GUIDE TO SELLING AND POSITIONING THE WEB 2013
Our Newly Improved Websites:

**US:**
lawsonproducts.com  
kent-automotive.com

**Canada:**
lawsonproducts.ca  
kent-automotive.ca

**Note:**
Switch between the US and Canadian versions of the websites by clicking the desired flag in the upper left-hand corner of the navigation.
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Purpose of this Guide

Our new website is something to be truly proud of. Only a few companies in the MRO industry have a website of this caliber. MRO customers want to use the Internet and prefer to partner with companies that have an easy-to-use and highly functional e-commerce tool.

This guide was put together with data from industry experts and feedback from your peers to quickly provide you industry insights and best practices in converting a customer to our new website.

After reading this guide, you should come away with at least an understanding of the following:

- Internet trends within the MRO Industry
- What the competition is doing
- How the new website benefits Lawson/Kent’s sales force
- How to talk to customers about the new site
- Best demonstrated practices in transitioning your customer to the new site and how to evolve their usage
Selling and Positioning the Web Overview

This section provides a very brief overview of the most important information you’ll find in this guide.
MARKET OVERVIEW

In North America, MRO web sales are predicted to account for 40%, or $40 billion, of total MRO sales in 2014. The majority of web sales today go through the largest MRO competitors, as their websites have best-in-class functionality and usability. The great news is that Lawson/Kent’s new website rivals the leading websites in our industry.

- 88% of our customers want to buy online and 33% prefer buying online.
- Companies with industry-leading websites experience increased sales, a higher rate of satisfaction, a higher retention rate, a larger order size per customer, and are more profitable.
- Grainger, Fastenal, MSC, and McMaster-Carr are regarded to have the best websites in the industry. Mid-sized competitors typically have very basic websites, similar to the old Lawson website. Small, local competitors often don’t have an Internet presence.
- The new website will be on par with these best-in-class websites.
- Our goal for 2013 web sales is 5% of total revenue, leaving practically unlimited future potential.
- Several studies predict that as much as 40% of all MRO orders will be through the web and at least 95% of MRO customers will use the Internet to search for industrial supplies by 2014.

BENEFITS FOR SALES

- The average sales representative should experience a 15-20% increase in sales for customers that purchase on the web.
- The largest MRO companies report that their web customers, including customers that only purchase occasionally through their website, typically place larger orders, buy from more product categories, make more spot-buys (purchases between sales rep visits), and purchase more frequently.
- Orders from web customers typically are more profitable because these customers buy higher margin products and don’t negotiate with their sales rep over price.
- The new website, with its real-time access to SAP when ordering, can be used to validate a customer’s SAP pricing, freight and tax.

OUR NEW WEBSITE’S FEATURES

There are many features and benefits of the new website and more functions will be released in 2013. These are the most important website features and customer benefits you can talk about now:

- 5x more products
- Search how you like
• Quick access to the most up-to-date product and technical information
• Instantly know your pricing
• Convenient, fast ordering
• Hassle-free returns
  o Our standard return policy applies. See return policy for details.
  o This does not apply to house accounts, ISR-only accounts or web only accounts.
• A specially trained Web Customer Service Team (866.837.9908)

HOW TO SELL THE NEW WEBSITE TO YOUR CUSTOMERS

It is important to have confidence when speaking about the new website. Here is an “elevator speech” that can be used with any customer:

“On top of the service I already provide, you now have an easy-to-use website where you can find products quickly and place orders right when you need something”

Growing your sales using the web is dependent upon getting your customer to place orders between your visits. Sales reps that have had the most success in doing this follow a formula based on an initial introduction to and demonstration of the site and always talking about and/or showing the site on each following visit.

FIRST
Initial Introduction to the New Web
• Introduce the new web features and customer benefits
• Register your customer and give an initial site demonstration

THEN
Always Have a Reason to Reinforce the Web on Every Visit
• Demonstrate new site functions
• Reinforce website features and customer benefits

EQUALS
More orders, larger orders, higher profitability!
Market Overview

This section was developed to give you an understanding of how the Internet is being used in the MRO industry. Use the information here to learn industry trends in Internet usage and how the new site compares to various MRO competitors.

Topics in this section include:

• Web use in the MRO industry
• Competitive website comparison
WEB USE IN THE MRO INDUSTRY

You should not be surprised to hear that research and transactions of MRO products on the Internet has been steadily increasing over the last 15 years. We know that nearly all MRO customers use the Internet at least to research products. From our own research, we’ve learned that **88% of our customers want to buy online** and **33% prefer buying online.** Industry reports show that roughly 60% of the customers in this market purchase industrial supplies via the Internet at least once a year. Remarkably, the largest MRO distributors sell from 30 - 40% of their products through their website. Currently, somewhere between 22 - 29% of all MRO products are sold through the Internet. It is believed that by the end of 2014, 40% of all MRO sales will be done online and the trend is not anticipated to level off for many years.

According to Modern Distribution Management (MDM), a major publication that serves the wholesale distributor industry, for a "**vast majority of distributors, e-commerce is still in its infancy.** A recent survey revealed that more than 40% of distributors have no revenue from e-commerce and 25% have less than 5% of sales online. However, half of the distributors without e-commerce-enabled websites are implementing them now or have plans to do so in the next year. **The chart below shows the current percentage of sales distributors are getting over the Internet.**"

![Figure 1 - Percentage of distributor revenues from e-commerce](image-url)
Competition in this segment or channel is expected to get very aggressive in the next several years. Distributors that don’t build and embrace an e-commerce website should expect sales to decrease as more and more customers partner with companies that are web-enabled. The companies that have invested in a website are expected to do very well. So far these companies have had excellent sales especially considering the economic downturn. That’s why so many other MRO distributors are looking to the Internet as a means of revenue and profitability growth.

For example, a major MRO competitor recently reported that sales to customers who purchase through their website grew 17% in 2012; offline customer growth only increased by 8.5% in the same time period. In addition to increased sales, customers that purchase through their website, even occasionally, are known to have a higher rate of satisfaction, higher retention rate, a larger order size, and are more profitable.

COMPETITIVE WEBSITE COMPARISON

While most of the MRO industry has maintained a meager Internet presence compared to other B-to-B industries, a few MRO distributors have developed robust, highly functional websites that are capturing a majority of the online spend in the industrial supplies market.

The functionality of MRO websites range from no website at all to some of the highest ranked websites in the world. For the industrial supplies distributors that have websites, most have a simple home page containing location, store hours, and/or a phone number. A few dozen national and regional MRO suppliers have a basic site with several thousand products and a basic search engine. Out of those suppliers, a few have simple e-commerce functionality. Only about a half-dozen companies in this industry have a website with a blend of hundreds of thousands of products, an advanced search engine, a library of comprehensive technical data, and dynamic e-procurement transaction processing. Studies have shown that there is a connection between companies with high revenues and easy-to-use, comprehensive websites. Those top companies in the industry started building their websites and transitioning their customer to e-commerce as early as 1996. While their sales have grown significantly over the past 15 years, companies without websites have grown modestly, largely in part to not offering an additional sales channel beyond sales representatives, phone, and catalog.

The following chart shows the quantity of products and the level of website functionality of several MRO companies. As you can see, only a handful of MRO companies have websites with high functionality and a large number of products. These companies have gained a significant share of the Internet spend by being first to market and are consistently at the forefront of Internet technology.
The next chart shows the level of website capability proficiency for several MRO companies. Grainger, Fastenal, MSC, and McMaster-Carr (not listed) are regarded to have the best websites in the industry. And the word on the street is that these companies are nowhere near done enhancing their sites. If they haven’t already, these companies plan to add mobile technology and more applications that make purchasing easier. Lawson/Kent’s new websites will be on par to these best-in-class websites. Additionally, Lawson/Kent also plans to continue updating the sites to keep pace with industry leaders.

Mid-sized competitors typically have very basic websites, similar to the old Lawson website. These sites have decent search and account management, but are lacking the elements necessary to provide a professional e-commerce experience like customer-specific pricing, purchasing workflow, and comparison shopping.

Small, local competitors often don’t have an Internet presence. As mentioned before, if they have a website, it’s usually a home page with an address and store hours and/or a phone number. While these companies can offer fast, personal service, without a more functional website they will never capture purchases made after-hours and due to Internet searches. As Internet usage evolves, local suppliers will mainly be used for emergency purchases during work hours.

<table>
<thead>
<tr>
<th>Capability</th>
<th>Lawson (Old Website)</th>
<th>Lawson (New Website)</th>
<th>Local Competitors</th>
<th>Mid-Sized Competitors</th>
<th>Fastenal</th>
<th>MSC</th>
<th>Grainger</th>
</tr>
</thead>
<tbody>
<tr>
<td>Search and Browse</td>
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<td><img src="#" alt="Green" /></td>
<td><img src="#" alt="Red" /></td>
<td><img src="#" alt="Yellow" /></td>
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<tr>
<td>Manage Accounts</td>
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<td><img src="#" alt="Green" /></td>
<td><img src="#" alt="Green" /></td>
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</tr>
<tr>
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<td><img src="#" alt="Red" /></td>
<td><img src="#" alt="Green" /></td>
<td><img src="#" alt="Red" /></td>
<td><img src="#" alt="Yellow" /></td>
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</tbody>
</table>
Benefits of the Web for Sales

Use this section to learn the benefits of getting your customers to search and purchase MRO products from the new site. In addition, this section contains comments from many of your peers on why the web is beneficial.

Topics in this section include:

• How the new site will increase sales
• How the web will increase your productivity
• What your peers are saying about doing business on the web
It is no surprise that more and more orders are being placed on the Internet every year. In fact, several studies predict that as much as 40% of all MRO orders will be through the web and at least 95% of MRO customers will use the Internet to search for industrial supplies by 2014. The following are some benefits you, the sales rep, can experience by getting your customers to use the web:

**Increased Sales Per Customer** – The largest MRO companies report that their web customers, including customers that only purchase occasionally through their website, typically place larger orders, buy from more product categories, make more spot-buys (between sales rep visits), and purchase more frequently. The average sales representative should experience a 15 - 20% increase in sales for customers that purchase on the web.

**Retention** – The same large MRO distributors have also found that they experience a greater retention rate with web customers. These “stickier” customers experience a higher rate of satisfaction because they appreciate being able to get product information and place orders via the Internet.

**Increased Productivity** – Sales representatives experience a higher rate of productivity because their customers don’t have to contact them for every question and can place orders on their own. For example, you can validate your customers’ SAP pricing, freight and tax charges on the web. Additionally, you should be able to reduce your sales call schedule for smaller customers as they will also have our new website to search products and place orders. It is estimated that the average Lawson/Kent sales representative should experience a 2.5% increase in productivity for every 5% of sales that is transacted through the web. That’s roughly one additional hour per week in saved time.

**Higher Profitability** – Orders from web customers typically are more profitable because these customers buy higher margin products and don’t negotiate with their sales rep over price.

**More Leads/More Customers** – The web is the fastest growing sales channel in the MRO industry. Since many MRO customers are migrating to the Internet and are looking for the best possible Internet solution, it is easier to generate leads and to add customers.

**More Sales/Higher Earnings** – As your current customers switch to doing more on the new site, you have the ability to take on more customers. In addition, your current customer will buy more per order and place more orders per year. Overall, you’ll experience more sales from more customers, resulting in higher earnings.

When a Lawson sales representative was recently asked why he likes his customers using our website, he said:

“Almost 5% of my sales come from web customers. Most of those are on Saturdays when I am with my family and my customers have down time. I can typically make a hundred dollars on a Saturday. These customers often order more (average order value) than when I visit them.”

Here are examples of what some Lawson and Kent sales representatives are saying about
the benefits of their customers using the new websites:

• “Get orders even when you’re not there.”

• “Cut down on the research you do for your customers and enable the customer to do it for themselves (cross referencing, MSDS research, specialized product application information).”

• “Get more sales…get them to order between your visits…those items they’re currently ordering from Grainger, Fastenal, MSC, McMaster-Carr, etc. No one uses our true competitors’ sites (Kimball, Barnes, Wurth, etc.).”

• “Get your customers buying things they currently don’t buy from us or your revenues won’t grow – core non-stock is the opportunity to get incremental revenue and the web is where to find it.”

• “When the customer can’t reach you, they can place the order themselves – and you still get credit…this is just another avenue.”

• “The web provides 24/7 representation – you’re not always there, call cycles are getting wider and wider due to the cost of travel, but the web IS there.”

• “Every quarter/year online ordering stores are growing, so you might as well be a part of it and take advantage of extra sales now…someone in your customers’ office is using it now or their replacement will in the future.”

• “More money – the whole idea is it’s there when I’m not. If my customer understands how to use a website, they can use my site just as well.”

• “I can offer a secondary presence when a competitor like Kimball, Barnes, Wurth, etc. might be there as well but they don’t have the kind of site I have to offer.”

• “Place emergency orders at any time – I don’t want to hold up a job in the name of a product not being at the shop when they need it.”

• “Buyers are getting more efficient, they are computer savvy, they want to use the web.”

• “You’ll get renewal orders and supplemental orders.”

• “They are buying online anyway, especially if they have more than 10 employees.”

• “Annually, the web is growing – might as well be on the ground floor.”

• “Get orders when you are not at the account.”

• “Cut down on requests from the customers (MSDS sheets, etc..) – it will save you a lot of time.”

• “Customers can get answers to product questions and buy something even when they don’t feel like speaking with someone.”

“WHOEVER CAPTURES WEB ORDERING IS GOING TO WIN”
Qualifying the Customer

This section was created to give you the necessary preparation before talking about and demonstrating the new site to a customer. Here you’ll learn the top things to consider about your customer before you even walk in the door and the best questions to ask right before a web presentation to ensure you are focusing on their top needs and concerns.

Topics in this section include:

• What to think about before you visit a customer
  (Pre-Qualifying)

• What to ask before you show them the new website
  (In-Person Qualifying)
**PRE-QUALIFYING**

Before you walk into your customer’s office or shop, you need to consider several factors that will influence how you should talk with them about our new website. Just as it’s important to know your audience when presenting to a group, understanding your customer’s web usage, including their needs and concerns, will greatly help you craft your message so you can communicate the significant advantages and benefits of our new website.

**Do they currently use the Internet?**

Your presentation will change based on their current web usage. Obviously, if they don’t even have a computer, your conversation will be very limited. However, if you’ve noticed they have a computer and they regularly use the Internet, you’ll want to be prepared to show them our website.

**How do they currently use the Internet?**

Does your customer use the Internet mainly to find the right product (reference), to place orders (transactional), or a mixture of both? Understanding how they use the Internet will help you decide what to present.

**Concrete or carpet/what is their position?**

If your customer is on the concrete side of the business, like a mechanic or an engineer, chances are they will be more interested in what products are on our website and how to search for products and product specs. Someone on the carpet side, like a director or a purchasing manager, will most likely be more interested in our e-commerce functionality, pricing, and product availability.

**IN-PERSON QUALIFYING**

Before showing your customer our new website, ask them the following questions below to uncover more about their current usage and to better understand their wants and needs. As you are aware, the more you know about your customer, the greater success you will have in influencing them.

**“How do you use the Internet?”**

If you are not yet familiar with their current Internet usage, you need to find out if they search for products or place orders on the Internet.

**“What MRO websites are you using currently?”**

If your customer is using a website like msdirect.com or grainger.com, transitioning to our website will be very easy since they are used to the functionality of a premium website. If your customer is on a site like kimballmidwest.com or barnesdistribution.com, you’ll know that they will benefit greatly from the features on our new website.
“Do you plan to change your Internet usage anytime soon?”
According to many studies on Internet usage in the MRO industry, Internet usage is expected to significantly change over the next several years. If your customer is not using it now, chances are they will be very soon. And if they are using it now, they might be interested in expanding their current usage to include purchasing online and account management.

“Are you allowed to search or buy on the Internet?”
Understanding their company’s regulations will help you understand what they are permitted to do on the Internet. For example, if their company’s policy is very strict on using the Internet, you might be able to get our website approved by their IT department so your customer can search and even purchase products on our site.

“What do you like and dislike about other MRO websites?”
If you know their likes and dislikes, you can alter what you say about our website, increasing the likelihood that they will explore and use our new site.

“Is there anything about other websites that frustrates you?”
After asking this question, you might find out that they have difficulties finding products on other sites or maybe it doesn’t allow them to purchase products though the site. It is important to know their points-of-pain and concerns about a competitor’s website.

“If you purchase through the Internet, what is your authorization level?”
Are they just an influencer or can they approve their own orders? If they are authorized to enter and approve orders, you’ll want to show them all of our e-commerce functionality.
Selling and Positioning the Web to Your Customers

This section was developed to help you talk about the benefits of our new website with your customers. Before introducing the new site to your customers, review the content in this section so you can be confident in your approach and message.

Topics in this section include:

• “Elevator speech” and website features/customer benefits
• How to grow your sales using the web
• Selling to an existing customer that never registered on the old site
• Selling to an existing customer that was registered on the old site
• Selling to a potential customer that’s never done business with Lawson/Kent before
“ELEVATOR SPEECH” AND WEBSITE FEATURES/CUSTOMER BENEFITS

The following statement should be used as an “elevator speech” or introduction that quickly tells customers about the new website:

“On top of the service I already provide, you now have an easy-to-use website where you can find products quickly and place orders right when you need something.”

Add to this statement by highlighting the new website’s features and benefits to the customer:

• **5x more products** – all our regular products plus 150,000 of the products we’ve sourced most for our customers over the years

• **Search how you like** – by keyword, item number, brand, cross-references, including OEM number, or product category

• **Quick access to the most up-to-date product and technical information** – get product specifications, MSDS’, product information reports (PIR’s) and other product information at your fingertips instead of having to call

• **Instantly know your pricing** – always know your pricing for any item we offer
  
  o Requires they be on Tier Pricing or Tier/CSP

• **Convenient, fast ordering** – buy between visits when your schedule allows and at your convenience

• **Hassle-free returns** – if you buy something you don’t need, just give it to me on my next visit and I’ll take care of the paperwork and (legwork) for you
  
  o Our standard return policy applies. See return policy for details.
  
  o This does not apply to house accounts, ISR-only accounts or web only accounts.

• **A specially trained Web Customer Service team (866.837.9908)**

HOW TO GROW YOUR SALES USING THE WEB

The key to growing your sales is to get your customers placing orders between your visits, also known as “spot buys.” Sales reps that have had success getting their customers to use the website for spot buys attribute it to making customers comfortable and confident using the site. They achieve this by talking about and demonstrating the web on every visit they make. It begins with an initial introduction to the site and
continues with conversations and site demonstrations on each following visit.

**FIRST**

**Initial Introduction to the New Web**

- Introduce the new web features and customer benefits
- Register your customer and give an initial site demonstration

**THEN**

**Always Have a Reason to Reinforce the Web on Every Visit**

- Demonstrate new site functions
- Reinforce website features and customer benefits

**EQUALS**

More orders, larger orders, higher profitability!

Here are some suggestions for how to reinforce the web on every visit with your customer:

✔ Continue to demonstrate site functions:
  - Show the MSDS search tool
  - Show the side-by-side product comparison tool

✔ Show new web features/functions as they are rolled out during 2013

✔ Use the web instead of the catalog to search for products

✔ When new products are launched, introduce them using the search function
  - Example: Search “Rubbermaid” or “DeWalt” by typing the brand name into the search tool bar

✔ Follow-up on orders your customer places on the web: “I saw you placed an order last week…how did you like the site? Was it easy for you to use? What did you like best?”

✔ Follow-up when your customers don’t place orders: “Did you have a chance to check out the new site I showed you last week? I didn’t see any orders come through but wanted to know if you’ve browsed around or saw our MSDS look-up tool”

✔ Other details on the web site’s most current capabilities and benefits can be found on the site under Resources > Overview

Remember, simply giving your customer a web address will not drive them to place orders between your visits. Your active involvement in talking to them about the web on every
visit and showing them our site to reinforce the benefits is critical to growing sales.

**SELLING TO AN EXISTING CUSTOMER THAT NEVER REGISTERED ON THE OLD SITE**

The majority of our customer base has not purchased from us on the web before. The information in this section will help you position the new web to this type of customer.

**Who is this customer?**

They do business with Lawson/Kent regularly and place orders with you during your visits. If they need to buy something between visits they either call you, customer service or use a large competitor’s website (Grainger/MSC/Fastenal/McMaster-Carr). They’re likely aware that we had a site in the past and may have used it to get some product information or even registered their account at some point, but they didn’t use it to make purchases.

**What is the goal with this customer?**

Capture their spot buys (purchases made between your visits) on our website, reinforcing that it’s another tool you provide in addition to your visits and our customer service line.

**What are potential challenges to overcome with this customer?**

- They don’t have an issue using our competitors’ sites for spot buys – buying from you in-person and using a site like Grainger’s between your visits works well for them.
- They had a bad experience with the old website.
- See “Overcoming Objections” section on p. 32 for other potential customer objections and how to overcome them.

**Opening the conversation with this customer:**

“You know we’ve always had a website, but we’ve re-created it into something I think you’ll find easy to search and buy from. On top of the service I already provide, you now have an easy-to-use website where you can find products quickly and place orders right when you need something.”

**Call to action with this customer:**

“Let’s take a few minutes so I can register you and show you what I’m talking about.”

**Key points to focus on with this customer:**

- **The old website and new website are like night and day** – the functionality and ease-of-use on our new site rivals our biggest competitors like Grainger/Fastenal/MSC/McMaster-Carr
- **Placing more orders through Lawson/Kent will reduce your vendor base** so you never have to question who’s accountable for meeting your MRO needs
- **Hassle-free returns** – simply wait until my next visit and I’ll do the leg work for you
  - Standard return policy applies. See return policy for details.
  - This does not apply to house accounts, ISR-only accounts or web only accounts.
SALES PROCESS WITH THIS CUSTOMER:

1. Before the visit, review this Guide and be comfortable navigating the site.

2. **Have your customer’s account number and zip code on hand to aid in the registration process** you’ll take them through during the visit.

3. At the customer’s site, complete your typical call tasks and make a list of items you need to replenish.

4. Seek out your primary contact (preferably the buyer).

5. Introduce the website’s features and customer benefits.

6. Offer to register them and demo the site.
   - **HOW-TO DEMONSTRATE OUR SITE**
     See the Web Demonstration Steps on p.33 or type “web how to” into the search bar on the site to watch a sample demo.

7. Add Lawson/Kent to their desktop as an icon
   - **HOW-TO CREATE A DESKTOP SHORTCUT**
     Go to the website. In the header, click Resources, then Overview. On the Overview page is a button to “Add Icon”. Click that button, and a shortcut will be added to the desktop on the customer’s computer.

8. Follow-up on every visit talking about the website features/customer benefits and demonstrating new features of the site (suggestions on p.23). For a quick reference, the web site’s Resources > Overview page has the most current web site capabilities and benefits.

SELLING TO AN EXISTING CUSTOMER THAT WAS REGISTERED ON THE OLD SITE

A customer who has done business on the old site before was transitioned to the new site as of November 15, 2012 and received a personalized email to take them through the profile update process. You may have already helped them update their profile and have introduced the features of the new site to them. The information in this section will help you keep the transitioned customer engaged in our new site.

Who is this customer?
This customer purchased on our old site and has been transitioned to the new site.

What is the goal with this customer?
Ensure they’re actively using the new site and placing orders at least as frequently as they were on the old site.

What are potential challenges to overcome with this customer?
- The new site functions differently than the old site. Although the new site is easier to use and has more functionality, they may be resistant to the changes.
- They may have not updated their profile yet.
Continuing the conversation with this customer:

“Since you were registered on our old site, you’re account has transitioned to the new site, I just want to be sure you’ve updated your profile and are finding it easy to search on and buy from. How has your experience been so far?”

Call to action with this customer:

Depending on how they respond to the question above, you may have to help them update their profile or, if they’ve already done so, can ask to demonstrate additional functionalities they haven’t used yet. Suggestions for how to continue reinforcing the benefits of our site to your customers can be found on p.XX.

Sales process with this customer:

Even though this customer is likely transitioned, they may not have updated their profile yet and/or not be aware of the new site’s basic functionality. The below sales process will help you walk them through these steps:

1. Before the visit, review this Guide and be comfortable navigating the site.
2. **Have your customer’s account number and zip code on hand to aid in the profile update process** you may have to take them through during the visit.
3. At the customer’s site, complete your typical call tasks and make a list of items you need to replenish.
4. Seek out your primary contact (preferably the buyer or the person who primarily used the old site).
5. Introduce the new website’s features and customer benefits.
6. Offer to help them update their profile (if they haven’t already) and demo the site.
   - **HOW-TO DEMONSTRATE OUR SITE**
     
     See the Web Demonstration Steps on p.33 or type “web how to” into the search bar on the site to watch a sample demo.
7. Add Lawson/Kent to their desktop as an icon and add to their favorites.
   - **HOW-TO CREATE A DESKTOP SHORTCUT**
     
     Go to the new website. In the header, click Resources, then Overview. On the Overview page is a button to “Add Icon”. Click that button, and a shortcut will be added to the desktop on the customer’s computer.
8. Follow-up on every visit talking about the website features/customer benefits and demonstrating new features of the site (suggestions on p.23). For a quick reference, the web site’s Resources > Overview page has the most current web site capabilities and benefits.
9. Check between visits to ensure they’re placing at least as many orders as before (track via SAP portal)
SELLING TO A POTENTIAL CUSTOMER THAT’S NEVER DONE BUSINESS WITH LAWSON/KENT BEFORE

Who is this customer?
This customer has not done business with Lawson/Kent before. Your VMI approach and in-person service/expertise will likely be the hook for this customer. The website’s role with this customer will be to show we can provide service they need AND convenient access to products and information.

What is the goal with this customer?
Capture their in-person and spot buy business right from the start.

What are potential challenges to overcome with this customer?
You’re likely trying to win them over from a competitor with a similar business model to Lawson/Kent (Kimball, Barnes, Wurth, etc.), but doesn’t have a robust web site.

Opening the conversation with this customer:
You will sell to this customer leading with the Lawson/Kent value proposition of great service, technical knowledge and support, but you can differentiate yourself by using our website as a leg-up over our competition.

“Lawson/Kent can provide you with all the service and technical support you need, but we also know that anytime ordering and access to product information is important. We can offer service in-person plus a powerful website to get you the products and information you need day or night, not just when I’m here.”

Call to action with this customer (once you’ve won the business, established pricing and created an SAP account number for them):
“Let’s take a few minutes so I can register you and show you what I’m talking about.”

Benefits to focus on with this customer (web specific):

- A web site that leads the VMI industry in ease-of-use and number of products - 5x more than our printed catalog
- Search how you like – by keyword, item number, brand, cross-references, including OEM numbers, or product category
- Quick access to the most up-to-date product and technical information – get MSDS, product information reports (PIR’s) and other product specification information at your fingertips instead of having to call me
- Instantly know your pricing – always know your pricing for any item we offer
  o Requires they be on Tier Pricing or Tier/CSP
• **Convenient, fast ordering** – buy between visits when your schedule allows and at your convenience

• **Hassle-free returns** – if you buy something you don’t need, just give it to me on my next visit and I’ll take care of the paperwork and (legwork) for you
  - Our standard return policy applies. See return policy for details.
  - This does not apply to house accounts, ISR-only accounts or web only accounts.

• **A specially trained Web Customer Service team (866.837.9908)**

**Sales process with this customer:**

Once you’ve won the business, agreed upon pricing and have established an account number, follow the below sales process to get them started on the web as soon as possible.

1. Before the visit, review this Guide and be comfortable navigating the site.

2. **Have your customer’s account number and zip code on hand to aid in the registration process** you’ll take them through during the visit.

3. At the customer’s site, complete your visit tasks and make a list of items you need to order.

4. Seek out your primary contact (preferably the buyer).

5. Ask for a few minutes to register them and demo the site.
   - **HOW-TO DEMONSTRATE OUR SITE**
     See the Web Demonstration Steps on p.33 or type “web how to” into the search bar on the site to watch a sample demo.

6. Add Lawson/Kent to their desktop as an icon.
   - **HOW-TO CREATE A DESKTOP SHORTCUT**
     Go to the new website. In the header, click Resources, then Overview. On the Overview page is a button to “Add Icon”. Click that button, and a shortcut will be added to the desktop on the customer’s computer.

7. Follow-up on every visit talking about the website features and customer benefits and demonstrating new features of the site (suggestions on p.23). For a quick reference, the web site’s Resources > Overview page has the most current web site capabilities and benefits.
Best Demonstrated Practices

This section was developed to share sales tips and suggestions on overcoming objections from customers reluctant to use our new website. The following content comes directly from other sales reps and managers that have had success growing their sales and retaining customers using the web.

Topics in this section include:

• Sales tips
• Overcoming objections
• Steps to web registration and giving and a site demonstration
SALES TIPS

Tip: Growing your sales is all about repetition

The key to growing your account sales through the web requires your customers to place spot buys on our site between your visits. Those who have been successful in driving their customers towards this behavior say it’s due to consistently reinforcing the benefits of using our website with their customers on every visit.

The path to getting your customers to place spot buys requires that you:

✔ Are comfortable using the web to search products, find information and make purchases
✔ Introduce the site to your customer and register them through a live demonstration
✔ Reinforce the website features and customer benefits on every in-person visit you make along with demonstrating new functions as they become available
✔ Use the SAP portal to track customer order activity so you can ask questions about their web experience (or lack of activity) in person

Adhering to the last two steps above are critical in driving your customers’ behavior towards placing orders on our site between your visits. See p.23 for suggestions to help you keep the new website top of mind with your customers.

Tip: If you’re comfortable, they’ll be comfortable

Our new website was built to be intuitive and easy-to-use, but there is no substitute for you being familiar with the features and navigation of the site. If you are confident in using our site while registering your customers and demonstrating our site to them, they’ll see how easy it will be for them, too.

Before approaching any customer with our new website, we suggest you become comfortable performing the following activities:

✔ Logging into and out of your account
✔ Searching for items your customers use most
✔ Using the MSDS look-up tool
✔ Building and saving a cart, and re-order list for future ordering
✔ Placing several orders on behalf of your customers using your account
✔ Familiarizing yourself with the web confirmation and order confirmation emails that are automatically sent to you after an order is placed

For quick demonstrations on how to use most the above functionalities, type “web how to” in the search bar of the website.

Tip: Remind the customer to always log-in

Remind your customers to always log-in before they browse products and shop. If they simply go to the site without logging in they will see walk-up pricing which is always higher (and potentially off-putting) when compared to their account specific pricing.
Tip: Use the web to verify SAP price, tax and freight

The web is a great tool for validating SAP pricing, tax and freight for each of your customers that are on Tier Pricing or Tier/Customer Specific Pricing (CSP). If your customer is on Range or Infinite pricing, you/they will not be able to see their account pricing on the web or purchase on the web.

Tip: Everyone likes “free!”

Let your promo-eligible customers know each month we feature a new promotion only available to customers that place orders through the web. This is not recommended to be used as a primary reason for them to use our website, but rather as a hook you can use to peak your customers’ curiosity and keep them visiting regularly.

Tip: Everyone uses the web in one way or another

It’s a common sales adage that when customers say, “no,” they’re just saying, “not now.” Statements like, “I don’t really use the web,” or, “I’m not interested in placing my orders online,” are usually said by customers who may feel they’re about to hear a time-consuming sales pitch or be pushed into an activity they presume they’ll be uncomfortable with.

Use your customers’ surroundings and draw on past observations and conversations to help you gauge their true level of personal and professional web involvement. Consider the following:

✔ What brands of competitor’s boxes have you seen on the shop floor?
  o Chances are if they’re from a low-service competitor like Grainger, Fastenal, MSC or McMaster-Carr, they’ve come from the web

✔ Does your customer use a smart phone?
  o If they have a smart phone (which is essentially a hand-help computer) it’s likely that they use the Internet

✔ Has your customer ever mentioned buying holiday or birthday presents on web-only retailers like amazon.com or talked about web-based events and activities like Cyber Monday or fantasy sports?

Depending on how you answered the above questions, your customer is likely using the web personally and/or professionally and would find our new web experience to be as easy, if not easier to use than many of the most popular websites out there.

Tip: Rely on Web Customer Service – 866.837.9908

Just as you rely on our engineering department for technical and application support, our new website has a dedicated group of customer service reps that have been specifically trained to handle website questions and processes. Emphasize to your customers that Web Customer Service is a phone call away to help them with any specific challenges they encounter using the web. For example, they can walk your customer through any of the following processes: logging-in, finding products, checking out, changing account settings, resetting passwords, and much more.
OVERCOMING OBJECTIONS

Objections are an expected part of the sales process and introducing the new website is no exception. The following are commonly cited objections based on other sales reps’ experiences. There are several suggested ways to overcome each objection. Rely on your knowledge of the customer to decide which would work best for you.

Objection: “I already know how to use the Grainger/MSC/Fastenal/McMaster-Carr site and I’m happy with it – why should I bother getting set up with your site?”

- “…and I know you’ll be just as happy, if not happier with our site. We did our homework and invested in putting together a website that you would find just as useful as our competitors’, if not more.”
- If your customer is promo-eligible: “Let’s sit down now for a moment to get you registered and place today’s order so you can take advantage of our web-only promotion. We have a new free item available every month if you meet a minimum order level.”
  - The web-only promotion is a great way to get promo-eligible customers to agree to sit down for a demo. You can register them and show them live how easy it is to search products quickly and build a cart.
- “One way I’ve always stood out from my competition is in the service I provide, so if you order from the Lawson site and need to make a return, I can handle it for you. You can have all the convenience of ordering from a website without the hassle of making returns.”

Objection: “But the Grainger/ MSC/Fastenal/McMaster-Carr site has a million products so there’s no doubt I will always find what I want…”

- “Yes, but quantity is not always quality. Our site offers 5x the products as our catalog, but they’ve been selected based on the products and brands our customers use most. If you give our site a first-look when you buy, I’m sure you’ll find the right products for your needs.”

Objection: “I prefer face-to-face interaction with you”

- “I know you rely on the help I provide during my in-person visits and I won’t stop making them. Our new website is a just a more convenient way for you to get anytime access to Lawson’s products at the moment you need them, not just when I visit.”
- “Our new website is a great way for you to see our pricing in advance of my visit and even do a pre-budget between my visits so you can submit your paperwork at your convenience, not have to wait until I come in.”

Objection: “Why would I need your website when I have you?”

- “The website has 5x the items I have here in my catalog, so if you’re looking for an item you don’t usually need or use, our new website is the perfect place to look for it first.”
- “I can’t be here with you 24/7 when emergencies come up. This is the place for you to get product information and place orders when I’m not here so your business can keep moving.”
Objection: “I don’t like re-entering my credit card information every time I visit”

- “We are looking at including this feature in the future if it is in high demand, but it is intended as a security feature to be sure you never have to worry that anyone besides you and your authorized users has access to your information.”

Objection: “I’ve been browsing around and think your prices on items I don’t usually order are too high”

- “I’m glad you found some new products you don’t usually order. Let me take a look and make sure the price that’s showing is reflective of the business we do with you.”

STEPS TO WEB REGISTRATION AND SITE DEMONSTRATION

The website registration and demonstration process takes between 2-5 minutes. Use this process exactly as it is outlined here to successfully introduce your customers to the new site or, if you’re very comfortable using the new site, modify it to be more personalized to your customer.

LOG-IN / REGISTER THE CUSTOMER

1. Go to www.lawsonproducts.com or www.kent-automotive.com
   - For Canadian accounts: www.lawsonproducts.ca or www.kent-automotive.ca
   - Switch countries by clicking the flag icons in the top left corner of either site
2. In the header, next to the country flags, click “Log In or Register”
   - If they were registered on our old site and have updated their profile ask the customer to log-in
   - If they were registered on our old site but have NOT updated their profile ask them to enter in their old log-in information and select the link “Forgot Your Password,” then follow the instructions. If that doesn’t work, call Web Customer Service at 866.837.9908 for assistance
   - If they have never registered on our old site, register them by following the registration prompts -OR- use your log-in and select the customer’s account from the drop down box
   - Note: Detailed instructions are outlined on the website under the Resources>Overview>Getting Started feature

DEMONSTRATE SEARCH

Following the instructions below, search “jobber fractional drills,” or if you have specific items you’d like to re-order for your customer, you can search them now.

3. In the top right corner of the header, search by keyword by typing “fractional drill” in the search box
   - Note the website types ahead and shows keyword matches based on what you’re typing
   - Select “Jobber Fractional Drills” and click the magnifying glass to search
   - Click on the IMAGE titled “Jobber Fractional Drills”
o Narrow by Diameter > 1/16 inch
o Narrow by Brand > Regency
o Select first 3 items and click Compare > Differences and explain the differences that are highlighted
o Select third item to view product page by clicking the description
o Explain Product Details, Description, Tech Specs and Accessories tabs
o Click Add item to Cart (the mini cart will display briefly)
• KENT TIP: Also show how to search by OEM number
  o Type OEM number OEM # 10301966 into the search toolbar and show the Kent item #KT12852 that comes up

DEMONSTRATE CHECKING-OUT

4. Click "Checkout" from the mini shopping cart in the top right corner
   • Once in the cart, review items and click check-out
     o Remember, you need to be logged in to see the customer’s pricing
   • Explain how the customer can change Shipping Address by unchecking “Same as Billing” if there are multiple ship to locations for the bill to account
   • Explain Delivery and Shipping Instructions
   • Explain that the site accepts payment on Account and by Credit Card (we will not save credit cards at this time)
   • Click "Review Order"
   • Explain the web site making a call to our system to calculate real-time tax, freight, and validating final product price
     o If only subtotal value displays, the call to our system was unsuccessful and the customer will receive a follow-up email
   • Do not submit order unless this is a live order!
   • If you do not want to save these items in the cart, you can click on the "Cancel and Clear Order" button to remove them
This section contains the resources and tools available to help you sell and use the web.

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<th>Where to Find</th>
<th>Availability</th>
<th>How to Use</th>
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<tr>
<td>The Guide to Selling and Positioning</td>
<td>SAP Marketing and Education Tab - PDF UPerform (via SAP) - interactive learning module</td>
<td>Available now</td>
<td>Learn how the web benefits your business, features and benefits of the site and how to successfully sell it to your customers.</td>
</tr>
<tr>
<td>Web Functionality How-To Modules</td>
<td>Type “web how to” into the search bar of the website</td>
<td>Available now and as new functions are released throughout 2013</td>
<td>Step-by-step audio and visual instructions for how to use the different functions of the web.</td>
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<td>(including How-To Give a Site Demonstration)</td>
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<td>Quick Reference Pocket Cards</td>
<td>February 2013 tool box</td>
<td>Available now</td>
<td>Keep these with you to quickly reference the web registration process, features and benefits, and demo steps.</td>
</tr>
<tr>
<td>Web Customer Service</td>
<td>866-837-9908 <a href="mailto:info@lawsonproducts.com">info@lawsonproducts.com</a> <a href="mailto:info@kent-automotive.com">info@kent-automotive.com</a></td>
<td>Available now</td>
<td>Dedicated reps to help you and your customers with any web-related challenges or questions you/they have.</td>
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