



GLOBAL COLD CHAIN
ALLIANCE®

Date: 05/12/2023

Business Development Strategies

Presented by Robert Hernandez



Presenter

- **United States Cold Storage is driven to advance, innovate, and serve companies seeking the best service, facilities, and logistics in the cold chain industry.**
- **3rd Largest Refrigerated 3PL in North America**
- **Service Offerings:**
 - **Cold Storage = Ambient, Frozen, Chilled**
 - **Transportation and Logistics Services**
 - **COMPLETE – Logistics Management Services**



The Objectives of this course are too:

- **Discuss an integrated approach to business development.**
- **Understand the relationship from a customer's (buyer's) perspective and ensure that you are both happy with the deal.**
- **Offer practical examples of what you can do to improve and protect sales (and margin) within your company.**



**When you hear the title, “Sales Person”,
what do you think they do?**



What is Sales?

Sales is a Department

- **Selling is everyone's responsibility**

Sales are Results

- **Selling is an activity that drives sales**

A sale is one Transaction

- **Selling is a continuous process of relationship building and value delivery**



What is Sales?

- **Eyes and Ears of an organization**
- **Bridge the gap between customer needs and the service that fulfills the need**
- **Identify pain points**
- **Share wisdom**



Why is it important?

- **Eyes and Ears of an organization**
- **Bridge the gap between customer needs and the service that fulfills the need**
- **Identify pain points**
- **Share wisdom**

Consultative or Transactional?

Which Sales Model?

Transactional



Consultative

What skills/knowledge?

- *Presenting*
- *Product knowledge*

- *Problem solving*
- *Application knowledge*
- *Questioning*

What behaviours?

- *Foot in door, persistence*
- *Pitching*
- *Always be closing*
- *Personality (it's about me)*

- *Curiosity*
- *Follow up*
- *Empathy*
- *Relationships (it's about them)*

What beliefs?

- *My customer is an idiot*
- *I can "close him" if I push harder*
- *My world is the same as his world*
- *I need a discount!*

- *We can find a match*
- *His world is different to mine*
- *How do we make this happen?*
- *I need to find a better fit*



Why do folks say sales is hard?

- **You have 3 things against you before your initial meeting**
 - **You don't know everything**
 - **People don't like to share where they are not doing well**
 - **Your prospective customer has a relationship with their incumbent**
 - **Mr. CEO, we've been working together for 15 years, just tell me what you need!**
 - **Even when they are open to it, people don't like change**
 - **This is just not a priority for us this year**

How do you overcome?

- **Get to know your prospective customer first**
 - **Company history, current leadership, direction they are going**
 - **Ask good insightful questions, people generally like talking about themselves**
- **Ask questions about the operation and current provider assumptions**
 - **I noticed that We have a similar operation and have seen this report lead to data driven decisions etc..... what items does your report offer or what else could we include for our customers?**
- **Get them asking you questions**
 - **If you were to provide this service for us.....**




Draw a picture

- **Decisions are emotional**
 - **They are comfortable with their operation because that is what they know**
 - **Get them to know you through experiences**
 - **Paint a picture**
 - **Mr. CEO, we've covered a lot today and I am seeing a clear picture of your operation**
 - **Imagine or picture that report helping guide your growth in major city USA this spring.**
 - **Talk about next steps to remove emotion from change**
 - **What will Mary (incumbent) say when you tell her you are making change?**



Participant Perspective

- 
- **Groups of 2-3 with one of you facing backwards to the screen**
 - **If your back is towards me you are the salesperson**
 - **If you are facing me you are the VP of Operations or Business Owner**



Salesperson Introduction

- **When they answer:**
 - **Tell them who you are and what the purpose is for your call**
 - **Validate they are the correct contact**
 - **Lead them towards them**
 - **Find the fit**
 - **Set the expectation or next steps**
 - **This can be a follow up call in 3-6 months**



Prospective Customer

- **Sorry we are happy with our current provider**
- **What do you do?**
- **Thanks for calling but ill need to pass this along to someone who manages this**
- **Hang up!**
- **You know, your timing is great, we are just diving into this.**
- **Where are you located?**
- **What is your cost to handle and store a pallet?**
- **What are your accessorial charges?**



Integrated sales perspective

Why are we calling it Integrated Sales?

- It's the alignment of Sales, Marketing, and Operations to make a more productive customer relationship



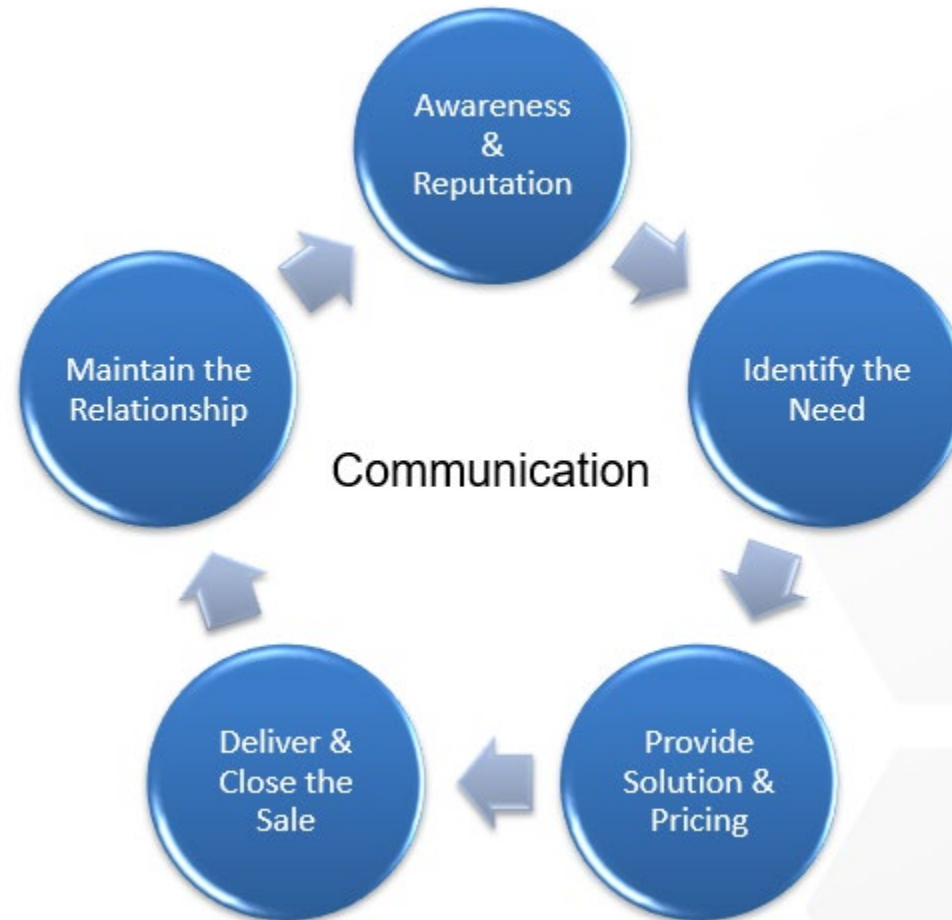


Who are our Customers?

- **People who manufacture product**
- **People who deliver product**
- **People who own product**

- **People outside our company who pay us money to provide required services**

The Integrated Selling Cycle





Identify the Need

- Know your company
- Know your services
- Know your industry
- Know your people
- Know the value your company brings
- Identify your customer
- Know your customer
- Know their industry
- Know why they need your services
- Develop questions
- Recognize leads
- Make sure you and your materials are presentable
- Listen

Provide Solution & Pricing

- Customer Profile
- Solution Proposal
- Contract



- **Customer Profile**
 - Annual Volume
 - Product Info
 - Inbound Info
 - Inventory Info
 - Outbound Info
- **Item Spec Sheet**
 - ID the 80/20
- **Shipping History**
 - 3 months to one year

Requesting Info

Customer Profile Information

1. Total Annual Volume (cases, pallets and/or weight)
2. Product information
 - a. Number of items
 - b. Product spec. sheet listing cube, pallet configuration (including height per item) and weight for each item
 - c. Identify the 20% of items representing to 80% of volume, if 80/20 rule applies.
 - d. How packaged? Box, bin, pail, drum, etc.
 - e. Product descriptions and product ID requirements
3. Inbound information
 - a. Arrival temperatures?
 - b. Mode of transportation? Truck, rail, bobtail of non-standard height, etc.
 - c. Palletized, floorloaded, slipsheeted?
 - d. Separate into lots by item, by code date, by expiration date?
 - e. Number of items per inbound carrier
 - f. Weighted averaged of pounds/item for inbound lots
 - g. Average inbound per week or month (trucks, cases, pallets and or weight).
 - h. Pallet exchange?
4. Inventory information
 - a. Storage temperatures for each item
 - b. Average onhand inventory (cases, pallets and/or weight)
 - c. Seasonal highs and lows expected (cases, pallets and/or weight)
 - d. Annual turns
5. Outbound information
 - a. Orders/week
 - b. Average weight/order
 - c. Average items/order
 - d. Average weight/pallet
 - e. Percentage of inventory requiring case picking? (or, how much goes out in full pallet quantities?)
 - f. Lead time on orders
 - g. Palletized, floorloaded, slipsheeted orders?
 - h. If pallets, pallet exchange or pallet purchase program?
 - i. Any other special requirements? Stretch wrapping, labeling, weight taking, etc.
 - j. If possible, a shipping history for at least three months (up to one year) of all orders identifying destination customer with city (& zip), weight/order and date of shipment or delivery.
 - k. If a shipping history is not possible, a list of destinations and volumes (yearly, monthly or weekly).



Solution Proposal

- **Value to Customer**
- **Rates**
 - **How and how often**
- **Product Info**
- **Storage Requirements**
- **Project Term**
- **Contract Terms and Conditions**
- **Accessorials**
- **Hours of Operations**
- **Payment terms**
- **Holiday schedule**
- **Account Reviews**
- **Term of proposal**

A blue geometric logo consisting of nested, stylized shapes resembling a 'D' or a series of nested chevrons, located in the top-left corner of the slide.

Contract Terms

“Please read the attached Contract Terms and Conditions (especially, the sections on legal limited liability and liens) as they contain important information regarding your products while stored at our facility.”



Deliver & Close the Sale

Negotiate a WIN – WIN

Prepare

Listen

Don't get emotional

Be Prepared to give something up

It's OK to say no



Customer perspective

GCCA Customer Survey



202 survey respondents

- 56.9% Food Manufacturers / Processors
 - 29% Food Distributors
 - 67% Directors / Managers
 - 10% C-suite

- **Purpose**

- To learn about the perceptions from food companies of the cold chain, and how cold chain providers can improve their services and relationships with these partners

What Value do PRW 3PLs bring to Customers?

Space Locally Decrease Labor Rate
Location **Interactive Website**
Communication **More Storage Capacity**
Accuracy and Reliability
Nothing/Satisfied Customer Service
Transparency Robotics **Reporting**
Help with Future E-Commerce
Privacy **Cost** Strategic Partnership
Chilled Capability Proximity to Supply



GCCA Customer Survey Results

- **Satisfaction**
- **Protect**
- **Service**
- **Transparency**

GCCA Customer Survey Results

SATISFACTION

- **Collaboration**
- **Focus on larger business goals rather than transaction taking place**

2-6% Higher Operating Margin

5-10%
#1 Customer Service cited as Most Common
Factor to Cease Working with a Cold Chain
Provider

It takes **12** positive
experiences to make up for one
negative

It is **6 to 7** times more costly
to acquire a new customer
than retaining an old one



GCCA Customer Survey Results

PROTECT

- **Cold Chain 3PLs are an extension of our customer's brand, perception, and value to customers**
- **End Consumer is us**
- **Shared journey**

The logo of the Global Chemicals Competitiveness Alliance (GCCA) is located in the top left corner. It features a stylized blue 'G' with a white arrow pointing right, set against a dark blue background.

GCCA Customer Survey Results

SERVICE

- **Responsive**
 - **Traceability and transparency**
- **Flexible**
 - **Customer-centered approach**
- **Innovative**
 - **Efficiency and cost savings**

The logo of the Greater Chicago Chamber of Commerce (GCCA) is located in the top left corner. It features a stylized blue 'G' with a white arrow pointing to the right, set against a dark blue background.

GCCA Customer Survey Results

TRANSPARENCY

- **Cost Transparency**
- **Quality and Accuracy are often times more important than cost**
- **Open and honest selling process, communication, and partnership**
- **Proactive communication**



Questions? Contact us!

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Thank you!

For more information, please visit www.gcca.org

This presentation is made in conjunction with the United States Department of Agriculture (USDA) Emerging Markets Program (EMP) and prepared by the Global Cold Chain Foundation (GCCF), formerly the World Food Logistics Organization (WFLO). The opinions expressed in this presentation do not necessarily reflect that of the U.S. Department of Agriculture or the U.S. Government.