

August, 2010

Sant Customers Deploy Proposal Automation to Achieve Strong Sales Results

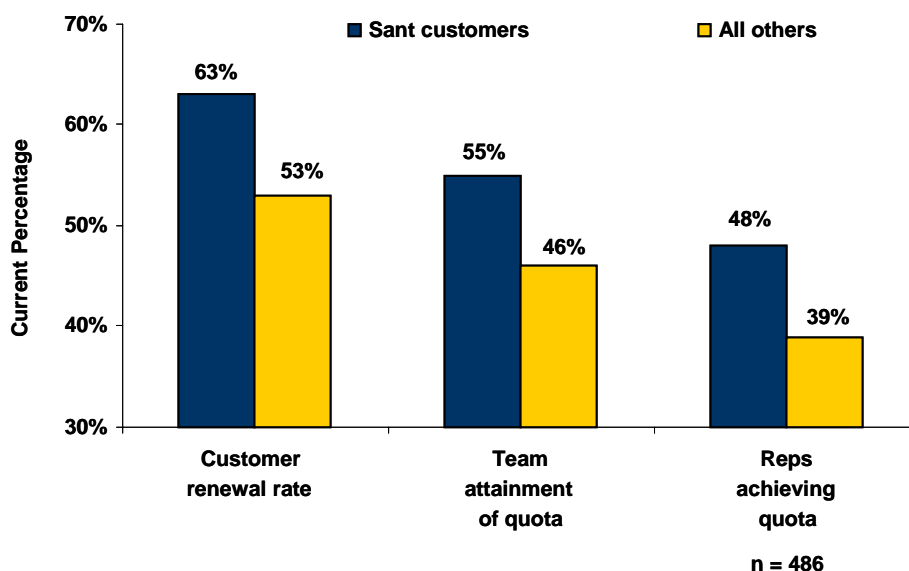
As sales organizations endeavor to escape the constricted economy of the 2009 recession, one of their most significant barriers is stagnant progress regarding bringing their sales cycle under control. Recent Aberdeen research published for *Inside Sales Enablement: "Let Them Drink Coffee!"* (December, 2009) revealed that not only did under-performing companies see a year-over-year increase in their sales cycle of 12%, but even the top performers experienced a slight (1%) lengthening of their own lead-to-win timeframe.

In current research for *Optimizing Lead-To-Win: Shrinking the Sales Cycle and Focusing Closers on Sealing More Deals* (May, 2010), Aberdeen explored a number of processes and enabling technologies specifically focused on reversing this trend, including sales proposal automation, electronic/digital signature capture and configure/price/quote solutions. Among 486 survey respondents were 37 customers of The Sant Corporation, whose performance (Figure I shows their current quota attainment and customer retention rates compared to those of other companies) and adoption of sales effectiveness practices are discussed in this Analyst Insight.

Analyst Insight

Aberdeen's Insights provide the analyst perspective of the research as drawn from an aggregated view of the research surveys, interviews, and data analysis.

Figure I: Current Sales Performance of Sant Customers vs. Others



Source: Aberdeen Group, May 2010

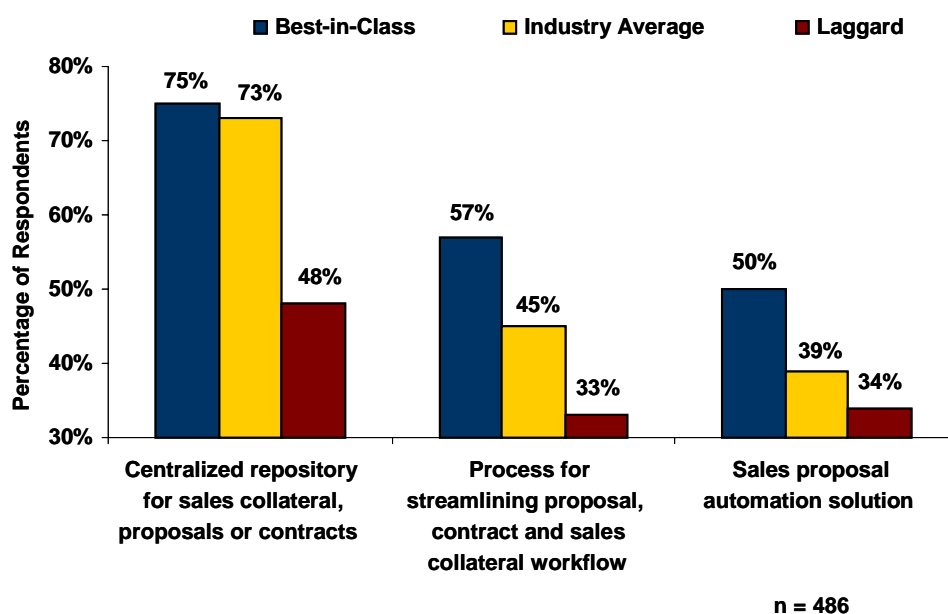
The Business Challenge at the Bottom of the Sales Funnel

Aberdeen research conducted for *B2B TeleServices: the 2009 Buyer's Guide* (November, 2009) has shown the end-user value of deploying external, customer-facing teams to source, nurture and convert the most highly qualified leads on behalf of an internal, B2B-focused field sales organization. Additional findings in *Inside Sales Enablement: "Let Them Drink Coffee!"* provide insight into internal teams that can also create effective, top-of-the-funnel filtering methodologies. Yet how adept are the "closers" at taking the baton-pass to the finish line and attaining a winning close ratio?

Only 46% of Best-in-Class companies in the report, for example, deployed proposal and quote configuration tools in support of the latter stages of sales deal-making. Given the negative trend of sales cycle metrics exhibited by even these top performers, the opportunity to better leverage practices, processes and tools focused on the "lead-to-win" component of the sales funnel bear more in-depth examination.

Regardless of the original source of a sales lead – external telemarketing, inside sales, marketing automation – the typical field or channel sales representative or "closer" has every motivation to move the opportunity through the sales cycle as quickly as possible. The rewards of incentive compensation, quota achievement, professional pride and even promotional opportunities are closely associated with repeated success by any sales professional that consistently meets or beats their number.

Figure 2: Best-in-Class Deployments to Control Sales Cycles



Source: Aberdeen Group, May 2010

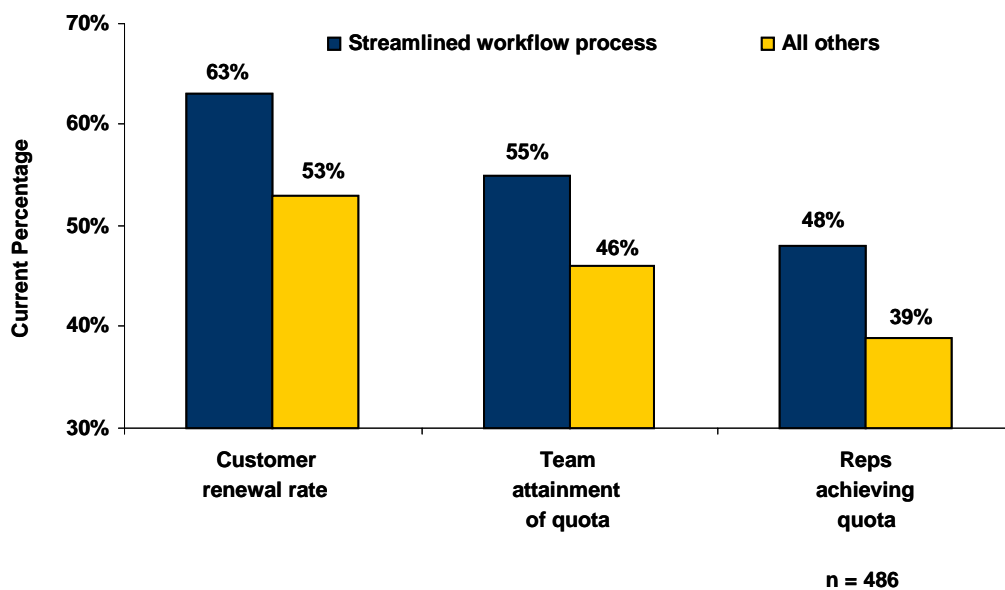
Yet the potential barriers to a quick, decisive “win” can be many: complex pricing negotiations, detailed product configurations, gaps in communications, insufficient access to internal resources, competitive bids, and even “trigger-shy” buyers. Best-in-Class companies in the Lead-to-Win research, though, are successfully attacking these issues by deploying process and technology solutions (Figure 2) that are yielding peak sales performance (see sidebar). Now, let’s examine these best practices in more detail.

Best Practices in Process, Content Management and Sales Automation

64% of Sant customers report that they currently have in place a process for streamlining proposal, contract and sales collateral workflow, compared with 43% of other companies. This 49% gap speaks to the importance the former group places on creating a business environment in which enabling technologies that can help reduce sales cycles can thrive. After, all, simply buying and deploying software without proper provisioning of the people and processes it supports is not a holistic way to improved corporate performance.

Within the Lead-to-Win research, a 73% differential between Best-in-Class and Laggard companies around establishing a methodology for sales proposal/contract/collateral workflow points to significant value in any process that enables the workflow associated with deal-making and deal-closing. With sales proposal management solutions in hand, in fact, end-users see both customer renewal rates and team quota attainment rates of 15% higher than those not deploying such a system.

Figure 3: Workflow Process



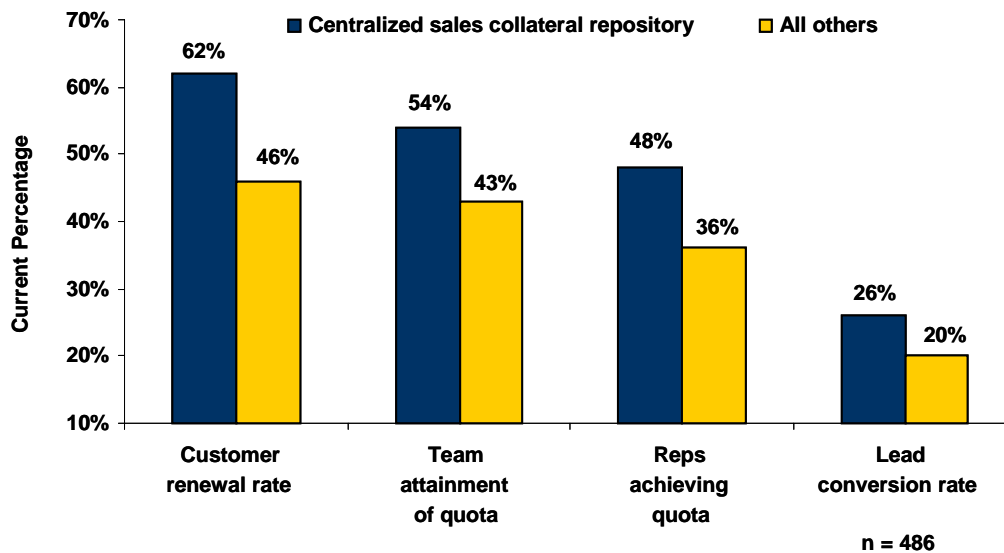
Source: Aberdeen Group, May 2010

The process behind this workflow supports the capture of both management- and peer-provided input for best selling practices, through the creation of standardized and configurable sales contracts. These can be quickly accessed, adapted and used for a wide variety of customer needs across various geographical, product line or industry vertical specifics by any contributing marketing, sales or service team member.

Analyzing the performance of companies that have adopted a streamlined workflow process, compared to those reporting no focus on supporting their sales team in this way, yields the performance results seen in Figure 3. In exactly the same metrics seen as gaps between Sant customer performance and others in Figure 1 above, an average delta of 21% separates process-centric survey respondents from other companies in terms of measurable, revenue-centric sales success.

Most companies within Aberdeen’s research currently deploy a centralized repository for sales collateral, proposals or contracts, though Figure 4 illustrates the performance differentials between this majority and the few that don’t. 97% of Sant customers either currently have or plan to institute the same, while 92% of other companies fall into the same definition.

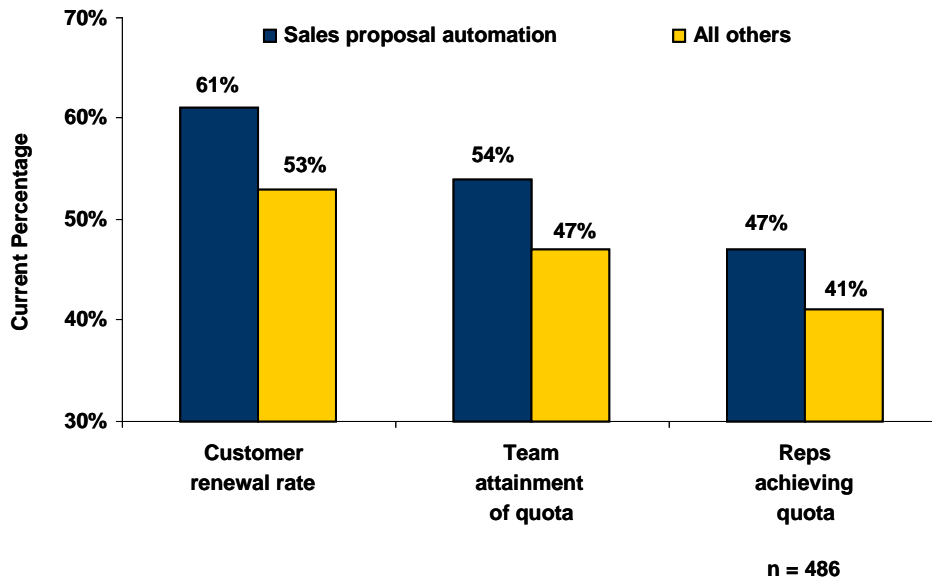
Figure 4: Centralized Repository



Source: Aberdeen Group, May 2010

The value of centralizing marketing materials is born out by [Marketing Asset Management: Managing Brand Compliance in Distributed Marketing Environments](#) (March, 2010), in which top-performing companies achieved better Return on Marketing Investment (ROMI), brand consistency and reduced time-to-market by deploying library and digital asset management technologies, as well as a process to disseminate information on best practices in managing marketing assets to both sales and marketing teams.

Figure 5: Sales Proposal Automation



Source: Aberdeen Group, May 2010

Finally, the adoption of sales proposal automation solutions that enable these processes and policies are also associated with Best-in-Class performance. 72% more Sant customers deploy this technology enabler than other firms (67% vs. 39%), and Figure 5 represents current performance advantages by like-minded companies throughout the Lead to Win data set.

Companies use sales proposal management solutions to manage their lead-to-win methodology with automated tools that impact the speed and accuracy of developing quotes, proposals, contracts and even products themselves. Using configurable, step-by-step wizards and the ability to customize messaging to specific selling environments, adopters enjoy significant performance advantages over non-users across a number of the performance metrics here such as quota attainment and customer retention, as well as in tactical KPI's such as average deal size, reducing error rates in proposals and lead conversion ratios.

Case in Point:

Consider the case of CIBER, an outsourced IT services provider and systems integrator. According to Bill Geddy, Sales Leader for the company's ERP Business Unit, "we used to put together proposals and statements of work in the old tried-and-true method, simply taking the most recent one, doing a search-and-replace, and editing the document for the needs of the current situation." It was a highly labor-intensive process, Geddy explains, in which "we churned through a lot of man-hours performing administrative tasks instead of spending quality time selling."

As CIBER embarked on a program of up-market growth in providing more complex services and solutions, Geddy looked for ways to more efficiently produce the team's 650-plus proposals per year that would reduce the time involved for his sales executives, and decrease the content management dangers associated with repeated, manual search-and-replace proposal development. The company deployed the Sant solution while simultaneously instituting a full cleansing and refreshing of the CIBER content database. Geddy explains, "we provided the team with standardized documentation and collateral for sales and marketing materials associated with every conceivable variable of services we provide, adding threads of industry-specific content."

The new solution created a far more intuitive and efficient way for the CIBER sales organization to build proposals, and the results were significant, says Geddy: "We've shaved 30% to 40% off proposal development time. As a sales leader, that's time I've returned to the sales staff so they can sell." The team's win ratio improved from 25% to 35% as well, and Geddy reports that "along with the software, we gained a better process to qualify opportunities and focus on our best markets. One of our public sector sales wins reported to us, 'you clearly understood our needs with the very first proposal iteration' which allowed us to skip the cost and stress of the typical, multiple rounds of vendor selection, because of the quality of our documentation and presentation."

Conclusion

The idea behind "lead-to-win" is to enable closers, channel partners and anyone else tasked with "sealing the deal" to make the most of what they are handed within the larger cycle of identifying, nurturing and closing sales opportunities. While marketing automation, outsourced teleservices bureaus and inside sales teams are empowered to provide closers with both quality and quantity leads, the "other side of the fence" needs to be highly efficient in moving deals to closure, and in dealing with cumbersome Requests for Proposal (RFPs) without re-inventing the wheel for each deal. By adopting the best practices of the top performers in industry, end-users can achieve better velocity, shorter selling cycles, revenue growth and, perhaps most important to selling professionals – hitting their number.

For more information on this or other research topics, please visit www.aberdeen.com.

Related Research	
<u>Sales Forecasting: Analytics to the Rescue;</u> June 2010	<u>Customer Analytics: Leveraging Customer Data to Fulfill the One-to-One Marketing Imperative;</u> December 2009
<u>Optimizing Lead-To-Win: Shrinking the Sales Cycle and Focusing Closers on Sealing More Deals;</u> May, 2010	<u>Sales Training: Translating Tribal Selling Knowledge Into Bottom-Line Productivity.</u> September 2009
<u>Providing a 360° View of the Customer: Better Service - Higher Sales;</u> March, 2010	<u>The Carrot or the Stick? Competing Strategies for Sales Effectiveness;</u> July 2009
<u>Sales Intelligence: Preparing for Smarter Selling;</u> February, 2010	
<u>Inside Sales Enablement: "Let Them Drink Coffee!";</u> December 2009	
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