

THE GENDREAU GROUP REVENUE STRATEGISTS

Delivering revenues, not just strategies, to companies worldwide since 1989.



We are **REVENUE STRATEGISTS**.

We help clients maximize revenues and increase the value of their businesses.

We specialize in:

- Partner and channel strategies that maximize revenues and reach
- Finding untapped revenues by repurposing existing products and technologies
- Revenue Strategies to help clients prepare for merger, sale, or acquisitions

Our clients are high tech and services firms located in the US and abroad.

We have been in business since 1989.

We are located in the San Diego area.

Multiple Zones Dramatically Increased Revenues in One Year

This major online catalog company, well known to consumers as the **Mac ZONE®** and the **PC ZONE®**, was struggling with business-to-business sales. Though the company initially thought its services would attract business from firms of 25 to 300 employees, statistics showed that most sales were coming from companies of 25 employees or fewer. In addition to sluggish B2B sales, the company also suspected revenue leakage problems possibly due to fraud. Multiple Zones hired The Gendreau Group to address these challenges.

We identified and addressed five areas that were seriously limiting revenue generation.

1. Multiple Zones was unwittingly limiting sales to business customers by requiring that they use credit cards to place orders. This was not only inconvenient for many businesses, but actually prevented sales to companies whose practices required other payment methods. Use of credit cards also effectively "capped" each transaction at the limit of the credit card used.
2. Major process quality problems existed in inventory management and shipping. As many as 20% of orders had some sort of problem. As a result, many orders were either returned or cancelled. Additionally, intact inventory was frequently being plundered for missing parts, thus driving up inventory costs. We also uncovered instances of employee theft.
3. The company was struggling to manage workload fluctuations in its call centers. During peak periods many calls were being dropped, and up-sell / cross-sell opportunities were being lost as reps rushed to complete calls.
4. Multiple Zones lacked a credit and collections function, something that would be needed in order to implement improved credit and risk management policies and procedures.
5. Computer downtime and system non-availability frequently plagued the company during its heaviest sales periods, leading to lost sales.

Creative, practical, high-impact solutions were recommended. Once we understood the problems, we were able to recommend a series of practical solutions that used readily available information, tools and techniques. Our approach focused on:

- **Fostering deeper understanding of buying behaviors** as part of understanding overall customer needs
- **Simplifying purchasing procedures** through creative use of credit scoring techniques and improved credit policies
- **Incenting customers to use web-based services** in order to reduce call center loads and improve order quality
- **Implementing better internal controls** to ensure operational efficiency and eliminate opportunities for theft
- **Improving operational efficiencies** to better serve customers and cut operational costs

In addition to proposing solutions, we also managed their implementation. Over the course of several months we coordinated projects to implement an open order process, to develop and implement credit policies and practices, and to address concerns about fraud risk. We negotiated the acquisition of pre-screened lists of credit-worthy business customers to target once the new credit practices were in place. We worked with credit services provider Experian to develop credit scoring solutions appropriate to Multiple Zones' business, and we managed the implementation of an order authentication process to address the shipping problems. Finally we dealt the systems problems and even stepped in as interim CTO for two quarters.

Multiple Zones saw a dramatic jump in sales and increased revenues from businesses as more than 50% of 6000 targeted customers placed orders within six business days of receiving notification that they had been pre-approved for credit under the new sales and credit policy. Revenues from business, education and government accounts jumped from \$99.7M in 1996 to \$153.5M in the year after these solutions were implemented – **an increase of 54%!**

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