

THE CUSTOMER GYROSCOPE

A GYROSCOPE INTERNATIONAL WHITE PAPER ON KEY ACCOUNT MANAGEMENT

Managing business relationships is both challenging and strategically vital. More than 90% of Customer Lifetime Value often sits in the top 20% of customers.

These accounts are too important to leave to chance – they require a structured, disciplined approach.

Gyroscope International's **Customer Gyroscope®** provides that structure: a methodology that balances dynamic movement with stability, ensuring customer relationships deliver growth, profit, and resilience.

This white paper explains the model, demonstrates its business impact, and shows why growth-oriented organisations invest in Key Account Management (KAM) now.

In this world:

GROWTH IS CONCENTRATED

A comparatively small change (positive or negative) in a key account can have a disproportionate impact on the business result.

STRATEGIC ACCOUNTS OUTPERFORM

SAMA (The Strategic Account Management Association) research indicates that well-managed strategic accounts outperform "standard" accounts by x2



Why KAM matters in today's world.

We live in a **VUCA** environment - volatile, uncertain, complex and ambiguous

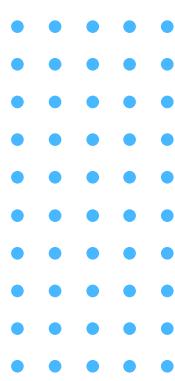
Buying cycles are longer, decision-making is distributed, and customers expect tailored solutions backed by insight and innovation.



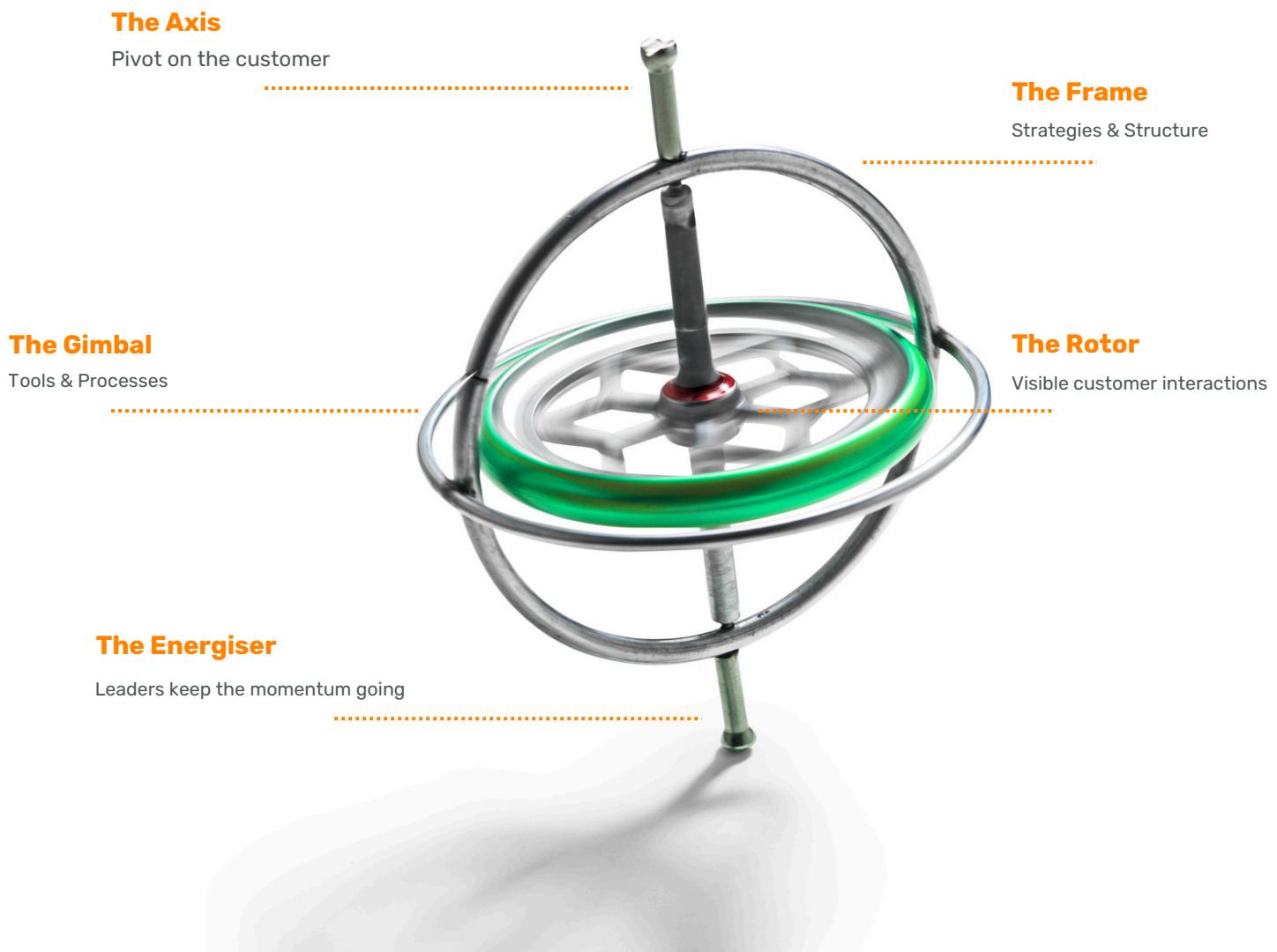
- **Risk is real:** After Cerner (now part of Oracle Health) lost a dozen key accounts, it had to reduce its workforce by 50% and shut down its Kansas City Campus. (HFS Research).
- **Profitability depends on KAM excellence:** Businesses achieving KAM excellence are 3.4x more likely to grow profit by 20%+ than "the rest" (Centre for Sales Research).

In short: KAM is not optional. It is the discipline that drives sustainable growth, protects against shocks, and creates competitive advantage.





The Customer Gyroscope® Framework



The Customer Gyroscope® Framework

At Gyroscope International, we explain KAM through the metaphor of the Customer Gyroscope® – a system that combines stability with agility.



The Customer Gyroscope® Framework -explained



Pivot on the customer

The Axis

Just as the gyroscope is centred on its axis, Key Account Management pivots on the customer.

This means having a deep and broad understanding of the customer and their world.

It means developing customer-specific value propositions.

It means co-innovating solutions that add value to all the stakeholders.

Key Account Management only works if it is customer-centred.

The Frame

The frame provides coherence and holds everything together.

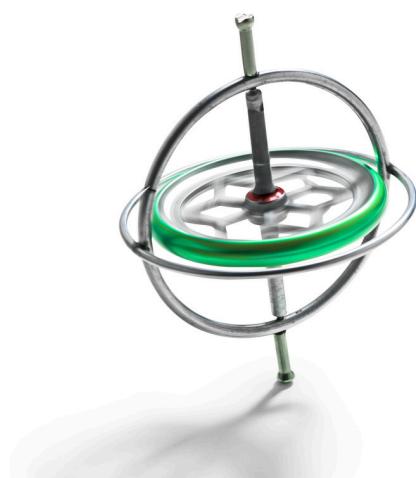
Define clear strategic objectives for the account - visionary, relationship and SMART objectives.

Form and execute strategies based on products, pricing, penetration, and priorities.

Establish robust structures for account teams and KAM governance.

Work on account team structures such as Bow Tie, Diamond, Zipper and Distributed.

Use RACI to define team roles.



Strategies & Structure





Tools & Processes

The Gimbal

The Gimbal stabilises Key Account Management.

Processes include cross-selling, product launches, price reviews, renewals, and defence.

Tools include account plans, contact-mapping, product penetration, sales matrix, Traffic Lights, 90/30 day plans.



The Rotor

The rotor is about dynamic action:

Activities: Keep the activity levels up.

Concentration of effort: Talk about the right things to the right people.

Effectiveness & Efficiency: Team and individual skills.

The Gyroscope International ACE model applies these three levers of sales success.

Visible customer interactions



The Energiser

Just as the gyroscope needs to be constantly energised so the leaders needs to energise the account teams.

Leaders keep the momentum going



Making the case for KAM

Growth Potential

*90% of Customer Lifetime Value sits in the top 20% of customers
(Kumar & Shah).*

*Siemens' strategic accounts grew 2.4x faster than standard accounts over a decade
(Dr Hajo Rapp).*



Gyroscope International in action

For a **manufacturing client, Gyroscope International** helped align teams and strategies and applied the learning to live accounts.

+50.1% sales growth in a key customer which was only growing by 3.2%.

Sales to a manufacturing customer rose from **€1.37Million to €1.82Million**, while holding margin at 31.6%.

A specialist textiles business grew sales to a global luxury brand from **£ 1.6 Million to £4.5Million (in 3 years)**



Making the case for KAM

Risk Management

Losing a strategic account destroys value – Progyny's stock fell 43% after losing a client worth 12% of income.

Effective KAM identifies and mitigates risk early.



Gyroscope International in action

A steel company was threatening to leave unless our client discounted heavily. With effective account management, the client generated £800,000 free cash for the customer and avoided any discounting.

A uniform supplier was told their global fast-food customer would cut one of their three suppliers.

By proactively managing the risk, the team not only retained the account but increased sales by 51%.



Making the case for KAM

Profitability

*KAM excellence makes businesses 3.4x more likely to grow profit by 20%+ .
(Centre for Sales Research).*

*Retaining and growing accounts is **5-25 times more cost-effective** than acquisition.
(HBR)*



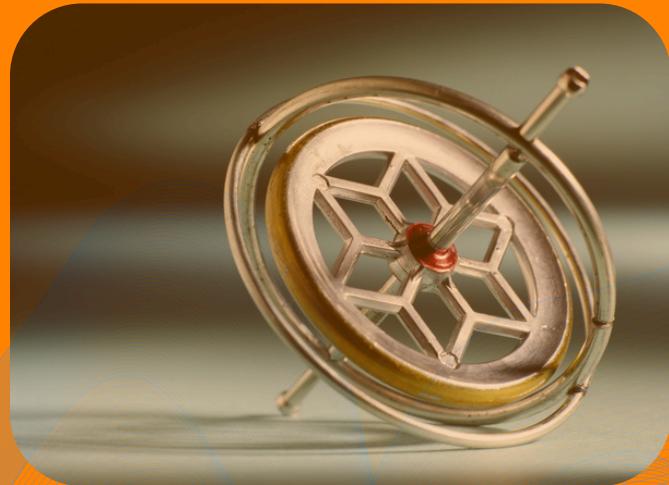
Gyroscope International in action

Gyroscope International enabled a consultancy to achieve a **8.2% price increase** in a flat market, adding **£740,000 to Gross Profit**.

A **multinational textiles company** had sold only to the HQ of a major retailer.

By applying Gyroscope International's **Fit4KAM process**, they identified **42 previously unknown buying points** and delivered **+89% year-on-year profit growth**.





CONTACT

IF YOU WOULD LIKE TO EXPLORE HOW MANAGING KEY ACCOUNTS CAN MAKE THE DIFFERENCE IN YOUR BUSINESS, PLEASE SPEAK TO:

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