



# DEFENDING PRICE IN THE AEROSPACE INDUSTRY

Quantifying & Documenting the Full Value of Your Offering

## MARKETING & SALES TECHNIQUES FOR SUPPLIERS OF:

- *Airframe structural components*
- *Landing gear, wheels and brakes*
- *Avionics & flight control systems*
- *Engine components*
- *Environmental systems*
- *Seats, galleys, lavatories*
- *In-flight entertainment systems*
- *Test equipment*
- *Raw materials and chemicals*
- *Manufacturing equipment and tools*

*Each participant receives a copy of the Aerospace VQ™ value quantifier: a spreadsheet-based sales tool*

**defending  
price™**

## WHY IS IT IMPORTANT TO DOCUMENT & DEMONSTRATE VALUE?

Suppliers to the aerospace industry face a challenging sales environment. Customers are more demanding; pricing pressure is increasing, and margins are contracting. Many suppliers have responded by emphasizing the value they offer to customers, but most find it hard to resist customers' demands for lower prices.

To gain an equitable or fair return on the value their offerings deliver, and thereby be in a position to defend price, suppliers must be able to persuasively demonstrate and document the value they offer in *monetary* terms. Simply put, suppliers must learn to translate everything they offer customers into the language of dollars & cents.

Documenting and demonstrating value is both challenging and rewarding. It is challenging because it involves quantifying benefit claims you want to make - claims that can touch on complex business processes. But it is rewarding for the same reason. Meeting the challenges that come with quantifying and documenting value will give you a powerful competitive advantage over your rivals, as well as allow your company to defend and improve your price and bottom line.

That's why Kotler Marketing Group has developed a first-of-its-kind workshop program, developed specifically to help suppliers to understand the challenges of building a quantitative business case and how to systematically overcome them. Ample time is spent working with participants to document the value of their specific offerings.

## Common Sales Challenges That Are Addressed

- Understanding what value is and how to quantify and measure it
- Building spreadsheet-based sales tools and models
- Getting customer cooperation and buy-in
- Using value research to strengthen and reinforce customer relationships
- Avoiding exaggerated claims that undermine the credibility of your value case
- Effectively incorporating value analyses and findings into presentations, bids and proposals

## Understand How to Quantify the Value of Benefits That Suppliers Typically Promote, Such as:

- Improving R&D cycle times
- Reducing the cost of warranty claims
- Reducing downtime
- Improving productivity
- Reducing materials costs
- Improving quality and performance

## ABOUT THE VQ™ SALES TOOL

- Designed specifically for suppliers to the Aerospace Industry
- Identifies key benefits of supplier offerings
- Quantifies the dollar value of benefits
- User-friendly, feature-rich software designed to aid the sales process
- Can be customized and integrated with other tools such as pricing calculators
- Compatible with Windows XP, 2000, and later versions

## BENEFITS OF THE PROGRAM:

- Learn about the key challenges of quantifying value and how to overcome them.
- Hear about success stories from the supplier community.
- Begin documenting the full value of your own products and services.
- An opportunity to benchmark yourself against industry best practices.
- Receive a copy of the first-of-its-kind sales tool, the VQ™ v1.75.

## Who Should Attend

The workshop is a one day program designed for:

- Sales Managers and Representatives
- Field Sales Engineers
- Product & Pricing Managers
- Marketing and Sales Executives

## What You'll Get

Workshop participants will:

- Learn about industry best practices regarding value-based presentations, sales tools, and proposals
- Develop a benefits framework for your products & services
- Draft a research agenda for documenting the value you offer customers
- Understand how to develop effective value-based sales & marketing collateral
- Receive a copy of the Aerospace VQ™ v1.53 sales tool

## The Presenters

The workshops are facilitated by the following instructor:

**George Hamlin** has over 35 years of professional experience in the airline and aerospace industries. With experience at both buyers (airlines) and suppliers (manufacturers), George is familiar with both the demand and supply sides of the equation with respect to aircraft and engines. He held management positions at TWA and Texas International (now Continental) where he was responsible for fleet planning activities and served as liaison with airframe and engine manufacturers. At Lockheed Aeronautical Systems and Airbus North America, he was involved extensively in both business planning and sales support activities, including significant customer contact during the marketing and sales processes.

Having spent his entire career in the airline and aerospace industry, George understands the difficulty of selling in today's aerospace industry, particularly in the face of the Prime OEMs' announced plans to reduce the supplier base footprint. However, he knows that progressive suppliers have had success defending, and in some cases, improving their pricing and bottom lines. In this workshop, George will cover these "success stories" and will explain how these suppliers have been able to resist demands for lower prices and cost reductions.



## Program Content

8:30 - 9:00 am	Continental Breakfast
9:00 - 10:30 am	Building the Value Case
10:30 - 10:45 am	Break
10:45 - 12:00 pm	Case Study
12:00 - 1:00 pm	Lunch
1:00 - 2:00 pm	Constructing a Benefits Framework for Your Offering
2:00 - 3:00 pm	Documenting Value Using Research Techniques
3:00 - 3:15 pm	Break
3:15 - 4:00 pm	Introduction to the VQ™ Sales Tool
4:00 - 4:30 pm	Presenting Your Value Case
4:30 - 4:45 pm	Action Plan & Next Steps
4:45 - 5:00 pm	Wrap up

## A Call to Action

*"We have too many suppliers. At the end of the day, we want fewer suppliers."*  
—Domingo Urena-Raso, AIRBUS Power8 Program Leader

*"The strategy adopted by Airbus has been to put extra pressure on its suppliers, threatening to source elsewhere if the demanded low prices could not be guaranteed."*  
—Professor Phil Cook, Head of the Center for Advanced Studies

*"Each time we bring in low-cost country sourcing we achieve savings of 30-50%. Music to the ears of procurement professionals."* —Pierre Attendu, Chief Purchasing Officer, Bombardier

## How leading Suppliers Are Responding:

*"Excellent industry knowledge which adds validity to the subject and good depth of experience. Very good use of time."* —Donald Paul, Sr. Marketing & Strategy Consultant, DuPont

*"This was a good class. This class provided additional insights tools that will help me make our team more effective in selling price."* —Katie Bianchi, Pricing Leader, GE

*"Excellent training program, a lot of value delivered in only one day. Good to use business case examples."* —Benjamin Willot, Director Europe OE Sales, Goodyear

*"This seminar provides a systematic approach to dealing with common difficulties in the buyer-seller interactions in the industry. Very useful methods to express and quantify the value you provide."* —Krisztian Beres, Director, SKF

## The Defending Price Sales Training Series

There are no new negotiating tricks. To be able to resist the demands for lower prices suppliers must be able to articulate the value they deliver in a credible and compelling fashion. Kotler Marketing Group has had success helping our clients do just that. Our clients' results speak for themselves.

Our sales training programs are designed to help companies get a leg up on the competition. Our new and unique training programs:

- Are led by instructors that bring 20+ years of industry experience
- Feature industry-specific case studies and success stories
- Incorporate sales tools and methodologies tailored to the industry

Our training programs can be conducted on-site at your facility and are 1-2 days in duration. They are designed to:

- Teach sales, marketing and pricing personnel how to document the value they deliver
- Use the knowledge of what their products are worth to resist demands for lower prices and discounts
- Successfully package and present their value proposition

For more information on this training program, or any of our services, call us at 1-202-331-0555, or visit us at [www.kotlermarketing.com](http://www.kotlermarketing.com)