

EXECUTIVE QUESTION AND ANSWER

Presented by Innoveer Solutions
and Albemarle

Q&A

Matthew Johnson
Chief Strategy Officer
Innoveer Solutions, Inc.

Marc Nicolas
Regional Manager
Albemarle

MJ: Why did Albemarle (formerly Akzo Nobel) decide to invest in CRM?

MN: We have a very defined customer base – some 500 refineries worldwide – and our customers are the same year after year. It is a very mature industry, and our customers assume that with every dollar they spend with us, they will receive a \$10 return in margins and profits from their operations.

Because our customers are global companies with solid communication networks, we recognized the need for a worldwide view and better understanding of our customer base. We could not allow situations in which customers would receive different proposals depending on which office they contacted – our image in terms of the technology products that we sell must remain consistent. This is even more challenging because in one of our product lines, each of our customers has individually formulated products; there is no standard, and it is very specific to each situation, location, and refinery configuration.

MJ: How did you begin your CRM initiatives, and what was your implementation approach?

MN: We began by building and implementing a sales force automation system and creating a worldwide customer database that included all important information – location, history, business needs, product usage, and competition, among others. A cohesive database of our 500 customers and the different products they use leads to an exact understanding of our market share and that of our competition. Also, our database ensures consistent segmentation on a global basis, in terms of what products our customers buy, how they use them, and what value they add to their businesses.

Our knowledge of products and their applications is key to our business. Gathering and sharing our knowledge and applying what we know to our business is only possible if we accurately organize our customer information.

MJ: What have you achieved as a result of your customer management system and web portal?

MN: Our system records a worldwide, consistent profile of the customer – everyone in our organization has the same information with the same terminology and the same dimensions. For example, one customer, a major oil company may have 250 individual units, representing sales opportunities for us around the world. Our CRM system gives us a consistent view of the customer – what products we are supplying, our market share and that of the competition, and

where new business exists – and being able to look at those kinds of relationships is very valuable.

MJ: How did the architecture of your system enable a single view of this major oil company when the company has so many refineries and so many other installations?

MN: This was very simple. First, we were able to view all of these refineries on a single list, and for all of these refineries, you know where you are supplying and to whom, as well as which competitors have market share. New opportunities tend to be very complicated sales events because there can be central purchasing and local purchasing, and a central technical and a local technical department. Having all of that information integrated, recording those activities, and tracking the number of visits and phone calls, as well as what is being said has proven very valuable. It is very easy to search the database, and you can sort activities by geography or by product line – enabling a clear and accurate picture and improved account management.

In addition to that, our portal sits on top of the same database and gives customers access to selective parts of our information and collected knowledge at any time. This includes documents that are useful for a customer requiring basic information, such as product safety sheets or quick solutions for troubleshooting. At the same time, customers are also able to access phone numbers to contact representatives for the same information – with the personal contact they desire. Our portal is complimentary to the human contact we offer our customers, making our relationships with our customers much richer.

MJ: Are you then able to compare refineries against each other for increased knowledge?

MN: Customers are able to anonymously benchmark their own data points against the rest of the world, which gives

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them an understanding of where they stand, and it broadens and shapes their views of how they can improve their business with different products. These benchmarks can help ensure environmental compliance, and save money and increase profits, leading to increased customer retention and satisfaction.

MJ: How were you able to convince your employees to use the system?

MN: It is important to spend plenty of time with your team, so that they understand how the system works for our customers and the benefits of the system for themselves personally. There is a typical learning curve, and it is important to demonstrate how the system offers a consistent view of the customer and the ability to access critical information and improve communication. It is also important to show how easily it records activities, tracks customer history, transfers information to someone else within our organization, and enables quick access to sales literature. So, our own people have to fully understand how the system works and what the potential benefits are, otherwise they will not adopt it.

MJ: Have there been any surprises along the way, anything that you encountered for which you were not prepared?

MN: While we knew it would be helpful in the beginning to have a worldwide database, we continued to develop the value that we wanted from the system and the goals we were trying to achieve. Taking it from a strategic concept to what it means in the everyday work environment is the difficult part. We spent a lot of time making sure that the direction was aligned throughout the organization. It is important to spend time thinking through your goals, but it is also important to recognize that you become smarter along the way, and need that experience to truly understand what you can achieve. We did have a very clearly stated objective, but what we discovered was how that would translate into business results

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evolved over time and was different for both the project team and for senior managers.

MJ: Any advice for other organizations going down the CRM path?

MN: My advice would be to start out with the business benefits, examine the work processes, and then think through what this means for the people in the sales, marketing, and technical support functions. It is important to have a clear understanding of what you want to achieve and how you are going to manage that transition to achieve your goals.

You must also incorporate user input into the system design, and make it as simple as possible – if you build too much functionality for users or have too many screens, users become lost, and adoption will be slow.

ABOUT INNOVEER SOLUTIONS

INNOVEER SOLUTIONS, an award-winning customer strategy and solutions consultancy, provides advanced customer management services to healthcare and high-technology companies, among others, in the areas of planning and strategy, technology implementation, and optimization. The company's deep industry knowledge, broad technical skills, and Multishore methodology enable organizations to address their critical customer-facing issues and achieve an integrated view of all customer information. With an exclusive focus on customer management since 1998, Innoveer has worked with more than 300 organizations to increase their overall business growth, improve internal efficiency, and enhance the customer experience.

For more information, please contact Jennifer Yanoff at jyanoff@innoveer.com or at +1 617.225.7914. Visit the Innoveer website at www.innoveer.com

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ABOUT ALBEMARLE

ALBEMARLE CATALYSTS is a division of Albemarle Corp. and the largest producer of refinery catalysts. Albemarle Catalysts' fluid cracking catalysts help break down heavy crude oil into gasoline and other lighter products. The company's hydroprocessing catalysts are used to upgrade fuel quality. Its products are critical to refinery efficiency and to new clean fuel requirements.

Albemarle acquired the refinery catalysts business in 2004 from Akzo Nobel NV, giving Albemarle a leading position in the \$2 billion oil refinery segment of the \$10 billion catalyst industry. The Catalysts division significantly broadens Albemarle's portfolio of catalyst products and service solutions and expands the global size and scope of Richmond, VA-based Albemarle's business.