How to make your international sales successful

Better competitive edge through more precise calculations

HOWDEN THOMASSEN COMPRESSORS:  
"IT WAS IMPORTANT FOR US TO PRODUCE COMPETITIVE QUOTATIONS – AND WE DID IT!"

“Get it right the first time” at home and abroad

MINKELS:  
“OUR CUSTOMERS’ EXPECTATIONS NOW ALWAYS BECOME REALITY”

More time for international sales

SOFON:  
“MAKE SURE THAT DEALERS ALWAYS HAVE CORRECT INFORMATION AVAILABLE”
In the Spotlight
An interview with Bert de Vries (Manager Sales Benelux of Sofon): “Make sure that dealers always have correct information available.”

Business Case
An interview with Gerrit Jan Donderwinkel (Manager Sales Projects) and Sven van Maanen (Senior Cost Engineer and Model Builder) of Howden Thomassen Compressors: “It was important for us to produce competitive quotations – and we did it!”

Longtime Sofon Customer
An interview with Vincent Liebe (Senior Product Manager), Robbert van Ham (Product Manager) and Hans van Roosmalen (Model Builder and Engineer) at Minkels: “Our customers’ expectations now always become reality.”

New Customers – Activities
How fast developments in the world take place! As CEO and Director Development at Sofon, I also see how our development team makes daily improvements and updates to our products. And that’s just as well, as our customers certainly do not sit still. They use Sofon in more and more ways to stay a step ahead of their competitors when offering their products and services. So, Sofon does not only support quotation generation and product configuration, but also tender calculations and far-reaching 3D designs and visualizations.

Our customers’ product portfolios change regularly. Naturally our software needs to keep up with that, and it does. A widely disparate array of customers – from mechanical engineers to providers of financial services – easily make changes using the same ‘standard’ Sofon software. The word ‘standard’ actually says it all: programming is not necessary. This makes it easier for you to quickly shift gears when circumstances change.

Would you like to know how our customers use Sofon and what results they achieve? Read the stories in this edition of Sofon News.

Enjoy!

Paul Kimmel
CEO and Director Development
There are many misunderstandings about selling through dealerships. It seems to be the easiest method of selling. After training, the dealer goes to work for you and turnover rolls in automatically. Companies with extensive experience in selling through dealers know how much effort and time it takes to set up a successful dealership. Bert de Vries (Manager Sales Benelux) of Sofon agrees.

Knowledge transfer
“One of the most important keys to success is the transfer of knowledge to dealers’ sales staff,” says Bert de Vries. “It is often very difficult to make sure that your own sales people have all the up-to-date information on the product portfolio. Disseminating knowledge of products to sales staff you do not employ directly but who work for a dealer, can be much more troublesome.”

Correct information
Storing knowledge, therefore, is important not only for your in-house employees. It is equally important for your dealers to have this product knowledge at their disposal. “In this way, dealers’ sales forces will have the correct information regarding products, prices and terms and conditions at hand all the time,” De Vries explains. “By making knowledge available in the form of a configurator (e.g. via the internet), you guarantee that dealers always have correct information available and always give their customers correct quotations.”

Selling more
Changes in product range, prices or conditions can be made available in real time to dealers. As De Vries says, “That leaves both you and your dealer more time to do what you both want to do: sell more.”

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<th>RESULTS</th>
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<td>· Dealers and customers make their own quotations and orders</td>
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<td>· Dealers and customers gain better insight into the possibilities</td>
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<td>· Quotations and orders are immediately complete and error-free</td>
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<td>· Lighter workload for the internal sales staff</td>
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<td>· No unnecessary costs due to unclear or incomplete orders</td>
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<td>· Quotations and orders can be made at any time</td>
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<td>· Short time-to-market</td>
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Howden Thomassen Compressors — until 2011 Thomassen Compression Systems — designs, manufactures, installs and maintains reciprocating compressors for the oil and gas industry among others. These machines are a crucial part of the refining process. An average reciprocating compressor can easily cost millions of euros — reason enough for Howden Thomassen to stop working with costing calculations, and instead to use pre-calculations. We talked with Gerrit Jan Donderwinkel (Manager Sales Projects) and Sven van Maanen (Senior Cost Engineer and Model Builder).

**Buyers’ market**
Howden Thomassen Compressors is active in a buyers’ market. As Donderwinkel explains: “We all fish in the same pond, while companies are more reluctant to make investments. So it’s important for us to be able to produce competitive quotations quickly in order to score orders. An average sales process takes about two years, so a lot of energy is put into that. We then work on building the reciprocating compressor for about 13 to 14 months. You can understand that purchasing prices and other prices can fluctuate significantly during that time. Current and well-founded prices are therefore of great importance to us, as price fluctuations during production cannot be passed on to customers.”

**Closer to a realistic price**
Howden Thomassen decided to identify all of the prices and store them in Sofon. “Right away that was the greatest challenge for me,” Van Maanen continues, “considering that we work with many thousands of products. At the moment, there...
are 6,500 products stored in Sofon. Prices of (large) critical compressor parts are updated once every quarter by means of specific requests to our suppliers, while other articles are even updated once a month. In this way we consistently ensure that we are working with a current price, without having to make rough estimates." But does this also mean that fewer compressors are offered too cheaply or too expensively (read: not sold)? "We are absolutely much closer to the realistic price," Van Maanen says. "A price calculation after the fact is often 2 years old. In most cases, our price is now only a month old. Nothing much can be wrong with that."

**Reassurance**

It is enormously reassuring to Donderwinkel to know that calculations are being made using current prices. "I sleep a lot better knowing that. We actually no longer go over budget. If prices are still not accurate, you immediately know where the overspending occurred and how it happened. Responsibility is now being allocated to the right department: Purchasing needs to make sure we get the current prices and each of the various departments need to supply an accurate number of hours. Now that estimates are no longer being made, the expected production hours are more realistic: they have been reduced by 25%. That translates to a 2% decrease in total cost price, which means that we are now more solidly in the black. So we make a sharper profit. That in turn has helped improve our competitive position."

**Never forget a part again**

But prices are not the only things that have been secured: knowledge has also been safeguarded. "All of the vital knowledge in the various departments is stored in Sofon," Van Maanen continues. "By answering questions, we get increas-ingly closer to a solution for the customer and a quotation is also prepared in the background." As Donderwinkel adds, "We are therefore no longer dependent on the many Excel sheets. Copying and pasting from old quotations is also a thing of the past. That method was extremely error-prone; just imagine offering a new customer a bulk discount, while he doesn’t want to order five compressors, but just one... Moreover, we no longer need to worry that parts will be forgotten. A part such as a complete cylinder can easily cost EUR 120,000. Even new staff cannot forget this. With Sofon they can operate independently very quickly. And they do so, with great enthusiasm."

**RESULTS**

- Improved competitive position
- Knowledge is safeguarded
- From costing calculations to realistic pre-calculations; closer to realistic price (no estimates) and more solidly in the black
- Accurate, uniform calculations and quotations
- Internal quotation cycle time at least halved, quotation cycle time Service reduced from a day to about an hour
- Changes can be made quickly
- Faster training; enthusiastic new staff
- Greater transparency
- Responsibility given to the right departments

**Sofon is a keeper**

A large number of quotations have now been produced with Sofon. "Quotations are made a lot faster," Van Maanen explains. "Our quotation cycle time has at least been halved internally. The quotations produced by Service can be prepared particularly quickly – the process now takes just an hour instead of an entire day. And our Repair Shop can’t wait to get started with Sofon." Donderwinkel concludes: "Sofon is definitely a keeper. We still see so many possibilities: new departments that can work with Sofon, offering quotations for customer training, approval process automation. But working offline is also very interesting to us: reaching agreements together with our customers from anywhere."
‘Get it Right the First Time’ with 3D solution

In this section of Sofon News, we like to hear from customers who are longtime Sofon users. Customers who have applied Sofon for years often take Sofon further than product configuration and quotation generation. They discover that Sofon offers them support, especially at those times when the market and their organization change. Minkels, a manufacturer and supplier of sustainable data center and service room solutions, is a good example. We talked to Vincent Liebe (Senior Product Manager), Robbert van Ham (Product Manager) and Hans van Roosmalen (Model Builder and Engineer).

From products to complete solutions
In 2006 Minkels made the shift from selling products to the sale of solutions. As Liebe explains, “More and more often we deliver complete solutions for data centers or server rooms. That is a challenge, as almost no room is the same. And all those separate systems – e.g. racks (server racks), coolers, electrical components, cable systems – need to fit into a room of fixed dimensions.”

3D solution
For Minkels the 3D Sofon module turned out to be the solution. “With Sofon we can start the visual representation, bearing in mind the spatial limitations,” Van Roosmalen explains. “This spatial situation can then be used as a starting point for further configuration. That’s very handy because you have insight into the space, components, walk spaces… You can immediately tell if something fits. And you can no longer make errors. If you choose the wrong color, you can see that right away.” Liebe also sees the 3D representation as an addition to the quotation. Liebe: “A picture still says more than a thousand words. The customer sees what he can expect. That prevents disappointments; always get it ‘Right the First Time.’”

Dealer channel
Another step that Minkels is taking is to extend their dealer channel. “About 1.5 years ago, Minkels became part of Legrand,” Liebe explains. “Legrand operates in 180 countries. That gives the business a powerful boost globally. So, it
becomes a challenge to organize dealer activities well. At the moment we are focusing on the regions where demand is highest, including Russia and Turkey.” As Van Ham adds, “In those places, we install local partners and offer local training, but Sofon also plays a role there. From the perspective of product management, we make sure that we tackle things project by project during the roll-out. In this way, maintenance and any extensions run smoothly.”

The tool for dealers
At the moment, not all dealers work with Sofon yet. “Our internal sales office still takes care of the configuration for some dealers,” Liebe says. “Those that do work with Sofon, run the software locally. We want all dealers to work with the web version of Sofon and produce their own configurations and quotations. It is therefore no longer necessary to install the software locally. We know the right version is being used and we don’t really need to check the configuration we receive. That saves our internal sales office time. If our dealers work with the web version, we also have more insight into the job that they do: how many quotations are sent out? What is the conversion? Do we see ten shots taken while only one hits its mark? That means there is work to be done.”

RESULTS
· Clear and error-free quotations and bills of materials
· Graphic representation as starting point for further configuration
· Expectations customers become reality; no disappointments and always ‘Right the First Time’
· Most dealers work with Sofon
· All dealers are switching to the web version of Sofon:
  • No locally installed software
  • More insight into dealer activities
  • Configurations and quotations made independently
New customers

Sofon Guided Selling is used in various industries by – at first glance – totally different customers. Our customers operate in the world of industry, warehousing, transport, insurance, telecom and services.

A short introduction to a few new customers:

Waterkracht is the Dutch specialist in the area of high-pressure cleaning equipment and installations. Waterkracht designs, produces, supplies, and maintains this equipment. Thanks to their innovative engineering department and more than 40 years of experience, Waterkracht is able to develop solutions for the most complex cleaning problems, such as solutions for housing frontages and gable cleaning (including removal of graffiti), tank cleaning, and industrial cleaning issues. Waterkracht will use Sofon to optimize their sales and quotation process. Waterkracht will be able to configure (even at customer location) complex and correct installations, calculate and quote. Sofon will be integrated with Infor LN. www.waterkracht.nl

TJIP is an innovative company that develops high quality software for the financial world and the care sector, among others. Their starting point is always that solutions realized by TJIP should add significant value to their customers’ business. Based on that conviction, TJIP constantly works to improve their propositions. While they originally offered mainly customized solutions, for some time now, TJIP has offered products and standard customized solutions. Within these renewed propositions, TJIP feels the need to quickly and efficiently configure products and services within their customers’ solutions without cutting corners on quality. Because of this desire, TJIP has decided on Sofon as their configuration platform to support their application development. www.tjip.com

Priva develops and delivers products and services for sustainable, renewable climate control and process management in the horticultural and industrial building industries. For the built environment, Priva develops and manufactures intelligent building automation that ensures a healthy inside climate and sustainable energy management for the users of living and working environments. In the horticultural industry, Priva enables companies to produce healthy, high-quality field-grown food and ornamental crops using a minimum of scarce natural resources such as water and energy. Priva has locations in eight countries and is represented worldwide in more than 100 countries with a unique international partner and dealer network. Together with local parties, Priva offers its customers a platform of high-quality hardware, software, and services. Priva’s dealers in the horticultural industry will be given access to Sofon Web Sales Configurator and Sofon Sales Configurator for preparing product specifications and to order from Priva. Priva’s account managers and the inside sales team will use the Sofon Proposal Organizer to prepare quotations and to create orders. www.priva.nl

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Filling out the questionnaire will only cost 2 minutes of your time.
The questionnaire can be found at: www.sofon.com/ereader

Sofon is the supplier of sales support software under the name Sofon Guided Selling. With Sofon, quotations, contracts, orders and other sales documents are put together simply, quickly and error-free. Among other things, Sofon Guided Selling supports calculation, configuration, visualization and document generation in any language desired. This decreases sales costs, reduces delivery times, increases scoring rates and improves cooperation between customers, dealers, sales, engineering and production. Sofon integrates with standard CRM and ERP systems and is suitable for all companies who have a customer-specific way of operating – in every sector – anywhere in the world.