

# The 2010 Outsourcing World Summit®

Disney's Yacht & Beach Club Convention Center • Lake Buena Vista, Florida  
February 15-17, 2010

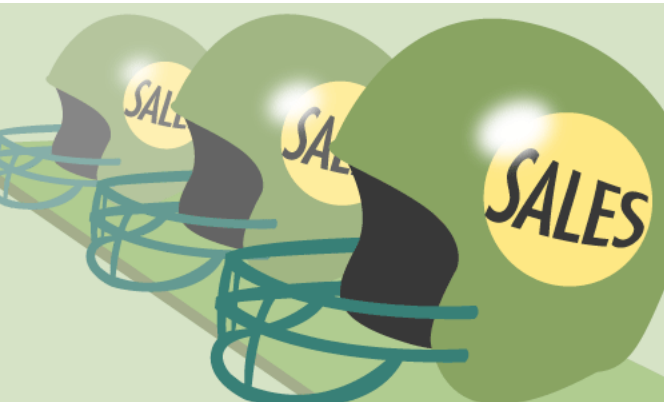


## Growing Outsourcing Revenues Sales Readiness Essentials

Dan Hudson, President  
Matt Smith, Exec VP



## Growing Outsourcing Revenues Sales Readiness Essentials



1. Key elements of a sales readiness plan
2. Examples of sales readiness best practices
3. Five most important measurements to tracking sales success
4. Old rules and new tools: what still applies in the 2.0 world and how to make it work

# High School Football



&

# 2010 Sales Readiness





## 1988 Sales Process

Rolodex

Purchased Lists

Cold Calling

Presenting

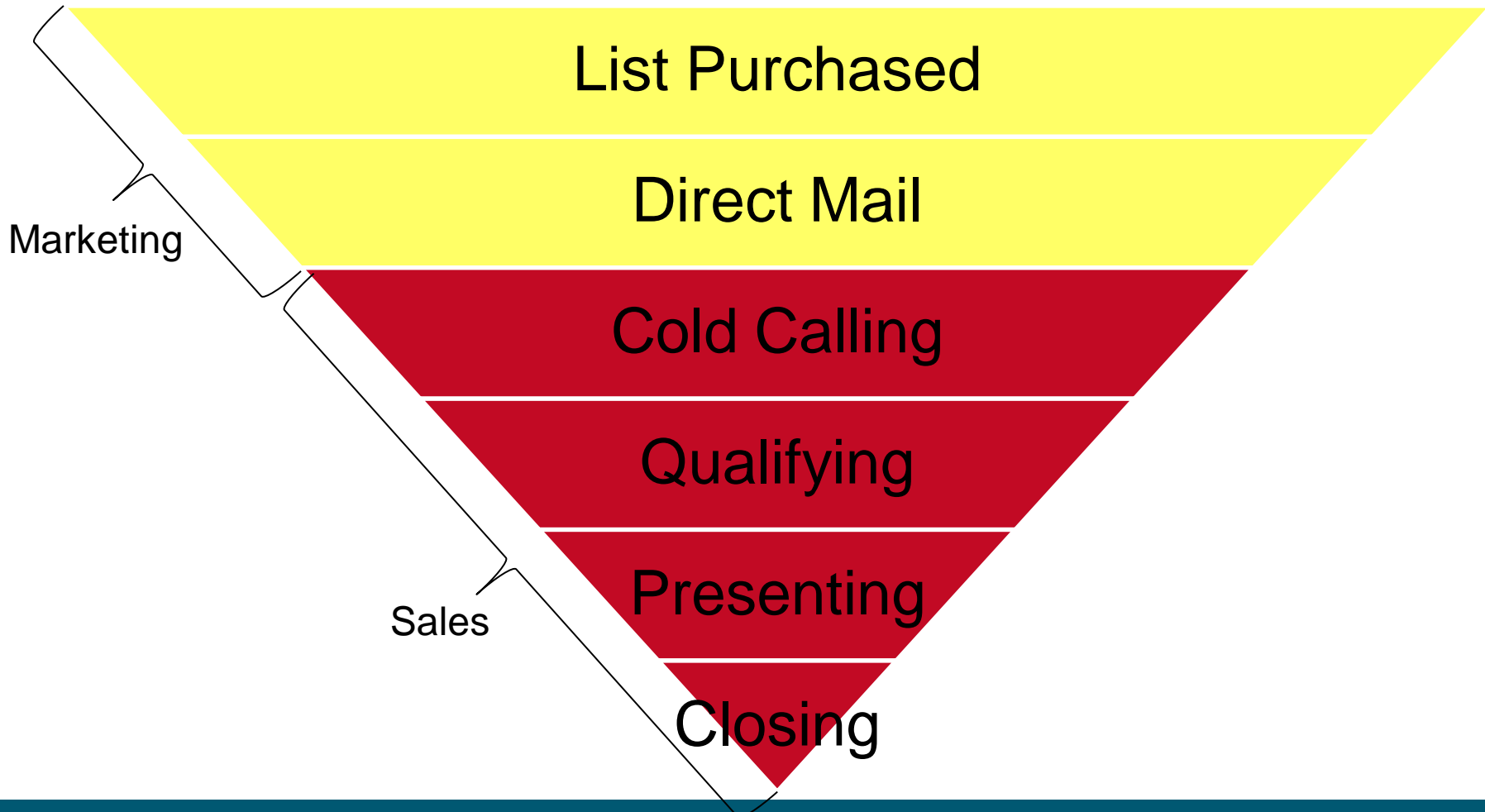
Schmoozing

Hard Close

Lotus, WordPerfect, Act!



## Sales Process Then



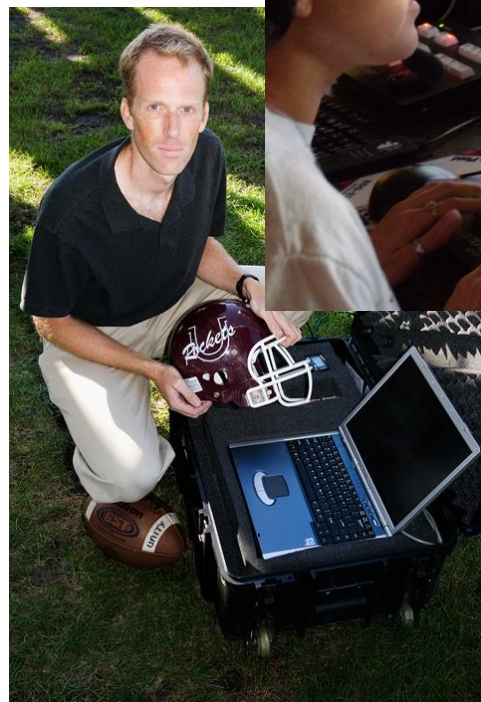


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## Then



## Now



## High School Now

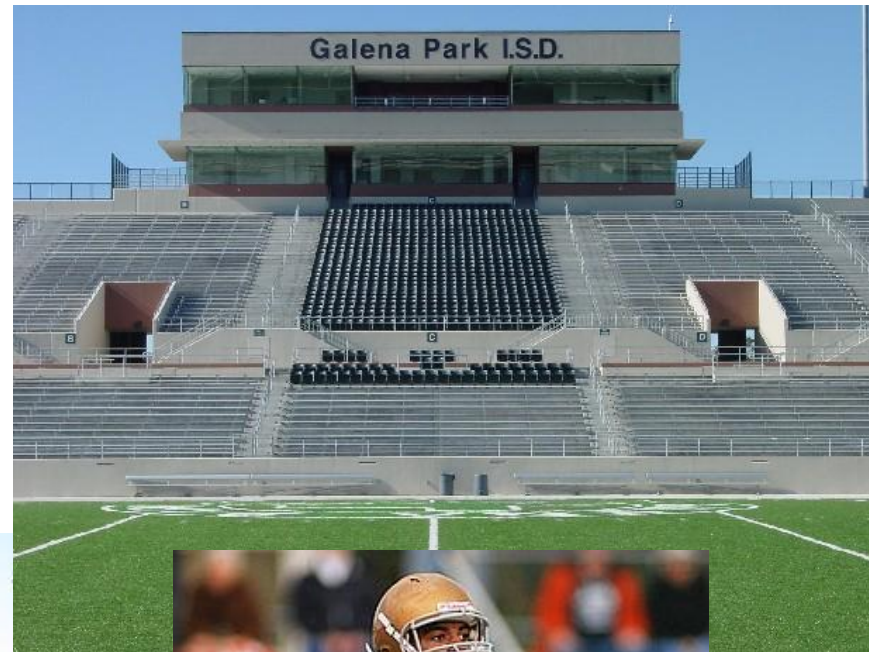
Both big **and** fast

Complex playbooks

High tech learning, training, equipment

State of the art stadiums & fields

Multi-media scoreboards





## 2010 Sales Process

Segmentation, Social Networking, Inbound  
Demand Creation, Lead Scoring and  
Nurturing, Educated Buyer,  
Tool Explosion!



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***Now Is A Totally Different Game.***





## What Changed?

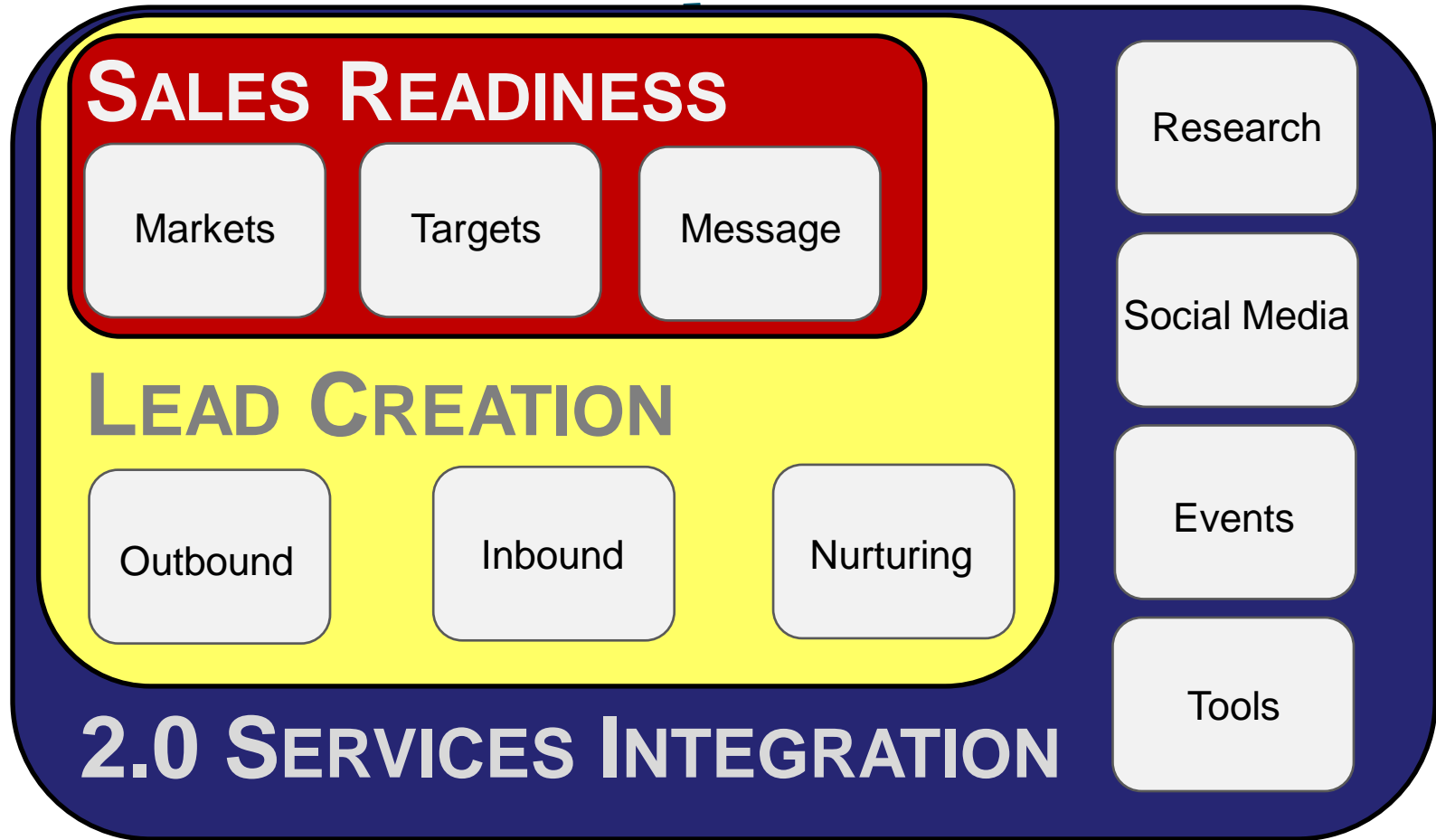


## Today's Buying Phases



Status Quo    Priority Shift    Research    Options    Step Backs    Validation    Choice

## Key Elements of a Successful Sales Readiness



## Sales Readiness Best Practices

**Segmentation**

**Message Alignment**

**Prospect Intelligence**

**Inbound Lead Creation**

**Lead Nurturing**

**Sales 2.0**

## Sales Readiness Best Practices

Lead Stages	
A	Identified – intend to pursue
B	Contacting – attempting to engage
C	Qualifying – introductory dialogue occurring
D	Engaged – actively discussing opportunities
E	Idle – lost traction, attempting to re-engage
F	Cold – lost traction, not currently pursuing

	Sales Opportunity Stages	Probability	Activity
1	Opportunity ID'd	0%	Potential opportunity identified
2	Idea Discussed	0%	Client confirms issues, challenges, need...
3	Concept Solution Delivered	10%	Written concept submitted to prospect
4	Solution Meeting Complete	20%	Concept discussed; including how and when to begin
5	Full Solution Delivered	40%	Solution submitted, including outcomes, timeline & pricing
6	Solution Validated	50%	Proposal modified if necessary / Resubmitted
7	Verbal Approval	75%	Client decision maker accepts proposal
8	Negotiation of Terms	90%	Contract and SOW in review / negotiation
9	Formal Award	100%	Contract and SOW signed
10	Opportunity Lost	0%	Autopsy / Return to Nurturing
11	Deal Dead or Delayed	0%	Return to Nurturing



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## Five Numbers You Have To Know

**Revenue Goal**

**Erosion Percentage**

**Average Deal Size**

**Closing Percentage**

**Contract Conversion**

## Challenges To Revenue Planning

### 2009 CSO Sales Compensation Survey

- 2009 Quota's up 31% from 2008
- Reps achieving quota down to 52.4 in 2009 from 61.2 in 2008
- 1 in 4 firms expect that less than 50% will make quota in 2009
- Most firms target 70% of sales team to make quota

### Aberdeen Lead Lifecycle Management July 2009

- 81% of BIC use Lead Management tools
- 16% of total leads deemed sales ready actually close
- Best in Class firms avg 35% YOY increase in annual revenue
  - Middle 50% = 18%
  - Laggards = 6%

### Bid To Win Ratios – Aberdeen 2009

- Best in Class 36%
- Industry Avg 10%
- Laggards 5%

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## Successful Revenue Planning

### Revenue and Sales Goals (Inputs)

	<i>Revenue Goals</i>	<i>Base Revenue and Erosion Projections</i>		<i>Targeted Win Rates</i>	<i>Revenue Conversion</i>
Year	Revenue Objective	Current Base Revenue	Est. YOY Erosion %	Win Probability	Contract Conversion
2010	\$12.00	\$6.00	10%	20%	100%
2011	\$24.00	\$18.40	10%	25%	100%

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## Three Year

Revenue Projection Plan 2010-2011								
Year	Revenue	Erosion	Adjusted Base	YOY Growth Target	Required New Revenue (1)	Projected New Revenue (Table 3)	Pro-forma Forecasted Total Revenue	Variance to Current Year Objective
2010	\$6.00	\$0.60	\$5.40	\$12.00	\$6.60	\$6.63	\$12.03	\$0.03
2011	\$18.40	\$1.84	\$16.56	\$24.00	\$7.44	\$7.63	\$24.19	\$0.18

## Pipeline and Quarterly Revenue Projection

Award Totals	Required Qualified Pipeline (2)	Annual Value Closed During Quarter	Annual Value Converted at Signing (3)	2010				2011 Base	2011				CYR 2011	ABR Base	
				Plan Year One					Plan Year Two						
				Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4			
'10 Q1 Wins	\$15.00	\$3.00	\$3.00	0.38	0.75	0.75	1.13	0.00					0.00	0.00	
'10 Q2 Wins	\$17.50	\$3.50	\$3.50		0.44	0.88		0.31	1.31				1.31	0.00	
'10 Q3 Wins	\$12.50	\$2.50	\$2.50			0.00		0.94	0.63	0.94			1.56	0.00	
'10 Q4 Wins	\$20.00	\$4.00	\$4.00					0.50	3.50	1.00	1.00	1.50	3.50	0.00	
	\$65.00	\$13.00	\$13.00					6.63	6.38	2.94	1.94	1.50	0.00	6.38	0.00
'11 Q1 Wins	\$12.00	\$3.00	\$3.00						0.38	0.75	0.75	1.13	3.00	0.00	
'11 Q2 Wins	\$16.00	\$4.00	\$4.00							0.50	1.00	1.00	2.50	1.50	
'11 Q3 Wins	\$16.00	\$4.00	\$4.00								0.50	1.00	1.50	2.50	
'11 Q4 Wins	\$20.00	\$5.00	\$5.00									0.63	0.63	4.38	
	\$64.00	\$16.00											7.63	8.38	

## What Still Applies

Building an Achievable Sales Plan

Exceptional People

Compensation

Sales Process

Acquire and Develop Prospects

Manage Clients and Pipeline for Success

## Old School / New Tools: Making It Work

Marketing and  
Sales Alignment

Shared Metrics  
and Quota

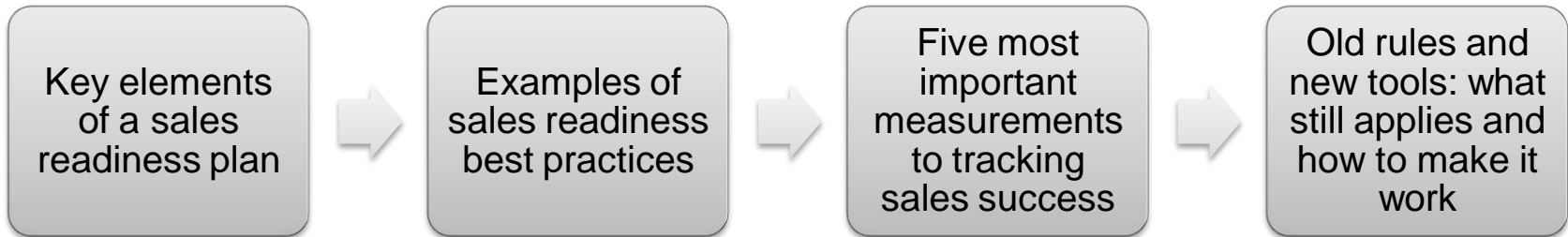
Incentive  
Compensation  
Tied With Sales  
Goals

Closed Loop  
Lead  
Management

Commitment to  
Change



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## Sales in 2010 – Change or Get Run Over



# 3FORWARD



FIND AND CREATE LEADS



INCREASE WINS



ACCELERATE SALES

Visit us at [3forward.com](http://3forward.com)



# 3FORWARD

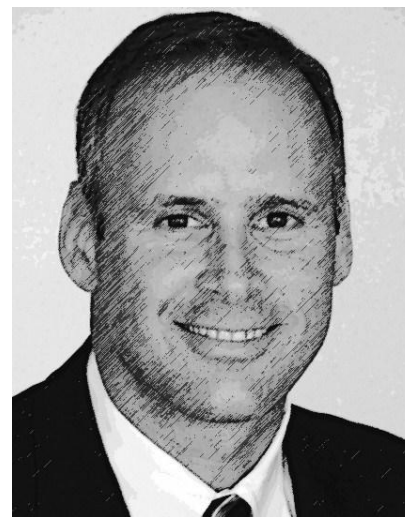


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