

# Large Accounts Can Bring “Big” Business



by JOE RICKARD

**“Because nearly 50 percent of the overall U.S. employment base works in large companies, salespeople who conquer the fear of approaching these companies’ departments and divisions can earn significant business.”**

**B**ecause large companies often have elongated order cycles, complicated decision processes, extended payment schedules and a relentless focus on price, many small print shop owners and sales managers shy away from pursuing these accounts. In a tough economy, this might have been a good strategy.

But, it might not be wise to “write off” large companies as potential customers. Yes, a large portion of Fortune 500 companies downsized, reorganized, cut jobs and re-engineered their businesses during the past five years. Instead of being a reason to avoid working with large companies, this very fact is why small shop sales managers should be developing strategies for capturing business from these firms — especially as the economy strengthens.

I understand that many times small print shop salespeople are more comfortable working with people from other small companies. If salespersons remember large companies usually are comprised of a number of small business called departments or divisions, it becomes much easier for them to overcome the intimidation factor. Because nearly 50 percent of the overall U.S. employment base works in large companies, salespeople who conquer the fear of approaching these companies’ departments and divisions can earn significant business.

## **Large accounts can generate large revenues**

The payback for establishing or deepening customer relations with large companies is enormous. Because small printing companies can use their quick turnaround and operational flexibilities to outmaneuver larger competitors, many small shops enjoy long and fruitful relationships with large commercial and government organizations.

When small shop owners and managers

determine where to focus their sales efforts, they should ask themselves which is more valuable: a 20 percent chance of winning a \$70,000 job or a 50 percent change of winning a \$10,000 job.

Small shops benefit in many ways from their large-company customers. Large companies tend to have larger print jobs. Although large companies often take longer to reimburse their suppliers, they usually can be counted on to pay. Establishing a relationship with a department or division of a large company also can lead to further business from the same location.

## **Large companies are looking for new ways to increase revenue**

During the last five years, many Fortune 500 companies have focused their efforts on cutting costs. Because of this, many in the investment community are demanding these companies now show that they can do more than just cut costs. Discussing the plight of Fortune 500 companies, *Chief Executive* magazine editor-in-chief William Holstein said, “It will be real shame if companies go bankrupt because they simply shed jobs. ... We must as a country help these companies maintain their innovative spirit.”

Many large companies will need to increase top-line revenue or face disaster. This is a good trend for innovative print shops to help companies improve customer and employee communications that affect top-line growth.

## **Strategies to gain large vs. small accounts**

A patient and confident print salesperson can significantly impact a small shop’s revenue by winning one or two large accounts. But, salespeople must keep in mind two fundamental differences between

successful sales strategies for large vs. small accounts:

- 1. More knowledge is required to sell to large companies than small businesses.** The amount of planning and research required is directly related to the size of the account.
- 2. The selling and buying process has more steps at larger accounts.** Larger companies have more management layers, including those for the IT, Purchasing and Finance departments. Generally, these organizations also are under greater financial oversight.

In this article, I will focus on the amount and kind of research required to land a large account. In next month's column, I will explore methods for tailoring a selling strategy to the buying process common to most big companies.

### Know thy prospect

A salesperson must thoroughly research the prospect before making the first call, especially when meeting with a large company. At Intellective Solutions, we recommend our clients take the time to learn and identify those markets that most clearly present the best fit for their print shops' capabilities. For instance, if a print provider has a good track record doing work for manufacturers, then the shop's owner or sales manager should learn the applications, problems and buying processes of the manufacturing business.

Another approach is to target specific business units within large companies. Most large companies are organized into divisions or departments, each with its own printing requirements and applications. Generally, Marketing departments in large companies generate the most printing.

One of our favorite targets is the corporate controller's office, where financial printing and annual reports originate. This department will have different printing requirements, budgets requirements and decision makers than a Marketing department where a multitude of brochures, product spec sheets and kits are produced.

It usually is not a good use of a salesperson's time to call on the Purchasing department about new offerings. Purchasing departments tend to work with prequalified vendors on existing applications and products. That said, the Purchasing department is a good source of information on how decisions are made.

### Ten questions salespeople should answer before the first call

Research is a critical step in developing a winning sales strategy for large accounts. Today, there are many sources where salespeople can get information about large companies, including trade magazines, company Web sites and company annual reports. Sales reps also should consider people who work with prospective-customer companies as possible resources. Current and former company employees, customers and suppliers can be wonderful sources of information.

Before making the first call, we recommend salespeople know the answers to these 10 key questions about the company:

1. Is the company already a customer?
  - Has the company ever been a customer?
  - Does anyone at the shop know company employees who can supply information to help us land the account or expand the relationship?
2. What does the company sell?
3. How does the company tell its customers about its products?
  - How does it use the Web, direct mail, brochures and posters for advertising?
4. Who are the company's customers?
  - Who are its top customers?
5. Who are its competitors?
  - How is the company doing against its competitors?
6. Does the company have specific requirements for its vendors?
  - Who are the decision makers in the company?
  - What is the decision-making process?
  - What is the role of the Purchasing department?
7. What must the company do to be successful?
  - What must it do to grow?
8. What recent events have occurred that might affect its business?
9. Which companies are its current print suppliers?
  - How will the company's current suppliers react to your attempt to make their customer yours?
  - Is the company's primary current supplier an in-plant printing department? If so, your shop's salesperson is in luck. Our belief is that most salespeople can easily convince company managers that cost savings will result from moving print jobs from in-plant operations to well-run print shops.
10. What are the key business processes, applications or problems involving printing?
  - What unique products or ser-

vices do we offer that would help the customer?

### **A fact-finding call can save time**

Perhaps the best way to gain information is to make a fact-finding call. Once a salesperson understands the account, he or she can begin to develop a strategy that includes a selling talk track that sets the shop's products and services apart from the competition in ways that are important to the company.

Fact-finding calls can help salespeople avoid the biggest risk of pursuing a large account: Targeting an account that is a poor fit with the print shop's capabilities. Much time and effort should be spent in targeting the right accounts and developing a sales strategy. In his book, *The Art of War*, Chinese general Sun Tzu advised, "One must know when to fight and when not to fight. Such knowing comes from having complete information."

Through effective targeting, thorough customer research and a full understanding of a large company's decision process, salespeople who work for small commercial printing companies can win business from a large accounts. And, these large accounts can be endless strings of customer selling opportunities. ●

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