

# KEY DEFINITIONS AND MEASURES

## Category 3.0 Market and Sell Products and Services

APQC's Process Classification Framework (PCF)® is a reliable and robust framework used by hundreds of leading companies worldwide. The PCF is made up of 13 categories, as seen in Figure 1. This article highlights the definitions for each element and suggested key performance indicators (KPIs) for category **3.0 Market and Sell Products and Services**, specifically. If you're looking to learn more about the PCF, or download the PCF itself, please visit [www.apqc.org/process-frameworks](http://www.apqc.org/process-frameworks).

### APQC's Process Classification Framework (PCF)®



Figure 1

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# STRUCTURE OF THE ARTICLE

Throughout this article, you will see multiple tables, with different colored headers. They relate to the levels of the PCF (Figure 2).

PCF Levels

LEVEL 1 CATEGORY	11.0 Manage Enterprise Risk, Compliance, Remediation and Resiliency (16437)  Represents the highest level of process in the enterprise in general groupings such as manage customer service, supply chain, finance, and human capital.
LEVEL 2 PROCESS GROUP	11.1 Manage Enterprise Risk (17060)  Groups of processes that are part of executing a category. Examples include perform after sales repairs, procurement, accounts payable, recruit/source, and develop sales strategy.
LEVEL 3 PROCESS	11.1.3 Manage Business Unit and Function Risk (17462)  A single process that may include elements related to variants and rework in addition to the core elements needed to accomplish the process. Examples include invoice customer and develop and manage IT security, privacy, and data protection.
LEVEL 4 ACTIVITY	11.1.3.3 Develop Mitigation Plans for Risks (16458)  A key step performed to execute a process. Examples include maintain chart of accounts and develop salary/compensation structure and plan.
LEVEL 5 TASK	11.1.3.3.1 Assess Adequacy of Insurance Coverage (18129)  An element of work that goes into executing an activity. They are generally much more fine-grained and may vary widely across industries. Examples include create a business case and obtain funding, and design recognition and reward approaches.

Figure 2

Where applicable, additional rows will be added to the tables with suggested KPIs and metric IDs. Below is a definition of the different elements and numbers you will see throughout the article.

## Element Name

This is the name of the element within the PCF. For example, “Manage supply chain for physical products,” as seen in Figure 3.

4.0 Manage supply chain for physical products (20022)
Performing supply chain activities include planning supply chain, procuring materials and services, and managing logistics.

Figure 3

## Hierarchy ID

In the PCF, there are identifying numbers to the left of each process element (each Category, Process Group, Process, Activity, or Task). These numbers are called hierarchy ID numbers and

are used by people to help quickly locate a specific process element. Figure 4 has an example of “4.0.”

4.0 Manage supply chain for physical products (20022)
Performing supply chain activities include planning supply chain, procuring materials and services, and managing logistics.

Figure 4

**Element ID**

The numbers to the right of the process elements (20022 in Figure 5) are called process element identification numbers. Each process element in the PCF has a unique five-digit reference number.

4.0 Manage supply chain for physical products (20022)
Performing supply chain activities include planning supply chain, procuring materials and services, and managing logistics.

Figure 5

**Element Definition**

Each element in the cross-industry PCF has a definition associated with it. The definition is designed to provide detail and information around what type of work the element consists of.

In Figure 6, and for all elements in this article, you’ll find the definition directly under the colored heading that contains the name of the process element.

4.0 Manage supply chain for physical products (20022)
Performing supply chain activities include planning supply chain, procuring materials and services, and managing logistics.

Figure 6

Outside of the Key Definitions and Measures articles (like this one), element definitions can be found in the [Excel version](#) of the PCF, which includes a tab that has definitions for each element.

**Key Performance Indicators (KPIs)**

A KPI is a specific measure used to gauge a quantifiable component of an organization’s performance at the functional, process, or activity level.

KPIs typically correspond to the organization’s critical success factors and business goals.

Throughout this article, KPIs (when available) will show up in a table underneath the element definition (Figure 7). The KPIs will be listed in the right column and the metric IDs will be listed in the left column.

4.1 Plan for and align supply chain resources (10215)	
Creating strategies for production and materials. Handle the demand for the products of the organization. Develop plans for handling materials. Develop and administer the schedule for master production. Plan for distribution requirements and its constraints by reviewing and assessing distribution policies and performance and by establishing quality standards and procedures.	
Suggested KPIs for Process Group 4.1 Plan for and align supply chain resources (10215)	
Metric ID	KPI
100395	Cash-to-cash cycle time in days
100654	Demand/supply planning costs per \$1,000 revenue

Figure 7

**Metric ID**

Where KPIs are available, there is a metric ID included for KPIs that can be found in [APQC’s Benchmarks on Demand portal](#). The metric ID can be utilized by organizations to search for data related to that metric, such as top, bottom, and median performers.

Throughout this article, KPIs (when available) will show up as a table underneath the element definition (Figure 8). The KPIs will be listed in the right column and the metric IDs will be listed in the left column.

4.1 Plan for and align supply chain resources (10215)	
Creating strategies for production and materials. Handle the demand for the products of the organization. Develop plans for handling materials. Develop and administer the schedule for master production. Plan for distribution requirements and its constraints by reviewing and assessing distribution policies and performance and by establishing quality standards and procedures.	
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Metric ID	KPI
100395	Cash-to-cash cycle time in days
100654	Demand/supply planning costs per \$1,000 revenue

Figure 8

## DEFINITIONS AND SUGGESTED KEY PERFORMANCE INDICATORS (KPIs)

### 3.0 Market and Sell Products and Services (10004)

Outlining process groups related to understanding markets, customers, and capabilities; developing marketing strategies; executing marketing plans; developing sales strategies; developing and managing marketing plans; and managing sales partners and alliances.

### 3.1 Understand markets, customers, and capabilities (10101)

Making sense of the market and customers to identify the right opportunities to be capitalized, given the organization's competencies. Discern trends and shifts in the market and customers. Identify the right market opportunities that fit closely with the organization's capabilities and strategy by gathering intelligence on various attributes of different market/customer segments.

#### 3.1.1 Perform customer and market intelligence analysis (10106)

Gathering intelligence on the market and customers. Closely examine the inherent attributes and collective behavior of the various market and customer segments. Track trends in the market. Determine what drives the customers to make purchasing decisions in order to identify opportunities in the market.

#### 3.1.1.1 Conduct customer and market research (10108)

Carrying out research studies to understand the behavior of customers and the realities of the market. Undertake research to understand the market conditions as well as the characteristics, drives, and desires of prospective customers. Gather highly contextualized intelligence through primary and secondary research methods, with the objective of gaining insights over how to best seize a market opportunity. Consider assistance from professional research services.

#### 3.1.1.1.1 Understand consumer needs and historical behaviors (10114)

Identifying the factors that drive the targeted market segment. Model customer purchasing patterns and forecast their future purchasing behavior.

#### 3.1.1.1.2 Predict customer purchasing behavior (21424)

Using customer segmentation tools to examine past customer behavior to predict future purchasing patterns.

#### **3.1.1.2 Identify market segments (10109)**

Identifying a section of the customer population to target for marketing products/services. Create segments within the customer population for targeted marketing campaigns, which increase the efficacy of marketing outlay. Determine the right customer segments, craft effective marketing messages, and efficiently communicate them. Determine the optimal pricing mix. Consider assistance from professional services for market segmentation studies, with coordination and oversight from the marketing/sales functions.

##### **3.1.1.2.1 Determine market share gain/loss (10115)**

Determining the increase or decrease of the company's sales volume in the targeted markets. Conduct an analysis to determine the factors and underlying causes that affect the changes in the demand for products or services offered. Consider changes in offerings or in the business strategy to regain or increase the market share.

#### **3.1.1.3 Analyze market and industry trends (10110)**

Examining large-scale shifts and trends, with relevance to the organization's products/services. Vet the industrial and larger market landscape to identify broad-based movements that could have a direct or tangential impact on the uptake of the organization's products/services. Examine, among other things, the market capitalization of similar products, the profitability of organizations offering competing products/services, the stock price of key vendors/suppliers in the organizational value-chain, the rate and scale of innovation activity in the organization's product/service category, the price and availability of raw materials, and the shelf-life of similar products/services. Conduct primary and secondary research and consider enlisting professional services.

##### **3.1.1.4 Analyze competing organizations, competitive/substitute products/services (10111)**

Examining the strengths and weaknesses of competing organizations. Assess competing organizations for offerings, product strategy, marketing and delivery channels, etc. Analyze the usability experience, durability, USP, and other key attributes of competing and substitute products. Gather competitive intelligence and consider enlisting professional services.

##### **3.1.1.5 Evaluate existing products/services (10112)**

Examining the brands owned and products offered in the market. Determine the relative position of the existing products/brands in the marketplace.



#### **3.1.1.6 Assess internal and external business environment (10113)**

Understanding the culture and environment in which you're operating. Analyze how internal decision-making, thought processes, financial circumstances, and more affect the ability to bring new products to market. Survey or analyze the market into which the products would be introduced.

#### **3.1.2 Evaluate and prioritize market opportunities (10107)**

Appraising market opportunities by quantifying and subjecting them to prioritization, as well as validation tests. Closely examine the market opportunities that have been identified by Perform customer and market intelligence analysis [10106]. Triangulate those opportunities to capitalize by finding a fit between identified opportunities and the composite of organizational capabilities and business strategy.

##### **3.1.2.1 Quantify market opportunities (10116)**

Attaching quantifiable indicators to opportunities that have been identified in the market. Compute estimated figures of the approximate value that can be captured with the provision of existing products/services (i.e., the extent of financial benefits that can be reaped in the market).

##### **3.1.2.2 Determine target segments (10117)**

Identifying the targeted segment of customers. Deduce those particular customer segments that are to be targeted from among the market segments.

###### **3.1.2.2.1 Identify under-served and saturated market segments (18941)**

Determining which groups of potential customers do not yet, or already do have access to the product or a service that the company produces or markets. Use those findings to create specialized product offerings and differentiated marketing campaigns.

##### **3.1.2.3 Prioritize opportunities consistent with capabilities and overall business strategy (10118)**

Creating an index of market opportunities and arranging them in order of preference. Prioritize based on the opportunities' adherence to the overall business strategy. Correlate with the competencies and capacities that the organization, as a whole, processes.

##### **3.1.2.4 Validate opportunities (10119)**

Confirming the practicability and reasonableness of the market opportunities that have been identified. Give substance to the real-time feasibility of the market opportunities.

#### **3.1.2.4.1 Test with customers/consumers (10120)**

Validating identified market opportunities by testing company's offerings on limited-size samples of the consumer population that are hypothesized to be representative of the target market at large and to have similar purchasing behavior. The feedback gained through consumer testing can be used to modify or reject product offerings before their full-scale launch, saving the company valuable resources, should the initial offering not be successful.

#### **3.1.2.4.2 Confirm internal capabilities (10121)**

Verifying that the company has sufficient infrastructure and resources to deliver their offerings in a timely and cost-effective manner, and that it is able to scale up from the small-scale market samples, used for consumer testing, to the entire identified market segment.

### **3.2 Develop marketing strategy (10102)**

Charting a strategic course for marketing products/services. This will include defining the value proposition, creating a mechanism for pricing, and determining the right mix of marketing channels. Create a specific positioning and branding for the organization's offerings. Enlist marketing head to lead, with inputs from the business development and sales functions.

#### **3.2.1 Define offering and customer value proposition (11168)**

Refine the attributes of organizational offerings to define their value proposition for the customer. Clearly define the suite of offerings in terms of the value delivered from the perspective of what the customer desires. Validate the benefits delivered to the customers against target market segments, using techniques such as minimum viable product. Position brands for the respective products/services, in line with their unique value proposition and aligned with customers' needs.

#### **3.2.1.1 Define offering and positioning (11169)**

Defining problem(s) that the organization's products/services solve for the customers, thereby determining how they are positioned in the market. Refine the product/service concepts from the perspective of customers. Succinctly outline the problem the organization's offerings solves for the customers, making a case for why the customer should buy a product or use a service. Define the offering's unique value.

#### **3.2.1.2 Develop value proposition including brand positioning for target segments (11170)**

Boosting the attractiveness of products/services to the targeted customers and creating a unique brand projection around these features. Identify and enhance those product/service features that reinforce the attractiveness of these offerings, for these segments of customers. Underscore the perceived value delivered to the customers by clearly specifying the relevance and desirability of these products/services. Once it has been clarified how the organization's offerings meet the customer's expectations or deliver specific benefits, position the brands around these benefits.

#### **3.2.1.3 Validate value proposition with target segments (11171)**

Validating the desirability of the perceived value delivered by the organization's offerings, to the targeted customer segment. Substantiate the value of the benefits accrued to the customers through the organization's offerings. Justify the value proposition in light of the targeted segments by gathering feedback (using teaser demonstrations, surveys, interviews, primary research studies, and customer case studies). Corroborate the benefits of the organization's offerings.

#### **3.2.1.4 Develop new branding (11172)**

Creating branding collaterals and campaigns that carve a significant and differentiated presence for the organization's offerings. Create new collaterals, which include names, designs, and symbols, for their products/services. Ensure collaterals reflect the unique value proposition of the respective offerings through a consistent theme. Create advertising and promotion campaigns.

### **3.2.2 Define pricing strategy (10123)**

Creating a pricing strategy and mechanism that aligns with the benefits of the products/services, as perceived by customers. Chart a strategic course and a methodology that can guide the pricing of products/services. Draw heavily from the customer value proposition and balance the expectations of different divisions inside the organization, while delivering the maximum ROI.

#### **3.2.2.1 Conduct pricing analysis (13169)**

Analyzing marketing objectives, consumer demand, product attributes, competitors' pricing, and economic trends to determine optimum prices for the set of products and services that the company offers or intends to offer by delivering maximum ROI.

#### **3.2.2.2 Establish guidelines for applying pricing and discounting of products/services (10124)**

Creating a framework that allows for a uniform methodology while determining the price of individual offerings. Devise a blueprint for establishing the pricing of specific products/services. Create guidelines that factor in the cost of production/servicing, price sensitivity, product lifecycle, and the price of competing/substitute products.

#### **3.2.2.3 Establish pricing targets (19999)**

Determining optimum prices for individual products or services on the basis of the cost of producing, distributing and marketing the offerings, pricing analysis and general pricing strategy.

#### **3.2.2.4 Approve pricing strategies/policies and targets (10125)**

Confirming the strategy and specifications developed for pricing the organization's products/services. Approve pricing guidelines by vetting the soundness of the methodology and the guidelines' alignment with the value proposition.

### **3.2.3 Define and manage channel strategy (20000)**

Establishing all the activities needed to identify the appropriate channels to market to different customer segments as defined in Determine target segments [10117]. This involves finding channel partners, ensuring that the channels align with organizational strategy for each segment, and the final channel selection process.

#### **3.2.3.1 Determine channels to be supported (20001)**

Deciding which distributors, wholesalers and retailers the company will use to promote its offerings and to distribute its products and services to the target market. Narrowing down which intermediaries the company will use will affect retail prices of individual products, and should therefore be included in the pricing analysis.

#### **3.2.3.2 Establish channel objectives (20002)**

Identifying the role that each chosen marketing channels plays in the larger distribution network with respect to the organizational marketing strategy. Determine intermediary costs for shipping, handling, transporting, warehousing, insurance and marketing that incur and accumulate in the distribution channel.

#### **3.2.3.3 Determine channel role and fit with target segments (10127)**

Analyze the various channels for their relevance to the targeted segments. Identify the channel that can effectively market to the targeted customers in regard to the drives, desires, and characteristics of these populations, their uptake, extent of engagement, frequency of use, and effectiveness in communicating.

#### **3.2.3.4 Select channels for target segments (10128)**

Choose the most pertinent marketing channel for the targeted segments (based on Determine channel fit with target segments [10127]).

#### **3.2.3.5 Identify required channel capabilities (20003)**

Determining the maximum output rate required from a distribution channel to optimally market and deliver the products and services the company offers or would like to offer. Ideally, a channel should be able to adapt to a certain degree of variability in the demand for the offerings, and able scale up if needed.

#### **3.2.3.6 Evaluate channel attributes and potential partners (10126)**

Assessing the attributes of all marketing channels, and evaluating the key partners in those channels. Closely examine the various characteristics of all available marketing channels such as the cost of using them, durability of impact, applicability to the organization's products/services, turn-around time, involvement of middlemen, and conversion rate. Analyze key partners in the marketing channels including those who have been associated with the organization; evaluate their capabilities, the scale and scope of their operations, quality of support provided, etc.

#### **3.2.3.7 Orchestrate seamless customer experience across supported channels (20004)**

Coordinating marketing and distribution efforts across different channels that integrate well with each other, are in conformance with company values, visual identity and branding, and offer uniform customer service experience that drives customer loyalty and repeat business.

##### **3.2.3.7.1 Define omni-channel strategy (16590)**

Devising a strategy to market company's products or services seamlessly through all or most channels that are in widespread use among the target market. This may mean cross-channel access to customer preferences and purchasing history to accept returned merchandise, provide refunds, resolve payment issues or to provide technical support.

#### **3.2.3.7.2 Define omni-channel requirements (16591)**

Identifying necessary preconditions that a channel should fulfill in order to be included as one of the adopted channels, such as required throughput capacities, service capabilities, competitive pricing, and alignment with organizational marketing strategies.

#### **3.2.3.7.3 Develop omni-channel policies and procedures (16592)**

Determining the detailed policies and procedures that each of the channels needs to follow in order to conform to the organizational marketing strategy and to provide seamless customer service experience.

#### **3.2.3.8 Develop and manage execution roadmap (20005)**

Determining the actions that need to be taken for successful multichannel marketing, the ordering, timing and dependencies of the steps, and the governance mechanism for reviewing and changing the protocol, if needed.

### **3.2.4 Analyze and manage channel performance (20006)**

Monitoring marketing and distribution efforts of all channels individually and as a network. Re-distribute or add resources to channels that perform better than expected. Purge or consolidate under-performing channels, and find more promising replacements.

#### **3.2.4.1 Establish channel-specific measures and targets (16573)**

Determining measurable parameters to be used for comparing the performance of different marketing channels. Decide on benchmarks and values for optimum or desired performance.

#### **3.2.4.2 Monitor and report performance (16574)**

Tracking trends and changes in performance inside individual marketing channels and in channels collectively. Summarize and document results. Alert relevant parties about significant or unexpected deviations from expected behaviors.

#### **3.2.4.3 Monitor and report events influencing factors (16575)**

Analyzing the factors and circumstances that influence desired outcomes. Communicate core findings to relevant parties.

#### **3.2.4.4 Analyze channel performance (16500)**

Conducting an analysis to review channel performance with respect to chosen metrics, benchmarks and performance targets [16573]. Compare to past performance and forecasts for the channel.

#### **3.2.4.5 Develop plan for channel improvements (16501)**

Devising a course of action to be taken to improve under-performing channels and to promote or expand channels that surpass expectations.

### **3.2.5 Develop marketing communication strategy (16848)**

Establishing marketing communications that deliver promotional messages, in a coordinated way, through multiple marketing channels, such as print, radio, television, direct mail, online or mobile advertising, email, social media or personal selling.

#### **3.2.5.1 Develop customer communication calendar (16849)**

Timing and scheduling the delivery of marketing messages to maximize their impact on customer purchasing behavior. Integrate individual messages to larger marketing campaigns and to seasonal purchasing patterns.

#### **3.2.5.2 Define public relations (PR) strategy (16850)**

Deciding how to promote and maintain a favorable public image of the company in the eyes of its employees, customers, investors, suppliers, politicians or the general public. This may involve various means but is frequently conducted through publicity, education, corporate social responsibility, charitable causes or civic engagements.

#### **3.2.5.3 Define direct marketing strategy (16851)**

Devising a master plan how to select potential customers or qualified clients for customized offers, and contact them on one-to-one basis through chat, phone, email or regular mail. The strategy would need to take into account that personalizing offers and contacting customers individually is an effective but resource-intensive marketing technique, and that ill-targeted offers risk at angering and alienating the contactees.

#### **3.2.5.4 Define internal marketing communication strategy (16852)**

Developing a program to promote the objectives, values, products and services of the company to its employees by treating them as potential customers, in order to extend company client base, increase employee engagement or to foster brand advocacy.

#### **3.2.5.5 Identify new media for marketing communication (16853)**

Finding emerging media based on digital or other technologies that would enable the company to increase the speed and volume of marketing communications, to make communications more interactive and to customize promotional messages more easily to the target audience, thus rendering them more effective.

#### **3.2.5.6 Define new media communication strategy (16854)**

Developing a marketing strategy that is maximally effective in a new or emerging media channel by capitalizing on its novel attributes and capabilities.

#### **3.2.5.7 Define point of sale (POS) communication strategy (16855)**

Establishing a framework for coordinated marketing to increase profitability and increase brand awareness at the point of sale. This may include promotional posters on product shelves or island displays, advertisements in shopping carts, stickers on the floor that lead consumers to the promoted product, multi-buy promotions, coupons on sales receipts, etc.

#### **3.2.5.8 Define communication guidelines and mechanisms (18627)**

Establishing standardized procedures for effective communication that maximizes ROI, promotes brand awareness and respects customers. In its simplest form, it includes a message (what is to be said), a target (to whom the message is reaching) and a medium or a channel (where the message is to be said).

### **3.2.6 Design and manage customer loyalty program (18924)**

Creating and managing a customer loyalty program. The loyalty program is a key part of marketing, with an elaborate strategy and process for acquiring, retaining, and engaging with members. Members are engaged and acquainted to the loyalty program, thus growing relationship and adding value through the program.

#### **3.2.6.1 Define customer loyalty program (20007)**

Devising procedures and mechanisms to retain existing customers, promote repeat business and increase the likelihood that previous customers to continue to buy products or services from the company. This may be achieved by rewarding customers for repeat business by means of gifts, discounts, redeemable "points", or prioritized access to new products, events or services.



#### 3.2.6.2 Acquire members to customer loyalty program (18925)

Convincing customers to register their personal information with the company and be assigned a unique identifier that they use when making purchases. The identifier makes it easier for the company to track customer purchases. Customers are rewarded by various incentives that encourage repeat business [20007].

#### 3.2.6.3 Build engagement and relationship with members (18926)

Building deeper relationships between a customer and a brand in order to promote customer loyalty and derive repeat business. Besides making frequent purchases, highly engaged customers refer family, friends and colleagues to make purchases as well, consume and re-broadcast promotional materials, provide feedback to the purchases they make and do not support competing brands.

#### 3.2.6.4 Monitor customer loyalty program benefits to the enterprise and the customer (16633)

Surveying and tracking the benefits of customer loyalty programs both for the company and for customers. Compare with comparable loyalty programs instituted in competitor companies. Propose changes as needed to keep up with market trends.

#### 3.2.6.5 Optimize loyalty program value to both the enterprise and the customer (18927)

Enhancing the customer loyalty program so that it will yield maximum value both for the company and for the patrons enrolled in the program, increasing customer retention and continued engagement.

### 3.3 Develop and manage marketing plans (20008)

Creating specific plans to market offerings to customers. This process group includes processes for making budgets, identifying and developing media, pricing products and services, managing packaging, managing marketing content and promotional activities, tracking and responding to customer insight and monitoring measures established within "develop marketing strategy". Additionally, in this process group, organizations take action on plans made in earlier processes. Here, marketing and customers are managed and measured along with any supporting materials.

#### Suggested KPIs

Metric ID	KPI
100025	Budget for marketing as a percentage of revenue
100859	Marketing budget per marketing FTE

### **3.3.1 Establish goals, objectives, and measures for products/services by channel/segment (10148)**

Determining what to achieve by marketing. Create qualitative and quantitative targets. Establish metrics to track performance (for individual Market segments [10109] and Channels for target segments [10129]). Enlist the head of marketing to determine marketing priorities and the related measures. (The decision in establishing these goals, objectives, and metrics is founded in Develop marketing strategy [10102] and takes cues from current priorities and organizational strategy.)

### **3.3.2 Establish marketing budgets (10149)**

Creating a budget for the organization's marketing efforts, in line with the business-wide strategic outlook. Create a plan to distribute resources for achieving the marketing strategy in light of the overall business strategy. Make cost assumptions; calculate the estimated total revenue from the marketing activities against the costs/expenses of these activities. Forecast the return on investment. Attribute costs to the appropriate marketing activities such as promotional campaigns, advertising, marketing communications, PR campaigns, personnel, and office space. Enlist the financial and marketing functions.

#### **3.3.2.1 Confirm marketing alignment to business strategy (10155)**

Ensuring corroboration of the marketing strategy and the organizational strategy. Ensure the organization's marketing strategy/plan aligns with the overall business strategy. Fine-tune the marketing plan according to the organizational strategy.

#### **3.3.2.2 Determine costs of marketing (10156)**

Calculating the total cost of marketing the organization's portfolio of products/services. Calculate the total outlay needed for promoting, selling, and delivering the organization's products/services to customers. Account for all costs to acquire customers and sustain a relationship with them. Include the expenses needed for promotional actives, warehousing, transactional costs, and distribution of the organization's offering.

#### **3.3.2.3 Create marketing budget (10157)**

Estimating the outlay required for promoting, selling, and distributing the products/services of the organization. Add up the expenses of all activities necessitated in marketing, such as promotional campaigns, advertising, marketing communications, PR campaigns, employing skilled personnel, and office space.

#### **3.3.2.4 Determine projected ROI for marketing investment (17683)**

Estimating how much profit the company would generate for its expenses on marketing . Forecasted return on investment, used as a metric to gauge the efficiency of marketing, is beneficial in revising marketing budgets and adjusting costs to improve the overall yield.

#### **3.3.3 Develop and manage pricing (20593)**

Determining and maintaining a pricing mechanism based on forecasted sales and that enables a pricing equilibrium for the lifecycles of products/services. Create a pricing mechanism, factoring in attributes relating to the market, customers, sales, and the cost of production. Implement this pricing mechanism over all products/services. Analyze its performance, and adjust accordingly.

##### **3.3.3.1 Understand resource requirements for each product/service and delivery channel/method (20009)**

Determining the production and distribution costs for each product or service, and each channel or method as factors in determining overall pricing.

##### **3.3.3.2 Determine corporate incentives (18948)**

Introducing financial inducements, such as discounts, to distributors, resellers or vendors as a motivation to prioritize selling company's products or services over those of its competitors.

##### **3.3.3.3 Determine pricing based on volume/unit forecast (10163)**

Establishing a dynamic pricing mechanism for the organization's offerings that is supported by the number of units in production. Outline a system for determining the optimum price point for each product/service. Based this model on an estimation of the volume of anticipated sales for each offering and variable costs.

##### **3.3.3.4 Execute pricing plan (10164)**

Implementing the pricing mechanism to determine prices for all individual offerings in the organizational portfolio. Calculate the prices of all offerings based on the established methodology and/or formulaic structure.

#### **3.3.3.5 Evaluate pricing performance (10165)**

Examining the efficiency of pricing with the objective of identifying any divergence from the equilibrium prices and avoiding any deadweight loss. Gauge the performance of the pricing plan by tracking growth in the revenue and/or customer uptake, secured as a result of new prices. Measure the performance of pricing by periodically checking the profits generated from the sale of each of the organization's offerings against the backdrop of any events that may have influenced the uptake of a certain good/service by the customer base.

#### **3.3.3.6 Refine pricing as needed (10166)**

Refining the pricing mechanism to create equitable prices for all products/services with the objective of maximizing the profits and/or customer uptake of these offerings. Reconcile the pricing mechanism in order to achieve equilibrium pricing. Adjust the prices for all of the organization's offerings, using the insights gleaned from examining how much profit or customer uptake is generated by the present pricing strategy.

#### **3.3.3.7 Implement promotional pricing programs (11495)**

Managing schemes that offer lower pricing for a limited time as a promotional and sales incentive when launching a new product or a service.

#### **3.3.3.8 Implement other retail pricing programs (11496)**

Determining the optimum consumer pricing for each product or service at the point of sale, based on production and distribution costs and estimated sales volume.

#### **3.3.3.9 Communicate and implement price changes (11497)**

Assigning new prices or pricing adjustments to products or services to replace the original base prices. Update the prices in product catalogs and databases, and disseminate the information through all involved distribution and marketing channels.

#### **3.3.3.10 Achieve regulatory approval for pricing (17684)**

Obtaining internal price approvals and governmental approvals that are required for licensed products and for products that can be reimbursed by the government.

#### **3.3.4 Develop and manage promotional activities (20010)**

Conceptualizing, testing, and executing product/service/brand promotions. Once a promotion has launched, this process continues as the organization tweaks parts of the promotion or chooses to use ideas or lessons learned during the promotion in future activities. The promotion's performance according to organizational measures is also evaluated in this process. Determine early on whether you need third party help with promotion. Purchase lists, consult with social media experts, hire seasonal staff, or pay for additional research.

##### **3.3.4.1 Define promotional concepts and objectives (10167)**

Outlining a conceptual framework for all promotional activity in order to create an overarching aspiration and ensure consistency. Create a plan for running promotional programs and designing the associated activities in order to increase visibility or sales. Determine how the organization quantifies what it wishes to achieve from these activities, what sort of messages the organization comfortable publicizing, what channels the organization wishes to employ, etc.

##### **3.3.4.2 Develop marketing messages (10159)**

Developing the central messages for a segment of its customers. Craft concise statements that position the value proposition of individual products/services around the pressing concerns in the market, thereby showing how the organization's offerings are the right fit for the customers.

##### **3.3.4.3 Define target audience (10160)**

Determining the appropriate audience to direct marketing efforts at. Identify the particular group of customers to target. Discover the appropriate customer groups at a micro-level. Use techniques such as segmentation analysis, whereby the entire population is sliced according to certain demographic or behavioral attributes.

##### **3.3.4.4 Plan and test promotional activities (10168)**

Developing a scheme for executing the promotional programs and campaigns, and testing these on sample audiences. Create a program plan, and carry out trials for promotional activities. Develop a scheme for how, when, where, and by whom the promotional schemes and campaigns will be deployed. Design incentives that convince or tempt the consumer to take up the organization's offerings. Conduct focus groups and pilot programs that reach out to a smaller number of people from among the target audiences to validate effectiveness.

#### **3.3.4.5 Execute promotional activities (10169)**

Executing promotional programs in the market for reaching out to the desired customer segments. Implement the promotional schemes and campaigns. Create collaterals for the dissemination of information about the product, product line, brand, or company to the target audiences in an effective manner. Leverage relationships with distributors, vendors, and retailers. Consider enlisting professional services such as design, PR, and advertising firms.

#### **3.3.4.6 Evaluate promotional performance metrics (10170)**

Evaluating the success of promotional programs through metrics that track the impact of these activities. Examine the performance of promotional activities. Measure the success of these programs through metrics representative of customer uptake, market penetration, sustenance of impact created, revenue growth through offerings marketed, etc. Measure through primary data collection. Analyze through various statistical techniques to generate insights.

#### **3.3.4.7 Refine promotional performance metrics (10171)**

Fine-tuning promotional activities by employing the insights gleaned from the quantitative, as well as any qualitative, performance evaluations. Change certain attributes of the schemes, campaigns, and programs deployed in order to increase the impact generated, in terms of measures already agreed upon such as customer uptake, market penetration, sustenance of impact created, and revenue growth through offerings marketed.

#### **3.3.4.8 Incorporate learning into future/planned consumer promotions (10172)**

Incorporating the understanding developed by studying promotional activities as well as refining them. Include the best practices and value-enhancing attributes identified in Refine promotional activities [10171] into similarly planned schemes, programs, and campaigns. Adjust promotional activities to further increase the effectiveness of the overall promotional efforts.

#### **3.3.5 Track customer management measures (10153)**

Collating all customer-centered metrics. The objective is to create a big-picture view of the customers' mindset and their behavior pertaining to the organization's offerings.

#### **3.3.5.1 Determine customer lifetime value (10173)**

Estimating customer loyalty and the average contribution made by them to revenues, over their lifespan. Use metrics to quantify the commitment of customers to the offerings of the organization, such as measures of tendency to switch brands/providers, number/proportion of return customers, and the number of customers using multiple substitutable offerings.

#### **3.3.5.2 Analyze customer revenue trend (10174)**

Analyzing the revenue stream generated by the sale of the organization's products/services in order to identify trends therein. Examine data relating to the inflow of revenue from individual/groups of customers in order to identify patterns in the generation and sustenance of receivables. Conduct statistical analysis over the stream of revenue collected and the point of origin associated with each unit of sale through metrics such as the accounting rate of return, the GAAP revenue over a given period, and customer lifetime revenue.

#### **3.3.5.3 Analyze customer attrition and retention rates (10175)**

Calculating measures that capture the proportion of customers the organization is able to retain to those it is losing. Compute metrics such as the tendency to switch brands/providers and the proportion of return customers to comprehend the trends within the customer attrition and retention rates.

#### **3.3.5.4 Analyze customer metrics (10176)**

Studying all measures of the customer's behavior and conduct toward the organization's offerings in order to glean insight and identify patterns into their decision making. Closely examine all categories of data sets over a customer base. Analyze data points related to customer loyalty, retention, value, conversion, level of satisfaction, attrition, etc. Flesh out measures for an all-encompassing analysis that provides a macro-level picture of the customer's behavior and mindset related to the organization's products/services.

#### **3.3.5.5 Revise customer strategies, objectives, and plans based on metrics (10177)**

Reviewing and reappraising the strategies, objectives, and plans for all customer-centered processes. Revisit all customer-focused processes and activities--which relate to their acquisition, conversion, and retention--with the objective of revising them in light of customer analysis. Revise accordingly.

#### **3.3.6 Analyze and respond to customer insight (16613)**

Reviewing and responding to customer feedback. Create tickets to initiate bug fixes or to propose feature updates. Monitor and track progress.

#### **3.3.6.1 Monitor and respond to social media activity (16627)**

Following postings on social media to promote offerings, raise brand awareness, interact with customers, increase customer engagement and brand loyalty, respond to queries, gauge sentiment regarding company's products or services, and to derive customer insight.

#### **3.3.6.2 Analyze customer website activity (16614)**

Examining user activity on company, vendor or reseller websites to improve traffic on and to the website, improve user experience on the website to simplify purchasing process and encourage repeat purchases, and to increase the site's visibility in search engine results. Various metrics can be used to measure user activity, such as number of users who are new, returning or unique, time spent on page, session duration, bounce rate, click through rate, conversion rate, and others.

#### **3.3.6.3 Analyze customer purchase patterns (16615)**

Conducting analyses to uncover customer purchasing habits. Detect patterns and categorize users based on similar characteristics and behaviors, demographic information, geographic location, search history, etc.

#### **3.3.6.4 Develop business rules to provide personalized offers (16616)**

Creating formulas for personalized offers, purchasing recommendations and targeted advertisements for customers on the basis of previously detected purchase patterns [16615].

#### **3.3.6.5 Monitor effectiveness of personalized offers and adjust offers accordingly (16617)**

Analyzing how well the targeted offers perform to see whether they result in an increased conversion rate. Reanalyze the purchase patterns or modify those business rules that are produce effective recommendations.

#### **3.3.7 Develop and manage packaging strategy (10154)**

Creating, executing, and administering a strategic road map for packaging products/services. Determine how to package products/services into finished offerings that can be directly marketed to prospective customers. Consider physicality, perishability, and shelf-life. Develop a strategy for packaging products/services. Test alternatives. Collect feedback. Refine the option chosen for execution. Have marketing, product development, and supply chain functions work together to develop sound packaging.



#### **3.3.7.1 Plan packaging strategy (10178)**

Creating a strategic road map for how to package products/services into desirable solutions while increasing profitability. Create a scheme for how the organization will bundle and wrap its products/services into a presentable and sellable offering. Consider what aspects or components of an offering the organization can extract the maximum revenue from, and reduce the less profitable constituents while maintaining a high perceptible value for the customers. Balance maximizing profit with benefits to the customer.

#### **3.3.7.2 Test packaging options (10179)**

Piloting the packaged products/services in the market with a test audience. Create trial runs using techniques such as focus groups of the final product, wrapped and bundled.

#### **3.3.7.3 Execute packaging strategy (10180)**

Implementing the final packaging. Put into action the packaging strategy in light of the insights accumulated from testing various options.

#### **3.3.7.4 Refine packaging (10181)**

Fine-tuning the packaging that has been developed and tested using insights gleaned from feedback.

### **3.3.8 Develop go-to-market strategy (21425)**

Creation of a plan detailing how a company plans to execute a successful product release and promotion, and ultimately its sale to customers.

### **3.3.9 Manage product marketing material (16629)**

Creating descriptions of products that are promotional and informative in content in order to initiate and increase sales. Marketing content consists of text, and optionally, images.

#### **3.3.9.1 Manage product images (16630)**

Producing or overseeing the creation or acquisition of photos, images and graphics for a product description, advertisement or a website. Like the copy [18131], product images are chosen and edited to enhance the product description and to convince consumers to purchase the product.

#### **3.3.9.2 Manage product copy (18130)**

Authoring or overseeing the creation of the textual portion of a product description, advertisement, or web page, including the headline, body, product attributes, and brand or advertiser information. A copy is designed to provide information about the product and to catch and hold the interest of prospective buyers long enough to persuade them to make a purchase. The copy of a website is called its content.

### **3.4 Develop sales strategy (10103)**

Developing concrete plans for guiding and providing support to the sales function. Chart a road map for the sales function, including an analysis of historical sales data to create forecasts for anticipated sales, forming sales targets, forging partnerships with other economic agents to boost sales, devising a budget for this function, and determining metrics to measure customer management activities as well as progress in achieving sales targets.

#### **3.4.1 Develop sales forecast (10129)**

Developing a sales forecast for the organization's portfolio of offerings, bearing in mind the effect of promotional events, and fine-tuning these in the context of the new forecast. Estimate the future demand for the organization's products/services by analyzing historical information and any promotional activity.

##### **3.4.1.1 Gather current and historic order information (10134)**

Gathering all information about sales orders into an index. Create a directory of all sales orders, whether open or those which have been fulfilled. Track what product/service was ordered, the quantity ordered, who ordered it, the delivery date, the shipping method, the unit price and line total, payment terms, and any discount applied.

##### **3.4.1.2 Analyze sales trends and patterns (10135)**

Analyzing sales order data to identify patterns in order to capitalize on emerging trends in the industry or the economy. Closely examine the directory of sales orders. Discern any patterns from this index, which is representative of the demand for the organization's offerings. Identify trends among the various segments of the organization's customer base to create forecasts. Glean patterns from this analysis, including the triangulation of segments that are showing the most growth in demand or those that represent the highest decline revenue, industry-wide trends such as decline/boost in overall demand, and any unusual trends that lie outside of the organization's expectations.

#### **3.4.1.3 Generate sales forecast (10136)**

Calculating the future demand for the organization's products/services. Use the trends and patterns identified in the sales data to estimate future demand. Use forecast to prepare for future customer demand and to recalibrate the strategic course of functions and business units.

#### **3.4.1.4 Analyze historical and planned promotions and events (10137)**

Reviewing promotional activities' effect on the sales orders. Analyze all promotional events and campaigns that the organization has already employed or is planning to deploy.

### **3.4.2 Develop sales partner/alliance relationships (10130)**

Cultivating an alliance of partners by identifying, analyzing, negotiating, and managing partnerships with other economic agents.

#### **3.4.2.1 Identify alliance opportunities (10138)**

Identifying collaboration opportunities for selling, marketing, and distributing the organization's products/services. Determine any scope for partnering with other economic agents, with synergies for the marketing, sales, and/or distribution of the organization's products/services. Identify alliance opportunities that target customer segments who would be interested.

#### **3.4.2.2 Design alliance programs and methods for selecting and managing relationships (10139)**

Creating the frameworks needed to select alliance partners, and maintaining relationships with them. Create a framework for structured programs that can receive and support multiple alliances. Clearly outline the responsibilities and benefits of the alliance partners. Create frameworks for selecting the right alliance partners, and maintain a relationship with them. Create or repurpose teams of relationship managers and outline a methodology for selecting alliance partners.

#### **3.4.2.3 Select alliances (10140)**

Choosing alliance partners using the selected programs and methodology. Select the most feasible and profitable alliance partners, based on Design alliance programs and methods for selecting and managing relationships [10139] and through a careful scrutiny of the potential alliance.

#### **3.4.2.4 Develop customer trade strategy and customer objectives/targets (11465)**

Implementing category management strategies for customers through the use of consumer insights and understanding of customer specifics. Develop consumer and channel insights. Establish long term strategies, objectives and targets across the brand.

#### **3.4.2.5 Define trade programs and funding options (11521)**

Establishing business-to-business marketing campaigns and financial incentives for wholesalers, dealers, distributors and other intermediaries that the company uses to distribute its products or services.

#### **3.4.2.6 Conduct planning activities for major trade customers (11466)**

Arranging meetings with trade partners to coordinate logistics, manage critical resources, resolve bottlenecks, and schedule urgent or time-sensitive matters.

#### **3.4.2.7 Develop partner and alliance management strategies (10141)**

Designing strategies for effectively managing, identifying, and countering any possible issues from the alliance partnerships formed. Create a strategic road map for managing the partnerships forged through Design alliance programs and methods for selecting and managing relationships [10139]. Determine where the alliance partnerships are headed, possible problems or pushback from the partners, how these issues might be countered, how these alliance partnerships would evolve in the future, any other business cases where these partnerships might be deployed, etc.

#### **3.4.2.8 Establish partner and alliance management goals (10142)**

Setting targets for organizational achievement. This includes what the organization aims to achieve from and how it wishes to manage both the individual partners and the alliance as a whole. Set immediate through long-term goals including revenue targets, market penetration, footfall numbers, and geographical coverage.

#### **3.4.2.9 Establish partner and alliance agreements (18629)**

Setting up strategic alliances with key trade partners and ratifying partnership agreements.

#### **3.4.2.10 Develop promotional and category management calendars (trade marketing calendars) (11522)**

Combining scheduled promotional, category management and trade marketing events into unified timetables. Update the calendars. Register new events.

#### **3.4.2.11 Create strategic and tactical sales plans by customer (11523)**

Establishing long term customer sales plans to assess current sales and to determine future sales objectives, strategies for achieving the goals, and available resources.

#### **3.4.2.12 Communicate planning information to customer teams (11468)**

Sending invitations and distributing information about upcoming events to customer teams and other involved entities.

### **3.4.3 Establish overall sales budgets (10131)**

Setting up a financial plan for the sales function. Calculate the estimated sales revenue and costs, which helps in calculating the overall net profit. Create a sound plan for resource outlay by comparing the forecast with historical data.

#### **3.4.3.1 Calculate product market share (17682)**

Determining the percentage of total sales volume in the market for a particular product.

#### **3.4.3.2 Calculate product revenue (10143)**

Estimating revenue from the sale of products/services. Approximate the anticipated sale of products/services and multiply it by the selling price of the respective offering. (This represents the total amount of money that the organization receives from the sale of its portfolio of offerings.)

#### **3.4.3.3 Determine variable costs (10144)**

Calculating the variable costs of production. Approximate those costs that depend on the volume of products/services produced by the organization.

#### **3.4.3.4 Determine overhead and fixed costs (10145)**

Calculating the overhead costs associated with selling the organization's products/services. Determine fixed costs that are not directly related to the volume of products/services processed or the sale of these offerings (e.g., expense over machinery and equipment).

#### **3.4.3.5 Calculate net profit (10146)**

Calculating the net income. Calculate the organization's profitability by accounting for Determine overhead and fixed costs [10145] and Determine variable costs [10144].

#### **3.4.3.6 Create budget (10147)**

Creating a plan in measurable terms for the financial outlay that best captures resource allocation for the sales forecast. Consider the outlay of capital, HR, raw materials, and provisions needed to reach sales targets.

#### **3.4.4 Establish sales goals and measures (10132)**

Establishing specific quantitative and qualitative measures of realizing sales targets. Create sales targets by analyzing historical sales data and comparing the forecasts to results, in light of customer and market intelligence. Examine the performance of sales personnel in light of market opportunities. Based on this review, establish sales targets along with metrics to quantify these goals, corresponding with the overall business strategy.

#### **3.4.5 Establish customer management measures (10133)**

Identifying the appropriate measures that can represent key attributes of the customer management function. Select measures to track customer activity, feedback, satisfaction, organizational responsiveness to customer needs, and general data on how the organization is managing customer accounts, leads, and contacts. Build on customer and market intelligence to identify metrics gauging aspects related to customer management. Select measures based on the nature of the business, the type and size of customer base, strategic goals, and the model used to structure sales and customer relationships.

### 3.5 Develop and manage sales plans (10105)

Selling products/services. Set appropriate customer expectations. Work with customers using the same schedule that product/service development, production, and customer service functions follow. Manage sales personnel and sales partnerships/alliances.

#### Suggested KPIs

Metric ID	KPI
110403	Customer attrition/churn rate (3-year)
101014	Number of FTEs that perform the process "manage sales orders" per \$1 billion revenue
101410	Number of sales orders placed per FTE that performs the process "manage sales orders"
102602	Percentage of customers claiming to be satisfied
102456	Percentage of qualified leads where the sale is closed
103165	Sales budget per sales FTE
103664	Total cost to perform the process "manage sales orders" per sales order placed
103988	Total cost to perform the process "manage sales orders" per sales order line item placed
103660	Total cost to perform the process "manage sales orders" per \$1,000 revenue
103656	Total cost to perform the process "manage sales orders" per process FTE

#### 3.5.1 Manage leads/opportunities (10182)

Generating leads of prospective customers to grow the organization's business. Identify viable customers based on customer and market research. Discover leads through IT applications, cold calling, reference/network development, or other sales and business development techniques. Employ a scoring model qualify the prospective customers into leads, and prioritize them.

##### 3.5.1.1 Identify potential customers (10188)

Identifying people who can be converted into customers. Leverage personal and professional networks, business research over databases and directories, and secondary research.

#### **3.5.1.2 Identify/receive leads/opportunities (10189)**

Qualifying the prospective customers into credible leads by gauging their behavior against the organization's offering. Triangulate leads to increase the efficiency of sales and marketing efforts. Build a detailed profile of the prospects. Determine what products/services they already use, if they have decision-making authority, their views on the products/services they already use, how prone they are to switch, if the organization's solution better in some attributes than those prospects currently use, etc.

#### **3.5.1.3 Validate and qualify leads/opportunities (18115)**

Reviewing the set of potential customers and sales opportunities. Approve the leads that meet company requirements on new businesses.

#### **3.5.1.4 Match opportunities to business strategy (11773)**

Aligning sales leads with business objectives.

#### **3.5.1.5 Develop opportunity win plans (18116)**

Creating plans about how to close leads and win sales opportunities.

#### **3.5.1.6 Manage opportunity pipeline (20011)**

Overseeing and planning the acquisition of new customers.

#### **3.5.1.7 Determine sales resource allocation (10209)**

Planning the distribution of personnel across various sales functions. Match the capabilities of individual employees with the skill sets needed for specific roles. Seek assistance from HR.

#### **3.5.1.8 Manage customer sales calls (10184)**

Managing the entire sales process, from using leads to open sales to closing sales and creating records. Govern all sales activities. Make sales calls based on leads and preparatory work (drafting terms of the sale, creating proposals, suggesting prices, etc.). Close the sale, along with any administrative activities related to data entry and the processing of the sale.

##### **3.5.1.8.1 Perform sales calls (10190)**

Communicating with customers and prospects with the intent of creating sales opportunities. Reach out to existing and prospective customers through alternate media and networking channels, apart from cold calling/emailing.



#### **3.5.1.8.2 Perform pre-sales activities (10191)**

Capitalizing on sales calls by pitching on bids and closing deals. Outline the nature and scope of the work, draft agreement terms, prepare proposals and agreements, and propose timelines and prices.

#### **3.5.1.8.3 Manage customer meetings/workshops (20012)**

Arranging and leading meetings, seminars, workshops and training events with customers to educate them about current offerings, best practices and technological advances to provide more value to customers and to increase their attrition and loyalty.

#### **3.5.1.8.4 Close the sale (10192)**

Formalizing a sale by reaching an agreement on the terms of the deal. Negotiate on the price and reach a consensus on the terms and conditions.

#### **3.5.1.8.5 Record outcome of sales process (10193)**

Completing all the paperwork associated with the sale of its products/services. Exchange any pertinent legal/financial information required for completing the sale, signing of a contract/work-order, and issuing copies of bills/invoices.

### **3.5.2 Manage customers and accounts (10183)**

Managing the customer's expectations, with the intent of responsibly increasing the sale of the organization's products/services. Create a systematic method for governing sales, using sales forecasts and customer management measures. Develop a blueprint to manage relationships with customers and the data it holds on them, as well as the sale of its products/services to these customers. Devise a recipe for handling the organization's key customers in order to manage their expectations with tact and responsibility while maximizing revenue.

#### **3.5.2.1 Select key customers/accounts (20013)**

Choosing principal clients that are vital for the company.

#### **3.5.2.2 Develop sales/key account plan (11173)**

Creating a plan for managing the accounts of key customers in order to better maintain relationships with them. Chart a scheme for managing sales. Create a plan for administering accounts of the significant and most important customers of the organization. Coordinate the accounts of principal clients.

#### **3.5.2.3 Manage sales/key account plan (20014)**

Handling the accounts of important clients.

#### **3.5.2.4 Manage customer relationships (11174)**

Managing the organization's relationship with its customers, by systematically coordinating interactions over multiple touch points, on a regular basis. Coordinate the organization's efforts to reach out to its customers. Create and manage effective touch points for interactions from the customers, which could include emails, social-media interactions, newsletters, and direct conversations.

#### **3.5.2.5 Manage customer master data (14208)**

Managing the corpus of data relating all customers acquired over time. Manage the storage, maintenance, access, revision, and usage of all data on customers. Ensure its security, and determine legitimate use cases that are beneficial to the organization.

##### **3.5.2.5.1 Collect and merge internal and third-party customer information (16598)**

Gathering the data about customers. Combine the information available locally with the data obtained from external sources.

##### **3.5.2.5.2 De-duplicate customer data (16599)**

Eliminating redundant information in customer data.

#### **3.5.3 Develop and manage sales proposals, bids, and quotes (11779)**

Understanding and refining the customer requirements as provided in a RFP (Request for Proposal) or RFI (Request for Information). When compiling the response, they must take into consideration whether the requirements are a match with the strategic or tactical plans of the organization and whether they are able to submit a bid/proposal that is competitive based on an understanding of the offerings of other competing organizations. The next step will be to define the pricing and scheduling of the proposed solution and determine whether the proposal will be profitable for the company if accepted. The bid is then submitted and a notification of whether or not it was successful is received.

##### **3.5.3.1 Receive Request For Proposal (RFP)/Request For Quote (RFQ) (11781)**

Accepting procurement proposals.

#### **3.5.3.2 Refine customer requirements (11780)**

Clarifying the details about procurement requests, such as the scope, timeline, data sources, type and characteristics and evaluation criteria for the goods or services to be delivered, and any additional terms, conditions or special requirements.

#### **3.5.3.3 Review RFP/RFQ request (11782)**

Evaluating individual price and delivery solicitations for their strengths and weaknesses. Analyze how closely the submitted bids respond to the requirements outlined in the RFPs.

#### **3.5.3.4 Perform competitive analysis (11783)**

Comparing the proposals submitted by different bidders in terms of cost, efficiency and value.

#### **3.5.3.5 Validate with strategy/business plans (11784)**

Assessing the business strategy, forecasted performance, financing and cash flow of the proposals.

#### **3.5.3.6 Understand customer business and requirements (11785)**

Deepening knowledge about the customer's field of operation and business needs.

#### **3.5.3.7 Develop solution and delivery approach (20015)**

Creating a plan with detailed steps about how produce and deliver the goods or services.

#### **3.5.3.8 Identify staffing requirements (11787)**

Determining the needs for internal resources and vacancies.

#### **3.5.3.9 Develop pricing and scheduling estimates (11788)**

Establishing predicted delivery costs, fees and timelines.

#### **3.5.3.10 Conduct profitability analysis (11789)**

Reviewing profitability data. Analyze systematically all relevant metrics and parameters. Report findings and make recommendations for changes to operational strategies.

#### **3.5.3.11 Manage internal reviews (20016)**

Overseeing the internal review process.

#### **3.5.3.12 Manage internal approvals (20017)**

Obtaining required company-internal authorizations.

#### **3.5.3.13 Submit/present bid/proposal/quote to customer (11790)**

Delivering the proposal to the potential client.

#### **3.5.3.14 Revise bid/proposal/quote (20018)**

Amending bids, proposals or quotes with more accurate time, cost or delivery estimates.

#### **3.5.3.15 Manage notification outcome (11793)**

Handling proposals depending on whether they were accepted or rejected.

### **3.5.4 Manage sales orders (10185)**

Taking, receiving, processing, and acknowledging new customer orders or amendments to outstanding customer orders. Monitoring status from order receipt to customer delivery/customer invoicing.

#### **3.5.4.1 Accept and validate sales orders (10194)**

Receiving and confirming orders from customers. Verify that no extra expenses have to be disbursed on part of the organization for labor or inventory when processing the order.

#### **3.5.4.2 Collect and maintain account information (10195)**

Collecting and maintaining all account information. Collect information about the purchase, servicing, return, and/or commitment of any products/services on part of the organization to its customers. Bring together information from various organizational divisions, and update periodically.

##### **3.5.4.2.1 Administer key account details (10201)**

Managing essential information of customer accounts.

#### **3.5.4.2.2 Retrieve full customer details (10202)**

Obtaining detailed information about customers.

#### **3.5.4.2.3 Modify involved party details (10203)**

Altering information about involved parties.

#### **3.5.4.2.4 Record address details (10204)**

Documenting address information.

#### **3.5.4.2.5 Record contact details (10205)**

Documenting contact information.

#### **3.5.4.2.6 Record key customer communication profile details (10206)**

Providing information about important business rules regarding communicating with customers.

#### **3.5.4.2.7 Review involved party information (10207)**

Revising information about involved parties.

#### **3.5.4.2.8 Terminate involved party information (10208)**

Dismissing information about involved parties.

#### **3.5.4.3 Determine availability (10196)**

Ascertaining the volume or scale of products/services to provide to customers to fulfill sales orders. Check the finished products stored in warehouses, the production capacity, and (in the case of services) the processing speed, as well as work force availability.

#### **3.5.4.4 Determine fulfillment process (10197)**

Devising a blueprint for order fulfillment. Create a schematic flow encompassing all activities to deliver orders to the customers. Outline a procedure for satisfying these orders by answering questions about what needs to happen in sequence to realize an order.

#### **3.5.4.5 Process back orders and updates (10199)**

Processing any unfulfilled orders and updating the status of any orders that have been accepted and are being attended to. Deliver on any purchase orders that remain unserved due to temporary unavailability of the product/service. Manage any updates to the sales orders. Revise their status in the order system.

#### **3.5.4.6 Handle sales order inquiries including post-order fulfillment transactions (10200)**

Attending to any queries received from the customers, even after a sales order has been serviced. Deploy ad hoc personnel for managing these enquiries.

### **3.5.5 Manage sales partners and alliances (10187)**

Managing the organization's partners and alliances, with the objective of maximizing revenue. Train partners regarding the organization's portfolio of products/services. Craft sales forecasts. Examine their performance. Manage all data held by the organization on these partners.

#### **3.5.5.1 Provide sales and product/service training to sales partners/alliances (10211)**

Imparting guidance and instruction to sales partners/alliances concerning products/services. Distribute literature about the organization's products/services. Conduct workshops. Disseminate useful media content to engage and enlighten partners. Create communities through group engagements.

##### **3.5.5.1.1 Provide certification enablement training (20019)**

Provide training and certification to develop strategies for marketing-driven sales.

##### **3.5.5.1.2 Manage certifications and skills (20020)**

Reviewing, processing and issuing certifications and accrediting skills and competencies.

##### **3.5.5.1.3 Provide support to partners/alliances (20021)**

Backing sales partners and strategic alliances.

#### **3.5.5.2 Provide marketing materials to sales partners/alliances (18641)**

Distributing marketing materials and sales brochures to entities that the company partners with.

#### **3.5.5.3 Evaluate partner/alliance results (10214)**

Examining the performance of its partners/alliances in selling its products/services. Use metrics such as growth in revenue generated, conversion rate, and total outreach to customers for assessing the performance results.

#### **3.5.5.4 Manage sales partner/alliance master data (14209)**

Managing the repository of data relating to the organization's partners/alliances over time. Store, maintain, access, revise, and use all data on partners/alliances. Manage data. Ensure its security. Determine legitimate use cases that are beneficial to the organization.

#### **3.5.6 Perform sales at physical outlets (21427)**

Execution of sales at physical / brick and mortar locations.

#### **3.5.7 Perform field sales (21428)**

Execution of sales within field/remote locations. This could be any location that is not part of a headquarters location.

#### **3.5.8 Perform digital sales (21429)**

Execution of sales in an online environment.

## ABOUT APQC'S PROCESS CLASSIFICATION FRAMEWORK (PCF)<sup>®</sup>

### The Framework for Process Improvement

Experience shows that benchmarking's potential to drive dramatic improvement lies squarely in making out-of-the-box comparisons and searching for insights not typically found within intra-industry paradigms. To enable this type of beneficial benchmarking, APQC's Process Classification Framework (PCF) serves as a high-level, industry-neutral enterprise model that allows organizations to see their activities from a cross-industry process viewpoint.

The PCF enables organizations to understand their inner workings from a horizontal process perspective, rather than a vertical functional viewpoint. The PCF does not list all processes within a specific organization, and every process listed in the framework is not present in every organization.

Originally created in 1992 by APQC and a group of members, the framework has experienced more than twenty years of creative use by thousands of organizations worldwide. The PCF is supported by APQC's Open Standards Benchmarking research. It is continuously enhanced as APQC's Open Standards Benchmarking team further develops definitions, processes, and measures. Please visit APQC's web site periodically for updates. The PCF is available for organizations of all industries and sizes at no charge by visiting <http://www.apqc.org/pcf>.

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The PCF was developed by APQC and member companies as an open standard to facilitate improvement through process management and benchmarking regardless of industry, size, or geography. The PCF organizes operating and management processes into a number of enterprise-level categories, including categories, process groups, and over 1,000 processes and associated activities. The PCF and its associated measures and benchmarking surveys are available for download and completion at no charge at [www.apqc.org](http://www.apqc.org).

### About APQC

APQC helps organizations work smarter, faster, and with greater confidence. It is the world's foremost authority in benchmarking, best practices, process and performance improvement, and knowledge management. APQC's unique structure as a member-based nonprofit makes it a differentiator in the marketplace. APQC partners with more than 500 member organizations worldwide in all industries. With more than 40 years of experience, APQC remains the world's leader in transforming organizations. Visit us at <https://www.apqc.org/>, and learn how you can make best practices your practices.