LeveragePoint

3M Communicates Superior Value Delivered Through LeveragePoint Value Stories

CASE STUDY
3M

WEBSITE
www.3M.com

INDUSTRY
Consumer Goods, Adhesives, Chemicals, Advanced Materials

EMPLOYEE COUNT
92,000

COMPANY OVERVIEW
3M is one of the world's leading manufacturers of consumer goods, adhesives, chemicals, and other advanced materials. By unlocking the power of people, ideas, and science to reimagine what's possible, their global team of 92,000 employees uniquely address the opportunities and challenges of their customers, communities, and planet.

INTRODUCTION

3M™ Air and Vapor Barrier Solutions help their customers build smarter through membranes and tapes using 3M's acrylic adhesive technology that protect better, last longer, and install more easily in the toughest conditions. Energy efficiency is more important than ever. Thirty percent of energy waste is caused by losses through the building envelope, and air tightness codes around the world are demanding a fix.

Peter Golter, Business Development Manager at 3M, has close to a dozen years of experience selling 3M's Specified Construction solutions into commercial, mixed-use, healthcare, and government accounts. He has long been an advocate of value selling to communicate the superior outcomes associated with 3M™ Air and Vapor Barrier Solutions, including 3M™ Air and Vapor Barrier 3015 and 3M™ Air Barrier with Permeable Backing 3015VP. "These are considered next-generation materials where there is no rubberized asphalt. We're far more sustainable in the design or construction of the materials and require no primer, which saves about 30% of the labor and time on a project," he shared.

Peter believes it is important to communicate the differentiated value of 3M's Air Barrier products to an array of buyer types. "We work with the entire project team, from the distribution side up through the installer, the general contractor, and design professionals, all the way up to the owner representatives," he explained. By painting a picture of value to each stakeholder in the process, he seeks to convey differentiated value in order to earn trust and convince buyers to make an initial investment.

SPREADSHEETS: SUCCESSES AND SHORTCOMINGS

Peter's initial foray into Value Selling came in the form of a homegrown spreadsheet that conveyed the direct cost savings associated with 3M™ Air and Vapor Barrier Solutions, often in competitive scenarios where lower-quality competitive materials were being considered. The spreadsheet was a complicated undertaking but proved to be a good initial step on his value selling journey.

"It started as an Excel spreadsheet, and the inception of it was very simple," he shared. "I would speak with Mr. Owner or Ms. Contractor and ask them to share their material costs, labor costs, and productivity rates, and then I'd compare it to another product they were considering. Competitor A versus 3M."

The spreadsheet focused primarily on direct cost savings for the users of the 3M solutions but had broader implications. "It always boils down to the fact that time is money," Peter explained. "When they can see themselves having a quicker install, that's a significant labor savings. From a general contractor's point of view, that's a significant

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> Peter Golter, Business Development Manager, 3M

reduction in the critical path and thus their general condition dollars, which is not chump change."

While this value selling approach was effective in quantifying some of the differentiation in financial terms against 3M's competition, it came with some drawbacks. As with any spreadsheet-based calculator, it failed to present the hard financial outcomes in a visual, compelling way, risking losing the buyer's attention.

Additionally, it was rigid in design, meaning that assumptions and value drivers couldn't be easily tailored to different projects and buyers. Finally, the spreadsheet focused primarily on direct cost savings only, and didn't account for additional financial impacts up and down the value chain. Peter summarized the shortcomings succinctly: **"When prospects look at a spreadsheet, you pretty quickly get 'deer in the headlights' look."**

LEVERAGEPOINT VALUE STORIES: TURNING A "MODEL T" INTO A "FERRARI"

In an effort to boost the effectiveness of his value communication, Peter and key members of the 3M team turned to LeveragePoint after being introduced to the tool by a colleague. "We initially thought this would help fine-tune our value model, but that turned out to be an underestimation. **What we did instead was take a Model T and turn it into a Ferrari."**

LeveragePoint allowed Peter to embed his existing model into the cloud platform as the mathematical foundation of a Value Story—an interactive, branded presentation that powerfully conveys the impact of selecting 3M™ Air and Vapor Barrier Solutions over competing alternatives. "It was an extension of what we had done previously with the 'Model T' version, but the LeveragePoint presentation made it much more tangible and visible to our prospects. People would tweak the numbers live, suggest modifications, and validate inputs such as material and labor costs. **By the time we get to the end of the presentation, it's pretty much always an eye-opening experience for the customer because we are showing them how many days they can get back."**

By adopting LeveragePoint, Peter was able to make additional enhancements to his Value Story to take his value selling efforts to new heights. "When we developed v2, we expanded this story beyond the pure install costs to value drivers relevant to the entire construction team, he shared. "What is the impact up and downstream? If I'm able to save money across the different stakeholders in the project team, is that of importance? Very quickly the answer became yes, so when we made v3, we wanted not only to look at the entire project, but also zoom in on individual components where we can blow away the competition."

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The transformed Value Story allowed Peter and his teammates to present value stories that are interactive, compelling, and tailored to the specific individuals in each sales call. **"It's so much more tangible now,"** he shared. "We can select the target audience early in the presentation – so we can have different versions for the installer, the general contractor, the architect, or the owner's representative. We can set one up that is designed for a contractor who self-performs the work. It becomes easy to identify the customer and build a story around the information they are looking for, such as day savings and general condition savings in the general contractor version or time to revenue in the owner version."

This approach has worked especially well when communicating with estimators, as they are intimately familiar with a project's input costs, productivity rates, and other key metrics. "They're already building that estimate," he shared. "They have already procured those numbers from the distributors. So, they are an integral part – they are now our preferred choice to speak with, to be honest with you."

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> Peter Golter, Business Development Manager, 3M

LEVERAGEPOINT BOOSTS WIN RATES FOR 3M™ AIR AND VAPOR BARRIER SOLUTIONS

By communicating financial value to prospects and customers in a clear, interactive, and customized manner, Peter and his teammates have developed a value selling process that has led to improved win rates within their territory. "What we do with our value propositions is share how we can help buyers deliver on time and on budget and perhaps even put a few bucks back into their pocket. And that's what we're very good at now. **LeveragePoint helps me communicate this when I'm dealing with first-time customers, and then the second and third time with the same customer, it's usually a done deal."**

These successful conversations look different compared to the old, spreadsheet-based presentation. Now, sales meetings take a more consultative approach. "We now have a PowerPoint-like format, consisting of a few pages asking important business questions – How much are your labor costs? What are your material costs? Who are you comparing against? What is the size of the job? What are the project specs? We then input those data points and get outcomes based on actual information. Here are your productivity rates for 3M versus those for the competition, and here's how much efficiency you gain."

These results spread to his teammates, who began to use LeveragePoint to collaborate on deals. "One of my colleagues alerted me to a job, so we went through the information, generated the spreadsheet ahead of their meeting, and walked through it together so that they were comfortable with it. They came back and we won the job."

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Peter Golter,
Business Development Manager, 3M

In one recent win, a commercial builder in the Midwest was looking to start construction on two side-by-side buildings in cold winter weather. “He already had the contract with the competitive material going on the first building,” remembers Peter. “We showed him the Value Story, compared the outcomes, and showed how we could save him time and money. So, he decided to give it a try. Despite freezing temperatures, he was able not only to use 3M™ Air Barrier on the second building but decided to finish the rest of the first building with our materials as well in order to turn it over to the owner sooner. **This is the type of win you can’t make up.”**

SUSTAINING A VIRTUOUS CYCLE WITH VALUE SELLING

The value selling process using LeveragePoint has begun to follow a familiar pattern, from Value Story to delivered outcomes. “It typically takes one or two jobs to show them, and after that, they're hooked. What was presented in LeveragePoint became a reality, and they saw the tangible result – they saved time and money using 3M™ Air and Vapor Barrier Solutions. When I go to a contractor now, we can get them thinking about how many more jobs they can do, increasing profitability with the added efficiency of our solution. **All of a sudden, the next jobs are easy to sell**. The questions become things like ‘how many people are on the job?’ or ‘how many square feet?’ They are already sold on 3M.”

Peter closed by taking stock of what is possible through executing value selling at scale. “It's nice when you close a project out, and it ends in a win. I like the snowball effect. Here in Minnesota, there are well over five hundred projects with 3M materials on it. And it's nice to go to downtown Minneapolis and see full city blocks and think, ‘This is all 3M.’ And this wasn’t always the case. For our team, the LeveragePoint presentations were certainly an integral part of that and it's nice to see wins like that happening all over the country.”

ABOUT LEVERAGEPOINT

LeveragePoint is a cloud platform that aligns B2B marketing and sales to create, communicate, and capture customer value. LeveragePoint’s digital Value Propositions empower sales teams to engage buyers in conversations about the specific, quantified value of their products and services, accelerating executive buy-in and increasing sales velocity.

Want to see the LeveragePoint Platform in action?

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