

CASE: Partnering Growth in a technology company

About the Client:

The client is a player in the Auto Id industry with a presence across labels, hardware, and software development. The company had reached a turnover of Rs. 8 crores in its 10th year of operation. The company has licensing agreements with top foreign brands for hardware and a modern factory to manufacture labels near Mumbai. The company is run by two professionals with a technical background.

Key Challenge:

Despite having all the capabilities, the founders were unable to accelerate the growth of the organization. The founders knew they had to professionalize to scale the business. But how? Where to start? These questions were put to the AIRA Consulting team.

Engagement with AIRA Consulting:

AIRA Consulting deployed their proprietary research process – JWP. AIRA Consulting team researched current product capabilities, met customers to understand the perception of the client, undertook a tour of the factory to understand the client's strengths, made sales calls with the sales team to understand capabilities and studied internal reports and documents. The exercise led to the clear enunciation of the strengths and areas of concern for the client. AIRA Consulting suggested a strategic roadmap for the client. The options were:

1. Become a product company by focusing on consumables and hardware. This will result in a high focus on packaged selling. This will also need building a large sales force and dealer network. Though the margin per unit sales may be less, it will be compensated by huge volume. The strategic orientation is to be aggressive in sales efforts and pricing.
2. Transform into a solution company focusing on customized offerings. This will require the ability to understand client requirements and use the domain and technical knowledge to build solutions to address the need. This will involve investing time and resources in understanding customer performance levers and standards and using a combination of software, hardware, and consumables to impact the levers positively, distinctly, and measurably. This will require recruiting an elite sales force that is capable of engaging the higher levels of the client organization and a robust internal process of delivery to project a solution orientation. The business is characterized by few customers but deep relationships and a high value, high margin realization offering.

The Project:

The client leadership team, after a series of discussions with AIRA Consulting, preferred a transformational route fully aware that the current state is anything near the desired state, but the risk-reward profile of the opportunity is too compelling to be otherwise. AIRA Consulting was enlisted as a partner to facilitate this transformation. The 7-month project has three distinct phases:

- Phase I – Research
- Phase II – Solution

- Phase III – Handholding.

In phase I, AIRA Consulting undertook detailed research of all the current processes with a view to finding gaps and opportunities for the transformation. AIRA Consulting, therefore, recommended the articulation of a vision and mission for the organization that every employee can identify with and believe that this is a transformational process.

In Phase II – AIRA Consulting developed the Customer Interaction tools and process and the Internal Sales Management Processes that befit a solutions company. AIRA Consulting is working with the leadership to integrate the process within the organization as also with the IT systems.

In Phase III – AIRA Consulting is actively involved in the training of the people on the new way forward and the internal sales systems and customer interaction systems so that they are institutionalized. AIRA Consulting is also an active member of the top management review of the implementation of the review process.

With all the initiatives internalized, the client is well on the way to higher unit sales with better profitability and more importantly better image among its customers.

AIRA Consulting