Seamless Integration of Marketing and Sales – The Ride with Oracle

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SPS

a Swiss Post company

What I hope to share

- Context and background of our program

- Evaluation and implementation

- SPS Demand Generation and Sales Process

- Results achieved and lessons learned

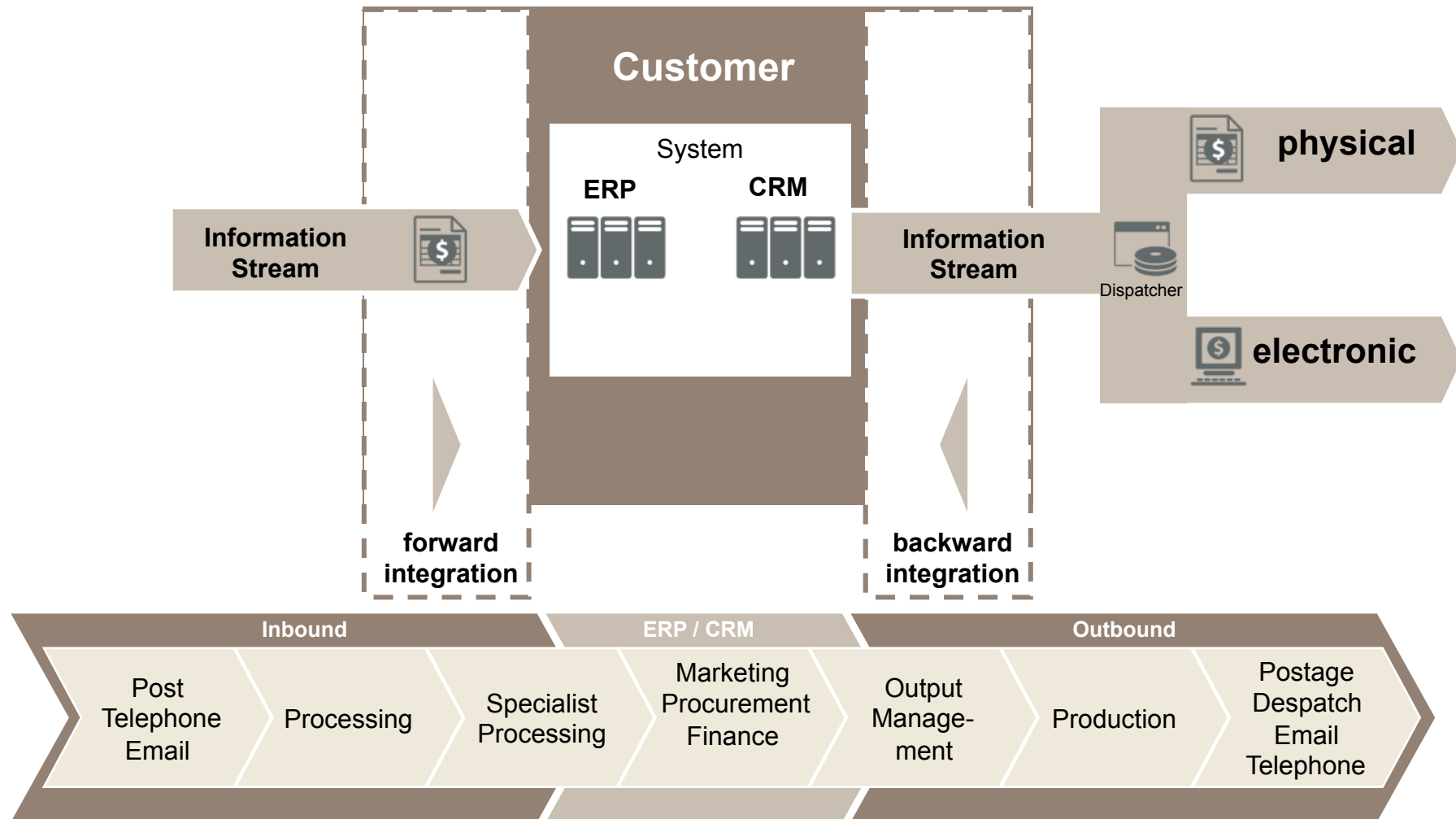- The ride with Oracle and recommendations

The central issue concerning post: Downturn of physical delivery

SPS Development

House of brands	Transition phase	Brand alignment	Branded House
1.10.2007	2008	2010	2011
MailSource GHP systemform MediaCard Ein Unternehmen der GHP GRAFICON Document Services Swiss Document Solutions ellowworld …	Co-Branding	SWISS POST	SPS a Swiss Post company

SPS Business Model

Customer

System

ERP　　**CRM**

Information Stream

Information Stream

Dispatcher

physical

electronic

forward integration

backward integration

Inbound			ERP / CRM		Outbound	
Post Telephone Email	Processing	Specialist Processing	Marketing Procurement Finance	Output Manage-ment	Production	Postage Despatch Email Telephone

CHALLENGE 1
Radical Reorganization

CHALLENGE 2
Increasing Asymmetrical Competition

CONSEQUENCE
Internal challenges absorb human and financial resources. These resources should be focused on the market in order to achieve ambitious goals.

Starting Point:

Individual systems, processes, methods & capabilities

Sales Concept
Goals

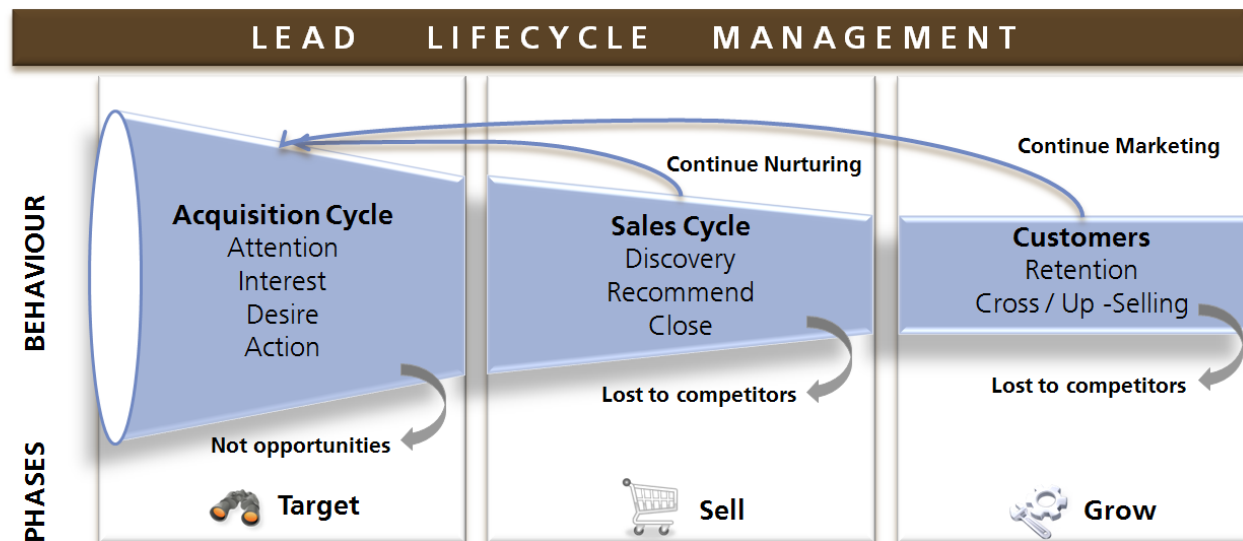The SPS Sales Concept aims to achieve the following goals:

1. **Improve organic growth**, by putting an emphasis on
   - Increasing lead/bid-to-win ratio, improving customer retention and growing share-of-wallet revenues
   - Cross-LOB, cross-country deals, Big deals

2. Provide a solid foundation to efficiently **manage organic growth**
   - Methods, Processes, Tools, Skills, Organization

3. Introduce a **Lead Lifecycle Management** mindset and language that creates a seamless flow between Marketing, Sales and Account Management to maximize the lead/bit-to-win ratio (both from newly acquired leads as well as existing clients)

4. Provide the basis for the **implementation of a encompassing, consistent and integrated SPS-wide CRM system** that enables a measurement of the return on Marketing investment and Sales effectiveness for the majority of our markets and customers/prospects

5. **Risk mitigation** in all phases of the Lead Lifecycle

Overall Vision
Lead Lifecycle Management

Lead Lifecycle Management
Lead Lifecycle Management (LLM) in the overall context

LEAD LIFECYCLE MANAGEMENT

BEHAVIOUR

Acquisition Cycle
Attention
Interest
Desire
Action

Sales Cycle
Discovery
Recommend
Close

Continue Nurturing

Continue Marketing

Customers
Retention
Cross / Up -Selling

Not opportunities

Lost to competitors

Lost to competitors

PHASES

Target

Sell

Grow

- LLM creates a seamless flow between Targeting, Selling and Growing of a lead, both from existing clients as well as new prospects
- Marketing accountability, Sales and Account Management effectiveness will be measured and improved through the LLM and CRM system
- Technology as well as a common language and methodology will play crucial roles in an efficient LLM

Evaluation and Implementation

Project 1: Sales and Client Management
Evaluating the Market for a CRM Tool

CRM Vendor	Market Position	Relevance for SPS	
ORACLE Siebel	Market Leader – CRM OnPremise [1]	Swiss Post Group CRM solution for former Strategic Accounts. Established CRM partnership.	✔
ORACLE CRM ON DEMAND	Market Leader – CRM OnDemand [1]	Next generation of Siebel solution Software as a Service (SaaS)	✔
salesforce.com	Market Leader - CRM OnDemand [1]	Has been used in some SPS subsidiaries, but no relationship on Swiss Post or SPS level.	✔
bsi meet your clients	Regional Player with first international experience	CRM solution for PostMail, PostFinance, PostAuto, PostLogistics. Established CRM partnership.	✔
ORACLE @ swisscom	Oracle (Siebel) is Market Leader on the CRM OnPremise market	Swisscom would not meet timeline; potential future solution. Possible advantages in legal/data security aspects.	✖
SAP	Rated as a Challenger. SAP is not a leader in any of the main CRM areas [1]	No CRM experience within Swiss Post, risk with new partner in the CRM field.	✖
Microsoft	Microsoft Dynamics CRM is rated as a Challenger [1]	No CRM experience within Swiss Post, risk with new partner in the CRM field.	✖

Short List (applies to first four rows)

[1] Source: Gartner 2009

Project 1: Sales and Client Management (CRM)
Implementation Roadmap

Setup Phase 2009

2010: Phase 1

2010: Phase 2

2010: Phase 3

Analyse Pilot EBS

Use of pilot and learning phase: Build up experience

Common Methods, Processes and Technologies across SPS

SPS sales concept

Needs analysis with stakeholders

Design processes and functional requirements and evaluate solution

Develop Rollout/ Training Concept

Training & Transition Phase

SPS Oracle Insight / High level concept

Information gathering technical options

Technical CRM customisation and programming phase

CRM Implementation & roll out (jointly/individually with SPI)

Release Setup-Phase Board Meeting 21.10.09

Start Concept Phase, January

Decision on Concept, Kick Off Deployment, April

Kick Off Implementation, Training, August

Implementation of the Sales Operations Role

Project 2: Acquisition
Evaluating the market for a Marketing Automation Tool

- Vendor identification in Summer 2010 – LeadLife, Marketo, M2L, Eloqua, Silverpop, Aprimo

- Vendor short list – six-step process completed December 2010

  - Silverpop

  - Eloqua

  - M2L (due to acquisition by Oracle)

- Vendor evaluation – six step process, February to April 2011

- Vendor decision – Eloqua:

  - Fit to functional requirements

  - CRMOD integration

  - Implementation model and services

  - Sales enablement

  - Privacy & Security

Project 2: Acquisition (MAT)
Implementation Roadmap (4 Countries, 1 BU)

Solutions
Program

Deployment

Deployment
Requirements

Newsletter
Roll Out

Welcome
Program

Extended
Solutions
Nurtures

Building a
Business
Case

Tool
Selection

Nurturing
Roll Out

Lead
Management
Health Check

| Q1 FY'11 | Q2 FY'11 | Q3 FY'11 | Q4 FY'11 | Q1 FY'12 | Q2 FY'12 | Q3 FY'12 | Q4 FY'12 |

Preparing the Ground / Selection

Implementation Eloqua

Demand Centre: Ongoing Demand Creation Support

CRM
Integration

Privacy
Solution

Initial Email
Activity

Reporting

Sales
Enablement

SPS Demand Generation & Sales

SPS Integrated Marketing and Sales Process
Overview
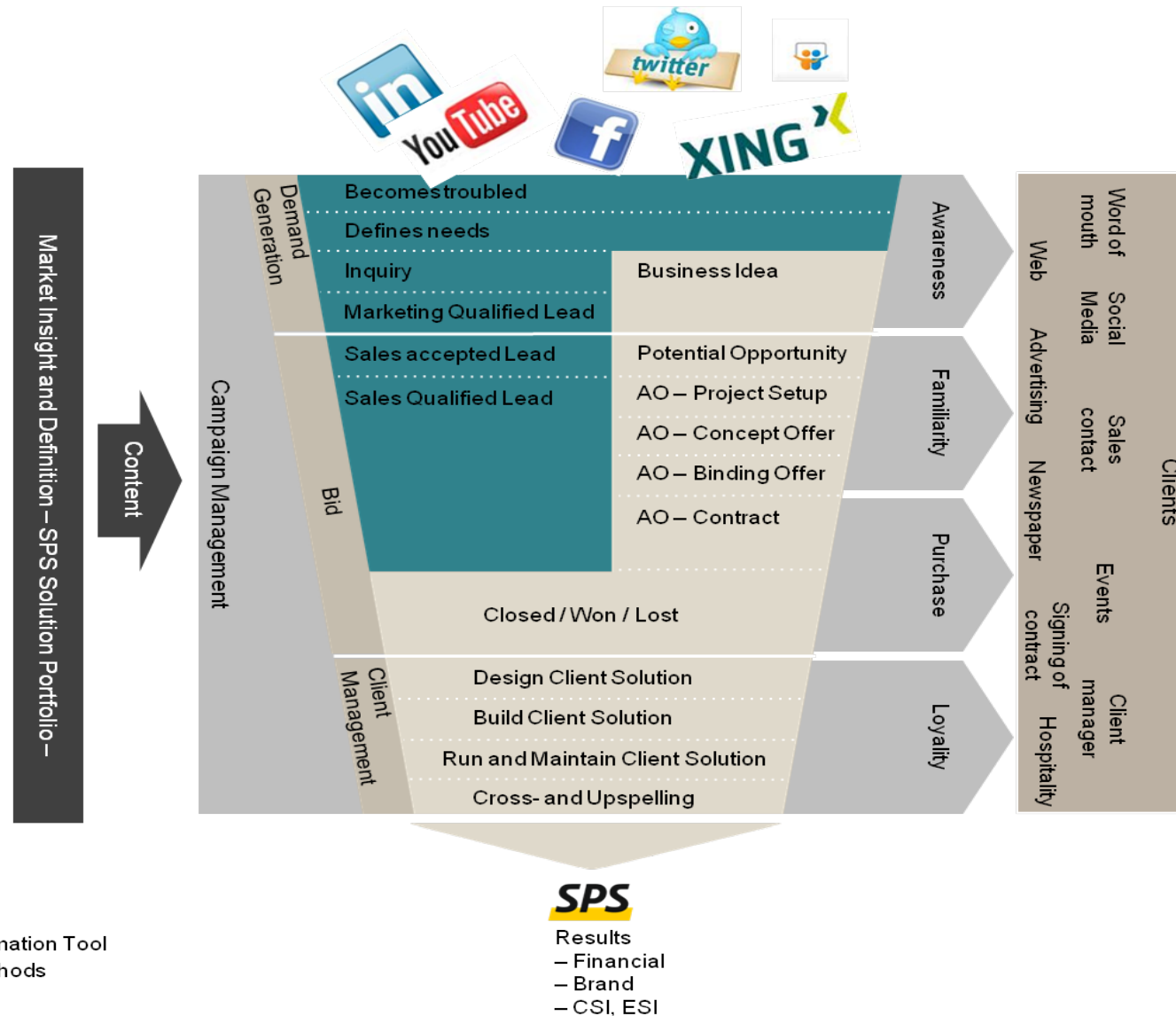
Market Insight and Definition – SPS Solution Portfolio –

Content

Campaign Management

Demand Generation		Awareness
Becomes troubled		
Defines needs		
Inquiry	Business Idea	
Marketing Qualified Lead		
Sales accepted Lead	Potential Opportunity	Familiarity
Sales Qualified Lead	AO – Project Setup	
Bid	AO – Concept Offer	
	AO – Binding Offer	
	AO – Contract	
	Closed / Won / Lost	Purchase
Client Management	Design Client Solution	Loyalty
	Build Client Solution	
	Run and Maintain Client Solution	
	Cross- and Upspelling	

Clients: Word of mouth, Social Media, Web, Advertising, Newspaper, Sales contact, Events, Signing of contract, Client manager, Hospitality

SPS

Results
– Financial
– Brand
– CSI, ESI

■ Marketing Automation Tool
■ CRM/Sales Methods

Reporting Unit
(All Choices)

Currency
CHF

TCV Target 2013

- Actual
- Outlook
- Target

TCC Target 2013
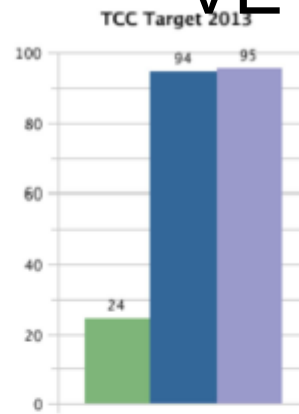
Approved Wins 2013	TCV	TCC	Rev. 2013	GC 2013	MG TCV
Q1-2013	93.6	18.8	45.4	7.9	0.6
Q2-2013	24.3	5.6	11.4	2.3	1.2
Q3-2013	0.0	0.0	0.0	0.0	0.0
Q4-2013	0.0	0.0	0.0	0.0	0.0
TOTAL 2013	**118.0**	**24.4**	**56.7**	**10.3**	**1.8**

Top 5 Wins (last 30 days)		Solution	TCV	TCC	Rev. 2013
Die Schweizerische Post	CH	Office Services	0.4	0.1	0.3
Die Schweizerische Post	CH	Archive Management Services	0.1	0.0	0.0
Die Schweizerische Post	CH	Mailroom Management Services	4.6	1.4	3.0
Tchibo GmbH	DE	Marketing & Sales Solutions	1.8	0.4	0.4

Wins 2013 - TCV	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
New & Add-On	9.0	14.9	39.9	14.1	2.8								80.7
Renewal	13.3	13.5	3.1	0.3	7.1								37.3
Approved Total	22.3	28.3	43.0	14.4	9.9								118.0
New & Add-On	0.6	1.7	0.8	0.2	7.0								10.2
Renewal	0.5	0.0	0.7	0.2	0.1								1.5
Pending Approval Total	1.0	1.7	1.5	0.4	7.1								11.7
TOTAL TCV	23.3	30.0	44.5	14.8	17.1								129.7

Wins 2013 - Revenue in Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
New & Add-On	11.7	17.1	42.2	15.6	3.7								90.3
Renewal	13.4	13.5	3.2	0.3	7.1								37.5
Approved Total	25.1	30.6	45.4	15.9	10.8								127.8
New & Add-On	0.6	1.7	0.8	0.5	7.3								10.8
Renewal	0.6	0.1	0.7	0.2	0.1								1.8
Pending Approval Total	1.2	1.8	1.5	0.8	7.4								12.7
TOTAL REVENUE	26.3	32.4	46.9	16.6	18.2								140.4

Losses 2013 - TCV	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Price	3.2	3.5	14.6	52.0	68.3								141.5
Project Cancelled by SPS	13.0	49.2	30.0	11.8	5.8								109.8
Project Cancelled by Customer	15.3	19.6	56.8	4.1	8.1								103.8
Solution	7.8	0.1	2.6	27.6	34.9								73.0
Relationship	4.8	9.3	3.1	4.6	29.5								51.2
In-House Solution	6.7	2.8	1.4	1.7	4.3								17.0
TOTAL TCV	50.7	84.5	108.4	101.8	150.8								496.3

Lead Conversion 2013	# of MQL	# of SAL	# of SQL	# of Rejected	Lead Source 2013	# of MQL	%
Jan	19	23	2	3	Unspecified	1	0.3%
Feb	57	34		50	Telemarketing	209	54.9%
Mar	201	14	1	23	Data Broker	171	44.9%
Apr	63	17		32	**TOTAL 2013**	**381**	**100.0%**
May	41	39	1	39			
TOTAL 2013	**381**	**127**	**4**	**147**			

Reject Reason 2013	# of Rejected	%
Do Not Contact Again	7	4.8%
Duplicate	3	2.0%
Existing Opportunity	12	8.2%
No Business Opportunity	83	56.5%
Targeting Criteria Not Met	32	21.8%
Unable to Contact	10	6.8%
TOTAL 2013	**147**	**100.0%**

Top 5 Opportunities		Source	Solution	Stage	Closing	TCV	TCC	Rev. 2013
Pricewaterhousecoopers LLP	USA	Telemarketing	Office Services	Project	01/14	72.7	10.9	0.0
ConCardis GmbH	DE	Web Site	Finance & Accounting Solutions	Potential	02/16	18.0	9.0	0.0
ConCardis GmbH	DE	Web Site	Finance & Accounting Solutions	Potential	02/16	7.8	3.9	0.0
ConCardis GmbH	DE	Web Site	Marketing & Sales Solutions	Potential	02/16	7.6	3.8	0.0
ConCardis GmbH	DE	Web Site	Finance & Accounting Solutions	Potential	02/16	0.9	0.5	0.0

Rolling Forecast (12 Mths.) - Weighted	TCV	TCC	Rev. 2013	GC 2013
Q2-2013	1.5	0.3	0.3	0.0
Q3-2013	7.0	1.6	0.4	0.1
Q4-2013	12.1	2.7	0.6	0.1
Q1-2014	14.9	2.4		
Q2-2014	0.1	0.1		
TOTAL	**35.7**	**7.0**	**1.2**	**0.3**

TCV Target 2013 (Actual: 2, Outlook: 23, Target: 29)

Pipeline - Unweighted	TCV	TCC	Rev. 2013	GC 2013
Potential Opportunity	58.1	25.1	1.9	0.5
AO-Project Setup	92.9	16.0	1.5	0.4
AO-Concept Offer	45.5	10.2	1.9	0.4
AO-Binding Offer	16.6	3.6	1.3	0.3
TOTAL	**213.1**	**54.8**	**6.6**	**1.5**

| Top 5 Wins		Source	Solution	TCV	TCC	Rev. 2013
Matthew Clark Wholesale Ltd	UK	Telemarketing	Finance & Accounting Solutions	1.2	0.3	0.2
SITA UK	UK	Other	Finance & Accounting Solutions	0.6	0.2	0.1
Eni Deutschland GmbH	DE	Referral - Employee	Output Management Services	0.2	0.0	0.0

Solution Pipeline - Unweighted	TCV	TCC	Rev. 2013	GC 2013
Archive Management Services	8.0	1.1	1.2	0.2
Finance & Accounting Solutions	48.8	23.7	1.1	0.5
Input Management Services	9.7	2.5	0.7	0.2
Mailroom Management Services	44.4	8.7	2.6	0.5
Marketing & Sales Solutions	10.2	4.6	0.1	0.0
Office Services	81.0	12.6	0.4	0.1
Others	0.0	0.0	0.0	0.0
Output Management Services	10.7	1.6	0.2	0.0
Security & Identity Products	0.1	0.0	0.0	0.0
Value & Loyalty Cards	0.1	0.1	0.2	0.0
TOTAL	**213.1**	**54.8**	**6.6**	**1.5**

Wins 2013 - by Quarter	TCV	TCC	Rev. 2013	GC 2013
Q1-2013	0.6	0.2	0.1	0.0
Q2-2013	1.4	0.3	0.3	0.1
Q3-2013				
Q4-2013				
TOTAL 2013	**2.0**	**0.5**	**0.4**	**0.1**

Losses 2013 - TCV	Q1	Q2	Q3	Q4	Total
In-House Solution	0.4	0.6			1.0
Price		3.1			3.1
Project Cancelled by Customer	1.0	1.0			2.0
Project Cancelled by SPS	1.9	0.9			2.8
Relationship	1.6	0.9			2.5
Solution					
TOTAL 2013	**4.9**	**6.4**			**11.3**

ILLUSTRATIVE

Workshop SPS / Oracle 6.6.2013
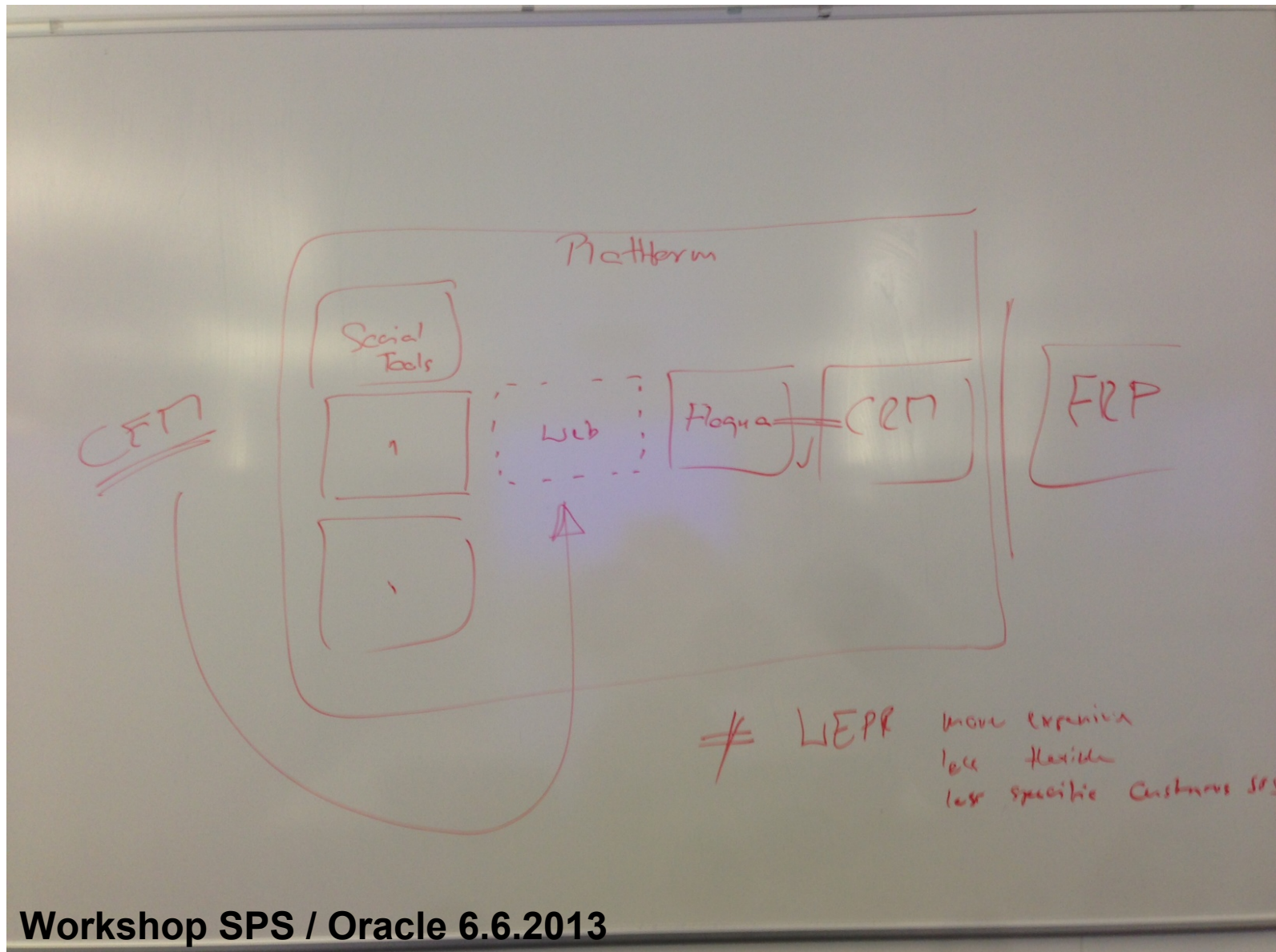
Results Achieved & Lessons Learned

What have we delivered and achieved

CRM

- Sales accepted Management Tool (basis for objective evaluation)

MAT

- Marketing and Sales Reporting

- Marketing Objectives & Performance Measurement

- Channel Management

  - Integration of six websites

  - Internal and external newsletters

  - Event Management Program

  - Telemarketing integration

- Reusable Campaigns

  - Multi-solution Lead Scoring

  - Solution Nurture templates that be can be adapted by country
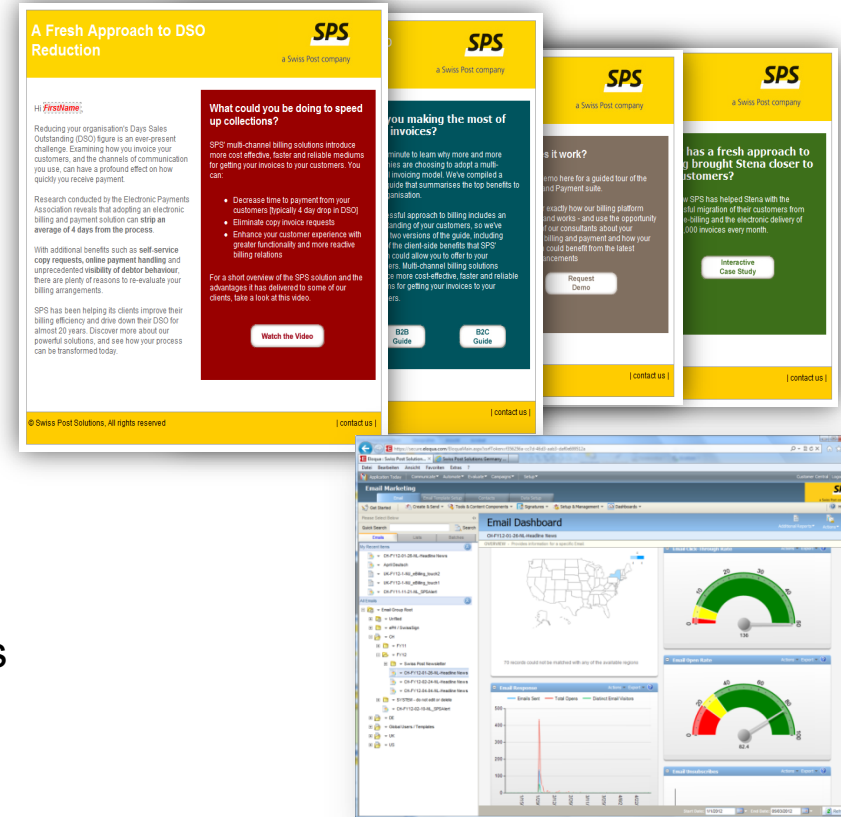
Our Conclusions

- "Top down and later bottom up" – Successful CRM implementation is a top management topic

- Marketing is "measurable" – Reposition the marketing function

- "Hard" process integration – Improve cooperation between Marketing and Sales

- "Revolution" in marketing – Opportunity to improve competences

- "Content is king" – Reposition to a market-aligned organization

- Adopt best practice – Opportunity to shorten implementation

- Address data privacy first – Risk of project delay

- Invest in capabilities – Risk of know-how transfer

It was (and continues to be) a change management project!

Message to Oracle

What you did well

- Account Management (Steve Brechbühl, Jean-Claude Hauptfleisch)
- Relationship Building
- Competence, Skills (e.g. Sebastian Wilke)
- Price Negotiation
- Partner Recommendations

Room for Improvement

- From Product/Solution to Value Selling – Walk in my shoes
- Insights Results – be more specific
- Product Integration
- Stay close(r) to the client and provide ongoing support
- Help me and my team shine! (and use us for your next sale)

Q&A Discussion

SPS Integrated Marketing and Sales Process
Sales Methods

	Company Navigator ✓	Opportunity Driver ✓
Objectives	Get optimal results out of a given client base.	Win more deals
	Increase effectiveness and efficiency of everybody involved in the sales process by having one common approach, one common language across organisational and country boundaries.	
Character	Mid-long term rolling planning to be well positioned with key customers	Manage a sales project
Focus	Right Business – Service Unit	Right opportunity, topic, person, timing
Approach	**Identify potential opportunities** • BU-SU segmentation • Customer's business • How can we help? **Account development** • BU-SU strategies • Partnering • Account Marketing • Account Relationships • Development plans	Understand • Customer • Project • Buying • "Politics" Plan to win • Objective • Opportunity Strategy • Relationship Strategy • Value Proposition
Deliverable	A solid plan to reach the objective includes objectives, strategies and action plans. Having this plan based upon the information, experience and creativity of the whole team will also cause them to buy-in.	