ERP Course: Sales and Marketing Reading: Chapter 4 from Mary Sumner

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Sales

Marketing

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, cosulting, 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
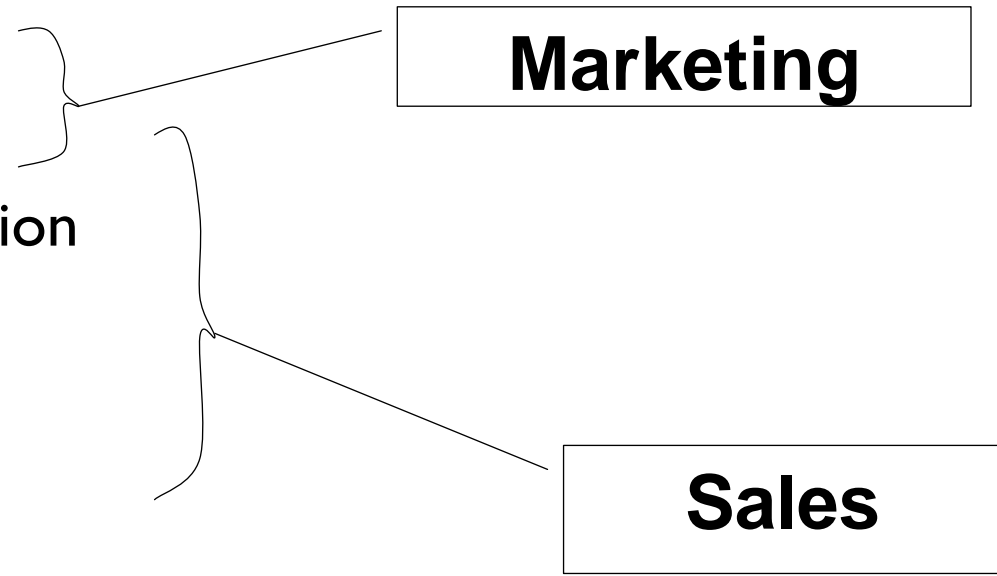
Marketing

Sales

Sales Lead Identification

To identify a potentialy 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)

Customer Need Identification

Several sessions to clarify cutomer 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 possitively

Deal Transaction

After closing the sales process

Represent a compex exchange of money for a service and product

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

Longer period of time

Sales at the Operational Level

Prospecting
Contact Management
Telemarketing
Direct Mail
Products

Sales & Marketing

- Sales
  - Contacts
  - Customers
  - Salespeople
  - Teams
  - To-dos
  - Opportunities
  - Production Schedule
  - Outlook Integration
  - Reports
  - Documents
  - Periodic Activities
  - Setup
- Order Processing
- Marketing
- Inventory & Pricing
- Analysis & Reporting
- History
- Setup

Financial Management

Sales & Marketing

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

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

Planed vs. done Activities

Channels of interaction for the contact

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KA1001 For∅g salg - Campaign Card

General | Invoicing

No..	KA1001
Description	For¢g salg
Status Code	5-START
Starting Date	01-11-00
Ending Date.	01-04-01

Salesperson Code . . . . HN
Last Date Modified . . .
Activated . . . .

Campaign ▼ | Functions ▼ | Help

MG10001 For∅g salg - Segment

General | Interaction | Campaign

No..	MG10001
Description	For¢g salg
Salesperson Code	HN

Date 25-01-01
No. of Lines. 79
No. of Criteria Actions . . 2

	Contact ...	C..	Contact Company Name	Contact Name	Description
▶	KT100202	H..	Afrifield Corporation	Janice Galvin	For¢g salg
	E000025	H..	Antarcticopy		For¢g salg
	E000062	H..	Autohaus Mielberg KG		For¢g salg
	E000061	H..	Beef House		For¢g salg
	KT100189	H..	Bilabankinn	Ragnar Eiriksson	For¢g salg

Segment ▼ | Functions ▼ | Log | Print ▼ | Help

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

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

Management Control

Product Pricing
Sales Management
Advertising and Promotion
Sales Forecasting

Product Pricing

Curstomer 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

Teritories and their shape and clustering

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

Lead selection programs

Products profitability

Evaluating

Comparison of the sales person productivity against average
   (money, time, possitively closed opprotunities)
Most profitable products
Products and Customers which have the highest percentage of
   sales
Weak products per terotories
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

Salesperson - Sales Statistics

Period:

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19. September 2006

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All amounts are in LCY

Code	Name	Sales (LCY)	Profit (LCY)	Profit %	Invoice Disc. Amount (LCY)	Payment Disc. Given (LCY)	Pmt. Tolerance (LCY)
JR	John Rasmussen	203.877,18	58.572,18	28,7	0,00	0,00	0,00
PS	Philip Søborg	497.346,00	180.653,00	36,3	7.926,00	0,00	0,00
Total		701.223,18	239.225,18	34,1	7.926,00	0,00	0,00

Sales Statistics
CRONUS Danmark A/S

No.	Name	...before	25-01-01 24-02-01	25-02-01 24-03-01	25-03-01 24-04-01	after...
10000	Kontorcentralen A/S					
	Sales (LCY)	146.093,55	0,00	0,00	0,00	0,00
	Profit (LCY)	45.124,55	0,00	0,00	0,00	0,00
	Profit %	30,9	0,0	0,0	0,0	0,0
	Inv. Discounts (LCY)	6.210,45	0,00	0,00	0,00	0,00
	Pmt. Discounts (LCY)	0,00	0,00	0,00	0,00	0,00
	Pmt. Disc Tol. (LCY)	0,00	0,00	0,00	0,00	0,00
	Pmt. Tolerances (LCY)	0,00	0,00	0,00	0,00	0,00
20000	Ravel Møbler					
	Sales (LCY)	55.469,45	0,00	0,00	0,00	0,00
	Profit (LCY)	21.004,45	0,00	0,00	0,00	0,00
	Profit %	37,9	0,0	0,0	0,0	0,0
	Inv. Discounts (LCY)	1.715,55	0,00	0,00	0,00	0,00
	Pmt. Discounts (LCY)	0,00	0,00	0,00	0,00	0,00
	Pmt. Disc Tol. (LCY)	0,00	0,00	0,00	0,00	0,00
	Pmt. Tolerances (LCY)	0,00	0,00	0,00	0,00	0,00
30000	Lauritzen Kontormøbler					
	Sales (LCY)	52.356,00	0,00	0,00	0,00	0,00
	Profit (LCY)	24.581,00	0,00	0,00	0,00	0,00
	Profit %	46,9	0,0	0,0	0,0	0,0
	Inv. Discounts (LCY)	0,00	0,00	0,00	0,00	0,00
	Pmt. Discounts (LCY)	0,00	0,00	0,00	0,00	0,00
	Pmt. Disc Tol. (LCY)	0,00	0,00	0,00	0,00	0,00
	Pmt. Tolerances (LCY)	0,00	0,00	0,00	0,00	0,00
40000	Kvalitetsmøbler A/S					
	Sales (LCY)	9.100,00	0,00	0,00	0,00	0,00
	Profit (LCY)	9.100,00	0,00	0,00	0,00	0,00

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Sales Forecasting

Segmenting potential customers

- By teritory

- Products

- Services

- New products

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

Sales Cycle - Analysis
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EKSIS Eksisterende kunde

Stage	Description	Activity Code	No. of Opportunitie	Estimated Value (LCY)	Calcd. Current Value (LCY)	Average No. of Days
1	Indledende	INDLED	6	14.300,00	2.190,50	0
2	Præsentation	P-WORK	1	10.000,00	5.500,00	0
3	Tilbud	TILBUD	0	0,00	0,00	0
4	Underskriv kontrakt	USKRIV	0	0,00	0,00	0
	Eksisterende kunde		7	24.300,00	7.690,50	0

EKSIS-STOR Eksisterende storkunde

Stage	Description	Activity Code	No. of Opportunitie	Estimated Value (LCY)	Calcd. Current Value (LCY)	Average No. of Days
1	Indledende	INDLED	5	368.000,00	1.721,00	0
2	Kundeforståelsesmøde	BEHOV	0	0,00	0,00	0
3	Produktpræsentation/workshop	P-WORK	0	0,00	0,00	0
4	Tilbud	TILBUD	0	0,00	0,00	0
5	Underskriv kontrakt	USKRIV	0	0,00	0,00	0
	Eksisterende storkunde		5	368.000,00	1.721,00	0

F¥RST Førstegangskunde

Stage	Description	Activity Code	No. of Opportunitie	Estimated Value (LCY)	Calcd. Current Value (LCY)	Average No. of Days
1	Indledende	INDLED	3	8.400,00	1.036,50	0
2	Kvalifikation	KVAL	0	0,00	0,00	0
3	Præsentation	P-WORK	0	0,00	0,00	0
4	Tilbud	TILBUD	0	0,00	0,00	0
5	Underskriv kontrakt	USKRIV	0	0,00	0,00	0
	Førstegangskunde		3	8.400,00	1.036,50	0

F¥RSTSTOR Førstegangsstorkunde

Stage	Description	Activity Code	No. of Opportunitie	Estimated Value (LCY)	Calcd. Current Value (LCY)	Average No. of Days
1	Indledende	INDLED	4	95.600,00	194,60	0
2	Kvalifikation	KVAL	1	3.000,00	75,00	0
3	Firmapræsentation	V-PRÆ	0	0,00	0,00	0

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, ressource planning, warehasouce module
- Customer, Product and Items, Financial Information, Right Units to be informed
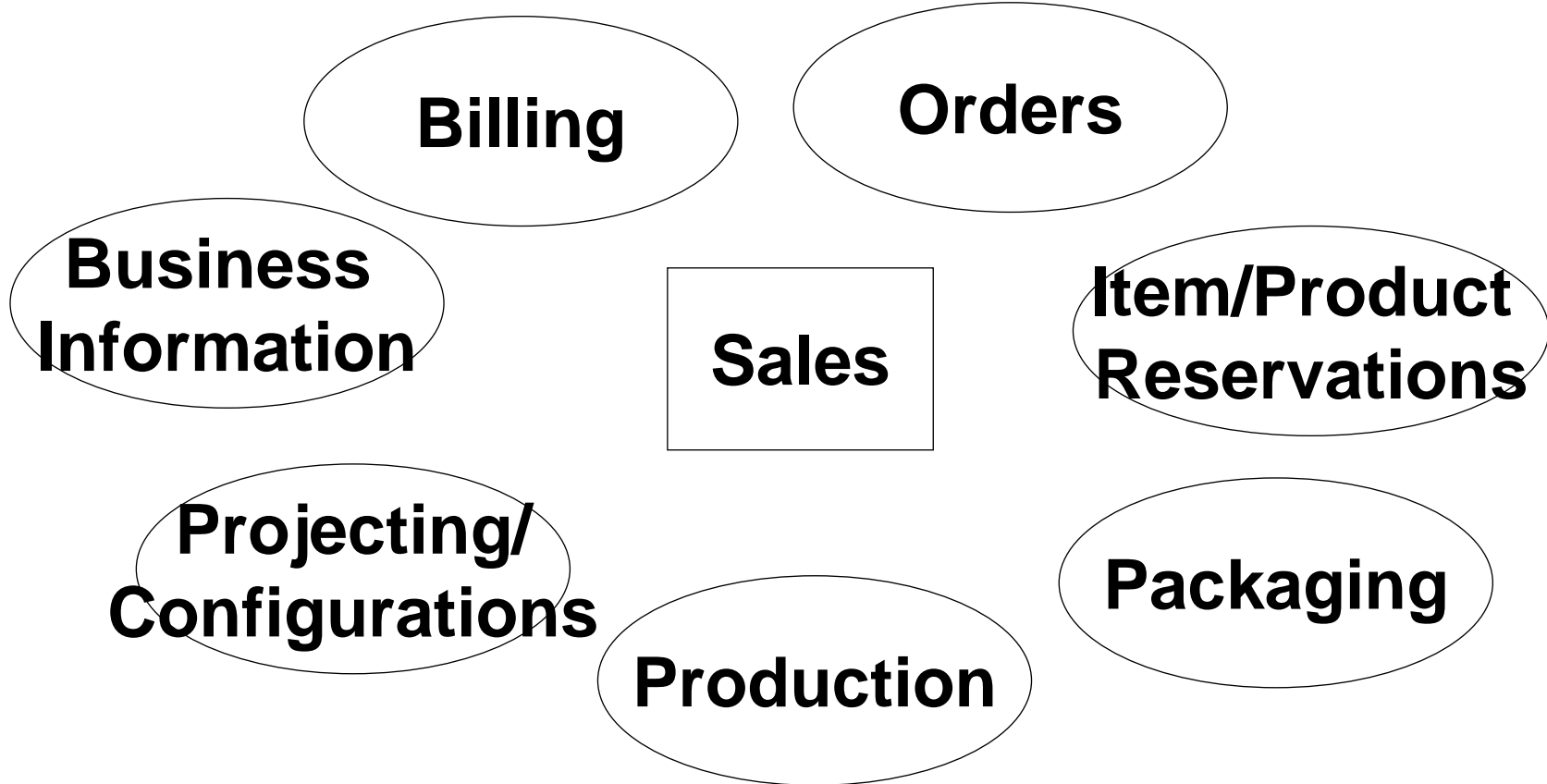
Advantages of Integrated Sales System

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