



# Added Value in the Digital World



**Art Waskey**

Art Waskey is a speaker who truly delivers. In addition to a 45 year career in sales and marketing, Art is the author of multiple books on selling and a monthly column *The Art of Sales*. He shares these insights as an in demand event and conference speaker as well as leadership coach.

The term *added value* has been a significant part of sales strategy discussions in the last several years. In the digital age, its importance continues to grow. In a recent Distribution Strategy Group webcast (“MSC Industrial’s Reimagined Value Proposition for a Digital World,” May 24), Erik Gershwind, President and CEO of MSC, voiced the need for his company’s sales force to **deliver added-value analytics — it’s the difference between selling and leading**. To address the issue, MSC is adding value deeper into its customers’ organization while simultaneously expanding the portion of its sales that come through digital channels.” This highlights the notion of added value being key to a distributor’s success in the digital world.

## **Helping the customer**

MSC’s new brand proposition — *built to make you better* — is also an important strategy to note. The digitalized world has created a major change in the way we sell. The sale no longer ends when you deliver the product. **MSC’s refocused sales model involves helping the customer tackle their “mission-critical” channels on the**

**plant floor through a decentralized sales effort.** This includes assisting customers with emerging issues, such as lack of expertise. As a result of the pandemic and subsequent post-COVID business acceleration, customers are experiencing a tremendous skills gap. To offset this, MSC has initiated assessment needs evaluations. The company’s technical experts provide onsite analysis audits for its customers.

## **A changing sales force**

With shifting sales strategies, MSC recognizes the need for a change in its sales force as well. They have segmented traditional account managers and created new teams of experienced technical experts to meet shifting customer needs.

**The company is also heavily invested in recruiting and training staff to better understand customers’ businesses.** MSC’s focus is on digital integration to measure performance. Its clients need added-value analysis mining in key areas such as metal working productivity, eCommerce, inventory, and purchasing.



## Added Value in the Digital World

### **A model that meets your needs**

#### **Distributors need to look closely at their sales model and make changes where appropriate.**

As early as 2010, the distributorship I was with added a Productivity Enhancement Team. This group was tasked with assisting our outside reps by touring key accounts and helping to develop areas of manufacturing improvement. They considered welding process selection, robotic applications, machine tool transitions, safety product adaptations, etc. In the mid-2010s, my company built a team to initiate vendor-managed inventory (VMI).

### **Using analytics**

As distributors move forward they must build robust ERPs to take advantage of the years of collected customer data on purchasing behavior, inventory patterns, products that should be added, and operations management. Gershwind suggests, “We need to move this information forward and turn it into analysis that can lead us to say to the customer— ‘**Look over here, we have found a whole host of improvements that are waiting to be mined**’. This is a new paradigm.”

With the analytics developed in each of the programs we introduced, we were able to offer a written cost reduction savings guarantee. In addition, with our sales model improvements, we were able to get back the simple non-complex products lost to alternative virtual channels.

### **Where information meets experience**

The younger generation in our workforce has the ability to find information quickly, but they don't necessarily have the experience to use it to their greatest advantage. Develop a sales force that has a balance of fresh new ideas and hard-won experience. This provides you with the best opportunity to deliver value-added proposals to meet your customers' needs.

The sales qualification bar has gone up. Today's sales force must be prepared to present more than a good product. Reps have to be creative and able to share ideas that can improve the client's performance. **In the new digital world, business is won with better added-value propositions.**

## 5 KEY TAKEAWAYS

1. Added-value is key to a distributor's success in the digital world.
2. Use analytics to find customer improvements waiting to be mined.
3. Look closely at your sales model and make changes where appropriate.
4. Recruit and train staff to better understand your customer's business.
5. In the new digital world, business is won with better added-value propositions.