



The Big Book of KAM

Key Benefits of Key Account Management



**Build
Engagement**



**Reduce
Risk**



**Standardize
Processes**



**Drive
Growth**

Introduction

Transformation starts here.

Our KAM Process is a proven methodology for transforming customer relationships through Key Account Management. In this book, we'll give you **a clear path forward** for building a strong KAM function within your organization.

Eyes on the prize.

Building or evolving a KAM process can be daunting – but it's worth it. Because in the process you'll also strengthen customer relationships in a way that makes your organization more agile, more resilient, and more valuable to clients. Keep your eyes fixed on your long-term strategy, and let's dive in.



START THINKING. START ACTING.

We've included questions and suggestions along the way to get the gears turning, so you can start applying KAM principles to your own organization.

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A clear path forward.

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What is Key Account Management?

Identifying Key Customers
Building Strong Relationships
Driving Shared Success



Our KAM Process

Know
Act
Measure



Roles in Key Account Management

KAMs: The Quarterbacks
Kapta: The Tech
Kapta and CRM
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Setting Yourself up for Success



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SECTION 1:

What is Key Account Management?

Welcome to the World of Win/Win

Understanding KAM and what it can achieve.

Key Account Management is about **identifying key customers** and **building strong relationships** so you can **drive shared success** over the long term.

In this section, we'll take a closer look at each of those elements:

Identifying Key Customers

Every customer matters. So how do you identify those with greater strategic value, and use a different approach to grow the account?

Building Strong Relationships

How is KAM distinct from sales? What does it mean to shift your thinking from client acquisition to client engagement?

Driving Shared Success

How do you benefit from putting customers first?

The Pareto Principle



80% of your outcomes **come from 20% of your inputs.**

Identifying Key Customers

Quantity and quality.

Every customer is important. However, successful Key Account Management starts with identifying key accounts, and that means segmenting your customer base into strategic tiers. Of course, we're not suggesting you ignore the rest of your client base. You simply take a different approach to Key Accounts, investing in long-term relationships that yield win-win outcomes over time.

There are 2 main ways to identify key accounts:

Revenue

In a business and KAM sense, the Pareto Principle means 80% of your growth, revenue, and overall success comes from just 20% of your clients. Stated more bluntly, some of your customers contribute more to your bottom line than others, with room to keep growing.

Strategic Alignment

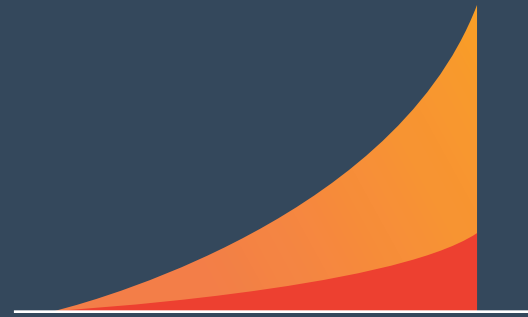
Sometimes a client doesn't yet generate enough revenue to meet the Top 20% guideline above. That doesn't mean they don't have great potential. If a customer is a perfect strategic fit for your organization, with room to grow together, consider them a Key Account.



FIND YOUR KEYS

Who are your Key Accounts now? Who has potential to be a Key Account in the next 2 years?

Relationships. Retention. Revenue.



5% increase in retention equals
25% gains in profit.¹



Renewals and upsells can drive **70-90%**
of an organization's revenue.²



40% of companies would still work with a
company they trust, even after a potentially
relationship-ending mistake.³

Building Strong Relationships

Silver and gold.

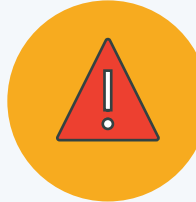
A common mistake account managers make is to focus too intently on bringing in new accounts, rather than building retention and engagement with their existing customers. Both are important, but existing accounts are a powerful source of long-term revenue, and are often overlooked in the never-ending quest for shiny new clients.



Drive Organic Growth

Return customers are more likely to:

- **Purchase** your company's premium products because of past positive experiences
- **Refer** your company to others, ultimately boosting your client base with little additional effort on your part
- **Reach out** to you for advice when they're facing a challenge, which creates opportunities for renewals and upsells
- **Repair** the relationship when things go wrong (as they sometimes do)



Reduce Risk

Losing a customer can cost you:

- **Lost revenue** from the lost account
- **Additional investment** required to replace that revenue
- **Potential damage control** if the ending was especially difficult



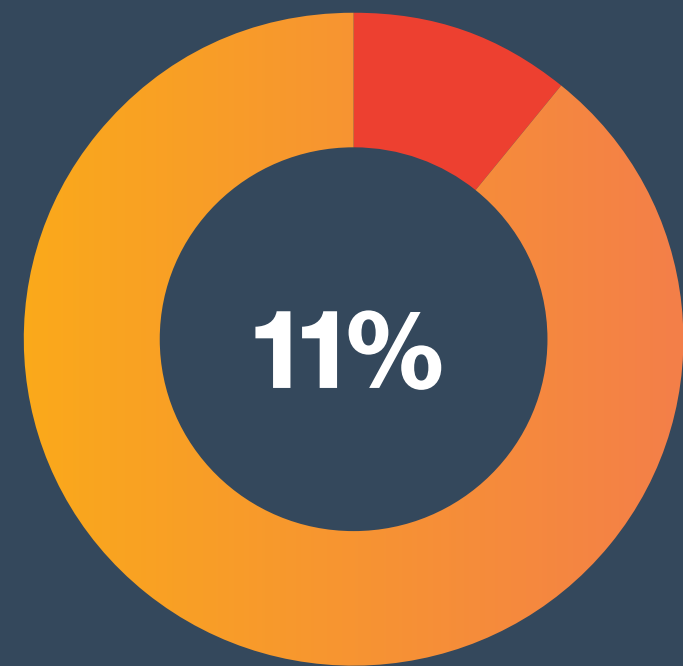
RELATIONSHIP STATUS.

How strong are your current client relationships? How likely are your customers to renew or increase their contracts with you?

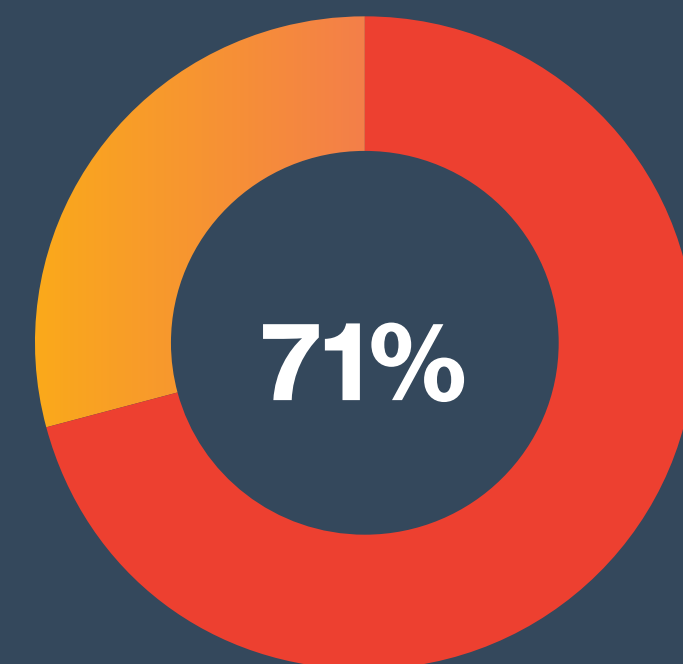
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1. Fred Reichheld, "Prescription for Cutting Costs." http://www.bain.com/Images/BB_Prescription_cutting_costs.pdf 2. Learn Core.
3. Marketing Sherpa. <https://marketingsherpa.com/freestuff/customer-first-study>

Engagement Matters



11% of B2B companies are actively looking to replace a vendor.¹



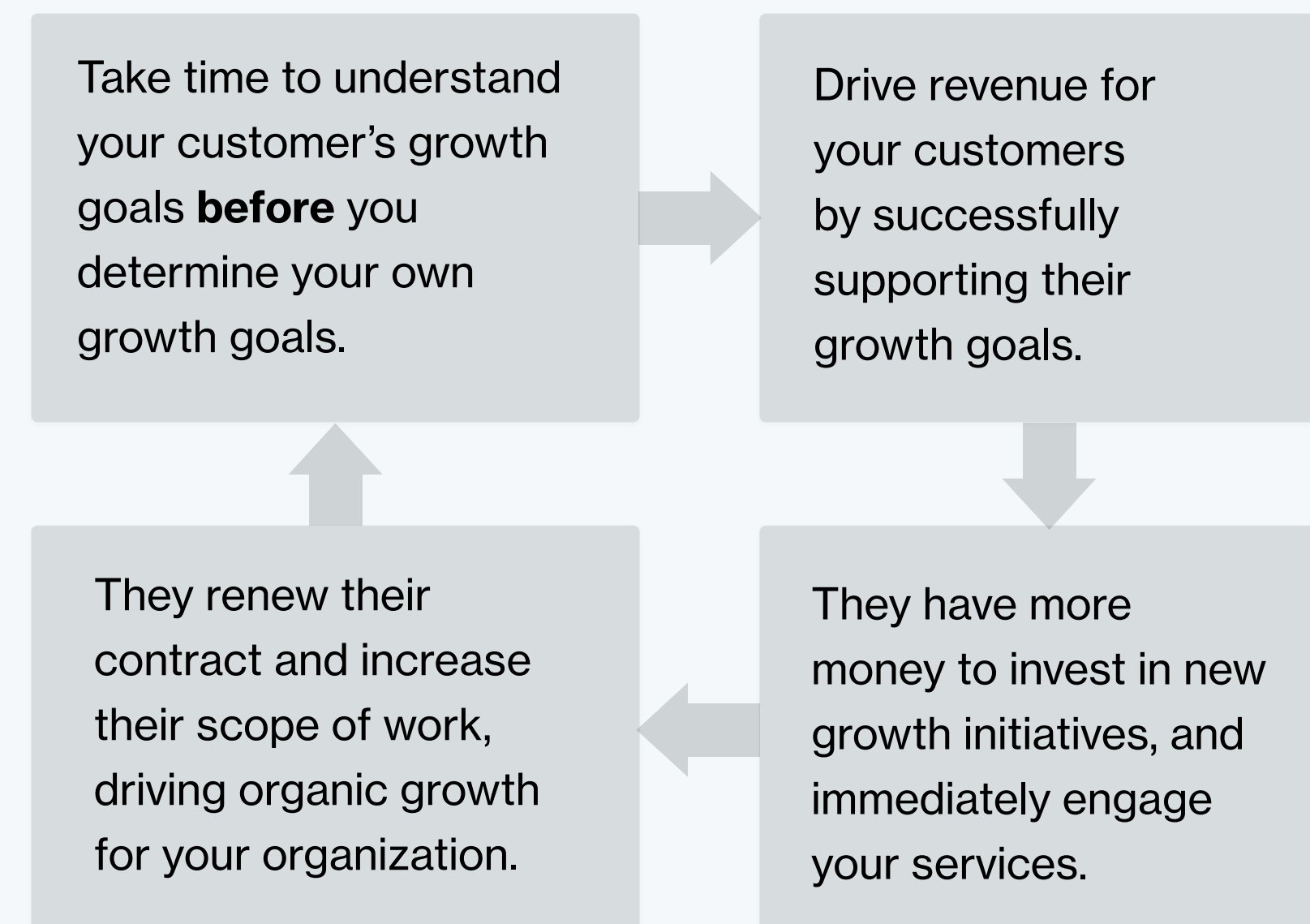
71% of B2B companies are indifferent towards or disengaged from their vendors.¹

Driving Shared Success

Put your customers first.

Vendor relationships can be precarious. Someone will always come along promising to do the job cheaper, faster, or better – and frustrated clients will be vulnerable to those messages.

So how do you reduce the risk of losing clients, while also increasing opportunities to drive organic growth? **You do it by putting your customers' needs first.**



Shift your thinking.

It sounds simple enough, but for some organizations, putting customers first is a big shift. It means adjusting your strategy and solution to meet each customer's needs, rather than expecting the same strategy and solution to work for every client. It means creating internal growth goals based on what you can do for your customers. It takes creativity, problem solving, and effort – and it always pays off in the end.



POP QUIZ

Can you name your top 3 customers' top 3 goals?

References

1. Gallup poll. <https://news.gallup.com/businessjournal/194678/b2b-customers-indifferent.aspx>

SECTION 2:

Our KAM Process



Our KAM Process

Your path to indispensable.

Our KAM process is a proven methodology for transforming customer relationships through Key Account Management:

Know

more, so
you can plan
better

Act

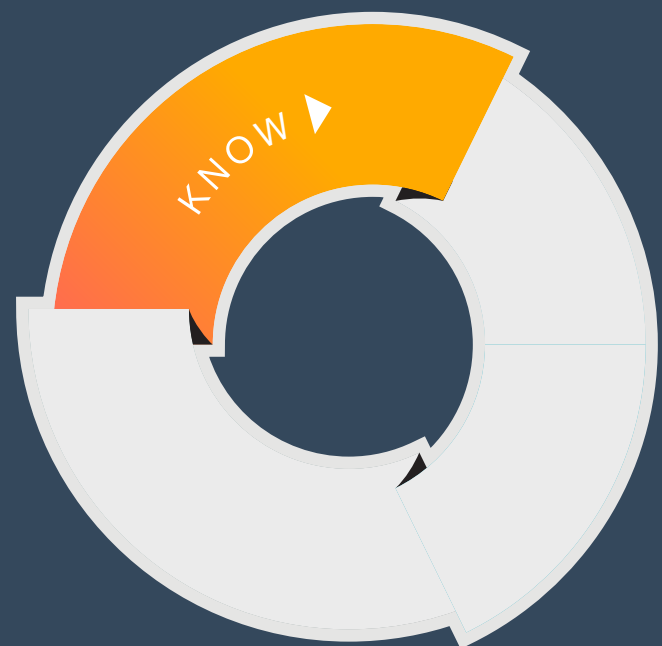
strategically
and effectively to
drive meaningful
change

Measure

results across
multiple
endpoints

In this section, we'll take a closer look at each part of this process. We'll also briefly introduce features of the Kapta tech platform that support and accelerate this process.

Know



Know More, Plan Better

Be the first person your customers call.

KAM requires you to create a holistic view of your clients, including their personal goals, their organizational structure, their position in the marketplace, and their expectations from you as a partner.

Understand the dynamic.

Who is your day-to-day contact? Who are other key stakeholders? Who are the key decision makers? Understanding your client's internal reporting structure and culture is the first step towards creating a strong relationship between their organization and yours.

It's tempting to own one relationship with one key person – and that's a good start. But people's plans change. If your contact changes roles or organizations, would your company still be the vendor of choice? Invest in individuals, but don't forget the big picture.

Understand the objective.

What is your customer trying to achieve? How do they define success? It's important to understand your customer's goals on a personal, professional, and organizational level so you can propose solutions that make a difference to them – solutions that make them the hero.

Everyone defines success differently. Some customers may want to grow exponentially; some may want to own a niche market. Make sure you listen carefully, ask good questions, and challenge assumptions to draw out your customer's specific, unique, strategic goals.

Enter the SWOT team.

Now that you know what your customer is trying to do, it's time to take a look at the internal and external factors that could accelerate or inhibit their success. A SWOT analysis is a tried-and-true method for bringing those factors to light. Strengths and weaknesses are internal; opportunities and threats are external to the organization. Make sure to keep this framework updated as trends take shape in the market, industry, and company.

Know yourself.

Now that you've asked the hard questions of your customer, ask them of yourself. How are you ready to help this client? Where do you need to fill in gaps? Maybe your current team needs to learn new skills; maybe it's time to make a strategic hire. Or maybe you need a subcontractor to get something done. Remember: Your customer's needs come first. Your job is to use agility and creativity to make things happen for them.



SWOT TRAINING.

Conduct a SWOT analysis on your own company. It's good practice for when you do it for clients – and you may identify some areas for growth along the way.



Dynamic Org Charts

SWOT Analysis

ACCOUNT SWOT REPORT

DR PEPPER/SEVEN UP, INC.

Strengths S	Weaknesses W
What should we continue doing from the customer's perspective?	What should we start doing, and what should we stop doing?
Opportunities O	Threats T
What are some cures to their pains that we can provide? (Think creatively)	What threats are the customers experience from external pressures and factors?

Kapta

Search Accounts

Initech 87

DETAILS ACTION PLAN

SWOT Analysis Voice of Customer

Why do you buy from us?

They like our AI strategy
How this is going to impact their biz...

Love the account management
Appreciate the security of working with an expert team.

Really got a lot from training
Superb support from the group.

GlobeSTAR systems are the most accurate GPS/Nav systems available
Accuracy is king when it comes to GPS/nav, and GlobeSTAR is consistently ranked as the top system in terms of accuracy.

Your systems have the lowest defect/malfunction rate
As a mission-critical system, it's imperative that the nav system have top tier dependability. Our clients require this from us.

ADD ANSWER

Responses: 3

Contract Updated

Voice of Customer Tools

Act with Purpose

Make action plans that make a difference.

Kapta helps you build account plans that addresses your customer’s strategic priorities through clear, measurable initiatives. As you start moving on your plan, Kapta tracks your progress against timelines, budgets, contracts, and goals, so you can see when things are going well – and when something needs immediate attention.

Think strategic. Be specific.

Start with what you learned about your customer and their goals in the “Know” part of this process. Use this to create detailed, proactive account plans.

Account Planning is essentially a process of breaking big goals down into progressively smaller, more manageable units:



Track your progress.

Now that you’re moving on your plan, it’s important to keep track of:



Budget



Timing



Strategy



Client Satisfaction

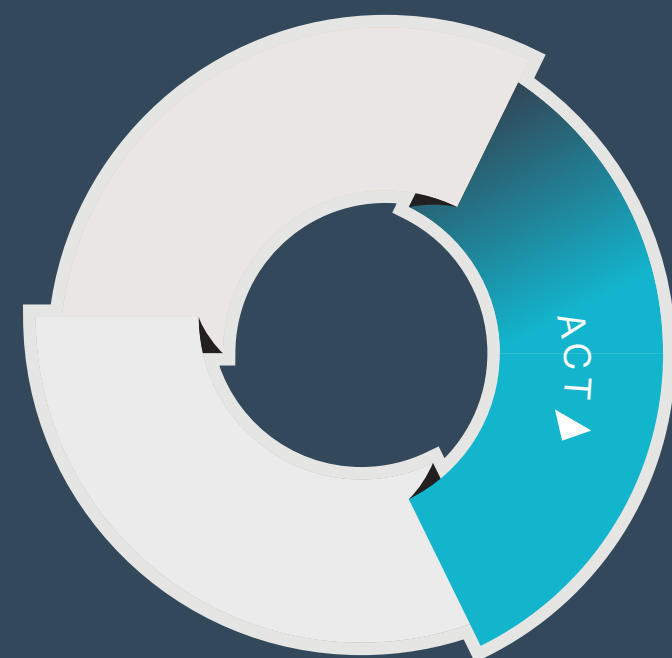
And we don’t mean check in quarterly. We mean keep a constant eye on these benchmarks, so you know when things are running smoothly, and when something needs attention.

Work together.

With so many moving parts, it’s important everyone stay up-to-date. This requires a seamless blend of tech, face time, and good judgement. Weekly status meetings with the team and with your client are a good idea, especially if you can keep them to a half-hour. Appropriate check-ins on individual projects are indispensable, so you can make sure you have alignment with key players at every step of the process.

That said, don’t spend so much time meeting with your teams that they can’t get anything done. (That’s where the judgement comes in.)

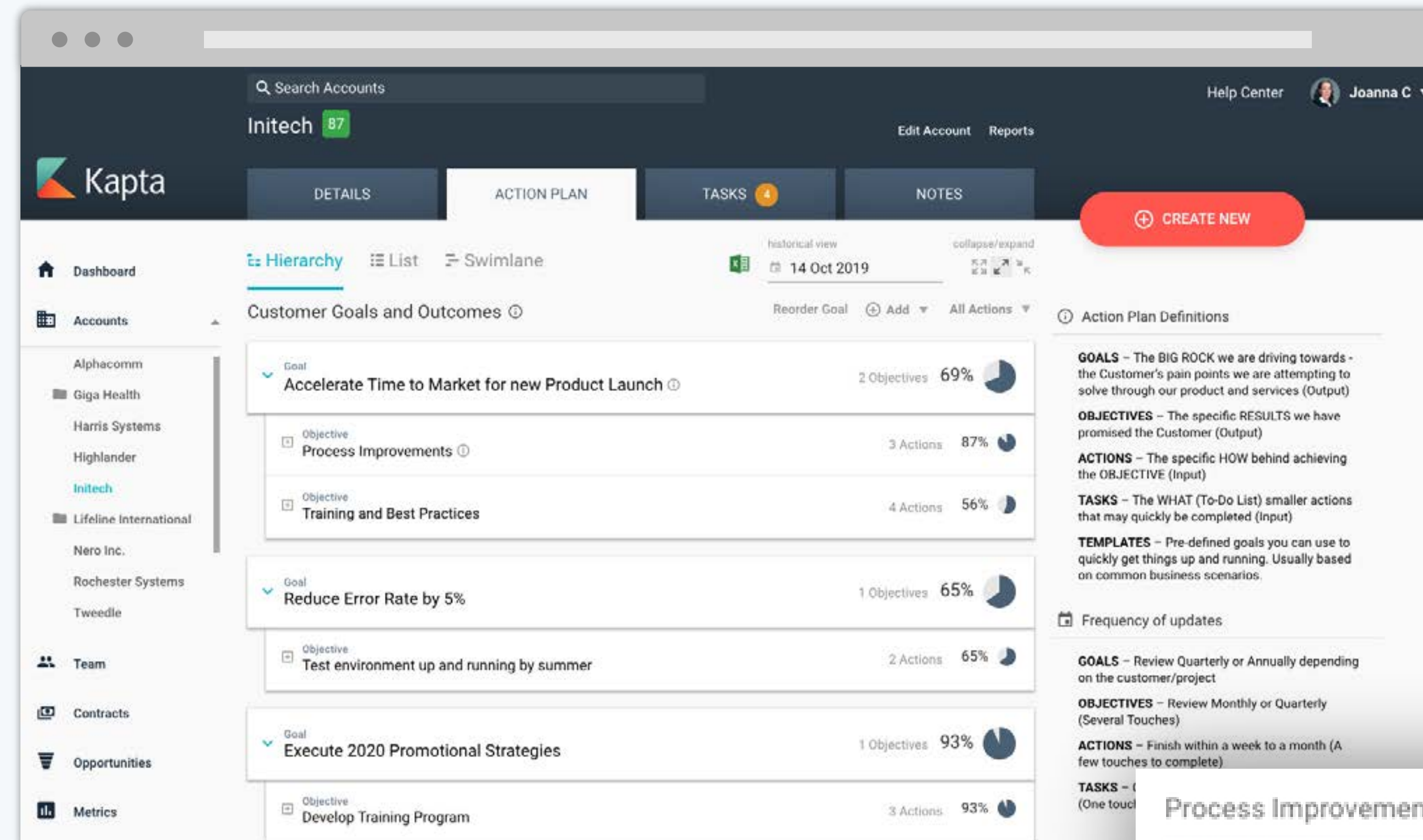
Act





HOW DO YOU PLAN?

What's your current Account Planning process? Where are you already strong, and where can you improve?



Actionable Account Plans



Chris W

SVP Global Account Management

Collaborative Tools

Real-time Tracking

Measure



Measure what Matters

Show your customers – and your C-suite – real results.

It's not enough to take action. You have to be able to quantify – and visualize – your results. The reasons are many:

- **Diagnosis:** See whether your Action Plan is working
- **Improvement:** Learn from your successes and mistakes so you can make an even better Action Plan next time
- **Demonstrating value:** Show your clients and your C-suite how you've helped them grow

Let's talk about a few different ways to measure your results.

Track specific KPIs.

The best goals and objectives have specific, numeric quantities built in. Those become your first KPIs. You can also assign specific KPIs to individual initiatives. For example, say you launch an email campaign for your client. You can track clicks to open, as well as conversions from there. This will give you a great sense for how well customers respond to the ad.

Remember: Hitting your KPIs is great, but the only real failure is a failure to learn. If you don't hit a KPI, that doesn't mean you aren't adding value. As long as you and your client were aligned around a reasonable hypothesis, and your tracking is smart, you will both learn a valuable lesson you can apply moving forward. This knowledge actually makes you more valuable – a new vendor might suggest the same solution, without having learned what makes it work (or not).

Gauge overall account health.

In addition to specific KPIs, it's important to track intangible, but still very important, metrics. Things like, "How satisfied is our customer? Do we reach out to them regularly enough? Do we respond to their concerns quickly and effectively?"

There's no reason for these questions to remain a mystery. The best way to answer them is to ask your client. Traditionally, this was done in a Quarterly Business Review, or QBR. You don't have to wait for a new quarter; just sit down periodically with your client, when you both have a minute to breathe, and make sure the relationship is meeting their needs overall.

Measure internal growth.

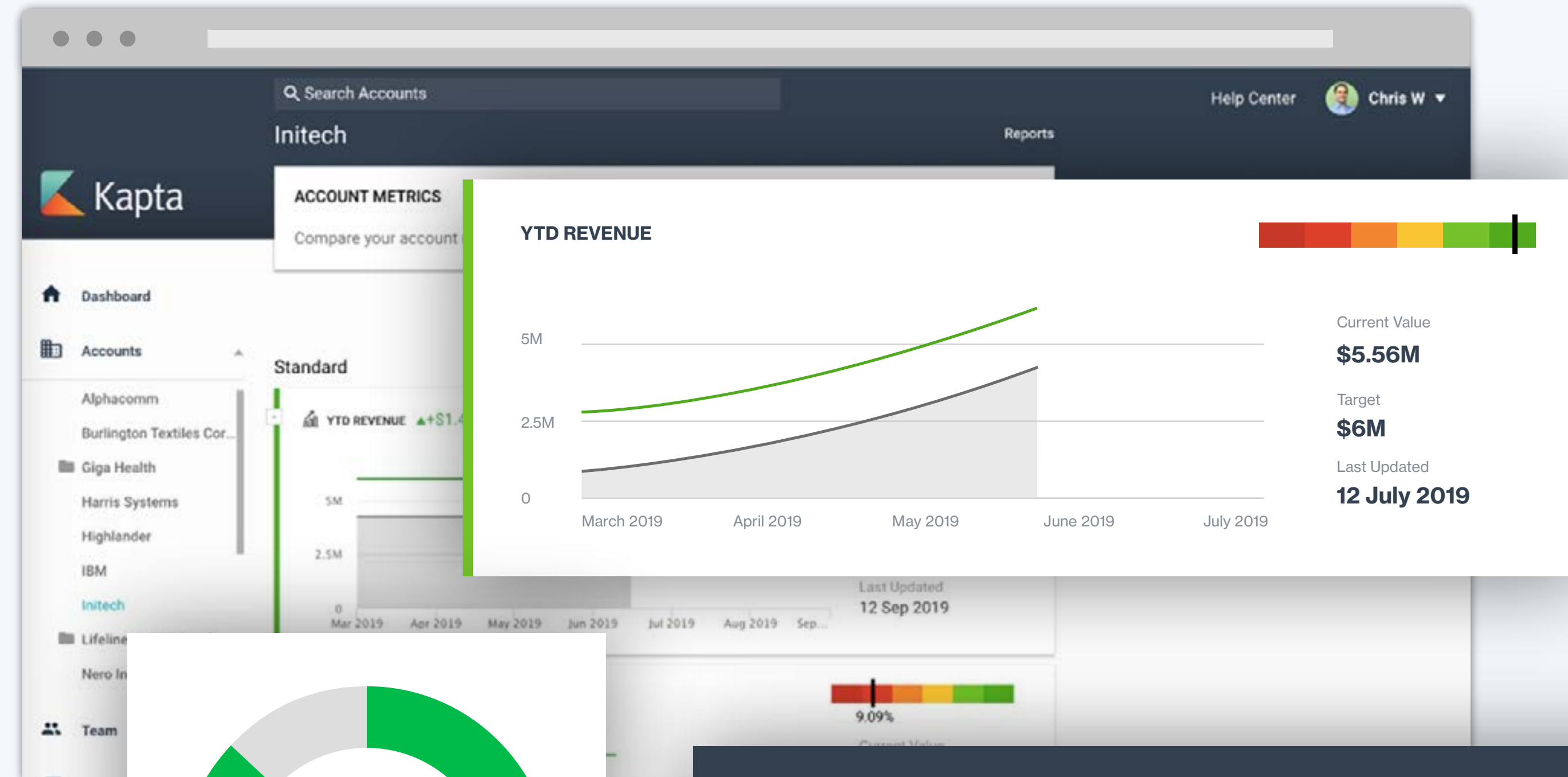
And now we return to our win/win world. If you've put your customers first, and placed their success at the heart of yours, then you'll be able to track your own growth alongside theirs. Have you added more projects with them? Increased the SOW for any given contract or project? Are you discussing upcoming opportunities you hadn't discussed before?

These are the kind of metrics that are really going to make your C-suite pay attention. We'll talk more about getting vertical buy-in in the next section, but for now it's enough to say that results always matter: For your customers, and for your own organization. Make sure you can quantify and visualize them along the way.

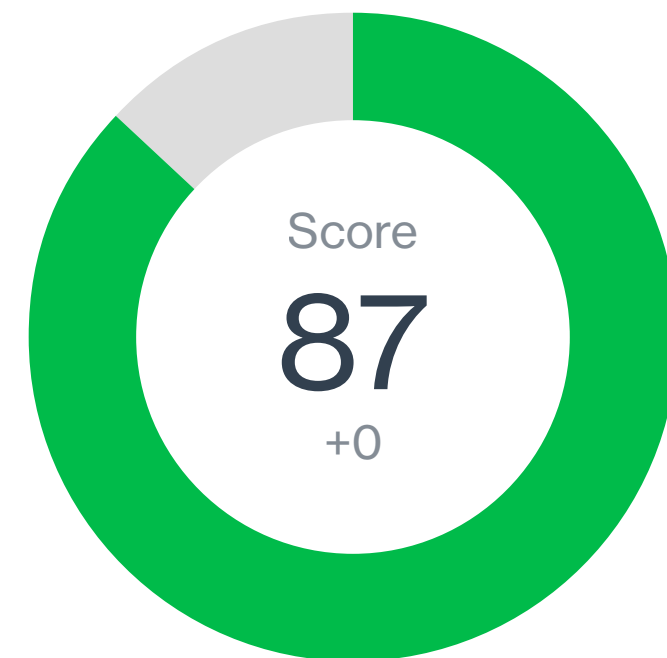


RINSE, REPEAT.

An engaged client will want to start the next project immediately. What do you know now? How can you act even more effectively? How will you measure results? Use this method continuously to keep adding more value for your clients.



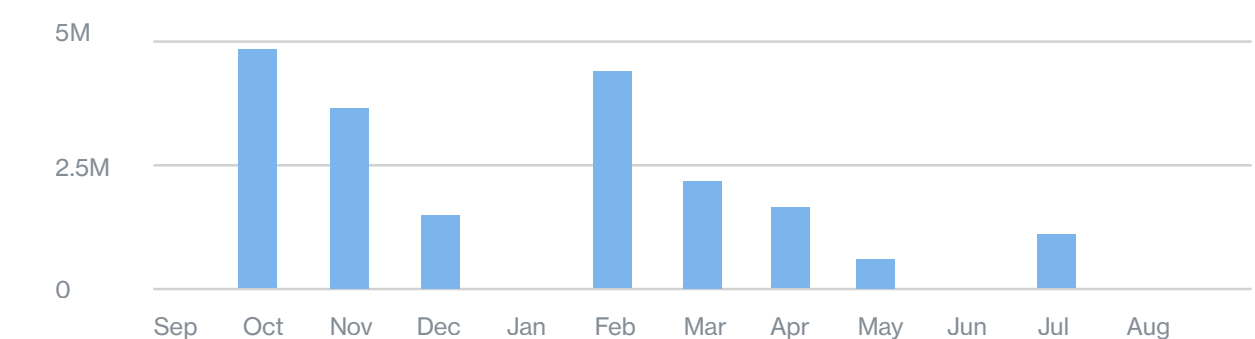
KPI Tracking



Overall Account Health

Total Contract value
\$42.62M

Contracts expiring (value by month)



Internal Growth

SECTION 3:

Roles in Key Account Management

Roles in KAM

The WHO and HOW of KAM.

Key Account Management takes coordinated effort. In addition to hardworking Key Account Managers, you'll need the right tech platform to support and accelerate your efforts. You'll also need buy-in from your entire organization.

In this section, we'll review:

The Role of KAMs

Key Account Managers are the quarterbacks of the team

The Role of Kapta

Kapta is your KAM technology platform, helping streamline, standardize, and speed up your efforts

Kapta and CRM

How do you benefit from putting customers first?

The Role of the Entire Organization

Not everyone has to be a Key Account Manager, but they need to know what you do, and why you do it – and they need to support your efforts at putting customers first

Who is the Key Account Manager?



Results Driver



Relationship Lead



Innovator



Collaborator



Technical Expert



Project Manager

The Role of KAMs

Quarterbacks of the team.

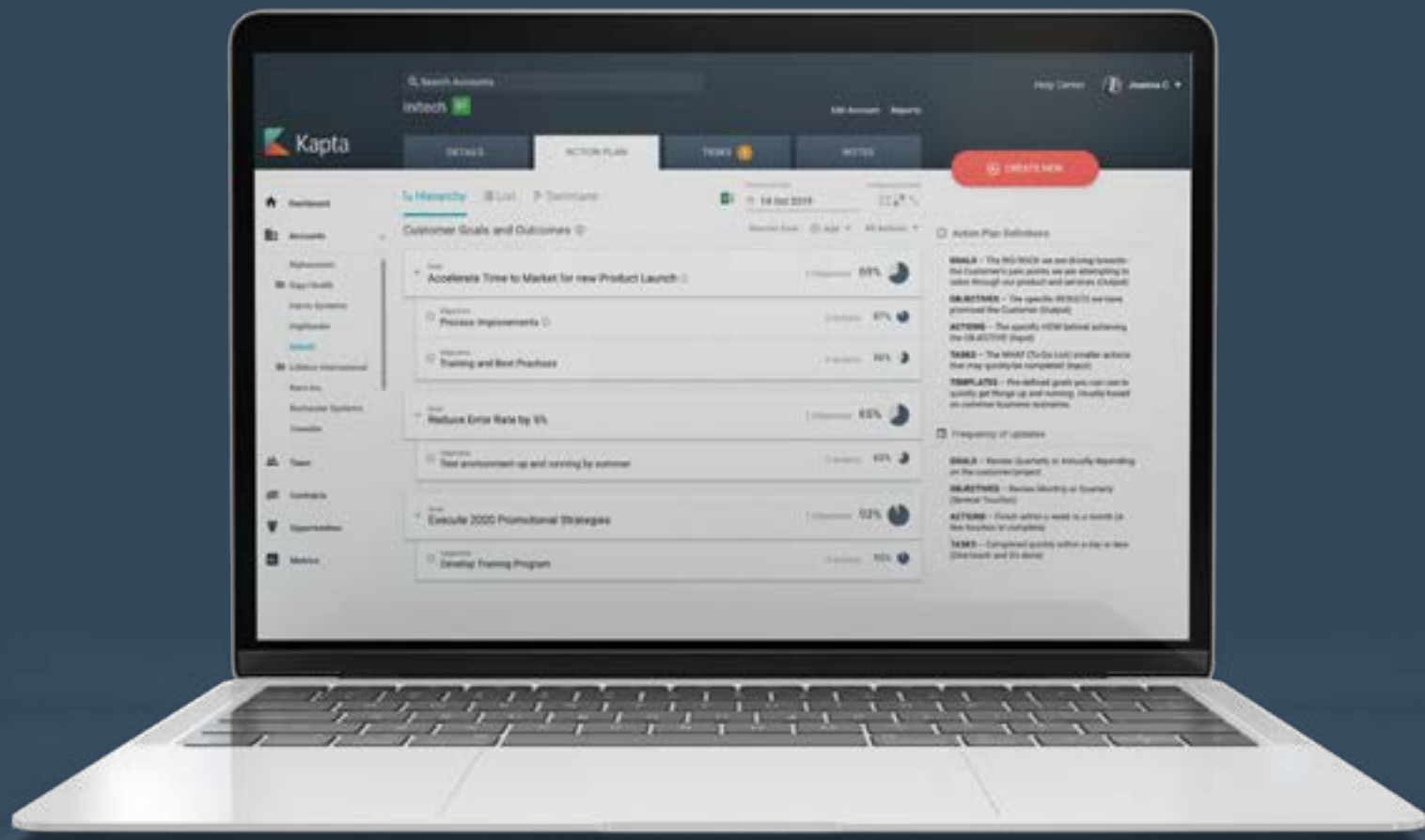
As a KAM, you're the quarterback of your team. As you work towards moving the needle for your client, you'll find yourself at the center of a hub that might include:

- The client
- Creative teams
- Developers and designers
- Additional external vendors
- And more

It's your job to ensure all work stays on strategy, on timeline, and on budget. Don't get sucked into short-term quotas; keep your eye on the prize and make sure everything you do is supporting your customer's overall goals.

It's also your job to keep in constant contact with the client, working proactively to ensure their needs are being met and their concerns are being addressed. KAMs actively seek out feedback from their clients and their internal teams, processing that feedback and turning it into meaningful course-correction as necessary.

As much as you own, you'll need to make sure knowledge is a shared resource. After all, some growth goals can take years to accomplish, and at some point, you'll want to take a vacation. Or get promoted. (Right?) In other words, you want to be indispensable – but not so much so that work grinds to a halt when you turn your attention to other things.



SEE WHAT KAPTA CAN DO.

Contact Kapta today to schedule your personalized demo.

The Role of Kapta

Accelerate your efforts.

KAMs have a lot to do, and a lot to keep track of. We understand, because we're Key Account Managers, too. That's why we built Kapta the way we did, structuring the platform around Our KAM Process to automate the busy work, remove the guess work, and support you as you do the human work that matters: Building strong relationships.

Get started with Kapta.

Starting a whole new process can be daunting – and onboarding a whole new platform can add to the intimidation. But don't worry – we can help you manage the change, step by step.

- 1. Get the demo:** If you haven't already, request a full product demo to see how Kapta can support your KAM program.
- 2. Get up and running:** If you're already engaged with Kapta, our services will help you make the most of your investment.

Engage Kapta services.



Assessment: Understanding your current processes, tech platforms, and culture



Training: Getting the team proficient in Our KAM Process and our platform



Rollout: Getting Kapta up and running smoothly



Integration: Seamlessly linking Kapta to your existing CRM and other platforms, so you can make the most of your tech and your time

Tech that puts humans first.

Real customer engagement takes personal attention, strategic thinking, and human connection. Kapta supports, accelerates, and mentors your efforts – but it doesn't replace them.

Distinct But Collaborative



Kapta and CRM

Key account management is different from sales.

Remember from Section One: KAM is distinct from sales. Sales is primarily about getting new customers, KAM is about growing relationships with existing, strategic customers. These functions are both important, but they’re different, and they require different tools.

	Kapta	CRM
Type of Customer	Existing, high-value customers	New or potential customers
Primary Goal	Grow existing relationships to reduce risk and drive growth	Generate new leads
Industry Focus	B2B industries, especially those with value-added services	Broad use across multiple industries
Customer Team	Named account managers	Sales team

You can have both.

Just as your organization needs both sales and KAM – as well as both new and existing customers – there’s a place for both CRM and Kapta. Kapta integrates fully with your CRM, so you can harness the best of both platforms. Generate leads with your CRM, and, when one of those leads turns into a key strategic account, use Kapta to strengthen the relationship and drive organic growth.



GET INTEGRATED.
Contact Kapta to learn more about full integration with Kapta and your existing CRM program.

Getting Buy-In for Your KAM Program

A cultural shift

Depending on your current account management procedures, shifting to a customer-centric KAM program can be challenging. To get buy-in, use a benefits-oriented approach that puts yourself in your audience's shoes: *What's in it for them?*



Build Engagement



Reduce Risk



Standardize Processes



Drive Growth



The C-Suite

Do you know what CEOs and other executives hate the most? **Risk**. Because they are under immense pressure from shareholders to achieve the organization's broad goals, any sudden shifts can feel like a risk they aren't willing to take. If adding a KAM function feels risky to them, remind them that losing customers is a risk they can't afford. As discussed earlier, KAM programs can help increase customer loyalty, saving you the trouble of losing them to competitors. Executives can play a crucial role in KAM by showing a personal commitment to key accounts.

Your CEO also cares about driving organic growth, and KAM can do just that. KAM's core tenant of building relationships keeps your prominent accounts around for the long-term, bringing in more revenue every year. Also, by building relationships and improving the customer experience, you improve the odds that key accounts will recommend your products or services to other companies, helping you grow your customer base as you work with your current clients.



The Sales Lead

In a KAM program, the sales leader plays a significant part in the success of the team. They have the ability to coach team members, and with an individual approach to each client, can provide the personal touch needed to get the most out of every account.

Sales leads love engaged customers, because they know those customers are more likely to renew and increase contracts.



Individual Account Managers

KAM programs provide the individual account managers with more proactive targets. Because they're focused on only the 20% of accounts that really matter, their focus is heightened, and meeting goals, objectives, and quotas are more manageable than when trying to juggle ten different accounts. And with a standardized internal process in place, their day-to-day lives run more smoothly.

Stay Focused



Identify which accounts fall into the “key” category
to prioritize your efforts and investment.

Setting Yourself Up for Success

Baby steps. Big impact.

Implementing or evolving a KAM program can be a big shift. Like all change management, you’ll need to move in phases, collecting alignment and feedback from the team along the way. Here are some tips for a smooth transition.

Start small.

Select a few key accounts to kick start the process; you can always scale as you get more comfortable with KAM. Once you dive in to a particular account, go step-by-step through Our KAM Process. It may be tempting to do everything all at once, but working methodically helps build good habits from the beginning, which will serve you well as you expand the program.

Focus on your team.

Start by understanding the team’s current behaviors and skill set. Don’t dump something on them they aren’t ready to handle – do the back work you need to ahead of time so they can be successful when your KAM program gets going.

Kapta can help with your initial assessment and training, as well as configuring Kapta to work intuitively with the team’s strengths and habits.

Once KAM is up and running, use Kapta to help coach the team to even greater success. Kapta gives you clear visibility into performance, action items, and account health – which is an excellent tool for coaching and mentorship.

Celebrate success.

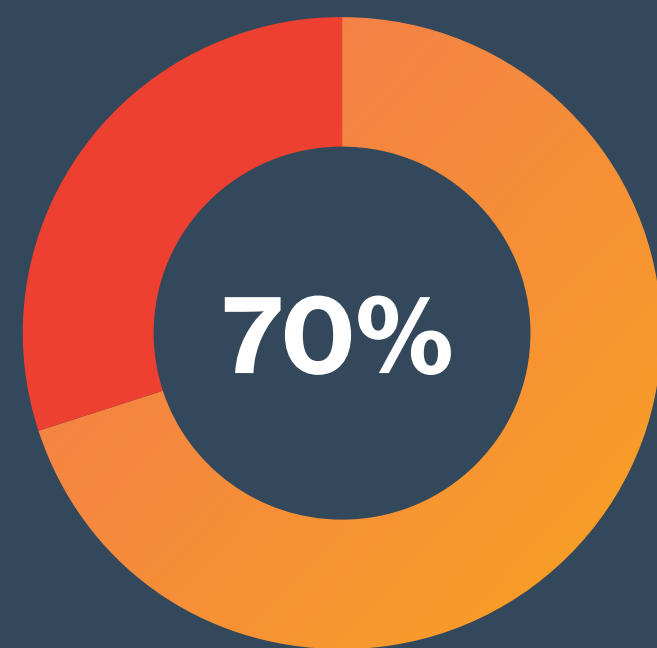
Kapta gives you lots of opportunities to recognize achievement, track your team’s progress, and celebrate wins, big and small. Take those opportunities and watch your team get even more engaged – with Kapta, and with customers.



CHANGE YOUR MINDSET FIRST.

Start by shifting to a customer-centric approach – and keep your organization thriving for years to come.

Put KAM to Work for You



70% of business owners using KAM say it helps them outperform their competitors.

Conclusion: Benefits of KAM

What to expect from your KAM program.

Our KAM Process and platform are proven to help transform customer relationships through Key Account Management. And strong relationships with key accounts can transform your entire organization, making your more agile, resilient, and competitive in a market where customer expectations are always changing.



Reduce Risk

Well-managed accounts are less likely to leave. Remember, that saves you not only the lost revenue from a lost account, but also the cost of replacing that account. In fact, the estimated increase in profitability from reduced churn is 25-125%.¹



Build Engagement

When you align your goals with those of your clients, your team will become more proactive – and your clients will seek your input sooner. This boost in engagement on both sides improves not only the relationship, but also the results: The sooner you get a seat at the table, the more effective you can be – and often, the more interesting your job gets.



Standardize Processes

While you'll continue to adjust your strategy and thinking for each individual client's needs, establishing a strong internal KAM process will help everyone succeed. The Kapta platform can automate busy work and remove guess work, so your Account Managers can do the satisfying work of building great relationships.

A clear system will also help you be more transparent with clients about what you do, and how you do it. You'll create a foundation for expansion as new, key accounts come in, with a clear path forward for new hires and new clients.



Drive Growth

This is the bottom-line benefit of KAM. You'll not only renew contracts with existing clients, but also expand your SOW, generating more revenue from key accounts. Remember, return customers are more likely to buy premium products – in fact, they spend an average of 33% more than new customers.² And they're more likely to sing your praises to their own contacts, helping you grow your business.

References

1. Annex Cloud. <https://www.annexcloud.com/blog/ultimate-customer-loyalty-statistics-2016/>
2. PRWeb. <https://www.prweb.com/releases/2013/8/prweb11028385.html>

Additional Kapta Resources

Keep learning, keep growing.

Find additional resources and insights at [Kapta.com](https://kapta.com).

Schedule a Kapta product demo: <https://kapta.com/demo-scheduler/>

Follow our blog: <https://kapta.com/key-account-management-blog/>



START TODAY.

Contact Kapta to learn more about Key Account Management, and how it can transform your organization.