

The Ultimate Blueprint

To Achieve Your Key Account Goals In 2019 (With Bonus Content)



22nd November 2018

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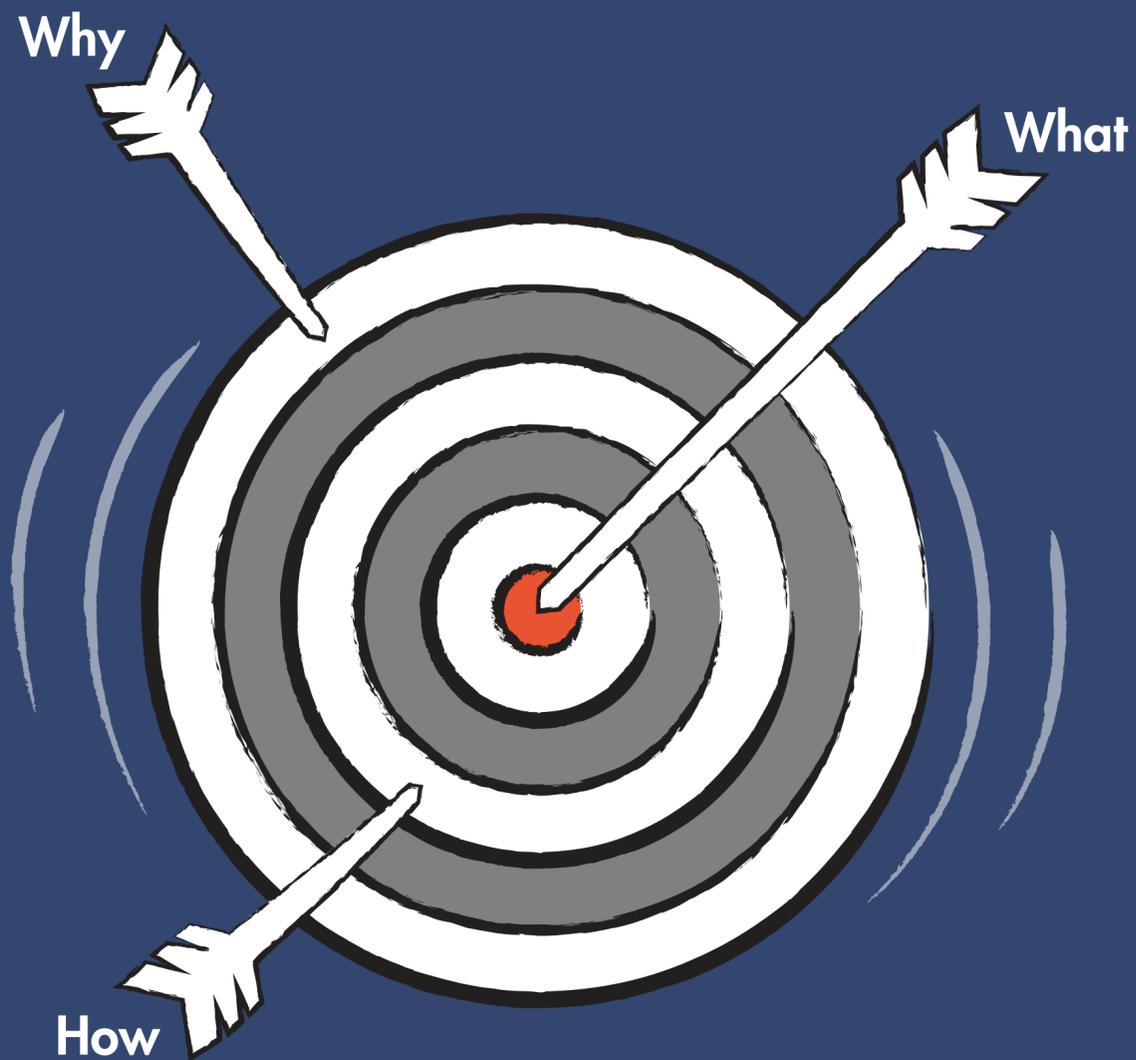
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The Ultimate Blueprint To Achieve Your
Key Account Goals In 2019

OVERVIEW

Why

This E-Book is being written for the advantage of 3,00,000+ key account managers all over the world who want to improve their core position in their key accounts journey. Key account managers will need a new sense of direction in 2019 for growing key accounts. You can share this E-Book between your colleagues, managers, subordinates and your supervisors.

How

The facts and arguments presented in this E-book will hold true for 2019 and ahead. It includes research and highlights on what will be outdated, defunct and passe as well as how advantageous, valuable and future-oriented it will be for key account managers and business owners across all verticals in the coming years.

What

Snapshot of the E-book

- What is key account management
- Its objectives, role, responsibility, and relevancy
- Mistakes to avoid
- Recently developed and newly discovered strategies to monetize key accounts
- Future trends into key account success
- Outdated vs current tactics
- Statistics that will fuel the growth of KAM in 2019
- Actionable plan to implement these strategies

Citations - <https://www.demandfarm.com/how-many-key-account-management-professionals-in-the-world/>

KEY ACCOUNT MANAGEMENT

Key Account Management is a strategic approach distinguishable from account management or key account selling and should be used to ensure the long-term development and retention of strategic customers. Key account management goal is to generate revenue through farming the key account. The acronym used by professionals in this industry is KAM.

What are the objectives?

Key Account Management helps sustain and expand relationships with important key accounts and will work closely with multiple business departments in order to maintain and further develop the relationships with the key accounts. Key Account Management is responsible for the achievement of sales quota and is assigned key objectives/metrics relevant to key accounts.

What is the role?

Key account management is defining the unique approach of the key account manager to specific key accounts in order to build strong, long-lasting relationships as well as generating revenue and sales.

Citations - https://en.wikipedia.org/wiki/Pareto_principle

What is it responsible for?

Key Account Management is accountable for ensuring profitable sales volume and reaching strategic targets for the appointed key accounts. It is also responsible for evaluating, clarifying, and validating the key accounts needs on an ongoing basis, maintaining high customer satisfaction ratings that are up to the business's standards.

What does it do?

Key Account Management manages an assortment of important consumers, clients or partners (Key Accounts) in order to achieve designated sales targets through the implementation of relevant and unique strategies for these key accounts used by key account managers.

Why is it relevant?

The Pareto Principle is well known in the KAM industry. According to Gartner, 80% of your future revenue will come from 20% of your existing customers. Whoa, there (let's make note of that again) . KAM is undeniably growing and evolving across different industries with the help of this principle covering multiple requirements.

FEATURES OF KAM



Strategic Breakthroughs

Strategic Breakthroughs

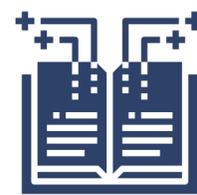
Key Account Management plays an important strategic role by helping in implementing sales strategies that lead to higher satisfaction, hence, building awareness and credibility with the key accounts as well as a senior account manager. Key Account Management also helps in the strategic account planning process in which departmental financial objectives, performance objectives, account management standards, and crucial milestones are decided over specific periods of time.



Ironclad Analytics

Ironclad Analytics

Analytics play a precise in key account management. It helps prepare detailed proposals/quotes depending on each key accounts requirements. It reviews target achievement and creates reports which facilitate the creation of appraised account management decision-making and strategy formulation. In this position, it also helps prepare pricing documentation for the business's products/services prior to sending financial proposals to key accounts.



Exclusive Knowledge



Authentic Collaboration



Pragmatic Opportunities



Exclusive Knowledge

Key Account Management helps with the maintenance of knowledge within the account management department. This is knowledge of the genuine practices, business trends, consumer trends, and the competitive environment. The Key Account Manager invariably improves his professional skills by attaining relevant certifications. He/she also stays in harmony with the business's tools and techniques that come in handy when managing key accounts and more so the challenging ones.

Authentic Collaboration

A huge part of Key Account Management is being vividly collaborative and communicative. It helps to work jointly with the key accounts and resource management departments in an effort to meet key account performance objectives as well as the key accounts expectations through complimentary cross-functional efforts. It also helps in the creation and determination of departmental policies, financial requirements, and key account management standards.

Pragmatic Opportunities

Real opportunities are the ones that we may not immediately see. They come by at the most unexpected, mostly unfavorable, times. Key account management helps in identifying and making the most out of the sound opportunities that can be implemented in a practical and a realistic way. Key accounts are presented with these opportunities to help fuel their growth and in turn helping in the success of the key account manager.

MISTAKES TO STEER CLEAR OF IN 2019

More The Communication, Better It Is

Do not fall for this trap. Consistently staying in the loop and holding lines of communication clear and to the point is crucial, but there is such a thing called too much communication. You don't want to hound the key account with asks and feedback. You're there to make their life easier and facilitate a seamless relay. Reach out to them continuously and you risk appearing incompetent and not suited to manage their account. Use your best opinion and only reach out to the key account when it is critical in decision making.

You're Not Creating Value, You Are Selling

This is what people who want to earn a quick buck say. They've already opted in for your assistance so you should concentrate on building trust and value with the key account by producing quality work and making sure you are speaking to their particular business needs. While there are opportunities to upsell and cross-sell, you should not be too pushy about it. Try to up or cross-sell on how it would help their business, and show them that you care about their interests. Create genuine value. Most key accounts have been in their respective industry and have had plenty of exposure dealing with key account managers. They can see right into a pushy sales guy who has no substance. Wait for the right time in the meeting to start talking about upsells. Don't try to include a selling opportunity into the conversation every chance you get.

Short-Term Thinking

You as the key account manager are being trusted with a key accounts business goals and that means you need to continually think ahead about what role you play in helping them achieve their objectives. Part of this is knowing the business that they're in and being cognizant of market trends. Do you have a key account in the hospitality industry? Then you should be equipped for their busiest





season, for example, one which starts in the autumn right before the holidays. Your role is important in helping to develop an approach that speaks to them and helps them hit their goals during that time.

There are abundant resources that can help any key account manager stay on top of their key accounts industry trends. One way is to set up Google alerts for each of your key accounts leading you to know about what's going on in their business. Other ways are to use resources as simple as doing competitor research or reading expert journals and industry magazines.

Overpromising And Under-Delivering

This is as straightforward as it gets, but not handling key accounts expectations properly can lose you business and critically tarnish your reputation. When a communication initially begins, some key account managers may want to look good in the eyes of the key account they are managing by promising more than what they can deliver. This practice is inefficient and can lead to trouble. Effective project management, unrestricted communication, level setting, and the right expectations will guarantee that you deliver what's promised in scope on time. If your key account is asking for too much, too soon, it is up to you to put your point forward and let them know that they need to adjust their expectations. If you aren't level setting, you run the risk of being a constant disappointment to your key account. Needless to say, that doesn't gel well with your long-term, key account relationships.

Conversation Gaps

Given a key accounts numerous priorities, key account managers need to be proactive communicators. Regular follow-ups may seem unnecessary, but they are critical to the success of ongoing actions. Through regular communication, a key account manager may learn more about the key accounts needs and discover new ways to add value to existing services or upcoming products. Scheduling time to check in with each account allows you to stay on top of your game and promotes critical information sharing.

THE ACTIONABLE BLUEPRINT FOR 2019

What is success in managing key accounts?

Success in managing Key accounts means to produce value at each step of the key accounts journey, from pre-purchase to post-sale and beyond. Success in a key account is measured by retention, revenue generation and satisfaction of the key account.

Introduction

2019 will be a thrilling year for key account managers. The world of KAM is changing at a quick pace and those who are left behind will never be able to face the new dimension of this industry. It is important, more than ever for key account managers to look into the trends and forecasts of what will define their craft. To really be competitive and sustain in this industry one needs to stay up to date with all the intricacies this skilled job has to perform.

The exciting part is when an expert and authoritative entities tell you specific action-points on what you can do better to achieve your goals. But wait, are you motivated enough to make changes like a champ? You sure are if you are reading this e-book. If all the principles and actionable insight presented in this e-book are put into action, you will experience a great deal of success in your key account while leading it to victory through two main goals of KAM.

**Sustainable Revenue
Generation**

**Long-term Relationship
Building**



Citations - <https://www.niceincontact.com/call-center-industry-news/us-consumers-want-todays-companies-be-proactive-customer-service>
<https://www.gartner.com/newsroom/id/3072017>

Following are the best practices you can apply to get the most returns on your efforts.

Proactive Vs Reactive Service

For the longest time key account managers have been into the reactive mode, that is, they communicate if and when an issue arises or if some pressing question comes up from the key accounts side. A study by inContact reveals that 87% of customers want to be contacted proactively by an organization or company. This is truer for the key account management industry as communication plays an important role in the key accounts journey. If you want your key accounts to stay loyal, you have to invest in the communication experience. As a result, Gartner predicts that by 2019, more than 50% of organizations will redirect their investments to customer experience innovations.

Special Incentives With Renewal Reminders

Renewal and retention of key accounts is one of the most important tasks. All future revenue can be lost without a renewal. Increasing your retention rate is one of the biggest keys to increasing your key accounts lifetime value. Your key accounts can be caught off-guard if they're sent renewal agreement and fee without a receiving a reminder previously. Instead of not mentioning them of their upcoming renewal, use the opportunity to reward them for renewing their key account. Make sure to validate product and pricing data of your offering to ease the process for the key account.

Offering an exclusive discount or additional bonuses/perks are excellent ways to reward key accounts loyalty when it's time for them to renew their account. You can also suggest a technical refresh or add more features in the renewal agreement. You can give your key accounts choices from the incentives you can offer. This will delight your key accounts and will also lead to quick renewals.





Also, periodically tailor your renewal exactly to each individual key account and make a targeted business case for why they should renew with you by giving concrete data about performance. Identify the right KPIs that your key account cares about and ultimately relate them back to their bottom line.

Selling To Your Ideal Customers And Not Everyone

As your key accounts grow and you gain more and more data about it, you'll be able to recognize distinct patterns among that data. Key accounts that pay the most money to you and require the least amount of assistance will likely have different characteristics than customers that spend the least amount of money and require the most amount of support.

As you collect and gain this insightful data, you can begin to prepare your key accounts into targeted segments. Since different segments will need different levels of support, you can use these insights to refine your key account strategy and designate resources more effectively.

For example, segmenting your key accounts based on retention rates. This helps you to understand which type of key accounts have a higher lifetime value compared to other key accounts. This will help you to distribute your time effectively between accounts as time is money has become more prevalent in 2019.

Citations - <https://www.walkerinfo.com/knowledge-center/featured-research-reports/customers2020-1>
<https://www.superoffice.com/blog/customer-service-benchmark-report/>



Hyper-Personalization

The more you personalize the onboarding experience and journey for your key account, the better it will be. Define their goals up front, and then present them with the knowledge that is specific to their goals. A Customer experience consulting firm Walker studied that, by the year 2020 customer experience will overtake price and product as the key brand differentiator.

Personalizing for the key accounts is one of the go-to key account management strategies that will take shape in 2019. 1:1 walkthrough and personalized systems and processes will lead the way through for key account management. It will also give the key accounts a sense of personality in their portfolio. If you can signify the value proposition to your key account, by addressing their unique doubts, needs, and desires, you will likely see an increase in the bottom line of it.



Better Response Time

When a key account has a question, they need an immediate response in 2019. There's no time in today's fast world for a delay. If you don't respond in a timely manner, you risk losing the account. A simple, yet extremely effective way to show your key accounts that you care about their account success is to respond to them as quickly as possible when they ask for help.

According to a report by SuperOffice:

- 41% of companies do not respond to emails
- 90% of companies do not acknowledge or inform that an email has been received
- The average response time to handle a service request is 15 hours and 17 minutes

As you can see from these statistics, most customers don't have super high expectations from the support team. This is good news. This means that responding to your key accounts quickly will likely be a pleasant surprise to them.

We recommend responding to your key account as quickly as you can (within the first hour, if possible). Even the act of letting them know that their email has been got and that someone will assist them goes a long way.

Challenging The Key Account to Use Optimal Strategies

Look for opportunities to educate your key accounts, or even challenge them with a new way of thinking when appropriate. If they're asking how to do something a certain way, and you know of a better way, use that chance to educate them for everyone's good. When a key account asks you how to do something, seek to understand why they want to do that. By understanding their motives and reasons, you'll be able to recommend an alternative course of action.

Your job as a key account manager isn't to make friends with your key account, and not even necessary to "satisfy" them. Your primary job is to push your key account, challenge them, and get them to think, in order to make them more successful.

Disruptive Growth And Expansion Plan

Key Account Managers need to go beyond skills like "good communicator," "results-oriented," "decisive," and "good people skills." They need to provide comprehensive expansion strategies to their key accounts.

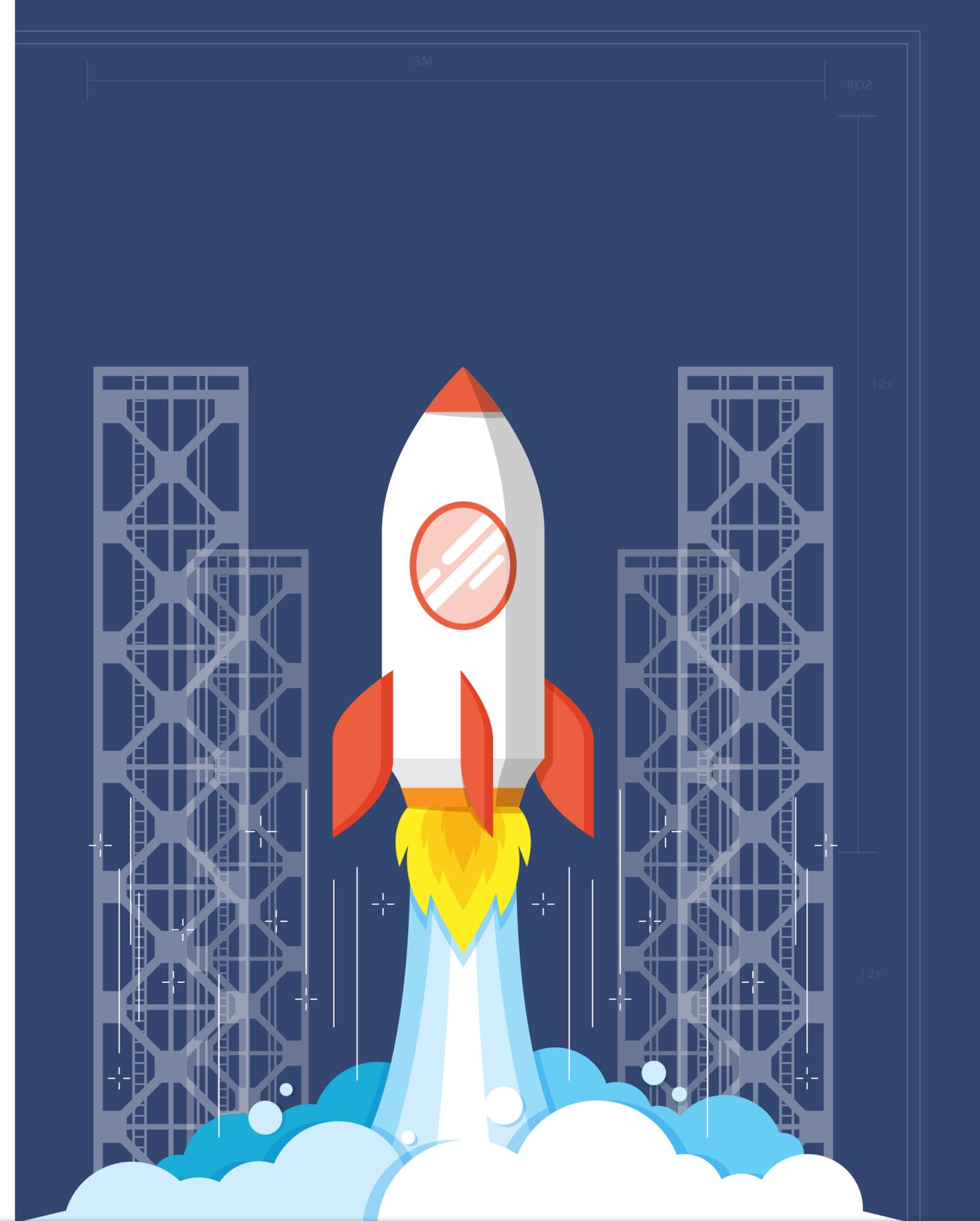
Becoming a disruptive growth key account manager

Nevermore has there been a better time for key account managers to reposition themselves by taking charge of the disruptive growth agenda. Such initiatives by managers are often the most creative and have the biggest revenue potential.

Key account managers that want to reach their potential and move into a disruptive growth role in 2019 can do so by:

- 1. Breaking the barrier:** The manager that can best articulate a disruptive growth strategy will be king of account management. As most companies look to grow, key account managers should be the one to step forward to create the platforms that will catapult their key accounts forward into new business possibilities.
- 2. Data Monetization:** While traditional key account management activities continue to be important, more focus can be allowed to drive disruptive growth initiatives that present data visualization and analysis. New tools and initiatives in mining data can help the key account managers to take necessary actions towards monetizing it.

Citations - <http://cdn.zendesk.com/resources/whitepapers/Omnichannel-Customer-Service-Gap.pdf>
<http://www.superoffice.com/blog/customer-self-service/>
http://www.gartner.com/imagesrv/summits/docs/na/customer-360/C360_2011_brochure_FINAL.pdf
<https://www.internetretailer.com/2013/12/31/why-omnichannel-strategy-matters>



3. Competition analysis: The landscape of competitors is always changing. Every day new competitors enter the market. It is necessary to watch out for innovations your competitors are bringing up to stay aligned with the trends in the industry. Only a few key account managers believe defending their key accounts against new competitors that have not traditionally been part of their industry is a priority to their key accounts today. Key accounts can avoid being disrupted, but only if they can see what's coming.

As a Key account manager, you are now at an inflection point in 2019. You have the clear opportunity to step up to the plan of growth and expansion. So far, most have missed the opportunity, resulting in others being front of the line for the role. Currently, the plan is ripe for the taking, but opportunities such as this one have a shelf life. With swift, sure action, key account managers can capitalize on their window of opportunity.

Encourage your key accounts to empower you as a manager to take control of the firm's disruptive growth agenda

Invest In Self-Help

In 2019, key account managers should ensure that key accounts are able to find answers to their questions using an assortment of self-service options, as 50% of customers think it's important to solve product or service issues themselves. Here your customer is your key account. You need to make sure that they find the answers to common questions themselves with ease.

Self-service adoption will continue to increase as we see the rise of bots and automation. Gartner predicts that by 2020 a customer will manage 85% of the relationship with an enterprise without interacting with a human, so make sure to give your key accounts the direction and tools they need to accomplish tasks themselves.



Citations - <http://www.gartner.com/newsroom/id/3072017>
<http://www.superoffice.com/blog/omni-channel-customer-service/>
<http://www.pwc.com/us/en/retail-consumer/publications/retailing-2020.html>

Impact of social channels

With the presence of quality omnichannel engagement channels, it is vital to make your presence felt in a way of providing value. Today key account managers have access to interact with their key accounts across multiple channels – online, offline, via social media and messaging apps. In fact, companies with the strongest omnichannel engagement strategies retain an average of 89% of their customers, as compared to 33% for companies with weak omnichannel strategies. For key account managers, this means to utilize the different social platforms and leverage them to keep the key accounts engaged at any given time. However, while key accounts may be positive and accept different service levels from different channels, they expect the communication to remain harmonious, and that creates a real challenge in communication for the manager.

Key account managers are expected to ramp up their communication experience (Gartner research), to ensure that consistent omnichannel communication is productive.

In fact, according to PricewaterhouseCoopers, the demand for an omnichannel experience will be amplified by the need for near-perfect execution. Investments in this domain are going to jump from 20% to more than 80% for them

Citations - <https://www.entrepreneur.com/article/237484>

New Face Of Predictive Analytics

What will be important in key account management is the area of data analytics that focuses on providing insight into the actions of key accounts and their management. You need to identify opportunities to optimize in order to realize specific business outcomes. Using the right tools like DemandFarm, you can go deeper by profiling key accounts past activity and pull in any additional data that is available on the people behind them.

In order to understand WHY specific actions were performed by them, you have to deep-dive into the user experience and qualitative data provided. Such a tool like DemandFarm will help you understand precisely what it is that works and what does not work –for key accounts. Managing relationships effectively is really valuable in key account management, and using the right tools can help you maximize Customer Lifetime Value(CLV). Thus, it will streamline your future interactions and strategy with the key accounts.

Account Planner

Free trial

KAM Suite

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Org chart

Free trial

DEMAND
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