

ERP Course: Sales and Marketing

Reading: Chapter 4 from Mary Sumner

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Information Systems

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Sales

Personal

- Driven by a seller
- Targets individuals directly without a prior request for services or products
- A special case is retail

Complex Sales

- Sometimes called Enterprise Sales as well
- Driven by a customer
- With request for a proposal and a bid stage and contract at the end
- State, government, services, software, consulting, and so on

Sales and Marketing Processes in the Large

Sales Lead Identification

Prospecting

Customer Need Identification

Proposal to a Customer

Closing/Contract

Deal Transaction

Marketing

Sales

Sales Lead Identification

To identify a potentially interested party to buy services or outcomes of the services

It usually comes from lead generation such as:

- Trade shows
- Direct marketing (usually comes with CRM/individualized)
- Advertising
- Internet Marketing
- Cold Calling

All connected with contact bases

Prospecting

Discarding unqualified leads from qualified to contact (just those who will with high probability buy products)

- Criteria for qualified leads
- Metrics
- Selection tools
- Clustering tools
- Personalization/scripting (criteria may differ from campaign to campaign)
- Different actions (appointments, sending a white paper, and so on)

Prospecting

Selecting contacts/leads based on:

- Budget availability
- Earlier closed transactions
- Payment history
- Strategic value
- Relationships with others

Support for lead types and customer kinds

Customer Need Identification

Several sessions to clarify customer requests

Identifying a gap between current state and future planned state

The gap implies a suggested solution

Sometimes this stage is called as Sales Opportunity in different stages

Closing

Differs from sales to sales and from business to business

Can be:

- Transfer of money
- Signature on a contract and transfer to another unit/department
- No sales possible

Not all sales opportunities close positively

Deal Transaction

After closing the sales process

Represent a complex exchange of money for a service and product

Can include configuration, training, development, manufacturing and so on

Longer period of time

Contact Management

New contact vs. Customers

Contacts histories

Contacts vs. Accounts

Contacts in relations to other contacts

Vertical vs. horizontal clustering into business areas and segments

Planned vs. done Activities

Channels of interaction for the contact

Telemarketing

Identification who is calling and to whom you call

Support for basic facts recording

Effective access to all information about contact – sales and payment history, interests, latest acquisitions, activities performed with the contact, ...

Reminders for next marketing events or calls

Direct Mail

Integration with main mailing tools

Generating mails for customers

Integration with product catalog

Integration with a reporting tool and information/document base

Generating task messages for a sales team member

Sales at the Operational Level

Prospecting

Contact Management

Telemarketing

Direct Mail

Products

Management Control

Product Pricing

Sales Management

Advertising and Promotion

Sales Forecasting

Product

Information about product types

Product white papers and advertising materials

Pricing information

Discount strategies

Customer benefits programs

Configuration packages

Future product plans

Product features

Product sales history

Relations of products to customers

Product Pricing

Customer Loyalty

Quantity

Customer program/configuration package chosen

Image based on price

Expenses connected with product

Price should

- Guarantee financial goal
- Fit the reality of marketplace
- Product positioning

Sales Management

Sales team members

Territories and their shape and clustering

Planning to do lists – calling, meetings, making scripts and so on

Lead selection programs

Products profitability

Evaluating

Comparison of the sales person productivity against average
(money, time, positively closed opportunities)

Most profitable products

Products and Customers which have the highest percentage of
sales

Weak products per territories

Sale person performance per product type

Promotion

Media selection

Which media channels are the most effective

Monitoring of them

Planning the campaigns and fairs

Planning and evaluating day to day marketing activities

How many campaigns lead to closed opportunities and revenues

Sales Forecasting

Segmenting potential customers

- By territory
- Products
- Services
- New products

Using past information and information about competition, customer demand and demographic trends

Problem with Sales Orders Processing

Incorrect pricing and customer information

Delays in inventory updates, partial shipment

Delays in delivery

Incomplete invoices

Incorrect posting of payments

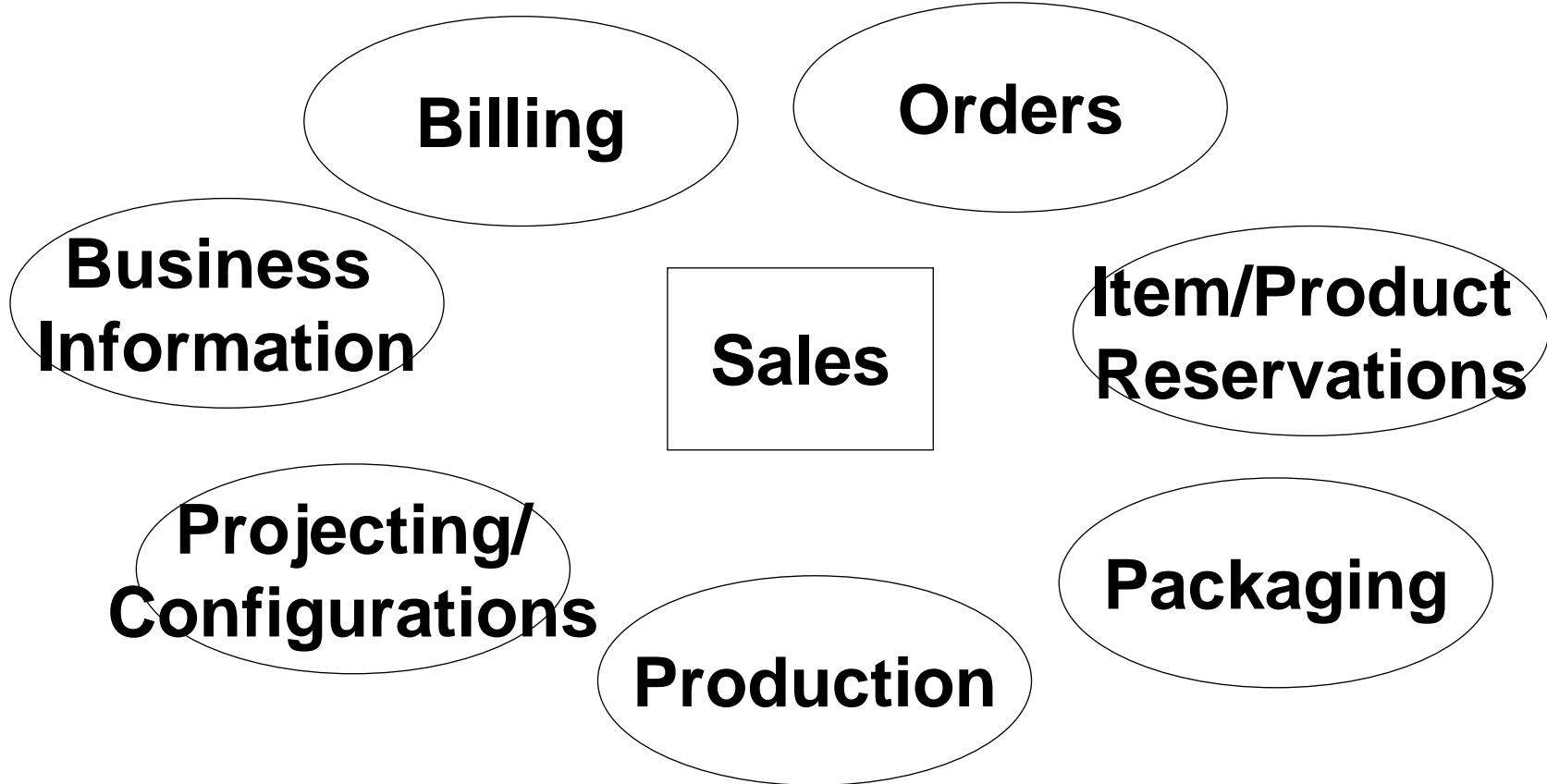
Delays in accounting (reminders to customers who have paid and so on)

Interaction with Other Modules

Business rules for:

- Correct customer information based on contact data and customer order/contract => Accounting module, Material Module
- Correct information on configuration items/services ordered/subscribed to => production
- Correct addresses and times to deliver => Production module, resource planning, warehouse module
- Customer, Product and Items, Financial Information, Right Units to be informed

Interaction of Sales and Other Modules



Advantages of Integrated Sales System

Standard codes for products and customers

Common database for all modules

Standard documents based on common templates (e.g. transactions numbers)

Audit trails (tracking the state of a business transaction)

Sales records integrated with accounting records