



THE POWER OF ONE

OPTIMIZING YOUR GO-TO-MARKET STRUCTURE



One team. One mission. That is **THE POWER OF ONE**

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To support sales and go-to-market agility, you must have an organizational structure and business model that can adapt quickly to demand changes. When you consider how complex and fragmented industries such as manufacturing and construction tend to be, adopting an agile sales infrastructure can be quite a challenge.

There are multiple ways to approach agility. **According to The Manufacturer, agility is “the ability to make cost management, innovation, and sales strategy decisions with unprecedented speed and flexibility.”**¹ This may seem hard to achieve, but some companies have restructured to instill agility into their structure to capture new time-sensitive growth areas.

For example, an electrical tools and components manufacturer was having difficulty penetrating all vertical markets and end use customers where their competitors were well entrenched. Some of their products had become increasingly commoditized, making it difficult to differentiate and build sales, while others were highly technical in nature. Some products were sold for OEM applications and others were sold through distribution. The wide variety of products, applications, vertical markets and distribution channels became overwhelming to the direct sales team. They could not successfully work with all distributor partners and end users, identify all of the vertical market applications, and determine the unique differentiating factors about every product from their competitors.

To address the problem, the company reorganized its sales infrastructure and created channel-focused sales and marketing teams. Each team was responsible for developing customer solutions and sales strategies for a specific target market. Then they redeployed their best technical reps into their more technical customers and hired a nationwide manufacturers’ rep agency to handle the other vertical market applications and build the distribution base.

The new structure focused their internal sales team on their highest value target markets and simultaneously expanded coverage with the manufacturers’ rep agency, resulting in the rapid growth they were seeking.

Channel focused sales and marketing teams give access and expand reach into more vertical markets.

HOW CAN YOU ADEQUATELY COVER THE NEEDS OF THE CHANNEL?



¹ <https://www.themanufacturer.com/articles/go-to-market-innovation-five-pillars-of-commercial-agility/>

BUILD YOUR SALES MODEL CANVAS

One way to reassess your business, uncover gaps, and identify new sales opportunities is to create a sales model canvas. This tool is based on the time-tested framework by Alexander Osterwalder in his book entitled Business Model Generation.² **The tool helps you lay out a holistic view of nine segments of your business to help you rethink your infrastructure and make it more agile.** To complete the model, assemble a cross-functional team of sales, marketing, finance and supply leaders to build out each of the areas in this editable [Sales Model Canvas](#) template.

SECTIONS OF THE SALES MODEL CANVAS:

- 1. Cost Structure** – Review current costs and find ways to build more flexibility and increased profitability into the structure to enable new investments that drive growth.
- 2. Revenue Streams** – Understand what value the customers are willing to pay for and uncover new revenue streams.
- 3. Customer Segments** – Break down customers into unique segments and prioritize your ideal customer segments as areas of focus.
- 4. Customer Relationships** – Define the most important customer relationships and understand the real costs to serve those customers.
- 5. Channels** – Analyze the channels where your key customers are buying and ensure you are set up to serve customers in those areas.
- 6. Value Proposition** – Define the customer needs that your business fulfills and focus on refining your business and delivering differentiated value that meets those needs.
- 7. Key Partners** – Explore current partnerships and suppliers to determine how to scale growth, reduce risk, and acquire new competencies
- 8. Key Actions** – Review the key activities required to deliver your value proposition.
- 9. Key Resources** – Inventory the physical, intellectual, human, and financial resources available to the company.



Completing this framework will provide your sales organization a blueprint for future success. Building in access to the right channel customers and end users will allow you to manage SG&A and drive growth faster.