

Case Study | Equipment Manufacturer Distributor Audits

Situation

- A manufacturer of equipment is attempting to grow their share of market
- The primary sales channel is through a network of distributors, integrators and engineering firms
- The ability of these distributors to quickly and effectively respond to requests impacts their sales performance as well as that of the companies' whose products they distribute
- The manufacturer's equipment is a secondary or tertiary line for most distributors. In some cases, distributors are selling competing products
- A preliminary test of brand specific information requests indicated that over 50% of distributors had inadequate responses

Objectives

- Create a system to measure response time and effectiveness
- Provide additional opportunities for in-depth communication about relevant equipment projects
- Develop evaluation tools to gauge response quality and timeliness
- Create feedback mechanisms to share with distributors, integrators, and engineering firms
- Drive actionable results based upon the feedback
- Develop plans and timing for additional audits
- Share best practices and growth information to encourage friendly competition among distributor network

Approach

- · Determine target distributors, integrators and engineering firms for the audit
- Identify potential avenues for placing requests
- Develop consistent messaging for requests
- Develop response shadowing methods
- Determine baseline response requirements
- · Create reporting specifications
- · Conduct audits and capture data
- Generate reports for manufacturer and their distribution network
- Identify performance improvements, set sales goals and improvement targets

Results

- Equipment sales increased over 200% in the first year following the audits
- Distributor audit scores increased overall at least 1 point for all distributors (on a 5-point scale)
- All distributor revenues rose for target equipment as well as other lines
- Increased collaboration between equipment manufacturer and distributor network