



Divide the Task, Multiply the Success

Making the Leap to MPS

Collaborative Consultant Group

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Background

32 year veteran in our industry

10 years in the Managed Print space

*Print Inc (National Channel Manager)

*Konica Minolta(West Region Manager OPS)

*Supplies Network(Director of MPS).



Today's Objective

Understand the MPS Market Space- what's inside the numbers? Is it worth it?

Your Positioning (MPS or.....)

Offense or Defense?

Keys to success from the inside

Sales Structure

Back end infrastructure

Compensation

Communication (internal and external)



The MPS Market

30 Billion up to 78 Billion-Photizo

Growing at a 20% compounded annual rate

Photizo predicts that by 2014, half of all printer revenue will be under an MPS contract.

The “many faces” of MPS, which one are you?

- Service and supply contracts

- Equipment replacement

- Fleet optimization with process enhancements



MPS Definition

‘MPS is a service designed to drive efficiencies and minimize the costs associated with printing and imaging.’

“Share of Wallet”

“Own the network”

“vehicle to sell more boxes”



Your Positioning (MPS or.....) Offense or Defense?



Your Positioning

What does your MPS program say both internally and externally?

- Are you aligned within your own company?
Do Service and Sales have the same vision?
- Has that vision been set by the Executive levels in your company?
- Can that be measured?



Your Positioning, cont.

- Offense or Defense?
- Sales Culture? Ask this question - Who owns the accounts?
- General or Specialist?
- Who do your sales people target? C-level, IT or Purchasing?
- Does your MPS offering improve your clients environment?



Keys to success from the inside

Sales Structure

Back end infrastructure

Compensation

Communication (internal and external)



Success from the Inside

- Did you plan your MPS program then roll out or did you roll out an MPS program?
- What is your sales culture? How are you set up internally to reach your MPS targets?
- Who “owns” your MPS program and its success (or failure)?
- What are your checkpoints? Who’s involved in that process?



Success from the Inside

- Who is trained vs. who actually sells MPS in your dealership?
- Have you trained Service and Admin managers in MPS? Do they understand the market and can they support it down to their direct reports?
- How do you address billing for MPS engagements? Is it a manual process? Does it match up with the customers expectations?



Success from the Inside

Sales Process:

- General Reps introducing MPS to their client base (low hanging fruit)
- Major account reps calling on your “long term” larger customers (what is the level of confidence they have in your program?)
- Customer Care Reps, scouting out opportunities during their account visits (are they trained?)
- Specialists (do they have the support of the sales staff as they call into their account base?)



Success from the Inside

Sales Process, cont:

- Assessment-Automated? What does this mean to your dealership? DCS, Mapping, End-user software, proposal tools.
- Walk thru's- how are they done AND who does them? Some will do them to gather meters, (low level information) others to view work flow, talk to key users, identify gaps in the processes to see how they will be able to impact those areas.
- Should be building blocks to a proposal. Should not be your proposal.



Sales process, cont.

- C-Level- We all hear it. Do we believe it and if not, why?
- Value Propositions to fit your audience. If nothing else, write one! It's your roadmap.
- Quarterly Business Reviews (QBR) - Do them! Let them be your guide, let them be your differentiator. They are on most proposals as a deliverable, not many companies do them.
- Are you prepared to capitalize on any process improvement areas you find?



Back-end infrastructure:

- Who is responsible? Do you have an admin champion for MPS?
- What are they responsible for? Why?
- How are you measuring success? Are you shipping more than your customer consumes? Can you even tell?
- Are your service calls/rates in line with your original estimations?



Back-end infrastructure:

- Invoicing- Nightmare or Dream? Does your invoice represent what you sold your customer?
 - Is it easy to read?
 - Is it accurate?
 - Can it be paid first pass?
 - Is it easy for your company to produce?
 - What backup information can and do you provide your customer? Who does that?
 - How much “outside the norm” work goes into invoicing your MPS transactions?



Data Collection:

- Who is responsible? What are they responsible for? Are they accessible?
- Is there a plan to deal with printers off network? If not, are they excluded from your program? If included, how is it handled? (critical)
- Issues start when there isn't complete consistency within the organization (rogue selling)



Compensation:

- Compensation is the single biggest inhibitor to a successful MPS Program.
- Is your compensation consistent with your goals for MPS?
- Are all levels of the organization incented to drive success in MPS?
- Are your compensation plans consistent with your corporate goals and your mission statement?



Compensation:

- Ask yourself, Is your dealership positioned to sell MPS or present MPS? You'll have an idea if the compensation is set correctly.
- Is the sales cycle taken into account when writing your comp plan for MPS?
- Is it an added "spiff" if you get an MPS deal?
- Will it drive you to do a proper assessment and differentiate yourself from your competitors?
- Proper compensation ensures your differentiators add value.



Compensation: Key Factors to Consider

Total compensation required for acquiring and managing the customer, not just the initial sale

Who works with the sales rep on the initial assessment?

Who will manage the account after the initial sale?

How (and to whom) will you incent new business in existing accounts?

Who manages the rollover of the contract?



Compensation: Key Factors to Consider

- Determine your sales approach
- MPS Specialist or Team Approach
- Each require a vastly different compensation model as well as management strategy.



Compensation: Key Factors to Consider

- Behaviors to Incent
- Activity
- Gross Profit
- Revenue
- Pages
- Hardware
- New Business
- Assessments
- Account Growth
- Account Retention



Compensation: Key Factors to Consider

MPS Compensation needs to mirror the Company goals and line up strategically.

What are you trying to achieve?

Company growth?

New account growth?

Improved profit (% or dollars)?

Recurring Revenue (Rule of 78's)

Increased Hardware sales?



Communication:

- What is the overwhelming message internally about your MPS program?
 - ◆ We're in it!
 - ◆ We do it!
 - ◆ We live it!
- How was MPS rolled out? Who rolled it out? How is change instituted?
- Is there top down support? Do all of your processes support that?



Reality Check

We have Manufactures to satisfy

We have payroll to meet

We have a “sales culture” in place

We know how to deal with the “known”



Plan for Success:

- Know who you are
- Know who you want to be
 - ♦ *There are thousands of software companies not named Microsoft!*
- Find your sweet spot and put together YOUR plan to go after it
- WISHING IS NOT A STRATEGY!



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