



# ***THE REVENUE ACCELERATOR™***

**High Impact Business  
Growth Solutions**

**3rd Quarter, 2011**

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President/Founder

## **From The Editor**

Welcome to the 22nd issue of The Revenue Accelerator™. This publication was established as a direct result of recommendations from a Market Development Group, Inc. (MDG) Client Satisfaction Survey. The purpose of the newsletter is to provide practical revenue and profit generator tools for MDG clients, colleagues and friends. The MDG staff encourages our readers to give feedback on the articles included in this newsletter. We welcome any suggestions of articles or topics you would like to have included in future issues.

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## **What You Need to Do to Increase Your Revenue in 2012**

By: Eric Wiedenmann, President - Market Development Group, Inc.

If you would like to increase your sales and profits in 2012 compared to 2011, your company should do two things before the end of 2011:

### **1) Conduct a Customer Satisfaction Survey**

### **2) Conduct an Employee Satisfaction Survey**

**A satisfied customer is a company's most valuable asset.** Without satisfied customers, there would be no viable companies. To get started, interview at least 10 to 15 of your largest customers and a sample of 20 to 25 of your mid to smaller sized customers for the purpose of getting honest performance feedback and a clear path of what it takes to grow your relationship so that you can get a larger SOW (share of wallet). The questionnaire should include numerical ratings, short answer questions, and a few open-ended questions. This survey is best done over the phone or in-person since written responses are only about 10% of the communication equation. Body language and voice tones are more effective ways of gathering real feedback.

A satisfied employee or happy employees = happy customers. If your employees are unhappy or dissatisfied, their attitudes will be transferred to your customers. Happy or engaged employees are often your best "salesmen" and their positive attitudes can and will enhance customer relationships which will help your company increase sales and profits.

You should select an independent third party to gather customer and employee feedback as third parties will be more objective and customers/employees will often be more open or candid with independent third parties.

## **MDG's Customer Satisfaction Survey Report Summary**

By: Eric Wiedenmann, President - Market Development Group, Inc.

Market Development Group retained an independent market research professional for the purpose of conducting a Client Satisfaction Survey with 12 clients in July, 2011. You will find a summary of the results of the survey questions listed below.

### ***How Does MDG Differ Or Stand Out Compared To Other Service Providers That You Have Worked With In The Past?***

- Very personally involved with the client
- Very cost effective compared to the competition

- MDG delivers
- Good at generating revenue
- Gets down to the micro level with projects and clients
- More personalized approach to clients' specific needs
- Very clear ideas on what to do, good vision
- A lot more straightforward than others

### ***When You Hear The Words MDG What Comes To Mind?***

- Good at following through
- Ability to meet deadlines
- Personal
- Cost effective marketing solutions
- Good ideas
- Helpful in building strategies for your specific market
- Gets down to the nuts and bolts of projects
- Very good at what they do, appropriate cost for services

### ***Why Clients Recommend MDG To Other Companies***

- They deliver what they promise to deliver
- MDG is a solutions specialist
- Provides good information at a reasonable price
- Easy to work with
- Has clients' interest in mind
- Experienced in a lot of areas of marketing
- MDG takes the time to know your company's products and needs
- Friendly, good to work with, smooth process
- Good insights and experience based on professional background

### ***Other Comments***

- MDG has been a great help to us every time we used them
- Always responds
- Never missed a deadline
- Can't think of a time when MDG ever let me down

## **Marketing and Sales: A Holistic Approach to New Channel Development**

By: Jim Gitney, Group50 Consulting

To gain a competitive edge, every project needs to take a holistic approach. Changes in one process or program will weave its way throughout an organization and its markets. When making changes to the marketing and sales channels, some work needs to be done early in the project to assess the

implications of change. Failure to consider this may cause irreparable damage to the company's sales, clients and reputation in the marketplace.

Take introducing a product into a new channel of distribution as an example. The company knows current markets well and has setup programs and processes to support the existing channels. When a new channel is contemplated, there are many interrelated issues that must be dealt with. They include:

1. The ability of the existing brand to support a new channel
  - a. Co-op, merchandising, marketing, corporate communications, collateral, materials, etc.
2. How existing customers will be affected by this new channel
3. Competitive responses
4. Business processes to support the change or addition
  - a. Vendors, distribution, facility space, volume fluctuations, personnel, capital requirements for inventory, facilities, collection float, etc.

*Example:*

Let's assume we have a product that is two stepped from distributors to doctors to consumers and that we want to sell the product through retail. Understanding the requirements of the new channel is critical. The company needs to consider the end user and the retail partner. Retail requirements will be very different. Retailers want to have well thought out merchandising and co-op programs. They want programs that will include volume discounts, local advertising support, brand building activities and they may want exclusivity in the retail channel. Retailers may want you to buyout the product in the shelf space you want to occupy. They will have unique shipping requirements. In the case of Wal-Mart, they may want you to do vendor managed inventory. All of these issues will require a change in the way the client does business. Those changes will affect the cost structure of the business and impact existing channels of distribution.

Of major concern is whether or not existing customers will feel threatened by the new distribution channel. Some investigation is required to assess the potential impact. Preserving the existing client base is a high priority to protect the company in case the new channel doesn't meet expectations. In this example, if there is alternate product in the marketplace that is exclusive to the channel, the doctors will exit the product rather than try to compete with retailers. One approach to dealing with this issue is to create another brand that will not impact the existing channels. This approach has a higher initial

cost but protects the existing business.

Spending some project time on financial impact is an important part of any project. If existing customers are threatened by the new channel, then an analysis needs to be done to assess the impact of sales moving from one channel to another. In the previous example, profit margins are historically higher with distribution through doctor's offices than retail. Because there is a significant swing in volume, the project needs to address the expected impact to the income statement.

There are other impacts to the income statement that need analysis. Understanding the cost for a retail rollout is critical to the company. Retailers want to be assured that there is sufficient inventory and manufacturing capacity for their product. They don't want empty shelves. This may require expenditures for increased inventory levels and additional manufacturing capacity. Other expenses include marketing the product, the initial sell-in costs and store set-up kits for each retail location. Training costs are often forgotten, but when implementing a new channel, the company may have to create parallel systems and processes because of their unique support requirements. This requires training for the sales, marketing, customer service and supply chain people. Good ideas have often failed because of poor preparation.

Businesses need to be prepared to anticipate the gut wrenching change that new channels bring and understand the implications throughout the organization and its financials. If the company is using a consulting company to help with the implementation, they need to pick a firm that has experienced people who have lived through those changes.

#### About Group50 Consulting

*Group50 Consulting consists of seasoned executives who have worked for companies that are known for best of class marketing and sales. Our consultants are former executives who have spent the majority of their careers in outstanding companies and have experience in multiple disciplines. We have many resources we can rely on. Our consultants come from companies like Black & Decker, Avery Dennison, Sunbeam, Stanley Tool Works, Sealy, Pillsbury, Baxter and others. We understand what it means to implement a project and live with the results. We treat every project as if we own it and have to live with the results. So, when we work on a project for a client, our recommendations will include a complete assessment of the implications of the project throughout the organization. Consultants who have learned these lessons from their operating roles are worth their weight in gold and should be what every company looks for. You can get more information about Group50 Consulting at [www.group50.com](http://www.group50.com)*

## About MDG

Market Development Group Inc. (MDG) is a professional organization specializing in value added, quick turnaround and fast payback of sales, marketing and product management solutions for entrepreneurial, mid-sized and Fortune 500 companies. MDG has over 50 clients nationwide.

## MDG Provides the Following Benefits to Its Clients

Revenue/profit growth by finding and developing new sources of revenue

- Sales and marketing programs implemented timely and cost-effectively
- Gathers and provides critical market research to help clients make better informed strategic decisions
- Increased competitive advantage through "SWOT" (Strengths, Weaknesses, Opportunities, Threats) Analysis

## MDG Difference/Why You Should Work with MDG

## What Our Clients Say About MDG

MDG was a significant factor in taking a business unit from six figures to middle seven figures. MDG has some "quick and dirty" ways of getting a lot of information without spending a lot of money and time.

*Ron Prescott - President, RJP Inc.*

MDG is dependable, thorough, meets deliverables, and keeps you informed.

*John Pendergrass - COO, TRW-Lucas NovaSensor*

MDG is a very focused, cost-effective way to generate marketing information and strategic data.

*Dave Marshburn - Sr. Director, Seagate Technologies*

MDG provided me with a marketing plan that I could use to develop a larger client base. MDG can zero in on what the objective is, reduce some of the minutia you're going through, and put together a marketing program that really

MDG provides a unique blend of customized, practical, objective, timely and cost effective business development, market research/market intelligence and "road maps" to successful program implementation services. MDG's mission is to deliver a fast R.O.I. to all clients. As an objective independent service provider, MDG is able to craft creative solutions for our clients. MDG is the originator of "The Rapid Response High Impact Sales Plan™."

works for you.

*Darren Merritt - VP, Boardwalk Investments*

MDG is proactive, has excellent follow-through, and exceeds service expectations.

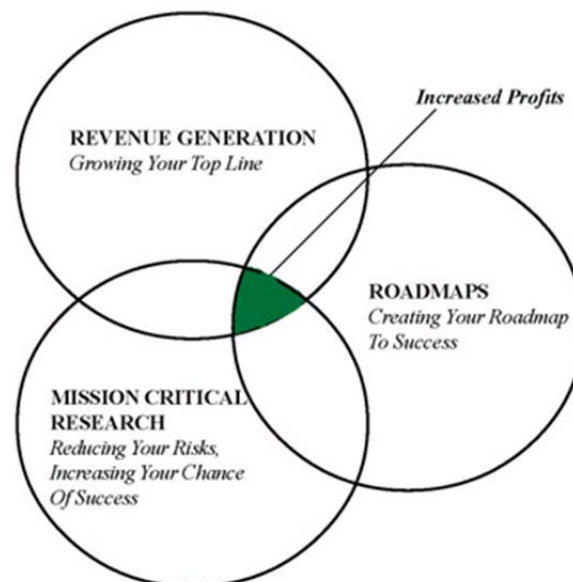
*Todd Schuelke - Vice President, Eclipse Group, Inc.*

MDG's willingness to take the extra step, spend the extra hours and pull the team together was a big ingredient to our current success.

*Albert R. Steele - President, CBC Industries*

## Increasing Sales and Profits Quickly and Cost Effectively

### This Is How MDG Helps Its Clients





### **Revenue Generation:**

- Increasing Closure Rate
- Finding Untapped Markets
- Time/Territory Management
- Developing New Channels
- Business Development



### **Research:**

- Helping Companies Make the Right Mission Critical Decisions
- Customized Market Research
- Competitive Intelligence
- Opportunity Identification
- Customer Surveys
- Finding Acquisition Candidates



### **Roadmaps:**

- Strategic Marketing Plans
- Rapid Response High Impact Sales Plans

## **Contact Information**

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