

Commercial Excellence: Between market opportunities and successes stands *the organization*

Market opportunities rarely fail because of their attractiveness. They fail because priorities remain unclear, accountability fragments, and teams are not steered consistently toward potential, price, and results. Commercial excellence closes this execution gap.

Strat-Exx In Practice • Bernd Hirschle · Dr. Clemens Oertel · Andrew Parker • 8 min read

US tariffs shift profit pools. Weak country units miss their targets. Outdated portfolios tie up resources while attractive segments remain underserved. On the board agenda, these appear as separate problems. In commercial reality, they often point to the same issue:

The decisive questions are: where are the market opportunities? And: can our organization realize them?

This is exactly where commercial excellence comes in. It connects market decisions with clear accountability, the right capabilities, and steering that brings behavior and results together. It is therefore neither a new sales program nor a label for isolated initiatives. It is the operating discipline between strategy and the P&L. How clearly this discipline can pay off is shown by comparing leading companies with their competitors:

1–3 percentage points higher EBITDA than competitors¹⁾	10–15 % higher growth rates than competitors¹⁾	More depth in demand management, solution selling and compelling value propositions	More weight for sales & marketing in the leadership team
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Commercial excellence closes the execution gap

Commercial excellence orchestrates the decisions and behaviors that translate market attractiveness into revenue and margin. This includes go-to-market, sales, marketing, pricing, service, performance management, and digital, data-based decisions. What matters is not the quality of each function on its own, but **how consistently they pay into the same market and success priorities**.

Without this connection, impact is lost at the interfaces: marketing generates leads that sales does not follow up. Sales chases revenue while margin erodes. Pricing sets rules that are bypassed in day-to-day business. Teams are measured on activity, not on their contribution to results. Every function optimizes itself — and the company stays below its potential.

Six organizational preconditions decide whether market opportunities become successes:

1 Strategic market & customer focus

Decide where the company wants to play — and where not. Prioritize regions, segments, profit pools, and portfolios by accessible potential, strategic relevance, and past performance. Let resources follow that decision.

2 A powerful market organization

Translate priorities into roles, capacity, and clear interfaces. Build an operating model that covers the entire commercial process from demand generation to close — without gaps or duplication.

3 Potential-based customer approach

Allocate time and attention by customer potential rather than by habit. Use CRM as a steering system, develop existing customers systematically, and win attractive new customers deliberately.

4 Pricing & margin discipline

Anchor pricing accountability, guardrails, and approvals bindingly per business model. Make leakage transparent and close it consistently — because revenue without margin is not commercial success.

5 Cascaded target system

Break company targets down to regions, teams, and customers. Connect result metrics with leading indicators so that accountability, progress, and necessary course corrections become visible.

6 Cross-functional accountability

Orchestrate sales, marketing, service, product units, and country units along the customer journey. Clear commercial accountability — for example through a Chief Commercial Officer or a strong commercial-excellence practice — resolves conflicting goals and sets shared standards. It holds only with visible leadership engagement and commitment: if the top team is not aligned and committed, the organization senses it — and the commercial change never becomes embedded.

*Strategy alone does not decide. What matters is the organization's ability to translate it **into better decisions, day after day.***

The organization decides: four implementation principles

Commercial excellence begins neither with a new tool nor with a training catalog. It begins with a leadership decision: which markets and customers take priority, what behavior is expected, and how is progress measured? Change only becomes effective when top management does not merely formulate goals, but changes the commercial operating model accordingly.

Four actions make the organization capable of delivering results:

FROM MARKET OPPORTUNITY TO RESULT · FOUR ACTIONS

Aligning the organization consistently for impact

Clearly prioritized, leadership-driven, capability-based, and consistently measured

1

Clarify mandate and target picture

Make the starting position, economic contribution, target picture, and accountability binding.

2

Show leadership through decisions

Defend priorities, resolve conflicting goals, and visibly model the desired behavior.

3

Build foundation and capabilities

Develop people, processes, data, and systems together — fundamentals first.

4

Steer and reward impact

Connect result metrics with leading indicators and align incentives consistently.

Market opportunity · Organizational capability · Leadership discipline

→ **consistent decisions** → **revenue & result impact**

Fig. 1 — Four actions that translate market potential into robust commercial impact.

1

Clarify the mandate, starting position, and target picture

The starting point is not a catalog of measures, but an honest diagnosis: where are the attractive profit pools? Where is the organization losing revenue, margin, or speed today? Which capabilities are missing to unlock the potential? Successful programs connect this starting position with a clear economic target picture, a realistic maturity benchmark, and an accountable sponsor in top management.

Goals must be concrete, time-bound, and economically attributable — for example, additional revenue in under-penetrated markets, market-share gains, or entry into new segments. A packaging company defined "333" goals for this: 3 years, 3% incremental annual growth, \$300 million in revenue¹⁾. An abstract ambition thus became a verifiable corporate mandate.

2

Make leadership visible through decisions

Visible leadership means more than communication. It shows in shifting scarce resources to prioritized markets, ending unprofitable habits, and deciding conflicts between functions. Teams watch very closely whether new priorities still hold when they become uncomfortable. That is exactly where credibility is built and behaviors become embedded.

Capability building requires the same consistency: **investing 0.5–1.5% of the overall SG&A budget in training can yield 1–3 percentage points of EBITA improvement¹⁾**. What matters, however, is not the training volume. Learning must happen on real customers, offers, and pricing decisions — and leaders must demand its application in everyday work.

3

Foundation before scaling

Commercial performance emerges from the interplay of people, processes, data, and systems. A CRM without clean master data, clear processes, and binding usage does not become a steering instrument but an expensive filing cabinet. Digitalization does not heal a weak operating model — it scales it. Therefore: **first establish controllability, then scale advanced capabilities.**

Elevate+: from foundation to competitive advantage

First establish controllability — then scale impact



Fig. 2 — Strat-Exx Elevate+: organizational maturity is built from the bottom up — not by skipping the fundamentals.

The logic is deliberately unspectacular: without reliable customer and profitability data, segmentation, clear accountability, and systematic talent development, advanced methods remain isolated one-offs. On this basis, reliable core capabilities emerge such as pipeline management, value propositions, pricing, and key account management. Only then do advanced value selling, sophisticated negotiation, and growth acceleration create a reproducible advantage.

4 Measure impact, reward behavior

Anyone who looks only at revenue and EBIT is steering by the rear-view mirror. Complement result metrics with a few leading indicators that show whether the organization is working the right markets, customers, and opportunities with the necessary quality. Incentives must reinforce exactly this behavior — otherwise the old system wins in everyday work.

RESULT + LEADING INDICATORS

Impact & market coverage

- Revenue and order intake
- Margins / EBIT
- Pipeline strength and win rates
- Sales-force activity
- Customer acquisition cost

CAPABILITY

Processes & capital employed

- Cycle times — order-to-cash (OTC), days sales outstanding (DSO)
- Delivery performance — on-time-in-full (OTIF)
- Inventory turnover / working capital tied up

CUSTOMER SIGNAL

Customer experience & usage

- Self-service rate
- No-touch orders
- Net Promoter Score (NPS)

Conclusion: market opportunities are not yet successes

Most B2B companies do not lack opportunities. They lack organizational consistency: clear priorities, unambiguous accountability, robust capabilities, and steering that connects behavior with results. Companies that close this gap turn strategy into repeatable commercial performance — instead of relying on individual top salespeople or favorable market phases.

Market opportunities arise on the outside. Whether they become successes is decided on the inside.

Commercial excellence is therefore not a special program alongside day-to-day business. It is the way an organization selects market potential, focuses resources, works customers, enforces prices, and learns from deviations. Precisely between market opportunities and successes lies its most effective point of leverage: the organization itself.

¹⁾ Figures without an external citation are based on Strat-Exx project experience.

— STRAT-EXX

From market opportunity to *success*.

We help B2B companies connect market priorities, commercial operating model, and steering so that potential becomes measurable impact.

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