

Set Better Quotas & Growth Goals with Data

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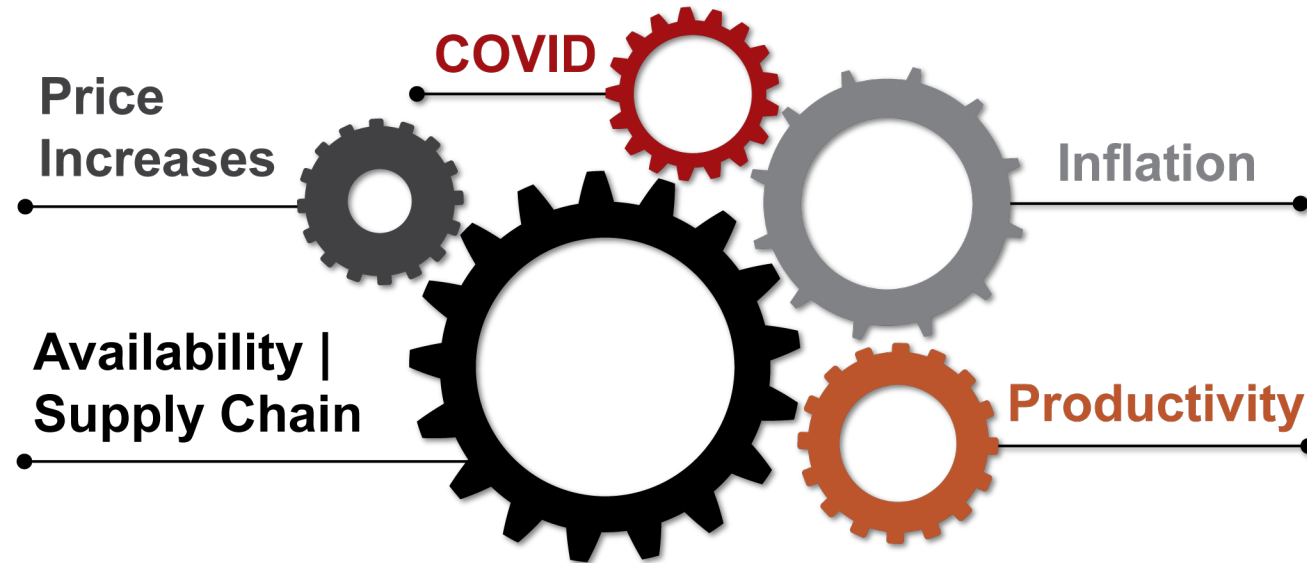
Agenda

Set Better Quotas & Growth Goals with Data

- Market Analytics Foundations
- Sales Planning & Forecasting Tools
- Market Analysis: Sweet Spot > Share of Market > Share of Wallet
- Analytics: 4 Action Items

2022 Market Planning

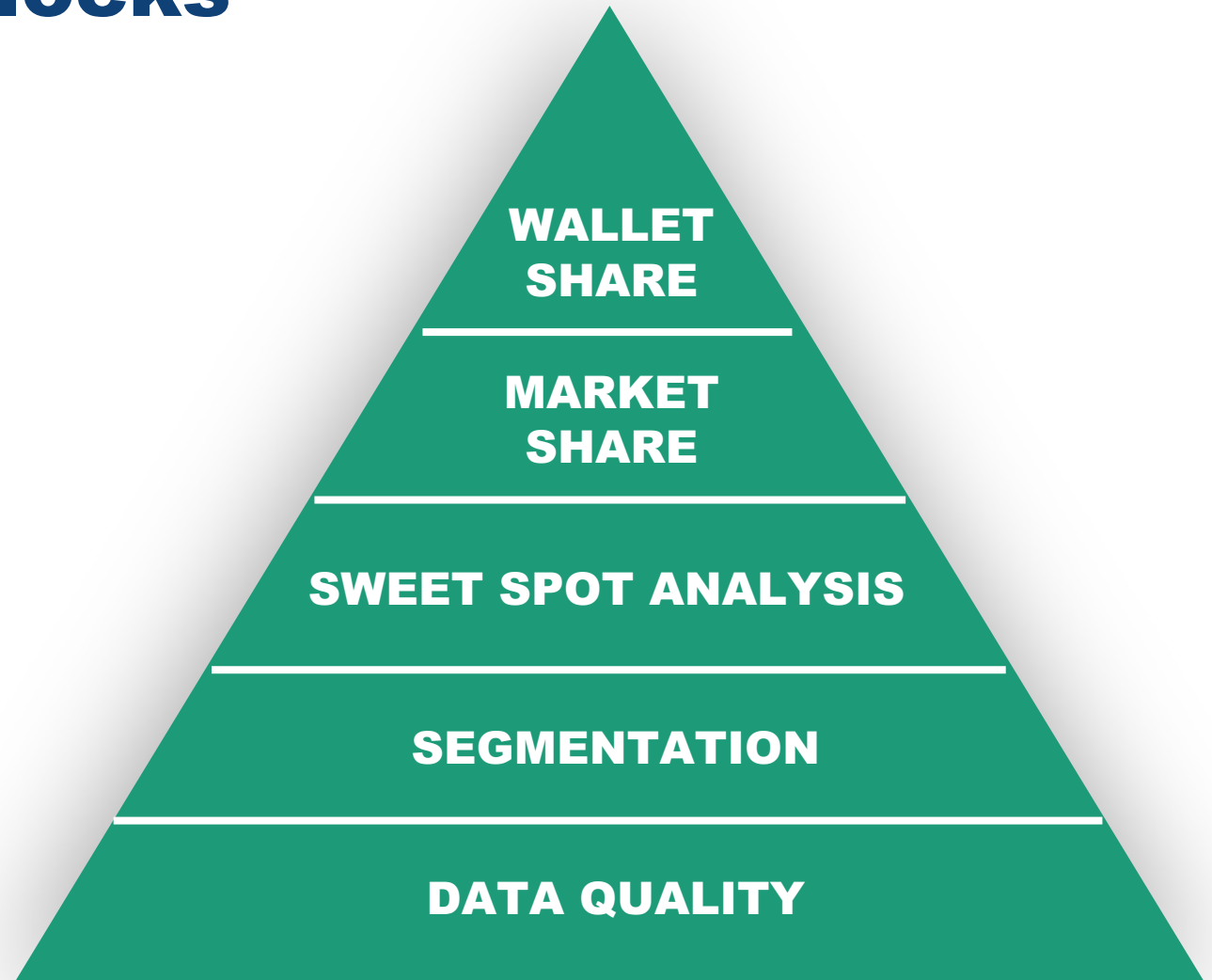
Many variables to manage



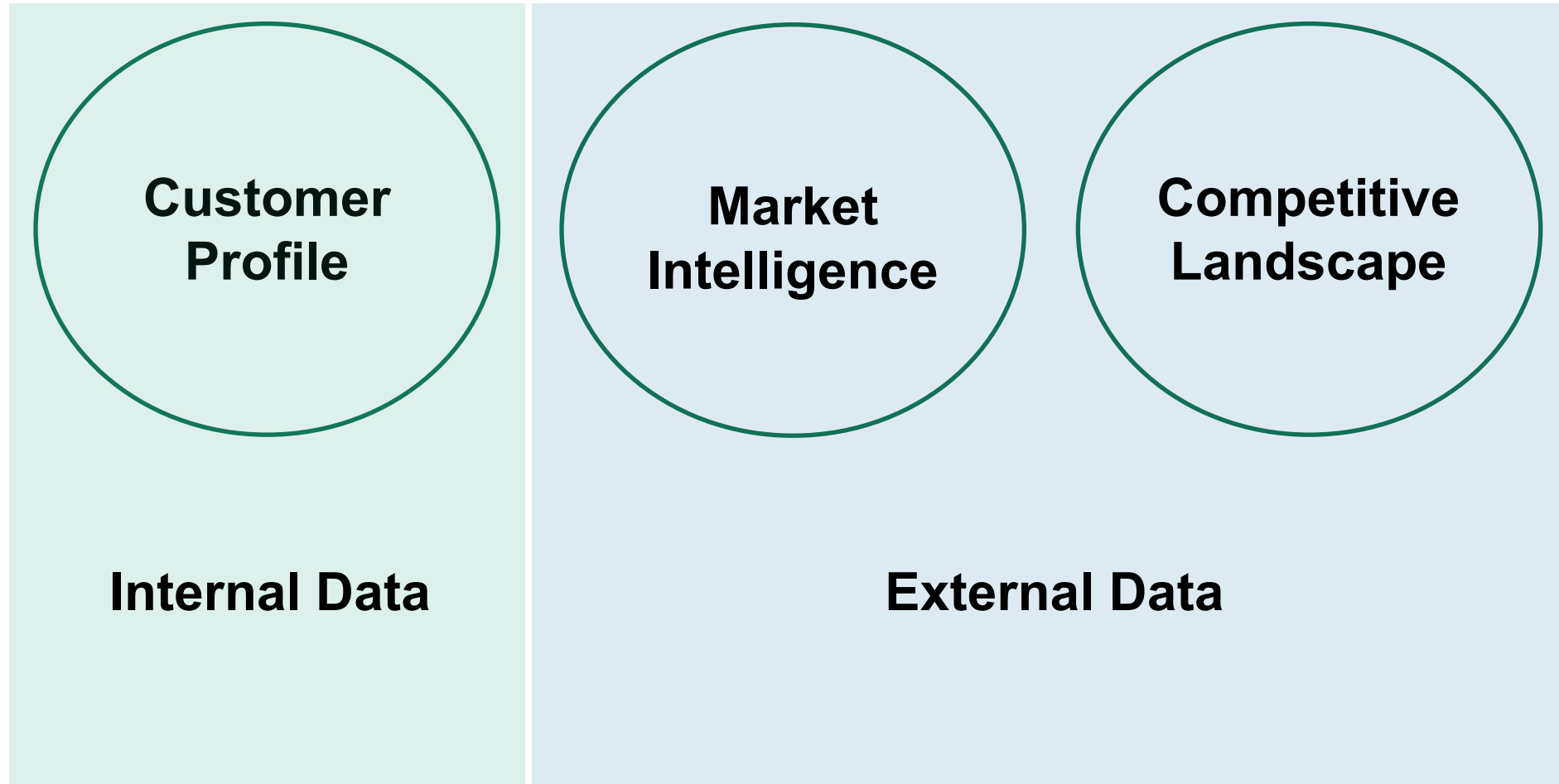
Analytics Building Blocks

Ready, clean, segment

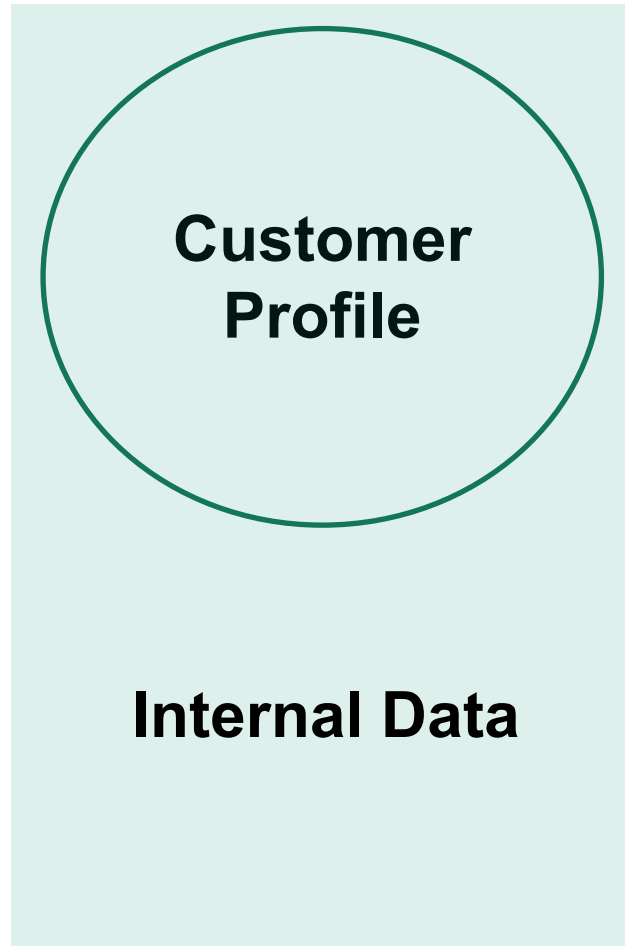
- **Process discipline more critical than ever.**
- **Don't short circuit data quality/segmentation steps.**



Market Analytics: Sales Process Improvement



Market Analytics: Sales Process Improvement



Segmentation attributes

Customer behavior



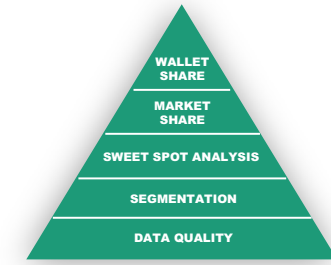
Profitability
(Cost-to-serve)

Transaction history

Customer segment
(NAICS/SIC)

Customer Profiling & Segmentation

Core firmographic data is essential



DUNS #	001211679	Employee Count	2,500
Ultimate DUNS #	688270904	Square Footage of Facility	871,200
Company Name	Clark Equipment Company	Manufacturing at Site	Yes
Address	250 E Beaton Dr	NAICS	333120 – Construction Machinery Manufacturing
Phone Number	701-241-8700	SIC	3531 – Construction Machinery and Equipment

dun & bradstreet



mdmanalytics



DISC
CORP

data axle · USA

Market Analytics: Sales Process Improvement



- Industry classification (NAICS/SIC)
- Industrial Production Index
- Housing Starts
- Producer Price Index (inflation)
- GDP – State/County
- Industry market data providers
- Forecast data resources

Account Manager Planning with Economic Forecasting

Factor in inflation and market trends



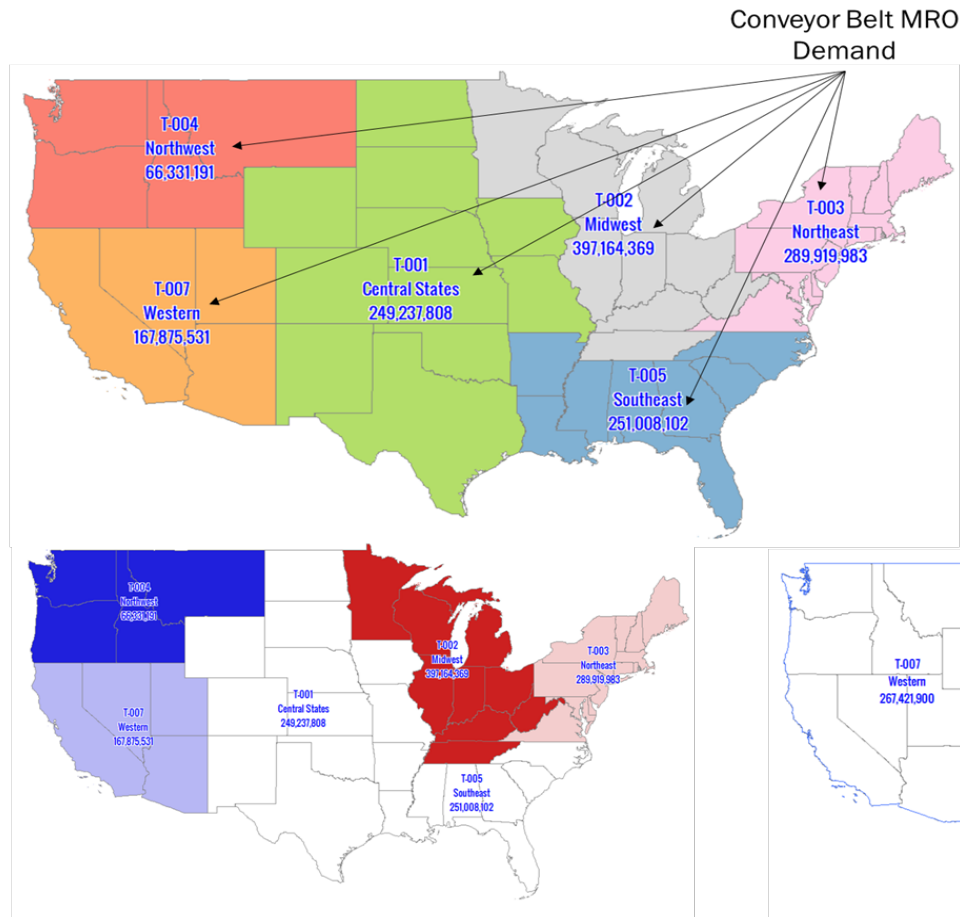
Sales Rep	Previous Year Sales (\$)	Expected Market Change (%)	Expected Inflationary Increase (%)	Baseline Sales Change (%)	Current Year Target Baseline Sales (\$)	Organic Growth Target (%)	Current Year Sales Target (\$)	Current Year Growth Target (\$)	Combine Sales Growth Target (\$)
Joe Smith	100,000	0.0	3.0	3.0	103,000	5.0	108,150	8,150	8.2
Jane Doe	100,000	5.0	3.0	8.0	108,000	5.0	113,400	13,400	13.4
Bob Jones	100,000	-5.0	2.0	-3.0	97,000	5.0	101,850	1,850	1.9
Brian Moore	100,000	-10.0	3.0	-7.0	93,000	5.0	97,650	-2,350	-2.4
Bill O' Hare	100,000	10.0	4.0	14.0	119,700	5.0	119,700	19,700	19.7
Jen Kilmer	100,000	5.0	3.0	8.0	113,400	5.0	113,400	13,400	13.4

Source: *Transforming Data into Action: Using Analytics for Better Distributor Sales Decisions*, Tony Pericle; NAW Institute for Distribution Excellence (out of print)

Market Analytics: Sales Process Improvement

Better growth goal planning

Territory Sales Balancing



- Identify under-served markets
- Effective talent/time management – reduced windshield time
- Clearly defined and balanced territories and reduce seller conflict
- Increase ROI

Market Sizing for North America



Industry Sectors

- Power Transmission
- Industrial
- Electrical
- Fluid Power
- HVAC
- Plumbing

Major Product Categories

- Chemicals
- Construction
- Controls
- Data Comm
- Electrical
- Fluid Power
- MROP
- Material Handling
- Packaging
- Plastics
- Power Transmission
- Rubber Products
- Steel
- Welding/Gases

Market Analytics: Sales Process Improvement

**Market
Intelligence**

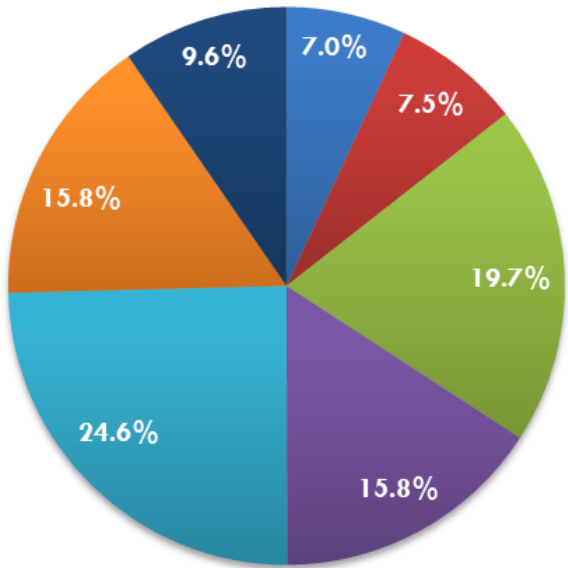
External Data

Macro Economic Data

Chicago MSA Product Profile

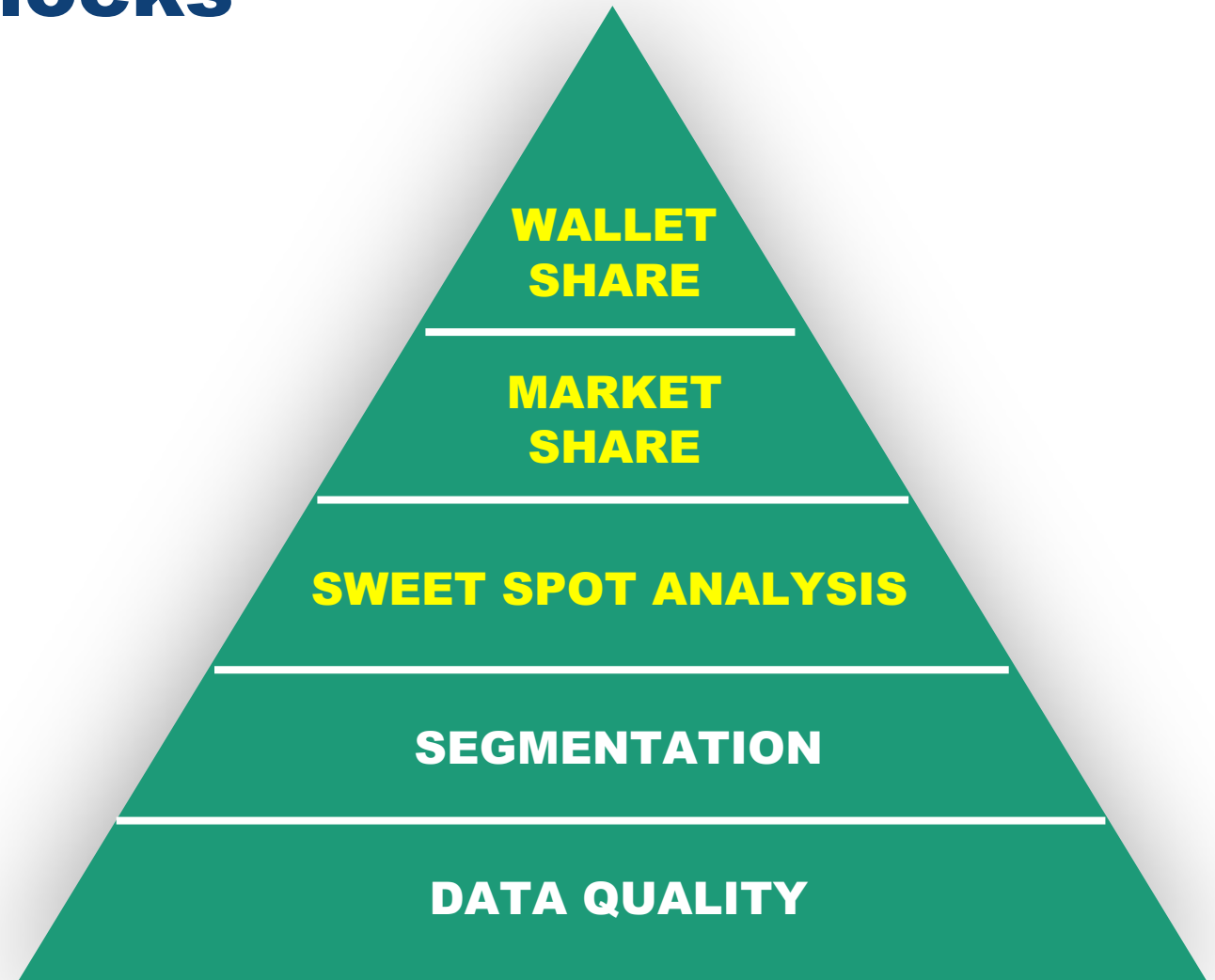
\$1.145M Total Demand

- Circuit Protection Devices
- Generator Set-Power Supply
- Light Fixtures
- Switchgear Equipment
- Wire & Cable
- Wiring Devices Current
- Wiring Devices Non-Current



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Analytics Building Blocks



Sweet Spot Analysis

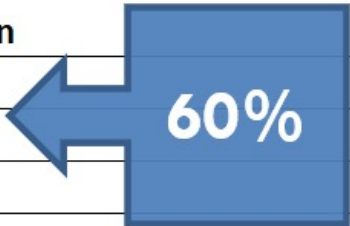
- Leveraging your strengths
- Focus on the industries that need more attention with a marketing campaign and/or sales effort
- Suppliers are hungry to grow sales
- Most have promotional funds



Sweet Spot Analysis

- Segmentation will define industries you perform well in
- Uncover what industries may need more attention and missed opportunities

Customer Count	% of Total Customer Count	NAICS-2	NAICS-2-Description
126	28.0%	31-33	Manufacturing
121	20.0%	23	Construction
30	12.0%	42	Wholesale Trade
12	10.2%	51	Information
58	7.7%	44-45	Retail Trade



Segment	Category	\$ Demand	# Accounts
238210 Electrical Contractors and Other Wiring Installation Contractors	Construction	34,035,338	50
238220 Plumbing, Heating, and Air-Conditioning Contractors	Construction	13,731,390	73
236220 Commercial and Institutional Building Construction	Construction	6,935,795	18
237990 Other Heavy and Civil Engineering Construction	Construction	3,983,511	4
238110 Poured Concrete Foundation and Structure Contractors	Construction	3,241,651	21

Sweet Spot Analysis

- Generate a list of targets by the industries you do well in and by geography and product

Company	Segment	County	State/Province	\$ Demand
Watters Plumbing Inc	1711 Plumbing, Heating and Air-Conditioning	Winnebago	WI	2,006,210
Best Mechanical Services LLC	1711 Plumbing, Heating and Air-Conditioning	Winnebago	WI	847,066
M C M Air Inc	1711 Plumbing, Heating and Air-Conditioning	Winnebago	WI	802,484
Prime Service Providers Inc	1711 Plumbing, Heating and Air-Conditioning	Winnebago	WI	668,737
ONeill Enterprises Inc	1711 Plumbing, Heating and Air-Conditioning	Winnebago	WI	624,154
Drucks Plumbing & Heating Co	1711 Plumbing, Heating and Air-Conditioning	Winnebago	WI	490,407
Trio Inc	1711 Plumbing, Heating and Air-Conditioning	Winnebago	WI	401,242
Ryf Heating & AC Inc	1711 Plumbing, Heating and Air-Conditioning	Winnebago	WI	401,242
Complete Plumbing Inc	1711 Plumbing, Heating and Air-Conditioning	Winnebago	WI	356,659

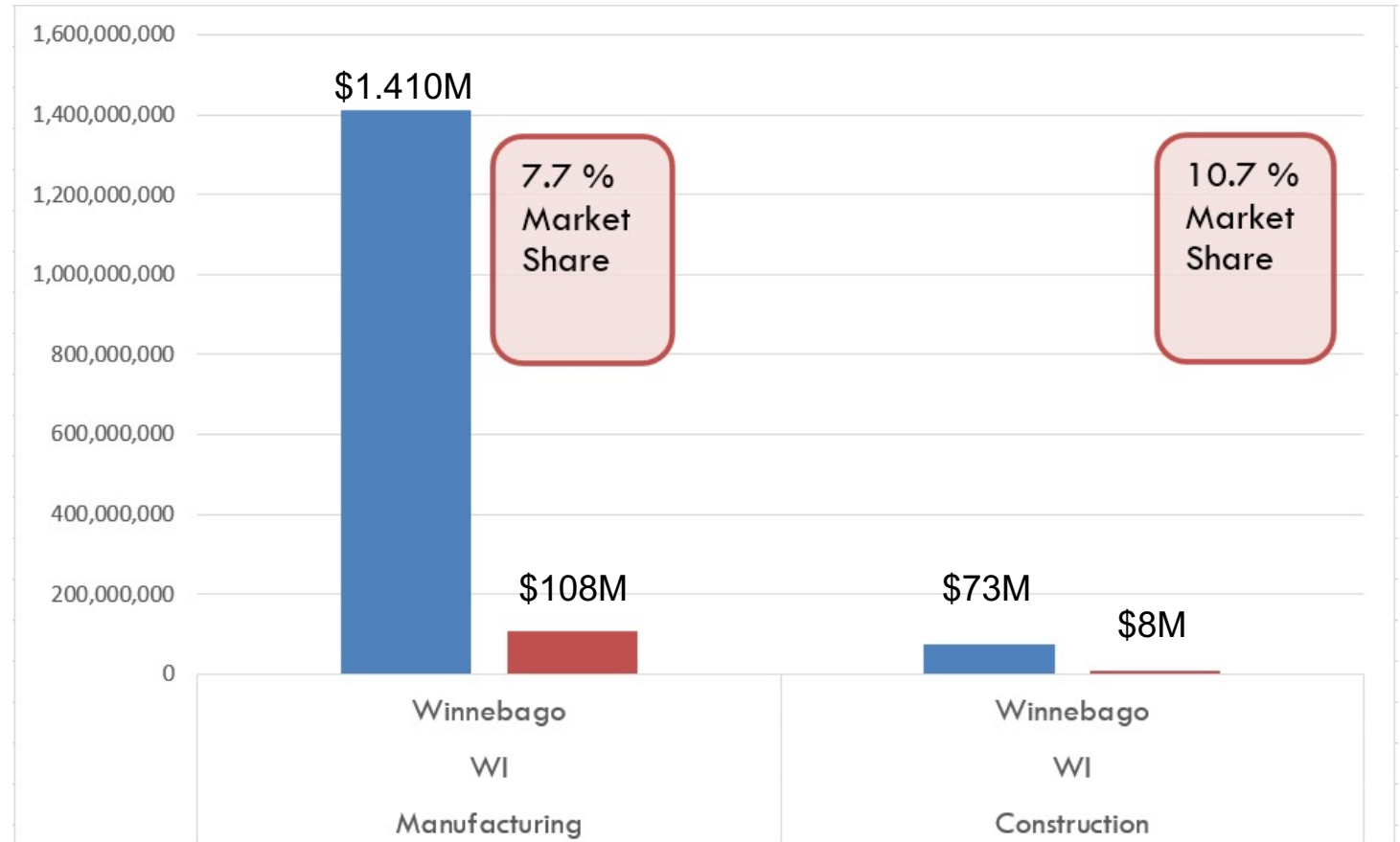
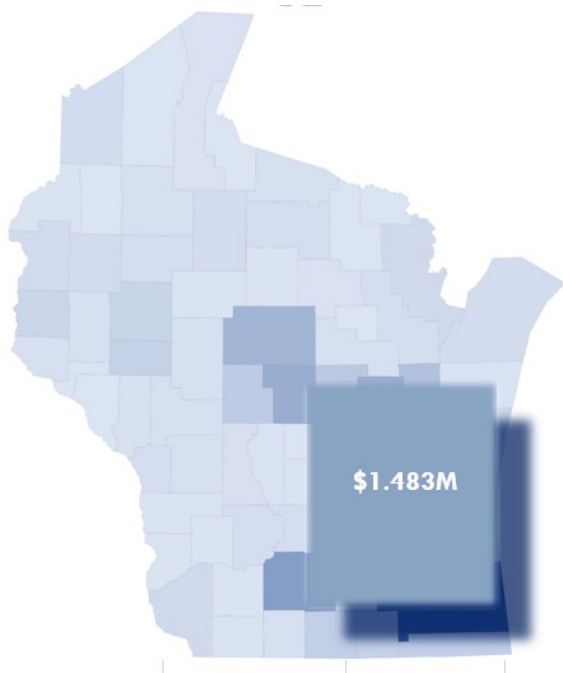
Sweet Spot Analysis

- Using a sweet spot analysis, you can generate a list of targets by the industries you do well in and by geography and product

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Share of Market / Benchmarking

- At a higher level compare your transaction data by geography to external demand to determine Share of Market



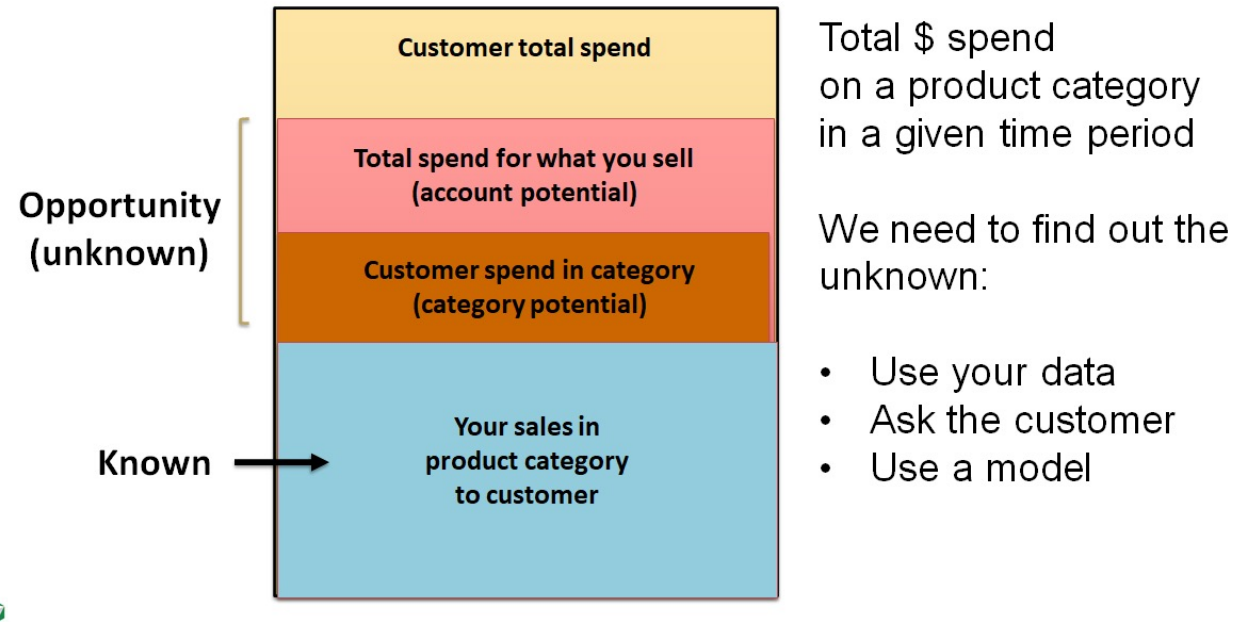
Share of Wallet

Target current customers to grow sales

- Easier to start with a customer that has a relationship with your company than finding new customers

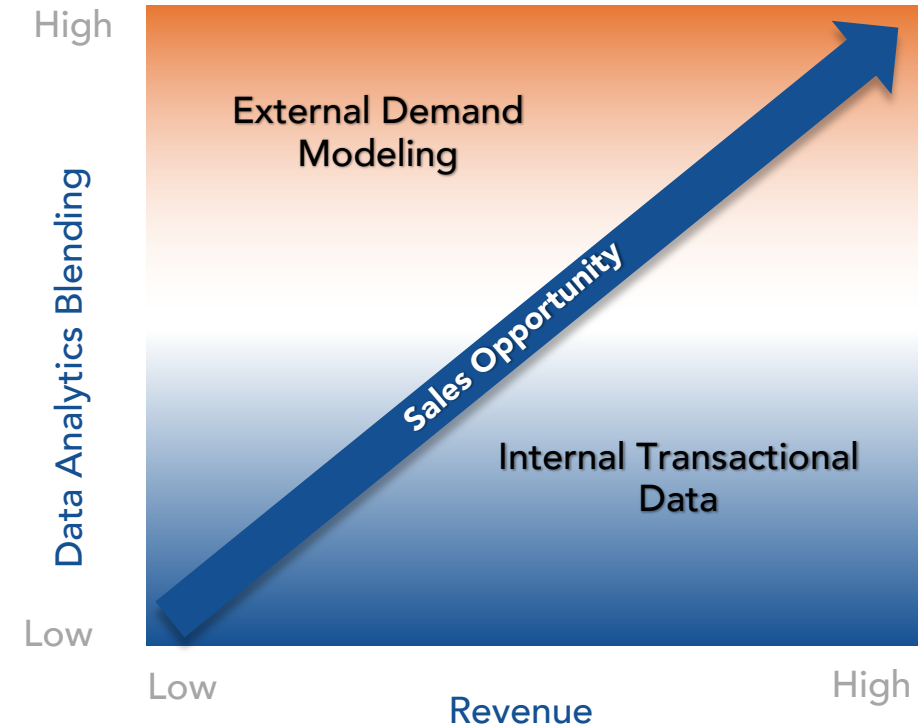
Fair share of their business?

- Historical transactional data is one dimensional

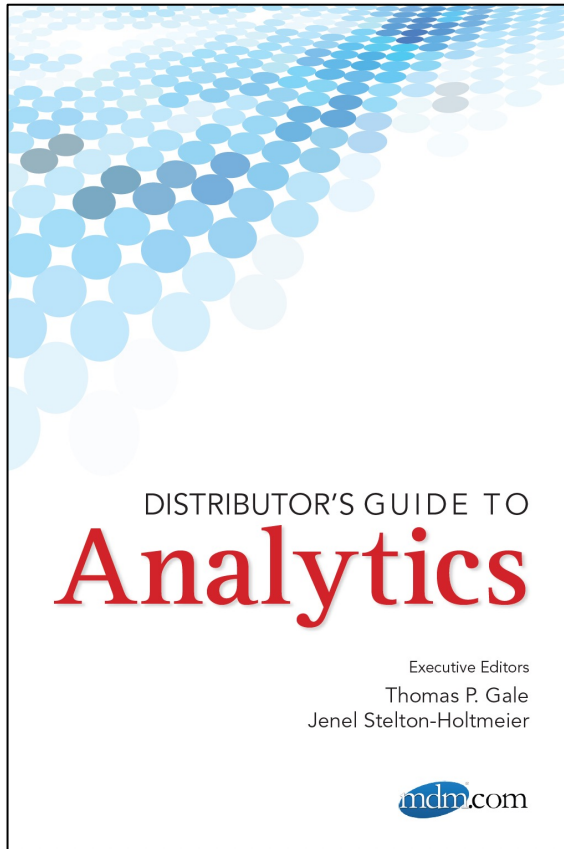


Share of Wallet

- External demand modeling analytics can determine the total spend for your customers by product category
- Blending historical internal transactional data to external demand data will expose sales gaps and opportunities



Market Analytics: Sales Process Improvement



This guide will help you think differently and more analytically about transforming your company into a higher-performance one. It includes chapters on:

- Profit Analytics
- Market Analytics
- Market Access Analytics
- Marketing Analytics
- Sales Analytics
- Pricing Analytics
- Inventory Management Analytics

Order Distributor's Guide to Analytics here:

<https://www.mdm.com/product/distributors-guide-to-analytics-ebook/>

Market Analytics: 4 Action Steps

Focus sales teams on highest potential accounts and segments

1. Hire/empower a data champion
2. Prioritize data quality improvement
3. Get actionable data to the front lines
4. Build a data-directed sales process: Data, training, incentives

Contact us



Market Intelligence

- Market share & wallet share analysis since 1989
- Forecasting by product category/territory
- Targeted prospect lists
- 150+ industrial/construction product categories

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