

Measurable Results Oki Data Americas 12-Month Review

Submitted to:
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Oki Data Americas



Oki Data Americas

Nikkei (Japanese) Stock Exchange: 1kFOKI (symbol)

Company Overview

With sales of more than 12 million printers, Oki Data Americas, Inc., headquartered in Mt. Laurel, NJ and a \$6-billion subsidiary of Oki Data Corporation of Japan, is one of the leading PC printer manufacturers in North America. The company employs more than 700 people in the United States, Canada and Latin America and is ranked No. 1 among impact printer manufacturers in the U.S. with a 43% market share.

Company Objectives

Objective One: Increase the company's sales abilities such that the organization would be able to consistently hit its revenue goals (the organization had missed its revenue goal for 36 straight months).

Objective Two: Penetrate the Corporate America printer market, specifically in the high-end color printing segment – a market traditionally dominated by Hewlett-Packard and Xerox.

Objective Three: Capture 10% market share in the high-end color printer market in a two-year time frame.

Company Key Performance Metrics

1. Overall Sales Performance relative to goal
2. Top Opportunity Openings (25k+ sales opportunities)
3. Top Opportunity Closes
4. Top Color Opportunity Openings
5. Top Color Opportunity Closes
6. Total Color Unit Sales

Company Situation

While Oki Data enjoyed a leadership position in the dot matrix printer market, the organization struggled to position and sell its industry-leading color printers. By pioneering a technology which allowed for single-pass color printing (as opposed to the four passes required by traditional color laser printers), Oki Data was able to produce extremely high quality color output at a speed four times faster than any other color printer on the market – including those of industry leaders such as Hewlett-Packard, Xerox and Lexmark. Despite earning more than 20 major industry awards, corporate America remained largely unaware of these cutting-edge color LED printers.

Company Situation (cont.)

New Vice President of North American Sales Vito Torregiano also recognized that in addition to a lack of market awareness, he faced another formidable challenge in the resellers and dealers channel Oki traditionally sold through. While extremely adept at selling dot matrix printers, the resellers and dealers were largely ineffective at communicating Oki's color printer value proposition and selling to the more sophisticated decision makers who make large color printing purchasing decisions.

Analysis of Employee Team

In addition to the external challenges of market awareness and ineffective sales channels, Torregiano also recognized that he faced a number of significant employee challenges:

- Traditionally, Oki Data had instructed its channel sales force to spend the majority of its time managing reseller/dealer relationships with the expectation that this “wine and dine” approach would lead to increased sales. As industry competition increased, however, this approach to channel management proved less and less effective.
- Oki Data's leadership team shifted its channel strategy to an “end user” focus, expecting the sales team to spend 80% to 90% of its time generating large (25k+) sales opportunities and driving sales back to resellers/dealers for fulfillment and service. Despite this directive from corporate, the sales team remained largely resistant to and unsuccessful with the new strategy and the end-user focus.
- The majority of the sales team lacked critical sales skills in areas such as networking to decision makers; qualifying a prospect's needs, wants and buying motives; making a value-added, benefit-based product recommendation, effectively overcoming key buying objections; creating and implementing a sales strategy for maximizing revenue opportunities within their territory and time management.
- The sales team lacked the sophistication, poise and confidence needed to successfully sell to high-level executives responsible for high-end printer purchasing decisions such as vice presidents of information technology, chief information officers, information technology managers, etc.
- A string of prior product delays and manufacturing challenges sapped the confidence of the sales team and left its morale level at an all-time low.

Training and Development Objectives

To combat the organization's challenges and increase both market penetration and sales revenue, Torregiano knew he needed to make some significant changes to get the results he knew his team was capable of achieving. He interviewed a number of executive-level training organizations before enlisting 2logical to construct a comprehensive development effort that would address both the mental challenges and skill deficits the sales force was struggling to overcome. 2logical's development plan included two specific components:

Creating the Optimal Mindset

- *Accepting responsibility* – Assisting the sales representatives in leaving behind their excuses and taking “ownership” in the success of their respective territories.
- *Developing confidence and belief systems necessary to sell to sophisticated buyers* – Without confidence salespeople will not consistently take the appropriate actions necessary to succeed.
- *Building the tough mental attitude necessary to be persistent and diligent* – The best salespeople are able to create and maintain a positive attitude despite challenges and obstacles.
- *Effective comfort zone management* – Fear, uncertainty and self-doubt confine the vast majority of salespeople to mediocrity. Outward signs of poor comfort zone management include a tendency to be closed minded, unwillingness to learn, poor utilization of time, and lack of follow-up and follow through.
- *Increasing focus and goal direction* – Without the ability to establish meaningful goal direction and create a workable strategy for accomplishing these goals coupled with the necessary focus to stay committed, a salesperson’s effectiveness is severely limited.
- *Becoming increasingly self-motivated* – Learning to be proactive and take initiative is the cornerstone to all success.

Developing Skill Sets

- *Understanding how to network to key decision makers* – Helping sales representatives understand the steps to efficiently reach and communicate with those who can make purchasing decisions.
- *Qualifying a prospect’s needs, wants and buying motives* – Developing a systematic approach to understanding prospect needs that helps salespeople identify all possible opportunities and establishes a consultative sales relationship.
- *Making a value-added, benefit-based product recommendation* – One of the most common mistakes salespeople make is failing to truly understand the prospect’s needs, buying motives and customizing a solution for those needs.
- *Overcoming key buying objections* – Salespeople must be adept at addressing a prospect’s buying concerns and creating the confidence necessary to move forward.
- *Creating and implementing a sales strategy for maximizing revenue opportunities within their territory* – Identifying the Best Practices and Highest Payoff Activities salespeople need to implement on a daily basis in order to continuously develop new sales situations.
- *Time management* – Providing necessary structure to the sales process in order to make the most of a salesperson’s daily efforts.

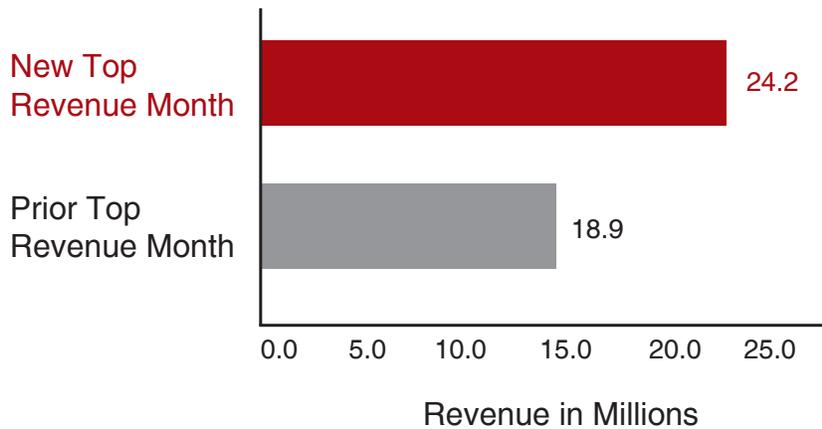
With the optimal systems and processes in place, 2logical helped the sales leadership team to create Individual Development Plans (IDPs) for each team member to help them define best practices, isolate high payoff activities and create the sales structure necessary for success. These IDPs became the framework for creating accountability and establishing the ongoing coaching and mentoring support needed to assure the success of the training initiative. Finally, leaders were taught to identify desirable characteristics for the team and effectively recruit individuals who exhibit them.

Oki Data Outcomes

After 36 consecutive months of missed sales goals, Oki Data's 12-month training and development initiative with 2logical has yielded significant bottom-line results. The team has hit its sales goals consistently – for the first time in three years – following the start of 2logical's training.

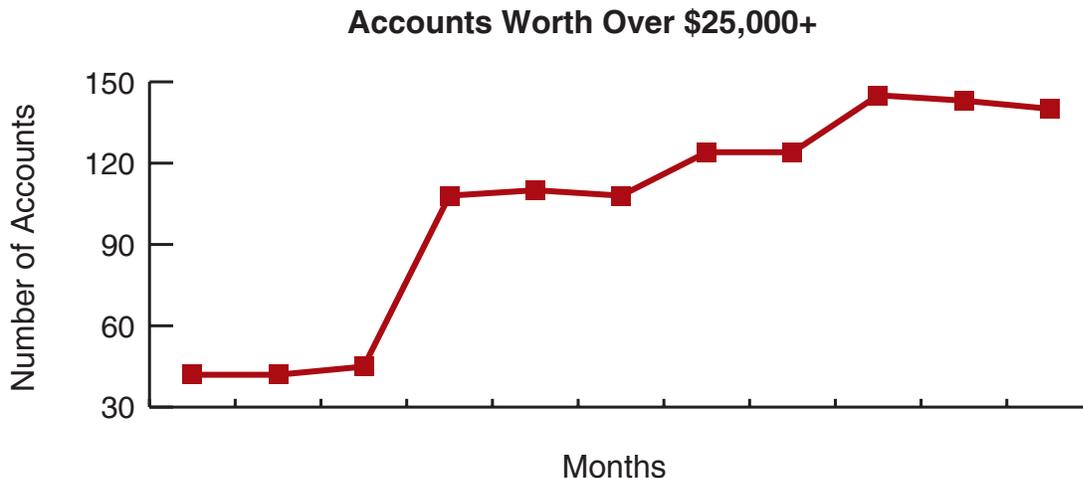
Overall Sales Performance Relative to Goal

The team exceeded its revenue goals in each of the last 12 months, including exceeding their most successful month by **more than \$5 million**.



Top Opportunity Openings (25k+ sales opportunities)

Meetings with accounts worth \$25,000 or more have **increased 482%** in the last 12 months.



Top Opportunity Closes

The number of sales closed in the Top Opportunity category has **increased 457%** in the last year.



Color Top Opportunity Openings (25k+ sales opportunities)

In the last 12 months, color unit sales opportunities have **increased 1,980%**.



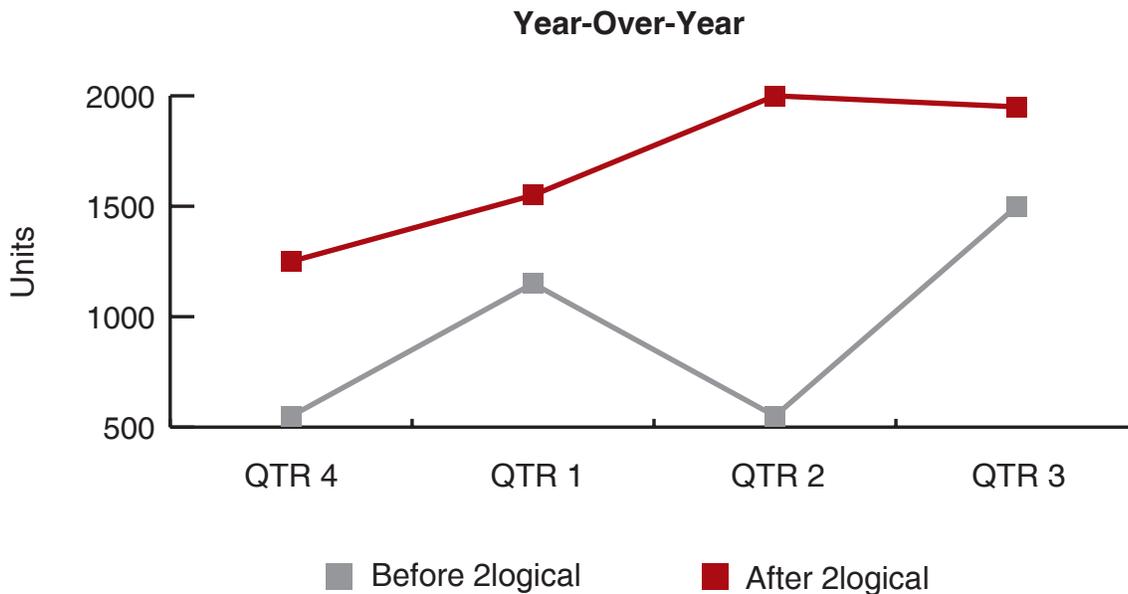
Color Top Opportunity Closes

The closing rate in these high-end accounts has **increased 725%** in the last 12 months.



Total Color Unit Sales

The total number of color units sold has **increased an average of 127%** quarter-overquarter since the first fiscal quarter.



Even as the economic downturn slowed overall market growth, 2logical's training has helped the group's performance continue to soar. Not only has the organization hit its key metrics, Torregiano noted that the training has **“made my job significantly easier. It's clearly been worth \$1.5 million to \$2 million a month in additional revenue.”**

In addition to the “numbers,” Torregiano has observed significant improvement in the team's morale and confidence. Monthly conference calls with the team have changed from painfully silent events to animated discussions of best practices and success stories. “I've had people come up and actually thank me for investing in this training and in them. To me that's even better than making plan,” said Torregiano.

“The most innovative approach to sales training that I have seen in 23 years. Both refreshing and invigorating. The right choice if you want to improve sales skills and performance.”

Vito Torregiano
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