

Commercial Agent 4.0



SECRETARIAL WORKING GROUP

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Challenge Commercial Agent 4.0

1. The „digital networking“ advances towards all parts of business processes.
2. The digitalization will sustainably and inexorably change the structures in distribution.
3. In future anyone who can not provide his customers with any data, will simply disappear as a „distributor“.

Current Quotes of the „sales environment “

- ▶ „The internet changes all, including the purchasing in the B2B-sector.“
- ▶ „Digitalization will lead to radical changes in the B2B distribution, which will not be inferior to the private customer business in the future.“
- ▶ „Customers will provide themselves with as many information as possible – online – and start their shopping process mainly alone.“
- ▶ „The biggest challenge for the distribution in the upcoming years is the change from the product sale to the solution-sale, with an all inclusive progressing customer support.“

What a commercial agent has to adjust to?



Framework conditions and challenges of the market

- ▶ Largely saturated markets in almost all European countries

- ▶ Product requirements:
 - Close focus on customers' requirements
 - High quality
 - Competitive prices

- ▶ Requirements related to manufacturers / distribution:
 - Customer relationship as the most important marketing tool
 - Intensive customer processing and care

Framework conditions and challenges of the market

Internationalisation

Dissolution of branch borders

Concentration in trade and industry

Digitalization

Individualisation of customers and employees

Shortage of staff more substitution- and outsourcing offers

Cross-selling

New cost structures

 Distribution is facing increasing challenges!

Framework conditions and challenges of the market

The customer is online – substantial effects

Purchases are researched in advance



A transformation from
push to *pull* in business communication



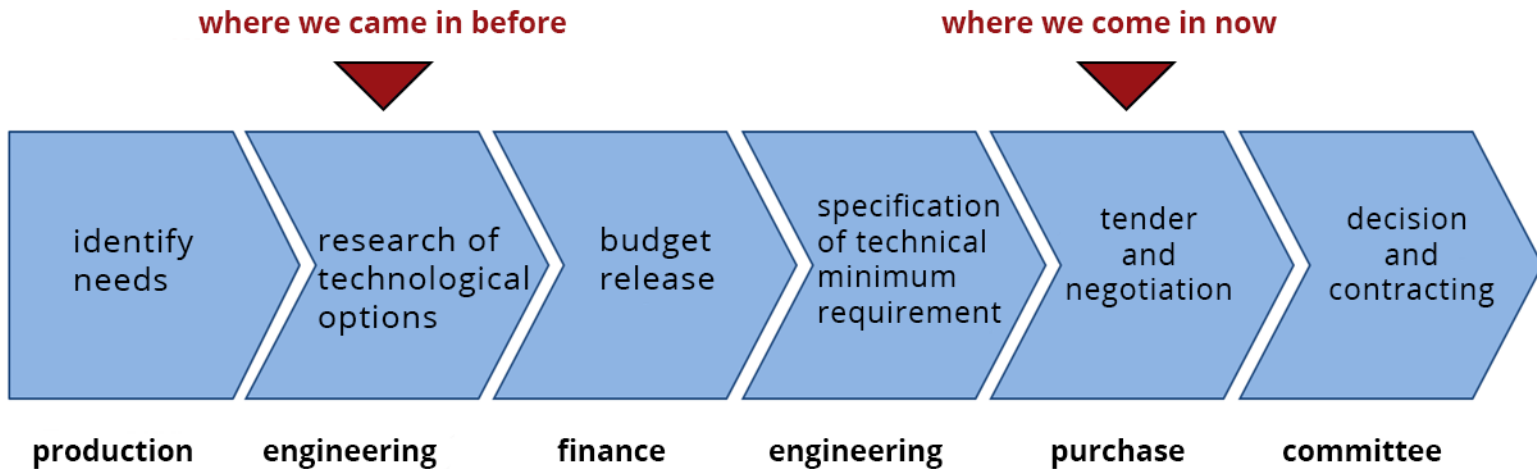
The consequences:
customers often start their shopping process alone
Commercial agents must be present and act earlier in the procurement process.

The process of purchase

- ▶ Purchaser need comparative offers

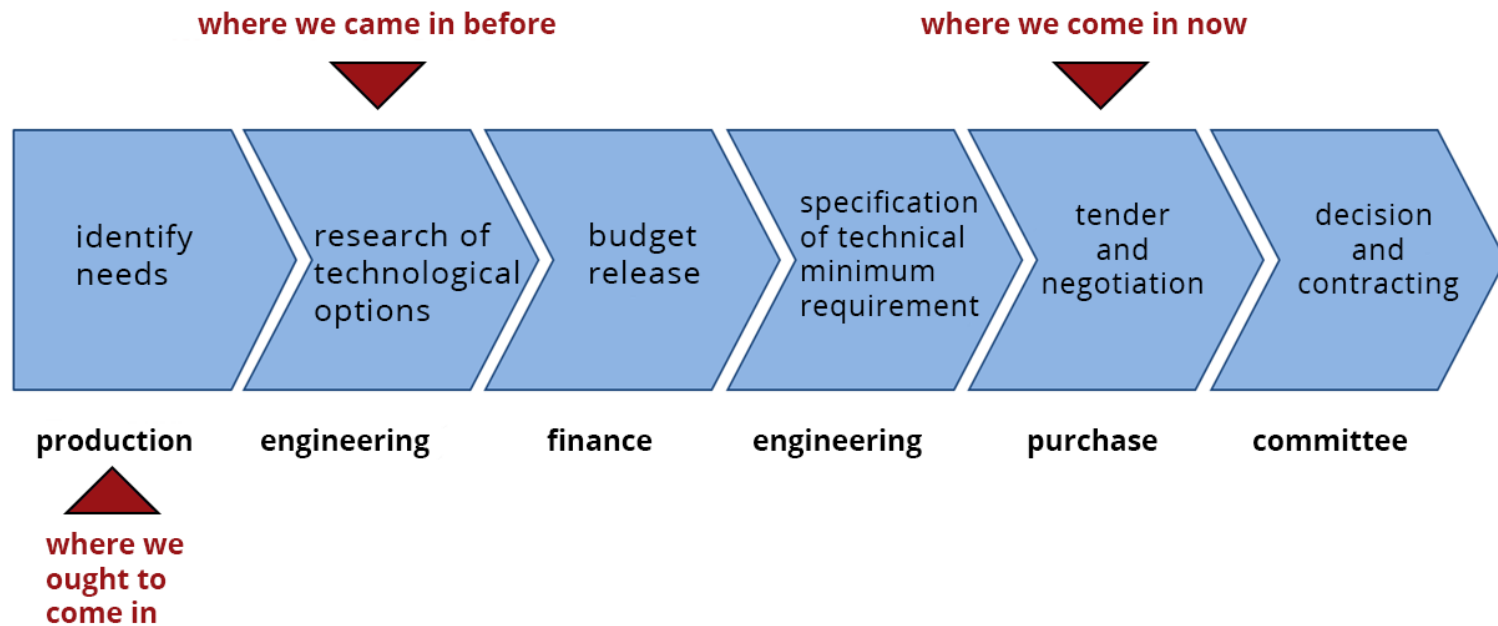


- ▶ Often suppliers will only be contacted for the purpose of price comparisons and have no realistic chance for a sales success



The process of purchase

- ▶ Result: an early proactive presence is important more than ever!



The “challenge” is to be visible much earlier in the process of purchase!

Purchase in the B2B sector

More challenges: Economy 4.0

- ▶ The customer requirements still increase and need a substantial development of offers and interaction models.
- ▶ New competitors entering the market and provide considerable competition with new offers and unconventional business ideas.

Keyword: B2B-marketplaces!

Purchase in the B2B sector

Alibaba, Amazon Business & Co.

- ▶ B2B-marketplaces are no more less than B2C!
- ▶ Amazon Business - Facts:

1st year:

served 400.000 customers

50 % proprietary business - 50 % distributors

1 bn. \$ sales

- Free shipping at an order value of 29,00 Euro
- Purchase on account
- Declaration of net-prices
- Invoicing

- ▶ Mercateo – purchasing platform in the German language area

What do online-channels like Website, Social Media & Co. achieve?

- ▶ Strengthening customer loyalty and brand loyalty
- ▶ Referral marketing stimulates turnover
- ▶ Source of information for potential buyers
- ▶ Positive effects for the overall appearance of the company
- ▶ Important factor in the online reputation marketing
- ▶ Cost advantages over classic marketing and PR tools
- ▶ Viral spreading of marketing and PR messages
- ▶ Contact platform to important multipliers

▶ **Get involved as an expert earlier!**

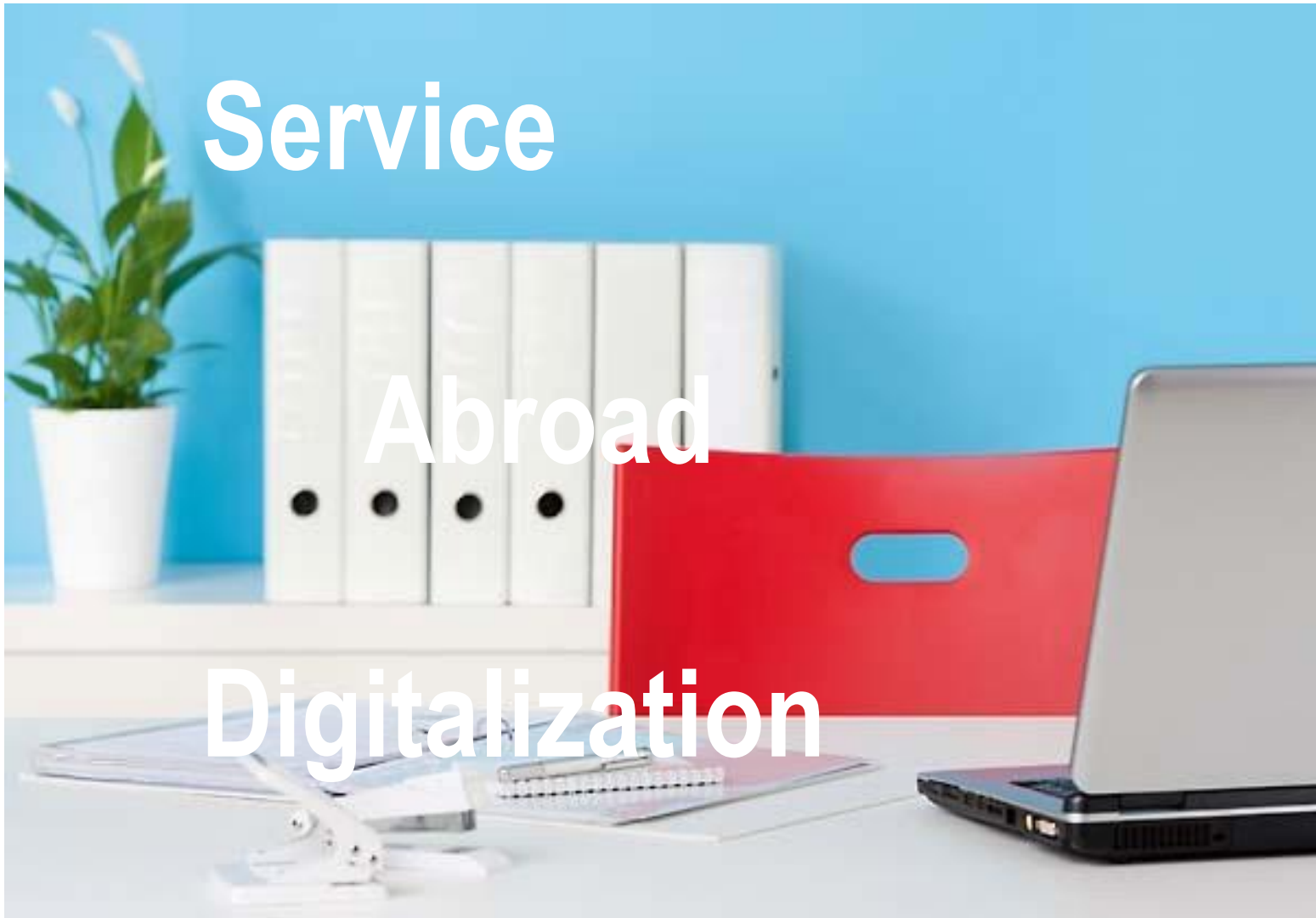
Forum & business-network: use group dynamics

Make a name for yourself!

Position yourself as an expert – with little amount of information

- ▶ Well tended blog, exclusive extracts or free samples of information
- ▶ Give and take: take part in discussions & and ask for help
- ▶ No time? „manage “ **good Content** – tell your customers what to read!

Where does the journey go to?



Where does the journey lead to?

- ▶ The classic „sales force“ / „field staff“ will disappear step by step.
- ▶ In his stead will be the „consultant“, the product and demand expert.
- ▶ Until the „consultant“ has his first customer contact, the process of finding information about the product is already finished.
- ▶ A personal contact must be an added value from the customer's point of view.
- ▶ At this point the „consultant“ can use digitalization himself – data access of a new quality is possible.
- ▶ Before the customer meeting the consultant should already know perfectly the exact wishes and demands of his customer.

Where does the journey lead to?

- ▶ Use Smart Data, to find out as much as possible about the potential customer.
- ▶ The sales department enters the sales process much later but has to have more product and solutions knowledge than ever before!
- ▶ For this purpose digital „tools“ are available, too!
- ▶ And finally deals in the B2B sector are still made between two people!!!

This is the point where the distribution takes new tasks!

Sale in digital ages

- ▶ Digitalization in the distribution sector will lead to the point that the „sales agent“ will no longer sell the product but the cooperation with the represented company.
- ▶ One of the new activities is to diagnose the situation of purchase of the customer individually and develop an appropriate sales strategy.

Recommendations for action

- ▶ First of all you need to diagnose the sales situation of the certain customer – at which point is his decision making process?
- ▶ Use social media, for positioning as an expert – digital marketing.
- ▶ Use social media, to prepare efficiently for appointments.

Thank you very much for your attention!

