

POWERING REVENUE ENGINES

Improved Channel Partner Relationships for Double Digit Growth Rate

Top-line revenue growth is frequently the most powerful lever for increasing a company's value. We are specialists in finding new ways for companies to accelerate profitable revenue growth. This is one in a series of case studies that describes our work and demonstrates the value we create.

A producer of high-end packaging equipment with a long-standing reputation for outstanding quality was experiencing several years of flat revenue. Market share was dropping and distributors were dissatisfied with service in recent years. The company and its private equity firm owners were unsure where capital should be invested to maximize profitable growth.

The company asked Blue Ridge Partners to develop a growth strategy including a market sizing, analysis of internal practices, and evaluation of channel partner needs. We provided guidance for capital investments to facilitate geographic expansion, provided recommendations to capture increased share of channel partner spend and recommended expanding the product line to optimize profitable revenue growth. Implementation of the recommendations is underway and is expected to jump-start annual revenue growth into the double digit range.

As the company's CEO said, "Blue Ridge's analysis of the market pin-pointed the various opportunities for growth and helped us understand how to grow our position in the market. The internal analysis provided actionable, detailed recommendations on how to make several core processes more systematic and effective."



What we recommended for accelerating revenue growth.

- ▶ Improve distributor satisfaction through faster quote turnaround, greater transparency, and more effective marketing support and coordination
- ▶ Tier service levels and incentives for distributors to capture greater share of key relationships
- ▶ Create a systematic process for identifying and acquiring new distributors to strengthen geographic coverage
- ▶ Develop marketing materials and sales processes to deliver a quantifiable value-based selling proposition to avoid price-based competition
- ▶ Build international customer base through greater sharing of customer references and case studies, shorter delivery time-frames, and country-specific marketing support
- ▶ Exploit opportunities to expand product line including alliances with other manufacturers

HEADQUARTERS

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INFORMATION

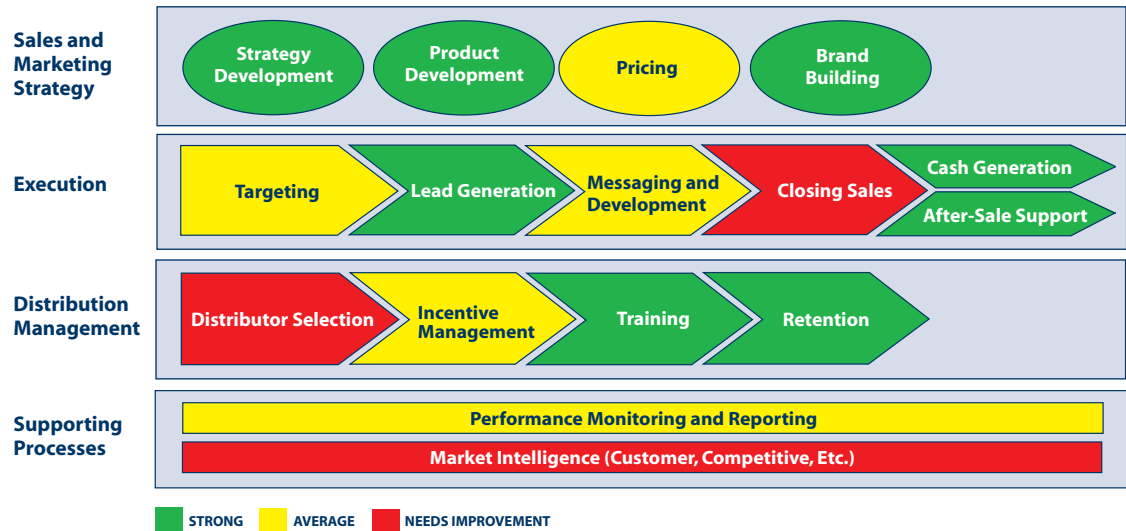
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Tools we used to improve their revenue growth

- ▶ *The Nine Voices of the Market™* analysis of channel partner relationships to:
 - Assess distributor criteria for allocating share of spend and sales effort
 - Diagnose issues negatively impacting distributor relationships
 - Quantify market growth prospects
 - Identify opportunities for collaborative marketing approaches
- ▶ *100 Behaviors of High Performing Revenue Engines™* as the basis for measuring revenue engine performance and targeting specific areas of operational weakness. (see below)
- Create strengths and weaknesses profiles of each distributor relationship

We identified deficient revenue engine components



Key Success Factors for Accelerating Profitable Revenue Growth

- ▶ Indirect selling strategies require a disciplined approach to identifying, acquiring, incentivizing and monitoring channel partners
- ▶ Timely and responsive quoting procedures help prevent distributor dissatisfaction and potential market share shift to competitors
- ▶ Consistent quality and value-based selling practices are a prerequisite for avoiding price-based competition
- ▶ Information sharing of market dynamics, pricing, and customer requirements is critical to developing strong distributor relationships

If you aren't seeing superior growth in profitable revenue, contact us for an actionable evaluation of your company's revenue engine.

