

The keys to a VERTICAL FOCUS

 Michelle Glennie

As a business professional, dealing with today's economic ups and downs can leave you scratching your head, wondering if you have made the right impact on your employees, Partners, and customers. Those in the Microsoft Dynamics® market space have likely heard about how a vertical marketing strategy can help to grow business and drive focus. What can focus really bring to a company? We all know it is something that we want to achieve and may think we might already be there, but real focus in an organization can bring increased sales not only through products, but also services. It can bring harmony among employees by working toward a common goal, and it can build relationships with other Partners to increase your knowledge base and better serve your industry. In today's economy, we need to take the time to look at how we can better serve both our existing customers and new customers. Taking your company vertical might just be the way to achieve this and increase your sales at the same time.

I recently had the opportunity to visit with two Partners who have found numerous benefits by focusing on industry verticals: Jennifer Imes Lupiba, director of marketing at AccuNet, and Michael Camp, marketing manager at Synergy Business Solutions.



Illustration by Dave Swang for The Partner Channel

Michelle Glennie (MG): *What specific vertical is your organization in? If manufacturing, for example, what kind of manufacturing?*

Jennifer Imes Lupiba (JL): AccuNet has completely adopted the vertical focus. In fact, we focus solely on the biotechnology vertical, and in particular, on those companies developing drugs, testing them, and consulting with companies to get them through the FDA process. Another Partner, after looking at our very verticalized Web site, said that we would turn away other industries since we didn't list them on our Web site. That's the point of going vertical. We only want companies in biotechnology.

Michael Camp (MC): Professional service organizations (PSO) including the architecture/engineering/construction (AEC) industry. We used to market to anyone, including distribution, non-profits, and government, but quickly saw that professional services and AEC were a perfect fit for our project-accounting expertise in Microsoft Dynamics® SL. We're not as narrowly focused as some who go vertical because we focus on project-driven companies. For example, many architecture and engineering firms are going "design-build," so it became important to focus on construction as well.

MG: *Why did your organization choose this vertical? Personal experience in the industry? Consultants and salespeople with a depth of knowledge? A concentration of the industry in your geographic area?*

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JL: About four years ago, the executive team sat down and reviewed our client base and our skill set. We found that many of our good customers were in the biotechnology vertical and that our strongest skills were in working with Microsoft Dynamics SL's project and accounting package that all of

AccuNet

Business Systems • Network Services

AccuNet designs, implements, and maintains study/project management and accounting systems for mid-market companies across the world. They find their software and services best fit contract research organizations (CROs), contract testing laboratories (CTLs), pharma consulting, contract manufacturing organizations, and other project-focused industries.

Synergy

BUSINESS SOLUTIONS

Serving professional service organizations and architecture/engineering/construction (AEC) companies on the West Coast, Synergy Business Solutions sells, implements, and supports Microsoft Dynamics® SL project and cost accounting software that integrates with Microsoft Office and Microsoft Dynamics® CRM. Synergy creates strategic value for project-driven organizations to help them thrive in the market place, not merely survive a business phase.

those biotechnology firms were using. It was a natural fit. Also, many of our consultants were already experienced with the complex reporting and regulatory compliance needs of these biotechnology firms.

MC: In a similar way, we went vertical because of the conclusion of a strategic planning initiative in 2004. It became an obvious decision when we saw we had the domain knowledge (project accounting expertise), a product that fit PSOs and AEC perfectly (Microsoft Dynamics SL), existing references, and little to no competition.

MG: *What did your organization have to do to understand the customer needs in this vertical?*

JL: Because our best customers and our best skill sets aligned, we realized we already knew many of their needs. However, since we "discovered" our already vertical focus, we did spend much more time interviewing those customers, reading industry publications, joining industry associations, and finding the commonality in the information we gathered from prospects during our prospecting.

MC: Well, we're not where we want to be yet in terms of knowing everything or in marketing, but the main thing was educa-

tion. Some of our consultants needed to be trained in the Microsoft Dynamics SL project management and accounting series. Others already knew these companies' needs because of our experience. In time, through more needs assessments, sales personnel asking the right questions, researching industry trends, and reading industry publications, we gained a greater understanding. For marketing, we had to learn the right terms to ensure we were talking the same language as the vertical.

MG: *What kinds of services do you need to provide to best serve your customers in this vertical? How are those services different than what you provide to customers outside the vertical?*

JL: Many biotech companies have unique billing needs, especially if their research staff fluctuates or needs to track their time to specific projects that then flow back to individual clients. Our vertical services need to know their business needs. Actually, this idea of knowing your customers' business needs is not exclusive to being vertical; it's exclusive to doing good business.

MC: Construction firms typically need a strong project management dashboard in addition to project accounting, so we partnered with an ISV to provide that. PSOs often need several levels of accounting detail to accommodate their client's requirements or for their own reporting. The principle is the same for customers outside the vertical – to assess their specific needs and meet them – it's just easier in a ver-

tical to serve them because they become more familiar.

MG: Now, you have existing customers that were not in this vertical. What do you do to continue your service to them?

JL: We have a strong client base with many not in this vertical, so we have developed another portion of our marketing to focus on current customer marketing and relations. We provide useful and helpful newsletters about updates to their products, our services, and our Partners. We conduct user groups and host an annual open house for our customers. These companies are tried and true customers, so we want to show them that we care about them as well.

MC: Our commitment to client services and technical support to existing customers outside this focus is the same through user groups, training, and so on. We just don't spend marketing dollars on generating leads outside our verticals.

MG: What is a key bit of advice you can offer to other Partners on how to best serve customers within a vertical?

JL: Choose just one or two verticals and focus on those. You can't go vertical if you are too worried someone may not look at you because you have a focus. Create messaging that is unique to the industry and captures their needs and pain – the worst

thing to do is to go vertical with a horizontal message.

MC: Do thorough research from several different angles. Research the industry, read publications, and more importantly, interview sales and marketing people and get to know the decision makers and users on a level where you begin to understand and speak their language and know their needs well. Also upgrade the skills of your consultants to match the solutions that particular vertical requires to meet those needs.

MG: By specializing in a particular industry, what have been the three biggest benefits for your organization?

JL: Shorter sales cycle. Happier and easier to work with customers. A unified focus between marketing, sales, and management; how often does that happen?! Everyone in the company knows and is working toward a common purpose.

MC: First of all, it's been successful as far as sales. We have had an average of 38 percent compound annual growth. Second, we are not yet where we want to be, but we are gaining a reputation as project accounting experts for PSOs and the AEC industry. Third, the more we focus on these, the more our marketing, sales, and consulting departments become that much more experienced

in communicating in the language of the vertical and solving the specific problems they face.

Starting on a road of evaluation within your organization will help you begin to understand where your vertical strengths may lie. Microsoft has created the Partner Vertical Resource Center within PartnerSource to help Partners research verticals, read industry studies, and analyze opportunities. Learn more at <https://partner.microsoft.com/global/40020485?PS=3>.

Whether you decide to go vertical or stay more horizontal in nature, you need to discover what you can do best to service your customers, prospects, and company. Understanding all of these needs will help you build your business, marketing strategies, and sales, ultimately driving growth to your bottom line. 🌐

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