

An Approach to Selling that's World Class

Although Lex is a UK company operating nationwide, it practises world-class standards across its business. Since its Corporate Division introduced Miller Heiman's methodology in 2006 it has enjoyed sustained sales success and returns beyond the industry norm. What began as a move to unify its sales approach and follow best practice has brought enviable results: dramatically increasing new business revenues; kick-starting regional growth and driving up profits by over 20 per cent.

Lex provides motoring and vehicle services to over 20,000 businesses, including two thirds of FTSE 100 companies. As the UK's number one in fleet management, the company has won countless accolades for customer service and satisfaction, including BusinessCar Leasing Company of the Year Award - seven years out of eight.

Lex Corporate, which operates in all sectors of the market, is responsible for more than half of Lex's 250,000 plus fleet. (The remainder is run by non Lex-branded distribution channels.) The Division employs around 300 people in field sales, office-based sales support and customer service roles and has an annual turnover of £400 million.

Behind Lex's success is a drive to continually improve business processes. So when John Taylor took over as Director of Lex Corporate in 2006, he seized the opportunity to improve overall sales quality by streamlining its approach.

Although Lex had grown organically during the '80s and early '90s, it had previously made a number of acquisitions, and had also been involved in several joint ventures before becoming part of HBOS in 2006. The aim, therefore, was to replace the various legacy sales systems with a single framework based on a common methodology and language.

Better Quality Selling

John's initial desk research pointed in the direction of Miller Heiman. He learnt more about the approach when a colleague introduced him to a family member who, as a practitioner, had extensive implementation experience. **However, the overriding decision point came while he was recruiting a senior business development manager.**

Said John, "When I asked what made him successful, his answer was the Miller Heiman process and that he would continue to use it himself, whether or not Lex actually adopted it as a solution."

"That clinched it for me. You're always looking for people to pull ideas rather than the company pushing them into doing something. If a seasoned professional wanted to use Miller Heiman, then it was likely that the rest of the team would be happy to do so too."

In practice, the Miller Heiman workshops quickly dispelled any concerns the sales force might have had about the change: "Straight away people saw the value of the methodology and realised that they could apply it the very next day and start getting results," added John.

New Business Turn-Round

Lex Corporate now develops new business strategies and manages customer relationships based on Miller Heiman's consistent and rigorous methodology. All sales personnel have been trained in *Strategic Selling*®, which they use to analyse and track every sales situation right through to closure. The new business team integrates the programme with *Conceptual Selling*® to prepare sales calls, while key account managers combine it with the *Large Account Management Process*SM (LAMP®) as part of their strategic planning process.

Since adopting this more professional approach, Lex has seen new business levels rise dramatically. The company has been particularly successful in developing strategies for complex deals involving multiple decision makers and secured major contracts with Rentokil, THUS plc and Taylor Wimpey, for example.

Said John, "At the end of 2004 the unit responsible for 'hunting' wasn't working effectively, but by restructuring and introducing Miller Heiman we've transformed the situation. It was Lex's top-performing sales team in 2007, exceeding its target by 65%, and the group now looks on track to beat that achievement, based on current year-to-date figures."

"In every sales situation we're typically dealing with five or six key people, and need to understand their various roles in the decision making process. We're now in a much better position to gauge our current status with them and to map out the right plan of action to win."

A Trusted Adviser to Key Accounts

This same insight into customer intent and how best to respond has also bolstered Lex's relationship with key accounts and, in turn, its bottom line.

For example, FTSE 250 companies represent a sizeable part of Lex's business, accounting for half of the 130,000 vehicles in its fleet. As customers' requirements become more complex, account managers use LAMP's Gold Sheet for analysis and to map out an effective strategic response.

According to John Taylor Lex has measured the impact of this more structured approach, both in terms of greater penetration of product cross-selling rates, and better account retention, with indices showing that customers stay loyal to the company on average for eight years.

He adds that Miller Heiman's ethos of forming strong collaborative relationships fits well with Lex's ultimate aim of increasing profits by 10 per cent each year:

"There's a school of thought that major customers make a big contribution to turnover but not to profit. However, Lex is producing healthy returns from this part of our customer base by moving away from commoditisation and acting more as a trusted adviser."

"To achieve world-class returns in a market where profits typically grow at one or two per cent, we need to differentiate ourselves through high service standards rather than a transactional approach."

Part of Lex's Success

Miller Heiman is now part of the way Lex does business. Although it's not mandatory to use the processes, sales people regularly produce Blue Sheets for new business situations, including any deals that require authorisation; senior managers review account plans every quarter; and LAMP's Gold Sheet has been incorporated into Lex's broader customer strategy, Gold Print. The company also has plans to integrate the processes with its Customer Relationship Management system.

To ensure the culture stays strong and isn't diluted through natural staff turnover, all new sales recruits attend Miller Heiman workshops during their induction. Similarly, when Bank of Scotland Vehicle Leasing became part of the Division, its employees adopted the core processes.

Everyone has bought into the new approach, with senior managers acting as ambassadors for it and sales people making it part of their success. Without wishing to make it a bureaucratic exercise, the company would now find it difficult to accept a situation where someone who was underperforming wasn't using the methodology.

Miller Heiman has been a powerful enabler for Lex, said John:
"Since we've been using the system, margins have increased by 20 per cent; our regional business is growing for the first time in some years; and the Division's profits have increased by 23 per cent. Better quality selling is producing better results ."