

The white paper

# KEY ACCOUNT MANAGEMENT



Halifax Consulting  
SALES PERFORMANCE

## KEY ACCOUNT MANAGEMENT AN INCREASINGLY POWERFUL LEVER FOR BUSINESS RESILIENCE

The health crisis followed by an unforeseen rapid recovery, then the armed conflict in Europe, have created a situation that is unprecedented in many ways. Companies are clearly experiencing the current crises in very different ways depending on their sector of activity and their business model.

Sectors are durably impacted, first and foremost all sectors that must transform themselves in the face of threats of shortages, environmental regulatory constraints, and changes in consumption patterns, the automobile being a good example, as well as air transport.

Others winners at first such as the famous FAANGS and other technological stars now seem more troubled: loss of value on the stock market, doubts about certain innovation models (crypto currencies, metaverse, etc.), and investor reluctance.

Areas such as supply-chain or manufacturing production are strongly destabilized. For many, shortage situations are setting in, which will be continuing in 2023 and beyond, highlighting past decisions that have totally underestimated the risks...

Two years after the beginning of the pandemic, when a way out seemed to be emerging, a new crisis has been added: a global situation of generalized inflation...

In companies, functions such as purchasing or logistics have been strongly challenged where others have really emerged such as impact functions (safety, environment, digital transformation, talent retention and work-life balance). Key Account Management, which helps consolidate revenue with key customers, is also one of the functions that have become much more visible. These two categories of functions (Impact and Key Account) ultimately help to improve the resilience of companies in a period of permanent crisis.

## WHAT HAVE WE LEARNED ABOUT KEY ACCOUNT MANAGEMENT?

Two major structuring trends seem to be emerging today and undoubtedly for the years to come:

1

The trends and transformations at work force companies to set up co-construction dialogues with their key suppliers. Complexity and risks require strategic choices of alliances, partnerships, collaborations... and bets on the future.

2

Value criteria are changing: proximity, security, comfort, which could be synonymous with higher costs, are becoming almost an advantage, solutions with a non-financial impact (image, ecology, recycling, customer care, etc.) are more audible, and breakthrough solutions are being sought. The bonds of trust forged in the past become more valuable.

# 1

## THE TRENDS AT WORK BEFORE 2020 ARE ACCELERATING

### DIGITALIZATION AND PURCHASING



Purchasing processes have changed significantly in recent years, particularly due to the use of digital tools that have become widespread. In France, the leader in e-commerce for the general public, CDiscount, which competes with Amazon, has even launched its B2B e-procurement solution for all the purchasing departments of large private and public companies.

While customers were the first to digitalize their purchases (EDI, reverse auctions, purchasing IS, etc.), it is now the suppliers

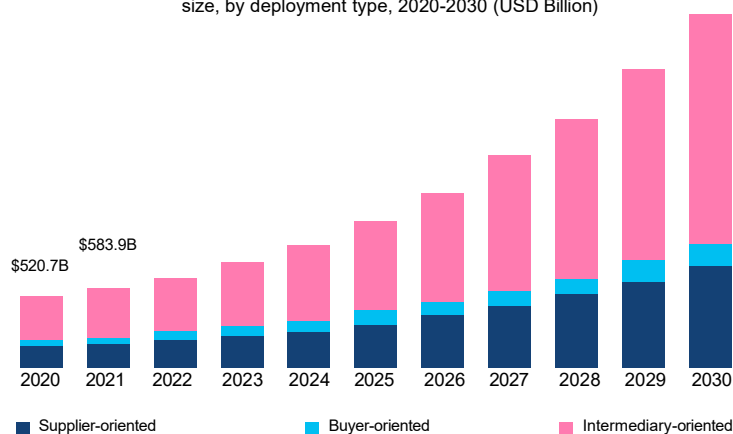
who are accelerating the digitalization of sales.

In 2021, the global B2B e-commerce market size was estimated to be \$6.64 billion and expected to grow at a CAGR of nearly 20% from 2022 to 2028 worldwide and 18.5% in North America.

Source : <https://www.grandviewresearch.com/industry-analysis/business-to-business-b2b-e-commerce-market>

#### N. America Business-to-Business E-commerce Market

size, by deployment type, 2020-2030 (USD Billion)



**18,5%**

N. America Market CAGR,  
2022-2030

Source : [www.grandviewresearch.com](https://www.grandviewresearch.com)

### 3 REASONS FOR THIS

1

**First, since 2015 at least**, the success of Amazon Business has shown the potential of a remote B2B sales model.

2

**Then** the pandemic crisis, the interruption of supplies, has of course also accelerated awareness.

3

**Finally**, a third phenomenon is less commented on: the changing demographics of B2B buyers. If a consumer from the baby boomer and X generation is likely to prefer the experience of a salesperson's visit or trade shows, generation Y expects to receive this personalized and simplified experience digitally. By 2022, 73% of Generation Y (*source: <https://www.forrester.com/report/Millennial-B2B-Buyers-Come-Of-Age/RES132706>*) will be involved in the B2B buying process.

Generation Y



This generation has grown up with the Internet and technology, and the pandemic has accelerated the shift in usage.

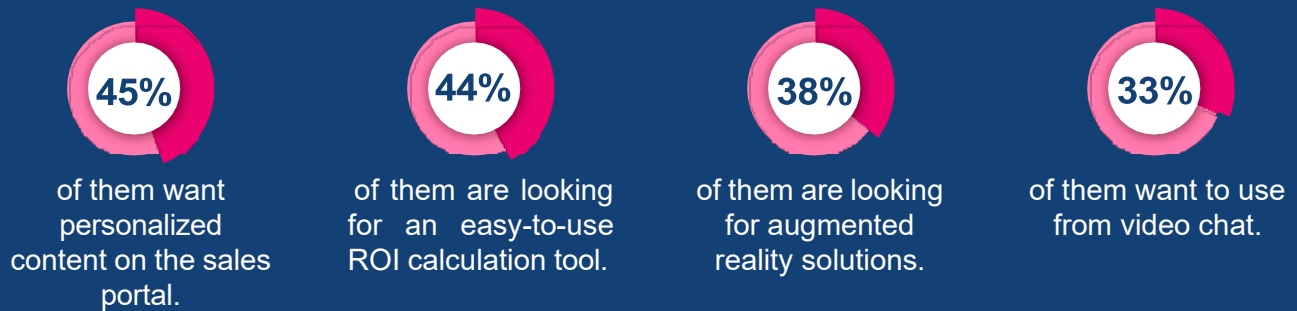
This generation, which is beginning to take power in part, will have a lasting impact on negotiation processes, the way we sell and buy, including in B2B.

Generation Z will not slow down this phenomenon!

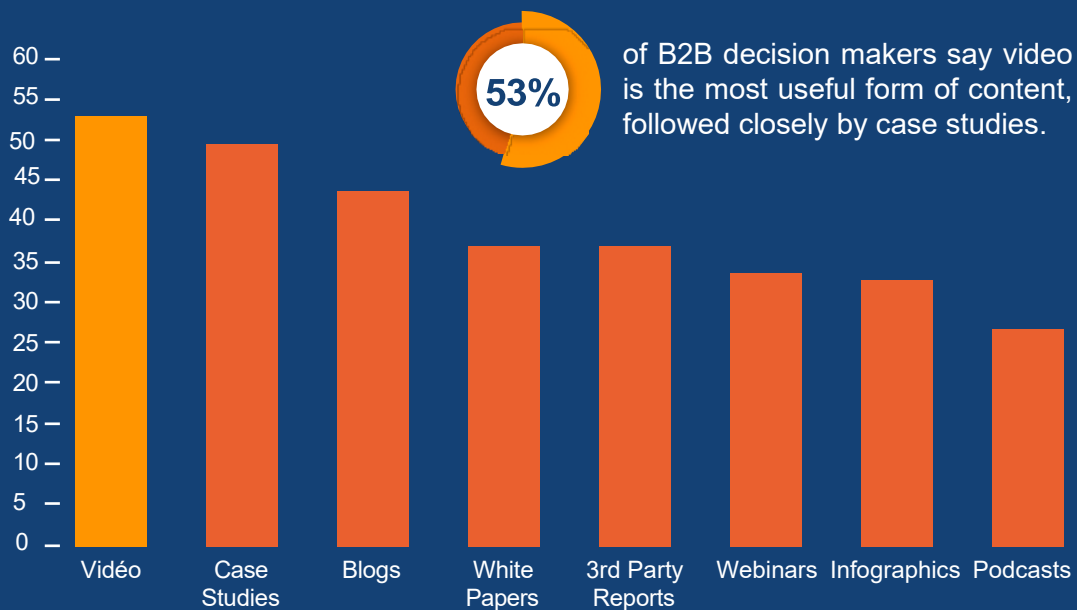
## SOME NUMBERS...

Today, B2B customers conduct about 12 online searches (*source: <https://www.business2community.com/b2b-marketing/b2b-digital-marketing-trends-in-2020>*) before buying from a specific brand.

B2B buyers expect different digital resources from suppliers to make better purchases :



In another survey (*source: <https://www.isolinecomms.com/tech-b2b-buyer-survey>*),



Many purchases of products for which the brand used to be important ("brand-conscious"), are becoming "commodities", which pushes many suppliers to find new ways to differentiate themselves.

The way of selling is also a way to differentiate oneself in certain categories of standardized products. Distance selling channels therefore allow to reduce costs and/or to reach new targets and are a response to this "commoditization".

This trend leads to a decoupling between digital sales models and those requiring a high value-added relational impact on innovations and strategic or key accounts.

## FROM A DEMAND CRISIS TO A SUPPLY CRISIS:



Since demand has obviously evolved - in some cases dramatically downward, then upward, then downward due to **shortages** - it forces suppliers to become much more agile in managing inventories and flows. Everyone has to keep a close eye on production, the supply chain, geographical areas and interdependencies. Customers, like suppliers, must really listen to their ecosystem, both upstream and downstream, and develop **more strategic sourcing, in «business friendly» countries** (in 2021, for example, the United States, Mexico and Canada will have overtaken China in imports. *Source : Mac Kinsey*).

The number of regional relocation projects announced in Europe and France is interesting in that it marks a halt to the delocalization that has been underway for 30 years.

### WILL THE TREND CONTINUE?

This also depends largely on the emergence of new production methods in short runs associated with the demand for short chains, but also on political choices of sovereignty over certain products, with President Macron speaking of a return to a «war economy».

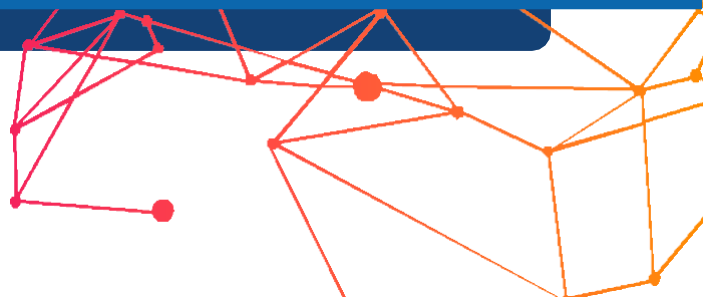
**The price increases** observed during the second phase of the health crisis in 2021, when the impact of the disorganization of production (first in China) and then of the entire value chains of many sectors with very great difficulties of supply-chain, were

most often in the order of 6 to 10% on average in the industrial environment, with peaks much stronger on certain categories, including energy and real difficulties to pass them on at the end of the chain to the final customer. This was only the first step and all decision-makers are facing a situation never experienced before (since the 1970s...), starting **with the «culture» of negotiating increase**.

With the armed conflict in Europe and the shock of energy prices, we now know that we are entering a phase of inflation in which there is no longer any question of not passing on the increases. Soon, the wage/price spiral will be underway, according to most economists.

KAMs must therefore incorporate this dimension into their strategic goals and initiatives as well as into **their planning for «net» account income growth**. They must relearn how to negotiate this sub-part of the pricing stakes in the face of very strongly challenged buyers, for their part to limit the impact. The stakes in price negotiations are becoming strategic again. **The impact of inflation will be significant on companies' investment projects, which will be slowed down and much more selective**.

KAM will therefore have to redirect its solutions towards viable investments.



**The ecological crisis is also challenging models of value creation. Unexpected productivity gains** have emerged with the health crisis and teleworking, which has boosted the adoption of remote communication technologies.

For the first time since the Second World War, technological progress has brought significant and identifiable productivity gains.

The creation of wealth (or its safeguard during the pandemic in 2020) could be estimated in France alone at more than 200€B per year considering just remote working by the Sapiens Institute, in addition to a decrease of CO2 emission...



of creation of wealth during the pandemic in 2020

### But will these gains be long term?

For a part, without any doubt, as it contributed to a stronger awareness of the economic and political actors on the global stakes including the environmental stakes.

**Changes in offerings have been** launched: entire sectors of the economy have had to rethink the services they offer, their “go-to market”, their billing methods, etc.

We can think:

- of the education sector, where remote and hybrid models are taking hold,
- of the automobile sector, where Europe has begun the irreversible phase-out of combustion engines,
- and of the energy and recycling sectors, where initiatives are multiplying: no economic sector can avoid rethinking its social and ecological impact model.

## IN THIS CONTEXT, THE ROLE OF THE “CLASSIC” SALESPERSON IS NO LONGER ABLE TO GENERATE VALUE OR GUARANTEE THE SUSTAINABILITY OF THE RELATIONSHIP WITH HIGH-POTENTIAL CUSTOMERS.

In fact, for several years now, the number of “classic” salespeople has been decreasing with the automation of transactional sales, while the number of solutions and services salespeople (value-based selling) has been increasing, particularly that of KAMs (+10% according to Forrester).

KAM



(according to Forrester)

Indeed, more than ever, to generate more value, it is not simply a matter of listening, but of anticipating the real expectations of customers and bringing differentiating innovations.

Companies that innovate are constantly seeking to move upmarket, shifting their strategy from a purely transactional approach to a systems and services approach.

Customers are more curious, better informed, interconnected and have a more active attitude, which reshuffles the cards of the commercial relationship. They limit the number of suppliers but want to generate more value with them, to share it in a more balanced way.

At the same time, the digital transformation, which has been underway for more than 10 years, is having an impact on commercial organizations, notably with the rise of the “everything as a service” (XaaS) approach: whereas the bulk of existing activities were long centered on the direct possession (until the end of the 1980s) and then financed by the rental (1990-2000) of goods, the years 2000-2010 have shown the relevance of package sales models (outsourcing, utilities) and the years 2010-2020 are seeing the rise of the sale of usage.

**This reality is leading them to get closer to their customers’ businesses and to adopt a customer-centric posture, fueled by the data generated by this relationship:** to be in tune with their customers, suppliers must position themselves as partners in business performance. To do this, they must be part of a triple logic of trust, proximity, and customer knowledge.

With new key functions in the development of this relationship: Account Based Marketing, Customer Success, Customer Support.

**Key Account Management is at the heart of all these transformations, with the Customer-Supplier relationship being more complex:** Less negotiation on price alone, more advice and expertise on real “impacts”, companies that innovate must focus on their value proposition + impact and demonstrate that they are stakeholders in their customer’s success. As the keystone of this strategy based on the sustainability of the relationship between the customer and the supplier, **the Key Account Manager is more of a high-level business advisor than a salesperson.**

He acts as a conductor who analyzes, anticipates, deciphers and responds to the often-complex needs, expressed or not, of clients whose potential is considered strategic.

## WHAT’S AT STAKE? THE CO-CREATION OF VALUE!



## KEY ACCOUNT MANAGEMENT: THE PROOF BY THE NUMBERS

(Source: SAMA)

# X2

### GROWTH

Key account programs generate on average at least double the average growth of the company.

# 20%

### HIGHER MARGIN

Mature key account programs generate on average at least 20% higher margin than standard programs.

# 70%

### HIGHER CUSTOMER SATISFACTION

70% of companies with a key account program significantly improve customer satisfaction... and 99% of SAMA members testified that piloting the KAM saved a strategic customer relationship during the health crisis.

## WHY IMPLEMENTING OR FURTHER STRENGTHENING YOUR KAM PROGRAM IS A STRATEGIC NECESSITY



### BECAUSE YOUR STRATEGY IS BASED PRIMARILY ON INNOVATION

you need to demonstrate that these innovations make a real difference in your market.

The KAM is the best vector to represent this value proposition, which sets you apart from the competition, to stop talking about price or

even cost, but to highlight the value created for customers thanks to your innovation. Today, this value integrates all the impact issues, in particular digitalization, decarbonization, societal and ecological image with the anti-"greenwashing".



### BECAUSE YOU HAVE TARGETED CUSTOMERS OR PROSPECTS WITH VERY HIGH POTENTIAL.

Don't limit your thinking to the volume of business generated by a customer at a given moment but focus on the potential business that will result from a co-creation of value and will lead to a privileged and lasting relationship

with the customer. A bet on the future based on the Relevance / Attractiveness matrix that allows you to define the current and future perimeter within which the customer support makes sense.



### BECAUSE SUCCESS WITH THESE STRATEGIC CLIENTS WILL ALLOW YOU TO ACCELERATE AND FURTHER CONSOLIDATE YOUR PROFITABLE GROWTH

Developing relationships with your strategic clients' opinion leaders and becoming a part of their own performance will position you as a key player for the specific sector in question.

The value you create for these opinion leaders will be visible to the market and will give you the legitimacy to access all the players in that market.

## HOW CAN YOU ADAPT AND FURTHER STRENGTHEN YOUR KAM PROGRAM?



### REMOTE

This poses new challenges for communicating the value proposition. Purchasing managers no longer meet with suppliers in person as easily, not to mention that some countries, including

China, are still closed, or almost closed to visits. Thankfully, with Zoom, Microsoft Teams, etc., exchanges continue to be conducted with direct interactions.



### THE REMOTE WILL ENDURE

A new world is anticipated in the commercial relationship with strategic customers.

Selling remotely is a trend that will remain and impact all modes of sales organization. Companies in the United States, due to the size of a continent and the weight of technology companies in the economy, were much more accustomed and equipped in remote sales, already cultural for a significant part of the economy including complex sales. In Europe, only the tech companies, large and small, were already doing it.

For the rest, it was an unknown or almost unknown practice for sales forces and KAMs. Many companies were not ready in France:

no electronic signature of contracts, no use of webmeetings, no preparation of the teams, etc.

The switchover was quick, and it was a great success. The changeover was rapid, and most of our customers and members of the KAM Club are anticipating a lasting effect on their organization and their business relations. The challenges of adaptation are important, especially from a generational perspective: young KAMs are often “digital natives” and find their interest in an organization that emphasizes their adaptability and their capacity for autonomy, but lack reference points in the negotiation dimension, and for more experienced KAMs it is often the opposite.



### THE DEMAND FOR VIRTUAL TRAINING IS INCREASING DRAMATICALLY

It's not just that people have suddenly had time to upgrade their skills during a period of restricted travel; there has been a real realization on the part of many organizations that their Strategic Account Managers (and their broader sales and marketing teams) will need to adapt to succeed in the new normal. Deeper and more substantial knowledge (on innovation offerings and economic, social, environmental impact calculations) that improves the level of sales conversation of the SAM, is needed.

In addition, topics such as remote selling, strategic account planning, communication with the “C Level”, CSR impacts and how they are calculated, negotiating under inflation - are topics that have taken on a new dimension in these disruptive times. For example, we have seen notable successes in joint strategic planning... from a distance.

**It is more important than ever to review one's client's objectives - with one's client - and SAMs have found ways to do this.**

## WHAT'S NEXT?

COLLABORATIVE WORK AND KAM LEADERSHIP  
ARE SURELY THE 2 IMPORTANT TOPICS  
IN TERMS OF PERSONAL DEVELOPMENT.

With the full use of collaborative ecosystems (Teams, etc.) in the co-piloting with key accounts, the collaborative capacity remains key, as well as a leadership allowing to pass from a power of injunction to a power of influence and conviction

by the proof: relevance of the strategy and action plans, track record of results, calculation of value and impact, effective communication, internal-external alignment and coordination.



## 2

# IN TIMES OF CRISIS, THE FUNDAMENTALS BECOME ESSENTIAL, AND THE HUMAN FACTOR RETURNS TO THE HEART OF PERFORMANCE

### IT'S NOT JUST ABOUT USING ZOOM... IT'S ABOUT CREATING DYNAMIC AND RELEVANT DISCUSSIONS.

Value propositions must be concise, concrete and quantified financially and methodologically. Customers' attention spans are limited, so unless your value proposition is articulated in this way, customers - especially those with real decision-making power - simply won't have time to listen.

With speed and agility paramount, it's imperative to use technologies that help vendors understand their customers through accurate data, and then make the right decisions based on that data.

This isn't necessarily new, but it has gone from being a "nice to have" to an absolute business necessity. In fact, McKinsey says it has found that in the last 12 months, adoption of new technologies has grown 11 times faster than in the last 15 years!

KAM teams are more and more sharpened and trained, remote sales are institutionalized, a team sales mode and channel ecosystem are facing impact issues, much more data and technology are at the service of sales forces and KAMs / SAMs in particular...

We will see a reinforced digitalization of the entire commercial relationship with major customers, including the development of B2B e-commerce.

The stakes are high, and this rehabilitates the will and initiatives of individuals.

More than ever, in the face of challenges, **people are at the heart of performance!**

This is an excellent time to instill change, new ambitions and meaning in SAM teams despite a period of uncertainty.



### BEST PRACTICES SHARING

Sharing what works and what doesn't. There is no - and can never be – unique right answer to every challenge. But the more people hear from others facing similar situations, the better they can use the lessons learned by others and adapt them to their own situation. We need to bring these skilled experts together to learn, share and grow. We should also add that to become "essential" to your customer, you need to have

a market view that SAMs/KAMs may or may not have. Intensifying the mobilization of your company's managers, as well as that of your colleagues in production or support functions, but also more broadly of an ecosystem or even of a professional sector or industry, can provide this vision, eventually, from a distance...

It has become easier to do it!



### RELEVANCE

According to studies conducted by our partner SAMA, a well-targeted SAM program generates at least 2 times more sales growth and a much higher customer loyalty index. Optimizing your program by putting the right people, processes and tools in place is essential today. In another recent SAMA study, on average, customers found that only 7% of their relationships were worth their time! We must do everything we can to be part of that 7%.

Customers will remember those who helped move forward in these difficult times, and they will reward those companies for years (or even decades) to come.

Moreover, the subject of Key Account Management is a relatively new one, still very experimental and not much taught.

The crisis we are going through will still give rise to many initiatives and experiments.



### ACCELERATION

Companies will have to master the art of listening to the customer, innovation, and agility. And SAMs/KAMs must listen first. Companies that are not agile enough to adapt will not benefit from the ongoing recovery. Whether demand is increasing or decreasing, companies today need to change their strategies. They need co-innovation and ecosystem support, as well as patience and a long-term view.

So yes, this will accelerate the need for SAMs/KAMs in your company.

The crisis will accelerate this trend, with an additional level of demand in the face of competition from the largest clients. Companies don't need salespeople but real "business advisors" as they say in North America.

# THE KAM, ENTREPRENEUR AND BUSINESS LEADER WITH A STRATEGIC ACCOUNT.

LESS IS MORE...

These three words sum up the KAM logic which consists in concentrating



ENERGY



KNOW-HOW



EXPERTISE

on a smaller number of clients to develop ever greater proximity and generate value.

Focusing strategic resources on customers with the most promising business potential makes it possible to use these strategic customers as the framework for value-based differentiation and co-creation, to grow together by carrying out strategic initiatives that create unique value for both parties.

In other words, succeeding with strategic clients means succeeding twice: their growth drives the growth of the KAM program, and their success drives the growth of the company as a whole and creates the conditions for its differentiation.

But succeeding in this challenge means being able to count on KAMs whose added value to the business is constantly growing and whose business acumen is close to that of the company's leaders.

Much more comfortable with data, much more committed to impactful solutions; this is undoubtedly one of the major future challenges for the KAM programs of the most successful companies:

addressing the need for new profiles (such as Customer Success Managers or Account Based Marketing Managers) and successfully integrating them into the Key Account Management teams: recruiting them, developing them, and setting them up for success.

**THE HUMAN CAPITAL EMBEDDED IN KAM PROGRAMS  
WILL BE AN INCREASINGLY IMPORTANT ASSET FOR OUR CLIENTS,  
THE MEMBERS OF THE KAM CLUB, AND WILL  
UNDOUBTEDLY MAKE THE DIFFERENCE.**

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WANT TO IMPROVE YOUR KAM EXPERTISE?

## JOIN THE SALES EXCELLENCE CLUB APAC!



**Monthly Master Classes**  
on a variety of topics related to Key Account Management such as C-Level Selling, Strategic Negotiation or ROI / TCO Selling



**Online Networking Events**  
The Club organizes networking events for its members, with webinars and forums on specific topics of Key Account Management practice.

**SALES  
EXCELLENCE  
CLUB APAC**



**YOU'LL NEVER  
WALK ALONE!**

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## LEARN MORE

### HALIFAX CONSULTING: WHO WE ARE

Founded in France in 2003, Halifax Consulting has grown into a global leader in sales training and performance solutions, expanding across all five continents with the establishment of Halifax Consulting Asia in 2016.

As pioneers in innovative training technologies, we were early adopters of e-learning, digital reinforcement, and sales enablement tools, and today we're at the forefront of AI-powered learning solutions.

Our proven sales methodologies are rooted in real-world field experience and modeled on the best practices of top-performing sales professionals worldwide.

At Halifax, we believe the future of sales training lies in a hybrid model where AI amplifies human potential rather than replacing it, a seamless integration of people, process, and technology that transforms learning from a one-time event into a continuous journey of growth and excellence.

We publish regularly (over 10 books on sales and sales management in 5 languages). This gives us total copyright and independence in our methods and digital contents (+150 e-learning in 15 languages).

Our consultants, who have a strong experience as former sales directors or business developers, practice a hybrid learning experience, based on digital and collaborative work. We offer services all over the world.



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