



# Council on Emerging Markets — Strategic Research

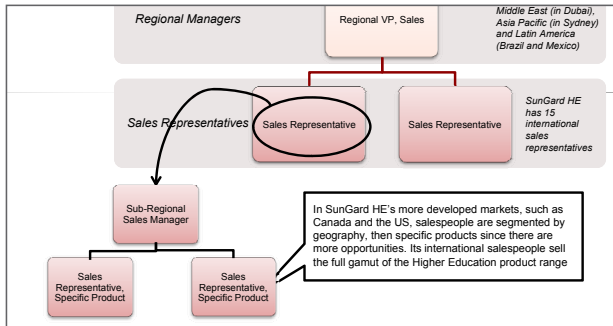
## Revamping the Commercial Model in Emerging Markets: Sales Force Effectiveness

**The need to revamp the commercial model.** The global downturn has dramatically shifted the market landscape in emerging markets as customers are: (1) becoming increasingly price sensitive, (2) expecting a wider range of options from an increasing number of competitors, and (3) taking a short-term view to investments, expecting returns in months instead of years

The Council on Emerging Markets examines how leading companies have **adjusted the management of their local sales forces to respond to these market shifts and to drive profitable growth.** Leading companies have revamped their commercial models around three factors:

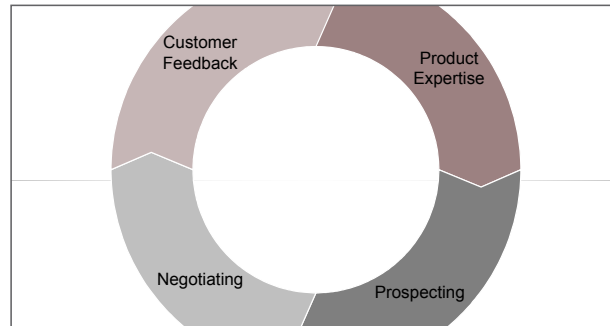
### STRUCTURE

- How should I think about organizing my sales force in order to get closer to newly-established customer niches?
- Should I relinquish pricing decisions to local teams?



### TRAINING

- What type of training programs should I implement?
- How often do I need to upgrade my salespeople's skills?
- What portion of my team's time should be spent on training?



### INCENTIVES

- Against what metrics should I track my team's performance?
- What types of incentives will drive the activities required to move up the customer value chain?

	Weighting	TARGET	ACH
<b>Additional for Senior Managers</b>			
✓ Growth	30	10%	
✓ Operating Profits	40	10%	
✓ Working Capital	30	5%	
<b>Applicable to the whole sales organization</b>			
✓ Growth Margins	30	65%	
✓ Operational Margins	20	10-15%	
✓ Volume Share	15	30%	
✓ Market Share	35	40%	

**A practitioner's perspective.** The CEM examines the strategies employed by leading Western and emerging-markets based multinationals that have altered their approach in response to the post-downturn market dynamics, and enjoyed successful sales growth as a result. Companies featured include: Pfizer, John Deere, Mindray, Wipro, Bausch&Lomb, Huawei, Reckitt Becklser, Stanley Works, and Kellogg's.

For more information about this research report, please contact [research@frontierstrategygroup.com](mailto:research@frontierstrategygroup.com)

