

Market-Leading CEOs as Accelerators



SBI Chief Executive Officer Advisory Board Fall 2020

In Q320, SBI's Research Institute interviewed over 1,300 CEOs on their strategy for 2020 and beyond and identified three camps: Accelerators, Observers, or Survivors. This fall, SBI gathered a small group of those CEOs to discuss their strategy for winning the remainder of 2020 and going into 2021. Less than a dozen B2B CEOs in software, transportation and logistics, and media in global public and private companies gathered to share challenges and emerging best practices in a high-trust environment.

Key operating principles of the Advisory Board:

- 1) Peer-to-peer connection and learning
- 2) Address challenging hot topics in the market
- 3) Emerging best practices of best-in-class CEOs

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Topic 1: Data to Drive Execution			
Aligning the team around a common fact base allows market leaders to respond faster than competitors	Companies that establish a fact base can use a common "metric language" throughout the organization. This language drives commercial interlock and allows the team to move with more agility and conviction.	By agreeing on the fact base, the commercial leadership team spends less time arguing over data and can instead focus on the commercial actions that will drive revenue growth.	
Enabling the leadership team to drive accountability for leading indicators which ultimately drive value creation	While lagging indicators, like revenue, are important, most companies spend too much time and energy on these. Metrics need to be linked to the corporate strategy and cascade to drive the right behaviors.	Market leaders focus on behavioral and leading indicators at the functional level to drive decisions and align accountability in the organization. This approach helps the commercial teams execute on the highest impact strategies.	
Moving up the analytics maturity model improves commercial effectiveness by 3-7%	Companies that climb the analytics maturity model will generate incremental value from their data. The maturity model is described below: Descriptive - What happened? Diagnostic - Why did it happen? Predictive - What will happen next? Prescriptive - What should we do?	Companies that are using predictive analytics have an advantage over competitors, and those that use prescriptive analytics are capitalizing on this advantage to grow faster than the market. Pushing these capabilities to front line managers and individual contributors accelerates the impact.	
Topic 2: Executing a "Back to the Base" Strategy			
A structured and in-depth approach to customer segmentation is necessary to develop the right strategy	Market leaders understand share of wallet by customer and buying center. They use a ROAD (Retain, Opportunistic, Acquire and Develop) model to assign the right resources to each account.	Instead of stopping at high level TAM and rudimentary segmentation, market leaders measure potential and propensity to buy at the buying center (geography, business unit, or function). The right people and processes can then be deployed precisely, to maximize growth.	
Executing on the back to the base strategy can improve bookings per rep 11-14%	To effectively capture buying center potential within accounts, market leaders need to deploy custom pricing, packaging, coverage, and enablement.	Companies that customize pricing and packaging are easier to buy from. By aligning the coverage approach and enabling the team, they improve win rates and drive commercial efficiency.	





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Topic 3: Digital Evolution			
Digital evolution can improve commercial efficiency 4-8%	Digital transformations are risky. Our research indicates 70-95% of them fail. By mapping the customer journey and understanding the points of friction, companies can prioritize their digital efforts on higher probability initiatives.	By focusing on digital evolution, market leaders maximize the return on their digital investments. Each investment in digital evolution is focused on improving commercial efficiency, employee experience, or customer experience.	
Zero base CAC & Cost to Serve to drive 6-11% efficiency.	CEOs have recognized since March 15 that the buyer journey and customer journey have completely changed. New points of friction, digital demands, and additional spending restrictions require a new approach.	CEOs are challenging their CFOs and CCOs to zero base customer acquisition cost and cost to serve. By measuring the return on each role, they shift resources dynamically between Marketing, Sales, and Customer Success.	
New commercial roles provide opportunity to reduce costs by 24-28%	Binary hunter/farmer roles no longer apply. Roles across marketing, sales, and customer success should all be reevaluated based on yield per role and enabled to sell virtually.	The required commercial roles continue to evolve to meet customer needs. Market leaders continuously review their talent portfolio to ensure they are sourcing and retaining A-players. The new A-players can seamlessly shift between digital and virtual interactions and help buyers complete their journey.	