



SCANIA MINING USE MEMBRAIN TO IMPLEMENT GLOBAL SOLUTION SELLING STRATEGY

CASE STUDY



SCANIA MINING CHOSE MEMBRAIN TO IMPLEMENT A NEW SOLUTION SELLING STRATEGY WORLDWIDE

To handle increasingly complex sales, Scania and Membrain deployed a new system for consistent performance.

MINING A GLOBAL OPPORTUNITY

For decades, Scania Mining has successfully sold modern trucks into an old-line industry. Scania's lean manufacturing innovations have continually increased the performance of its smaller, lighter trucks that offer better mining efficiency than the entrenched "big yellow metal" competitors. With downward pressure on commodity markets, buyers have placed increasing emphasis on the economics of heavy equipment.

"With world mineral prices dropping, asset utilization has become more important. Mining companies are paying closer attention to their spending. It's a great opportunity for Scania Mining," says Sven-Erik Gustafsson, sales director for Scania Mining.

50%
Net Profit
Increase

” Conventional CRM tools couldn't help us capture the potential of our new way of selling, which we feel Membrain is doing

// Sven-Erik Gustafsson, Sales Director



SELLING IN AN INCREASINGLY COMPLEX WORLD

Meanwhile, the mining industry is consolidating globally. These market factors are making the sales process much more complex for Scania Mining. The typical deal is no longer simply a few trucks. Now Scania is pursuing opportunities to deliver hundreds of trucks and the sales cycle can stretch beyond two years. Customers involve many more decision makers from multiple departments and countries. Buyers scrutinize every aspect of the purchase, from fuel consumption and maintenance expenses to driver turnover and capital budgets.

A NEW WAY OF DOING BUSINESS FOR SCANIA MINING AND ITS CUSTOMERS

Scania Mining needed to shift the sales conversation from truck prices to the total cost of truck ownership, including driver training, parts, services and financing options.

“We want to be perceived as a trusted advisor to the industry, not just a supplier,” Mr. Gustafsson says.

For this Scania have developed a new sales methodology for complex sales: the Scania Solution Sales Process.

Scania has **42 000 employees**, annual sales roughly 70 000 trucks, 10 000 buses, and 10 000 industrial and marine engines. It serves **100 markets** around the world, using a channel of 100 distributors and **1600 dealers**. 25% of revenue comes from parts and services.

“We looked at CRM tools, but none of them really worked with the special sales process we had developed. We felt we needed something more,” Mr. Gustafsson says. “We have long sales cycles, with different types of key performance indicators, and many personalities involved in the sale.”

MEMBRRAIN IMPLEMENTED FOR CONSISTENT PERFORMANCE IN COMPLEX SALES

Scania Mining chose the Membrain Sales Improvement Platform to support its new solution selling process worldwide.

Australia was the first sales region to switch to both the new Scania Solution Selling method and Membrain software. Membrain made it easy to implement the new selling process, which meant managers and sales reps adopted it right away.

“We worked with Membrain to have them build in support for the Scania Solution Sales Process. With Membrain we can put our soft KPI’s into the process,” Mr. Gustafsson says. Membrain was responsive and accommodated the time zone differences.

Membrain helps the sales team look at each deal not as a truck sale, but as a bundle of products and services.

Scania Mining in Australia has seen a **25% increase** in same-quarter revenue since introducing the new strategy just over a year ago. “Our sales are growing in Australia faster than the market,” says Mr. Gustafsson, “in other words, our market share is expanding. **Net profit is up 50%**, which tells us we are selling more high-value services along with our trucks,” he adds.

Customers appreciate Scania’s new solution-selling method. “We are making new sales within the same mining companies in other markets,” Mr. Gustafsson says, “and we are winning more global framework agreements – all starting with our relationships in Australia.”

DEAL BY DEAL THE PROCESS KEEPS IMPROVING

Scania will have seven new markets up and running on Membrain within a year. Managers at headquarters will be able to see a consolidated view of deals around the world and use that insight to identify similar opportunities in other markets.

Membrain helps sales teams explain why they are pursuing some opportunities and removing others from the pipeline.

“If you invest in one of these deals and then lose it, it can be very costly for the company and devastating for the sales team,” Mr. Gustafsson says, “so you need to qualify very carefully as you go along. That’s why it’s important to work with a system like Membrain that supports your way of selling.”

As the process improves, Scania can update Membrain with a few clicks and make the changes available to the salesforce.

COACHING AT A HIGHER LEVEL

With so many sales organizations and countries involved, sales coaching can be a challenge. Scania uses Membrain to learn which sales tactics work best in one market, then creates a coaching module that can be shared with everyone in the sales channel.

Scania uses the same approach to overcome the perceived risk of the new sales process for its dealers. Scania packages the Scania Solution Selling Process with Membrain and comprehensive training, to make it easier for dealers to start to benefit from the new methods.

“The training provided by Membrain is quite useful. It’s online, so our people don’t have to leave their markets to learn Membrain,” Mr. Gustafsson says.

SOLUTION SELLING STRATEGY ROLLING OUT WORLDWIDE

Scania Mining is transitioning from measuring truck revenue to measuring each deal by the number of services included and the profitability of the consolidated sale.

In Australia they have already seen those metrics improve. At a Scania Mining sales meeting, the Australia team made a presentation about how they are using Membrain in their market and the benefits they experience.

“The other markets really caught on and liked what they saw,” Mr. Gustafsson says, “so now there’s strong interest in our other markets to start using Membrain.”



25%
Revenue increase

” If you want to work long-term with your customers, then you need to have a way of evaluating different opportunities as well as business activities with buyers. Membrain helps you qualify the opportunities and work according to your process, so you don’t leave out important steps.

Sven-Erik Gustafsson, Sales Director



PROBLEM

- Consolidation in the mining industry made the customer buying process more complex.
- Customers started scrutinizing every purchase on many levels.

SOLUTION

- Scania Mining developed the Scania Solution Sales Process for complex sales.
- Membrain was deployed to support execution of the new sales strategy worldwide.
- Membrain’s training and support dovetails with Scania’s sales training, methodology and terminology

RESULTS

- The Scania Solution Sales Process was implemented rapidly in Australia.
- Scania Australia has experienced 25% revenue growth and a 50% increase in profit margins.
- Membrain has provided complete pipeline visibility to all levels of management.
- Membrain includes templates and tools, guiding the sales people along Scania’s new way of selling and helping them improve with every deal.
- Winning sales tactics are shared across all markets.
- Other regions are eager to get started and seven new markets will be online within a year.



Makes your sales
strategy stick

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