

2024 National Sales Challenge
First Round Role-Play Scenario

ORS Nasco Role-Play One

SELLER'S INFORMATION

You are an ORS NASCO outside sales representative. You joined the sales team one year ago. You manage a territory covering NJ, PA, DE, and the NYC metro-area customers. Your accounts support the industrial, welding, safety, energy, and construction industries, and you have successfully worked with many of your largest current customers to assist them in securing significant end-user projects within the energy and construction sectors. In your outside sales role, you meet with your customers regularly to sustain and develop your relationship with them and uncover unidentified needs they may have. You also regularly prospect new business opportunities throughout your assigned territory. Successfully bringing on new customers is key to your success in this role.

You will meet with **Andy Murray**, the head of procurement at SUNRISE SUPPLY, a northern NJ distributor prospect. You have been actively calling on them for the last three months and finally got Andy to agree to a 15-minute meeting with the help of the buying group liaison, **Pat Smith**, from DISTRIBUTOR UNITED ALLIANCE - which specializes in the welding and construction industries.

You found out through **Pat Smith** that SUNRISE SUPPLY just joined the group six months ago and have grown steadily during that time with preferred supplier partners within the buying group. You had trouble securing a meeting with anyone at SUNRISE SUPPLY. You have stopped in and called several times over the last few weeks without any success in scheduling a meeting. This is your first in-person meeting with anyone at this location. SUNRISE SUPPLY is not a current customer of ORS NASCO but is a part of the DISTRIBUTOR UNITED ALLIANCE buying group.

ORS NASCO INTRODUCTION

ORS NASCO is the largest pure wholesaler of industrial supplies in North America, catering exclusively to distributors across the region (<https://youtu.be/rSIHPb5ltDk>). ORS NASCO provides access to a diverse range of over 200,000 SKUs¹ of premium products from more than 600 brands. These products are utilized across various sectors such as industrial, welding, safety, energy, electrical, construction, HVAC, MRO², PVF³, plumbing, janitorial, and the rental channel markets. With a network of eleven strategically situated distribution centers, ORS NASCO efficiently serves the needs of its rapidly growing distributor customers. Above all, ORS NASCO prides itself on a very knowledgeable and approachable salesforce, availability of products, and speed of delivery.

ORS NASCO's distributor relationships are well-rounded across the entire country supported by its comprehensive product range and unique services. With this versatile portfolio, ORS NASCO presents a warehousing solution that ensures prompt care for its customers. ORS NASCO's long-standing supplier relationships and branded offerings, along with its exclusive private label brands "Anchor Brand[®], Best Welds[®], and B-Line" provide a good, better, best solution in all product categories.

¹ Stock Keeping Unit

² Maintenance, Repair, and Operations

³ Pipes, Valves, and Fittings

When it comes to wholesale supply, the ORS NASCO stands out. It is because ORS NASCO operates as a pure wholesaler, abstaining from competition with its customers by not selling directly to end-users. ORS NASCO partners with its distributors to provide a single-source wholesale solution. Given the breadth of products ORS NASCO carries, it is often very economical for the buyers to place their orders as bundles to ORS NASCO. An industry report estimates the burden of placing any standalone PO, purchase order, from \$80 to \$120. It is a real cost to the buyer due to the time and resources required to search and contact an appropriate supplier and negotiate the terms.

ORS NASCO works with distributors to elevate profitability, reduce working capital, drive sales, and provide enhanced service offerings. Depending on the size and needs of the distributor, ORS NASCO provides access to lines and brands the distributor cannot source directly or through their current suppliers. When a customer is already purchasing lines directly from the manufacturer but needs items in a smaller pack size or more quickly, ORS NASCO can provide timely fill-in support. Live inventory, improved cash flow, shorter lead time, competitive pricing, stocking ability, and supplier consolidation are all additional benefits of partnering with ORS NASCO.

BUYER COMPANY

SUNRISE SUPPLY is a distributor that is part of the DISTRIBUTOR UNITED ALLIANCE buying group. A buying group is a group of small and medium-sized companies active in the same industry that join forces to present higher aggregated demand volume. In return, the members receive rebates from the buying group based on their purchasing compliance within the preferred supplier group. Members also gain better negotiation leverage, access to lines, and other incentives from manufacturers or wholesalers who are preferred in that group. This buying group has several preferred suppliers, including ORS NASCO; see Figure 1 and Appendix.

This relationship will also help SUNRISE SUPPLY achieve their annual buying quota which they must purchase from several preferred suppliers combined. This buying quota is a predetermined amount or volume of goods or services – in this case %75 of the annual spend - that a buying group member is expected to purchase from the buying group's preferred suppliers to maintain their membership in the group. Furthermore, the purchase maximizes their 1% DISTRIBUTOR UNITED ALLIANCE's rebate.

SELLING CONTEXT

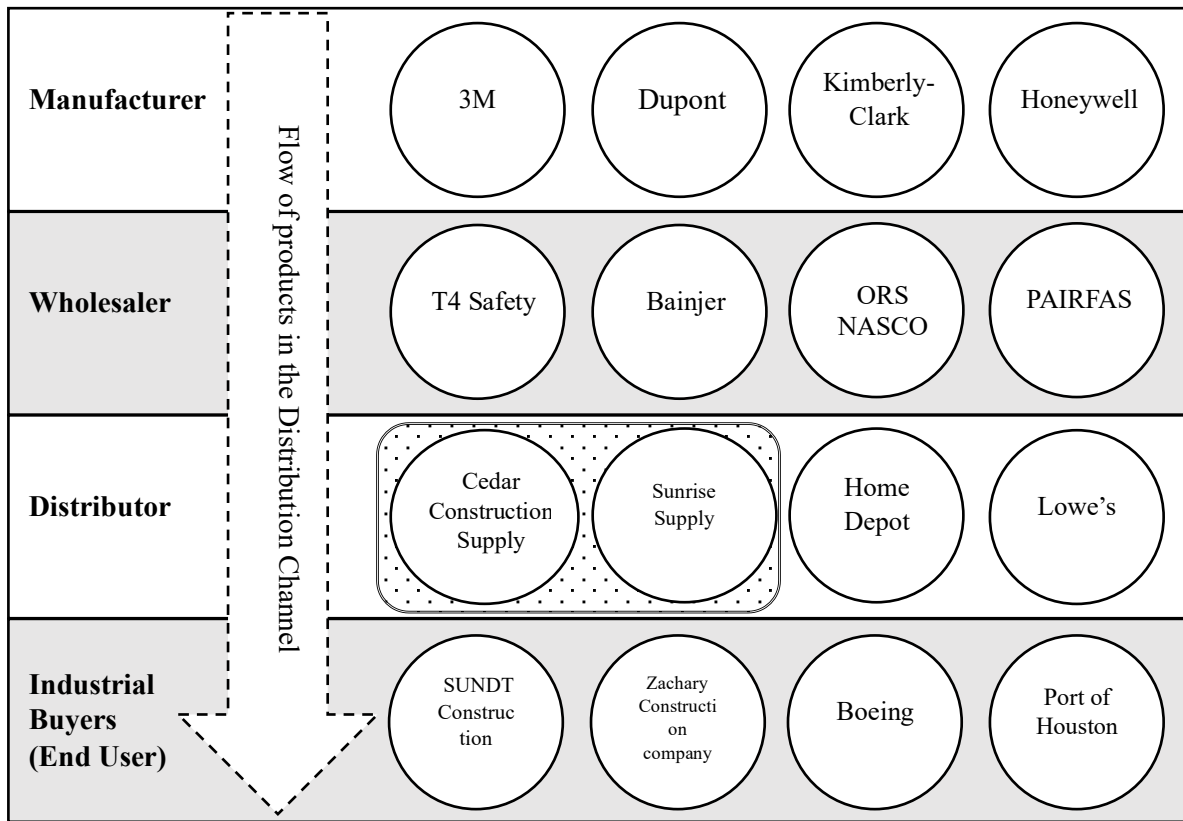
ORS NASCO pays the shipment costs for orders larger than \$1,500 to Tri-state customers. Orders can be shipped as a Parcel (via UPS - Shipping Company) or LTL⁴ (via R&L - Shipping Company). The buyer pays the shipment costs for orders less than \$1500. Shipment fee for orders less than \$100 also includes a \$5 small order fee. There is no order minimum. ORS NASCO's fulfillment time and delivery from the location distribution center in Harrisburg, PA to central NJ is within 1-2 business days. Orders shipped from elsewhere in the network arrive in 2-7 business days depending on when and from where it ships.

YOUR TASKS

1. Develop the relationship between SUNRISE SUPPLY and ORS NASCO
2. Understand the customer's needs and potential ways ORS NASCO would be a fit for them as a supplier
3. Establish and present the value proposition through clarifying the:
 - a. Delivery costs/freight
 - b. MOQ, minimum order quantity
 - c. Fulfillment time
 - d. Product assortment
4. Close the deal- get Andy to agree to submit an application to become a customer of ORS NASCO.

⁴ Less than Truck Load - freight shipping

Figure 1 – Schematic of the distribution channel that ORS NASCO operates in.



Note: The circle sizes do NOT represent the company size. The hatched area within the figure represents the boundary of a typical buying group. The figure illustrates a sample of companies only.

- Some buying group examples:

<https://www.adhq.com>

<https://www.iwdc.coop>

<https://www.netplusalliance.com>

Appendix A: DISTRIBUTOR UNITED ALLIANCE – Distributor benefits

The buying group will negotiate with suppliers on behalf of the membership. Each supplier program is going to be different, but they are all negotiated by the group on behalf of the membership. Pricing is at the item level and discretion of the ORS NASCO sales team based on the opportunity.

- Members specialize in the Welding and Construction industries
- Supplier partners of the group are chosen based on their product offering and relevance within these specific industries
- Members also receive access to these services through the buying group:
 - E-commerce support
 - Virtual training
 - Content databases (Product Information Management) – group gains access to supplier content and manages the content on behalf of the distributors
 - Marketing support
 - Vending machine companies
 - ERP platforms
 - HR platforms
- Members have access to multiple networking opportunities throughout the year:
 - Regional meetings – suppliers and distributors attend
 - Annual meetings – suppliers and distributors attend
 - Supplier trainings – distributors only
 - Growth and Award trip – winning distributors and their chosen supplier partner for growth only!
- Marketing dollars with select suppliers to aid in marketing efforts for the distributor members
- Access to National Contracts gained by the group
- Pricing programs/discounts from suppliers (where applicable)
- More lucrative payment terms (based on credit worthiness of distributor and the supplier)
- Base Rebate – 1% rebate from dollar 1 on all purchases through approved supplier partners only

EVALUATION RUBRIC

Your performance will be evaluated against the rubric below by industry experts and executives.

APPROACH & RELATIONSHIP BUILDING

Effectively gained attention and built rapport – 20%

- Greeted the customer professionally and established rapport.
- Dressed professionally.
- Gained the customer's attention.
- Demonstrated enthusiasm and confidence.
- Demonstrated a smooth transition into needs identification.

NEEDS IDENTIFICATION

Obtained a clear understanding of the customer's situation – 20%

- Effectively determined relevant facts about the customer's concerns.
- Asked effective questions to uncover the customer's needs and requirements.
- Effectively clarified the customer's needs (discovered current problems, goals, etc.).

OBJECTION HANDLING

Eliminated concerns to the customer's satisfaction – 20%

- Initially gained a better understanding of the objection (clarified or allowed the customer to clarify the objection).
- Effectively answered the objection.
- Confirmed that the objection is no longer a concern for the customer.
- Built trust in the relationship.
- Established credibility.

COMMUNICATION & PRESENTATION

Communicated well, demonstrated product knowledge, used visual aids, was clear and concise, used appropriate non-verbal communication – 20%

- Effectively used verbal communication (active listening; restated, rephrased, clarified, probed for understanding) and nonverbal communication (body language, posture, facial expressions, eye contact, etc.).
- Exhibited product-market knowledge.
- Reinforced the value in the relationship with ORS NASCO.
- Highlighted the gain for the customer in offering enhanced benefits to their employees and customers.
- Used appropriate/professional visual aids.
- Effectively involved the customer in the conversation.
- Persuaded the customer to build a relationship.

CLOSE

Took initiative to move the meeting to the next step in a smooth fashion with mutual commitment – 20%

- Asked for the commitment of the customer to buy the identified products and apply to become a customer of ORS NASCO formally.
- The customer agreed to submit the application.