



# SalesRenewal

Growing Sales, Sharing Risk and Reward.

## *JointSourcing™ in Action*

Collaboration Leads to New  
Strategies, Brand, Site, Marketing  
Programs and ... a Blue Ribbon

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## Executive Summary

MATsolutions, a highly successful vendor of previously owned electronic test and measurement equipment, wanted to cost-effectively accelerate its revenue growth.

Attracted by Sales Renewal's unique JointSourcing Solution ("joint venture" + "outsourcing") that grows sales while sharing the risk and reward, MATsolutions engaged Sales Renewal.

There are 3 steps to a Joint-Sourcing Solution,

1. **Blueprint:** a highly collaborative process where the most cost effective strategies, marketing & sales programs and technologies (a.k.a. a "Sales Machine") are identified, detailed and agreed upon.
2. **Build:** the Sales Machine is built out by Sales Renewal.
3. **Sell:** Sales Renewal "runs" the Sales Machine every month for one year to market and grow the client.

and for MATsolutions, the unfolding of these 3 steps has led to some fundamental changes to their business. According to Steve Wedler, VP Sales and Marketing, MATsolutions:

*"Over the last year with Sales Renewal's critical assistance, we've rebranded the company, launched a new e-commerce site and introduced marketing programs and supporting technologies that truly distinguish MATsolutions from its competitors. Having two highly dedicated and bright teams responsible for this transfor-*

*mation has allowed us to deliver something far superior than either team alone could have."*

The success of this collaboration has been validated by the U.S. Chamber of Commerce, which recently award-

ed MATsolutions its prestigious Blue Ribbon Small Business of the Year for 2014, given only to 100 entrepreneurial small businesses each year in the U.S.

This installment of the Joint-Sourcing in Action series explores how Sales Renewal partnered with MATsolutions to produce a marketing & sales system neither company could

have developed as quickly or efficiently on its own.

## Initial Steps

It is generally rare for two different companies, let alone a client and its vendor, to work together so thoroughly, on so many levels, that the resulting whole is greater than the sum of its parts.

However, thanks to Sales Renewal's revolutionary Joint-Sourcing Solution (a unique hybrid combining elements of joint venturing with elements of outsourcing, in which shared risks and rewards align Sales Renewal's economic incentives with those of its clients), such synergies are the norm.

The two firms first put their heads together in December of 2011, when MATsolutions, then named Measurement Assurance Technology, committed itself to accelerating its already impressive sales growth. As with many companies, MATsolution's leadership had great depth and expertise in

managing their business, sales strategy and execution, and knowledge of their customers, competitors and industry. But they had found, also like many firms, that translating this expertise and experience into cost-effective marketing programs was challenging, fraught with time consuming trial-and-error efforts, and distracted them from other important management responsibilities.

Rather than undertaking the time, expense and opportunity costs of locating, hiring and perpetually managing a large, diverse team of in-house or freelance marketing and technology experts, MATsolutions' leadership became intrigued by Sales Renewal's deep, complementary expertise in sales, marketing and technology, and by its innovative "shared risk-reward" business model.

Early discussions seemed particularly promising, so Measurement Assurance Technology contracted with Sales Renewal for a small technology project.

(Though most clients' first engagement with Sales Renewal is a JointSourcing Blueprint—see below for a more detailed explanation—client companies occasionally get started with Sales Renewal by requesting help with a pressing marketing or technology project.)

Sales Renewal was happy to help. The firm prides itself on, among other things, being completely open to whether it does technical work, marketing work, strategy work, or combinations of them.

Pleased when Sales Renewal delivered the initial project

on time and budget, the company commissioned Sales Renewal to work with it to produce a JointSourcing Blueprint that would evaluate and propose cost-effective ways to accelerate their revenue growth.

## A *Blueprint* for Growth

JointSourcing starts with Sales Renewal's unique **Blueprint**. A common mistake businesses make is to focus on one perceived, squeaky wheel deficit—our website is confusing, our search results ranking has to be improved, we need to be sending direct mail—without first taking a step back to analyze what resources and programs they have, what's working, what isn't and how their various programs interact so that the most cost effective changes, the ones that would yield the most sales bang for their improvement buck, are tackled first.



To produce a **Blueprint**, Sales Renewal and the client conduct a detailed, comprehensive study of the client's products, services, strengths, weaknesses, business environment, marketing assets, competition, differentiation and competitive advantages. Sales Renewal's team un-

dertakes a detailed review of competitors, asks questions (view the Blueprint questionnaire), and proposes ideas. The client's team responds and evaluates.

The process is highly collaborative, with Sales Renewal's team benefitting greatly from (and piggybacking its own work upon) the client's expertise and knowledge of their own industry, customers, products/services, and competi-

tors. At the same time, the client's team gets to absorb and leverage the in-depth strategic, marketing and technology insights, experience, and expertise that Sales Renewal brings to the table.

Every finished **Blueprint** reveals a startlingly detailed, 360-degree schematic of where a company stands, coupled with a detailed, actionable plan for capitalizing on its most inviting pathways to growth.

In this case, MATsolution's **Blueprint** revealed that the company needed—among other key changes—to provide better value than commodity suppliers of used test and measurement equipment. Equally important, to build more loyalty and overcome significant procurement barriers within the large-company prospects that could fuel far faster growth, MATsolutions needed game-changing strategies and marketing programs.

Both companies noticed that, while developing the **Blueprint**, the two teams forged a strong working relationship that complemented their mutual economic interests.

## Sales Renewal Helps Cook the Secret Sauce

As **Blueprint** development continued, the teams at MATsolutions and Sales Renewal began jointly rethinking the former's image and positioning. After much research and planning, they uncovered the potential benefits of broadening both the appeal and the perception of MATsolutions' expertise.

Also along the way, the two teams recognized that the market would respond favorably if the used test and measurement equipment company differentiated itself from most other players in the industry. One differentiator is to offer significant new peace of mind guarantees (later actualized in their new **Buy with Assurance™** and **Operate with Assurance™** programs). Another is to take first mover position in the industry and make e-commerce buying easier with its unique policy of providing free shipping on everything purchased at [www.MATsolutions.com](http://www.MATsolutions.com).

## JointSourcing's 3 Steps to Revenue Growth



Elements of the finished **Blueprint** include:

- Rebranding the then-named “Measurement Assurance Technology” as “MATsolutions”
- Building a new website for the new brand that would support both the way most product sales occurred within their industry (via time consuming, offline negotiations with each prospective buyer) as well as supporting the novel-to-the-industry ability to purchase products at public, fixed prices on a website via credit card or P.O. In a market where vendors often hide prices from buyers, open pricing would provide a powerful incentive to use its e-commerce option, thereby lowering MATsolutions’ cost of sales.
- Differentiating MATsolutions from its industry’s commodity-pricing patterns and the not always forthright reputation of some of its industry’s players.
- Preserving and leveraging the value of its previous brand.
- Repurposing its eBay store to continue to sell to buyers in the “price-is-the-only-thing-that-matters” segment.
- “Getting a foot in the door” at MATsolutions’ large-company prospects.
- Increasing customer loyalty, especially within larger firms.
- Inducing prospects’ purchasing departments to place MATsolutions on their approved vendor lists, even before any purchase was contemplated.

In a business where customers have traditionally selected vendors solely on the price of an item, these elements now set MATsolutions dramatically above and beyond its competitors.

The finished **Blueprint** also called for automating some of MATsolutions’ most important online product catalog-building functions. This would eliminate the need for expensive, manual data entry and also help develop and maintain consistency among all the company’s product descriptions.

Once the **Blueprint**, JointSourcing’s first step, was accepted by MATsolutions, Sales Renewal immediately began work on the second step: **Build**. In this phase of the engagement, Sales Renewal began implementing all the **Blueprint**’s recommendations. Once these were complete and in place, the third and final stage, **Sell**, began: Sales Renewal now operates the monthly, ongoing marketing and sales programs for MATsolutions while sharing both risks and rewards.

How the marketing tactic of Search Engine Optimization was approached during these three steps is illustrative: during the **Blueprint**, the two teams recognized that Natural Search was likely to be an important source of ongoing online traffic for MATsolutions. Consequently, during the **Build** phase, Sales Renewal took steps to search engine optimize both the new site and the new product catalog. Since the launch, Sales Renewal has continued to re-optimize the site and product catalog as part of its monthly **Sell** Services.

Perhaps the best illustration, however, of JointSourcing’s three step Blueprint, Build, and Sell process, as well as one of the most innovative elements of Sales Renewal’s collaboration with MATsolutions, was the development and ongoing use of MATrewards™, the company’s entirely new and fully-automated business-to-business (B2B) loyalty program. For more on this, see the **Appendix** beginning on page 8.

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## The JointSourcing Solution

Sales Renewal's unique JointSourcing Solution is the basis for a crucial difference between it and more traditional strategy, marketing or technology firms.

Traditional consultants are normally paid for hours spent, not results achieved.

With JointSourcing, Sales Renewal earns a fixed monthly fee plus commissions on the revenue it generates. Since the monthly fee generally covers only Sales Renewal's costs, Sales Renewal's profit depends on the level of sales performance it generates for its clients.

Sales Renewal is therefore highly motivated to sell for its clients.

JointSourcing entails more than just receiving pay-for-performance income, however. Sales Renewal also pays for a percentage of its client's big ticket marketing expenses (such as advertising or direct mail). What percentage does Sales Renewal pay? The same percentage it earns on client revenue: if Sales Renewal earns a 5% commission on revenue, and proposes and manages a \$5,000 per month ad campaign, Sales Renewal pays \$250 per month toward the ad campaign's cost, directly reducing the client's advertising expense.

Sales Renewal is therefore highly motivated not just to sell for its clients, but to do so as cost-effectively as possible.

JointSourcing's shared risks and rewards approach

removes the usual incentives that plague consulting engagements: the urge to pad hours, to lard up projects with 'gee-whiz' technology, and to propose and conduct marketing campaigns that offer little hope of satisfactory ROI.

*"With JointSourcing, the best way for Sales Renewal to grow its revenue is to cost-effectively grow its clients' revenue."*

Instead, Sales Renewal works to generate increased sales at the lowest possible costs because it shares with its clients both revenues and expenses.

With JointSourcing, the best way for Sales Renewal to grow its revenue is to cost-effectively grow its clients' revenue.

This alignment of economic interests allows clients to place an unprecedented level of trust in Sales Renewal's ideas, proposals, recommendations, and choices.

Clients bring to the JointSourcing partnership their:

- Knowledge of the Industry, customers, and competitive advantages
- Product and service expertise
- Knowledge of how best to merchandise the company's offerings
- Ultimate oversight of Sales Renewal's choices and activities

Sales Renewal brings its:

- Expertise in strategy, marketing, sales, and technology
- Powerful sales, marketing, technology, and analytic platforms and tools
- Ability to focus its expertise and tools on growing each client's sales (and its own commissions) at the lowest possible cost

Because Sales Renewal handles the day-to-day marketing and technology work, its clients' management teams gain new-found time to run their business. Yet quarterly strategy sessions, regular monthly reporting and unlimited ad hoc interactions enable clients to retain overall understanding and control of all the efforts Sales Renewal undertakes on their behalf.

## Recognition

The overall transformation has been validated by the U.S. Chamber of Commerce, which awarded MATsolutions its prestigious **Blue Ribbon Small Business of the Year** for 2014, given only to 100 entrepreneurial small busi-

nesses (out of the millions) across the country each year in recognition of outstanding strategic planning, marketing, employee development, community involvement, and customer service.



*"This award is a great acknowledgement of the advances we have made."*

**- Steve Wedler**  
**VP Sales & Marketing, Matsolutions**

While MATsolutions received the award, the company's management attributes the win largely to the collaborative efforts and exciting results driven by Sales Renewal's unique approach and process. As Steve Wedler, VP Sales and Marketing, MATsolutions, has said:

*"This award is a great acknowledgement of the advances we have made."*

## Appendix

### MATrewards Loyalty Program Case Study

A good illustration of JointSourcing’s three step **Blueprint, Build, and Sell** process, as well as one of the most innovative elements of Sales Renewal’s collaboration with MATsolutions, was the development and ongoing use of MATrewards™, the company’s entirely new and fully-automated business-to-business (B2B) loyalty program.

One of the goals MATsolutions had for working with Sales Renewal was to get better at “getting their foot in the door” with the big companies that would be critical to meeting the vendor’s higher sales targets.

As a result of the **Blueprint**, this high level goal was reformulated to one more capable of being benchmarked:

become an approved vendor in their customers’ purchasing systems. Succeeding at this was more challenging than one might think, however, since the actual buyers of MATsolutions’ products and services are typically engineers, while the purchasing departments who make

“approved vendor” decisions usually have no interaction with vendors until after the engineers have made their purchasing choices. Those subsequent purchasing department interactions also slow down each transaction’s close.

The strategy the two teams settled on, therefore, was to install an off-the-shelf B2B loyalty program that would make designating MATsolutions an approved vendor the only threshold that had to be crossed to enjoy the loyalty program’s first tier of benefits. This would greatly outshine conventional loyalty programs, which tend not to offer benefits until a customer has spent a threshold amount of money.

Unfortunately, during the Build no such B2B loyalty system could be found at a reasonable price, so Sales Renewal built one. (B2C loyalty systems also could not be turned


**You might be entitled to a free 6 or 12 month Warranty!**

Login so that we can check if your company is a member of MATrewards (benefits at the right).

If your company is a MATrewards member, you will see a free extended warranty has been added to your cart.

If your company is **not** a member OR you don't yet have an account (create one here), don't worry!. Go ahead and make your purchase and then [contact us to join](#) so that you may still enjoy the [Gold benefits](#).

1 item(s) added to cart.



**Function / Arbitrary Waveform Generator, 15 MHz**

\$995.00

1 item(s) in cart

[Proceed to Checkout](#)

**\$995.00**

**MATrewards**

MATrewards is **free** to join and offers 2 valuable benefit levels (learn more):

**Gold Level benefits**

- 6-month Warranty on purchases
- 1st year Return-to-Lab Level I Calibration included on purchases (shipping not included)
- Priority Scheduling for calibrations and repairs

**Platinum Level benefits**

- 12-month Warranty on purchases
- Free Express Shipping on purchases
- 1st year Return-to-Lab Level I Calibration included on purchases (shipping not included)
- Priority Scheduling for calibrations and repairs
- Waived Repair Evaluation Fees
- Free Dataview Browser Access

**Figure 1**



to because they reward buyers with benefits which was not possible here because the buyers—employees—could not be rewarded (that would be bribery); instead the buyer's company is provided the loyalty benefits).

To keep down the ongoing costs for marketing MATrewards, Sales Renewal also built the new website to automatically do a lot of the marketing itself. The goal was to get each visiting engineer to alert his employer's Purchasing Department to the value of joining MATrewards (and thereby to make MATsolutions an approved vendor for every engineer in the entire company).

To help accomplish this, there is for example extensive messaging throughout the site and automatic prompts for joining MATrewards during check out, as illustrated in Figure 1.

As part of the ongoing, monthly Sell Services that Sales Renewal has been providing since the new MATsolutions site launched, Sales Renewal produces a separate digital newsletter that only MATrewards members receive. This periodic newsletter complements the monthly newsletter that goes to all prospects and customers (and thereby provides a channel through which MATsolutions can talk directly and exclusively to its most loyal customers).

The loyalty system also enables compelling promotions that can be used to drive overall sales from existing and new customers (for example: receive double MATrewards points for purchases made in August, get \$10,000 extra MATrewards points for purchases

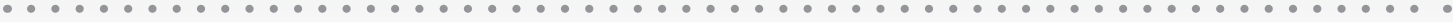
on this month's special, and so forth).

Each month, Sales Renewal consults briefly with the client (for instance, there's a monthly Editorial Calendar meeting, clients approve initial outlines and final drafts, etc.), but it generally shoulders the lion's share of the marketing effort, removing the burden of time and day-to-day responsibility from MATsolutions' management team.

Sales Renewal executes a comprehensive monthly battery of proven **Sell** Services that include:

- Content marketing
- Blogging
- Social media activity and presence
- General and MATrewards newsletters
- Loyalty program activities
- SEO updates
- Analytics that measure ROI
- Promotions
- An industry news page, and
- Developing and disseminating a steady stream of educational material, infographics, and other useful information.

All this helps make MATsolutions' new website a destination for people who want to stay current with developments in the test and measurement equipment industry ... even when they're not buying.



***For more information:***  
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