

Sofonnews

How do you seize international sales opportunities?



Internet:
Opportunity, or
threat to your
exports?

“IT IS VITALLY IMPORTANT TO STAY
COMPETITIVE IN EXPORTS”



Mitsubishi Elevator
Europe brings
down indirect costs
and failure costs

“WE BELIEVED IN SOFON FROM
THE START”



Voortman has
international
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control

“SOFON HAS CONTRIBUTED TO OUR
RAPID INTERNATIONAL GROWTH”

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Selling your products internationally

If you have developed products with which you are successful in your home market, the idea of going to foreign markets is quickly born. You want to cross borders. This sounds simple, but your sales channel will often turn out to be a big bottleneck. And specifically: the lack of knowledge in your sales channel. Every organization that sells customer-specific solutions recognizes the problem: sales reps and dealers operating from a great distance have too little knowledge and experience with your solutions to successfully sell them.

You can compensate this problem somewhat by giving good support, documentation and training. But there are limits to this. You cannot have unlimited local presence. Another solution is to make sure that your sales channel needs to have less knowledge at their fingertips to produce quotations for your products. That prevents a great deal of training and necessity for local support from the head office. To make this possible, Sofon has developed the 'Instant Quote Server' or 'QIS'. QIS is a work environment for dealers on the internet. Dealers can make use of QIS anywhere, at any time they want, independently, to immediately generate complete and error-free quotations and orders for your products, based on customer demands inventoried by them.

How do you operate your international sales process? Read how different companies take care of this in the latest Sofon News.

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“It is vitally important to stay competitive in exports”

Internet: Opportunity, or threat to your exports?

With the growth of the Internet, communication opportunities worldwide have gained momentum rapidly. Distances can easily be spanned and communication speed is unlimited. Personal relationships can be maintained more intensively and frequently. But Western Europe is close to losing the head start in exports, says Geert Nijkamp (Expert on Internationalization, Exports & Internet). But is that really the case?

Why do you consider the Internet to be a threat to Western European export?

“Companies use the Internet and their websites to increase their exports. Eastern Europe and Asia have also kept up. They can also communicate easily with potential customers using social media. The handicap of a head start can be seen at work every day.”

But isn't Western Europe quite advanced in the internationalization process?

“Yes, that's right. Many Western European companies are exporting more than in other countries, relatively speaking. But Western European companies are experiencing more and more competition from companies from (large) countries that use the Internet to make international contacts that can lead to exports.”

So what about our knowledge of languages? Doesn't that keep us ahead of the game?

“The advent of Internet has led to an increase in multilingualism in many countries. A European study shows that children in Spain and Italy, for example, start English lessons at around 4 years of age. The same study shows that European students in secondary education currently follow English, French, German, Spanish, or Russian. Export companies in other countries can increasingly use the multilingual people in their own countries to promote their exports, and that creates larger competitors for Western European export companies.”

But doesn't Western Europe have a great multicultural adaptability?

“Thanks to the Internet, multicultural adaptability has generally increased. Countries that were relatively less internationally oriented before the Internet era can now ‘open up’ thanks to the Internet. Internet use strengthens migration developments, as possible migrants can familiarize themselves with their destination beforehand and because they can keep in very close touch with their contacts at home. More people feel at home all around the world.”

So what are the growth opportunities for exports?

“Western Europe is currently way ahead in terms of Internet participation and Internet market knowledge. The Internet should be given a strategic place on the national agenda to benefit exports. Entrepreneurs should realize that the time for action is now: the export business community should free up and utilize more manpower and capital to strengthen the Internet as a communications, marketing and sales medium. In our time, in which the Internet is the number one information medium, marketing and acquisition has become much more important. The opportunity is mainly in quality: exporting businesses need to get far more out of their people and their means. In order to hold on to direct and indirect employment it is vitally important to stay competitive in terms of export and even become more competitive.”



José van Kan

Evert Visser

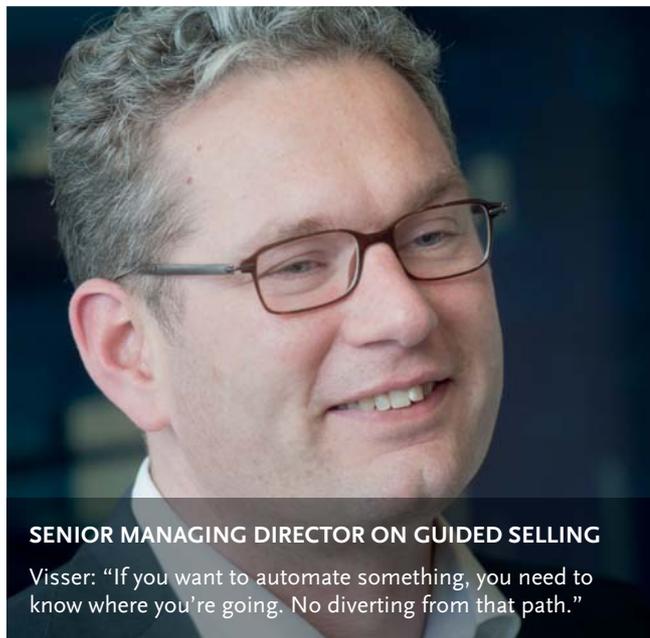
“We believed in Sofon from the start”

Mitsubishi Elevator Europe brings down indirect costs and failure costs

Mitsubishi Elevator Europe (MEE) is part of the Mitsubishi Electric Group, which is itself part of the well-known Japanese Mitsubishi conglomerate. With more than 63 years of experience in their field, MEE is one of the most leading producers of lift installations. We talked to Evert Visser (Senior Managing Director) and José van Kan (Quotation Manager) about the challenges in current market circumstances.

Current market

Since 2006, much has changed for MEE. Visser explains: “The market has shown significant shrinkage in volume; some 50% compared to 2006. Apart from that, price levels have dropped hugely. So for us improving our efficiency was of great importance. We wanted to bring down our indirect costs and our failure costs. We concluded that our calculation process needed to be optimized. Because of manual work in this process, errors were being made.” Van Kan adds: “Apart from that, maintenance in Excel was costing a lot of time. At one point we were working with at least 40 tab pages. That makes for lots of searching. Now we can very easily change a price rate and all prices are automatically calculated. We no longer need to do the whole calculation.”



SENIOR MANAGING DIRECTOR ON GUIDED SELLING

Visser: “If you want to automate something, you need to know where you’re going. No diverting from that path.”

TIPS FOR AN OPTIMAL USE OF GUIDED SELLING

- Visser: “Believe in the project and go for it! And also have the guts to go live. You shouldn’t look for 100% perfection immediately.”
- Van Kan: “Sofon quickly provides you with time, but you need to invest time first.”

Confidence

MEE started a selection procedure; Sofon almost immediately stood out. Visser: “Based on independent advice, we quickly mapped out the advantages and disadvantages of various suppliers. I knew we could make progress with Sofon. I believed in them from the start. And that is important; you need to have confidence in something like this if you want to motivate others.” Internally, confidence was won by involving colleagues in the project as much as possible. Van Kan goes on: “Of course it can be difficult to work with a new system, especially if the workload is high. Sofon quickly provides time, but time must be invested first. As soon as colleagues started working with Sofon, they saw the advantages. By also using their feedback, enthusiasm increased.”

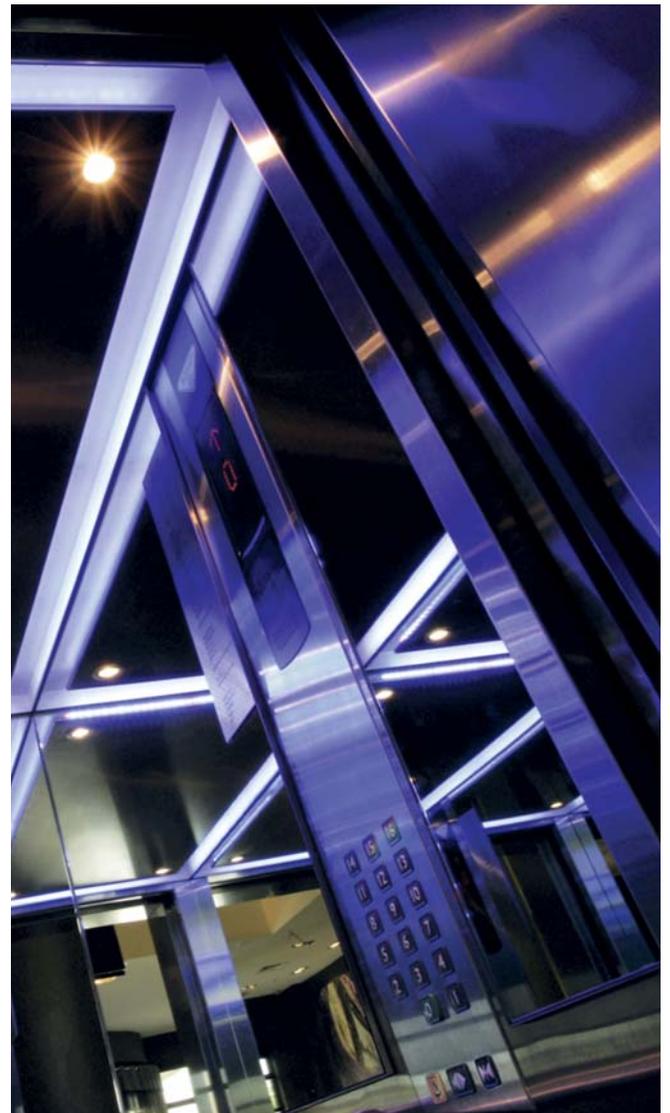


QUOTATION MANAGER ON GUIDED SELLING

Van Kan: “We can very easily change rates; all prices are automatically calculated.”

Success factor

An important factor in the success of the project was therefore the determination within MEE. Visser: “We also clearly knew what we wanted. We saw that it was important not to stray from the path we chose. Our goal was to produce the same kind of quotation as we previously did, only error-free.” Van Kan adds: “That makes it possible to make a good comparison of the old and the new situation. And when you have reached that point, you can continue with optimization. We now see that we save a great deal of time because we can switch much faster. There are now fewer people involved in the generation of a quotation; no accompanying letter needs to be typed, the quotation no longer needs to be extensively checked... It’s all pure profit.”



Maintenance quotations

At the moment, MEE doesn’t offer maintenance quotations through Sofon. Visser: “This is something we want to start doing, as maintenance is very important in our business. We therefore focus especially on Public Private Cooperation projects (PPC). We enter into a covenant for 25 years in which we speak of Total Cost of Ownership (including new construction and maintenance). In these types of projects, we can show our added value clearly. Lifts often need to be replaced after 10 years, with our lifts this is not the case. At Mitsubishi quality and life cycle are our main goals.”

RESULTS

- Efficiency improvement process results in fast and error-free work
- No more manual work in calculation and quotation process
- No extensive checks on quotations and calculations necessary
- Contribution to standardization product
- Fast switches in quotation process; fewer people involved in generation quotations
- Expectation of improved cooperation between Engineering and Sales

longtime sofon customer



Voortman

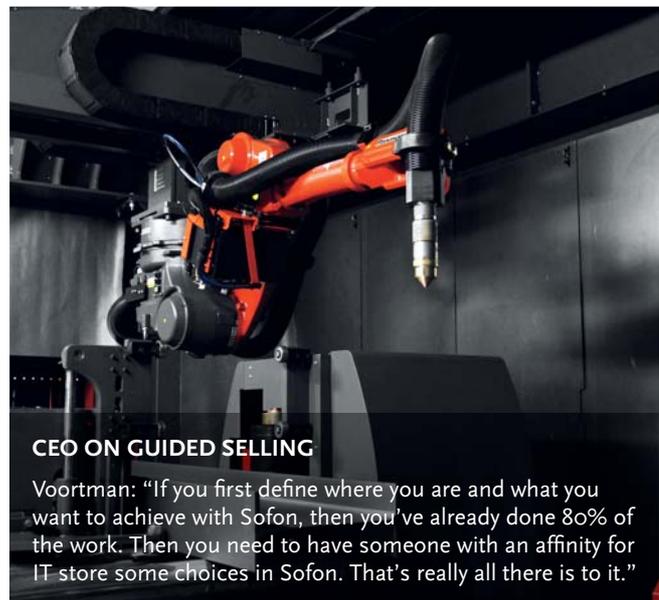
“Sofon has contributed to our rapid international growth”

Voortman has international growth under control

In this section, we like to give customers who are long-time Sofon users room to talk about their experiences. Customers who have applied Sofon for years go beyond product configuration and quotation generation. They discover that Sofon offers support, especially at times when the market and their organization change. One such company that has experienced this is Voortman. Voortman has designed, developed, and produced machines for the steel construction and plate processing industry for more than 40 years. In the past decades, the company has faced all sorts of challenges, says Mark Voortman (CEO).

From build-to-order to configure-to-order

Voortman has undergone a number of significant changes in the past few years. “Until about 15 years ago, we would produce exactly what customers asked for,” Mark Voortman explains. “We were aware that customers often needed basically the same kind of machine that only differed on a number of aspects. So we were able to make a structural change from build-to-order to configure-to-order. We now have some 1,000 modules and accompanying prices stored in Sofon with which we can build any Voortman machine or line.”



CEO ON GUIDED SELLING

Voortman: “If you first define where you are and what you want to achieve with Sofon, then you’ve already done 80% of the work. Then you need to have someone with an affinity for IT store some choices in Sofon. That’s really all there is to it.”



International growth

In the year 2000 Voortman made their first foreign sale of a machine. "Export has really taken off for us in the past 13 years, and this is partly due to Sofon. We currently have 97% export. Our international growth has made it necessary for us to open branches in Australia, Russia and the US. Additionally, we make use of an extensive network of dealers to enable us to take into account specific wishes and demands. We work with local people as much as we can, because there are always cultural differences. If somebody from the south of Europe says "I need the machine tomorrow," he won't mean exactly what we mean in Western Europe."

Local circumstances

Not only are languages and cultures different in other countries, but legal rules and regulations will also differ. "That makes international sales complex. Sofon takes into account local technical, commercial, and legal circumstances. In this way, we know we are making the right offer, and in the customer's own language. We have translated and stored all our quotation texts (some 9 languages) in Sofon. Whether you speak Russian or not, you can produce a quotation in Russian."

Scoring rates and forecasts

When the quotation has been made, Voortman has immediate insight into the sales process. "Every quotation includes a calculation of the probability of scoring. In this way we have insight into our pending quotations and their scoring rates. This results in a forecast, based on which we start production. Because we have a long cycle time, part of our production is in stock. We do this for 70% of our current machines so we can fulfill our customers' wishes more rapidly."

RESULTS

- Build up sales history
- Better cooperation with international branches
- Quotations the basis for production planning
- Quotation texts easily under control
- All quotations sent out within 48 hours of request
- Price structure stored in modules
- Combination possibilities stored
- Tailoring quotations to circumstances
- Introduction time of new developments shortened
- More active dealer support



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:



AgustaWestland, the Anglo-Italian helicopter company owned by Italy's Finmeccanica, is a total capability provider in the vertical lift market. Through its rotorcraft systems design, development, production and integration capabilities, its experience in the training business and its customer focused Integrated Operational Support solutions, the company delivers un-

rivalled mission capability to military and commercial operators around the world. This expertise, backed by technological excellence and innovation, makes the company a leader in a number of the world's most important helicopter markets offering the widest range of advanced rotorcraft available for both commercial and military applications.

AgustaWestland uses Sofon Guided Selling to optimize the sales and quotation process.



DG press ServiceS (DGpS) is the specialist in engineering, manufacturing, refurbishing, installing, servicing and maintaining former Drent-Goebel printing presses. DGpS is now developing a

new printing press, the Thallo that will be ready for installation at the end of 2014 / beginning 2015. This means that DGpS will start selling this press from now on. A sales process for this type of press usually takes 12 to 16 months. During an average sales process about 20 revised quotes (versions) will be made. The customer's investment runs up to € 3,5 million.

DGpS will use Sofon Studio, Proposal Organizer and Concept Designer to translate customer needs into a correct configuration and a perfect quote.



HP Valves Oldenzaal is a well-known and respected manufacturer, providing a complete range of medium and high-pressure valves, exported to customers worldwide from its factory in The Netherlands and its subsidiary KVT in Seoul, Korea. A clear focus resulted in detailed knowledge about valves and their applications. Better understanding of customer specific requirements, expectations

and needs allowed them to continuously improve services and product quality.

HP Valves will use Sofon Studio and Proposal organizer for quick and accurate selecting the most appropriate valves for the customer. In large projects the number of valves to be selected in compliance with detailed specifications can reach up to 5,000 pieces. By using Sofon, the selection takes place automatically, error-free and much faster.



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.

Guided Selling Blog

Sofon is happy to share knowledge with you! In Sofon's blog posts, various experts from the Sofon organization speak out. These experts have a clear insight and experience into best practices within the sales and quotation processes of companies who supply customer-specific products and services. You can share in this knowledge by visiting www.sofon.com/blog.



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