



Leveraging a Diversified Portfolio: Picking the Right Go-to-Market Model

Improving the go-to-market model of a diversified industrials company to create greater cross business unit opportunities in a large, fast growing market

IDEA IN BRIEF

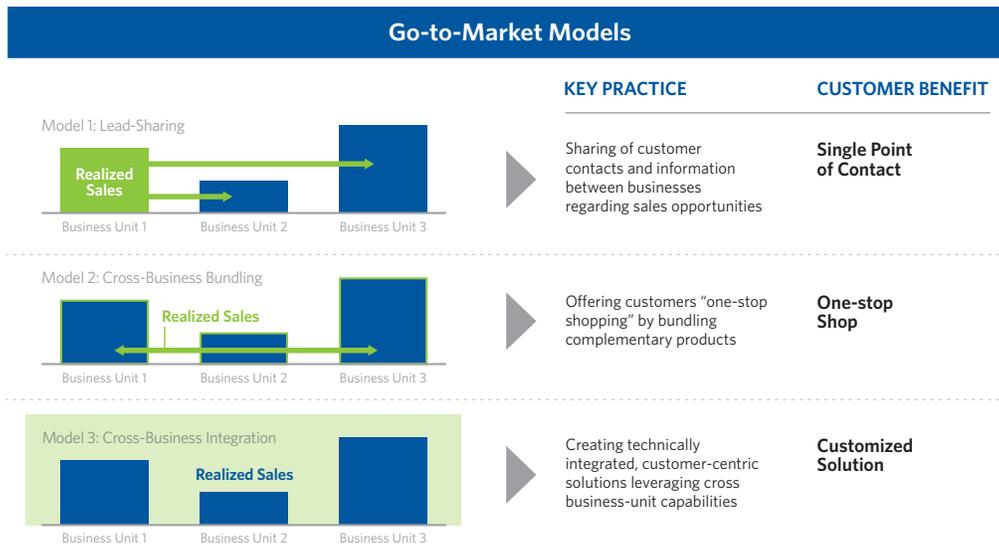
- › Although there is economic pressure to maintain and optimize a single go-to-market approach to serving customers, an expanded product portfolio may warrant a more differentiated and nuanced approach
- › Without dissecting customers (and determining meaningful segments) it can be very difficult to effectively determine the degree to which a portfolio should be integrated across businesses and when / how they approach customers

A Fortune 500 diversified manufacturing company was seeking to expand its presence in supplying equipment and services to a fast growing market sector. The company was missing significant opportunities with a low win rate on bids it pursued, as well as an inability to play in some of the more lucrative integration projects due to gaps in its overall portfolio. Its current portfolio was being sold by teams aligned by product category, technology and division, not organized by customer, which left marketing and business development with uninformed and often contradictory market intelligence from their sales teams. The result – not being able to comprehensively identify the high value needs of customers and the inability to structure the right offerings and determine which organizational unit was best positioned to approach and win over customers.

Kaiser was engaged to analyze the market and deliver a clear set of answers to the question: what is the most efficient strategy for playing more effectively in this market? After collecting inputs from senior decision makers from over 400 customer organizations, Kaiser developed a set of 6 key customer needs or pain points, identified critical gaps as well as non-critical “distractions” within the product portfolio, and plotted a detailed map of the purchasing decision for high-value products.

Using these inputs, Kaiser determined three organizational go-to-market models to match the identified customer needs and solution requirements:

- › A ‘lead-sharing’ model in cases where customer’s purchasing activity is spread over a period of time and spans multiple different acquisition stakeholders requiring careful coordination of sales outreach
- › A ‘cross-business bundling’ approach in situations where customers highly value a single one-stop shop of highly complementary products (e.g., due to purchasing convenience)
- › A ‘solution sales’ model in cases where the company is well-positioned to capitalize on unmet customer needs by further integrating the technologies and capabilities of their products to better serve the unique needs of certain customer segments determining whether to pursue a buyout (or not)



By taking a more differentiated approach to serving the market, the company is able to mitigate perceptions of unwanted upselling/cross-selling and bring a right-sized offering to customers at the right time and right place.

Founded in 1981, Kaiser Associates is an international strategy consulting firm that serves as a key advisor to the world's leading companies. We provide our clients with the unique insight derived from unparalleled primary research capabilities to drive critical decision making and solve their most pressing problems. We are dedicated to helping leading corporations improve their performance and achieve sustained profitable growth.

KAISER

ASSOCIATES

John Wilhelm

Senior Vice President
North America
+1 202 454 2029
jwilhelm@kaiserassociates.com

Mark Stein

Senior Vice President
North America
+1 202 454 2060
mstein@kaiserassociates.com

James Tetherton

Senior Vice President
EAME
+44 (0) 7980 818216
jthetherton@kaiserassociates.com