

Strategic Marketing Case Studies: Key Accounts Management

By Malcolm McDonald, Emeritus Professor at Cranfield School of Management, Professor at Warwick, Henley, Aston, Bradford Business Schools and the Sino-British College USST Shanghai, and Chairman of Malcolm McDonald Consulting

Each of these mini-cases is based on real cases, but the names and some of the circumstances have been changed. Any name similarity with existing companies or people is entirely accidental and unintended.

The following mini-case is the first one in a series that are offered to readers as a way of considering just some of the complex issues which face all organisations which are serious in their intentions to build profitable and lasting relationships with customers.

This selection of mini-cases has presented just a small part of the myriad of problems that result from an organisation's efforts to become more customer focused. We hope that you will enjoy thinking about these problems, and will be better prepared as a result for dealing with the challenges inherent in your key account relationships. We have also included some case studies from the customer's point of view, which may be used as training scenarios for "boundary spanning."

Please "role-play" the characters in the mini-cases, but also consider what would happen in your company if it were faced with the situation described, and how you think your customer would react.

We have included a brief discussion at the end of each mini-case, including this first one. We stress that these are not answers, as there is never a perfect answer to any problem in life. Please compare our thoughts with your own, and please discuss them with colleagues, as this is the best way to learn.

Case Study: Parochial pains

You are the manager of the global accounts division of a worldwide information systems supplier (WHIZZ). The national account manager for a famous American retail company (G-Stores) sends you an e-mail. He comes from the same home town as the Chief Executive of G-Stores, and they both still live there. G-Stores headquarters is in their home town. Apparently, G-Stores is planning pilot stores in South America and Europe, and he cannot persuade the relevant country managers to give the new stores any local support.

How do you work with him to maximise the opportunity for WHIZZ?

Continued on next page >

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Case Study: Parochial pains (continued)

Discussion: The creation of a global accounts division is one of the ways of over-riding local variations in service. Discuss the different ways in which companies can organise themselves in order to “go global” with relevant accounts.

Furthermore, the answer should also consider the nature of the relationship with G-Stores. It sounds like the relationship is at least co-operative, but it may be rather over-reliant on the personal relationship of the key account manager and the chief executive, rather than WHIZZ company capabilities.

Next, a consideration of the global attractiveness of G-Stores to WHIZZ, and their perceptions of WHIZZ’s global capabilities should be undertaken. The customer portfolio matrix is likely to show G-Stores as a “selectively invest” global account.

The national account manager seems to realise that he is “out of his depth.” The manager of the global accounts division needs to appoint someone with international experience, to make sure that WHIZZ business growth is closely interlinked with G-Stores expansion. Also, in the short term, he is likely to have to organise inter-company payments to the countries in which G-Stores has pilots, in order to ensure that the proper service levels are provided.

Award yourself extra marks for considering how a joint strategic plan might move the supplier-customer relationship forward to maximise mutual benefit and potential for “integration”.

About Malcolm McDonald Consulting

Malcolm McDonald Consulting Ltd. is a strategic sales and marketing consulting business.

With our end-to-end interactions, from Board level to internal project team, we help companies create value through getting the fundamentals right in strategic sales and marketing, all within budget and the agreed deadline.

Professor McDonald and his team of consultants work with the Boards and internal teams of executives from a number of the world's leading multi-nationals on all continents.

Malcolm McDonald is Emeritus Professor of Marketing at Cranfield University, and Visiting Professor at Henley, Warwick, Aston and Bradford Business Schools. He authored over 40 books on marketing and key account management.

Coming from a background in business which included a number of years as Marketing Director of Canada Dry, Malcolm has successfully maintained a close link between academic rigour and commercial application. He has consulted to major companies from the UK, Europe, USA, Far East, South-East Asia, and Africa, in the areas of strategic marketing and marketing planning, market segmentation, key account management, international marketing and marketing accountability.

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