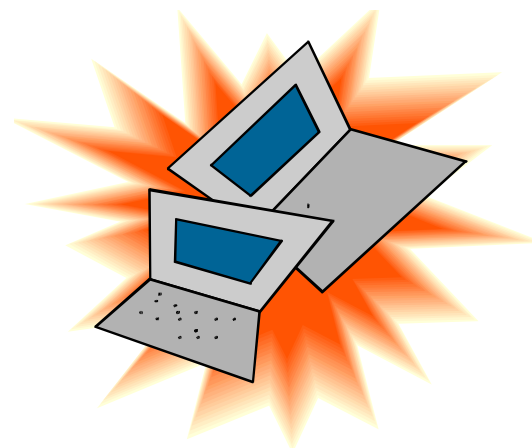


Sales Force Automation— What Can It Do For You



Are your sales calls disorganized? Is it hard to track market information? Many of those who have answered yes to one or both of these questions are turning to sales-force automation (SFA). If you are considering SFA or don't like your current SFA, this article may provide some assistance.

At last count there are approximately 400-plus computer programs on the market aimed at helping sales reps do their jobs more efficiently. One type of program gives reps the tools for designing products and closing deals on-site. Others provide the technology to develop multimedia presentations, configure marketing campaigns, or tap into a company's intranet from the road. And that's just to name a few.

With all these options, selecting the right solution becomes a big risk. According to a study by the Gartner Group, more than 60% of all SFA projects are unsuccessful. The reason may be resistant salespeople, automating the wrong process, or failure to involve key managers. But, according to the Pentech Corp., when used correctly, SFA can increase your sales anywhere from 15% to 35%. The key is to analyze your sales strategy and specific needs before choosing which tools to buy.

The following case studies show how selecting the right SFA program can generate positive results for a company.

Timely Automation

Are you automating your sales force at an appropriate pace? Use the chart help to see where your company falls on the SFA curve.

PHASE	TOOLS	TARGET YEAR
One	Word processing, spreadsheets, E-mail	Now
Two	Contact managers, electronic expense reports	Now
Three	Account-territory managers, order-management systems, call-reporting systems, sales-analysis systems, mobile client-server systems	Now
Four	Sales-configuration systems, opportunity-management systems, marketing encyclopedia systems, telesales, system-administration systems, interactive selling systems	1998
Five	Enterprisewide opportunity-management systems, intraenterprise team-selling tools	2000
Six	Interenterprise opportunity-management systems, virtual sales organizations	2002
Seven	Tools that allow unassisted selling	2004

Dormont Manufacturing Co.—Winning New Business

Evan Segal is President of Dormont Manufacturing Co., a \$30-million manufacturer of gas-appliance connectors located outside of Pittsburgh. Segal needed a way to broaden customers' perceptions of what his company could do for them. He also wanted to change his own perception of where to direct his company's resources. To solve the first problem, he knew the key was getting people inside the factory. Then they'd realize the diverse range of products Dormont produced. After seeing a virtual-reality (VR) tour of Carnegie-Mellon University, he knew he had the answer. Bring his factory to his customers.

Today, all his sales managers carry a 10-minute multimedia tour of Dormont, complete with animation, still photos, and video. Segal hired an independent programmer to design the tour using a program called Director Multimedia Studio from Macromedia (approximate cost \$1,000). He then hired a freelance artist to design five animated characters and an actor to do their voices.

The program was a success. His sales reps felt more in control of their meetings. They could easily choose which segment of the 16-part presentation to show. After showing a current customer the presentation, she purchased additional items which she never realized Dormont carried.

After accomplishing his first goal, Segal now had to figure out how to use technology to help him pinpoint the most lucrative places for which to expand. After some research, Segal purchased PowerPlay, an opportunity management system (OMSs) from Congnos for about \$10,000. OMSs are highly evolved descendants of contact managers. They can track companies, names, phone numbers, and meeting notes just like a contact manager, but OMSs go a step further, helping sales reps identify untapped wells of revenues hidden in their existing accounts. The systems accomplishes this by tracking everything from sales information to specific product information by industry and even by customer.

In just a year, Segal saw the benefits of his OMS. For example, he noticed a few large customers in certain territories were spending considerably less than their same-industry counterparts in other regions. He ran a report itemizing the products sold to each customer in the low-buying group, and was able to quickly spot the problem. While most customers had been purchasing the company's new safety valve (worth nearly a million dollars), the low-buying customers were not. After speaking with his reps, he learned that there was an inadequate number of samples to give to potential customers. He quickly put together sample kits for each low-selling rep and established individual sales goals for them. As a result, he expects to see a 50% increase in safety valve sales this year. Overall, he expects Dormont's revenues to increase by 25% as a result of the SFA system.

Gulf Industries—Changing Selling

Kozell Boren is the president and chairman of Gulf Industries, a designer and manufacturer of signs. He was looking for a way to keep customers interested once his salespeople had made a pitch. He discovered, almost accidentally, how technology could help change the way Gulf sold signs.

Boren purchased his first laptop (a NEC 386) and Corel Draw software as a test. He added a few of Gulf's basic sign configurations and fonts, and gave it to one of his sales reps to use. The sales rep found the length of his calls shrank from three to one hour, and within a few months he became the company's top salesperson.



The results lead Boren to an obvious conclusion. He had to get his sales reps laptops. But with 200 sales reps, many of whom were independent contractors, this was an expensive and difficult proposition. He gradually got half his sales reps converted, but continued receiving resistance from the other half. Those who had them were selling in a completely new way. Boren would gather fresh graphics from top design firms and email them to his reps to use in creating signs. Many salespeople were adding portable scanners, digital cameras, and high-resolution screens as well.

Three years after Gulf launched the laptop program, its sales had increased by 29%. And, the salespeople who had invested in the technology reported an average increase of 25% in sales. These statistics proved to Boren that it worked. Now all he had to do was get the rest of his sales reps using the laptops.

Multicom Communications—Reconstructing a Company

Multicom Communications is a \$5-million sound, data, and communication contractor in St. Louis. It is responsible for the lighting, sound systems, computer networks, and surveillance system within buildings. Founder and CEO Michael Koenig realized several years ago that he needed a better way to organize sales information. He needed a more reliable system than sticky notes to help remind salespeople to follow-up leads.

After researching his options, he decided to purchase Market Master, a marketing-and-sales software package from Break-through Productions. The program collated, scheduled, and guided calls for sales reps. It generated follow-up letters and it could tailor market campaigns to different clients. The results were impressive. Sales increased five times over. The change, however, brought to the forefront another problem. Koenig recognized the lack of communication between departments and the need to improve technology throughout the entire company.

Koenig was finding that as information got passed from one department to another, facts would get mixed up and deliveries were delayed. Something had to be done. Koenig decided to create a company intranet which would link every department. Multicom's chief engineer wrote the code for the intranet using an operating system called Linux. Koenig also had Market Master reconfigured to include new field to enhance company-wide communication.

Now when a prospect begins a job, the salesperson fills out an electronic "job start form" on the intranet, which includes all the necessary project information. Once completed, an email message is automatically sent. Accounting receives it and gives their okay, they send it on to production for scheduling who then sends it to the fabrication department. The payoff of the system shows up at every stage of a project. Projects now stay on schedule and within budget, making for more satisfied customers.



Of course, for every SFA success story there are two that are not. The key is to know your needs and research your options. *Then* select a program. But, the process doesn't stop here. Successfully implementing the program requires not just setting up the technology, but establishing an internal system for use. It also means generating buy-in and providing training for sales reps and managers. Finally, don't forget follow-up. Not everyone will embrace the changes. Check-in with sales reps and managers to ensure proper use and answer questions. With the rapid changes in technology it is also important to stay up-to-date. This may require upgrading or even changing programs to remain competitive.

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