

WHITE PAPER

Wireless Sales Force Automation on RIM BlackBerrys Strengthens the Sales Pitch

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IN THIS WHITE PAPER

While companies have been aggressively investing in technology and process improvements to increase productivity throughout their businesses, the coupling of wireless devices and sales force automation tools represents a particularly strong value proposition. Once limited to email, contact management, and scheduling tools, the functionality of sales force automation (SFA) now includes real-time access to back-end product and pricing databases as well as the ability to enter orders remotely. This white paper examines how wireless technology has begun to unleash a greater amount of business value from sales force automation and how new features, functions, and capabilities at the device level are making it possible.

METHODOLOGY

IDC analysts conducted interviews with four companies that have implemented wireless sales force automation solutions using Research In Motion (RIM) BlackBerrys. One of these interviews was used as the basis for the case study presented in this white paper. All the companies interviewed are RIM customers, and RIM provided the contact names for the interviews.

SITUATION OVERVIEW

Like email before them, sales force automation tools represent one of the key drivers of wireless device adoption among field-based employees. As with nearly all technology investments, companies that deploy wireless SFA do so to improve the productivity of their field sales forces. The core principle behind this approach is straightforward: Salespeople empowered with information are more effective at converting prospects to customers and maximizing the flow of business from those customers. Although this principle is true, below the surface one sees a far more diverse dynamic at work. Salespeople are now using mobility-enabled SFA to gain access to a far richer array of information and applications than before, and they are leveraging this access in a way that makes their companies more responsive to the customer and marketplace.

FUTURE DIRECTIONS

Traditionally, SFA applications have served what might be called the "administrative needs" of field sales employees, including email access, contact management, and scheduling/calendaring. Although these applications continue to represent the mainstay of SFA tools, the portfolio of capabilities available to users has begun to expand into two key areas. First, during sales calls, sales representatives increasingly are using their mobile devices to access crucial information stored within their core enterprise systems. Access to this information in the course of sales calls helps them:

- ☒ More effectively target and/or upsell to their prospects based on their account histories
- ☒ Convey information to customers more efficiently, whether through prepackaged sales presentations or real-time access to prices and inventory availability

Second, SFA functions have begun to extend from facilitating the sales call to facilitating the transaction itself. Thus, SFA shortens the sales cycle by eliminating the often inefficient handoff from field sales to internal order processing. Examples of relevant capabilities include:

- ☒ Presales qualification, including the ability to view a customer's accounts receivable status and credit standing
- ☒ Remote order entry capability, eliminating the need to manually input information into an ERP system at the home office

The benefits of remote order entry are many. In addition to getting the order into the pipeline faster, it does so more accurately through a reduction in the number of errors. Moreover, by creating a more seamless and inherently more efficient process, remote order entry enables representatives to spend more time with current or prospective customers, thus improving their revenue-generating capacity.

As the definition of SFA has evolved, so have the requirements for mobile devices in the field. Until now, the device debate has generally revolved around user interface issues and sales representatives' preferences for consolidated functionality. More recently, however, the growing depth and breadth of SFA functionality have introduced a new set of requirements at the device level. The most important requirements stem from the increasing use of wireless devices to access back-end enterprise data and applications in real time. To enable this functionality — and thus ensure the timeliness and accuracy of the information — wireless SFA platforms need a way to synchronize the data resident in the handset with the core databases. One example is the "trickle sync" implemented by ERP vendor PeopleSoft, under which the sales representatives and BlackBerry devices automatically and bidirectionally synchronize with the underlying PeopleSoft application whenever users are within wireless range. (SFA platforms also need to guarantee that changes made outside of wireless coverage will be reliably conveyed to the back end.) Again, this functionality ensures that representatives have access to the most up-to-date information and at the same time relieves them of the need to reenter data into the core system.

During sales calls, field representatives are often under significant time constraints and are thus required to deliver their messages as efficiently and effectively as possible so as not to waste valuable "face time" with prospects. Seconds can matter. Thus, field representatives need devices that can access information quickly and efficiently in the course of a sales call. Such a requirement renders laptop computers less than optimal because the required boot reduces the amount of valuable time in front of the prospect. This contrasts with the "always-on" capability of handheld devices such as the BlackBerry, which enables representatives to access critical information within a very short window. Regardless of the device types, representatives using SFA platforms need to be able to find information quickly and efficiently. As such, powerful and efficient search capabilities are a must.

Security has always been an important requirement for any wireless application, but the growing functionality of today's SFA applications makes it even more so. With SFA-enabled wireless devices able to access a company's customer product and price data — its crown jewels — a lost device or insecure connection can mean the loss of proprietary information and, as a result, competitive advantage. To prevent this situation, SFA-enabled devices need strong end-to-end encryption capabilities (e.g., Advanced Encryption Standard) to prevent corporate networks from being compromised as well as the ability to remotely disable any device that is lost or stolen.

THE PAYOFF OF WIRELESS SFA

The core value proposition of wireless SFA is the opportunity to make field sales representatives more productive and successful. How SFA achieves this goal depends on many factors, some of which relate to the solution itself (i.e., which aspects of the sales cycle are affected by the solution) and some of which relate to the industry within which the solution is deployed. Overall, SFA tends to deliver the most business value for complex sales, which in turn tend to be characterized by complex or highly configured products, long selling cycles, and diverse customer needs. The strength of wireless SFA is its ability to support the selling process at each phase of the sales cycle. The more basic the functionality, the more basic — although no less important — the payoff. Hence, scheduling and contact management improve the efficiency of the sales representative but have a relatively limited effect on the customer's decision process. Conversely, the ability to invoke multimedia presentations or respond to customer reluctance with competitive benchmarking information in real time, during the sales call, can have a dramatic effect on the rate at which sales are closed. Other generic benefits that are associated with SFA include:

- ☒ Increased productivity, because SFA enables representatives to spend less time on noncore functions (i.e., dealing with paperwork) and more time calling on current or prospective customers

- ☒ Increased revenue, via functionality such as remote access to customer analytics, which improves representatives' ability to cross-sell or upsell into existing accounts

- ☒ Shorter sales cycles, because representatives can perform functions or answer questions on site instead of having to address them at a later time
- ☒ Lower costs, by enabling sales representatives to streamline and shorten the sales process, thereby lessening the requirement for administrative support, and streamline internal processes such as order entry

The following examples provide a brief business view of how SFA is used to address the specific requirements of various vertical market areas:

- ☒ **Pharmaceuticals.** Pharmaceutical sales representatives often have only a matter of minutes to convince physicians to use a particular product. By using handheld devices such as BlackBerrys, representatives can access technical documents on demand while they have the attention of the physicians. Moreover, representatives can access and present benchmark data in real time to maintain competitive advantage in a highly competitive environment.
- ☒ **Retail.** Wholesale representatives spend a significant amount of time interacting with retailers. The key part of this interaction is providing up-to-date pricing information for a large number of products, as well as taking orders. Handheld mobile devices provide wholesale representatives with a substantial benefit by enabling them to enter orders — in real time — that go straight into the wholesaler's ERP system. As part of this transaction, representatives can also access a retailer's credit and collections status in real time, without having to call up their accounting department. This functionality speeds up the entire process, gets orders into the pipeline faster, and shows the wholesaler in a positive light.
- ☒ **Financial services.** Wholesale representatives from financial services companies sell their companies' investment products through brokers, who in turn sell to end customers. Within this relationship (discussed in depth in the following case study) brokers are heavily dependent on these representatives for information about their products. Because wholesale representatives are similarly dependent on brokers, they look to be as efficient and effective as possible in the course of their interactions with them. Mobile SFA tools provide representatives with a fast and reliable way to access real-time fund performance information, as well as product information, thereby strengthening an important relationship.
- ☒ **Technology.** Printing companies are highly dependent upon their field force activities, which include the service and support of their embedded printing and imaging devices. In this setting, onsite technicians are the front line of a company's relationship with its customers. SFA also plays an important role because technicians are often the first to detect new sales opportunities in the course of their daily activities. Using mobile SFA devices, these technicians can collaborate with field sales representatives to identify and quickly act upon these opportunities. This same dynamic holds true for other industries — such as utilities — that have substantial field force activities.

- ☒ **Insurance.** Independent agents at insurance marketing companies often need to access product information in the course of selling situations. They may also need to retrieve and update client files that are resident in the insurance companies' CRM databases. Handheld devices such as BlackBerrys are particularly well-suited for these kinds of activities, which improve the agents' ability to respond to customer needs in the course of sales calls.

CASE STUDY: PUTNAM INVESTMENTS

Background

Putnam Investments employs a 90-person wholesale sales force across the United States that works with various outside broker firms that sell funds from Putnam and competing firms to the public. The brokers rely heavily on their relationships with Putnam wholesalers for the education they need on the various funds they sell to their customers, and Putnam wholesalers look to provide the education that influences brokers to sell Putnam funds over other firms' funds.

Challenges

Among the most important assets held by Putnam wholesalers are their relationships with the brokers who sell their funds to the public. It is critical for Putnam wholesalers to be able to make the biggest possible impact during their time in front of brokers. Wholesalers know that factors such as having complete knowledge about the wide variety of funds Putnam offers, accessing the data that allows questions to be answered on the spot, and performing in a way that respects the brokers' limited time contribute to the impression they leave behind.

Solution

For years, Putnam's wholesalers relied on the local copy of their Siebel database on their notebook computers for the account information needed during sales calls. However, beyond the annoying long boot times in front of customers, sales complained that using notebooks and local databases meant its Siebel database on the corporate servers could not be relied upon to contain the most up-to-date information. Because the currency of the data depended on the salespeople manually synchronizing their local files each night, data integrity was an issue.

Still, the system provided salespeople with the essential tools they needed to be effective in sales calls. However, the expectations for how this type of information should be accessed and presented were clearly changing, particularly in the financial services industry, which was an early adopter of mobile and wireless technologies because of their ability to deliver information immediately to decision makers who required the latest performance data. Mobile handheld devices and wireless access promised better efficiencies and usability, and Putnam went through several solutions and device options before arriving at its current system on RIM BlackBerrys.

Mobile and Wireless

Putnam's initial handheld wireless solution was launched in 2000 on Palm i705s. The device was connected to the company's Siebel databases through a wireless CDPD link and a WAP browser. Although the device and its plain-text WAP interface failed to deliver the "wow" factor that would drive enthusiastic adoption across the sales force, Putnam considered the solution an important first step in the right direction because it addressed three critical factors.

- ☒ The instant-on device meant account information was available at the touch of a button.
- ☒ Wireless sync and access meant the most current data was being accessed.
- ☒ The solution proved Putnam's commitment to investing in information and communication technologies that will make its interaction with customers as efficient as possible.

The system proved the concept for the solution's next evolution in 2002. At that time, Putnam worked with Pyxis Inc., a Waltham, Massachusetts-based software developer that creates mobile solutions specifically for the financial services industry. Its mWholesaler application was used on Windows Mobile-based iPAQs and created a local data store of its Siebel database. The solution was described as widely successful because of the enthusiasm it generated across Putnam's wholesale organization. However, because it did not have wireless connectivity and wholesalers were back to working with local copies of data that needed to be synchronized each day, Putnam effectively moved one step forward, but took two steps back.

Although Putnam had a solution that was widely adopted by its sales staff and an application that organized and presented its Siebel data in an intuitive and appealing format on small form factor screens, the unconnected solution did not reflect the direction in which the industry and Putnam were heading.

Present

It was clear that the mWholesaler application is what made the solution as successful as it was. In 2004, in an effort to return to a system that enables wireless updates, Putnam moved to RIM BlackBerrys. The devices ran the Pyxis mWholesaler application and leveraged the Mobile Data Service (MDS) feature of the BlackBerry Enterprise Server for bidirectional wireless synchronization with its back-end data sources.

The BlackBerry architecture solved several issues for Putnam. First, it led to a renewal of trust in and support for the handheld device itself. A single device for voice and data communication that did not have the volatile memory and battery life issues of other devices quickly won the backing and confidence of the sales force and IT staff. Second, its wireless bidirectional sync eliminated the need for a local copy of the data on the device and put an end to the data integrity issues that stemmed from users synchronizing only sporadically. Data resides in the Siebel database on the corporate servers and is wirelessly accessed and updated from the BlackBerry handhelds.

Perhaps most important, the ability to access and update account information on the fly from the field supports a process that delivers value back to the entire sales organization. The updating of information systems at, or soon after, the customer point of contact allows data analysis and business decisions to be made that much faster. Putnam's inside sales representatives are also able to insert themselves into sales activities moments after a wholesaler has met with an outside broker because they can see the full context of the meeting that just happened. This solution ties together the efforts of inside and outside sales representatives and promotes a collaboratively informed sales department that can focus on reinforcing its relationships with its customers.

Future

Valued as much as the efficiencies the solution brings to Putnam's sales organization is the impression it leaves behind: the sign of a company investing to deliver better services to its customers. This perception contributes to the success of each sales call, and the solution will continue to expand with Putnam's investments.

The solution will evolve to include push-to-view capability for every fund's PDF file, and Putnam will expand its BlackBerry base to include its retail and institutional sales groups. There will be no significant change in the architecture, but the functionality of the Pyxis applications will be tailored to suit the specific needs of each sales practice, such as deal tracking and pipeline management capabilities for those selling financial services to large institutions.

CHALLENGES/OPPORTUNITIES

The successful implementation of a wireless SFA solution faces a number of challenges — some technical, some cultural, some a mixture of both. For the promise of wireless SFA to be realized, applications need to be engineered appropriately to take advantage of the device's properties, such as size, memory, bandwidth, and interface. Failure to do so can result in resistance to adoption within the field sales force, which in turn can undermine the business case for wireless SFA within companies that are deploying it. Other challenges to a company's successful wireless SFA deployment include the increased requirement for security and support, which implies the need for strong buy-in among both line-of-business and IT decision makers. Of course, the most important buy-in is that of the salespeople themselves, without which a company will not generate an acceptable ROI on its SFA investment. For that reason, adopting companies need to take the time and make the effort to adapt their processes where necessary and to train their sales forces sufficiently.

CONCLUSION

- ☒ By enabling sales representatives to connect to back-end data and applications, wireless SFA strengthens the sales pitch and at the same time streamlines the overall sales cycle. In this way, SFA helps sales representatives be more responsive to prospects and helps companies align their core processes with field activities. In sum, it enables companies to be more integrated and functionally coherent.
- ☒ Having up-to-date information via real-time synchronization of data is necessary to unleash the full value of mobile SFA. Companies such as RIM have focused their software efforts to enable this functionality.
- ☒ The general goal of mobile SFA is to make sales representatives more productive. As such, mobile SFA functionality must be as simple and automated as possible to take the burden off sales representatives. Similarly, information and applications need to be readily accessible via mobile devices to make the most of often limited sales call opportunities.
- ☒ Mobile SFA clearly delivers a core of generic business value, but the nature of its benefits varies substantially across different vertical markets. Vendors will need to take into account these differences when designing or partnering for the creation of new wireless SFA solutions.

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