

# Totally cross-selling

*revised graduation report on cross-selling  
within Total Nederland N.V.*



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## **Preface**

During my study European Studies at The Hague University I have completed many courses in the past years, concerning a range of disciplines. I have read and learned interesting theories about internal and intercultural communication, marketing, organizational behavior, communication and research skills and techniques. Furthermore I have participated in study-related projects such as the ES2-project and Europe Calling which were organized to provide the students with practical experience concerning the theory. My current employer, Total Nederland N.V., has given me the opportunity to bring all this learned theory into practice, since Total has asked me to conduct research and write a graduation report about cross-selling within the organization.

While still studying at The Hague University, I was employed by Total in January 2011 in the job of officer at the customer service of the specialties department. I was responsible for the administrative process with regards to cross-selling from the start of my first working day. After an unpleasant period of indecisiveness about which subject to choose for my graduation paper, I was asked by my manager to write a report on cross-selling and I was permitted to combine this with my study. This opportunity meant a way for me to implement the theory taught at school into daily corporate practice. Quite a thrilling experience, because I knew how important cross-selling is regarded as by Total's management and it's CEO. Writing a successful graduation report not only lets me graduate but it also might offer me a long term contract at Total Nederland N.V., an organization which I am very happy to work for.

Furthermore, cross-selling as the subject of my graduation report offered me great opportunities to get to know the organization and the people working for Total Nederland N.V. very well. It also allowed me to apply a lot of the theory which I learned at the courses mentioned above. Cross-selling implies attention for internal and external communication aspects, marketing and organizational behavior. These were the subjects of several HEBO courses. I have experienced this last period of my study as very informative and it feels like I have developed from a finishing student in to a starting professional. It is my wish to be involved with cross-selling at Total in the coming period, making this report not only a graduation paper which will disappear in a desk drawer, but making it a document which is a solid basis for future work on cross-selling.

I have tried to write this paper as clearly and comprehensible as possible and I hope you will enjoy reading it. Hopefully it will increase your insight in cross-selling within Total Nederland N.V.

Arnoud Dammers  
The Hague, May 2012

## Summary

Cross-selling is the action or practice of selling among or between established clients, markets, traders, etc. or the action or practice of selling an additional product or service to an existing customer. Within Total Nederland N.V. the management has indicated it is an important matter which deserves attention.

However, cross-selling has been placed on the official agenda only a few years ago, due to several mergers and reorganizations. Today, cross-selling is the responsibility of the specialties department. I have been asked to write my graduation report on cross-selling, because I work at the specialties department and one of my tasks is to keep the administration concerning cross-selling up to date.

The central research question which should be answered and examined is: *"How can Total Nederland N.V. increase the turnover which is generated by cross-selling by at least 25% and how will cross-selling lead to a stronger affinity amongst customers with the Total brand?"*

To be able to provide answers to these questions it is important to determine which elements cause an increase in cross-selling turnover. These elements are employee's attitudes, the organizational structure (is the structure optimal for cross-selling success) and to identify the barriers which employees prevent from cross-selling. Furthermore it should be examined which measures and actions stimulate people to cross-sell, as this will eventually will increase turnover.

Sub-questions about cross-selling which help to find answers of these elements were drawn up and different research methods such as an online survey, interviews with employees and desk research served as tools to collect the needed information. The research has been conducted in relation to the BEST Selling Model; a theoretical model from Ford Harding, which emphasizes the importance of communication and a clear rewarding system for cross-selling success. Johnson puts the focus on people's engagement to explain the success of cross-selling. A combination of these elements has been the structure for the research.

After analysis of all the research results it can be concluded that cross-selling is supported throughout the whole organization. Employees as well as the management realize that a successful cross-selling policy is beneficial to the organization. However, there are various barriers which prevent people to spend more time on cross-selling. Insufficient internal communication, insufficient knowledge of products of other departments and a registration system which is not up to date are the most important ones. Furthermore, due to the organizational structure, employees are mainly concerned with the results and objectives of their own department, which makes them hesitate to involve and introduce colleagues of other departments to customers.

These elements are confronted with each other in a confrontation matrix and as a result, a variety of recommendations have been drawn up in order to make full use of the advantages which cross-selling has to offer and to reduce the organization's limits and threats to a minimum. A total of 18 recommendations have been made, most of them have to be implemented by the cross-selling back office, the sales managers who are responsible for the various segments of the commercial departments and the directors who are in charge of those departments.

The most remarkable finding of this research is the fact that the current registration system is not up to date and needs to be replaced by another system, which will make sure that all cross-selling customers are recorded, including their turnover. If this is done, turnover is likely to increase significantly because a lot of cross-selling customers have been left unidentified in the past years.

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## Introduction

During my placement at Total Nederland N.V., I have been focusing on cross-selling. This is a term for activities involving the sale of complementary or related products to the customer. The purpose of cross-selling is to increase the turnover of a company and to strengthen customer relationships.

Because cross-selling is a very broad topic and several aspects can be approached, it is important to formulate a central research question and several sub-questions according to the SMART principle. From the management of Total Nederland N.V. it is repeatedly emphasized that cross-selling has got a high priority.

This priority is partly motivated because the consequences of the lack of an active cross-selling policy might be:

- loss of (easy to generate) revenues
- customers feel less association with the Total brand
- competitors are offered the opportunity to approach existing customers
- less interaction between the various departments within the company which does not benefit internal communication and cooperation

These points lead to the following central research question:

*"How could Total Nederland N.V.'s turnover, which is generated by cross-selling, increase at with at least 25% and how will cross-selling lead to a stronger affinity amongst customers with the Total brand?"*

To make this research question manageable, it is important to formulate some good clear questions which makes it possible for me to structure the research and which eventually makes it possible to answer the central question. The following sub-questions are part of my research:

- How has cross-selling been organized within Total Nederland N.V. since 2009?
- Which organizational forms of Cross-selling exist in the literature?
- What is the average revenue per month generated by cross-selling?
- Are all existing Total customers with cross-selling potential known?
- In which ways is cross-selling currently being stimulated within Total?
- What is the attitude of Total's employees concerning cross-selling?
- What is the opinion of existing cross-selling customers about the approach of Total?

In chapter 1 I will describe shortly the company which I write this graduation paper for. Chapter 2 is dedicated to the study I conducted with regard to cross-selling; interesting theoretical models on cross-selling are discussed and the subject is clarified in relation to the central question and sub-questions which I need to answer. In chapter 3 an internal situation analysis is conducted to determine what the current situation of cross-selling within Total Nederland N.V.

is. Next I will explain and justify the chosen methods of research used to conduct the empirical research such as the interviews and the survey. The results of this empirical research are presented and analyzed in chapter 5 and 6 including a SWOT-analysis and confrontation matrix.

Based on these results I will provide conclusions and recommendations in chapter 7, which are meant to answer the central question. Research tools such as an internal analysis, SWOT-analysis and a confrontation matrix should be sufficient to obtain the relevant information which is needed to answer the sub-questions and central research question.



# 1. Total Nederland N.V.

## 1.1 TOTAL S.A.

TOTAL S.A. is a French multinational oil and gas company and one of the six state-independent oil companies in the world. Its headquarters are located in La Defense, Paris. Belgian Petrofina was taken over by Total in 1999, which created Total Fina. The French company ELF merged with Total in 2000 and this led to a new company name: TotalFinaELF. However, since 2003 the company has obtained its current name: Total.

This multinational was founded soon after the First World War, after the French Prime Minister Raymond Poincaré refused to accept Royal Dutch Shell as a partner in oil business. He preferred the foundation of an entirely French oil company. Total is operative in more than 130 countries worldwide and has a staff of about 96.000 employees. The present CEO is the Frenchman Christophe de Margerie who has been in charge since 2007.

Total is involved in almost every aspect of the oil industry;

- Upstream (exploration and production of oil and gas)
- Downstream (marketing and trading and shipping of crude oil and petroleum products)
- Chemicals (petrochemicals, fertilizers etc.)

## 1.2 TOTAL Nederland N.V.

Total Nederland N.V. coordinates the marketing, distribution and selling of fuels and lubricating oils in The Netherlands. Its headquarters are situated in Voorburg, Zuid Holland. The company offers employment to 250 employees, of whom 60 are travelling sales people. Approximately 500 Total fuel stations can be found throughout The Netherlands. Only 30 of them are located near highways, which makes Total not the company which is presented the best at these strategic locations. Their market share is 11%. Fuels and lubricating oils are also sold to oil dealers and final consumers like transport companies, garage keepers, industrial companies, agriculture and navigation.

The lubricating oils are produced under 2 brand names: Total and Elf. In the past Beverol was used as sub-brand for the agriculture sector. However, these Beverol products are not available for the Dutch market anymore and they have been replaced by Total equivalents.

The most important subsidiaries of Total Nederland N.V. are:

- Aardolie Opslag Groningen
- Fiwado
- Maatschap Europoort Terminal (MET)
- Servauto Nederland B.V.
- Total Lubricants Plant Beverwijk (productie van vetten)

Combined with the subsidiaries mentioned above, Total Nederland N.V. forms the Total Group, which offers employment for 4.000 employees. The Group's main tasks are to explore and produce natural gas, to refine crude oil and to sell oil and chemical products. The variety of companies can be divided into the following units:

- Chemistry
- Exploration & Production
- Refinery

Total Nederland N.V.'s headoffice consists of different departments:

- Commercial Sales & Logistics (CS)
  - Responsible for the selling of vast amounts of fuel to dealers and final consumers.
- Retail
  - Retail is responsible for the management, exploitation and maintenance of the existing selling points and the expansion of the current network with regard to the fuel stations in The Netherlands. A sub department of Retail which deserves special attention is the segment Cards, which is responsible for the sales of fuel cards to consumers and companies in The Netherlands.
- Specialties
  - The specialties department is responsible for the marketing of lubricating oils, special fluids and bitumen.
- Health, Safety, Environment & Quality (HSEQ)
  - HSEQ's main tasks are related to safety, work environment and crisis management
- Finance & Accounting
  - This department is responsible for 3 sub areas: Finance & Accounting, the ICT helpdesk and the local expertise centre. Work includes amongst others general and product accounting, credit management and supervising internal tasks carried out by other departments.
- Human Resources (HR)
  - HR takes care of the personnel administration, working conditions, the salary administration, labor conditions and absence management
- Legal
  - A broad range of tasks regarding legal issues is the responsibility of the department legal. This department is occupied with the implementation of Dutch and European legislation, agreement management and to solve and prevent problems concerning legal issues.
- Purchasing
  - Implementation and execution of the policy on purchasing matters is the responsibility of this department.

### 1.3 Specialties

This paper is commissioned by the specialties department of Total Nederland N.V. This department consists of several sub-divisions. The sub-division Marketing focuses on marketing campaigns aimed at promoting the sale of lubricants and maintaining and fostering customer relationships.

A Unique Selling Point of the Dutch organization of Total is the presence of a technical support helpdesk (TS). This helpdesk is under the responsibility of the director specialties. Its core task is to provide technical support for the sale of fuels, lubricants and related services. The customer service department of specialties is responsible for direct customer contact, order entry, and the smooth running of the sales process and to ensure that customers are supplied on time and any questions, problems and complaints are answered and solved. This department is working in segments due to differences in area, size and needs within the segments.

The following segments can be distinguished:

- automotive (this would include garages and car dealers)
- indirect sales (this segment is responsible in particular for oil traders)
- industry and bitumen (large industrial customers)

The size of the volume and revenue per customer varies; loose barrels of 20 liters are delivered to small garages, as well as bulk deliveries of 2.000 gallons to big car dealers or bulk oil barrels of various kinds of oil products to traders which in turn sell it to their customers. For the heavy industry segment completely different products are available which are specifically developed for the technical processes within this segment. Table 1 displays the contribution of the various segments concerning the volume and revenue of the specialties department in 2010 and 2011 (until August).

	Volume 2010 in %	Revenue 2010 in %	Volume 2011 in %	Revenue 2011 in %
Automotive	36,6 %	39,6 %	37,9 %	41,3 %
Indirect Sales	33,5 %	37,7 %	30,9 %	34,4 %
Industry	19,5 %	18,5 %	20,1 %	19,3 %
Basis oil	10,4 %	4,2 %	11,1 %	5,1 %

*table 1 – part per segment in % concerning the volume and revenue specialties department*

Total Nederland N.V. is headed by mister Benoit Ortegat. He is general manager of all departments of the headquarters in Voorburg. Director of the specialties department is mister Gerhard Dekker. My graduate research is commissioned by this department. The customer service manager, mister Bas Overkamp will be my immediate supervisor. He is responsible for the work and the state of affairs at the customer service department.

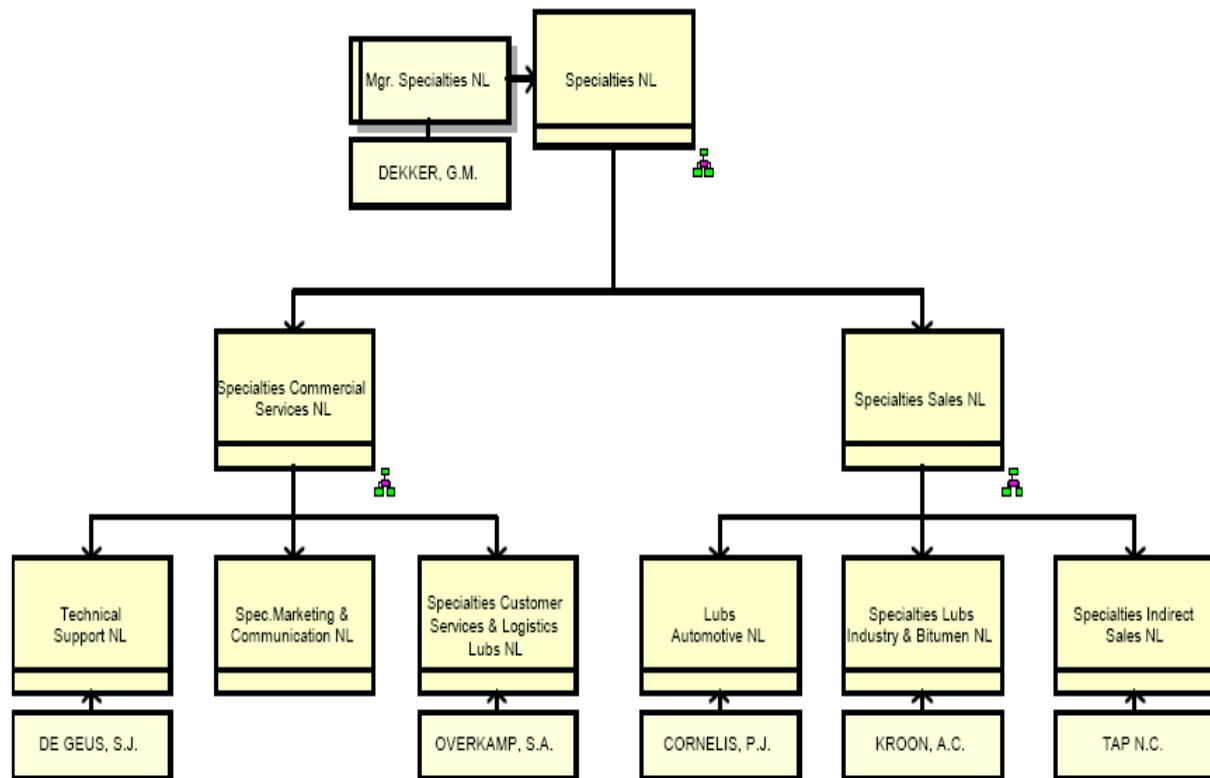


figure 1 – organizational chart Specialties division

## 1.4 Organizational development of cross-selling

Chapter 3 provides the comparison of the studied literature and theoretical models with the current policy on cross-selling within Total Nederland N.V. The chapter relates this policy to the obtained results from the empirical research. However, I will already describe the organizational development of cross-selling here, because it is a complementary part of the organization as described above and it will enlarge your comprehension of Total as an organization. Also, it will let you understand why cross-selling is placed under the supervision of the specialties department.

The current organization of Total Nederland N.V. is the result of two successive mergers. The first was in 1999 when Petrofina Belgium coincided with Total in order to form Totalfina. The second was the merger in 2000 of the French company Elf Aquitaine with Totalfina, and the TotalFinaElf group was founded. In 2003, the name was changed back to Total again. All these developments resulted in the company's emphasis on mergers and the associated restructuring of the internal organization. It was slightly difficult to build a strong and efficient cross-selling model, due to the fact that 3 large organizations had come together.

Many independent departments of the three partners have merged into new departments and after the merger, policy processes were developed and adapted to create the most efficient ones. As this restructuring was the highest priority and this process has taken much time, less

emphasis was put on issues such as cross-selling. Since 2009, cross-selling has been put on the official agenda as a policy process and mister Ron de Groot was given the responsibility for this process in order to map and stimulate cross-selling. De Groot performed this task for eighteen months after which the responsibility for cross-selling was shifted towards the department customer service of specialties.

A function and budget were created by the management to support De Groot in his activities to stimulate and monitor cross-selling. His task was to look for new opportunities, threats, and to examine the potential of cross-selling within Total Nederland N.V. He created the cross-selling dashboard which is still in use today and started up different kinds of actions to promote cross-selling. The dashboard was created as a tool to make it possible to keep up with the administration which is generated by cross-selling. The internal analysis of cross-selling is discussed in chapter 3. For the development of cross-selling as an organizational aspect of Total Nederland N.V. it is relevant to consider that there is no long and extensive history in relation to company policy and that it was De Groot who managed to raise attention for cross-selling amongst the employees.

In 2010, it was decided by the management to make De Groot manager of the commercial sales department. It meant that responsibility for the cross-selling process shifted from De Groot to the specialties department, in specific the segment customer service and making Mister Gerhard Dekker officially responsible for cross-selling. In his role as manager customer services, Mister Bas Overkamp was asked to keep administering the cross-selling file. Cross-selling was no longer considered to be part of a department which was responsible for cross-selling on its own, but it now became an aspect of a department with more tasks and responsibilities than only cross-selling and innovation. Focus has been shifted from policy affecting decisions which try to increase the cross-selling results to a more administrative function of providing people information about the status of cross-selling and to keep up to date with the cross-selling dashboard.

One of the reasons why cross-selling was put under the supervision of the specialties department is that the greater part of the generated leads are specialties related. No real objectives have been communicated by the general management to the specialties department concerning results and/or the turnover to be generated by cross-selling.

## 2. Theoretical frame work

In the course of this research it will become clear how the cross-selling process within Total Nederland N.V. could be best organized. This will be done by answering the central question as formulated in the introduction as well as by using a theoretical framework which gives structure and theoretical guiding to realize an optimal process. It is therefore very important to study several theories on cross-selling which comprise all elements belonging to an active cross-selling policy. For the general management, it is important to be aware of the theoretical frame work, because at the end of this research, conclusions and recommendations are being made which fit into this frame work and by providing this frame work, the general management shall understand why certain recommendations are being made.

In literature, only a few theoretical frame works and models on cross-selling exist. I will explain which I consider to be the 2 most interesting ones: "The BEST Selling Model", designed by Ford Harding (2002) and a model which is called "The Customer Purchase Process" explained by Scott Sehlhorst (2009).

First, I will emphasize the meaning and focus of both models. Then, I will choose one model which I will use to build my research on and which I find more suitable to the organization of Total Nederland N.V. After I have decided which model fits best, I will elaborate more on this model in order to place it more in the context of the company. A number of elements which could have a major influence on the success of cross-selling, like communication, knowledge of products and services and a rewarding system are being discussed in the context of the studied literature.

### 2.1 BEST Selling Model

According to Harding (2002, p. 6), there are 7 major advantages of cross-selling:

- More value to the clients; ultimately, professionals are judged on the value they provide their clients.
- Increased profit; the larger an account, the more profitable it is.
- More loyal clients; clients who receive several services tend to be more loyal than those who receive a single service.
- The ability to grow when selling to an industry that is consolidating.
- The ability to grow in mature markets.
- The ability to add practices; when your company does not have the experience in a certain subject, an existing customer is more eager to give you the chance to develop this knowledge and experience.
- The ability to stay with a client until it is ready to hire you for other work.

It is hard to provide a single definition for cross-selling. It is composed out of three related but different things. First of all, cross-selling is a process of selling to an unrelated need. However, this could be quite difficult because the customer has no reason to believe that the experience and expertise you have delivered for one service, will also be delivered for other and different products or services. A second kind of cross-selling is selling upstream or downstream. In these cases, an employee discovers needs that can only be accomplished by downstreaming or upstreaming his current work. And finally, the third kind of cross-selling is selling an integrated solution. The employee helps the client to see that solving a problem will require a cross-functional approach, usually through multiple subprojects and phases. The benefit to the client is usually great. It is very difficult to sell an integrated solution, because this demands the interest and influence from your contact on the client to sell products and services on a high level, as this is what an integrated solution requires (Harding, 2002, pp. 10-14).

All these three forms/definitions of cross-selling are met in the BEST Selling Model. It is an approach which comprises all opportunities which result from the forms mentioned above. BEST stands for buyers, events, signals and techniques.

### **2.1.1 Buyers**

Harding (2002) thinks buyers are important because “cross-selling, like all sophisticated selling, is based on meeting the right people, developing relationships with them, and understanding their concerns” (p. 41). The more people you meet, the more opportunities you have to share and obtain information. In this way, you are able to identify more cross-selling opportunities for the customer. An account manager’s chances to generate more business are much higher if he knows more people in different positions within a company. There are different types of people which are important to meet at specific moments during the cross-selling process. Below a summary of those different types and a short analysis of each of them:

- Sponsors; a sponsor is someone who wants to hire you. Almost anyone who is ready to help you is worth knowing, regardless of his or her position. People might have different reasons to help you (they were brought up like that, they feel important when helping others, they see opportunities more than others in the company do etc.).
- Bridges; this kind of people work in many departments of a company or are involved in many parts of one business account and therefore are worth knowing, because they can introduce you to other people working in different business units or on higher echelons.
- Functional buyers; “a functional buyer is the person in charge of a specific narrow area” (Harding, 2002, p. 51). It is worth it to build relationships with functional buyers because you need their support if you want to sell products or services to the department they are working for. If they do not like you, they can block your efforts to get hired.

It is very important to approach the right person at the right time. Patience is something which plays a crucial role in the success of cross-selling. Only after you deliver good results at a company, that company might be interested in buying other products from your organization. Therefore, you should always make sure that you have a strong and good relation with the person who gave you the first assignment of a company and assure him or her that you care

about their personal success and deliver good quality work. Only then you will have the possibility of knowing the right people who can provide you with new assignments.

### **2.1.2 Events**

There are several ways to meet buyers and start building relationships with them. Harding provides them in chapter 5 of his book on cross-selling and calls them “events”. He emphasizes the importance of events because he says “no events, no progress” (Harding, 2002, p. 55).

A long list of events is provided, however I would like to focus on the 3 most beneficial for Total Nederland N.V. keeping in mind the kind of products Total delivers to the specific types of customers. Harding (2002, pp. 51-72), amongst others, names:

- Fact finding
- Drop-bys
- Sales
- Social and service
- Professional events

At the start of an assignment all professionals meet with representatives of the customer to discuss the specific products they are initially hired for. This is a very good moment to get to know other people from the organization and to discover other issues which might be interesting for your own organization in the (near) future.

During drop-bys you visit a customer who you are doing for and you can often drop by the offices of people you know for a brief visit. At these short visits, which are common for a lot of account managers who work for Total Nederland N.V., customers sometimes bring up things that they would never have called you for.

A sales meeting may be the first introduction to a customer. Account managers have 2 objectives at such meetings: to confirm the sale and to establish a relationship with people working at the customer, which will make (cross) selling easier at another time in the (near) future. Again, just as we have seen at the drop-by events, a sales meeting requires lots of visits to the customer, which Total's account managers from the commercial departments often do. According to Harding the most common kind of social events where one can meet people and talk to them about all kind of subjects is a business lunch. This is an effective way to obtain interesting information.

Finally, I would like to stress the professional events, because Total Nederland N.V. often is represented at these kinds of events. Harding considers this to be excellent opportunities to develop and maintain customer relationships.

Relationships are built at events and it is very important to meet with a customer often enough to maintain a strong relationship. “Spend time and work will come” (Harding, 2002, p. 71). He writes that you can measure progress of cross-selling by the number of events you have which



brings you in contact with buyers of your services. The more events attended, the bigger the chance that signals are picked up about a customer needing other products or services.

### **2.1.3 Signals**

A signal is an indication that a customer needs other products or services than the ones he already is buying. Harding (2002, pp. 73-88) states that people often fail to recognize signals because of thinking too narrow (think only for their own business and own turnover) and sometimes because they lack relevant questioning skills. A distinction is made between:

- Macro-signals
- Micro-signals

Macro-signals are major changes at a client's organization which as a result increase the need of the customer for other products or services. Examples of changes are mergers and acquisitions, corporate relocations or a major technological change. Employees who want to cross-sell should look for these kinds of signals. They can increase their awareness for macro-signals by observing some matters like: how are senior executives spending their time? (senior executives spend their time on major issues), what other kinds of employees are being hired by the company? (if there will be a major change, many additional services are needed by a company, offered by specific types of employees and companies), what issues are stopping or delaying work? (delays usually signal a major change of some kind), who is changing jobs? (when someone new is brought in on a senior level, this person often wants to leave one's mark on the company and often has the permission to do so, what might lead to new opportunities). However, it is not necessary to wait for a major change to happen at a customer to be able to cross-sell. Small functional problems or needs can be solved by providing new products or services which are also delivered by Total Nederland N.V. Usually, small and simple indications (micro-signals) can reveal this. Some ways to ensure that these signals will be recognized are:

- Make sure the right people meet with the client; experienced employees tend to recognize signals better than young or new employees.
- Train people to recognize when the client needs other products which are offered by your company; this could be a good opportunity for Total Nederland N.V. account managers. For example, there are some characteristics (a large fleet of company cars on the parking lot in front of the company's entrance) by which a commercial sales (fuel) account manager could know that this customer also needs lubricating oils (specialties department).
- Pay attention to what kind of questions the customer is asking; if a client is asking something, this might turn out to be an issue for the customer in the future. Team members should regularly report to their sales manager what kinds of things are asked by their contacts at the customer.
- Ask what is coming; if you have a good relationship with a customer, it is not forbidden to ask which future plans this customer has.

Which kinds of techniques are available and are needed by the commercial employees of a company to obtain events and to discover signals? Harding is dedicating chapter 7 of his book to this question.

#### 2.1.4 Techniques

In table 2 I provide an overview of the techniques and a short summary of what they include.

technique	description
asking for sponsorship	to advocate for your firm to do a specific assignment
pedestal selling	talking with a lot of proud of the ability of your colleague to increase the customer's desire to meet him
presumptive selling	acting if something is presumed to happen as a part of a current assignment
questioning	asking customers questions to make them understand the issues they face and to increase commitment to take actions
seeding ideas	stimulating a client's thinking by introducing an idea
bridging	helping a customer understand issues that cut across functional lines
benchmarking	showing how a customer compares to other firms and showing opportunities for improvement
selling a vision	helping a client see a desired future state and how to obtain it

*table 2 – techniques checklist for the BEST Selling Model*

In my empirical research I have designed my research questions for the internal survey and the in depth interviews according to these listed techniques. I consider them to be relevant and useful for the selling process of Total Nederland N.V. because I have explained in chapter 1 that Total contains 3 commercial departments, which work independently from each other. A few examples of these questions are: in which way do account managers from the different departments make use of pedestal selling? Do Total employees have enough confidence in each other to involve other departments in the (cross) selling process or is everybody working for and on his own as much as possible, without caring for the greater result of the whole organization? And which other ways do they use to promote cross-selling when they have contact with their clients? Do they stimulate customers enough to make them think about their situation (seeding ideas) which might increase the chance of new business for other departments, or are they only concerned with their own business and short term profits, without caring for the customers situation (which we saw in paragraph 2.1.1 is one of the most important things in relation to cross-selling: the clients interest comes first, than your own; a happy customer is likely to keep coming back to you). And to be able to seed ideas, one should have enough knowledge of the products and services of other departments to implement them in ones ideas and suggestions toward the customer. Does the Total sales force have enough knowledge of the products offered by fellow-departments or is improvement needed?

The same counts for the macro- and micro-signals Harding is talking about. Are people at Total Nederland N.V. well enough trained to recognize signals which indicate that the customer needs more products which can be offered by Total? In which ways are employees trained anyway? Do account managers ask the right questions that can provide them with information about the future plans of customers?

Since we have discussed the general theory of the BEST Selling Model of Harding it is now time to turn to a second theory, which focuses on employee's engagement as a key factor for cross-selling success. This theory is explained by Johnson (Johnson, 2011).

## 2.2 Employee engagement

Johnson describes how banks can create effective cross-selling strategies. One key factor to be successful in cross-selling according to Johnson is engagement of the employees who most often have direct contact with the customer. Johnson applies his theory on the employees of the bank's customer service. However, the theory is also applicable on other types of organizations and other kinds of employees. For Total Nederland N.V. this theory could be examined in relation to the people who meet the customers most regularly, which in this case are the sales forces of all commercial departments - retail, commercial sales and specialties - (Johnson, 2011, "The Consequences of Cross-sell: How cross-sell affects CSR engagement", para. 2).

First of all it is necessary to determine the definition of employee's engagement. Simply put, employee engagement is a measure of how much employees are involved in, and enthusiastic about, their work. "The theory is that the more engaged employees are, the more likely it is that they will consistently act in a way that furthers their employer's interests" (Johnson, 2011, "The Consequences of Cross-sell: How cross-sell affects CSR engagement", para. 2).

So how can you increase the engagement of your institution's front-line employees? The field of business psychology has lots of suggestions. There are numerous factors that affect employee engagement. Johnson focuses on three of these factors; perception of job importance, emotional security, and capability to meet job expectations.

### 2.2.1 Perception of job importance

It is not a big issue to make employees understand why they are so important for the success of the company and for a successful cross-selling policy: "If you want your CSRs to be engaged in their job, they need to understand how important their job is to the success of the institution. This should not be a hard sell. We have already established that CSRs are primarily responsible for your cross-sell and customer loyalty initiatives. CSRs can't take a day off. They can't have a bad interaction with a customer. They can't miss an opportunity to cross-sell a customer a relevant product. If they do, you will lose customers to your competitors. Everything you do, whether it is employee training, incentive programs, or an all-company email, should reinforce this fundamental truth. CSRs need to understand the stakes every morning when they show up for work" (Johnson, 2011, "The Consequences of Cross-sell: How cross-sell affects CSR engagement", para. 4).

Again, Johnson is applying this element of his theory on bank employees. The central part of this issue is the close contact these employees have with the customer. This can also be addressed for the account managers from Total Nederland N.V., which makes this theory applicable to them as well.

### **2.2.2 Emotional security**

Even if all employees understand the importance of their job and of cross-selling for the company, most will not be willing to embrace the challenge of consistently offering additional products to customers if they think there is a strong possibility of failure. People have a very visceral, emotional reaction of being rejected. Whether it is asking someone out on a date or offering a customer a new product, being said “No” to is crushing. After hearing “No” enough times in a row, that employee is unlikely to keep taking the emotional risk of making the cross-sell offer no matter how many incentives you give them. That is why it is important to enable employees to be more effective at cross-selling. According to Johnson there is a significant need to dramatically improve the odds of hearing a “Yes” if you want employees to continue making offers (Johnson, 2011, “The Consequences of Cross-sell: How cross-sell affects CSR engagement”, para. 5).

### **2.2.3 Capability to meet job expectations**

Finally, Johnson explains the third factor which is required to make cross-selling a success, concerning employee’s engagement: they need to have the capability to succeed in their job. Part of this comes from hiring talented and capable employees, but it also comes from giving employees the tools they need to succeed. If one of the primary responsibilities of an employee is to build deeper relationships with customers, then they need the tools to do that well. They need to be able to figure out for example which products those customers are statistically most likely to accept. Finally, they need to know how to engage those customers in a meaningful dialogue that will lead to deeper, more profitable relationships.

The structure of my research and the analysis of the results of that research (as well as the desk-research and the empirical research) will be based on the theory discussed in paragraphs 2.1 and 2.2. These are the principles for my questions and these theories cover most of my research questions which I have to answer in order to provide conclusions on the central question.

The BEST Selling Model by Harding and the engagement theory from Johnson do not have to mutually exclude each other. Harding provides quite a complete model which comprises many different elements of the cross-selling process. Johnson on the other hand puts emphasis on one element of that process, namely the employee’s engagement in cross-selling, which for Johnson is an elementary aspect in relation to the success of cross-selling. But as my central research question and sub-questions involve more than only employee’s engagement I consider the model provided by Harding as leading in my research. For that reason, paragraph 2.3 describes more theory by Harding which places the BEST Selling Model in the context of an organization.

## 2.3 Cross-selling and Communications

Harding is convinced that only good and clear communication can stimulate cross-selling. Internal communication is the most important way to overcome functional thinking, which causes people to only spend time and effort to their own projects and customers, without regarding the possibility of increasing turnover at a customer by involving other departments of the organization (Harding, 2002, pp. 157-178). He recognizes the importance of e-mail messages, internal newsletters, and rules and regulations concerning communication in order to stimulate and promote cross-selling amongst employees. However, effective cross-selling requires communication about two things.

Firstly, the employees must get to know the customer and understand the customer's issues. Secondly, the employee must know everything about the organization he or she is working for. Both the employee and the management of the organization must take responsibility to acquire and share this knowledge and information.

### 2.3.1 Communication on individual level

Harding says about this type of communication: "If you do not earn the professional respect of your colleagues and learn professional respect for them, nothing that management does will increase cross-selling" (Harding, 2002, p. 159). He then refers to various things one can do to build a communications base which he considers to be essential to be successful in cross-selling:

- Network internally; it might sound easy to network with colleagues, however, this is often very difficult because people are always too busy. People should try to have one meeting a month with a representative of another department.
- Know the client; curiosity should not be restricted to one's expertise, but should focus on the customer's business. It is often heard by management that their teams do not understand their customer's business issues. That makes it difficult for them to talk to people in the client organization who work in areas outside their specialty.
- Adopt the role of cross-seller; it is not necessary to know everything about the products or services of another department to be able to cross-sell. To possess basic knowledge is sufficient. A customer expects different things from you when he asks you about services he expects you to provide and services he knows other employees in the organization are responsible for.
- Keep others informed; people should look for systems in the organization which makes this easy.

### 2.3.2 Communication on organizational level

“Firm management must use communications as a tool to increase cross-selling. It must clearly communicate the importance of cross-selling and how it expects the firm’s professionals to make it happen” (Harding, 2002, p. 170). A number of measures to be taken are discussed in Harding’s book:

- Set the pace; for cross-selling to work in large organizations, managers at all levels should set the example.
- Minimize the rules; you will want to create enthusiasm around cross-selling with a strong focus on understanding and fulfilling customer’s needs. If you have that, there is need for only a few cross-selling rules.
- Get people together; companies should provide opportunities for their employees to get together in order to learn about other departments and to build trust amongst each other.
- Celebrate success; success should be celebrated to show that the cross-sale is valued and appreciated by the management and to publicly recognize the employees who are responsible for the success. Financial rewards do not have that public character which celebrations do (see paragraph 2.4).
- Provide tools for sharing information; the bigger and more complex the organization, the greater the need for such tools. An organization needs three kinds of systems to support cross-selling:
  - Client contact information
  - A record of the business pipeline
  - Account intelligence

## 2.4 Rewarding cross-selling

In explaining his BEST Selling Model in more detail, Harding has dedicated a full chapter to the rewarding of successful cross-selling. The reason why I want this part to be included in my research is that I have noticed, that there is no vast and clear rewarding system concerning cross-selling. This became apparent during my first off the record conversations with employees before I started the research. Despite the fact that the account managers are used to work via a bonus system and that they earn incentives for commercial successes, no such regulations exist in relation to cross-selling. I think it is interesting what literature says about this topic. In combination with the outcome of the results of the empirical research, it is likely to be included in the chapter with conclusions and recommendations.

Harding states that employees, just like any other people, are sensitive to rewards. Unless people are compensated for cross-selling, they are not likely to do it. Also, rewarding shows that management is taking cross-selling seriously; if you do not measure results and reward on the basis of those measurements, you are not really interested in cross-selling (Harding, 2002, pp. 180-189).

Unfortunately, it is very difficult to build a good and appropriate rewarding system. For example, there are differences in the ability to cross-sell amongst the different kinds of employees in a

company, which makes it hard to set up an equitable system. Furthermore, the risk of rewarding is to create a situation which encourages short-term sales over long-term relationships, because people only focus on making the next sale. Thirdly, internal struggles can occur, because employees compete for sales credits. Finally, complicated systems will not work, because it should be clear for everyone how they are doing. A system must be visible and easy to understand.

Harding distinguishes 3 basic types of rewarding systems:

- Discretionary compensation; organizations evaluate performances judgmentally.
- Schedule-based compensation
- Commission-based compensation

Whichever system is chosen, most important is to have information on cross sales and cross-selling efforts available, in order to support compensation decisions. "Often firms have to start programs with imperfect information and then work quickly to obtain better data as the program unfolds. Without good information, it will be hard for (...) people to accept that cross-selling really affects compensation" (Harding, 2002, p. 188).

## 2.5 Conclusion: theoretical frame work

In this chapter, available and relevant theory concerning cross-selling has been discussed. Cross-selling can best be approached by the BEST Selling Model, because they cover all the elements involved in the cross-selling process:

- Buyers who you need to know to obtain assignments.
- Events where you can meet these buyers.
- Signals by which you can discover that a company is in need for other products or services which can be offered by your organization.
- Techniques which one can use to make it easy to understand and become aware of these signals.

For each step in this model, employees can ask themselves relevant questions to be able to make the right decision for that step. In context with the daily business of an organization, the BEST Selling Model should be implemented in the organization by considering internal communication and a clear rewarding system as indispensable. The model only works if cross-selling is supported by every echelon of an organization. In that light, the individual communication is as important as the institutional communication. The rewarding system, invented by the management, should stimulate the individual employees to spend enough time on cross-selling. To spend time on cross-selling, engagement amongst the employees is one of the most crucial factors. No engagement, no cross-selling. There are 3 main factors which can affect engagement and which should therefore be stimulated by a company's management: perception of job importance, emotional security and the ability to meet job expectations.

### 3. Internal analysis on cross-selling

Some of the sub-questions which I have formulated in the introduction are related to the current internal situation of cross-selling within Total Nederland N.V. The relevant questions are:

- What is the amount of the average revenue per month generated by cross-selling?
- Are all existing Total customers with cross-selling potential known?

To be able to provide answers to these questions, I will make use of an internal analysis. Of course the internal analysis is limited to the subject of cross-selling and everything that relates to this process. This internal analysis is also an effective way to find strengths and weaknesses in comparison to the studied literature and models of chapter 2. These strong and weak points will be included in a S.W.O.T.-analysis, which will be drawn up later in this graduation paper.

In paragraph 3.1 I will start to provide the procedures and methods of working. In paragraph 3.2 the current situation in numbers and figures concerning cross-selling are described. In the next paragraph the results are described which were conducted after the complete customer data base was analyzed in relation to cross-selling. Finally in paragraph 3.4, the current situation is linked to the most interesting and relevant aspects of the BEST Selling Model and other studied literature.

#### 3.1 Methods and procedures of working

##### 3.1.1 Cross-selling dashboard

As we have already seen in the introduction, the administration of cross-selling is the responsibility of the specialties department. Incoming leads are registered and processed in an excel-file, which provides information about the concerned company, the employee who sent in the lead and the employee who received it. Also, the status of the lead is mentioned. When the lead is not yet converted to a new customer at another department the status is open. If the customer has decided not to buy other products from other departments the status is changed from open to closed. Clients who will be successfully converted to being a customer at other departments will be addressed with the status of customer. The dashboard, as this excel-file is called by the employees of Total Nederland N.V., is stored on the internal network of the company. It cannot be visited or opened by anyone who does not have access to the concerning folder. As a matter of fact, only the cross-selling team, consisting of Bas Overkamp and myself, has access to this folder and this dashboard. None of the other employees can open the dashboard without asking one of the cross-selling team members. A summary which contains the most important features of this dashboard is displayed in figure 2.



	A	B	C	D	E	F	G	H	I	J	K	L	
	STATUS	Mnd-jr	Geslot	Nr	Customer / Prospect	Plaats	door Account Manager	door Afdeling	door Segment	voor Account Manager	voor Afdeling	voor Segment	Commer
1	GESLOTEN	jul-10	mrt-11	181	Eierhandel Gulker & Roodbol	Zoeterwoude	Martijn van der Steuijt	Retail	Cards	Mark vld Meer	Specialties	Lubricants - Automotive	Mogelijkhe
2	OPEN	jul-10		175	G.S. van den IJssel	Berkel en Rodenrijs	Kees van Dijk	Commercial Sales	Commercial Sales	Alwin Kautz	Retail	Network	Mogelijkhe
3	OPEN	jul-10		179	Autobedrijf J.P. Engel	Bennebroek	Martijn van der Steuijt	Retail	Cards	Alwin Kautz	Retail	Network	Contract n
4	GESLOTEN	aug-10	aug-10	184	Gebr. Jansen	Ossendrecht	Olaf Kruidenberg	AS24	AS24	Kees van Dijk	Commercial Sales	Commercial Sales	52 m3 rod
5	GESLOTEN	aug-10	aug-11	189	Garage langelaan BV	Berkel en Rodenrijs	Jos Alblas	Specialties	Lubricants - Automotive	Alwin Kautz	Retail	Network	Levering t
6	GESLOTEN	aug-10	aug-10	185	K & H Chemicals	Zwijndrecht	Jan Verschooren	Special Fluids (BE)	Special Fluids	Bart Felling	Specialties	Lubricants - Industry	Mogelijkhe
7	KLANT	aug-10	feb-11	186	Vrijbloed	Haarlem	Martijn van der Steuijt	Retail	Cards	Fred Boek	Commercial Sales	Commercial Sales	Homebase
8	KLANT	aug-10	sep-10	187	Francken & Wagenveld	Nieuwerbrug	Jos Alblas	Specialties	Lubricants - Automotive	Martijn van der Steuijt	Retail	Cards	50 m3 car
9	KLANT	aug-10	aug-10	188	ETS Taxi en Zorgvervoer	Zaandam	Martijn van der Steuijt	Retail	Cards	Jos Alblas	Specialties	Lubricants - Automotive	Bijvulprodi
10	OPEN	aug-10		183	Gemeente Woerden	Woerden	Martijn van der Steuijt	Retail	Cards	Jos Alblas	Specialties	Lubricants - Automotive	Mogelijkhe
11	OPEN	aug-10		190	Vos Logistics Oss B.V.	Oss	Kees van Dijk	Commercial Sales	Commercial Sales	Johan Melisse	Specialties	Lubricants - Automotive	5m3 lubs
12	GESLOTEN	sep-10	dec-10	193	IJ Oomen Groep	Sprundel	Miranda de Grauw	Retail	Cards	Kees van Dijk	Commercial Sales	Commercial Sales	280 m3 dk
13	GESLOTEN	sep-10	mrt-11	198	Parlevliet & Van der Plas	Urniden	Martijn van der Steuijt	Retail	Cards	Fred Boek	Commercial Sales	Commercial Sales	200 m3 ga
14	GESLOTEN	sep-10	mrt-11	202	Transportbedrijf van der Wal BV	Heerenveen	Henk van der Meulen	Specialties	Lubricants - Automotive	Fred Boek	Commercial Sales	Commercial Sales	Mogelijkhe

figure 2 – excerpt from the original cross-selling dashboard of Total Nederland N.V.

To summarize, the administration file which is used to administer and process cross-selling leads is an excel-file called “the cross-selling dashboard” and is:

- providing information about basic elements which are needed in the cross-selling process.
- kept up to date by 2 employees of the specialties department.
- stored at the internal network of Total Nederland N.V.
- not available to most employees of the organization.
- not displayed on communication tools such as the intranet.

### 3.1.2 Procedures

One of the recommendations of Harding (2002, pp. 171) in his book on cross-selling, is to minimize the rules for employees. Total Nederland N.V. has minimized the rules and bureaucratic procedures concerning cross-selling as much as possible. However, to be able to measure results to make reporting and rewarding possible, a small number of guidelines and procedures have been formulated. Figure 3 shows the general procedure how to send in a cross-selling lead.

An account manager of a department sends in a lead form which can be downloaded on the intranet of Total Nederland N.V. (see appendix III). This lead form should contain information about the concerning company (name, location, volume) an account manager thinks that might be of interest to other departments. Furthermore the lead form should be addressed and sent to the account manager who is supposed to be responsible for this client at another department. Usually, employees work long enough at Total Nederland N.V. to know to which colleague they have to send the lead form to. However, it would be useful for new employees who to provide tools to make this easy for them. During my desk-research I have studied Total's network and intranet and I have found folders containing information which employee was responsible for what services and products per specific region and customer groups. However, this information was outdated and not reliable anymore. The lead form is also to be sent to Bas Overkamp and myself, because we are responsible for the administration of these leads. The lead is processed in the dashboard and periodically monitored to verify if there are any developments concerning

this lead (has it been converted yet to a new customer at the receiving department?). Employees who receive a lead are responsible for proceeding that lead. In email-traffic concerning cross-selling, the N+1 (within Total Nederland N.V. the synonym for one's manager) should always be included in cc.

## The process:

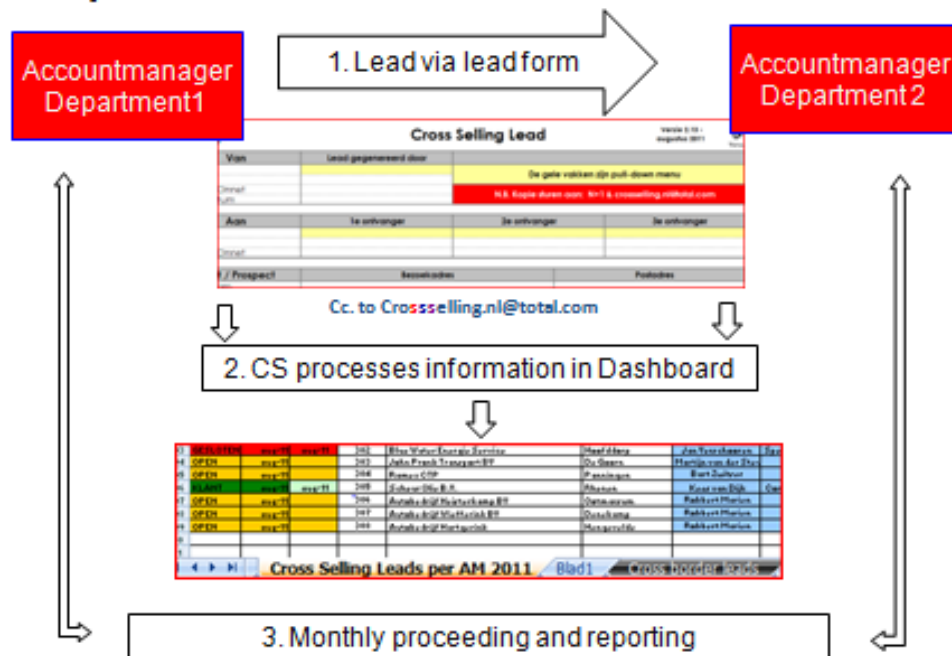


figure 3 – cross-selling procedure Total Nederland N.V.

Another aspect in relation to the procedure which is important to examine is the formation of a possible rewarding system. In chapter 2 we have seen that rewarding systems are factors in the success of cross-selling. Furthermore, attitudes of employees can be influenced by the way they are rewarded, which is the basis for one of my sub-questions formulated in the introduction.

At the moment, people are not rewarded for being successful in cross-selling at Total Nederland N.V. However, cross-selling has been listed in the objectives of most account managers working at the commercial departments of Total Nederland N.V. During my in depth interviews (see appendix I) I have noticed that it depends on department and manager which objectives are being committed the account managers. Mostly, the objective is to generate an X-amount of new leads from which an X-percentage has to be converted to new customers.

### 3.1.3 Cross-functional communication

For employees who are very busy and do not have much time to spend on cross-selling, it should be easy to obtain information about clients of other departments as quick as possible. The desk-research from paragraph 3.1.2 has already pointed out that there are no up-to-date tools for employees to discover which colleague is responsible for a particular region.

Is it easier for employees to collect information on customers which they feel are interested to be approached? For this reason, I have examined which CRM systems are available. Below the most adopted systems:

- SAP
- Colibri
- BO
- Atlas (new project)

None of these CRM systems share information in a cross-functional way. Each department works separately with those systems. This means that (cross-selling) customers who are clients of 2 different departments, are administrated twice. No information is exchanged via a shared feature of the programs.

## 3.2 Current situation in numbers and figures

Is the cross-selling process currently successful within Total Nederland N.V.? And are there any trends which can be discovered? These are only a few questions which can be answered by analyzing the information displayed in the dashboard as described in paragraph 3.1.1 (see appendix II). I will now provide some interesting numbers and figures which tell something about the state of cross-selling at Total Nederland N.V. and which will be of interest to the management. The management might be able to adapt its cross-selling policy when provided with useful information.

First of all, figure 4 shows the cumulative amount of generated leads and the cumulative amount of leads which have successfully been converted to customers.

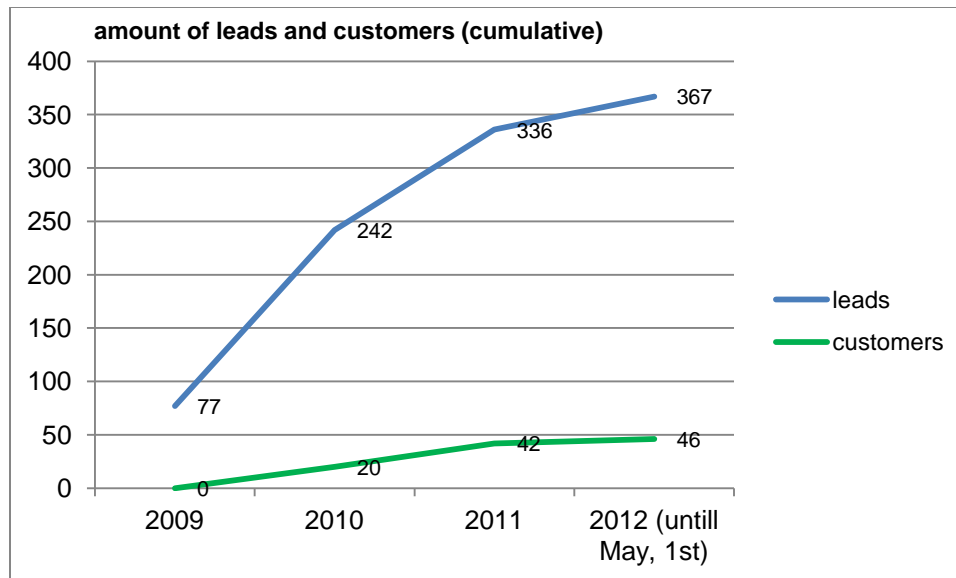


figure 4 – amount of leads and customers (cumulative)

In 2009, the dashboard has been created. Since then, leads have been registered and administrated. At the end of 2009 employees had generated 77 leads. None of these 77 leads were converted in to a customer. This started to happen from 2010 and onwards. We can see that the line for the generated leads weakens after 2010. This can be explained by the fact that at the start of the new cross-selling policy, all employees were asked to scroll through their customer files and generate as much leads for other departments as possible (R. de Groot, personal interview, February 23, 2012). When this process ended, new leads had to be generated mainly from visits to prospects. It explains the explosion of generated leads until the end of 2010.

Another remarkable fact from figure 4 is the apparent correlation between the generated leads and the amount of them converted in to customers. At the end of 2010, a total of 242 leads were generated and 20 customers were made, showing a rate of approximately 12:1 (242:20). For 2011 this rate was 8:1 and for 2012 also 8:1. It can be concluded that roughly for every 10 generated leads, 1 lead can be converted successfully to a new customer of another department. Knowing this, managers can take this information into account whilst formulating the new cross-selling objectives for their employees.

To summarize:

- Explosion of new leads in 2009 and 2010 due to the start of the dashboard.
- Success ratio roughly 10:1 (for every 10 generated leads, 1 will be converted in to a new customer).

In figure 5, the same numbers as in figure 4 are provided, but not on a cumulative basis. It displays the amount of leads and customers generated per year. What immediately stands out, is the year 2010, when people sent in many new leads. An explanation has already been given.

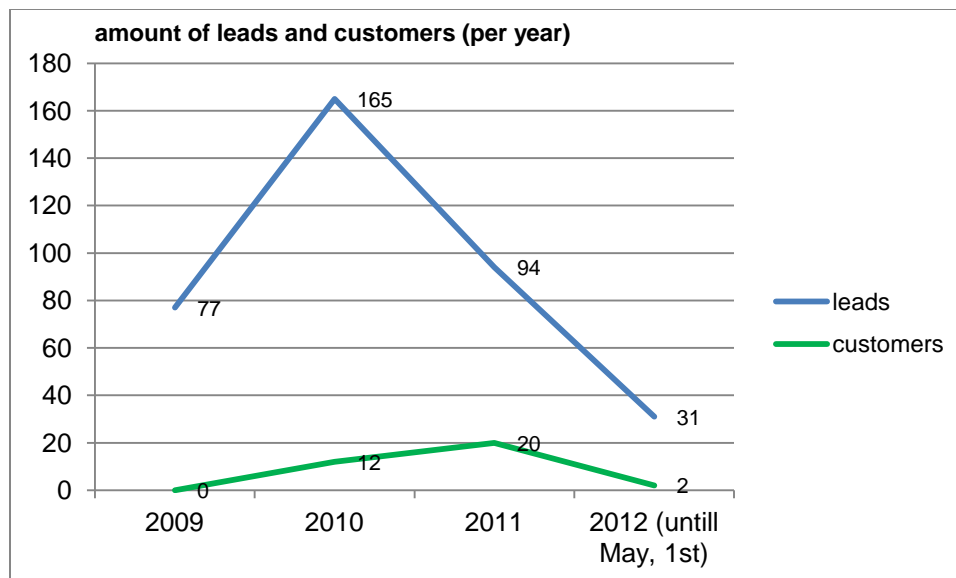


figure 5 – amount of leads and customers (per year)

On May 1st of this year (2012), 31 leads were generated. Based on these statistics, it can be expected that at the end of 2012 the same amount of leads will be generated in comparison to 2011: 93 leads. This would mean a stabilization of the generated leads. Is there a way to increase this amount? To answer this question we should take a look at the percentage of employees who have not generated leads at all. The results are displayed in figure 6. For practical reasons, cards and retail have been added together in the results (cards is a segment of the retail department). And the results relate only to the commercial sales force employees of these departments, since this is the group most likely to cross-sell. Employees working in the office are not being counted in the statistics of figure 6.

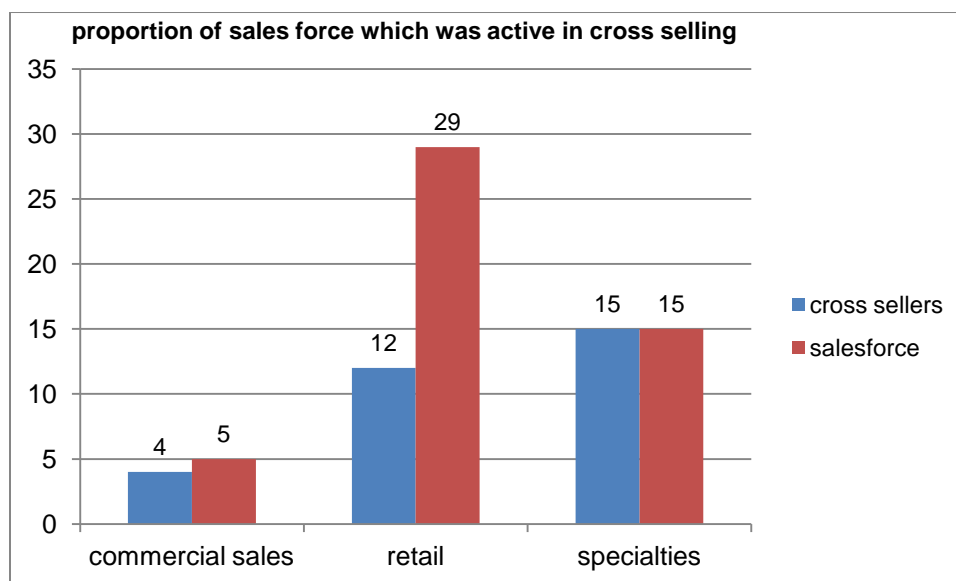


figure 6 – proportion of active cross-selling per department

Most employees of the commercial sales and specialties departments have been active in cross-selling in the past. However, in retail almost 60% of the employees have not put a single

effort in the cross-selling process so far. Only 12 out of 29 employees have generated leads. Regarding the central research question how to increase turnover, this might be an opportunity. The more leads are generated, the bigger the chance to welcome new customers and the more turnover will be generated. At the retail department there are a lot of people who do not contribute to cross-selling, whereas their direct colleagues do. It seems there is enough room for improvement to increase the amount of people putting effort into cross-selling.

#### Conclusion:

- Most sales force employees at the specialties and commercial sales departments participate in the cross-selling process.
- Only 41% of the sales force of the retail department participates in cross-selling, leaving room for improvement.

Another important aspect which should be examined is the level of generated leads converted in to customer per department. Which departments succeed the best in creating new customers when they have given tips and leads? Table 3 shows the conversion rates per department for the given leads by these departments.

department	generated leads	converted to client	conversion rate
commercial sales	92	7	7,6%
cards	98	11	11,2%
retail	36	12	33,3%
specialties	115	10	8,7%
TOTAL	341	40	11,7%

table 3 – conversion rate generated leads per department

Striking is the rate of 33,3% which is scored by retail. 33,3% of the total amount of generated leads by the retail department is converted in to new customers by the other (commercial) departments. This could mean that retail generates only leads which they consider to have a good chance to be converted in to customer by their colleagues. The quality of the lead is apparently more important than the quantity. In table 4 on the next page the same rate is calculated, but then in the opposite way: how many of the received leads are converted in to customers by the receiving department.

department	leads received	converted to client	conversion rate
commercial sales	93	6	6,5%
cards	86	9	10,5%
retail	40	0	0,0%
specialties	157	30	19,1%
TOTAL	376	45	12,0%

table 4 – conversion rate received leads per department

Sales force employees from specialties have the least difficulty in converting received leads in to new customers; 19,1% of all the leads they received have been welcomed as new customers at the specialties department. Several possible reasons can explain this:

- Specialties receive high-quality leads.
- Sales force employees of specialties are very accurate in proceeding the received leads and know very well how to approach these customers commercially.
- The offered products and services by specialties are easy to sell to the specific types of customers which are being received as leads.

After examining table 3 and 4, we know that retail is the department which generates the most successful leads and specialties is the department which receives the most leads which are likely to be new customers. It is relevant to examine the correlations of these 2 statistics between retail and specialties and the other departments.

Figure 7 shows us that of all successfully converted leads, generated by retail, 83% of these leads were sent to the specialties department. In figure 8, it becomes clear that from all leads which were received by specialties and which have been transferred to customer, 58% has been received from retail and 13% has been received from another colleague at specialties. The specialties department is divided into segments as was described in paragraph 1.3. When employees from one segment pass on a lead to a colleague of another segment this is also considered and administrated as cross-selling. From all analyses above it becomes clear that there is a strong and positive relation between the retail and specialties department considering the (successful) stream of generated leads.

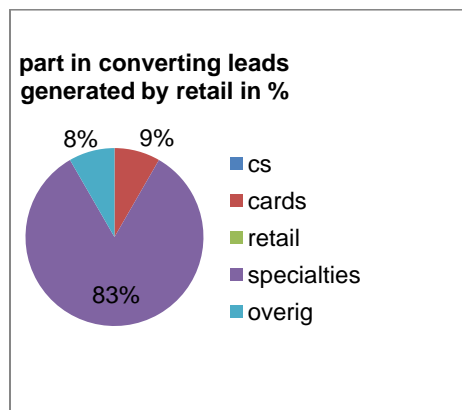


figure 7 – part in converting leads generated by retail in %

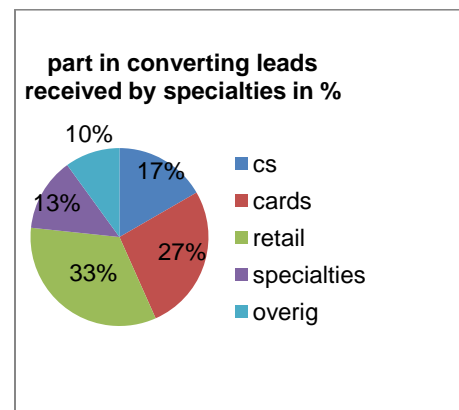


figure 8 – part in converting leads received by specialties in %

Finally, one of the sub-questions is relating to the revenue which is generated by cross-selling. In table 5 the revenue per department is displayed. I have used the information from a cross-selling presentation which was given to the management in December 2011. Until then, 40 leads were converted to new customers. I will provide the revenues in volume, because due to confidentiality it is not allowed to provide turnover and margin and I will only display the volumes for the departments which are under direct management of Total Nederland N.V.

department	volume (L) 2010	volume (L) 2011
commercial sales	763.000	251.000
retail	237.815	398.955
specialties	13.209	52.762
TOTAL	1.014.024	702.717

table 5 – generated volume cross-selling per department

We can see that the volumes of the retail department are biggest. In comparison with 2010 they have sold almost 68% more volume to their cross-selling customers. The generated volume by specialties too increases in 2011, almost 4 times as more volume compared to 2010. Only the volume generated by commercial sales has decreased. The total cross-selling volume generated by the commercial departments of Total Nederland N.V. at the end of 2011 was 1.716.741 liter.

### 3.3 Creating a new cross-selling file

We have already discussed that the volume might be increased when more employees will participate in the cross-selling process. Another way to succeed in increasing the volume is to verify whether all cross-selling customers within Total Nederland are known internally. All generated statistics are based on the information of the cross-selling dashboard. As part of my research I have collected the complete customer files of all particular departments and integrated them into one new customer file. Then, I have excluded all customers which were mentioned more than once at one department. The result was a long list of customers per department, knowing that each customer appears only once per specific department. After succeeding to obtain this list (which was quite difficult, because none of the departments were able to deliver a complete list which was fully up-to-date) I examined how many customers appeared at more than one department as customer. In other words: they are cross-selling customers because they buy products and services from more than one department. The result is displayed and discussed in the tables and figures below.

TOTAL AMOUNT CUSTOMERS				
Cards	CS	Retail	Spec	TOTAL
5472	182	85	2174	7913

TOTAL AMOUNT CROSS-SELLING CUSTOMERS				
Cards	CS	Retail	Spec	TOTAL
120	84	34	195	204

table 6 – customers and cross-selling customers based on customer files departments

Total Nederland N.V. officially has 204 cross-selling customers. However, only 47 of them are administrated in the cross-selling dashboard as we have seen in figure 4 in paragraph 3.2. This means that only 22,5% of all cross-selling customers are identified within Total Nederland N.V. as such. Moreover, this means that the turnover and the volume which is generated by cross-selling at the moment is much more and much higher than management considers it to be. This



is off course a remarkable outcome and the result of comparing the dashboard with the generated results of examining the complete customer file of Total Nederland N.V. Less than 3% of all Total Nederland N.V.'s clients are customer at more than one department.

Another interesting fact out of table 6, is that from the 204 cross-selling customers, 195 are customer at the specialties department. This means that 96% of all cross-selling customers are known at the specialties department. For cards this percentage is approximately 59% and for commercial sales and retail respectively approximately 41% and 17%, which makes specialties the department with the highest success rate.

### **3.4 Conclusion: internal analysis of cross-selling**

Several procedures and rules have to be followed by the employees in order to be able to administer and register cross-selling appropriately. This administration is mostly kept and processed for reporting purposes. Reporting is done by 2 employees of the specialties department. The cross-selling dashboard has been designed to make this easy and effective. The dashboard is not available to everyone and not published on the intranet of the organization.

At the first of May 2012, according to the information from the dashboard, a total of 367 leads have been generated and 46 of those leads were successfully converted to new customers of other departments. Leads which are generated by retail have the best chance to be converted to new customers and it is specialties which profits most of successful leads provided by retail. Specialties receives most leads which are converted in to customer and it is retail and cards which have the biggest part in providing these leads.

One possible way to increase the amount of leads (and in that way raise new customers and new turnover), is to stimulate more employees to put more effort in raising leads. Especially at the retail department, not everybody is participating in cross-selling (almost 60% of the sales force employees does not participate). The use of a better registration system will increase the number of cross-selling customers and the volume and turnover generated by cross-selling significantly. After investigation it turned out that the current dashboard system does not contain all customers which are known at 2 or more departments. Instead of 46 recorded cross-selling customers, TOTAL Nederland N.V. has 204 customers who buy products or services at 2 or more departments.

## 4. Research methods

Now the central research question, the sub-questions and the theoretical model from chapter 2 have been described, we can have a look at how to answer the definition of the problem. A lot of information needed to answer the problem definition should be obtained within Total Nederland N.V. from internal sources. The research questions are about internal communication and about internal processes. The research is divided in desk and field research. In order to be able to conduct the field research I had to complete a lot of desk research, to get familiar with the subject (through literature) and to be able to see the subject (cross-selling) in the right context. For example, without knowledge of the way cross-selling currently is organized within Total Nederland N.V. it would be useless and ineffective to start an interview with an account manager or sales manager from a commercial department. Knowing the right context makes it easier to design clear questions which could help in the research. The field research is divided into quantitative and qualitative research. This chapter is divided into three paragraphs: used methods for desk research, methods for qualitative research and methods for quantitative research.

### 4.1 Research methods for desk research

The desk research consists of collecting and analyzing information that already exists. To be able to properly conduct the interviews of the field research one should have enough knowledge of designing good and clear questions. For this reason I have studied the literature which was taught to me during my course of Research Methods. Other sources that I have used are the literature on cross-selling and the internet. Below are the elements which have been examined and conducted through desk research:

- Interview skills and techniques
- Total Nederland N.V. as an organization
- BEST Selling Model (literature)
- Organization of cross-selling within Total Nederland N.V.
  - Procedures and methods of working
  - Figures and numbers which describe the current situation
  - Complete customer file of all departments

These elements are examined by any tool available. The most important tools are listed below:

- Existing literature on cross-selling
- Sources on the internet about cross-selling
- Intranet (organization chart, product and department information etc.)
- Cross-selling dashboard
- Customer files from the various departments

## 4.2 Research methods for qualitative research

There is not much documented material available about the situation of cross-selling at Total Nederland N.V. To understand people's motivations, actions and ideas about cross-selling several interviews have to be conducted. Through these interviews, information has to be collected which will make it possible to answer some of the formulated sub-questions. The interviewees are employees from Total Nederland N.V. who are working at different departments in various functions. This variety has been used in order to provide information which is representative for the whole organization. Interviews are scheduled with account managers, sales managers, members of the management-team and I have planned an interview with the general manager.

### 4.2.1 Method

In-depth interviews are conducted for the qualitative research. These interviews had an informal character. In this way it is possible for the interviewer to collect any kind of information he wants and he can improvise during the interview if needed. This might lead to discuss certain subjects which were not expected to be discussed at the start of the interview. Because of this, the interview sometimes will take the form of a regular conversation, rather than a well-designed questionnaire that can be used as an interview. The advantages and disadvantages of such a "free" interview are listed:

#### *Advantages*

- Possibility to collect information unrestrained
- Close contact with interviewee which usually makes the interviewee feel comfortable and willing to provide you with good information

#### *Disadvantages*

- It could cost the interviewer a lot of time to process and analyze the results
- There is a bigger chance of miscommunication and misunderstanding

One of the risks of in-depth and "free" interviews is the chance of misunderstandings between the interviewer and interviewee. Therefore, further research should be done to test the answers. This is done by quantitative methods which will be discussed in the next paragraph.

#### **4.2.2 Subjects**

Before the interview starts, a short-list of specific and relevant topics will be designed. This works as a reminder for the interviewer and ensures that no relevant questions will be forgotten to be asked when the interview takes place. These topics should relate to the sub-questions and central research question. Below some topics which were placed on the short-list:

- Attitude towards cross-selling
- Barriers which limit one's efforts on cross-selling
- Approach to customers concerning cross-selling
- Procedure and methods of working
- Actions and measures which might increase cross-selling success
- Vision on cross-selling for the future

Based on these subjects, a list of questions was designed.

#### **4.2.3 Population**

As mentioned earlier, the population chosen for the qualitative research consists of employees working for Total Nederland N.V. The desk-research showed me that cross-selling is a process mostly suitable for people in sales forces (account managers) and management (they determine the cross-selling policy). For that reason, the qualitative data will be obtained by interviews with account managers, sales managers and directors of the various departments. Information from people working at the office, who do not have a commercial role, will be collected via quantitative data. The population should be as representative as possible, which means that not only successful cross-sellers have to be invited for the interviews but also people who never have put any effort in cross-selling. Employees from each commercial department as well as the director of the purchase department (staff) are invited. To compare the information of successful cross-sellers with the information of employees who never cross-sell is very interesting. The same goes for information of executives and non-executives.

#### **4.2.4 Approach of population**

Because I work at Total Nederland N.V. the employees who I wanted to interview were easy to approach. I have made use of e-mail to send the interviewees an invitation. First I created a short-list of names who I definitely wanted to interview. I also drew up a second shadow-list with people with comparable jobs at the specific departments in case people from the short-list would not respond or deny the invitation.

#### **4.2.5 Response**

I have sent 17 invitations for interviews and I have received 17 confirmations. I invited and scheduled the interview with the general manager (see appendix I) as the final interview but during the process, several interviews were re-scheduled because people did not have time and priorities changed. In the end, I have conducted 17 interviews which are all taped as mp-3 files and which are included to this research as appendix VII. In table 7 an overview of the division of jobs, functions and departments of the interviewees is provided.

department	sales force	sales manager	director department	general manager
commercial sales	1		1	
Purchase			1	
Retail	2	4	1	
specialties	2	3	1	
General				1
<b>TOTAL</b>	<b>5</b>	<b>7</b>	<b>4</b>	<b>1</b>

table 7 – conducted interviews per function and department

#### 4.2.6 Processing and analyzing the results

The interviews were processed and analyzed. Since my supervisor at The Hague University gave me permission to make an excerpt of every interview instead of making a transcript I have included excerpts of the 17 interviews in appendix I. Using these excerpts I have analyzed the interviews by categorizing the answers based on the grounded theory for qualitative data by Glacer and Strauss (Glacer and Strauss, 1967). The categories which were formed are as much related as possible to the central research question and the sub-questions. The analysis of these results is provided in paragraph 5.2.

### 4.3 Research methods for quantitative research

By quantitative research I wanted to collect information that would confirm or reject the information obtained via the desk-research. Furthermore, analyzing the results of the quantitative research should make it possible to provide answers to the sub-questions which were formulated in the introduction. Therefore, the quantitative research was designed and conducted with the subject covered by the sub-questions in mind.

#### 4.3.1 Method

The method for the quantitative research is an internal survey. This method was chosen because usually people prefer to be approached via e-mail and an internal survey can easily be sent by e-mail. Being an employee of Total Nederland N.V. to obtain a list with relevant e-mail addresses was easy. An invitation was sent and after two weeks a reminder followed to the people who not yet had filled in the questionnaire. The survey consisted of an online questionnaire for the following reasons:

- To conduct an online survey is relatively cheap. Because I am subscribed as student at The Hague University I could make use of a free account at NET-Q (an online survey tool) with a lot of possibilities for designing online questionnaires.
- The questionnaire can be responded to at any time and at any place. It is even possible to start the questionnaire and finish it at a later moment in time; the program remembers a respondent's progress.
- Results can be easily analyzed by making use of excel. It allows the researcher to discover relations between various variables and display them in an effective and clear way via suitable graphics like charts or pies.

The survey and the results of the survey are included as appendices IV and V in this research.

#### **4.3.2 Subjects**

Just like in qualitative research, also in quantitative research the topics and subjects which should be covered have to relate to the sub-questions and central research question. These form the basis to conduct the following subjects and elements in the survey:

- Experiences of people with cross-selling
- The knowledge of people about cross-selling
- The knowledge of people concerning the procedures and methods of working
- People's attitude towards cross-selling
- Barriers on cross-selling
- People's opinion on a diverse range of topics like: leadership, sharing information, internal communication etc.
- Measures and actions which will stimulate people to spend more time on cross-selling

#### **4.3.3 Population**

The population of the quantitative research is the whole work force of Total Nederland N.V. The survey has been sent to everybody working for the organization. No distinction has been made in job-importance or in job-description; all employees have received an e-mail with the request to fill in the online questionnaire. This means that the population consisted of 196 employees working for Total Nederland N.V. I did not make use of randomly taking a sample, I just wanted to collect information from as many respondents as possible. The population is justified, because although desk-research taught me that cross-selling is a commercial orientated process, there might be ways for people working at the office in a facilitating function to participate in cross-selling. Moreover, the management of Total Nederland N.V., my principal for this research, might be interested in the opinion of this sub-group (the employees in a facilitating function). This is why they are included in the target-group of this online questionnaire.

#### **4.3.4 Research tools**

The most important tool used to conduct the quantitative research is Net-Q, a program to design online questionnaires. After being logged in, one enters a virtual platform where it is possible to design different kind and types of questions. Questionnaires can be sent online via e-mail and the results can be exported to excel making elaborate analysis possible.

#### **4.3.5 Approach of population**

The population was sent an e-mail containing a link to the online questionnaire. Respondents only had to click on this link and the questionnaire opened. After two weeks I sent a reminder to those people who had not yet responded to the e-mail.

#### **4.3.6 Response**

The response rate was high; 126 respondents filled out the questionnaire, which means a response rate of 64%. The questionnaire was designed in such a way that it would not take up much to complete it. Sending it back happened automatically when one completed the last question. More background information about the response rate can be found in chapter 5 of this graduation report.

#### **4.3.7 Processing and analyzing the results**

The results of the internal survey are displayed by Net-Q as a PDF-file. The results of every particular question can be displayed separately in a PDF-file. However, I decided to make use of the program's feature to export the survey results to excel. This made it much easier to compare the results of one question with the results of other questions. Also, it enabled me to detect and analyze specific cross-links between questions. Thus, this excel-file formed the basis for my analysis of the results. The excel-file is included in the research as appendix VI.

## 5. Research results

In this chapter the results of the conducted empirical research are described and analyzed. The research is carried out with the central question and the sub-questions in mind. The research results are divided over 4 paragraphs: analyzing the survey results, analyzing the results of the conducted interviews, provision of the results of analyzing Total's customers file and finally combining all the results, including the information obtained by the internal analysis as provided in chapter 2, in order to draw up a SWOT-matrix in the fourth paragraph.

To be able to do reliable and effective analyses on the survey results I have reduced the specific categories of different departments to only 4 instead of the 7 categories which I based the survey on. Since the studied literature (see also chapter 2) focuses merely on the commercial departments of companies concerning cross-selling, I think it is legitimate and effective to make a distinction between the staff departments of Total Nederland N.V. and the commercial sales departments. Therefore to describe and analyse the results of all 4 separate staff departments (F&A/ICT, HSEQ, human resources/legal and purchasing/general services) were combined, but all 3 commercial departments (retail, specialties and commercial sales) were used individually. To be able to present the tables and graphics of the internal survey (paragraph 5.1) in a comprehensible and clarifying way I hereby introduce a legend. The premises which are to be analyzed are so long that it would be inconvenient for the reader to implement them in their full length in the results. This legend is presented in table 8.

Question	Abbreviation
On which scale are you familiar with the meaning of cross-selling?	K
I am fully aware of the internal procedure concerning cross-selling	P1
I am sufficiently informed about the current status of cross-selling within Total Nederland N.V.	P2
I am familiar with the products and services of other departments	P3
The internal communication between mine and other departments is sufficient	P4
My manager gives enough priority to cross-selling	P5
I feel that Total Nederland N.V.'s management considers cross-selling as important	P6
As a result of my function I never or hardly ever have to deal with cross-selling	P7
Besides my other tasks I have enough time to spend on cross-selling	P8
I think cross-selling is useful for Total Nederland N.V.	P9
Cross-selling does not bring anything in for me personally	P10
Please indicate how easy it is for you to obtain information from customers of other departments	I

*table 8 – legend internal survey results*



## 5.1 Internal survey results

The internal survey was sent to all employees working for Total Nederland N.V.'s headquarters in Voorburg. The response rate in relation to all departments is shown in table 9. Tables 10 and 11 show the division by function (office sales force/travelling sales force and leading position/not a leading position) and the response rate concerning each sub-group.

department	sent	received	rate
commercial sales	8	8	100%
staff	74	38	51%
retail	77	48	62%
specialties	37	32	86%
TOTAL	196	126	64%

table 9 – response rate internal survey

department	sent office	sent salesforce	received office	received salesforce	rate office	rate salesforce
commercial sales	5	3	5	3	100%	100%
staff	74	0	38	0	51%	x
retail	48	29	23	25	48%	86%
specialties	22	15	18	14	82%	93%
TOTAL	149	47	84	42	56%	89%

table 10 – response rate internal survey specified to function (indoor/outdoor)

department	sent executive	sent non-executive	received executive	received non-executive	rate executive	rate non-executive
commercial sales	2	6	2	6	100%	100%
staff	15	59	8	30	53%	51%
retail	9	68	13	35	144%	51%
specialties	4	33	4	28	100%	85%
TOTAL	30	166	27	99	90%	60%

table 11 – response rate internal survey specified to function (executive/non-executive)

Table 9 shows us that the non-commercial departments, indicated as “staff”, significantly have a lower response rate (51%) than the other commercial departments. The literature study in chapter 2 has learned us that cross-selling is an aspect of the selling process which is perfectly suitable for and mostly used by the commercial selling departments of a company. This could be a reason that employees on the staff departments, which do not have a travelling sales force, are not eager to respond to a survey titled “cross-selling survey”. They are not familiar with the subject and feel like they do not have anything to gain, because they do not believe that they are in a position to make use of cross-selling. This will be examined and analysed later in this chapter.

From all the commercial departments, the least responsive to the survey has been retail (62%). This might indicate that employees working at this department are less interested in the subject. Again, this will be compared to other results obtained from this survey before prematurely

drawing conclusions. When the number of responded surveys of the travelling sales force and the employees who have an indoor function are compared, it is remarkable to notice that the former group of respondents has responded better to the survey than the latter group. As we have seen in chapter 2, the account managers are the people who have to visit the customer and try to “cross-sell”, so this could explain the difference. Furthermore, executives have responded much better (90%) to the survey than non-executives (60%). During my interviews (see paragraph 5.2) I have repeatedly heard that for cross-selling to be successful an important condition is that cross-selling is actively supported and publicly approved of by the management. The difference in response rate between executives and non-executives might be a small indication that there is no lack of interest and commitment under sales managers and executives in relation to cross-selling. Later analyses of the survey and the interviews will show if this indeed is true or false. Finally, in table 11 the response rate for executives is 144% which off course is impossible. However, after close examination and multiple check-ups of the survey results this number can only be explained by the fact that an unknown number of respondents have chosen the wrong answer at question 4 of the survey (see Appendix IV). “Executive function” was chosen where “non-executive function” should have been the right answer. Because I only want to work with justified and legitimate results, nothing has been changed to the original survey results.

#### **5.1.1 Attitude on cross-selling**

In the former paragraph we have analyzed the general results of the response rate of the survey. In the following we will take a closer look to the content and the meaning of the results in relation to the sub-questions as formulated in the introduction. The only way to be able to answer the central research question is to obtain as much relevant evidence and information as possible to answer or support the sub-questions. The division of this chapter is therefore mostly determined by the territories covered by the sub-questions. The results are likewise analysed. First of all, we should ask ourselves whether cross-selling is widely supported as being useful for Total Nederland N.V. by Total’s employees. One condition which is necessary for cross-selling to be successful is the support from both ordinary employees and the management. Only when people are aware of the importance of cross-selling and only when they feel like it could be beneficial to the organization, cross-selling has a chance to survive and develop. If not, it is unlikely that people will (spontaneously) spend time and effort on it to make it successful. Figure 8 shows the average on a scale of 1 to 10 scored per department on the question “I think cross-selling is useful for Total Nederland N.V.” (P9 from the survey). The higher the average, the more people consider cross-selling to be useful for Total Nederland N.V.

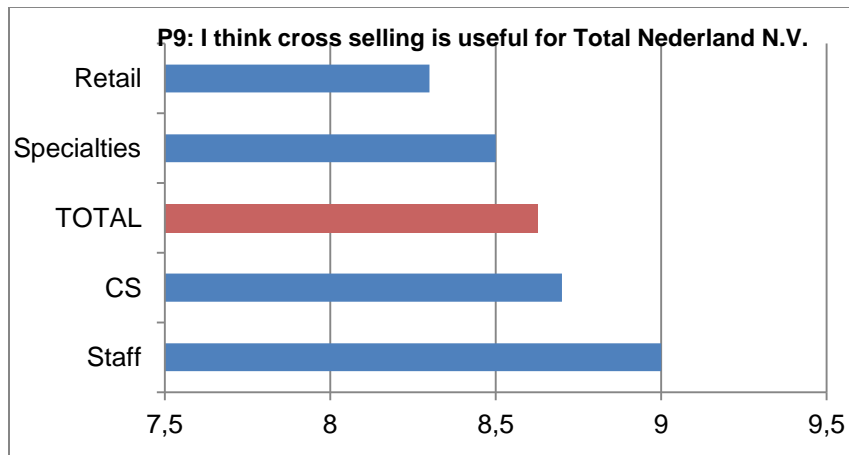


figure 8 – results P9: average per department

The average score given by all people who responded to question P9 is an 8,6. This average is considered to be valid, since 112 employees answered this question and only 3 answered “no opinion” on this matter. It is remarkable that the staff departments score highest on this one, because one would expect that staff-employees are not the ones who initially are being expected to be very active in cross-selling. As literature and the internal analysis taught us that mostly the commercial departments are active cross-selling departments, it would be expected to see the highest awareness at specialties, retail and commercial sales. In contrary, the staff department scores best and 2 out of 3 commercial departments (retail and specialties) score an average of 8,6, which lies under the total average.

However, the differences are small and every single department seems to fully realize that cross-selling could benefit the organization. Still, this is no guarantee for an active cross-selling sales force. People might see the importance of it, but when cross-selling is not sufficiently promoted by the management and/or people feel like they do not benefit on a personal level by being active in cross-selling, it will not be an advantageous aspect of their business. Therefore, it should be examined whether management supports cross-selling as much as the employees, whether people feel like management considers cross-selling as important for the organization and what people answer if they are asked if they feel they can win something if they would be active in cross-selling. Figure 9 compares the averages on P9 per department answered by the executives and non-executives of those departments. In table 12 and 13 the results are provided of the attempt to answer the question whether employees feel like cross-selling has priority amongst the management and figure 10 finally describes the way people consider it to be lucrative for themselves when they would actively participate in cross-selling.

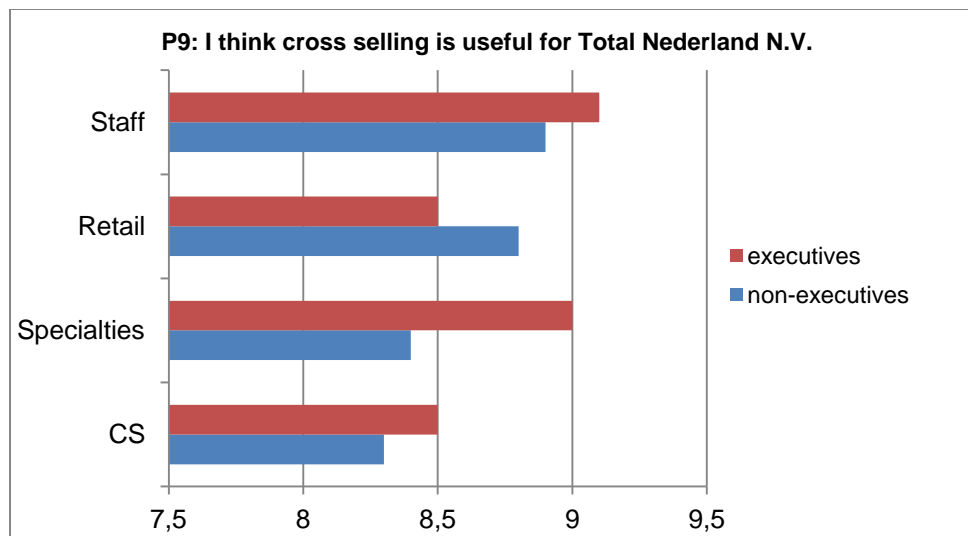


figure 9 – results P9: average per function

In 3 out of 4 departments, the executives consider cross-selling to be even more important for Total Nederland N.V. than the non-executives. In general, a manager at specialties considers cross-selling extremely important for Total Nederland N.V., scoring a 9 as average. At top level, cross-selling is recognized as possibly useful for Total Nederland N.V., even more than its employees, which would make a top-down policy possible. As we have learned from the literature study, cross-selling is bound to fail if it is not supported by the higher echelons of a company. The results of the interviews, which will be analyzed in the next paragraph, should confirm the trend shown in figure 9.

Department	non-executives	salesforce
commercial sales	7,4	8,0
staff	7,7	x
retail	7,8	7,6
specialties	6,9	7,6
TOTAL	7,4	7,6

table 12 – results P6: average per department

department	non-executives	salesforce
commercial sales	7,5	7,3
Staff	5,1	-
Retail	6,8	6,7
specialties	6,5	7,3
TOTAL	6,6	7,0

Table 12 shows the averages per department scored on premise 6 from the survey: “I feel that Total Nederland N.V.’s management considers cross-selling as important”. In general, the non-executives, who are supposed to be directed and thus influenced in their attitudes and actions by employees in management positions, feel that management is concerned with cross-selling as a process and that it should deserve everyone's attention. With a 7,4 score as average it can be stated that people possibly are not convinced that cross-selling is a top-priority for the organization, but do believe it's more than just a side issue. The same is true for the travelling sales force of the company; with a 7,6 as average score this group also recognises the fact that cross-selling is something which is monitored by the decision-makers of Total Nederland N.V.

Now we know that people are aware of the management's commitment with cross-selling it is interesting to examine whether they feel this commitment is indeed converted to goals and actions by (their own) managers. There are 2 main reasons for wanting to know this as a researcher:

- The results might show something about the actual way a manager is acting in daily business; employees who work 5 days a week under the supervision of a manager are likely to know his objectives and priorities.
- The level of activity of employees on cross-selling can be partly explained by the extent to how people feel they are being judged or rewarded by their manager on their performance in cross-selling; if someone feels like the manager is very concerned to obtain good results at their cross-selling objectives, he or she will work harder to achieve this, but if a manager does not give any signals that cross-selling is important for him, he or she shall give preference to accomplish other objectives first.

Question 5 of the survey, "My manager gives enough priority to cross-selling", was designed to obtain the information on this subject. The response for the non-executives and the travelling sales force are displayed in table 7. Though most averages are sufficient, it is remarkable that the total averages for all departments for both groups (non-executives and sales force) lie significantly lower than the averages from table 6. This could mean that people know that it is an objective on top-level to stimulate cross-selling, but that they do not experience this during their daily activities because other objectives have more priority. Staff employees value their manager's priority to cross-selling even as insufficient, marking question P5 with a 5,1. An explanation might be the fact that staff employees do not often come in contact with cross-selling. Staff departments are facilitating departments rather than commercial departments who have the objective to sell the company's products. Cross-selling is one way to do so. A staff department's primary objective is to facilitate the other departments as best as possible. There is less need to focus on commercial cross-selling. The analysis of the results of the in-depth interviews should clarify this.

Finally, people's attitude towards cross-selling could depend on the degree people feel that cross-selling is beneficial for them on a personal level. For example; is a participating attitude towards cross-selling a guarantee for a reward in the form of a bonus. An account manager is eager to work harder on cross-selling if he knows that he will receive more leads which can be converted to new customers, meaning extra turnover/margin. People usually tend to show more enthusiasm for things that mean extra financial compensation or other personal advantages. To measure whether employees think cross-selling offers them personal advantage (in any form), question 10 "Cross-selling does not bring anything in for me personally" (P10) was asked in the survey. Figure 10 displays the way people responded to this question.

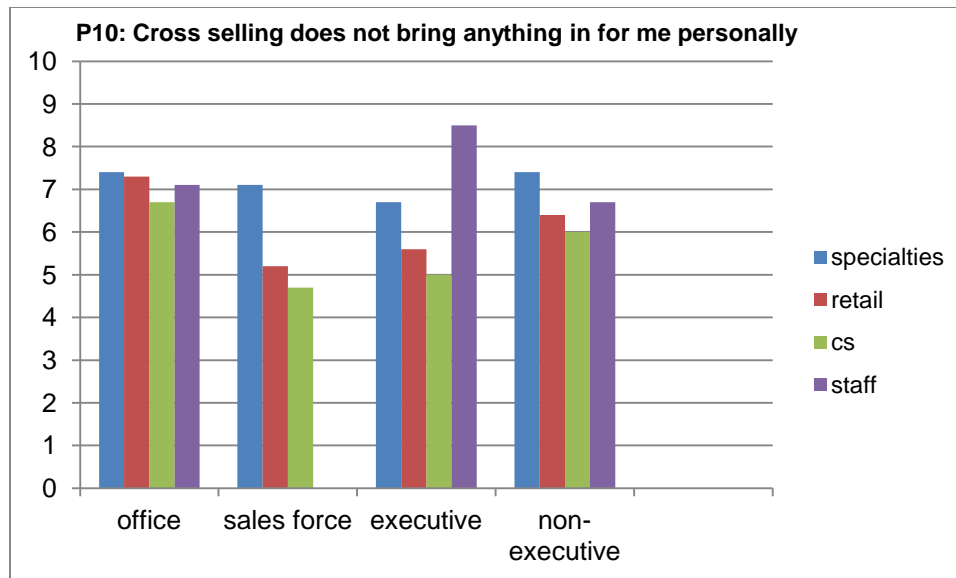


figure 10 – results P10: average per function

What trends can we discover when analyzing figure 10? One would expect the staff department to score the highest averages in all 4 function groups because the staff functions have a more facilitating rather than a commercial character. Employees working on staff departments are being rewarded by vast salary agreements and do not depend as much as the commercial departments on accomplishing their commercial objectives. This means that they are not significantly influenced by the level of success of a commercial selling process like cross-selling. However, it is the commercial specialties department that scores the highest averages (in other words: who's employees feel that cross-selling does not bring anything in for them on a personal level) for most of the function groups. The most remarkable result is the average scored by the sales force people, the group which is most qualified to make cross-selling a success for the company, of this department: A 7 is given as average to indicate that this group of this specific department indeed feels that they have no personal advantage to be active in cross-selling. The sales forces of the two other commercial departments do feel that cross-selling could be beneficial for them, although this point of view is not supported very convincingly since retail and commercial sales mark this question respectively with a 5,1 and 4,8. Taking a closer look at the information provided in chapter 3 we find out more about the amount of leads received by each of the commercial departments. We there find that commercial sales and retail (cards) are the two departments which receive most of the generated leads. There might be a direct link between the 2 facts of receiving most of the leads and scoring sufficient on the question whether people feel like cross-selling could be beneficial to them on a personal level. Because the more useful leads received by an account manager, the higher the chance to make new clients who generate more turnover and more margin.

On the level of the executives in all commercial departments, analysis shows that executives score a lower average than the non-executives. This indicates that executives have a stronger feeling of successful cross-selling being good for them personally. This supports the point of view we have discussed earlier that cross-selling should be a top-down policy:

supported at top-level, creating awareness and activity throughout the whole organization. This thesis is supported by the fact that, just like we have analysed for the sales force of the specialties department, also the executives of specialties do confirm the premise that cross-selling is not bringing in anything for them personally. It seems there is a correlation between the answers of the executives of the specific departments, and the answers of the sales force under their supervision; example given: commercial sales and retail executives score low on P10, so does their sales force employees. Specialties executives score high(er) on P10, the same counts for the sales force working for that department. From the sales force, it is the department of commercial sales which has the lowest average, a 4,8. This indicates that the employees working in the sales force for this department are the ones who feel the strongest that cross-selling is personally beneficial to them. Does this relate to the way these employees are being rewarded by their managers when they have been successful on cross-selling? This is an interesting question which shall be examined and answered in chapter 5.2 when the results of the in depth interviews are being analysed. This is a subject which has been discussed during these interviews.

### 5.1.2 Barriers on cross-selling

The success of cross-selling can be limited when people experience barriers that make it less easy for them to be active and efficient in cross-selling. Therefore, it has to be examined whether some well-known barriers for cross-selling in literature (see chapter 2) are experienced by Total Nederland N.V.'s employees.

First of all, in figure 11 and 12, it is examined if people see enough possibilities in their jobs to offer them to implement cross-selling. In figure 13, the factor time is studied: do people feel they have enough time alongside their other activities to spend on cross-selling? In the survey, questions P7 and P8 are developed to be able to analyze this.

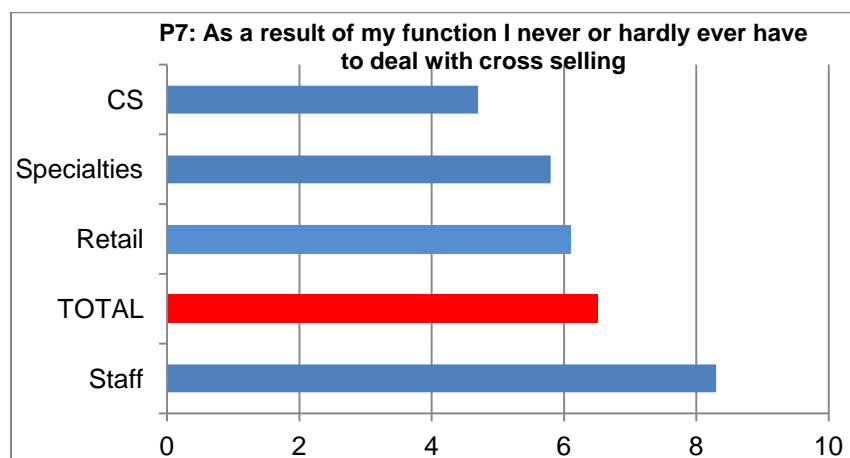


figure 11 – results P7: average per department

It is logical that staff employees tend to feel that cross-selling is not part of their job description, because, like mentioned before, their primary objectives are more of a facilitating nature. This explains why they score highest on question P7 with an 8,3. Only commercial sales as a department disagrees with question P7, meaning that a general employee of commercial sales

thinks he can actively participate in his job in cross-selling. Though not scoring convincingly on this question, the other two commercial departments agree with the premise that their kind of work is one of the main reasons why participating in cross-selling would be difficult. Now we should ask ourselves: what kind of work it is, these employees do? Figure 5 shows only the averages per department. It is important to make a distinction between the kind of work one is doing within the specific department. Interesting would be to compare the job functions which are supposed to be true cross-selling functions (sales force) and the functions which should promote cross-selling and bring it under the attention of the employees (executives) with the average.

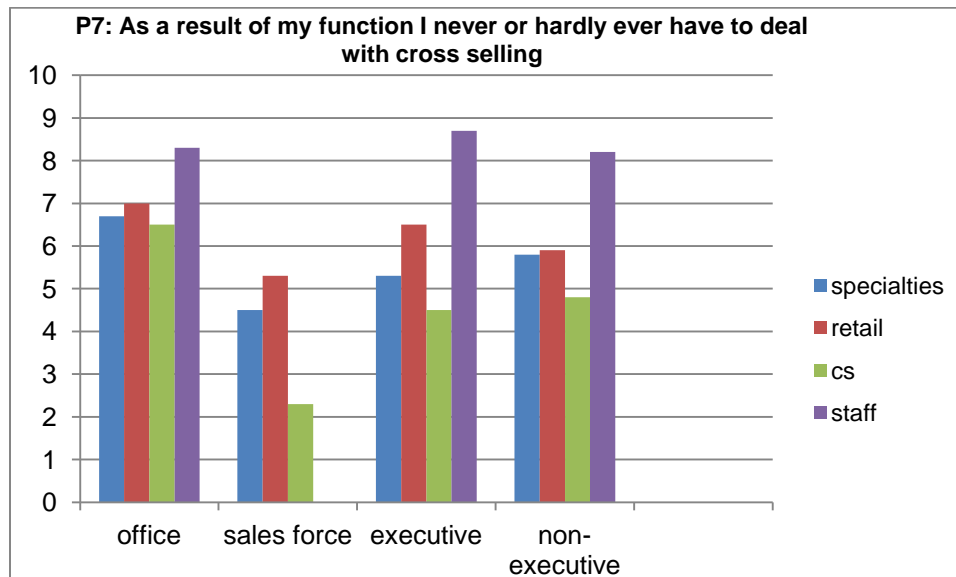


figure 12 – results P7: average per function

In figure 12 we can see that the sales forces of all departments give lower marks on P7 than their colleagues in other functions at the same department. To illustrate this, the sales force for commercial sales marks P7 with a 2,1 where the office employees working for commercial sales mark P7 with a 6,5; a significant difference. The same can be seen in the analysis of the other 2 departments which have a sales force. In fact, the sales forces of all departments score insufficient on the question whether their function is suitable for an active cross-selling attitude. This means that these employees feel no barrier concerning the content of their jobs to participate in cross-selling.

Concerning the results given by the executives it can be analyzed that only 2 out of 4 departments score a low mark on the premise that their job-descriptions make cross-selling impossible. The mark for the staff departments is very high; 8,8, which means staff executives do not see any link with cross-selling. This high mark was to be expected since we already explained before that cross-selling is to be regarded as a commercial process. However, as well as the staff, retail too do score sufficient on P7, marking an average of 6,5 and indicating that executives who work in this department feel no real connection between their jobs and the cross-selling process. But as we have seen in chapter 2, in literature an important role of the success of cross-selling is assigned to management and executives who must stimulate and



facilitate cross-selling amongst their employees. This stimulating and facilitating could also be regarded as a task and part of one's function and job-description. Scoring a 6,5, it does not seem that retail executives are fully aware of this theory.

Finally, in regard to figure 12, it is remarkable to see the correlation between the marks given by the executives and their related sales forces per department. For the executives, it is retail scoring the highest mark, followed by specialties with a 5,1 and commercial sales with a 4,6. This same order applies to the related sales forces of these departments: retail account managers score the highest average, a 5,3, followed by specialties with a 4,5 and commercial sales with a 2,2. Just like we analysed in paragraph 5.1.1 on the results of question P10 from figure 10, this phenomenon might support the thesis that lower echelons in the company are influenced by the behavior and opinions of the higher echelons, making a top-down policy for the success of cross-selling even more important.

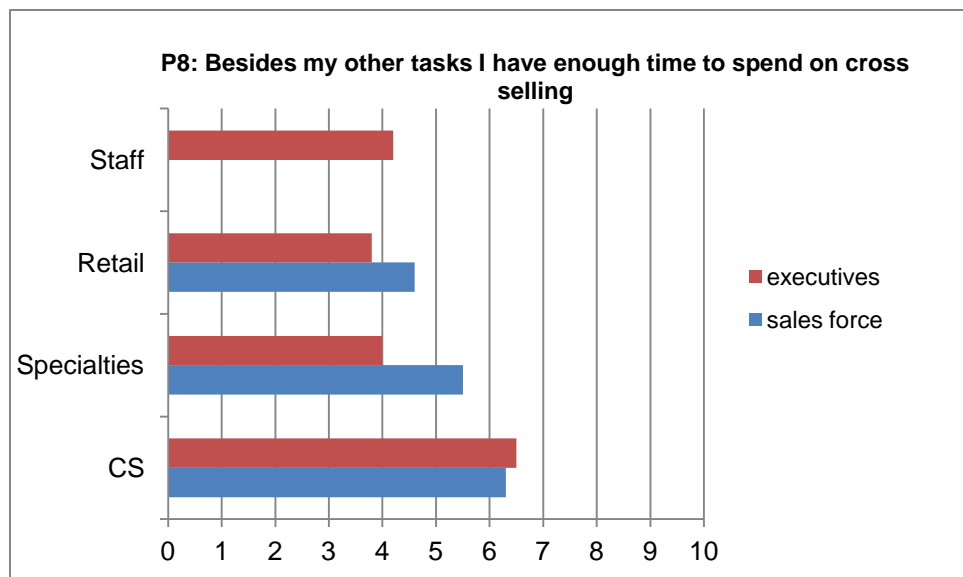


figure 13 – results P8: average per function

Another barrier, also in relation to a person's function, could be the factor time. In figure 13, the averages are examined just for the executives and the sales force employees, because of their important role in the cross-selling process. The executives on the staff, retail and specialties departments feel they do not have enough time to spend on cross-selling. Only commercial sales executives consider their available time as being sufficient to be active with cross-selling, although this average of 6,5 is not extremely high. The same thing can be said for the account managers of the different departments: retail and specialties account managers (staff departments do not have any sales force employees) feel they lack time to be engaged in cross-selling. With a 6,3 as average, commercial sales account managers are only moderately positive about the amount of time they can spare to spend on it. How to solve this feeling that decreases the success of cross-selling depends on several factors. A solution could be to improve the procedure by making it able to send in and handle quickly and effectively new leads. But as we have seen in chapter 3, the current procedure is not very complicated.

Besides, the results of the survey show that people are satisfied about the current procedure and they think there is no need to change this.

This feeling of lack of time can also be caused by the fact that other aspects have more priority amongst management. If people know that cross-selling is a priority subject, they will automatically allocate more time to cross-selling. And maybe people should be facilitated more, so it is made easier for them to involve cross-selling in their daily business. This was all asked in the interviews which will be analysed in the next chapter. However, it is quite concerning to see that even executives feel they do not have enough time for cross-selling, because without their dedication employees will not receive any signals putting them to work and making them put effort into the cross-selling process.

Table 14 shows the average results per department and the result for the sales force of each of those departments, obtained from question P2: "I am sufficiently informed about the current status of cross-selling within Total Nederland N.V." This information is needed, because as we will see in the analyses of the interviews, many interviewees put emphasis on the importance of informing people continuously in order not to lose attention and focus of the employees.

department	average	salesforce
commercial sales	5,7	6,3
staff	5,7	x
retail	6,1	6,3
specialties	6,2	7,9
TOTAL	6,0	7,0

*table 14 – results P2: average per department and function*

As we can see, the average for all departments is a 6,0 which leaves some room for improvement. Sales forces tend to feel they are better informed, scoring a neat 7 on this particular question. This might be caused by the fact that cross-selling is a commercial process and therefore account managers might be more interested in the subject than other employees who do not have this commercial focus. Nonetheless, as the outcome of the interviews will show, people throughout the whole company need to keep thinking of cross-selling; they need to get in touch with the subject in several ways and continuously, to make them realize the importance of it and serving as a reminder that they have to allocate time to it. Only when cross-selling is supported by every level in the organization, it will have a chance to be successful. As an example, I would like to compare the cross-selling situation with the promotion of safety on the work floor by the HSEQ department during the last years. Safety is an important issue for the whole Total group. The safety record has been significantly improved after intensive effort and emphasis has been put on this matter by the HSEQ department. Although safety and cross-selling are two different subjects, the policy of stimulating these subjects by creating awareness under the target-groups might turn out to be successful.

A final barrier which has been addressed to many times during the interviews and which also played a crucial role in the literature I studied (and in the BEST-model explained in chapter 2) is the availability of information about customers from other departments. It is essential for account managers to share information in order to be able to understand a client and to understand that

client's organization, its decision lines and decision makers. Different questions can be asked to accomplish this, like "what products does a company buy?", "what is the size of the company?", "what are the client's right contact persons?", "does the client use other products which Total might be able to deliver?", "what are the products and services which this client is offering?" etc. Table 15 displays the results which describe whether employees of Total consider it easy to obtain information of customers from other departments. The question which was asked in the survey was: "Please indicate how easy it is for you to obtain information from customers of other departments" (I)

Department	average	office	salesforce
commercial sales	6,4	6,8	6,0
Staff	6,0	6,0	x
Retail	5,3	5,4	5,2
Specialties	5,7	5,6	5,9
TOTAL	5,7	5,8	5,5

table 15 – results I: average per department and function

People who should exchange the information are the account managers (sales force). They are the ones who have the best chance of converting a lead in to a new customer, because of their close contact with customers and prospects. The poor average of 5,5 indicates that account managers find it hard to collect information of customers of other departments. This could upset them and prevent them from putting effort in cross-selling activities. Especially since their available time is so precious, as we have seen during the analysis of figure 7, it is important to find an easy way to exchange of (useful) information.

A way for account managers to obtain information about customers from other departments is via their colleagues who work in the office. However, this sub-group also says that it is hard to get this information, marking an average of 5,8. A possible cause may be the way Total Nederland N.V. is organized. As we have seen in chapter 3, the organization is cut into different departments which are working independent from each other and which are responsible for their results and turnovers and are also judged and rewarded as such.

In general, we could say that measures should be taken to improve the overall average of 5,7 in order to make it more easy for employees to collect and exchange information about clients from different departments.

### 5.1.3 Measures and actions

Are there any measures which could be implemented by Total Nederland N.V.'s management to increase the success (and with that the turnover) of cross-selling and if so, which are the ones to be the most effective and realistic to introduce? This is a very important question when one has to answer the central research question of this thesis as formulated in the introduction. For this reason I designed a question for the survey, with knowledge of the literature I read and the interviews I already conducted. The results of this question "I would put more effort into cross-selling if:" are displayed in table 16.

<b>I would put more effort into cross selling if:</b>	<b>total</b>	<b>commercial sales</b>	<b>staff</b>	<b>retail</b>	<b>specialties</b>
it would take less time to accomplish my other tasks	31	4	2	10	15
I receive indications from my manager that cross selling is a priority	10	0	2	2	6
I would have more knowledge of the products and services of other departments	13	1	2	6	4
I would be more familiar with the definition of "cross selling"	0	0	0	0	0
it would be easier to obtain information of customers of other departments	20	3	1	12	4
good results on cross selling would lead to an incentive	9	0	2	4	3
I would have a job which has more links and relation to the cross selling process	62	1	24	27	10
no opinion	6	0	5	0	1
something different, namely:	8	0	2	4	2
<b>TOTAL</b>	<b>159</b>	<b>9</b>	<b>40</b>	<b>65</b>	<b>45</b>

table 16 – preferred actions to stimulate cross-selling divided by department

Like we have seen before, the most given answer relates to a person's function and job-description: 62 times the answer "if I would have a job which has more links and relation to the cross-selling process" has been given. This corresponds with the outcome of the former question about time and content of the function. No less than 31 times respondents indicated there that they would need more time to participate more actively in cross-selling. Just like we have seen before, it is the employees of specialties who feel the strongest workload. This is quite interesting, because specialties is a department which is heavily involved in cross-selling, as analysed and described in chapter 3. Apart from those 2 answer categories we can clearly distinguish two other measures which are named more than the other ones. These are:

- It would be easier to obtain information of customers of other departments (answered 20 times)
- I would have more knowledge of the products and services of other departments (answered 13 times)

The exchange of information is clearly an issue which, according to the respondents of this survey, could be improved.

<b>I would put more effort into cross selling if:</b>	<b>total</b>	<b>executives</b>	<b>sales force</b>
it would take less time to accomplish my other tasks	31	7	12
I receive indications from my manager that cross selling is a priority	10	1	4
I would have more knowledge of the products and services of other departments	13	1	5
I would be more familiar with the definition of "cross selling"	0	0	0
it would be easier to obtain information of customers of other departments	20	6	10
good results on cross selling would lead to an incentive	9	1	2
I would have a job which has more links and relation to the cross selling process	62	15	13
no opinion	6	0	0
something different, namely:	8	3	4
<b>TOTAL</b>	<b>159</b>	<b>34</b>	<b>50</b>

table 17 – preferred actions to stimulate cross-selling divided by function

Taking a closer look at the different job functions, especially the measures which are named by the executives (the people who take major policy decisions) and the sales force (the people who are most qualified to bring cross-selling into practice) it is remarkable and somehow surprising to see that both the executives as well as the account manager do not name incentives as a measure/trigger to put more effort into cross-selling. It is often heard that people only get

motivated when they are being paid. However, as I also noticed during the interviews I conducted with most employees, incentives and money is not the motivational factor by which employees are triggered to give more priority to cross-selling. But to realize that just two account managers, working pure on a commercial basis, choose a measure which benefits them financially if they complete their cross-selling objectives is unexpected and shall definitely be taken into account in the chapter on the conclusions and recommendations.

#### 5.1.4 Other remarkable outcomes

When analyzing the results of the survey, I wanted to know to how many questions people had answered “no opinion”. For some questions this could be relevant to know because “no opinion” can indicate for example that the respondent does not have enough knowledge to answer a question about a specific topic.

As we can see in figure 14, there are three questions which generate much more “no opinion” answers than the other questions. In this case it concerns questions P5, P8 and P10 which a lot of people do not answer by giving a mark but which they refuse to answer by filling in “no opinion”.

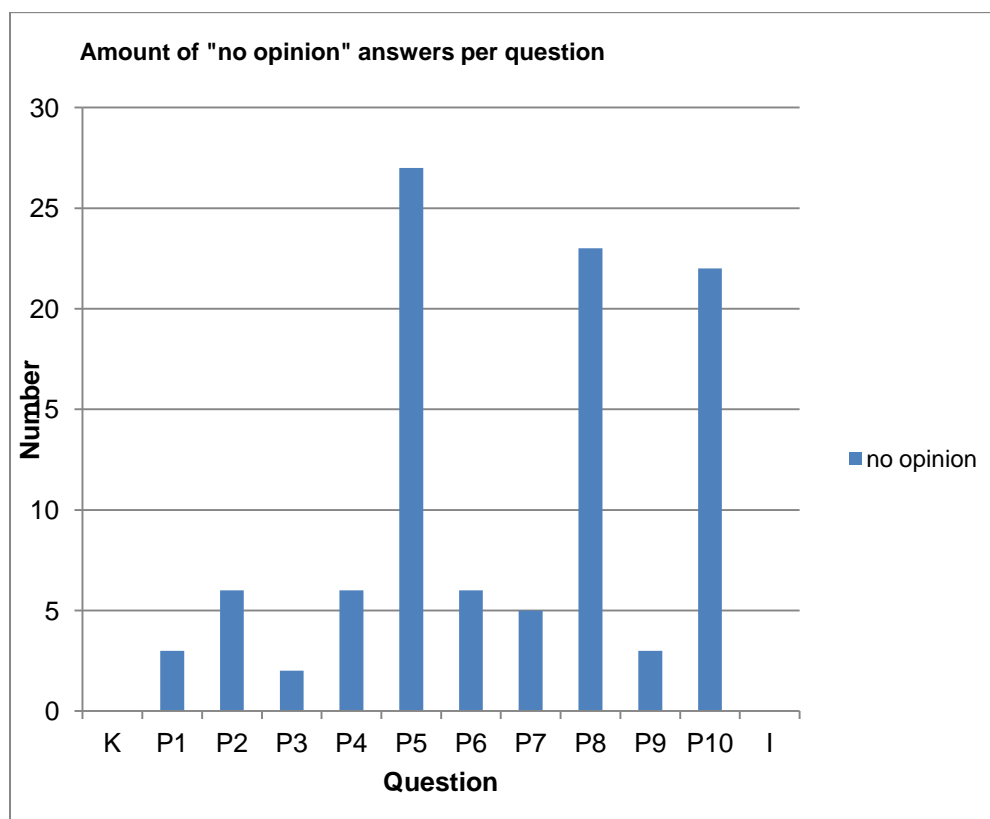


figure 14 – number of respondents answering “no opinion” per question

Apparently people did find it difficult to answer whether their manager should give more or less priority to cross-selling (P5), because 27 respondents did not give their opinion. This indicates that they do not know how much time their manager spends on cross-selling, which is an answer to question P5 on its own. Concerning cross-selling, an important task of a manager is

to stimulate and supervise his employees. If people have no idea whether a manager is interested in cross-selling, this could mean that he never talks about this subject with the employee and therefore lacks to accomplish his cross-selling tasks.

Secondly, question P8 (“Beside my other tasks I have enough time to spend on cross-selling”) and P10 (“Cross-selling does not bring anything in for me personally”) are questions where many employees do not have an opinion about. They do not know if they have enough time to spend on cross-selling and they are not aware of the fact whether cross-selling successes are beneficial for them. The main reason is probably the fact that they never come in touch with a commercial process like cross-selling and therefore simply do not have the experience to be able to form an opinion on these questions. But if they never do come in touch with cross-selling, it has to be analyzed which departments have given these answers. Usually this should be the staff departments, such as HSEQ or ICT, which have the least links to cross-selling. If this is not the case this might indicate that:

- Commercial departments are less involved with the cross-selling process then they should be
- The averages which are obtained and analyzed for these three questions are less reliable, because the population that has filled in a number is smaller in comparison to the other questions. As we have analyzed the results from these questions for the commercial departments, it is important to know if the credibility of these answers should be decreased.

But as we can see in figure 15, it is the staff department who provide for each question (P5, P8 and P10) the largest amount of “no opinion” answers. This means that credibility for the analyzed results for the commercial department does not have to be decreased and we can also say that employees of those commercial departments have an opinion on most of the premises, which assumes that cross-selling is something that people think and form opinions about. This makes change, development and stimulation possible.

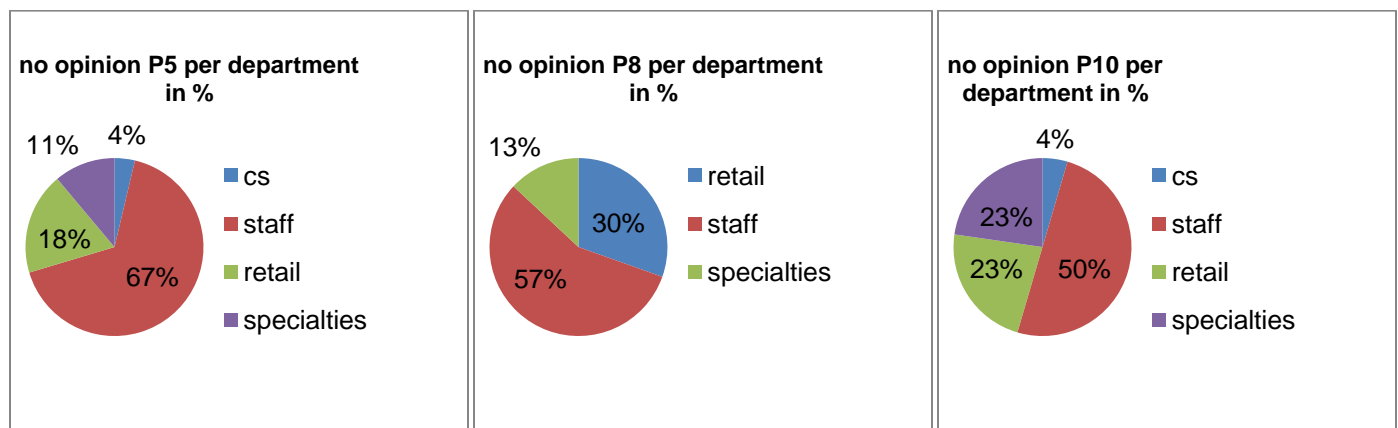


figure 15 – division per department in % on answering “no opinion” on questions P5, P8 and P10

## 5.2 Interview results

As mentioned in paragraph 4.2.5 I have conducted 17 interviews with employees of Total Nederland N.V. The interview questions were designed in order to collect as much information as possible to be able to provide answers to the sub-questions. The main focus was to measure employees' attitude towards cross-selling. Because I did want to give people the opportunity to clarify their answers and to expand on some topics, I did not create a vast list of specific questions, but I created a short-list of topics which should be discussed during the interview. These topics all related to the elements of the sub-questions. Elements like people's attitude, people's opinion on barriers to cross-sell and possible measures which could increase people's efforts spent on cross-selling are a small selection of topics I asked their opinion about. In this chapter the most interesting results of these interviews are provided and analyzed. To analyze these qualitative data I have used some elements of the Glaser and Strauss theory (Glaser & Strauss, 1967).

Firstly, I have decided on categories for every topic I wanted to include in this chapter. For example, to examine whether there is enough support amongst employees for cross-selling I created the category "attitude". Obviously, these categories relate to the sub-questions and central research question of this graduation report. After that I analysed the text and made use of "open phrase coding". I gave pieces of texts and words that can say something about someone's attitude on cross-selling a code. For example: when an interviewee said "I like to cross-sell", I gave this an open code.

After that I created classifications which relate to the category "attitude" and which cover most of the open codes I had discovered. For this particular category the classifications are "positive", "negative" and "neutral". By using affinity diagrams, organizing all the codes by assigning all codes (per interview) to a specific classification was easy.

The final stage was to count which classifications were assigned with codes and these were included in the analysis of the results. These results are displayed and analysed in the next paragraphs. Paragraph 5.2.5 is dedicated to the interview with the general manager, because he is the most important decision-maker within Total Nederland N.V.

### 5.2.1 Attitude on cross-selling

In table 18 results are displayed about the attitude of the interviewees on cross-selling.

attitude	executives	non-executives	Total
positive	10	5	15
neutral	1	0	1
negative	0	0	0
other	1	0	1

table 18 – attitude interviewees on cross-selling

It can be said that the greater part of the interviewees are positive on cross-selling. Marc Longin, director of the purchase department, is in favor of executing an active cross-selling policy for Total Nederland N.V. as an organization. However, in his job of director of purchase he does not want anything to do with cross-selling at all, because he fears a conflict of interest when his department is involved in cross-selling deals with Total Nederland N.V.'s suppliers (M. Longin, personal interview, March 10, 2012). This ambiguity concerning his attitude explains why his answers are classified as "other" in table 18.

The outcome after analysing this category "attitude" is that there is enough support for an active cross-selling policy. This is supported by the results which are displayed in tables 19 and 20, showing the classifications on the categories "advantages" and "disadvantages". It is also in consensus with the analyzed results of figure 3 in chapter 5.1, where the respondents showed a lot of support for cross-selling. Only one time during all the interviews it was mentioned that there are no advantages concerning cross-selling. Most interviewees consider a strengthening of the relations (mentioned 10 times) with the customer and an increasing turnover (mentioned 7 times) as most important advantages of cross-sell activity. The respond often was that by increasing the customer relations, the more difficult it will be for competitors to steal business from Total Nederland N.V. In times of economic depression which makes it difficult to generate new customers it is, according to a large part of the interviewees, one of the most important values which cross-selling has to offer.

As already mentioned, Longin does not see any advantage to involve cross-selling at his department Purchase. However, he is willing to make the list of Total Nederland N.V.'s suppliers available to the other (commercial) departments of the organization, which enables those departments to contact the suppliers to propose business offers to them, but only under the restriction that the purchase department does not play any role in negotiating prices and other conditions between the supplier and the other department (M. Longin, personal interview, March 10, 2012).

Other indications that indeed prove that cross-selling is widely supported and not underestimated and appreciated is the fact that people have mentioned more advantages (25) than disadvantages (10) and that the classification "none" was answered most often on the question what people considered to be disadvantages of cross-selling.

The biggest fear which the interviewees have is that customers might react negatively and dissatisfied after another department has been involved in business. Several reasons mentioned were: the fear that the other department makes an offer with outstanding prices and conditions, the fear that colleagues misbehave which annoys the customer etc. This might prevent employees from offering products from other departments to the customer.



<b>Advantages</b>	<b>executives</b>	<b>non-executives</b>	<b>total</b>
increasing customer relations	7	3	10
an easy way to increase turnover	5	2	7
improvement internal communication	2	1	3
increasing customer file	1	1	2
less effort to get in touch with customer	1	0	1
None	1	0	1
Other	1	1	2

table 19 – advantages of cross-selling

<b>Disadvantages</b>	<b>executives</b>	<b>non-executives</b>	<b>total</b>
None	4	1	5
might create dissatisfied customer if offer does not meet expectations	2	2	4
opposite effect by creating awareness customer that competitors can cross-sell too	1	1	2
internal competition departments	1	1	2
review of current conditions by customer	1	0	1
Other	1	0	1

table 20 – disadvantages of cross-selling

## 5.2.2 Barriers on cross-selling

Just as is done in the internal survey, I have examined which barriers are considered to slow down cross-selling activity. The results are shown in table 21.

<b>barriers for employees</b>	<b>executives</b>	<b>non-executives</b>	<b>total</b>
mentality employee; other priorities	6	2	8
fear of losing customer due to dissatisfaction customer or offered services by competitors	5	1	6
insufficient knowledge of products and services of other departments	4	1	5
business specific department not qualified enough for cross-selling	2	2	4
lack of priority on management-level	4	0	3
None	0	1	1
too difficult to obtain information from other departments	0	0	0
organizational structure Total Nederland N.V.	0	0	0
Other	1	0	1

table 21 – barriers on cross-selling

A lot of interviewees have mentioned that the success of cross-selling depends solely on the mentality of the employee. If an employee is not motivated to spend time on cross-selling, it is unlikely that successes will be gained. Various interviewees told me that they think a lot of employees have other priorities than cross-selling. The fear of losing their own customers because of the involvement of other departments has been addressed various times.

Also some people feel they lack knowledge of other departments' products and services which makes it difficult for them to show customers all the possibilities which Total Nederland N.V. can offer as an organization. This is remarkable, because the internal survey showed a 7 as average scored by the sales force employees when asked about their knowledge of other products. Most of the interviewees are related to sales force jobs and therefore it was not expected this classification would list as high as it does now.

In some cases it was impossible to apply cross-selling at a customer, despite the fact that this customer was interested, because the involved department could not deliver the products and services required for this customer. This is mentioned 4 times as possible barrier. Due to bad internal communication, at least in one case, this problem was discovered only after the customer had already been contacted by the other departments.

Finally, it is remarkable that none of the interviewees mentioned the difficulty in obtaining information from other departments as a barrier, because the results of the survey (see paragraph 5.1.2) showed that sales force employees scored a 5,5 on this question.

### 5.2.3 Measures and actions

Other elements which relate to the sub-questions of this graduation report are the measures which could be taken to increase cross-selling activity and in that way generate the turnover as a result. In paragraph 5.1.3 the results obtained by the internal survey showed that most sales force employees appoint "more time" and "to obtain quicker information of customers from other departments" as key-factors in cross-selling success. Below in table 22 the results of quite the same question are shown, but then discussed during the interview sessions.

measures/actions	executives	non-executives	total
improve internal communication between departments	8	4	12
management shows priority	4	3	7
more reporting (of results, situation etc.)	3	4	7
increase knowledge of other products from other departments	4	2	6
increase awareness customer about the possibilities Total has to offer	3	2	5
to list cross-selling in the objectives	2	2	4
Incentives	3	0	3
Other	0	1	1

table 22 – measures to be taken which will increase cross-selling activity

Most people told me that internal communication should be improved. Too often people do not know which issues have priority at other departments. To increase internal communication various solutions were mentioned. One of them is to organize meetings between the different account managers of one region. When this was mentioned, I sometimes coded the answer in the classification “improve internal communication between departments”, but other times I coded this measure in the classification “increase knowledge of other products from other departments”. Employees are in the possibility to exchange information of each other’s products and services when they meet during such organized meetings. This is exactly the reason why I preferred coding phrases instead of only words, because it allowed me to place the coded phrase in the right context.

Other measures to increase cross-selling activity which were mentioned many times are the responsibility of the management to show their sympathy for cross-selling and to increase knowledge at the employees of other products from other departments.

Interviewees assign an important role to the back office of cross-selling. The back office should report more on results, successes and the current situation of generated leads in order to continue to stimulate people to spend time on cross-selling.

Two out of three most listed classifications of table 21 relate to a person’s mentality (management stimulates by showing its priority and the back office informs people in order to stimulate them). We can ask ourselves by which factors people’s mentality is influenced as to make them spend more time on cross-selling. Is it something that can be stimulated and if so, by which element in the organization? Or is mentality something which cannot be influenced by external factors but can only be changed by the employee himself? I have discussed this with the interviewees and the results are displayed in table 22.

<b>stimulation employees through</b>	<b>executives</b>	<b>non-executives</b>	<b>total</b>
by management	7	2	9
by back office	5	2	7
only their selves	5	1	6
improving internal communication	3	2	5
increase incentives	1	0	1
other	0	0	0

table 22 – factors which influence mentality employees the most

Emphasis was put on the roles management and back office should play in stimulation of a person’s mentality. A large part of the interviewees considered (mentioned 6 times) that a change in mentality can only be instigated by the employees themselves. In other words, no external factor (incentives, more reporting etc.) will cause a change in the behavior of the employee.

Talking about incentives: as we have seen in the analysis of the survey results in paragraph 5.1.3, again, incentives are not considered to be a factor which stimulates in cross-selling. In relation to the BEST Selling Model discussed in chapter 2. This is remarkable because the theoretical model emphasizes the importance of rewarding people as a crucial factor for cross-selling success (see also paragraph 2.4).

#### 5.2.4 Cross-selling bastions

Which departments are considered to be bastions for cross-selling; which departments offer products and services most suitable for cross-selling. Specialties and cards are mentioned most often. Cards is a segment of the retail department. However, because of the many times the interviewees mentioned cards I decided to make it an independent classification. Criteria of which people that think departments need to have them to make them a true cross-selling department are:

- Products and services which are needed by many customers.
- A large file of customers.

In relation to the latter point; commercial sales has a limited file of customers and that is the reason for many interviewees not to name them as specific cross-selling department.

department	executives	non-executives	Total
cards	7	2	9
specialties	6	2	8
commercial sales	3	1	4
purchasing	2	0	2
retail	0	0	0
other	0	0	0

table 23 – departments most suitable for cross-selling

#### 5.2.5 View of the management on the BEST Selling Model

An interview was also conducted with Benoit Ortegat, general manager at Total Nederland N.V. Because he is one of the key decision-makers, it is interesting to analyse what his opinion is concerning the elements of the BEST Selling Model in the context of the organization as described in paragraph 2.3 and 2.4. Below the most remarkable statements of Ortegat in relation to the BEST Selling Model are provided. An excerpt of the interview is included in appendix I.

##### *Commitment by senior management*

In Harding's view, commitment by a company's management is required to make cross-selling a success. "Those who run the professional and sales organizations must be selected for their interest in cooperating and must demonstrate their commitment repeatedly" (Harding, 2002, p. 140).

Ortegat says: “I have put cross-selling in my own objectives because I consider it to be important myself” (B. Ortegat, personal interview, March 18, 2012), which confirms the importance he attributes to cross-selling. He also states that he thinks it is important for employees to know that cross-selling is a priority issue for the management.

#### *Network internally*

Where Harding emphasizes the importance of internal networking by employees (Harding, 2002, p. 159), Ortegat agrees with this when he says that organised meetings for account managers from a specific region will make the account manager aware that he can benefit personally if he cooperates with his colleagues from other departments. According to him, emphasis has already been put by management on a different, broader, way of thinking, which stimulates people to look at the bigger picture instead of just within one’s own department (B. Ortegat, personal interview, March 18, 2012).

#### *Communication*

According to Ortegat, employees must be informed periodically about successes and the status of generated leads in order to stimulate them to spend time on cross-selling. He also says it would be important to have an integrated CRM system making it possible for an employee to keep an eye on the status of a lead. Harding puts more emphasis on this latter form of communication. For him, there are only two kinds of communication which are required (Harding, 2002, p. 164):

- The employees must know the client and understand the customer’s issues.
- The employees must know all about the company that employs him or her

#### *Rewarding*

In paragraph 2.5 we have concluded that a clear rewarding system is indispensable according to Harding for profitable cross-selling results. However, the internal analysis from chapter 3 showed us that there is no true vast rewarding system on cross-selling within Total Nederland N.V. Analyzing the survey and interview results taught us that rewards and incentives are not that important for respondents as is assumed by Harding (2002, pp. 179-191). Ortegat confirms there is no rewarding system as such. However, for good initiatives which will promote and stimulate cross-selling amongst the employees there is a budget available. But stimulation should be primary occur through communication and not via financial compensations (B. Ortegat, personal interview, March 18, 2012).

## 6. SWOT-analysis

The results of the research which has been obtained in the previous chapters will now be categorized to be able to analyse the strong and weak points from Total Nederland N.V. in relation to cross-selling and to map the threats and opportunities which could have an influence on the success of cross-selling within the organization. The first step is to draw up an overview with all possible elements, acquired through the desk research, the results of the survey and the interviews. This is done by creating a SWOT analysis, which is displayed in paragraph 6.1. In paragraph 6.2 all these elements are rated conform strength and confronted with each other. A confrontation matrix will serve as a tool to do this. In this way, it becomes more obvious which elements should be improved to increase cross-selling activity and which elements should be applied and implemented as much as possible because they already are a strength for the organization. In paragraph 6.3 a conclusion is provided in relation to the SWOT analysis and the confrontation matrix. This chapter helps and facilitates in forming conclusions and recommendations which will be done in chapter 7.

### 6.1 SWOT Analysis

Strengths	Weaknesses
<b>S1.</b> Cross-selling is supported throughout the whole organization; making a top-down policy from management to sales force employees possible.	<b>W1.</b> It is considered to be difficult to obtain information about customers of other departments.
<b>S2.</b> 2 out of 3 commercial departments have big customer files containing thousands of customers which make use of the organization's products and services.	<b>W2.</b> The knowledge of products and services which are offered by other departments is sometimes insufficient to be able to cross-sell actively.
<b>S3.</b> Total Nederland N.V. has unique selling points in comparison with competitors like a technical helpdesk at the specialties department and a sales force which physically visits its customers.	<b>W3.</b> Because people fear to lose dissatisfied customers if they involve other departments, they are less eager to cross-sell actively.
<b>S4.</b> Informal working climate which makes it possible to approach anyone in the organization, regardless his or hers position. All commercial departments are located in a small physical distance from each other.	<b>W4.</b> There are no sophisticated tools to create and increase awareness amongst customers about the variety of products and services Total Nederland N.V. has to offer.
<b>S5.</b> Total Nederland has a very differentiated product range. The organization offers a lot of various products which are suitable for different types of companies/industries.	<b>W5.</b> In some cases, Total Nederland N.V. cannot offer those products or services which are needed to cross-sell. For example, the low density of filling stations alongside the Dutch highways makes it not attractive for a transport company (their lubricants are offered by

	specialties) to fill up at Total's filling stations (commercial sales department).
	<b>W6.</b> No clear rewarding system and no official budget for such a rewarding system available, although this would be required for cross-selling success according to the theoretical BEST Selling Model.
	<b>W7.</b> People feel they do not have enough time to put efforts on cross-selling; there are too busy with their other tasks.
Opportunities	
Threats	
<b>O1.</b> A significant part of the employees have not yet participated in cross-selling which means no full use has been made of the full sales force potential.	<b>T1.</b> Cross-selling is not administrated accurately which results in an inaccurate overview on the current status and situation of cross-selling.
<b>O2.</b> Total Nederland N.V. is one of the 5 biggest oil companies in the world, operative in more than 130 countries worldwide and it has a staffing of about 96.000 employees.	<b>T2.</b> The organizational structure of making every department dependent for its own results, makes people focus on department objectives instead of the importance for the whole organization.
<b>O3.</b> The economic depression makes it more difficult to attract new customers and to increase business. Cross-selling might be a solution since it offers a way of increasing business at existing customers.	<b>T3.</b> Cross-selling might have a contrarily effect when applied incorrectly, resulting in dissatisfied customers.
<b>O4.</b> Product innovation; new products with new specifications might be attractive to a whole new range of customer-types. Total has always been an innovative company. Examples are Excellium gasoline and Eco 10. New products might be interesting for existing customers.	<b>T4.</b> Small independent companies like oil traders, filling stations etc. which offer their products at lower prices. As a result, it is not attractive for a customer to buy all his products and services at Total Nederland N.V.
<b>O5.</b> Many customers might not be aware of the full range of products which Total Nederland N.V. has to offer. Here lies an opportunity to increase this awareness which might have a positive effect on cross-selling turnover.	

table 23 – SWOT analysis on cross-selling within Total Nederland N.V.

As the SWOT analysis shows us more weaknesses than strengths were distinguished. This can be explained by the fact that this SWOT analysis is based on the outcome of all the research results. The main focus of my research was to examine and to discover the weak elements in and of the organization in order to propose measures which should improve these weak elements. So for this reason more weaknesses than strengths were generated in this SWOT analysis.

In the next paragraph a closer look is taken to what extent all the elements listed in the SWOT analysis on the cross-selling process within Total Nederland N.V. were influenced.

## 6.2 Confrontation matrix

The confrontation matrix displays all the elements from the SWOT analysis in such a way that 4 quadrants are being created. These quadrants show how much influence strengths and weaknesses have on the various opportunities and threats. Since my research primarily focused on the internal situation of cross-selling, I have developed only a small number of opportunities which might not be pure external factors, but which I still consider to be opportunities or threats for a successful cross-selling policy. This also depends on how Total Nederland N.V. will deal with the organization's strengths and weaknesses.

I have rated the various elements with plus and minus signs, depending on how they influence the opportunities and threats. A zero was used in case a strength or weakness did not have any influence on an opportunity or threat. The quadrants have been filled by using the following criteria:

- Opportunities and strengths (quadrant 1): is it possible to take full advantage of this opportunity by applying this strength?
- Threats and strengths (quadrant 2): is this strength sufficient to overcome this threat?
- Opportunities and weaknesses (quadrant 3): is this opportunity blocked because of this weakness?
- Threats and weaknesses (quadrant 4): makes this weakness it impossible to overcome this threat?

The results are that some strengths and weaknesses have more influence than others and these elements should be implemented in measures and new strategies at all times. The confrontation matrix is displayed in table 24 on the next page.



Legend:	Opportunities	01. Unexploited potential amongst employees	02. Total belongs to the top 5 oil companies in the world	03. Market despite economic depression	04. Product innovation	05. To make customers more aware about Total's products	Threats	T1. Inaccurate system of administration	T2. Organizational structure of Total Nederland N.V.	T3. Opposite effect when cross-selling is applied incorrectly	T4. Competition of small independent companies
++ = very advantageous											
+ = advantageous											
0 = no influence											
- = disadvantageous											
-- = very disadvantageous											
Strengths											
Support throughout whole organization <b>S1</b>	++	0	0	0	0		0	+	0	0	
Big customer files with thousands of clients <b>S2</b>	++	0	+	+	+		0	0	0	0	
USP's: helpdesk and a travelling sales force <b>S3</b>	0	0	0	+	++		0	0	0	0	
Informal work climate, people are easy to approach <b>S4</b>	+	0	0	0	0		--	0	+	0	
Differentiated product range <b>S5</b>	0	0	+	+	++		0	0	0	0	
Weaknesses											
Difficult to obtain information from other departments <b>W1</b>	0	0	-	0	--		0	-	--	0	
Insufficient knowledge all departments' products <b>W2</b>	-	0	-	-	--		0	0	--	0	
Fear of losing customers amongst employees <b>W3</b>	--	0	0	0	0		0	--	0	0	
Customers not aware enough about Total's possibilities <b>W4</b>	0	-	--	--	--		0	0	0	0	
Impossible to offer needed products/services <b>W5</b>	0	--	0	0	0		0	0	-	0	
No clear rewarding system, no official budget <b>W6</b>	-	0	0	0	0		0	0	0	0	
Lack of time to put effort in cross-selling <b>W7</b>	--	0	-	0	-		--	0	0	0	

table 24 – confrontation matrix on cross-selling within Total Nederland N.V.

### 6.3 Conclusion SWOT and confrontation matrix

This paragraph contains a clarification on the links which have been made between the elements and the opportunities and threats of the confrontation matrix from table 24

#### STRENGTHS VERSUS OPPORTUNITIES (QUADRANT 1)

In this quadrant the opportunities of the organization which would enable Total Nederland N.V. to be successful in cross-selling are related to the company's strengths. The company has good opportunities which can well be mixed with its strengths. For example, the desk research (analysis of the dashboard) showed us that a big part of the employees have not yet participated in cross-selling. It would be an opportunity for Total Nederland N.V. if this group would start putting effort in cross-selling. For one of the strengths the survey results have revealed is that most employees appreciate cross-selling as valuable for Total Nederland N.V.

and that management supports it. If management acts like this, they should stimulate the inactive people who on their turn will not reject these stimulations since they realize the importance of cross-selling for the organization.

Another strength that should be fully exploited is the size of the company. A lot of customers offer a lot of undiscovered potential. Total should make full use of its wide range of products and create awareness amongst its customers that Total can offer so many products. This can be accomplished by the sales force which has the opportunity to visit customers and inform them about all possibilities in personal contact with the client. In comparison with competitors, this is an USP for Total Nederland N.V. because not all oil companies have a travelling sales force on the Dutch market anymore.

### *STRENGTHS VERSUS THREATS (QUADRANT 2)*

In this quadrant, the same strengths are being linked to the threats which the company faces as barriers for a rewarding cross-selling policy.

Despite the fact that the informal atmosphere (S4) is listed as an organizational strength, it can turn out as to be a weakness when it meets with the threat of poor reporting. In chapter 3 it has already been demonstrated that not all the cross-selling customers are known because a lot of them are not administrated in the dashboard (the current registration system). One of the causes might be the fact that people approach each other in a very informal way, sending each other generated leads without following the procedures needed to record these leads. In this way, a lot of turnover which can be attributed to cross-selling is lost and makes it difficult to monitor cross-selling and report on it. For the success of cross-selling it is very important that the informal structure of the organization does not become a trap for successful cross-selling.

### *WEAKNESSES VERSUS OPPORTUNITIES (QUADRANT 3)*

The outcome of quadrant 3 shows us whether identified weaknesses are barriers for the organization's opportunities.

As we can see, a lot of the weaknesses do play a crucial role in preventing the development of the opportunities. For example, when more companies will be more aware of the full range of products Total Nederland N.V. has to offer, it is important that the travelling sales force (an USP of the organization) is capable of informing those customers about what Total Nederland N.V. can mean for them. However, the survey results showed that a lot of people do not have enough knowledge of other products and services from other departments and therefore is listed under weak points (W2). Without the proper knowledge it is impossible to inform customers about the range of possibilities. One way to obtain this required knowledge is by acquiring the knowledge internally, via different kind of tools. However, another weak point, listed in the confrontation matrix, is to obtain information of other departments' products (W1). As we can see, the elements from quadrant 3 are related to each other and when one weakness will be improved, others will be improved automatically too. To make sure that opportunities are being used, strategies have to be developed to minimize the weaknesses from quadrant 3 as much as possible.

#### *WEAKNESSES VERSUS THREATS (QUADRANT 4)*

Finally, we examine whether certain threats can be solved by improving the weak points.

For Total Nederland N.V. this is important to stay in control. Again, emphasis is put on the weak points of insufficient knowledge (W2) and to obtain information (W1). Bad internal communication might lead to several account managers approaching one customer, not knowing from each other that they are visiting this client at the same time. Other threats are informing a potential customer with wrong information about products, because the knowledge lacks to inform the customer properly. This might result in dissatisfied customers, when afterwards it turns out that they have been wrongly informed. Due to the organizational structure that makes the various departments quite independent and responsible for their own results, as we analyzed during the desk research, employees tend to place the departments' interest over the interest of the whole company. This threat is strengthened by the fact that some employees indicated during the interviews and in the survey that they fear to involve other departments. For this reason, this weakness scores a double minus (--) on this threat. A lack of internal communication (W1) contributes to this fear. Therefore, W1 scores a minus (-) at the threat of T2 and shows again that a lot elements from the confrontation matrix are interrelated.

How to minimize the effects of the weaknesses and to make full profit of the opportunities and strengths will be the main subject of the conclusion and recommendations which are provided in the next chapter.

## 7. Conclusion and recommendations

On behalf of Total Nederland N.V. the internal situation concerning cross-selling has been examined. The management would like to know if the generated turnover by cross-selling could be increased by 25% and how to strengthen the relations with the company's customers. Based on the theoretical models which have been discussed in chapter 2, I have used various research methods to collect as much data as possible to be able to provide the management with conclusions and recommendations. The research results were explained in the previous chapters. Based on these results and the theoretical model the following can be concluded:

### 7.1 Engagement

There is enough support for cross-selling amongst all levels of employees within Total Nederland N.V. Most people understand that cross-selling could be profitable for the organization. A majority of the respondents has confirmed that cross-selling is an opportunity for the company to raise extra turnover from existing customers. Management at all levels (general management, directors of departments, sales managers) realize that the successful implementation of a cross-selling policy will be lucrative. However, there is no consensus about how to give shape to this policy; the main part of the executives does not consider it necessary to create jobs to improve cross-selling. Improvement should be done within the current organization and with the current amount of employees.

But many employees feel they are under time pressure which prevents them to be more active in cross-selling. There are more factors which have turned out to be barriers for true engagement in cross-selling. One factor is that people find it difficult to connect their jobs to cross-selling. Another one is the lack of personal profit which people experience when one is engaged in cross-selling. The survey results showed that an employee generally feels that his or her function does not have any interface with cross-selling.

In the studied theory a distinction is being made between people in commercial and people in staff functions; cross-selling is supposed to be a process which succeeds or fails by the level of engagement of the *commercial* professionals. Focusing on the commercial employees at Total Nederland N.V. only, we can conclude that a vast number of employees at commercial departments do not participate yet in the cross-selling process (shown in the desk research in chapter 3). The reasons which many employees have provided for the fact that they hardly participate in cross-selling are questionable. One reason which has often been provided is that the job is not suitable for cross-selling. However, employees with commercial jobs are frequently in contact with Total Nederland N.V.'s customers. A second reason which can explain a lack of participation in cross-selling amongst commercial employees is that they experience no advantage for them on an individual level. This reason can be questioned, because it has been proven that people who are active cross-sellers receive more leads from colleagues than people who are not.

Receiving leads is an opportunity for account managers to convert them in to new customers. These new customers will bring in new turnover and margin. This is beneficial to the personal situation of the account manager. Therefore, recommendations in the theoretical framework of engagement should be mainly applied to the employees who work at the commercial departments (especially those in an executive position or at a job in the travelling sales force of the company).

### *RECOMMENDATIONS*

In determining which recommendations could contribute to the increase of engagement I have taken the analysis of the confrontation matrix from paragraph 6.2 as a reference point. The following recommendations concerning engagement should be considered by the management of Total Nederland N.V. in order to increase engagement on cross-selling amongst its (commercial) employees:

- Management should provide its employees with enough time to spend on efforts on cross-selling. Cross-selling can only be listed in the objectives if the employee is given the opportunity to accomplish these objectives. During the end-of-year evaluations it is the duty of the sales managers to determine and provide the employee with an overview not only on the cross-selling objectives but also on the allocated time which is considered to be needed to accomplish these goals. This allocation of time should fit in the official time-schedule of an employee.
- It should be made clear to the employees that the client's interest is preferred above the department's and the employee's first interests. Management should carry out this message on sales manager level. Despite the fact that sales managers are primarily responsible for the department's results, they need to convince the employee to always take into account the value which a customer could have for the whole organization in order to make full use of the potential a customer offers. This broader view on the possibilities of a customer must get awareness under employees. Sales managers are responsible for doing so.
- It can be assumed that engagement will be increased when employees are aware of the fact that being active in cross-selling is rewarding because in the end, according to the theory from chapter 2, the employees always get leads and favors in return from his colleagues; the fear of losing customers should weigh less than the joy of receiving leads a new potential from colleagues. The back office responsible for the administration of cross-selling has to promote more often and more consistently that there is tendency between the amount of leads one generates and the number of leads (and thus potential new customers) that will be received. This can be done by reporting more statistics and successes and, taken the strength of the informal company structure into account, by mentioning this in personal conversations.
- A final recommendation which will increase people's engagement on cross-selling is to ask them periodically about the status of generated leads which have not yet been converted to new customers and which have not been closed yet. This monitoring of leads is now happening randomly, only 1 or 2 times a year. This should be done more regularly and not just by the back office but also by management who have a monitoring

task in this context. The back office should send e-mails once a month to check the status leads to be processed and sales managers should go through the whole list of open leads when they have their moments of evaluation with the various account managers they are responsible for.

## 7.2 Communication

As the theory from chapter 2 states, good internal communication is a crucial factor and a key-issue for cross-selling success. The research showed that there is a lot of room for improvement of the internal communication in relation to cross-selling within Total Nederland N.V. The survey results as well as the analysis of the interviews showed that people find it difficult to collect information about customers of other departments. This exchange of information is required when one wants to know which customers might be interesting to approach or to get to know some background information on a customer.

Furthermore, one of the identified opportunities in the confrontation matrix is to increase awareness amongst customers about the possibilities Total Nederland N.V. can offer them. To utilize this opportunity, good basic knowledge of the product range of the company is required amongst all employees. This basic knowledge is of such a level that there is room for improvement. Good internal communication can contribute to achieve this. Not only internal communication plays a role to increase cross-selling success. To raise the awareness amongst customers about Total Nederland N.V.'s products and services external communication should be improved to make this happen.

Finally, it can be concluded that one important barrier for people to spend time on cross-selling is that they often feel that a customer might get dissatisfied when involving a colleague of another department in the process. If the internal communication would be improved and employees would meet more often and discuss each other's customers and approaches, confidence between those employees would be risen which makes involving other employees easier.

### *RECOMMENDATIONS*

Several recommendations will improve the internal communication. Again, these recommendations have been provided keeping an eye on the confrontation matrix of table 24.

- Meetings should be organized where account managers of the various departments, responsible for a specific region, will be able to meet and discuss their customers and their methods of working. These meetings should only be attended by the employees of the sales force, because they are the ones who have the most contact with customers. During most of the interviews conducted, people indicated that these meetings provide a tool to exchange information and to generate new leads. Moreover, people told that these meetings have been organized in the past and that cross-selling activity has been declined since they were not organized anymore. Questions which the account managers should discuss with each other are, amongst others:

- What customers do you have for me that might be of interest to approach?
  - What are the most popular products and services you sell and can you provide me some background information about them? (also in written text).
  - What type of customer are you looking for in your business?
- To increase awareness amongst customers and improve employee's knowledge of Total Nederland N.V.'s products, a brochure has to be designed and developed providing an overview of the most important and used products and services and serving as a marketing tool to show what Total Nederland N.V. is capable of and what it stands for. Most of the interviewees did stress the importance of such a brochure which does not exist yet. The brochure should comprise separate sheets and every sheet should tell something about a specific department. It prevents the necessity to change the complete brochure when something changes in a department's product range. The marketing department should be the main responsible party for the development of this, staying constantly in a dialogue with the responsible directors of the departments on the content of it.
  - Full use should be made of the various CRM systems in order to share as much information as possible. Most of the CRM systems are only used for department purposes only. It should be examined whether, even if it is basic information, these CRM systems can make it possible to share information between the different departments. Colibri is a widely used system and this system offers the opportunity to indicate at which departments a company is known as an active customer. This is a good start for sharing internal basic information about each other's customers. Total Nederland N.V.'s ICT department should examine this, together with appointed responsible employees on this matter from every department.
  - To improve internal communication and knowledge of each other's products and service, employees should once a year spend a working day with a colleague from another department. First of all, people get the chance to communicate directly to each other, what might increase confidence and secondly, in this way people get to see what their colleagues are doing, which products they sell, what the bottle necks for them are etc. The desk research showed that leads generated by retail have the best success to be converted to new customers at the specialties departments. These kinds of links should be taken into account when organizing such "accompany-days". The account managers are responsible themselves to make appointments with their colleagues for such days. Afterwards, they should write a short report to their sales manager on how the day evolved. The sales manager should keep these reports in the employee's file and come back on it during the annual evaluations.
  - To provide the employees with a tool enabling them to see which account manager is responsible for a specific region, folders of the different regions per departments should be updated, spread and put on the intranet. Employees should carry these little folders with basic organizational information (who is responsible for what?) always with them when visiting customers or prospects. The updating and spreading is a task of the cross-selling back office.

- To create more awareness amongst customers about all the possibilities they could enjoy, one of the recommendations is to be creative with the invoices which are sent to customers. Short information about Total Nederland N.V.'s departments (contact info/website) or about its USP's (technical helpdesk) can be displayed on the invoice. This might attract a customer's attention. In close cooperation between credit control (the department responsible for invoicing and all relating matters) and the various departments it should be examined whether this is possible.
- Finally, at the specialties department a digital order system is in use, which can be used by specialties customers to order new products. This system is called TLS and is now only applied for specialties customers needing lubricants. However, after logging in on TLS, the customer should be able to see more information than just information about lubricants. At least links to websites of the other departments should be provided, as well as basic information of other popular products and services that Total Nederland N.V. has to offer. The development of TLS is the responsibility of the technical helpdesk at the specialties department. This segment should implement this recommendation in cooperation with the directors of the other departments, making sure that the information provided is correct and up to date.

Implementation of the recommendations mentioned above will guarantee an improvement of internal and external communication and therefore reduce the weaknesses which were identified through the research. Also, it will provide a way to make full use of the opportunities which were described in the confrontation matrix.

### 7.3 Rewarding

The desk research has revealed that there is no vast rewarding system concerning cross-selling within Total Nederland N.V. However, according to the theoretical BEST Selling Model which is used as a guide throughout this graduation report, rewarding is one of the pillars on which a successful cross-selling model is built.

After analysis of the research results it can be concluded that the lack of such a clear rewarding system is not considered to be demoralizing for the dedication of the work force concerning cross-selling. It is not one of the main reasons why people would spend more time on active cross-selling. Furthermore, interviews with the management clarified that there is no official cross-selling budget, which makes it impossible to implement a clear rewarding system. If we take a look at the confrontation matrix from table 24 in paragraph 6.2, we can conclude that the lack of a rewarding system and the unlikeness that such a system gets approval by the management does not need to have catastrophic consequences for the cross-selling process within Total Nederland N.V., because it has little impact and meaning in the confrontation matrix. Only the opportunity that employees who have not yet participated in cross-selling will increase their activity can be threatened by this weakness. But as just has been explained, research results do not support this possible threat, because rewards and incentives are not an important motive for most of the employees. The negative influence on the cross-selling process is therefore to be considered marginal.



However, another aspect of the rewarding element of the theoretical model is to publicly recognize people's success which will motivate them and their colleagues to do even better in the future. More attention should be paid to this element, because people have showed in the research results that they would like more reports on cross-selling. Moreover, there is only one moment were people get publicly recognized by the management for gained cross-selling success and that is during the New Year's party, which obviously is only one time a year.

### *RECOMMENDATIONS*

Concerning the rewarding element of cross-selling and based on the research results the following recommendations are formulated:

- Employees who book significant successes on cross-selling should be recognized more publicly in order to stimulate an active cross-selling behavior amongst the colleagues. Based on the studied theory and on the desk research, public recognizing of successes should be done more often to reward people's efforts. This also stimulates others to follow the example set by their colleague, because everybody, especially sales people, want recognition in his or her job. Public recognition should be provided by sales managers during evaluation meetings, but also on a regular ordinary basis during meetings with sales forces and by writing periodically about obtained cross-selling successes which can be published on the intranet.
- Emphasis should be put on the quality of a generated lead, rather than on the quantity of the generated leads. At the current situation, people get publicly recognized at the New Year's party by the general manager on basis of the amount of leads they have generated over a year. However, a formula should be invented which puts more emphasis on the success factor of a generated lead. It might be frustrating for someone who only delivered one successful lead to a colleague and therefore was not mentioned, but someone who delivers 5 leads without anyone converted to a new customer gets the credits and the applause. This might cause a feeling of frustration and resistance to the work force which demotivates them to spend time on cross-selling.

A formula which might work is for example:

- 5 points for a generated lead.
  - 10 points for a lead which one has received and which one is able to convert to a customer.
  - 25 points for a generated lead which someone is giving to another colleague of another department and which is converted successfully to a new customer by that colleague.
- Reward the most successful department instead of a single employee. To reward a whole department is an effective way to stimulate a large part of the work force. The meaning of such a reward is to stimulate the group process: nobody likes to be a negative factor in a group and for this reason many people at the same time will show effort to obtain successes. Despite the fact that there is no budget for cross-selling, as concluded in the analysis of the interview with the general manager, it has also become

clear that there is money available for good initiatives (see paragraph 5.2.5). Total Nederland N.V. itself, being a part of a multinational and being one of the 5 biggest oil companies in the world, is for that reason listed as an opportunity. For good ideas and initiatives money is always available to facilitate them. This is one of the advantages that comes with the size and position of the company. A good rewarding system of which a whole department can profit should be the outcome of cooperation between the cross-selling back office and the marketing department. The general manager has to approve of this initiative.

## 7.4 Administration

With the central research question in mind I wanted to study and find ways to provide a positive answer to this question. One way was to critically analyse the way generated leads are administrated. The current administration system, the cross-selling dashboard, was introduced only a few years ago. After close examination and research it can be concluded that not all generated leads and cross-selling customers are known by Total Nederland N.V. A lot of cross-selling customers who buy products from different departments have not been counted as cross-selling customers. A part of the turnover which they generate should be recognized as cross-selling turnover. Taking this unidentified cross-selling turnover into account, the central research question is in fact partly answered. This “extra” turnover does significantly increase the official turnover.

Furthermore, it is important to administer and process generated leads correctly. If not, turnover generated by cross-selling could remain unnoticed as has happened in the past. Considered to be a strength of the organization (see also the confrontation matrix in table 24), the informal nature of the organization, could turn out to be a weakness in this situation when employees exchange leads and updates without informing the back office. Theory has learned us that rules concerning cross-selling should be minimized. However, to administer properly all the possible turnover, rules for internal communication (communication from employees to the back office) should be clearly established. For this reason the following recommendations are done:

- To stimulate employees even more to communicate all generated leads to the back office in order not to “lose” cross-selling turnover. This is done by promoting the cross-selling procedures which are explained in the internal situation analysis in chapter 3. The back office is responsible for promoting these procedures and for monitoring that every lead is recorded in the administration system.
- To change the current administration system; the dashboard is not complete. It misses many customers which are known in more departments. A more effective system would be to make use of the complete current and up to date customer file of Total Nederland N.V. This customer file is created in the course of the research for the purpose of the customer research which has just been explained. The customer file now available offers a good basis to expand; it is complete, it is up to date and it provides a good overview of the current cross-selling situation. The back office should integrate the information from

the dashboard into the new customer cross-selling file and afterwards delete the dashboard.

- To draw up stereotypes of cross-selling customers. Since we now have a full list of cross-selling customers, it should be possible to detect specific characteristics which can be attributed to these cross-selling clients. The list of stereotypes should be sent to every commercial department which can analyse its own customer file and compare the compliance of this file to the stereotypes drawn up by the back office. If there are matches and these matches are not referring to a cross-selling customer yet, the customer should be approached by the concerning departments.

A final recommendation is proposed based on the interview with the director of the purchasing department (see also paragraph 5.2.1). Although many employees mentioned the possibility of involving the purchase department in cross-selling deals with the suppliers of Total Nederland N.V., it must be concluded that at the moment this idea is not supported by the purchase management and therefore should not be recommended. However, the management does not protest against the idea to provide the list of suppliers to the other departments and use this list for commercial purposes without involving the purchase department in commercial deals (M. Longin, personal interview, March 10, 2012). To increase the cross-selling turnover it is therefore recommended to:

- Obtain the list of suppliers of the purchase department and send this list to the various commercial departments of Total Nederland N.V. The sales managers of every department should check this list and look for suppliers which might be interesting for them to approach as part of a commercial proposal. The list should be obtained by the back office. The processing of the list should be done by the sales managers and their account managers.

Research showed that there is enough support for cross-selling throughout the whole organization and if all recommendations will be implemented by Total Nederland N.V.'s management the turnover generated by cross-selling will significantly increase. In fact, if another registration system will be used and all unidentified cross-selling customers will be taken into account, the turnover shall already increase. However, cross-selling success is a matter of a long term policy. It is about stimulating people constantly and consequently and therefore success can only be guaranteed if management actively supports the cross-selling policy and shows commitment. Cross-selling is like the old clock on the wall: it only works if all different parts function properly and pay their contribution to the whole process.

## 8. References

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## Acknowledgements

Dear reader,

I hope you enjoyed reading my graduation report. Hopefully, your knowledge and understanding about cross-selling has increased. Furthermore I hope the way the conclusions and recommendations were given, supported by theory and arguments, have been made clear by my research methods.

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With kind regards,

Arnoud Dammers  
The Hague, May, 2012

# APPENDIX I

## *EXCERPTS OF THE CONDUCTED INTERVIEWS*

# APPENDIX II

## *EXCERPT OF THE CROSS-SELLING DASHBOARD*

# APPENDIX III

*TOTAL NEDERLAND N.V. LEAD FORM*



# **APPENDIX IV**

## ***SURVEY ON CROSS-SELLING***

# APPENDIX V

## *SURVEY RESULTS IN PDF FORMAT*

# APPENDIX VI

## *SURVEY RESULTS IN EXCEL FORMAT*

# APPENDIX VII

*CONDUCTED INTERVIEWS AS MP3 FILES  
(ON USB STICK)*