Customer 1	2.7	9	9	9	9	9	9	9	9	9
Customer 2		1	1	1	1	1	1	1	1	1
Customer 3		3	3	3	3	3	3	3	3	3
Customer 4		9	3	3	3	9	9	3	3	3

Max Oppo'y Score 216
Max Fit Score 297

Account	Account Fit Index	Account's Total 3M Sales Last 12 months \$Million
	1.00	2.7
	0.17	0
	0.27	0
	0.34	0



Account selection criteria

Simplified Selection Tool (Opportunity/Fit Model)					
OPPORTUNITY SELECTION CRITERIA			STRATEGIC FIT SELECTION CRITERIA		
CRITERIA	INTERPRETATION	RATING	CRITERIA	INTERPRETATION	RATING
Incremental Growth Value for West Europe Achievable over 3 Year period (i.e. not the additional sales value in Year 3 alone - but	Above \$10M	9	Cultural & Relationship Fit with 3M	Strong Culutral Alignment & C-Level Relationships	9
	\$5 to \$10	3		Strong Cultural Alignment but Lower level relations	3
	\$2 to \$5	1		Medium Cultural Alignment & C-Level relationships	1
	<\$2M	0		Low Culutral Alignment & lower level realtions	0
Growth of (relevant) Customer Portfolio over next 5 years	> 20 %	9	Mutual Strategic Interest	Committed strategic interest	9
	10 to 19%	3		Strong Interest	3
	5 to 9%	1		Low/uncertain interest	1
	< 5%	0		None	0
Trend of 3M Share at the Customer Account	Increasing share across multiple categories	9	Potential Match with 3M	Strong match with multiple 3M Divisions	9
	Increasing share on single category	3		Strong Match with 1 or 2 3M Divisions	3
	Stable share	1		Good match with a only few commodities within 3M	1
	Losing share	0		One or few 3M commodity solutions	0
Customer's Position in Market	Industry Leader with innovative Portfolio	9	Account profitability (EBITDA)	>25%	9
	Industry Leader with mature portfolio	3		18-24%	3
	Not Leader but innovative portfolio	1		10-18%	1
	Non-industry leader	0		<10%	0
			Account Decision Making	Centralised decision making, purchasing & control	9
				Centralised Technical or Purchasing decisions	3
				Decentralised decision making	1
				No clear processes	0

...sounds easy, but there are often many influences on account selection.

Executive Engagement in Strategic Accounts

Assigning our Executives to our Strategic Accounts will help drive Growth & change mindsets

The Benefits:

- Deliver substantial gains in account retention
- Develop improved account based loyalty
- Increase account based innovation & revenue
- Benefit from customer/market insight to aid strategy development

The impact:

- Visibly drives a Customer-focused culture
- Creates inter-dependence between supplier & customer
- Help in removing internal silo issues
- Improved Resource planning & alignment
- Targeted R&D investment driving New Products can be accelerated

Executive engagement and roles

Strategic Account Management can't be 'strategic' without owners of the company's strategy



Executive responsibilities

Fosters C-Level access and networking

Responsible for developing and maintaining C-Level relationships

Attends joint goal setting with account and KAM

Responsible for dissolving silos and securing resource.

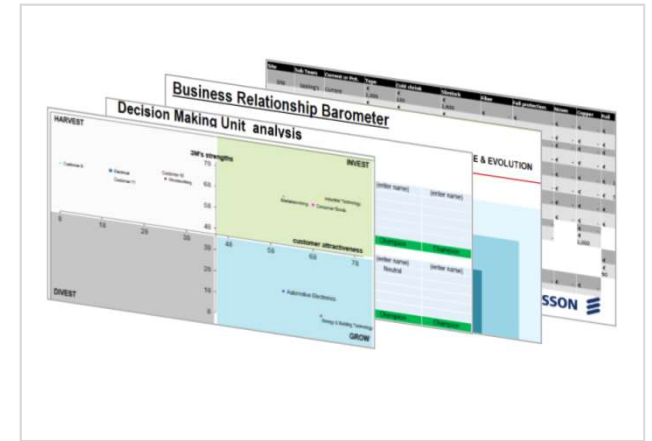
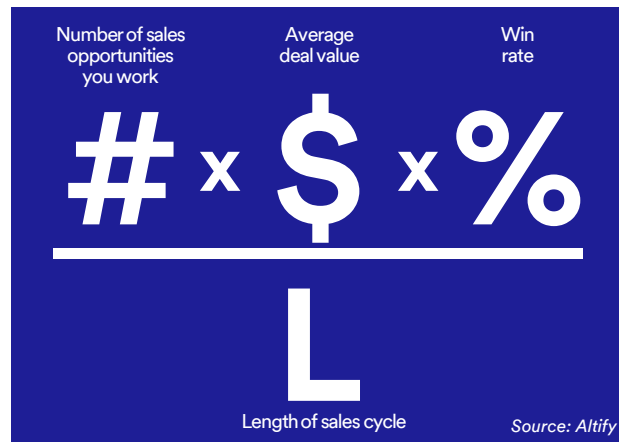
Ownership of key performance review at quarterly SAM Committee meetings

Leadership and engagement by executives delivers superior growth and account retention

Account planning and management

“Selling without a plan is really planning not to sell.”

Managing accounts as ‘markets’

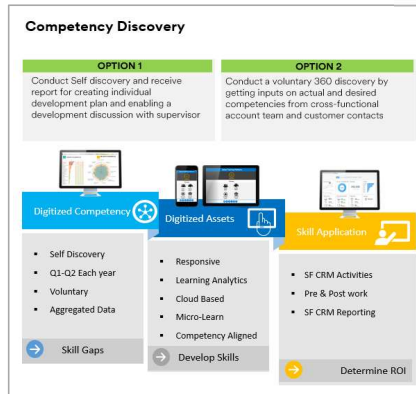
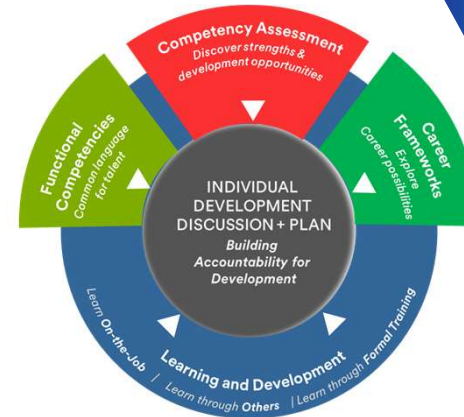
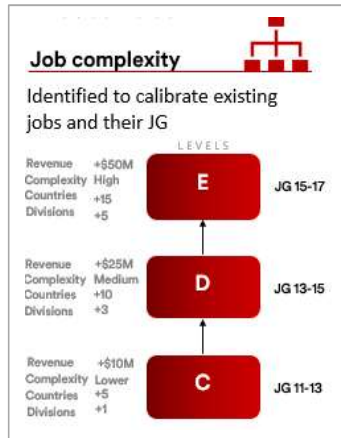


- ▶ Development of a common process and language... linked to salesforce.com
- ▶ Data-driven analysis
- ▶ Increasing sales velocity
- ▶ Improved prioritization and productivity

SAM selection, training & development

At the start...
we did not have the luxury of choosing SAMs (we took the few that were in related roles).

Over time,
we strengthened competency models to aid selection.



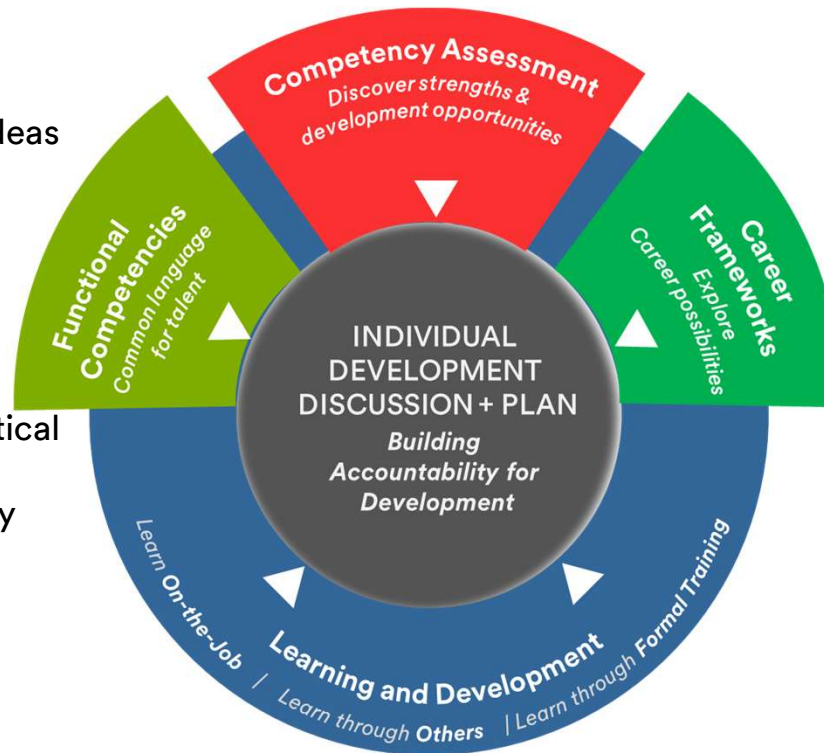
SAMA Competency Framework



Competency Framework Development

DNA

- Self motivated/ambitious
- Coachable & open to new ideas
- Adaptable & Sociable
- Goal oriented
- Empathetic
- Anticipating
- Helicopter view
- Strategic thinking
- Able to quickly identify critical issues, summarize and act
- Influencing without authority
- Managing in a matrixed environment
- Negotiation skills



Hard Skills

- Customer Knowledge and engagement
- Business Intelligence
- Strong knowledge of Sales enablement solution(eg.CRM,etc.)
- Business Communication (oral, presentation, etc.)
- Conflict Management and Resolution
- Social media and social selling

Soft Skills

- Leadership
- Relationship building (eg. Storytelling, when to shut up)
- Critical thinking
- Problem Solving
- Collaboration (eg. Team player)

Advanced strategic account management training

For our team and cascaded throughout...

Phase 1 – Creating and quantifying business value



Phase 2 – Business relevance for engagement What matters next...

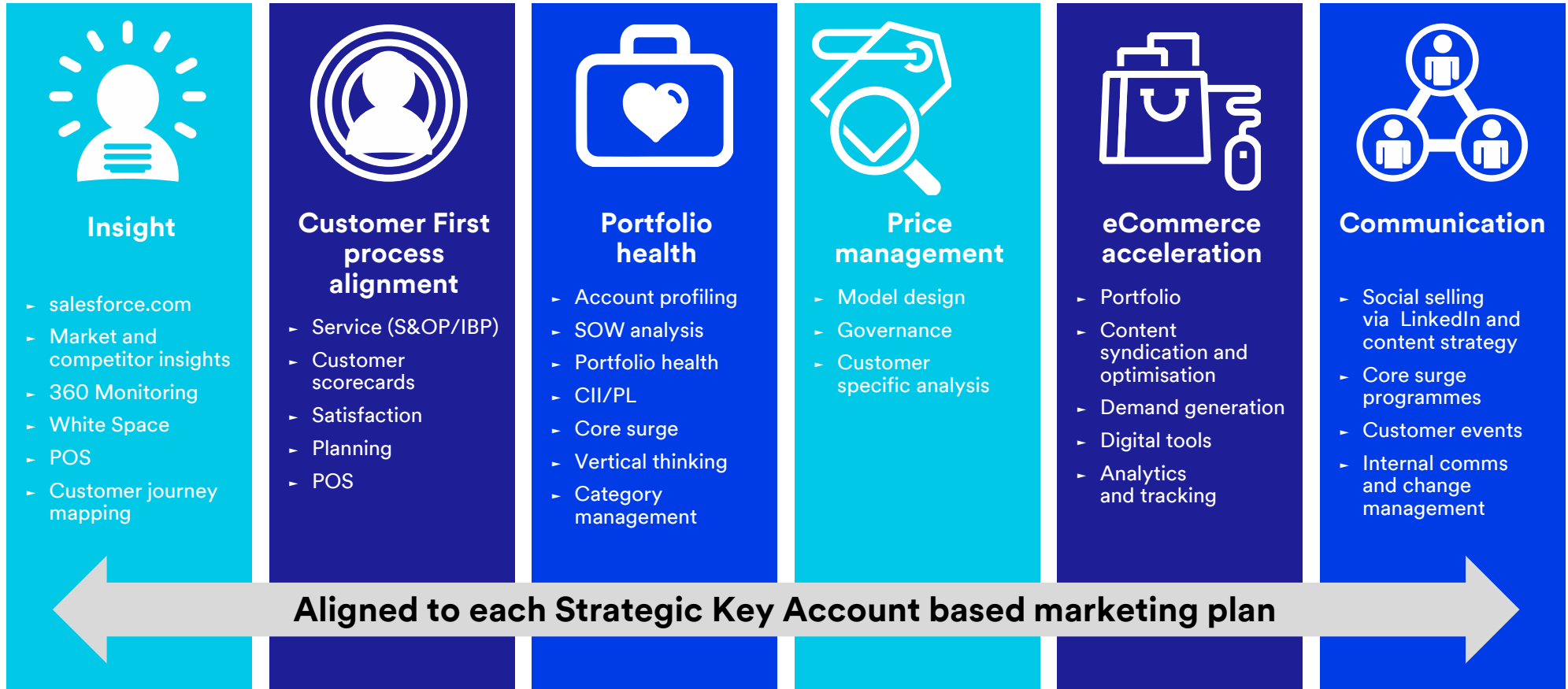


THE SUMMIT GROUP

Social selling with

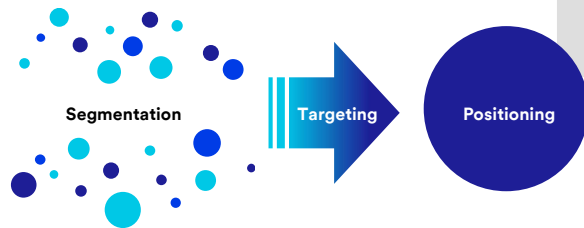


Key growth pillars



Account based marketing

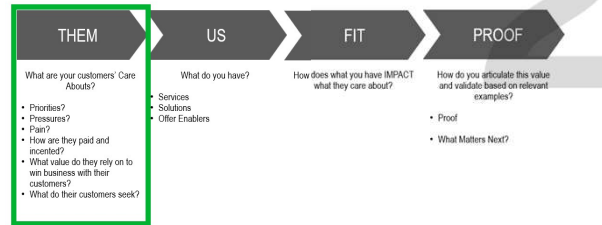
Customers as markets



1

Starts with the customer and insight

Value Co-Creation Framework



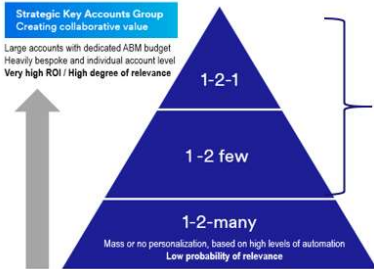
2

Sales and marketing alignment (team)



3

Strategic Account Marketing is ABM/1:1/Client-centric marketing



4

ABM ≠ traditional 3M marketing



Growth focused

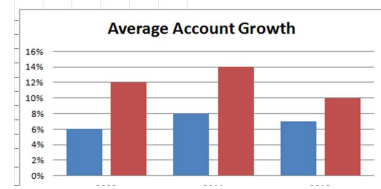
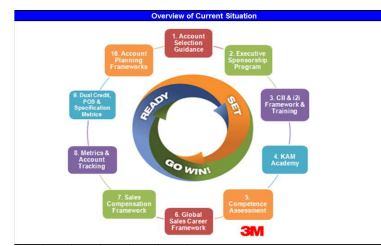
- Reputation**
 - Drive preference
 - Build brand reputation
 - Improve credibility
- Revenue**
 - Grow and accelerate pipeline – RFPs
 - Sell new offerings and enter new markets
 - Increase win rate and deal size
- Relationships**
 - Identifying and building the right relationships
 - Deepen relationships for insight and innovation

6

Metrics: KPIs – Key account scorecard

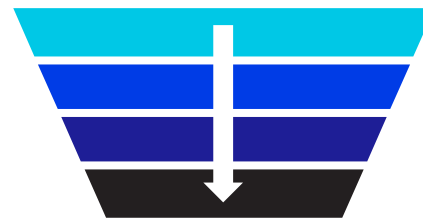
Metric description	Frequency
Sales and Pipeline	Monthly
Customer share of wallet: existing products	Quarterly
Number of divisions sold (Big 3M) Number of countries sold	Quarterly
Co-creation pipeline: NPI	Quarterly
Customer loyalty top box score	Half yearly

KAM to track and capture as part of A3



	Activities & Tactics	Action Plan	Objective	Owner	YTD	Status
Sales Growth	Total Sales (\$'000s)				0	
	% Sales Growth				#DIV/0!	
CII & SMOTS Pipeline Value	2015 SMOTS Pipeline Value				0	
	5 Year CII Pipeline Value				0	
Share of Wallet	Capture competitive share					
Customer Loyalty NPS score	Methodology defined & planned					
	First survey wave completed					

Pipeline management



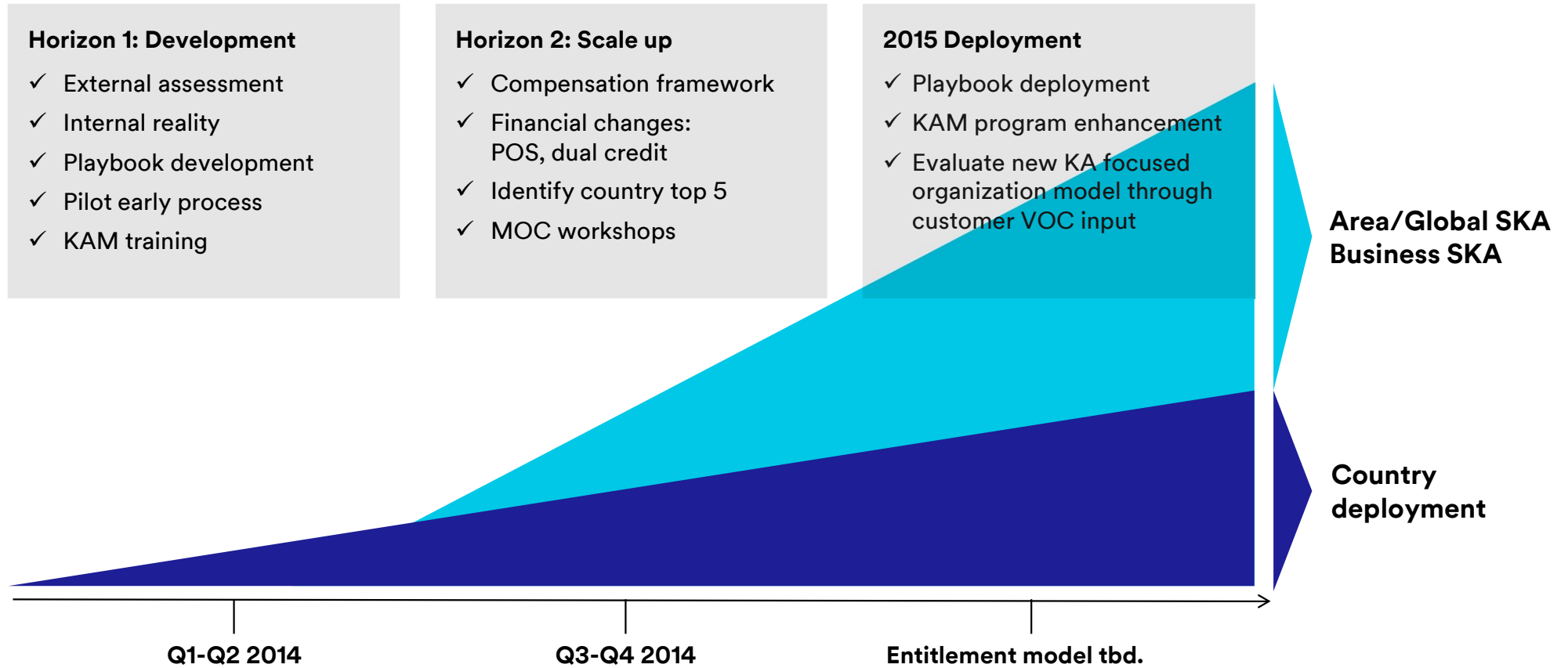
- 1 Identifying
- 2 Evaluating
- 3 Finalizing
- 4 Closed



Results, learnings and challenges



Broader deployment begun in August 2015



Strategic account status 2015

Hopper

Potential End User and TND Accounts



Investigation

\$ Opportunity assessment



Active

Execute growth programs with customer



Candidates supplied by regions and businesses
Alignment with key verticals
SAM Org prioritizes via C&E

Commercial assessment
Define high-level opportunity scope
Engage local (and global) teams

Assign SAM and team
Customer and 3M engagement
Define plan
Implementation (plan - do - check - act)

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Strategic account status 2018

Hopper

Potential End User and TND Accounts



Investigation

\$ Opportunity assessment



Active

Execute growth programs with customer



Candidates supplied by regions and businesses
Alignment with key verticals
KA Org prioritizes via C&E

Commercial assessment
Define high-level opportunity scope
Engage local (and global) teams

Assign KAM and team
Customer and 3M engagement
Define KA plan
Implementation (plan - do - check - act)

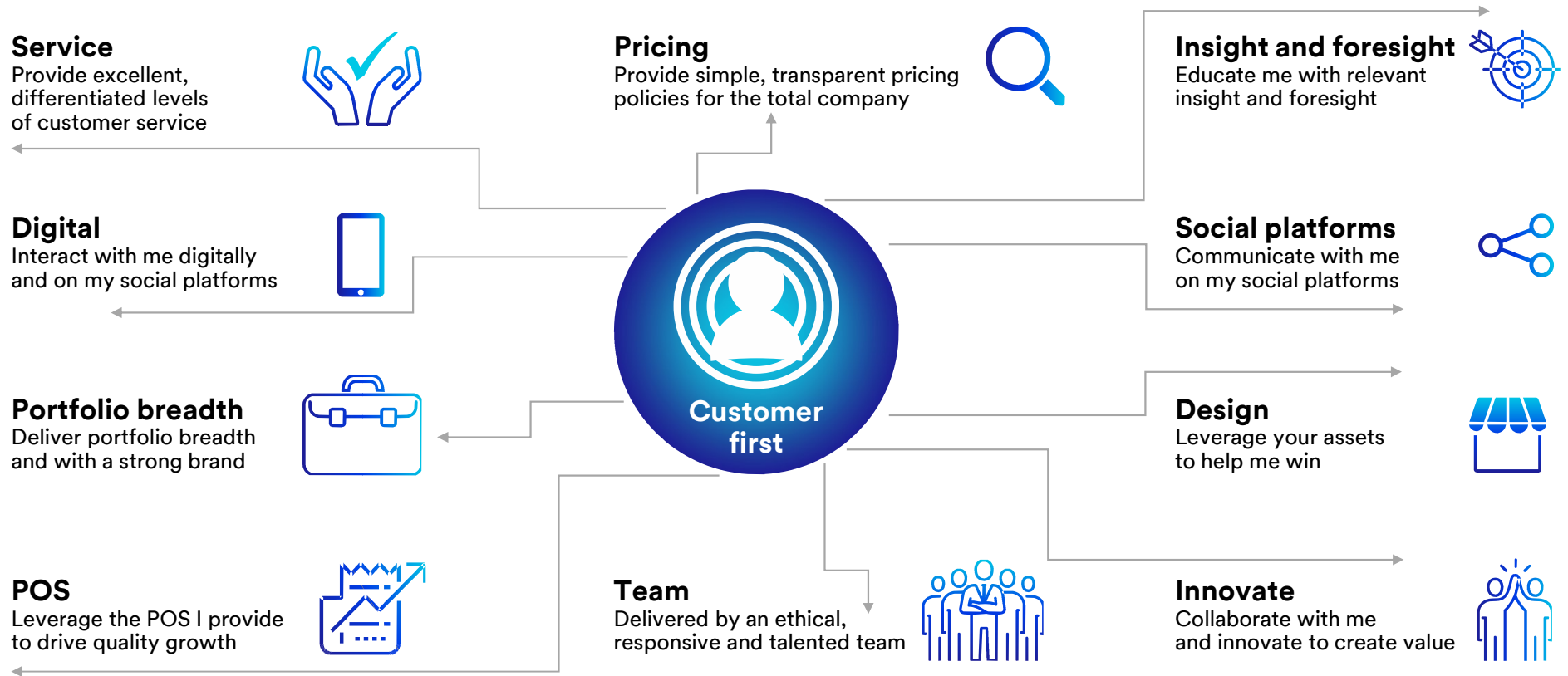
End users	TNDs

End users	TNDs


End users	TNDs



Our strategy is informed by the voice of our customers



Processes/legacies aligned with our customers

Activity	Historic approach pre- 2016	Current model 2016 to 2017	Future 2018+ 
Organization	Siloed and product centric	Big 3M and customer centric (20 FTEs)	Customer centric, by vertical (50 FTEs)
Metrics	Product P&Ls	Customer Financials	Customer P&Ls and customer scorecards
Pricing	Independent – high variation	Single TND model for 3 key divisions	Single model for Big 3M
Negotiation	Separate agreements	One agreement (POA)	One agreement (EMEA)
Marketing	Product marketing	Customer marketing	1:1 marketing
Communication	Disparate	Targeted	Bespoke
Supply chain	Product focused	Embryonic Customer Processes	Customer driven supply chain design and metrics
Financials	Divisional/Product based No sales reallocation	Customer based POS enabled sales reallocation	Customer P&Ls Full global sales reallocation

An evolving organization, led by customers

Strategic Account Governance

	ESC WE	KAM Steering Team	KAM Operating Committee
Objective	To optimise the KAM Organisation by driving alignment through own organisation	Governance of KAM Organisation to achieve KAM Strategy.. Ambassadors and change agents for KAM Organisation. To optimise the KAM Organisation.	Defines KAM Strategy. Execute an efficient and effective operation enabling achievement of KAM goals
Headcount	Review KAM Organisation headcount current and projected. Headcount reduction to balance KAM Organisation	Approves headcount during set up, transition and ongoing mgt. (e.g. replacements, adjustments)	Confirms headcount needs during service transition activities Creates KAM Organisation headcount plan
Budget	Review KAM budget current and projected	Approves overall KAM budgets	Creates KAM Organisation budget. Defines R&D Budget.
SLA	Review SLA performance and develop action plans for continuous improvement	Approves SLAs/KPIs to ensure KAM Org delivery	Creates & Consults with other party on SLAs/KPIs to ensure KAM Org delivery
Strategy	Support & Implement KAM Organisation Strategy & expansion	Review & Approves the KAM Strategic Plan & expansion	<ul style="list-style-type: none"> • Selects the Strategic Accounts • Conducts KAM HOO with MTR Process inputs • Defines KAM Organisational Strategy and expansion
Operational	Support & align to KAM Operating Plan. Support of continuous improvement. Supports the management of resources Geographic alignment with customer needs	<ul style="list-style-type: none"> • Review & Approve KAM Operating Plan • Identifies Continuous Improvement Opportunities across Exec Sponsors • Review of Business Continuity Plans • Supports the management of resources Geographic alignment with customer needs 	<ul style="list-style-type: none"> • Defines KAM Operating Plan • Manages Talent Flow across KAM Organisation • Manages R&D Budgets • Manages Audits and Compliance Controls • Identifies Continuous Improvement Opportunities • Manages Local Crisis Management • Manages Employee and Labour Relations • Facilitates Employee Engagement Activities • Manages Geographic resource alignment with customer needs • Manages Customer relationship • Manages Business Continuity

‘Customer first’ – regional playbook deployment with MD and BD engagement

IBG Patrick Rogiers	SGBG Cagatay Guler	EEBG Roberto D'Amico	CBG Juergen Vent	HCBG Bill Cruise
AIRBUS GRAINGER WURTH BOSCH Dntex LKO AXALTA	AIRBUS ArcelorMittal spandax Groupe BP UTSCH	nationalgrid enel VW enedis ABB SIEMENS energy	amazon Office DEPOT Kingfisher Lyreco abveo adco	

UK/I	Lars Neuland	John Baronezz	Marina Fernhout-Mulkenberg	Maurizio Botta	Barla Eufelie Mesce	France Stephanie Barre
Delifance Groen allfour Beauty SKANSKA EIT BOSCH IS Components SIS chassis BOEING Maya IEDA SVOO Sime Office	ahlsell SCANIA ERICSSON SAHNOVA Central	VW FCA WURTH ABB COOP Multi-channel Dealers	LEUVEN DSM FCA ene CNH Ministry of Defense praxair	LEONARDO FCA ene CNH	BOSCH ABBUS Volvo Trucks Caterpillar terex comafe VOLKSWAGEN praxair SVOO	ABBUS Kingfisher ABBUS Kingfisher adco ABBUS



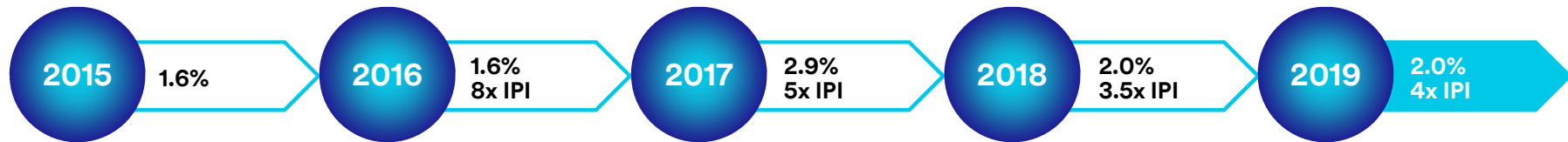
- ▶ Support of regional strategic account deployments
- ▶ Disciplined playbook and model execution will be key
- ▶ Collaborating globally to support top accounts area approach for Asia, GCA, CEE...

EMEA Enterprise accounts – transnational distributors



EMEA IPI

Oxford Economics@October2018

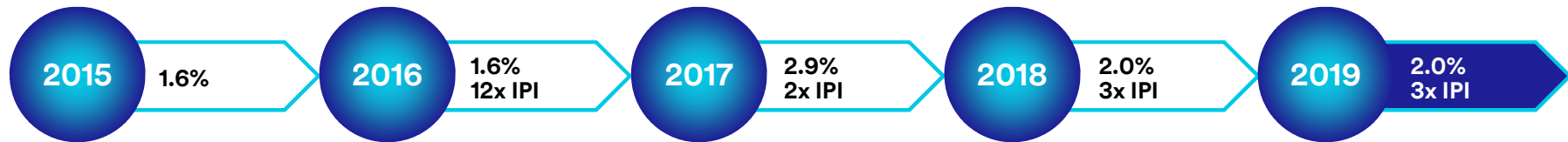


EMEA Enterprise accounts – Strategic Key Accounts



EMEA IPI

Oxford Economics@October2018



Our playbook remains critical to growth



Key learnings and challenges

...it works!



...disciplined execution is key

Key learnings

- ▶ **SKA organization** appreciated by customers, driving stronger relationships
- ▶ **Customer selection** requires diligence
- ▶ **Talent:** SAM role is complex and requires leaders with high business acumen
- ▶ **Internal communication** is vital to support change management
- ▶ **Executive sponsor** role is critical and brings responsibility
- ▶ Many **internal processes** need re-aligning with customer first approach
- ▶ **Our playbook** provides the foundational roadmap

Challenges

- ▶ **Internal change management** effort
- ▶ **Service performance** and customer-driven supply chain design
- ▶ **Service differentiation** agility
- ▶ **Digitalization** speed
- ▶ **Pricing harmonization**
- ▶ **Global customer data** capture – will improve with SAP



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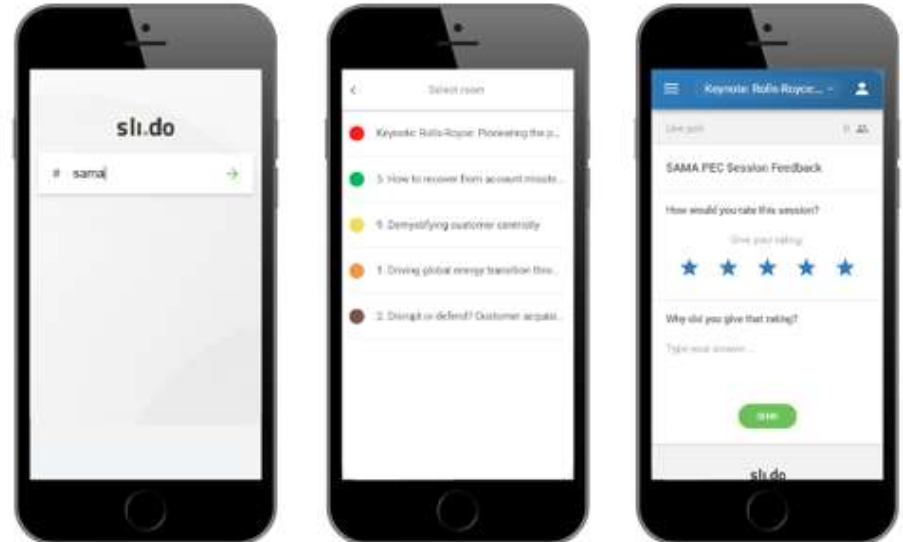


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SAMA Pan-European Conference Session Feedback

Please take a moment to provide your feedback before the end of the Keynote.

1. On any device go to: **slido.com**
2. Enter Keyword: **sama**
3. Select your session
4. Give your rating ★ ★ ★ ★ ★
5. Click **SEND**



Only current sessions will be listed during the day's sessions.

If you miss the opportunity to fill out the questions, all sessions will be turned back on this evening.

Q & A





COMMON QUESTIONS

Did you face much internal resistance and conflict?

How do you share best practices among the different accounts?

Have you ever had a negative experience with integrated programs?

How do you see the evolution of SAM in the immediate future especially with the advent of Artificial Intelligence – do you think it can bring advantages you or disadvantages and why?

How do you evaluate your company's SAM program compared to SAM programs from your most direct competitors?

For a SAM professional, what would you value the most? The seniority and relationships developed, or the innovation and industry experience in sales, even coming from another industry?

If you would have to change one (just one) aspect in the current profile of the SAM professional in your respective companies. What would it be?

Thank you

