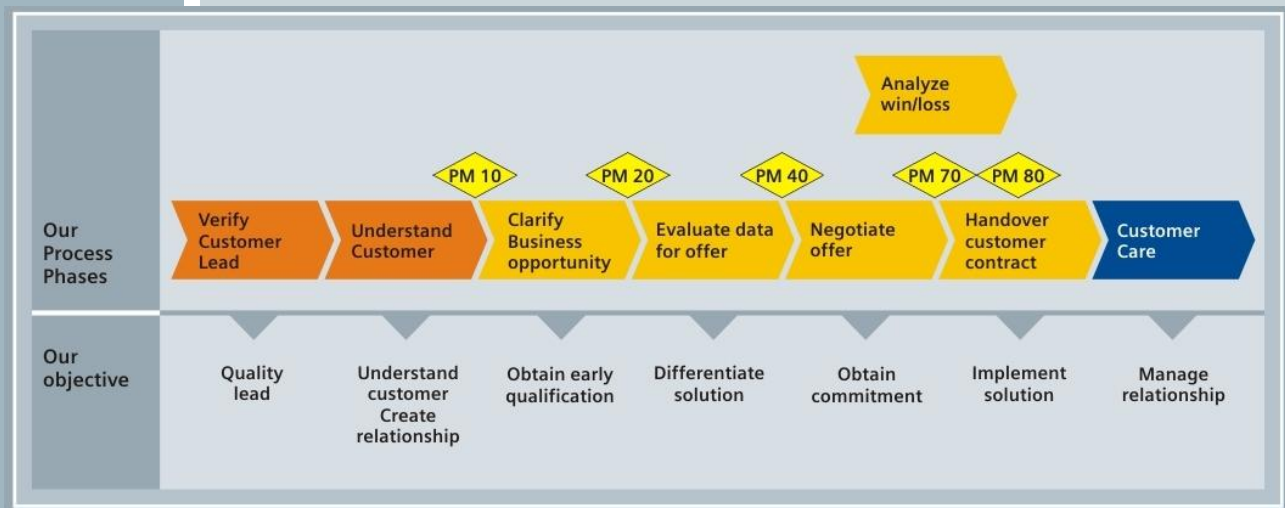


The CRM Sell Product/System Recommendation for the SHARE Utilization



– Detailed description of the phases –

16.08.2013

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Verify customer lead

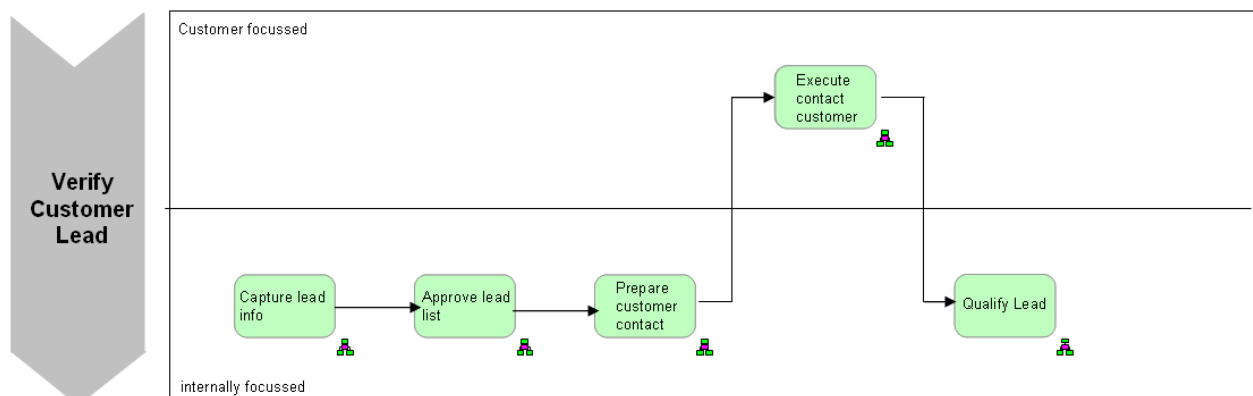
Objective: Capture and qualify leads

Description:

Definition of Lead: Lead is a non binding information or suggestion that there could be a potential for business with a specific customer. A lead should include all available information, and as a minimum concrete customer information

During this phase leads are being captured and assigned to responsible organizations and individuals. The respective sales organization plans and executes a first customer contact in order to qualify the lead towards its validity and business potential. In the case of a lead a normal opportunity is being created and handed over to the sales person. He/she then proceeds with the “understand customer” phase, in order to further qualify the business opportunity.

The steps included in this phase are as shown and described below:



Capture Lead Info

Description:

During this step, existing individual leads or list of leads are being captured in the CRM landscape. The following activities need to be executed:

- Entering / importing all available lead information into the CRM landscape
- Classification of the lead (or lead list) to external or internal leads:
 - External leads are in principal the result of a customer activity. For example a customer contact during a convention show, or a customer response to a marketing campaign
 - Internal leads are the result of internal data analysis, indicating a high probability for business. During the generation of internal leads there is no active participation of the customer. For example an analysis of our installed base for CT systems older than 8 years.
- **Definition of due date**
 - The due date defines the end date where the lead (or lead list) has to be qualified.
- **Assignment to the right country for further processing**
 - Through the CRM landscape the lead information is being assigned to the responsible organization. Within this organization, the responsible individuals, usually local marketing, will receive the lead information and proceed with it's approval



Within SHARE a lead list is being imported, or an individual lead is being manually captured. The captured information is being assigned to an organization and responsible persons

Approve lead

Description:

During this step the recipient of the lead information is evaluating the list of leads for business potential and priority. This is possible for internal leads only!

In the case of an internal lead list, the local organization has the right to postpone or even reject further processing of the lead information.

An external lead list, CANNOT be rejected or postponed. It has to be approved and processed by the defined due date

Mandatory output: In the case that internal leads will be postponed or rejected a reason needs to be defined



Within SHARE the status of the lead list needs to be defined accordingly. If postponed a date and a reason need to be entered. If rejected a reason needs to be entered. Otherwise it needs to be set to "in Progress"

Prepare customer contact

Description:

This is the first step of the active processing of the lead information. First of all the completeness and validity of the lead information needs to be checked, e.g. is the contact information correct (phone number, email)? Secondly it needs to be determined if the customer is known to the organization. If this is the case, all available information about the particular customer needs to be collected and analyzed. e.g. sales information from the CRM landscape, Schalte information

In the case where a lead contains incomplete and/or false information, to the degree that the customer cannot be contacted, based on the available information, leads can be rejected due to data quality.



Within SHARE in case of incomplete or false information the lead status needs to be changed to "rejected" and a reason needs to be entered. Otherwise it stays at "in progress".

Execute customer contact

Description:

During this important step, the Customer is being contacted by local marketing or sales person. The objective is to collect enough information about the specific business situation described in the lead, in order to perform an adequate qualification. There are 3 major areas that need to be covered in this regards:

- **Does the customer have a clear defined problem and need**
- **Does the customer have a defined timeframe for the solution implementation**
- **Does the customer have a plan on how to finance the solution**

Please note that the above is the minimum information needed in order to qualify the lead. A sales person can of course proceed with a more detailed situation assessment as described in the phase “understand customer”.

Qualify lead

Description:

Based on the information gathered from the customer contact, the lead needs to be qualified and the result needs to be documented in the CRM landscape. During the qualification there are 3 possible outcomes, which will be documented as the lead status:

- **Abandoned lead**

A lead need to receive the status “abandoned” only in the case there is absolutely no business potential (neither for us nor the competition), neither short/middle or long term. A lead can also be set to abandoned in the case an opportunity for this particular business situation already exists. In any case a detailed reason needs to be documented

- **- Postponed lead**

In the case a lead has no business potential at the current point of time, however it is foreseeable that it may in the future, then the lead needs to receive the status “postponed”. A date to be postponed until and a reason need to be documented as well.

- **Promoted lead**

This is the positive outcome where a lead has been positively qualified, i.e. it will be further pursued. The following prerequisites need to be fulfilled before a lead can be “promoted”:

- All 3 areas (customer need, timing and budget) need to have a clear positive outcome
- The customer (account) has been clearly identified

When a lead is getting promoted, it is being converted to an opportunity and it is assigned to the responsible sales person (if the sales person did not personally qualify the lead). Within the scope of the next phase “understand customer” the sales person needs to carefully assess the customer situation, All further details are described in the next chapter.

Mandatory output: Based on the customer input the lead needs to be qualified and the result needs to be documented.



Within SHARE the lead status need to be documented. In addition the following needs to be documented:

- Postponed lead: A date to be postponed until and a reason
- Abandoned lead: A reason
- Promoted lead: An account needs to be identified and assigned, an opportunity will to be created. It receives the sales stage “Clarify Business Opportunity”.

Understand customer

Objective: Understand the customer - Create a relationship

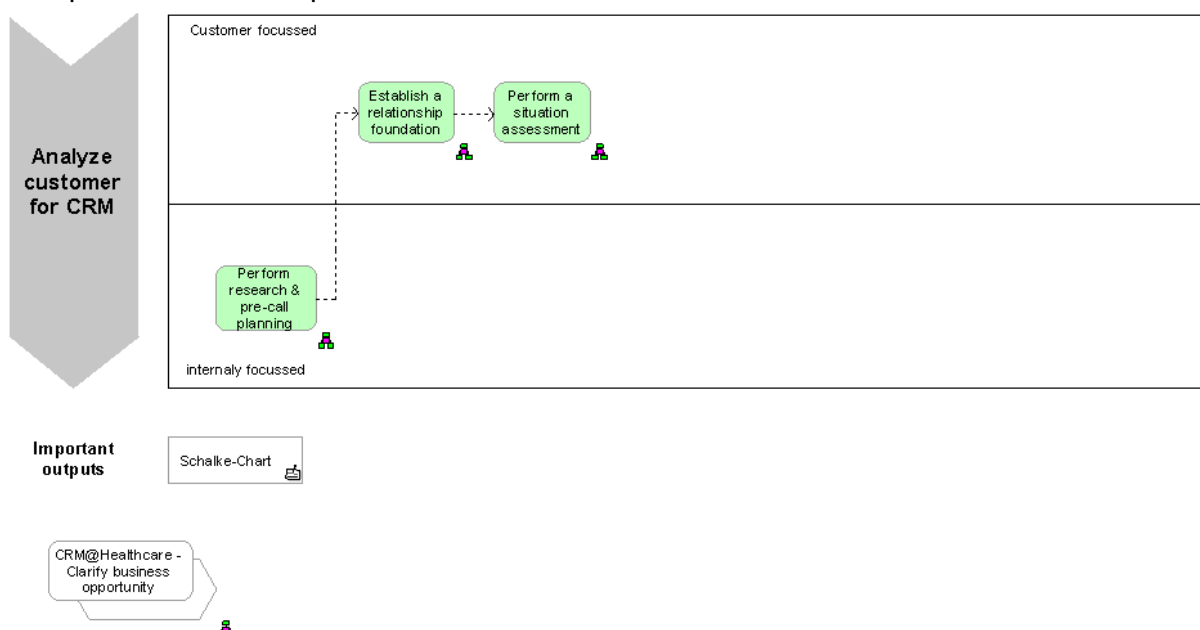
Description:

To conduct an effective sales conversation, the sales person and the customer must establish a relationship of mutual respect so that they can engage in a mutual problem-solving dialog. The sales person needs learn about the needs/problems embedded in the customer's or potential customer's situation. The customer learns your approach to thinking about him/her and his/her problems. Ideally, you and the customer are going to collaborate to define the need and start thinking towards a solution.

In this problem-solving dialog, the sales person will be asking customers and potential customers many questions. The sales person has to earn the right to ask his/her questions if he/she is to obtain answers that will allow him/her to offer and properly position a solution. This will not happen unless the sales person first establishes his/her credibility.

In addition, in the case where a business lead has been promoted to an opportunity (as described in the previous phase), the sales person needs to execute the "understand customer" phase in order to determine if a business opportunity needs to be defined or not. In this case this phase matches the sales stage "evaluating lead" in the SHARE CRM landscape. The "understand customer" phase needs to be performed with all stakeholders at the customer's site. The main output of this phase is a new or updated Schalke chart for this customer site (account). Please refer to page 18 for Schalke charts guidelines. In addition under certain conditions a business opportunity will be an output of this phase.

The steps included in this phase are as shown and described below:



Research and Pre-call Planning

Description

During this step the main goal is learn as much about the customer's situation as possible before making the initial contact either on the telephone (to make an appointment) or in an in-person meeting.

Research – macro level, i.e. for the country includes:

- Healthcare economics of the country in the public and private sector...how patients access healthcare and how providers are paid for providing healthcare services
- Healthcare market dynamics within the country – opportunities, challenges and threats
- Macro economic situation in the country

Research – Account level

- Account ownership (public, private non-profit, private profit, corporate), size, specialties, departments
- Admissions profile, i.e. the 20% of disease categories that equal 80% of the admissions or patients seen at the account
- Payer mix – percentage public and private – variations in how reimbursement works in each segment
- Collect all information available internally about this customer (account) (e.g. installed base data, service related data, sales history). If account already has a Schalke chart, review Siemens and competitor installed base and system age. Assess funding challenges (i.e. provider's credit rating, regional/state laws, etc.) that could influence the customer's ability to pursue capital equipment purchases. In addition review customer satisfaction statistics and understand the reasons for rating

Pre-call Planning – Department level (both financial/administrative departments and medical departments)

- How the sales person will begin the interaction with the customer, i.e., the first thing the sales person will say to establish his/her credibility and earn the right to ask questions
- The questions the sales person will ask that are tailored to the person he/she is meeting with and are based on the research done before the meeting.

The questions should be structured to learn the following:

Account's, Department's and Individual's Goals and Objectives

Account's, Department's and Individual's challenges and problems

Account's, Department's and Individual's clinical/operational processes (workflow)

Account's, Department's and Individual's beliefs

Mandatory output: If the account does not exist in SHARE, it needs to be added

Available template: The template "Pre-call Planner" can be used during this step (optional output)



In case the customer does not exist in SHARE, a new account has to be added.

Pre-call Planner

Customer name:	Date, time and place of sales call:
Contact(s) - Name, Title, Phone, e-mail	
Research before the call (background, business environment, needs and problems, possible solutions, competitive picture, buying team, decision process, time frame and financial resources)	
Sales objective - What actions you want your Customer to commit to at the end of the call. Primary objective: Secondary objective:	
Call strategy - Your plan to accomplish your objectives.	
Opening approach - How you will begin the call.	
Missing information you need - What you will ask to get this information.	
Communication style - For each individual Customer, what's the job function and communication style and what benefits might have the greatest appeal.	
Differentiating your value - What you will recommend and how you will differentiate your value to the Customer.	
Likely resistance - What objections or resistance you can anticipate and how you will respond to each.	
Next steps	

Notes after the Call

Update information about the Customer's situation, needs and/or problems:

Update information regarding Customer's decision process:

Decision criteria and your competitive position:

Resistance expressed:

How resistance handled & success:

Commitments gained:

Next steps:

Establish a Relationship Foundation

Description:

The objective during this step is to deliver an opening “Positioning Statement” that expresses (*in 2 minutes or less*) the value the sales person and Siemens brings to the customer, which differentiates him/her from his/her competition. It is a statement that is best thought through and prepared in advance. The 2-Minute Drill is designed to **Establish Credibility** and earn the sales person the right to ask the questions and gather the information outlined in move into the **Situation Assessment** step.

The following elements are to be included in a “positioning statement”:

- Who you are – both you and Siemens Healthcare.
- What you do – both you and Siemens Healthcare.
- How you do what you do.
- How your clients have gained value from what you do.
- Situational question – designed to move the dialog from the sales person to the client and allow the sales person to gain information about the customer’s situation.

The content of the “positioning statement” will/should:

- Vary from country to country and region to region within a country
- Be tailored to the person with whom the sales person is meeting
- Be consistent with major marketing communication messaging

The “positioning statement” ends with the Situational Question, this question must be planned in advance and it critical to engage the customer in the situation assessment.

Update pre-call planning template with the notes after the call (optional output).

There are a number of skills necessary in order to establish a relationship foundation. For your reference a description of these skills can be found in “Skills for establishing a relationship”.

Perform a situation assessment

Description:

During this step the main goal is to determine the customer's business situation. This includes:

Account's, Department's and Individual's Goals and Objectives

Account's, Department's and Individual's challenges and problems

Account's, Department's and Individual's clinical/operational processes (workflow)

Account's, Department's and Individual's beliefs

Once challenges and/or problems are identified, the additional objective is to make the customer aware of all needs / problems / workflow issues and together define **a development plan** covering all needs and problems. Last but not least agreement on the next step the customer and Siemens will take should be reached.

The creation of a new, or the update of an existing, Schalke chart is a mandatory output of this step.

In addition, in the case that the customer, is planning next steps towards implementing a solution, a business opportunity needs to be generated in the CRM landscape.

This is the entry point to the transactional sell processes, starting with the "clarify business opportunity" phase.

At this point of time the likelihood of a Siemens win is completely irrelevant. Even in the case where there is a very little chance for Siemens to win the business, a business opportunity needs to be defined in the CRM landscape anyhow. This serves the goal of maximum market transparency.

Mandatory output: Under the conditions mentioned above, an opportunity needs to be created in SHARE. In addition, the Schalke chart for this account is kept up-to-date and accurate.

Available template: The template "situation assessment" can be used to assist during this step (optional output)



In the case a business opportunity is generated, an opportunity needs to be created in SHARE. At this point a first estimate of the "closing date" and "decision group" needs to be defined as well. However both of these fields will be updated according to the qualification results during the next phase "Clarify business opportunity"

Situation Assessment

Customer's Goals and Objectives _____

Customer's Challenges and Problems _____

Customer's Current Business/Operational Processes that could be improved _____

Customer's Beliefs _____

Skills for establishing a relationship

Mutual understanding and reciprocal behavior are at the foundation of every relationship.

- Mutual means having a shared goal or outcome with each other. To build credibility, and eventually trust with a prospect, the sales person must show that he/she shares a common goal (such as solving the customer's problem).
- Reciprocal behavior means doing things for one another.

Mutual understanding and reciprocal behavior are essential steps to establishing credibility and, ultimately, gaining trust and being seen as an advisor/consultant to your customer.

Rapport comes from everything the sales person does — his/her bearing, speech, focus and friendliness.

- First impressions are lasting impressions. The first moments of each sales call are the most important for building rapport.
- The sales person should start out confident that he/she will be able to help the customer identify and solve important organizational, departmental and personal needs and problems.
- The sales person demonstrates his/her confidence, interest and expertise through his/her **early statements and especially your questions** (based upon research and pre-call planning. This will establish your credibility and put you well on the way to a strong business relationship.
- Active Listening – essential to building a Relationship Foundation is the ability to demonstrate a willingness and competence to Actively Listen to the customer

Schalke charts guidelines

The Schalke chart represents important available information on **selected** accounts. The selection of Schalke accounts is determined by each country with the intent to maximize market transparency of Siemens and non-Siemens accounts (accounts which do not use any Siemens Healthcare systems). The goal is to include all accounts with at least two small or one large system, defined as the 'Denominator'. The denominator serves as basis for calculating the coverage rate (i.e. the percent of accounts with a completed Schalke chart).

The Schalke chart contains the following key data elements about an account:

- 1) The Installed Base (IB) of Siemens and competition by product category (modalities and IT). The IB data submission also includes the install date of each system, which automatically calculates the age of the IB.
- 2) The Estimated Spend (the customer's planned annual – per Siemens fiscal year- capital equipment budget) by product category.
- 3) The Customer Satisfaction (unknown, recommended, neutral, detractor) which represents the sales representative's assessment of the customer's perception of Siemens. Unknown is generally applied when no Siemens IB is involved.

In addition, notes can be utilized to document additional pertinent information about the customer,

Important Note: The Schalke relevant information always refers to the "End-User Account". The "End User Account" is defined as the site where the system resides and is utilized.

Clarify business opportunity

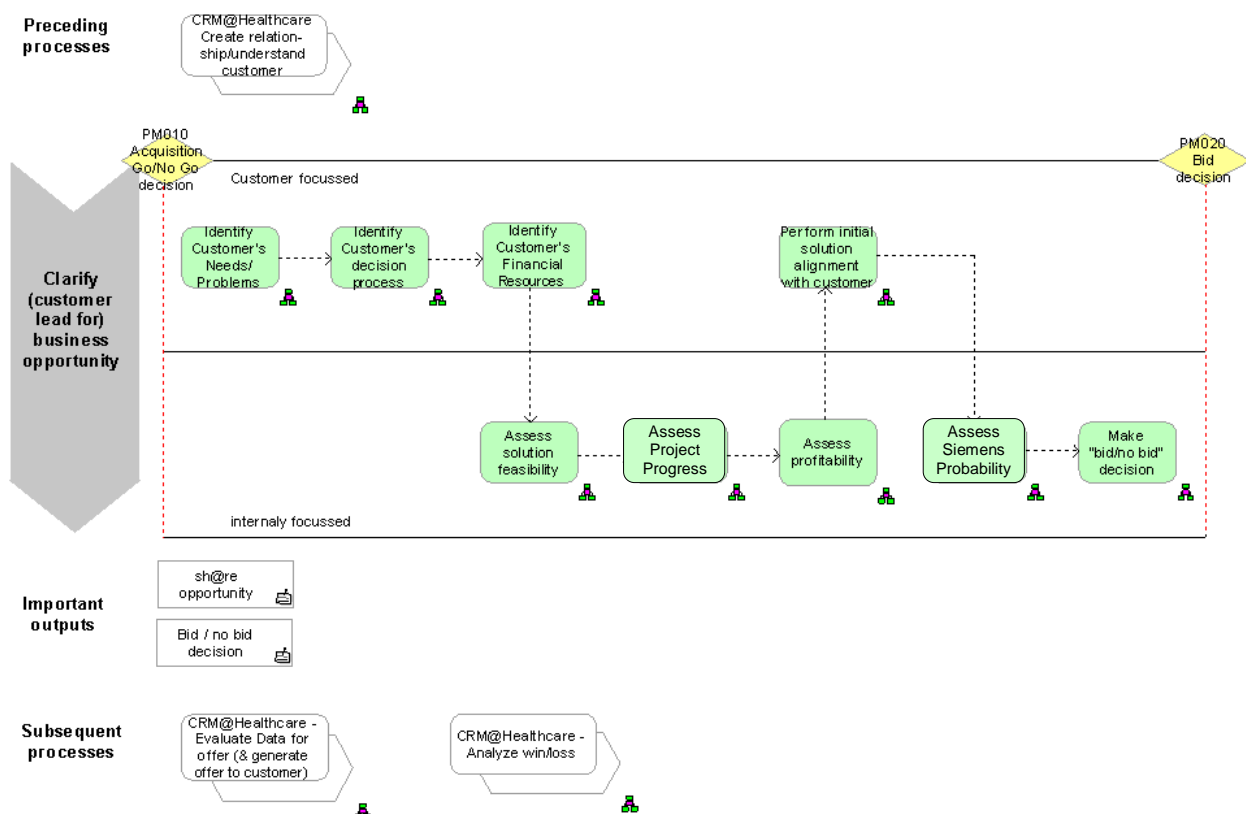
Objective: **Obtain early qualification**

Description:

This is the first phase in the sales funnel. It is assumed that the business opportunity has been identified during the “perform situation assessment” step in the “create relationship” phase.

The primary goal of “Clarify business opportunity” phase is the detailed and early **qualification** of the business opportunity. This phase is crucial towards two of our main CRM goals: Accurate funnel management and sales conversion. An early and thorough qualification of the identified business opportunity is the prerequisite to quality funnel management data. At the same time the qualification will lead to the internal “bid/no bid” decision and will (in case of a “bid” decision) provide all necessary data for the strategic pursuit of the business opportunity, thus maximizing our sales conversion.

The following steps included in this phase are as shown and described below:



Identify customer's needs / problems

Description:

During this step the customer's needs/problems are identified and agreed upon as a result of an in depth assessment of the customer's situation. Additionally, the sales organization makes an initial determination of possible Siemens solutions that would fit the customer's situation (satisfy needs/solve problems).

The objectives of this step are:

- 1) Customer and sales person identify in detail the medical, technical and financial needs and problems.
- 2) Customer and sales person have a clear understanding of the negative effects of these problems (qualitatively and quantitatively).
- 3) Customer and sales person have a clear understanding of the positive outcomes for the customer of a solution (qualitatively and quantitatively).
- 4) Numbers 2 and 3 above contain the raw data that can be used to create a business case for the project. The business case can be created either by the customer and/or the Siemens sales person.
- 5) Customer and sales person have prioritized the customer's desired outcomes (needs, problems, workflow solutions). These outcomes define the customer's prioritized buying criteria. Being able to influence the customer's buying criteria is always a huge advantage towards winning the opportunity

The template “needs & problems analysis” can be used to assist during this step (optional output)



Within SHARE the opportunity system(s) should be created.

Needs & Problems Analysis – Risk & Payoff Potential

<i>Situation (goals and objectives):</i>	
<i>Needs/Problems Identified (operational necessities):</i>	
<i>Issues if Problem Not Resolved:</i>	<i>Possible Solutions:</i>
<i>Costs and Risks Resulting from Not Solving the Problem:</i>	<i>Cost Savings as a Result of Implementing Solution:</i>
<i>Revenue Loss Resulting from Not Solving the Problem:</i>	<i>Revenue Generated by Solution:</i>
<i>Other Costs and Risks Resulting from Not Solving the Problem:</i>	<i>Other Benefits of Solution:</i>

Identify customer's decision process

Description:

The objective during this step is to determine the time frame and steps in the customer's decision making process.

The sales person must be aware of all **times, events and stakeholders** involved in the decision process.

The sales person must have full understanding of the role each stakeholder will play (influence, responsibility) and when they will play it in the decision process.

The customer has indicated the adverse consequences for them if the implementation date is not realized (e.g. budget will not be available after a certain date)

One important output of this step is the closing date for the project. Please make sure to document as the closing date the **expected order income date**.

The template "Decision Making Analysis Tool" can be used to assist during this step (optional outputs)

Mandatory output: Based on the customer buying process and stakeholders, the closing date and the decision group need to be defined.



Within SHARE the close date and the decision group need to be updated accordingly. Also within the account management the contacts need to be updated, based on the gained knowledge about the stakeholders.

Decision-Making Analysis Tool

	Decision Maker & Role (maker, recommender, influencer)	Influence/Responsibility	Needs/Beliefs/ Risk Level	Buying Criteria – Prioritized	Additional Information Needed
1					
2					
3					
4					
5					

Identify customer's financial resources

Description:

The following questions need to be answered during this step:

- How much does the customer plan to invest in the solution?
- When will the funding be available?
- How does the customer plan to pay for the solution (e.g. lease, cash)?
- Does the customer accept the overall Siemens terms and conditions of sale (details of these could be potential negotiation points)?

Last but not least, the sales person makes a first assessment of the expected price situation against the customer's budget and against the competition. This can be done with the creation of a "budgetary proposal". First approaches towards a business case justifying possible price situations (competitor and/or the need to justify getting incremental funds into the customer's budget) also need to be made.

Mandatory output: During this step the Funnel Value needs to be defined



Within SHARE the funnel value for each opportunity system needs to be defined. Also, if desired, a budgetary proposal can be generated.

Assess solution feasibility

Description:

A first draft of the solution configuration needs to be produced and an assessment how closely it matches the customer requirements needs to be made. This contains a check of the technical, the financial and legal feasibility for the customer and Siemens as well as an assessment of our competitiveness.

First calculation (costs, transfer price, margin, etc.) to establish customer price need to be provided

Determine how closely the projected customer price matches what the customer plans to invest. If there is a gap, the existing business case for the entire investment needs to be extended with the detailed justification of the price gap. Same applies if there is an expected price gap against the competition.



Update SHARE accordingly

Define Project progress

Description:

During this step the progress of the customer project will be documented. This is done with the documentation of fulfilled milestones on the customer side. At the same time, based on this information, the project progress number, i.e. the likelihood that the project will be realized **at the closing date specified**, will be determined. This number can have the following values: 20%, 40%, 60% or 80%. Please pay attention that this relates only to the customer project not the Siemens success chance, which is subject of a later step. It also needs to be noted, that the project progress documentation needs to be **continuously updated** during the complete lifespan of the opportunity.

The milestones to be documented depend on two parameters:

1. The currently active phase of the project (clarify business opportunity, evaluate data for offer and negotiate offer)
2. If the project is non tender or a tender (private or public one).

The milestones to be documented are:

Non tender projects

Phase “clarify business opportunity”

- Customer has clearly identified needs/problems
The customer has identified medical, technical and financial needs and problems are in detail, as well as the negative effects of these problems (qualitatively and quantitatively).
- Customer has established buying criteria
The customer has prioritized desired outcomes (needs, problems, workflow solutions). These outcomes define the customer’s prioritized buying criteria. The customer also has a clear understanding of the positive outcomes of the solution (qualitatively and quantitatively).
- Business case has been approved by customer
Using the identified problems combined with the positive outcomes of the solution the business case has been defined and approved by the customer.
- Customer has a clear decision process
The customer has defined the events involved in the decision process.
- Decision makers have been identified
The stakeholders and the role that each stakeholder will play (influence, responsibility) and when they will play it in the decision process, has being defined.
- Project timeline has been defined
The customer has defined the timing for all events and project milestones. In addition he/she has indicated the adverse consequences for them if the implementation date is not realized (e.g. budget will not be available after a certain date).
- Customer funding has been budgeted
Financial sources for the project have been identified. The funding has been budgeted but not approved yet.

In this phase, the project progress number starts with 20%. As soon as 5 of the above milestones are marked as being fulfilled, the project progress number is being set to 40%.

Phase “evaluate data for offer”

- Customer is evaluating solutions (Presentations, site visits)
Vendors are invited to differentiate their solutions (e.g. presentations) and deliver “proof of concept” (e.g. site visits).
- All companies being evaluated have completed their presentations.
- All companies being evaluated have completed their site visits (please document the date as well).
- Customer funding has been fully approved to be spent on this project
All open issues about the customer’s budget have been resolved and closed. The customer’s budget does not introduce any risk in the project.

In this phase, the project progress number starts with 40%. As soon as the first milestone is marked as being fulfilled, the project progress number is being set to 60%.

Phase “negotiate offer”

- Final decision (e.g. board) meetings have been scheduled
This is the final major project milestone. A final customer decision is expected during this meeting. Please document the date as well.
- A post board approval meeting has been established for final negotiations (if applicable)
In certain cases negotiations are ongoing after the final meeting took place. Please use this only if applicable

In this phase, the project progress number starts with 60%. As soon as the first milestone is marked as being fulfilled, the project progress number is being set to 80%.

Tender projects (private or public)

Phase “clarify business opportunity”

- Evaluating the need for a tender
Customer is analyzing existing problems and establishing desired outcomes.
- Established tender criteria
Customer has made the decision to create a tender. He/she now defined the prioritized buying criteria which will be used to define the tender criteria

In this phase, the project progress number starts with 20 %. As soon as the first milestone is marked as being fulfilled, the project progress number is being set to 40 %.

Phase “evaluate data for offer”

- Tender has been issued
Tender has been finally defined and is ready for distribution to the vendors. Please document the date as well.
- Tender received
Official Tender has been sent out to all participating vendors. Please document the date as well.

In this phase, the project progress number starts with 40%. As soon as the first milestone is marked as being fulfilled, the project progress number is being set to 60%.

Phase “negotiate offer”

- Final vendor selection
Due date for final tender response is past. The customer is analyzing the tender responses and proceeding with vendor selection. Please document the date as well.
- Post-tender negotiations are finalized (if applicable)
In certain cases negotiations are taking place during the final stage of a tender process. Please use this only if applicable

In this phase, the project progress number starts with 60%. As soon as the first milestone is marked as being fulfilled, the project progress number is being set to 80%.

Mandatory output: All the above milestones need to be documented in SHARE. The resulted project progress number needs to be documented in the corresponding field. It also mandatory to repeat this in every process phase during the lifespan of the opportunity.



Within SHARE use the project assessment to document the fulfilled milestones. Then enter the project progress numerical value in project progress field in the opportunity system.

Assess profitability

Description:

Validate the monetary and strategic value of the business opportunity for Siemens. Identify the risks that could negatively impact the profitability of the business opportunity.

Determine the minimum acceptable profitability.

Perform initial solution alignment with customer

Description:

This should take place preferably in a meeting with the customer. The main objective is to ensure that customer and Siemens are agreeing in all major issues of the project and are moving “in the same direction”

The rationale for this step is to get the answers to the following questions:

- Are there any early stage resistance / objections?
- Are there any neglected additional needs?
- Is the customer willing to move forward with Siemens?

A budgetary proposal may also be needed here.

This step may result in the need to re-qualify the opportunity.

Important: This should be done with each key stakeholder, e.g. the physician and the key finance and administration stakeholders!



If desired a budgetary proposal can be generated.

Define Siemens probability

Description:

During this step the likelihood of a Siemens success in this business opportunity will be determined. Based on the opportunity qualification done, an assessment of the following 5 aspects needs to be done in order to define the Siemens success probability:

- **Customer Relationship:** Our relationship with the customer compared to the competition (better (+10), worse (-10) or the same (0))
 - The assessment of the relationship to the customer needs to be done with all stakeholders involved in the project (e.g. physician, financial director)
- **Buying Criteria:** The match of our solution to customer's prioritized buying criteria compared to the competition (better (+10), worse (-10), or the same (0))
 - Try to be realistic rather than overly optimistic while assessing this aspect. For example, rate (against your competition) the amount of influence you had during the definition of the buying criteria. As above, make sure that this assessment is being done for the prioritized buying criteria of all stakeholders (e.g. clinical buying criteria for the physician, financial ones for the finance director)
- **Solution value:** How do we rate the perceived value of our solution by the customer compared to the competition (better value (+10), less value (-10) or the same (0))
 - Pricing is certainly a very important component of the value, but not the only one. Even if our pricing is higher than the competition's, in the case that we have a **solid business case** justifying the value added for the price gap, which has been **accepted by the customer**, then our perceived value can be the same or even higher.
- **Account Environment:** Our standing in the overall account environment compared to the competition (better (+10), worse (-10) or the same (0))
 - Try to assess this by answering the following questions: Do you consider yourself being the incumbent at the customer's site or your competition? In a competitor's existing account, how open to change is the customer? In addition what would be the level of inconvenience and or cost of change to Siemens? Same questions need to be answered for a Siemens account the answers to which will be helpful in the sales person's strategy to keep the competition out of Siemens accounts.
- **Service History Our standing in the service history in this account compared to the competition (better (+10), worse (-10) or the same (0))**
 - Please rate the overall quality of our service history compared to the competition, as perceived by the customer

In addition to the above comparison criteria, two aspects can be documented:

- **Siemens is the clinical VOC**
 - We are perceived to be the clinical Vendor of Choice when the customer has stated that we are offering the best solution, from a technical and clinical point of view
- **Siemens is the overall VOC**
 - We are perceived to be the overall Vendor of Choice when the customer has stated that we are offering the best solution, from any aspect and we will be winning the deal

As it can be seen above, for each aspect there only 3 possible answers: Better, worse or the same. In every case a “better” equals to a score of +10, a “worse” equals a score of -10 points and a “the same” a score of 0. The “VOC” criteria are meant as additional information and automatically override the potential lower value of the calculated numerical value of the probability

From	To	Resulted probability
-50	-30	20%
-30	0	40%
0	+30	60%
+30	+50	80%

Siemens is clinical VOC	60%
Siemens is overall VOC	80%

Please note that this is a first assessment of the Siemens success probability, which will obviously get updated during the lifetime of the opportunity, especially during the next phase (evaluate data for offer) where we will be differentiating our solution.

Mandatory output: All the above criteria need to be qualified and documented in SHARE. The resulted project Siemens probability number needs to be documented in the corresponding field. It is also mandatory to update the criteria and the numerical value during the lifespan of the opportunity.



Within SHARE use the Siemens probability assessment to qualify the criteria. Then enter the Siemens probability numerical value in Siemens probability field in the opportunity system

Make "bid/no bid" decision

Description:

This step is an important milestone, since major decision will be made whether the business opportunity will be further pursued or not.

Under normal circumstances in the case of a "bid" decision the business opportunity will be pursued all the way to the end (either we win it, or loose it, or the customer abandons the project).

This step includes a detailed review of all parameters of the opportunity, as well as additional related information (e.g. completed templates) in order to make an appropriate decision.



Within SHARE, in the case of a "no bid" decision, the "no bid" flag in the opportunity system needs to be checked. It is also mandatory to enter a reason.

The opportunity system status remains at "active", until this opportunity system is removed from the market, i.e. either as a loss to competition, or abandoned by the customer. Once a competitor is selected and wins the order, the opportunity system needs to be updated. The winning vendor and competitor product need to be selected and it is mandatory to enter the install date.

In the case of a "bid" decision, move the sales stage in SHARE to "evaluate data for offer" and continue with your sales process.

Evaluate Data for offer

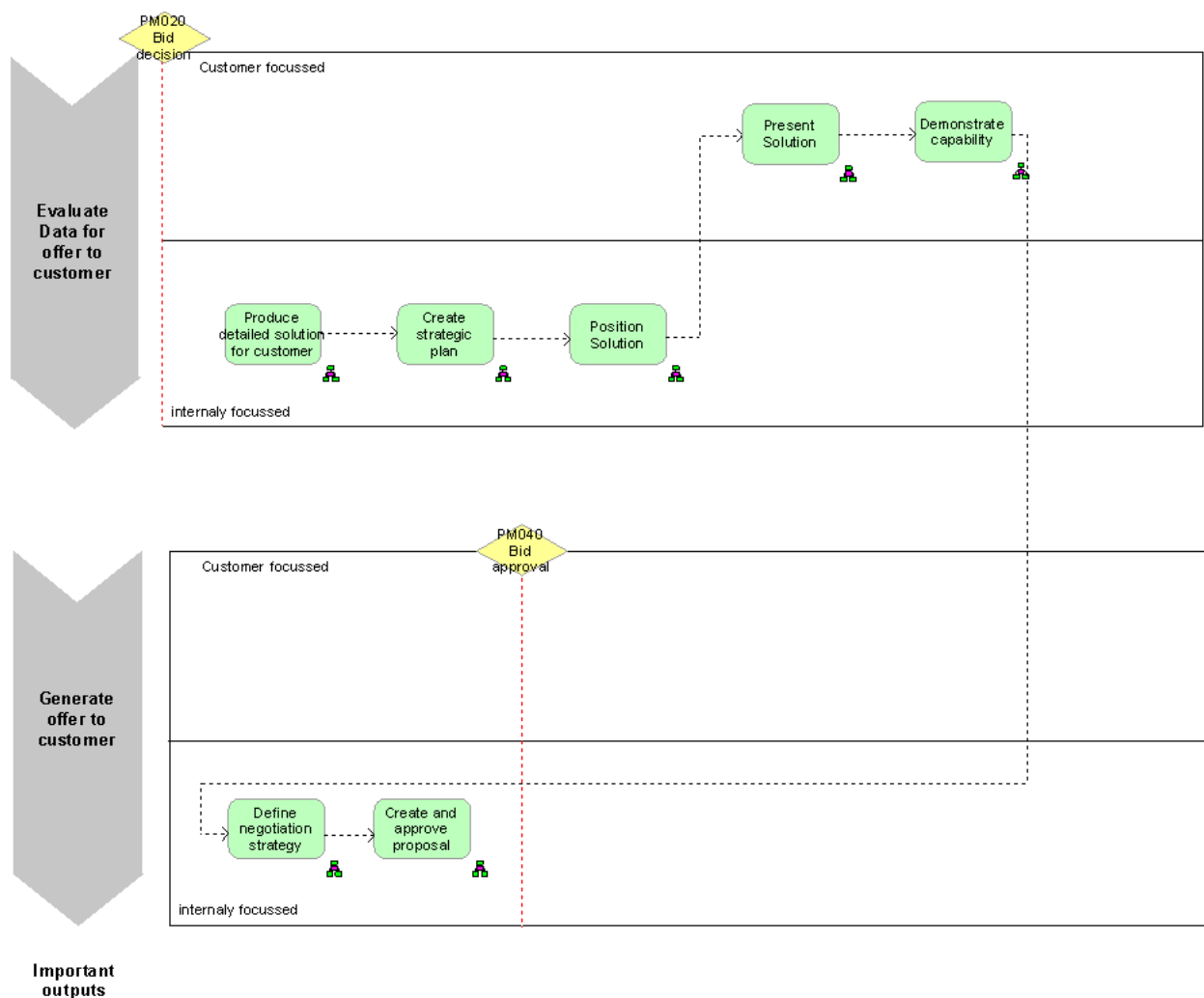
Objective: **Differentiate solution**

Description

A “bid” decision has been made for the business opportunity. This means that we have a vast interest in pursuing and winning this opportunity. The primary goal of this phase is to establish a **clear differentiation for the value of the Siemens solution** to the customer. A careful positioning, followed by a well prepared presentation and demonstration are the main steps.

The first proposal is also created and approved in this phase.

The steps included in this phase are as shown and described below:



Produce detailed solution for customer

Description:

Based on the outcomes of step “Assess solution feasibility”, a detailed solution for the customer's requirements will be defined in this step. All knowledge about the customer's prioritized buying criteria needs to be incorporated:

A careful matching of these criteria with our value elements (features, USP's) will take place during the step “Position solution”.



In SHARE use SCON to create the system configuration

Create strategic plan

Description:

Definition of a strategic plan, including all necessary prioritized activities towards winning the opportunity.

This includes definition of sales milestones, responsible persons, definition of offer budget (based on the minimum acceptable profit defined in step "Assess profitability"). Communicate and obtain commitment from all relevant parties.

Position Solution

Description:

The main objective of this step is to develop “our case” towards the customer: A solid positioning of our solution, and a detailed definition of our argumentation.

The “plan of actions” during this step includes:

- Based on the opportunity qualification, verify our value elements (features, USP's) important for each customer stakeholder
- Map and position these value elements of the solution to **each stakeholder's** prioritized buying criteria (as defined in “identify customer's needs/problems”)
- Determine the financial viability of your solution based on the business case created in “identify customer's needs/problems”, determine how we will position and quantify the added-value to be received by the customer from a Siemens solution even though it might require an additional initial investment.

The “value analysis” template can be used for assistance

Value Analysis

Decision-Team member's Name/Role:				
Value and Desired Outcomes Sought by the Customer	Solution's Value Elements (Unique Selling Points)	Value Element – Financial Impact	Value Element – Benefit	Value Element Positioning for each Member of Decision Team

Present Solution

Description:

After the definition and positioning of our solution a detailed solution presentation is the main task of this step. Outlining clearly the value and benefits that tie directly to **each stakeholder's** buying criteria is the objective to be met.

During the presentation the following needs to be covered:

- Start with a review AND verification of the customer's situation and buying criteria
- Headline our solution
- Give a detailed explanation of the relevant benefits
- Detail your customer's value model (based in the outcomes of the step "identify financial resources")
- Finish your presentation and start the discussion by seeking verification of the perceived value and, if appropriate, seek commitment from the customer.

Please note: At this point, seeking a commitment has a strategic value: The customer most likely will not agree to give the sales person the order and will ask for a "proof of concept" with a demonstration of capability (the next step). Strategically it is better to have the customer asking for a demonstration of capability than to have the sales person offer it. It is an active expression of interest.

The definition of the next steps with the customer concludes this step. Assuming a successful presentation, in most of the cases a "proof of concept" will follow (e.g. site demonstration, reference site visit etc.).

Please remember to update the project progress and Siemens probability documentation.

Depending on the customer's buying process (e.g. in some tender driven projects), this step may occur at a different point of time, i.e. after the presentation of our proposal.



Within SHARE update the project progress and Siemens probability assessments

Demonstrate capability

Description:

The main objective of this step is to deliver the proof that our solution can do what we claim it can do. This can be done with an “on site “demonstration, a clinical site visit, a reference site visit, or a visit to Headquarters.

For the right preparation make sure you and the customer have defined AND agreed to the following:

- definition of buying criteria for the project
- definition of objectives for the demonstration and/or visit
- definition of an agenda for what will happen at the demonstration and/or visit.

Please remember to update the project progress and Siemens probability documentation.

Depending on the customer's buying process (e.g. in some tender driven projects), this step may occur at a different point of time, i.e. after the presentation of our proposal.

The template “factory and/or site visit preparation” can be used for assistance during this step (optional output)



Within SHARE update the project progress and Siemens probability assessments

Factory and/or Site Visit Preparation

(A) Objectives for the Project/Customer Decision

Medical Objectives - medical diagnostic or therapeutic needs/problems the customer is expecting to solve by purchasing the Siemens system/solution. Ranked by descending priority (most important to least important).

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____

Technical Objectives - technical requirements of the system to optimize image quality, performance and productivity to achieve the Medical Objectives.

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____

Financial Objectives - financial outcomes the customer expects to achieve by satisfying the needs and/or solving the problems listed in the Medical Objectives.

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____

(B) Objectives for the Factory Visit - What the customer needs to see, have proven or experience that will convince him/her that Siemens has the best solution.

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____

Protocol, Agenda and Logistics for the Visit

What specifically will be done _____

How it will be done _____

Who will do it _____

When and where it will be done _____

Define negotiation strategy

Description:

During this step the negotiation strategy needs to be defined and internally communicated. The strategy needs to include the following aspects:

- Appointment of the chief negotiator
- Assignment of specific negotiation roles to all involved persons
- Definition of a fall-back strategy
- Definition of our critical and/or must-win points
- Definition of the negotiation's concession limits (based on headquarters and regional rules)
- "Walk away" point – negotiation team has established and agreed to a point at which Siemens will go no lower and will abandon the sale.
This point should be the Minimum Acceptable Profitability established in "Check Profitability"
- Definition of follow-up action plans which take into account the different outcomes that could result if agreement is not reached at this negotiation meeting.
- Preparation and internal agreement of the offer/proposal to be presented and the negotiation strategy to be used to win the order.

Create and approve proposal

Description:

Based on the presented and agreed solution a proposal (in the case of a tender, a tender response) will be created in this step. A proposal is always including at least one approved quote (offer). In addition a proposal includes information such as:

- Description of customer's buying criteria
- Detailed solution description
- Financial benefits
- Implementation plan
- Investment information (price)
- Siemens qualifications

All quotes included in a proposal need to be officially approved. Finally the complete proposal needs to receive official approval. This will be done according to headquarters' and regional business rules.



Within SHARE use the Med Offer Module to generate one or more quotes. Use the approval workflow in order to approve the quote(s). Use SHARE in order to create a proposal and release it

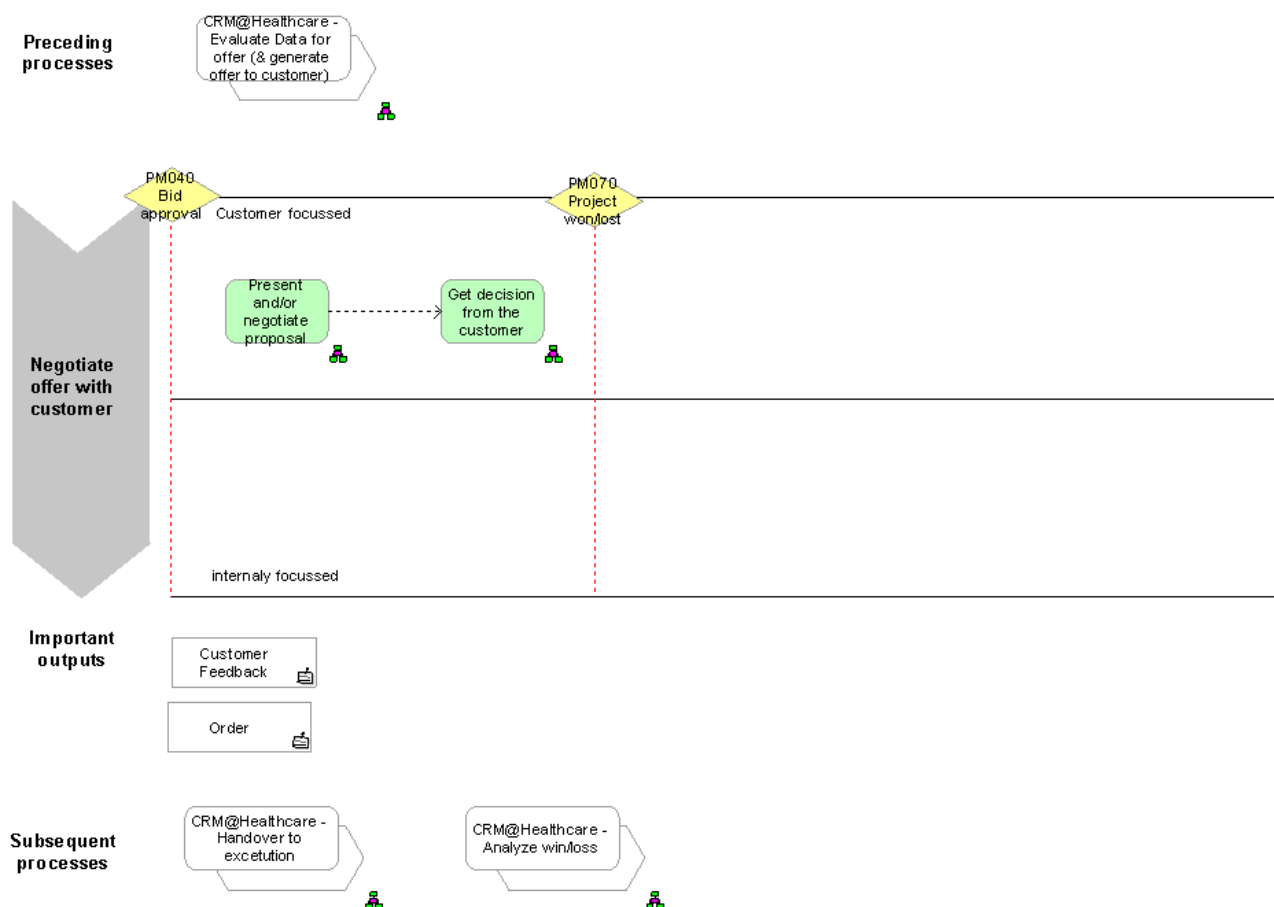
Negotiate Offer

Objective: **Obtain commitment**

Description:

The objective of this phase is to obtain commitment from the customer. Proposals are presented and negotiations are executed. These actions will go through iterations until there is a final decision from the customer.

The steps included in this phase are as shown and described below:



Present and/or negotiate proposal

Description:

The official presentation of the proposal is the main task of this step.

The negotiation of the proposal is to be done only when necessary in order to receive the customer's commitment. The negotiation needs to follow the guidelines established by the region/country.

Please remember to update the project progress and Siemens probability documentation.



Within SHARE update the project progress and Siemens probability assessments.

Get decision from the customer

Description:

During this step the customer's feedback and/or commitment are collected.

Based on the customer's feedback and/or commitment the following actions need to be performed:

- Customer commits to a Siemens solution.
In this case all activities towards a legal contract need to be performed. **A win/loss analysis has to be completed.** Proceed with the next phase "Handover customer contract to execution".
- Customer requests proposal modifications (e.g. pricing, term of payment, configuration) that exceed the concession limits of the chief negotiator.
In this case a new proposal eventually needs to be generated and approved. The process loops back to "create and approve offer"
- Termination of the negotiation cycle. This can be due to a loss to competition or due to the customer abandoning the project (a case which is highly unlikely at this stage of the selling/buying process).
At this point the project should also be abandoned by us when the negotiation has gotten to the point where the terms, conditions and pricing are below the minimum accepted profitability established in "Assess Profitability" and used in "Define Negotiation Strategy". **A win/loss analysis has to be performed.**



In case of a customer's Siemens commitment, within SHARE, the sales status needs to be set to "won" and a "win / loss analysis" need to be performed. After that the sales stage needs to be moved to "handover to execution".

In case of a loss, the opportunity system needs to be updated to reflect the following fields:

- 1) Winning vendor
- 2) Competitor product
- 3) Expected Install Date

Based on this information SHARE will automatically create a competitor install base record.

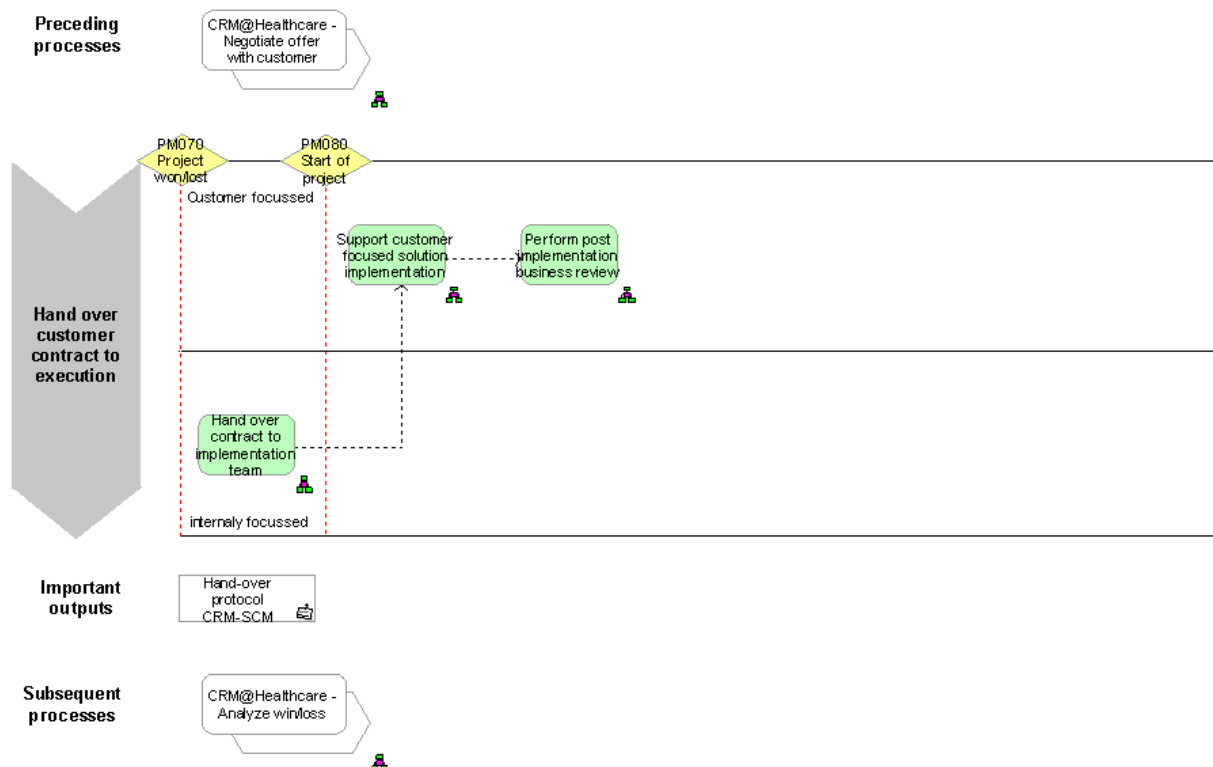
Handover to Execution

Objective: **Solution Implementation**

Description:

This phase is only relevant for a won opportunity and the last one within the opportunity lifespan. Within this phase all actions towards a successful **solution implementation** are taking place. Most of these actions are part of global and local SCM processes and as such not subject of this description. The CRM@Healthcare process guideline are limited to the customer focused CRM responsibilities of the sales person (e.g. customer communication of implementation plan and post-implementation business reviews)

The steps included in this phase are as shown and described below:



Hand over contract to implementation team

Description:

Based on the implementation plan, already committed to the customer, this step includes all activities to deliver all contract relevant information to execution, e.g. definition and internal communication of an installation and application plan.

This step also includes all activities to ensure that all involved parties know their new responsibilities and relevant contract aspects. Involved parties may be internal and/or external.

The responsibility for the respective contract is finally handed over to execution.



Within SHARE create the order and make sure it has been booked in logistics.

Support customer focused solution implementation

Description:

During this step the solution will be implemented following global and local SCM processes.

During this very important step the sales person has a number of responsibilities:

- Make sure the customer is fully informed about the detailed installation and application plan, including all milestones, roles and responsibilities. Make sure customer's endorsement is received.
- After the implementation, ensure that the solution has been implemented to the customer's expectations and all milestones have been met.
- Once all sales commitments are fulfilled and issues are resolved, receive final confirmation that our solution has met all customers' expectations.
- Ask your customer for new referrals.

Perform post implementation business review

Description:

This is the last operational step associated with this sale project (CRM Sell) and at the same time the first one of the relationship management phase (CRM Care).

The main task in this step is to conduct a post-implementation business review meeting with the customer which contains an assessment of the level of satisfaction.

In this business review the sales person is meeting with the key stakeholders who made the decision to move forward with Siemens. During this meeting the sales person reviews the customer's buying criteria for the project and how closely we are meeting these. Also, when the proposal and/or value model/Financial Benefits Analysis was presented, claims were made regarding the economic (quantified) value the customer would receive; it is at this business review where we assess how closely we are hitting the targets set. It is entirely possible and highly probable that we will not be hitting those targets at this point of time...in this case there should also be an additional business review at a later point of time.

The point we need to make is that there is in fact a **VALUE REAL** for the customer.

This will get us more business and move us closer to being **THE PARTNER OF CHOICE!**

In this meeting you also ensure that the communication channel between your customer and you remains clear and allows you to continue to meet the needs of your customer.



Within SHARE add the notes of your meeting to this account.

Analyze win/loss

Objective: Understand and communicate

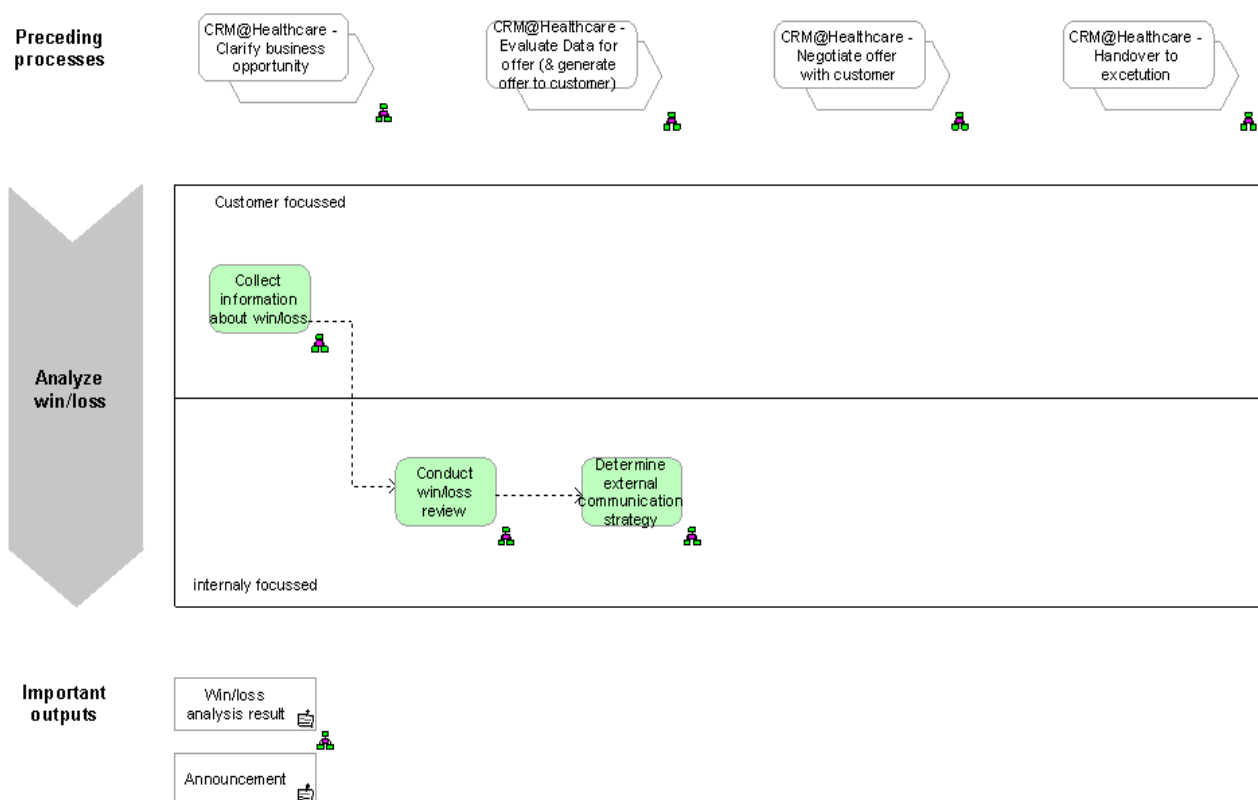
Description:

For a lost and abandoned opportunity this phase is the “exit” point. For a won opportunity this phase is also executed, prior to the “execute handover to customer contract execution”.

The primary goals are:

- Fully understand and document the reasons for a won, a lost or an abandoned project
- Define your external communication strategy re; why Siemens won...why Siemens lost

The steps included in this phase are as shown and described below:



Collect information about win/loss

Description:

The main task during this step is to collect information, from the customer's point of view, about win/loss or an abandoned opportunity. The input should be collected as objectively as possible.

Conduct win/loss review

Description:

Based on the customer's feedback and our project knowledge a standardized reason for the win/loss or abandoned project needs to be defined and documented.

Mandatory output: The reason(s) needs to be documented in SHARE. It is also mandatory to update the schalke chart of this account.



Enter the reason within SHARE

Determine external communication strategy

Description:

In the case of a won project the strategy for the external communication of the success story needs to be defined. The goal is to leverage the success towards creating and winning additional business opportunities.

In the case of a loss the external communication strategy needs to be defined in order to minimize the damage. In this case the goal is to eliminate negative effects on other projects.

Version	Date	Author	Changes
1.0	02/22/2009	Platon Kosmaoglou	Process content delivered by Platon
1.0	02/23/2009	Klaus Jackisch	Formatting, formatting, formatting ☺
1.1	02/24/2009	Klaus Jackisch	Siemens Logo in every header
1.1	02/03/2009	Klaus Jackisch	Siemens Logo in every header to the right side
1.1	02/03/2009	Klaus Jackisch	Right margin : 2 cm
1.1	03/03/2009	Klaus Jackisch	footer and graphics adjusted
1.2	25/03/2009	Sascha Rauer	New graphic for cover page
1.20	21/04/2009	Klaus Jackisch	Minor format changes
	20/08/2010	Platon Kosmaoglou	New content
	20/08/2010	Klaus Jackisch	New content, cover page and footer formatted
1.51	09/08/2012	Klaus Jackisch	No changes
1.6	02/01/2013	Klaus Jackisch	No changes
1.6.1	07/05/2013	Klaus Jackisch	Wording changed regarding "process"
1.6.2	16/08/2013	Platon Kosmaoglou	Formal changes, SHARE wording changed, adjustments for "Evaluate lead"

Version 1.6.2 approved
Erlangen, August 16th, 2013

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