

The Position Progression Model

Carew International



"I don't want to be the first supplier my customers consider — I want to be the only supplier."

The **Position Progression Model** helps you, as an advanced sales professional, target all of your sales activities in order to reach the position of maximum effectiveness and profitability with your customers.

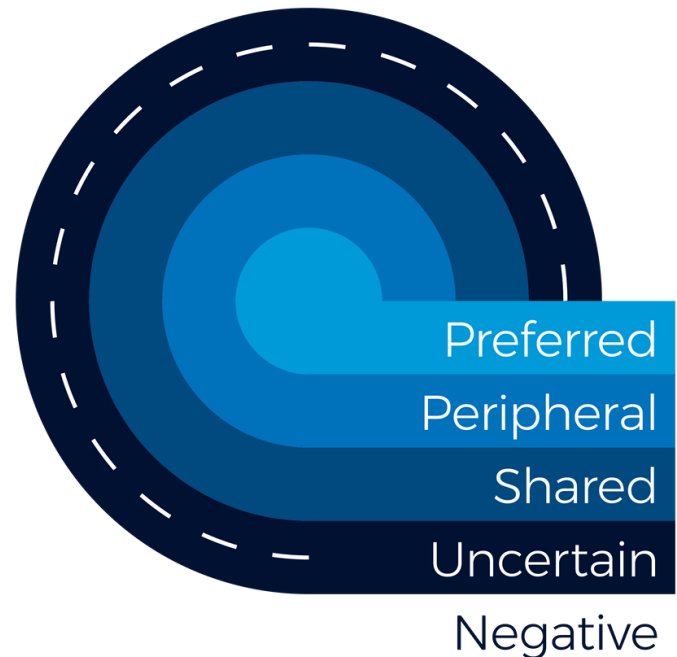
In the **Position Progression Model**, that optimum status is identified as **Preferred Position**.

How can an understanding of the **Position Progression Model** help you achieve **Preferred Position**?

1. First of all, seeing where you are in this model helps you understand your current business relationship.
2. Secondly, the **Position Progression Model** helps you set personal objectives for all future sales activities.
3. Thirdly, the model provides a reference for understanding your competitive position in relation to the customer.
4. Lastly, the **Position Progression Model** provides further guidance, so you know what you have to do to advance your position.

Our goal as sales professionals is to achieve **Preferred Position** with every customer.

In account relationships, the sales professional moves into **Preferred Position** through the **Position Progression Process**. Before you initiate this process, it's essential to recognize where you are today with your customers. Once you see where you are in terms of the model, you can see



the steps you need to take to improve your position in the future.

Understanding the model is the first step toward using it effectively.

Negative Position

In **Negative Position**, you have fallen out of favor and are considered a non-resource. Perhaps you lost the account because of perceived deficiencies. Or you may have "inherited" a customer who views you negatively because your predecessor failed to maintain a good account relationship.

When you're in **Negative Position**, you are not being considered for future business. In order to progress to improved position, you need to overcome mistrust and ill will. Just getting access may be a problem, because a salesperson in

Negative Position has no perceived value in the eyes of the customer.

Uncertain Position

When you have **Uncertain Position** with the customer, you are on the outside looking in at the business relationship. The relationship may have great potential, but nothing substantial is happening at this point. You are not actively calling on the account, and the customer is not aware of your resource capabilities.

The good news is . . .

- Even though you may not have enough information about or access to the customer at this time, this account relationship may offer exciting opportunities.
- Your new business relationship will lead to an expanded customer base and increased profit-ability.
- You have the potential to move into Preferred Position with this customer.

The potential bad news is . . .

- To date, this prospect may never have heard of you or your organization.
- Individuals in the customer's organization may have had an unsatisfactory experience with your products or services.
- You may have to engage in a great deal of groundwork in order to establish key contacts and collect vital account information before you can even take the first step toward a relationship.

Peripheral Position

When you move to the next level, **Peripheral Position**, you are actively calling on the customer but have not opened the account. Or if you have opened the account, the business you are getting is significantly less than the desired volume or profitability. In other words, you are only getting

the crumbs. The customer begins to find out something about you and your organizational capabilities while at the same time, you are collecting vital information concerning the customer's needs.

The good news is . . .

- You have an opportunity to make positive contact by developing a keen understanding of the customer's needs and by introducing yourself as a resource who will respond to those needs.
- You begin to develop rapport with key customer personnel who may become your advocates.
- You're actively calling on the account, even though you have little or no business. You are doing a needs analysis and developing your solution to the problems based upon an ever-growing understanding of the customer's needs.

The potential bad news is . . .

- The customer is not yet completely open and candid — you need more information about the customer's needs to win a larger share of the business.
- The customer may be coming to you last (after going to the suppliers who are in Shared or Preferred Position).

Shared Position

In **Shared Position** you do have some of the business, but you are sharing that business with one or more competitors.

The good news is . . .

- You are seen as a resource by the customer.
- You have the potential for increased account penetration.

- You have the opportunity to demonstrate your value by improving the profitability, efficiency, or productivity of your customer's organization.

The potential bad news is . . .

- You co-reside with your competition — which means you are still highly vulnerable to being knocked out of position.
- Price is likely to be an important factor when you're in Shared Position.
- You might have some blind spots — there may be less candor and information from the customer and less access to the customer than you would like.
- As your business share increases, competitors are likely to step up their efforts to expand their share of the business or go after the business you have now.

Preferred Position

You're in Preferred Position when you have the majority or all of the business — that is, the amount of business you get from the customer is greater than the sum total that is given to your competitors. However, you may also be in Preferred Position if you have all of the business with the customer that you want to have.

The good news is . . .

- You have an open, candid, and strong interpersonal relationship with the customer.
- The customer comes to you first because you are the vendor of choice.
- You influence the customer's specifications.
- If you have account problems, the customer is likely to give you the benefit of the doubt or a second chance.

- You are trusted as an individual — you are a "known quantity" to the customer.
- You set the standards by which your competitors are judged.

The potential bad news is . . .

- Because you are the primary source of ideas and information, you always need to look for different ways to help your customer stay current.
- The customer may begin to feel vulnerable having all or most of the business "under one roof."
- You need to take extra precautions to insulate yourself from competitive activity.

In Shared Position, you are a resource. When you reach Preferred Position, you are the source.

The Position Progression Progress

What positive action steps must you take to reach the goal of Preferred Position?

How can a salesperson solidify position at each stage — and then improve position — in order to achieve a greater level of participation in the customer's business?

If you are in **Negative, Uncertain, or Peripheral Position**, your first objective is to achieve **Shared Position**.

Moving to Shared Position

In order to reach Shared Position, you have to engage the customer in needs-analysis activities in order to identify . . .

- the specifics of the customer's business; the potential use of your product or service;
- the customer's critical concerns when they consider using you as a supplier.

All of these needs-analysis activities — whether conducted in person, by phone, or through correspondence — help you progress to **Shared Position**.

In making this progression, you want customers to

- be open with you and candid about their needs;
- feel that they are talking to someone credible;
- give you the information you require in order to respond to them.

When you have that information, you can return with your proposal and present it to the customer using positive contact, proposal, solution, summary, and closure — supported, if appropriate, with a written sales proposal.

And you ask for an order. The moment you're given an order, you have moved into **Shared Position**.

"When I get my first order, I consider it a test. Can I deliver faster, better, and more efficiently than my competitors?"

Moving from Shared to Preferred Position

When you are in **Shared Position**, you are constantly trying to get the customer to find a way to give you more business. Increasing your business and moving from **Shared** to **Preferred** position requires a three-pronged effort:

Exceed expectations:

- Make sure that everything you ship to the customer or every service you provide is perfect.
- Adhere to specifications and constantly look for ways to make improvements.
- Continue to do needs analyses to make sure that what you're sending to the customer is working.

Establish Interpersonal Position:

- Be a good listener — be interested in the customer's special interests, family, and hobbies.
- Do little things to extend your good feelings about the customer — build a relationship that goes beyond official titles.

Be attentive:

- Never take your customer or the account for granted.
- Make frequent telephone calls.
- Drop a note after sales calls, summarizing what you discussed.
- Get back immediately with information that the customer requested.

In addition, you need to develop attentiveness and awareness in your own organization.

When you get the first order, it's essential to alert people internal to your organization that this order deserves special attention. You need to get the momentum going within your organization to make a total commitment to the customer. With that momentum, it won't be long before you make the jump into **Preferred Position**.

"It's not easy being a single-source supplier. I find that I have to constantly increase my capabilities and always look toward the future to meet my customer's needs."

In Preferred Position

When you're in **Preferred Position**, it's critical that you always try to improve quality and service. Maintaining **Preferred Position** means being aggressive — constantly widening the GAP between you and your competitors by staying on top of the account at all times.

Furthermore, if your competitors still have some of the business that you want, you have to decide whether you want to go after that business. Having all the business means you have all the responsibilities of being a single-source supplier.

Notes:

- constantly look for new tasks you can accomplish for the customer;
- maintain or increase frequency of contact — find new ways to stay in touch;
- be a constant source of ideas;
- wire your organization into this account top to bottom — let everyone know the responsibilities you have to the person who has ordained you as Preferred;
- never let yourself off the hook — always do the very best you can for your customer.

When you have attained **Preferred Position**, always be aware that you are the vendor of choice. You are a preeminent presence in the account relationship. Your presence and your vigilance distinguish you from your competitors, protect you from vigorous competitive activity, and give you more control over the outcomes that result from your relationship with the customer.

[illegible]



A series of horizontal lines for writing notes, spanning the width of the page.