

Global Food Ingredients: Commercial Effectiveness

Defined and operationalized a go-to-market model for six customer segments for a leading global manufacturer of bulk and specialty food ingredients

Project Overview

Deliverable Examples

Client Context

- Global Ingredients manufacturer with strong performance track record was looking for ways to accelerate growth through improved commercial effectiveness in North America
- Client differentiated itself with cutting-edge ingredient technologies and a robust suite of customer services and support, but had limited visibility into which clients valued what aspects of their offer the most
- Client wanted to leverage customer segmentation to inform how to adjust its go-to-market model in a way that would unlock additional growth and profitability

Approach

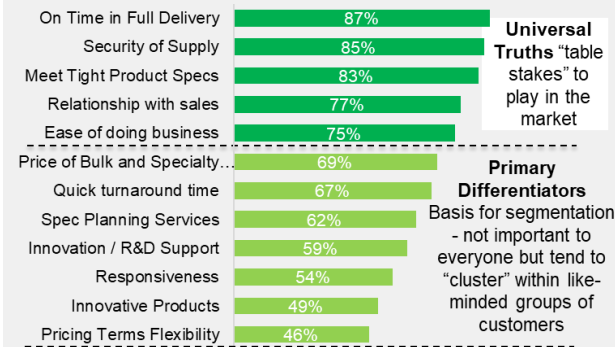
- Conducted a survey of B2B customers to better understand their needs, buying behaviors, willingness to pay and perception of the client vis a vis competitors
- Established six customer segments that empowered the organization to develop distinct strategies by customer group (customer, markets, channels)
- Defined segments' needs, profitability, and headroom for growth to drive salesforce pipelines and prioritization
- Developed a go-to-market strategy for each segment with a commercial agenda that cascaded to account planning

Outcome

- Set of comprehensive go-to-market playbooks providing a clear path to attack identified growth and profitability improvement opportunities
- The go-to-market playbooks were tied to a discrete set of operating income targets and associated KPIs (by segment) which serve as a basis for ongoing performance management and course correction

Universal Truths & Segmentation Drivers

Importance of Attribute When Choosing Ingredient Suppliers



Universal Truths "table stakes" to play in the market

Primary Differentiators Basis for segmentation - not important to everyone but tend to "cluster" within like-minded groups of customers

To develop the segments, used results from external research (n > 450) to create several clustering alternatives based on primary differentiators

Aligning Roles & Resourcing Against Segments

	Transactional Buyers	Value Seekers	Independent Innovators	High Needs Mega-Accounts	Small Partners	Innovation Partners
Outcomes						
Grow Specialty			✓	✓	✓	✓
Grow Bulk				✓		✓
Defend Share	✓	✓				
Enrich Mix		✓		✓		
Reduce Cost		✓		✓		
Innovation	Low	Low	Average	Average	High	High
Functional Roles						
Functional Contacts	Sales Only	Sales Only	Sales + Tech	Sales + Tech	Sales Only	Marketing
Sales	Reactive	Reactive	Reactive	Proactive	Proactive	Proactive
Marketing	Off the Shelf	Off the Shelf	Customized	Customized	Customized	Collaborative
Tech Services	Indirect	Indirect	Reactive	Reactive	Reactive	Proactive
Value-added Services	Restricted	Off-the-Shelf	Off-the-Shelf	Proactive	Off-the-Shelf	Proactive
Technology Offering	Encouraged	Encouraged	Encouraged	Available	Available	Available
Resource Allocation						
Specialty Sales	Moderate	Moderate	Moderate	High	High	High
Bulk Sales	Moderate	Moderate	Moderate	High	Moderate	High
Tech Services	Selective	Selective	Moderate	Moderate	Moderate	High
Innovation Support	Selective	Selective	High	Moderate	Moderate	High
Marketing	Selective	Selective	High	High	Moderate	High
Executive	Selective	Selective	Moderate	High	Moderate	High
Supply Chain	Selective	Selective	Moderate	Moderate	Moderate	Moderate
Customer Service	Moderate	Moderate	Moderate	High	Moderate	High

Segment objectives & operating/commercial models were translated into a distinct set of functional roles as well as resource allocation guidelines

Note: Full case studies available upon request
Names & Numbers Modified to Maintain Confidentiality