



CANADIAN
MANUFACTURERS
& EXPORTERS

LEADERSHIP AND
MANAGEMENT OF
COMMUNICATIONS WITH
CUSTOMERS AND
SUPPLIERS

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Thought Leadership Series



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AGENDA

- Introduction and concept discussion
- Have you ever heard of LEADERSHIP?
 - > TOOL #1 – Implementation Steps
- Three kinds of value proposition
 - > TOOL #2 – Customer-Centered Value Proposition Chart
- Communication to support business development, partnerships and sustainability
- Tool and engagement for business development
 - > TOOL #3 – Four-Dimension Business Review
- Common mistakes when communicating
- Understand your exposure
 - > TOOL #4 – Checklist on Business Continuity and Exposure
- Open Q&A

- Introduction and concept discussion

Leadership and Management of Communications with Customers and Suppliers

Communication, *yes* – but to what end?

- Have you ever heard of LEADERSHIP?

- > TOOL #1 – Implementation Steps

Step 1- Create a team for centralized communication

> Meet regularly, relevance and focus, succinct.

Step 2- Communicate, internally and externally

> Visible to all, choose format, personalized. How were decisions made? Why?

Step 3- Communicate regularly, monitor and adjust

> Targeted, provide relief and refunds, exercise empathy rather than selling more

Step 4- Build reassurance and trust

> Transparent, reinforce Long-term focus. Explain what are you doing about each situation.

Step 5- Develop and contribute to the community

> Donate, support customer's charities/causes. Create your own community.

- Three kinds of value proposition

- #1 – All **benefits**

- Benefit assertion
 - Relevance

- #2 – **Meaningful** points of difference

- Specific calculations
 - Holistic analysis

- #3 – Resonating **focus**

- Prioritization
 - Customer's analysis and calibration

- Three kinds of value proposition

- > TOOL #2 – Customer-Centered Value Proposition Chart

VALUE PROPOSITION	All benefits	Meaningful points of difference	Resonating focus
Consists of:	All benefits customers receive from a market offering	All favourable points of difference a market offering has relative to the next best alternative	The one or two points of difference that will deliver the greatest value to the customer for a foreseeable future
Answers the customer question:	Why should our firm purchase your offering?	Why should our firm purchase your offering instead of your competitor's?	What is the most worthwhile for our firm to keep in mind about your offering?
Requires:	Knowledge of own market offering	Knowledge of own market offering and next best alternative	Knowledge of superior value to customer compared to best alternative
Has the potential pitfall:	Benefit assertion	Value presumption	Requires customer value research

- Communication to support business development, partnerships and sustainability

> TOOL #3 – Four-Dimensional Business Review

#1 – Feedback and alignment

#2 – Quality, Service

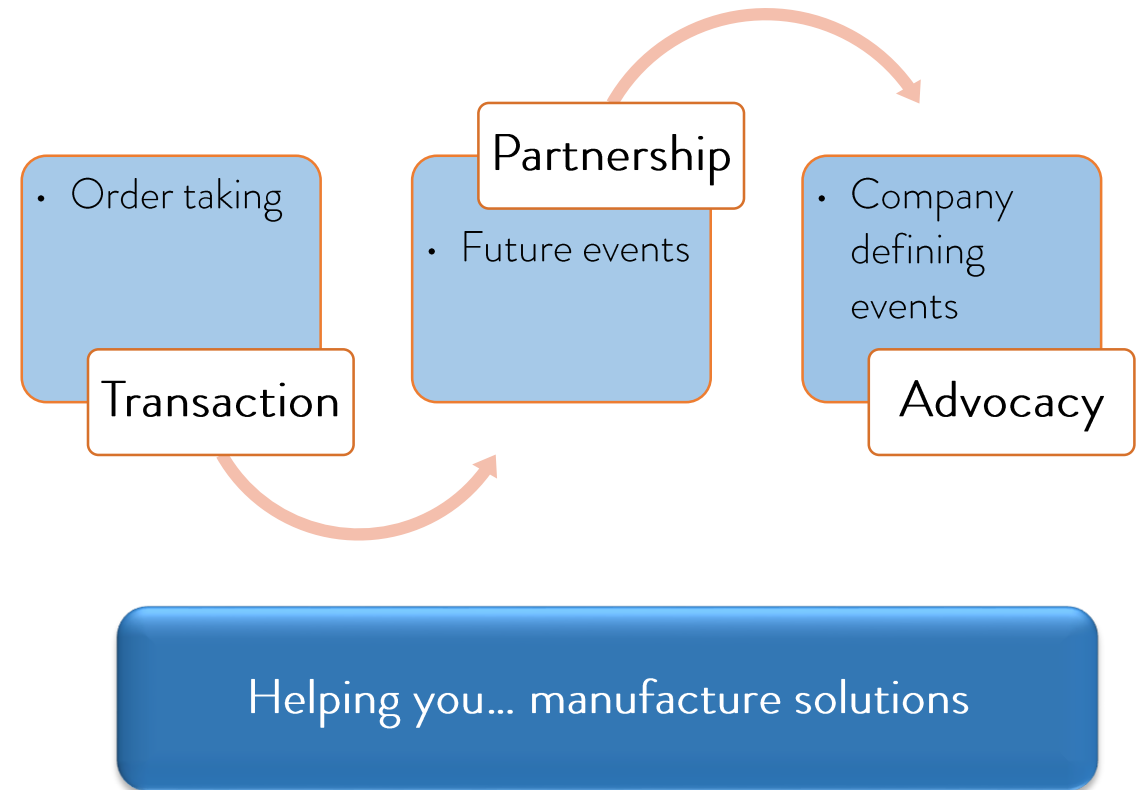
#3 – Environmental scan

#4 – A look into the Future

- Communication to support business development, partnerships and sustainability

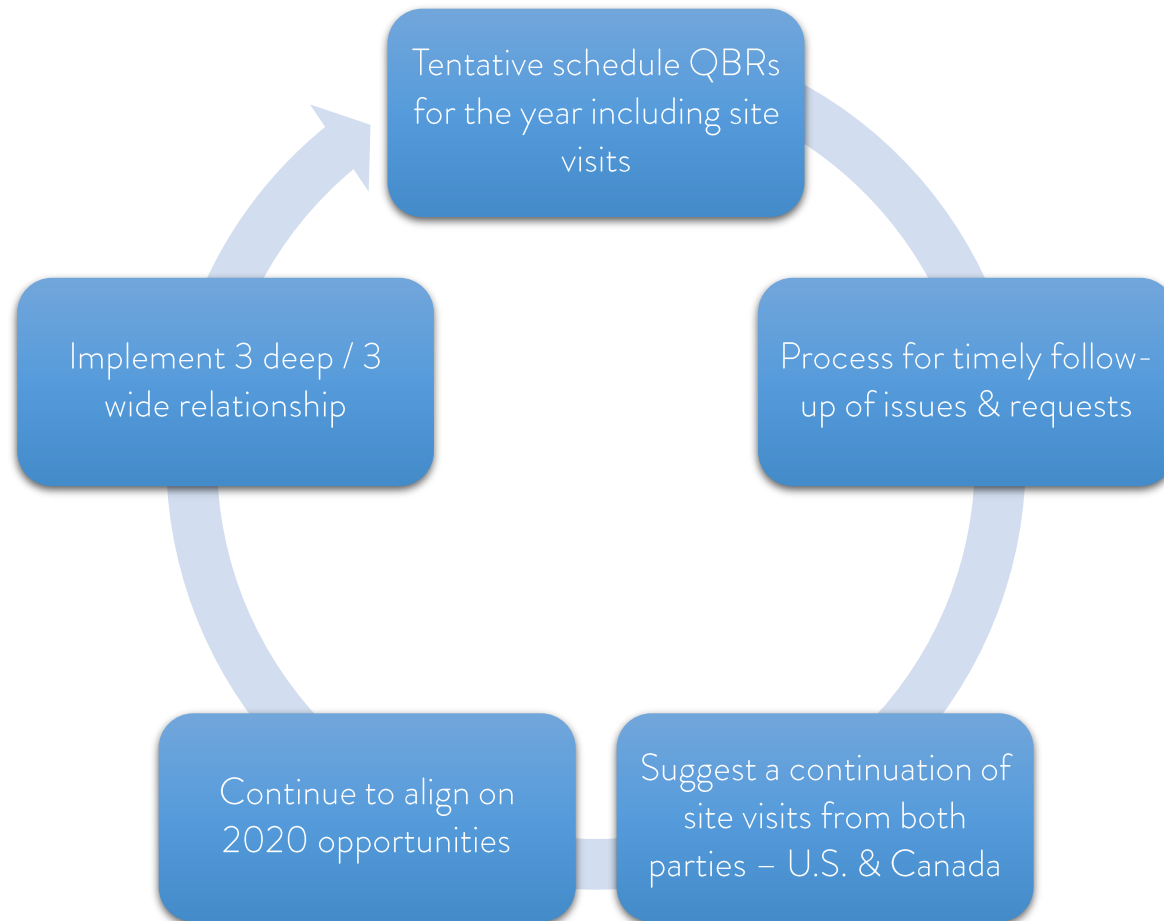
#1 – **Feedback** and alignment

1. Intent is to build a long term and sustainable relationship benefiting both our companies
2. QBR process is a tool for C.I. and C.E.
3. Propose today to get an alignment on what information CUSTOMER 1 requires and wishes to discuss on a quarterly basis



- Communication to support business development, partnerships and sustainability

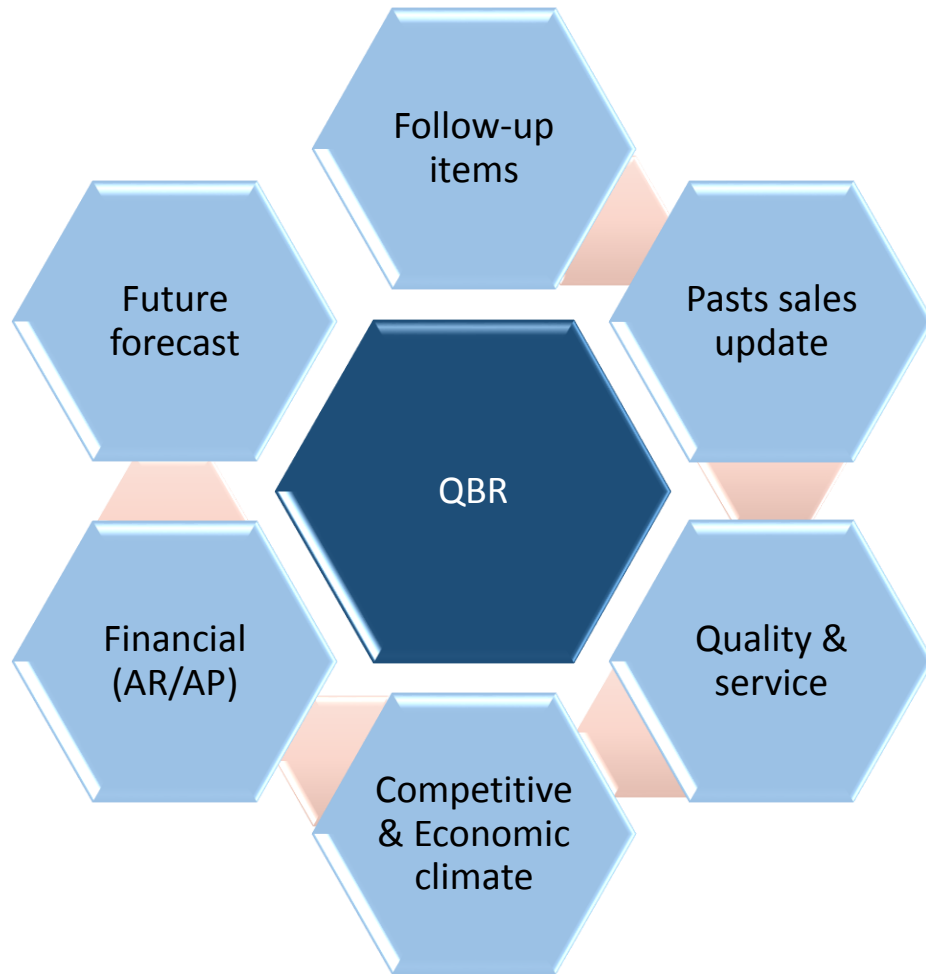
#1 – Feedback and alignment



Together.... Always
understanding economic
and competitive
landscapes and pivoting
where necessary

- Communication to support business development, partnerships and sustainability

#1 – Feedback and alignment



These components will allow for trending and scalability discussions

- Communication to support business development, partnerships and sustainability

#2 – Quality, Service

- Discuss outstanding issue if any
- Manufacturer 1 ISO renewal is schedule for September of this year
- Is there a requirement for our quality manager(s) to visit each other's site?

- Manufacturer 1 continues to:
 1. Independently certify it's welders through a 3rd party using AWB standards
 2. Leverage the Hoshin goal deployment and KPI tracking
 3. Leverage its CI program led by our President

- Communication to support business development, partnerships and sustainability

#2 – Quality, Service

- Gauge the **success** of the **relationship**
 - Operations
 - Quality
 - On time delivery
 - Rush orders
 - CSRs
 - Estimating team
 - Package turnaround
 - Sales cycle

- Will CUSTOMER 1 provide us KPI information or should Manufacturer 1 self-report?
- Is there a requirement for a weekly, monthly touch base (i.e.: conference call) or is email sufficient?

Questions

- Communication on personal changes. Could we build an SOP for contact purposes and we will connect with the appropriate Manufacturer 1 contact?
- Communication on schedule changes. Recently received, from unknown source, via email, a mass reschedule change, pushing delivery dates out 2/3/4 months. Requesting reply on 800 lines, within 3 days or dates will be pushed.
 - Could this be completed through 1 point of contact?
 - Help us understand the current process?

- Communication to support business development, partnerships and sustainability

#3 – Environmental scan

Economic & competitive climate... 2019 articles

- Mrs. Smith, director of administration at the CUSTOMER 1 plant in the US, said work on the new loaders is expected to begin at the beginning of the company's 2020 fiscal year.
- “CUSTOMER 1 is excited to continue our relationship with Manufacturer 1 on this project,” Mrs. Smith said in an email to the local chamber.
- CUSTOMER 1 has built hundreds of loaders for the Ohio area. Earlier this year, it was awarded a \$5.5 million contract to build hundreds of front loaders in the State for Ohio's Metropolitan Transportation Authority.
- With options, the contract could grow to \$30 million, which would be the largest ever for the State plant.
- <https://URL> / Social media

- Communication to support business development, partnerships and sustainability

#4 – A look into the Future

- 1- Share updated information on your current proposals and prospects
- 2- Discuss any changes on your supplier status – any changes?
- 3- Share an update on new technology, capability, service that you may offer
 - Prototyping, assembly, engineering, testing
- 4- U.S. presence to address border crossing
 - Buy America legislation / PPP
- 5- Discuss financials
 - Review quarterly A/R and A/P
 - Discuss inspections, acceptance and rejections
 - Identify improvements to your delivery terms

- Common **mistakes** when communicating

#1 – Underestimating the importance of communicating with customers

- How to
- What to say

#2 – WINGING IT

- Be prepared
- Organized / risk of overly formal (but in control to avoid losing much more)

#3 – Leaving it to someone else

- Professionals write from their perspective
- No one knows your business as you do

#4 – Forgetting the customer:

- Who are you talking to?
- Give them back, 10X fold

#5 – Not knowing when to stop

- Delivered? Clear, concise? **DONE.**

- Understand your **exposure**

- #1 – Contract (macro or P.O. definitions)

- Responsibilities, liabilities
 - Timing and spirit

- #2 – Payment terms

- Financing
 - Efforts to collect

- #3 – Acceptance of goods

- Inspections, terms, tests
 - Mitigation, repairs on site and costs associated with it

- #4 – Third party actions

- Suppliers / raw materials and components
 - Border crossing, inspections, customs

- Understand your **exposure**

> TOOL #4 – Checklist on Business Continuity and Exposure

Understand your exposure	Business impact	Decision/ Action	Financial impact	Decision/ Action	Continuity/ Future state	Decision/ Action
Contract (macro or P.O. definitions)	Responsibilities, liabilities		Timing and spirit			
Payment terms			Financing		Efforts to collect	
Acceptance of goods	Inspections, terms, tests				Mitigation, repairs, other	
Third party actions	Suppliers / raw materials, components				Border crossing, inspections, customs	

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OPEN Q & A



THANK YOU FOR ATTENDING

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