

## Determine the on-going potential of key customer accounts

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### Overview

This standard is about the skills and knowledge needed for you to determine the on-going potential of key customer accounts.

Customers can be profitable, cooperative and always pay on time, others can be time consuming, yield little return but have a high profile end user. Gauging the on-going potential of customers is of great importance in maintaining the profitability of a food business. Determining if a customer is a time waster, is likely to have difficulty paying or their products require a difficult production process are all important factors in deciding if a customer is worth keeping. Additionally this information can be used to decide how a customer is dealt with on a day to day basis. It can also be used to inform where time, resources and expenditure can be focused to aid the success of the food business.

You will need the skills and knowledge to determine the criteria by which a customer will be judged, ensuring the criteria are agreed by colleagues. You will also need the skills and knowledge to source specific information, from different areas of the food business and use the information to gauge potential of a customer.

This standard is for you if you work in food and drink manufacture and/or supply operations and are involved in determining the on-going potential of key customer accounts.

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## Performance criteria

*You must be able to:*

### **Determine criteria**

1. determine criteria by which customers will be assessed
2. communicate criteria to colleagues, receive feedback and amend criteria accordingly

### **Collate information**

3. source the food and drink business current customers
4. source data relating to the financial aspects of each customer including profitability and if the customer is financially solvent
5. gauge the amount of man hours needed to work with each customer
6. assess the ease of production for goods made for each customer
7. establish the willingness and ease of ability of customers to co-operate and work with different areas of the food business including finance, production, technical and distribution
8. determine the benefits and challenges of working with a specific high profile customer or end user
9. assess the potential of a customer for expansion
10. assess the importance of informal and sensitive information relating to a customer and how to record, handle and use this information

### **Evaluate information**

11. use collated information and criteria to gauge the food and drink businesses on-going potential
12. make recommendations to the relevant people about the need to pursue further contracts, modify the methods of working with specific customers or reject working with a specific customer completely

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## Knowledge and understanding

*You need to know and understand:*

1. how to source the current customers to your food and drink business
2. the different methods, quantitative and qualitative, of assessing customers, their advantages and disadvantages
3. the methods of communication and technology, available to aid the gathering of information, in your organisation and how to use them
4. how to collate and present gathered information
5. the methods of communication and technology, available to aid the gathering of information, in your organisation and how to use them
6. why it is important to establish a formal criteria or key performance indicator by which a customer can be assessed
7. how to consult with colleagues to establish criteria and why it is important to do so
8. how to source data relating to each food and drink business departments working relationship with specific customers
9. the areas of the food and drink business most important to determining the on-going potential of key customers
10. how to use gathered information to inform decision making around determining the on-going potential of customers
11. why it is important to inform relevant people of findings and how to do this
12. the organisational and regulatory requirements relating to the handling of data

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**Developed by** NSAFD

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**Version Number** 2

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**Date Approved** January 2019

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**Indicative Review Date** January 2024

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**Validity** Current

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**Status** Original

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**Originating Organisation** Improve

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**Original URN** IMPAB107S, IMPAB108K

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**Relevant Occupations** Associate professionals and technical oc; Administration; Business Management

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**Suite** Food Business Growth and Development

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**Keywords** Food; drink; manufacturing; determine; on-going potential; key customer accounts

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