The Cross-Selling Convergence









Recently, mergers worth

more than \$100 billion

were announced

BUYERS INCLUDED:

AMD

ANALOGDEVICES

MARVELL

NVIDIA

3 TYPES of synergies in M&As:



REVENUE synergies



synergies





of their revenue synergy targets.

ECMs TYPICALLY ACHIEVE

Revenue synergies take longer to capture than cost synergies.

Revenue Synergy Opportunities



Bundles and solutions

- Rebranding Brand extensions
- New products



existing customers

o Geographic expansion

- (national or international) o Channel expansion in
- overlapping markets



o Channel optimization

- Coverage optimization
- Salesforce effectiveness and enablement

o Revenue management

portfolio. It's a powerful way to achieve revenue synergies. THE 6 Cs OF CROSS-SELLING SUCCESS

through increased usage across a tech firm's entire product

Cross-selling is expanding customer wallet share

Complementarity Do the merging companies' products,

and services complement one other?

Connection Do they have strong customer relationships?

Capacity Can the salesforce focus on cross-selling?

Capability

Is the salesforce properly skilled and trained?

Compensation Are the right incentives in place?

Is the company committed to cross-selling?

It's all about WHO you know!

Commitment

5-20%

probability of

selling to a new

prospect

60-70%

probability of

selling to an existing

customer

With a

30% wallet share for a customer, account revenue can jump by as much as $\frac{1}{0}$

just by increasing 50/0

Can cross-selling be your cash cow?

READ THE BLOG

Sources: McKinsey & Company, MarketBridge

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