LeveragePoint

3M Achieves Successful Product Launch Supported by 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.

LEVERAGEPOINT VALUE STORIES AT 3M

INTRODUCTION

Launched in August 2022, 3M™ VHB™ Extrudable Tape GP is a new bonding solution that brings elevated levels of automation, simplicity, and sustainability across industries. The 3M™ On Demand Bonding System featuring 3M™ VHB™ Extrudable Tape GP is key to their automated manufacturing solution set, transforming manufacturing processes in light of changing industry challenges, such as rising material costs and labor scarcity. By allowing users to bond industrial materials quickly, securely, and permanently without the use of mechanical fasteners such as screws or rivets, this end-to-end bonding solution has the potential to transform business outcomes for 3M's customers and prospects by boosting the efficiency, versatility, simplicity, and sustainability of their manufacturing processes.

Todd Lutkauskas, Global Product Manager at 3M, was tasked with introducing 3M™ VHB™ Extrudable Tape GP to the global marketplace. Early on, he understood that the success of the product launch depended on whether prospective customers understood the superior economic value delivered compared to their existing bonding solution. "Everybody has changed their process to meet the limitations of the adhesives available. We are changing that paradigm," he shared.

As an entirely new category of product and bonding solutions for manufacturing innovation, the economic benefits of 3M™ VHB™ Extrudable Tape GP transcend material savings alone by significantly streamlining, simplifying, and speeding up production operations for 3M customers. Communicating the specific financial value to a customer audience already invested in a variety of bonding solutions – from rivets and bolts, to welds, glues, and other adhesives – was a complex challenge for the 3M sales team.

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In order to help his team quantify and communicate customer value at scale, Lutkauskas turned to LeveragePoint. "After seeing a colleague use the platform," he shared, "I decided to start conversations with the LeveragePoint team about what we could do to support this important launch." **Using LeveragePoint Value Stories, the 3M team was able to improve their commercial execution by enabling marketing and sales teams to evaluate economic impact, qualify customers, and convey value in sales conversations.** They were also able to strengthen strategic partnerships and support manufacturing customers in their automation journey through an increased focus on customer value delivered.

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> Todd Lutkauskas,
> Global Product Manager
> at 3M

3M USES LEVERAGEPOINT TO EVALUATE THE ECONOMIC IMPACT OF TAPE AUTOMATION

Manufacturers of appliances, specialty vehicles, and other products have long been limited by the adhesives crucial to their product designs. Before the launch of 3M™ On Demand Bonding System, most bonding processes added time, required specialized storage and usage conditions, and generated excessive waste.

Estimating the return on a capital investment involves assessing a wide range of business metrics, incorporating process details, workforce data, and input costs. Evaluating the customer-specific financial impact of moving away from a legacy bonding solution was a clear challenge, given the wide range of business variables and process complexities of each manufacturing prospect.

Before the official launch, Lutkauskas' team worked with LeveragePoint to create a Value Story– an interactive selling tool that made it easy for sales teams to work with the customer to estimate value delivered and ROI. The LeveragePoint Value Story for 3M™ VHB™ Extrudable Tape GP was designed to help sales dollarize the efficiency, versatility, simplicity, and sustainability benefits versus the incumbent (or competing) alternative.

During the launch process, they tested and piloted it internally with their core team, before rolling it out with a select group of power users for specific opportunities. Once the refined LeveragePoint Value Story was introduced to the wider team, it became clear to Lutkauskas how much easier it was for salespeople to convey the economic impact of 3M™ VHB™ Extrudable Tape GP with potential customers. "With LeveragePoint, it's as simple as getting into a lot of yes/no questions with the customer," he explained. **"After the salespeople use it a handful of times, they get it. They start to ask the right business questions intuitively because it's top of mind."**

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We've done this with multiple accounts, and once we measure the output together and send it back, we're getting a call back from the customer within two hours saying "yes, let's continue this project together.' It speeds along interest to keep the momentum going on these projects.

—

Todd Lutkauskas,
Global Product Manager
at 3M

At the end of the Value Story, the screen displaying business outcomes resonated with target prospects. "By showing the customer how much time they can save in their process, for example, by taking off six seconds up front in the manufacturing process - we can gain months in ROI return," shared Lutkauskas.

Today, LeveragePoint Value Stories feature heavily in the initial sales conversations for 3M™ VHB™ Extrudable Tape GP. "We usually do a couple of dry runs ourselves and then we bring the customer on the call. We then share the output from LeveragePoint right there, and send the PDF or the PowerPoint screenshots to use with their stakeholders internally."

AUTOMATING THE POC PROCESS BY QUANTIFYING CUSTOMER VALUE

3M™ On Demand Bonding System featuring 3M™ VHB™ Extrudable Tape helps 3M customers worldwide transform their manufacturing processes. In order to assess whether this innovative solution is a good fit for a prospective customer, a proof-of-concept is necessary. This process involves 3M, their hardware partner Nordson, and the integrator responsible for the sale, in addition to the customer themselves.

Because of the nature of the sales process, Lutkauskas deemed it critical to be able to assess early on whether 3M™ VHB™ Extrudable Tape would deliver value to all parties involved. **"We want to know whether or not there is value for the customer."** he shared. We're going to do the proof-of-concept work, and we want to know quickly if it's a win-win for all parties involved - the integrator, the end user, our hardware partner, and 3M.

Using LeveragePoint in early prospect analysis, call prep, and initial conversations, sales teams are able to quantify whether or not the technology makes sense for all parties involved. This is now a part of their standard process. "We've done this with multiple accounts, and once we measure the output together and send it back, we're getting a call back from the customer within two hours saying "yes, let's continue this project together.' **It speeds along interest to keep the momentum going on these projects."**

3M ACHIEVES MORE QUALIFIED DEALS, IMPROVED WIN RATES, AND HIGHER DEAL SIZES BY COMMUNICATING VALUE

By helping customers significantly streamline, simplify, and speed up production operations, the 3M™ On Demand Bonding System featuring 3M™ VHB™ Extrudable Tape can transform the manufacturing processes across industries. For the 3M sales team, successfully communicating the efficiency, versatility,

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simplicity, and sustainability benefits has helped their customers transform their business through automation.

By communicating value in sales conversations with the help of LeveragePoint Value Stories, Lutkauskas has begun to see increases in average deal size during and after the POC process. By transcending the price conversation, communicating value has built momentum for their innovative technology within customer accounts. "What we're finding now is once we get into a larger OEM, the technology is starting to get attention within their organization after seeing these benefits, and so now they're incorporating it into multiple applications without us even having to go ask them about it."

An early customer win occurred at an automotive OEM account. "We were able to take their cycle time down from six per hour to one every 45-60 seconds - a 9-12x improvement." He continued, "it becomes easy once someone starts getting some wins. **The average account size that we're working on has increased 4-5x because there are more opportunities for the automation process. We have an opportunity to go after even bigger wins."**

Since deploying LeveragePoint Value Stories in evaluating opportunities for 3M™ VHB™ Extrudable Tape, 3M has grown the number of qualified deals in their pipeline, boosting win rates in the process. "Our win rates are improving because we know upfront if we create value," shared Lutkauskas. "It doesn't have to be 100% complete, but we have to show value to the customer to move forward."

BUILDING DEEP RELATIONSHIPS WITH STRATEGIC PARTNERS THROUGH VALUE

The 3M™ On Demand Bonding System incorporates both 3M™ VHB™ Extrudable Tape and the Nordson ProBond™ System – a simple automated solution that easily integrates into assembly lines, delivering a durable bonding system that brings the efficiency, versatility, simplicity, and sustainability that manufacturers need to maintain a competitive edge.

Collaboration between 3M, Nordson, and their integration partners has been boosted through an increased focus on customer value delivered, supported by LeveragePoint. Centering on customer financial outcomes has helped foster strong relationships between 3M and their strategic partners. Working together on the 3M™ On Demand Bonding System Value Story has helped both parties understand the importance of quantifying value in opportunity qualification and sales communication, to the point where it now underpins their joint business strategy. "3M started leading the charge with LeveragePoint," recalls Lutkauskas. "Now we have

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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.

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adapted our approach with our hardware partner, and are engaging with integrators early. We know we have to bring everybody in on the Value Story early."

This focus has led to a close bond between the 3M and Nordson teams, deepening their strategic relationship and boosting collaboration. **"Overall, It's been one of the best partnerships I've had in my career with an outside company," he shared.**

3M'S CONTINUING AUTOMATION VALUE JOURNEY - THE NEXT STEPS

As an entirely new category of product and bonding solution for manufacturing innovation, 3M™ VHB™ Extrudable Tape creates endless design and application possibilities at scale for global multinational and local manufacturing business alike. By adding all the benefits of automation into the manufacturing process without compromising bonding specifications, it helps customers deliver the next generation of product innovation.

After successfully introducing 3M™ VHB™ Extrudable Tape the 3M team has begun to think about ways to further embed customer value in their go-to-market processes. Lutkauskas sees opportunity in improving value-based qualification and communication in markets around the world. **"I envision a scenario where every one of our local teams can do their proof of concept with teams working in LeveragePoint in their local currency, in their local language with the actual end users."**

More broadly, value selling with LeveragePoint is a part of their wider initiative in supporting manufacturing automation within their customer base. "We're on this automation journey and we have to show value across multiple stakeholders. **Now, our sales team can focus on the most important benefits for the customer."**

Lutkauskas notes that value selling has always been a critical factor to the sales process for 3M's broad adhesives portfolio. He summarized by explaining the critical importance of value selling in the successful launch of innovative solutions: "With the Leverage Point Value Story tool, we have an easy to share summary of what can appear to be a complicated value story. Customers, Nordson, integrators and 3M are excited when they see that we all win when we invest in innovative bonding solutions. Since this is a brand new, disruptive product we build trust using LeveragePoint by objectively showing how we can deliver value and savings."