

Should we be doing Key Account Management?

If any of these things ring true for you, then yes!

- **The increasing complexity of the customer's decision making process means we are at risk of missing the right contacts and losing our influence...**
- **The customer's focus on financial criteria is threatening the basis of our clinical value propositions...**
- **The customer insists on fewer contacts ('can't we see one person?') but we need our multiple contacts....**

Each application of Account Management is unique – it depends on the nature of your customer – which means you will have to make choices.

There is a spectrum of account management practice from sales driven 'relationship management' at one end – designed to drive volume across a large number of customers - through to cross-functional Key Account Teams working in close collaboration with a small number of customers – designed to develop tailored value propositions.

Both can work – it depends on the nature of your customer – but in its more ambitious manifestations KAM is something quite different from selling.

Time horizons are longer, customer relationships go broader and deeper, and a cross-functional team is deployed. Key Account Managers are business managers first, sales professionals second, carrying out a much deeper analysis of the customer's business and market, in pursuit of tailored value propositions.

None of this is easy in healthcare markets – the customer isn't used to it, and most suppliers have focused on other methodologies, with call rates, coverage, detailing and leave behinds to the fore. These things may still have a place in the changing NHS, but under very different circumstances. The challenge is to find the new methodologies that work.

This is the world of Diamond Teams, cross-functional working, and bespoke value propositions – all of which demand a very different set of skills and capabilities. The best advice is often to focus your efforts on a relatively small number of customers – a trial, a pilot, a learning experience.

Trying to implement KAM with too many customers, too quickly, is perhaps the biggest sin – the results are mediocre at best, and enthusiasm soon wanes...

And what of the customer in all this – are they asking for KAM?

They may not use those words, but if you are experiencing any aspects of what we can genuinely call a 'purchasing revolution' – an increased involvement of professional buyers, a centralisation of decision making, an increasing use of tenders, a greater focus on financial measures – then it is almost certain that KAM is what will be required to make the appropriate responses.

So, a final challenge:

- The rules of buying have changed....
- The rules of competitive advantage have changed...
- Have you?