

Case Example | Smart Rightsizing & Sales Force Optimization

Humatica's work enabled turning-around a classic margin squeeze for a consumer products company in Germany.

BACKGROUND & CONTEXT

- German sales organization of large consumer products multi-national
- Declining sales, increasing cost - slow, steady margin squeeze
- Shifting distribution channels – channel margin, partners and behavior
- Growing low-cost internet channel
- Adding resources for new tasks and increased resources on old tasks
- Trapped by past successes

MEASURES

- Segmentation of organization & activities by customer segment/channel
- Restructuring and re-organization of sales force - expand key-account management
- Reduction / minimization of internet channel resources
- Re-organization of marketing activities between D, A, CH
- 20% reduction in sales force
- 12.5% overall headcount reduction

RESULTS

- Immediate cost reduction of € 2M
- Sustainable turnaround – achieved sales growth: moved from -4% to +5% p.a.
- Increase sales growth with new products and key accounts
- Improved ROS to 35%
- Sustained sales and profit growth 3 years after

HUMATICA APPROACH

- Strategic requirements analysis – impact of shifting client and distribution channels on the organization
- Customer interviews to get deep understand of shifting needs & priorities – new requirements on the organization
- Smart Rightsizing Sales & Service (Humatica modus tools)
 - Deep drill activity analysis, Productivity-Benchmarking
- Re-organization of activities, processes and positions around the specific emerging needs of different distribution channels, customer segments
- Rigorous, individual assessment of the field sales force, KAMs

