

# IMMEDIATE GROWTH WITH NEWLY ACQUIRED CUSTOMERS

After gaining a deep understanding of the target company's customer base, a leading sporting goods supplier was able to obtain significant top-line growth immediately after acquiring a regional competitor, also positioning themselves for millions of dollars of new sales.

For any company interested in growth by acquisition, here's a sobering statistic: 50 percent of all acquisitions ultimately fail to add value to the shareholders of the acquiring firm. So, what's missing? When considering the full scope of due diligence, few companies perform any adequate investigation of the asset that is almost always the single most important to be understood—the customer base.

Walker worked in partnership with an acquiring company to help them gain a deep understanding of their target company's customer base, and in turn obtained significant top-line growth and positioned themselves for millions of dollars of new sales.

### CHALLENGE

After a leading sporting goods supplier acquired a smaller company, they came to the realization they did not have a deep understanding about the company's customer base and each account's relationship with the company.

### HOW

Walker helped them assess the quality and loyalty of the customer base and identified strategies to mitigate risks and leverage growth opportunities – resulting in millions of dollars of impact. Using a proprietary loyalty assessment methodology, Walker was able to provide detailed answers to the following vital customer questions:

- What percentage of customers are Truly Loyal? What percentage are High Risk? Why?
- What are the customers buying and why?
- What strategies are needed to grow market share long-term, and grow sales immediately?
- What are the differentiation points of this company versus their competitors?
- How do we enhance the customer experience in each account?

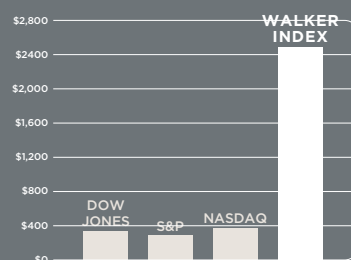
### OUTCOME

Walker was able to provide strategic recommendations and action plans for each account. They learned the following:

- Their people and value-add services emerged as differentiation points for their business.
- Their website and catalog was perceived as being weak, and an investment in improving the user-experience could lead to increased purchase volumes.
- Up-selling and cross-selling opportunities were identified through Walker's "account playbooks."
- Customers loyal to them were identified, along with those who were high risk.
- The company is positioned strongly against their competitors, but only if action is taken to enhance the customer experience.

## SEE THE DIFFERENCE

This image represents what is happening in business today—customer-focused companies are outperforming the marketplace. The customer-focused culture within these companies has allowed them to develop less risky, more stable business models. This results in companies delivering better results by putting their customers at the center of their business.



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