

Chapter XVII

Channel Optimization for On Field Sales Force by Integration of Business Software on Mobile Platforms

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ABSTRACT

Marketing and sales channels are a significant lifeline for the sales force of a business. Sales professionals work on the concept of creating and widening channels that are then fed by the supply chain and distribution network of the businesses. Sales teams are constantly pushed to meet customer expectations while generating revenue for the company. As companies grow, these pressures increase. Sales teams are now looking at Mobile Sales Force Automation technologies to handle the ever increasing customer demands. Companies want to keep costs low, increase productivity and efficiency through mobile devices for the much needed edge on the field. This chapter is based on literature review of channel optimization as well as mobile software platforms and challenges faced by the sales force. This chapter discusses the need for integrating business software on mobile platforms that will optimize and enhance the performance of sales processes.

INTRODUCTION

The concept of the mobile enterprise is growing^a in today's corporate world taking interest in tools supporting enterprise mobility for their sales force. These mobile enterprise solutions promise efficiency and productivity gains resulting from the sales function

optimization. The change in mindset towards mobile applications in business has created a strong opportunity for companies to extend their core data and applications through smart phones, cell phones, and personal digital assistants (PDAs). This extension of the business process applications results in creation of location independent links between the office (or a centralized location) with an increasingly dispersed

workforce – notably the sales force which is continuously on the move.

The reason why companies are looking at incorporating such small handheld devices in their business processes is because by increased usage of mobile phones, PDAs and laptops, the company can keep in constant touch with its staff and managers who are spending more and more time away from the corporate network. These devices also provide vital access to these staff for email and the Internet. Istart Technology research found that:

- 27% of e-mail requires immediate action^b
- 40% of the workforce is mobile
- 60% of senior management time is spent away from the desk^c

Sales force management is the art of managing sales team on the field that enable an organization to generate revenue by selling their products to customers and increase customer satisfaction.

Companies are spending huge resources on their sales force and incorporating the new systems and applications into their operations management that help automate business processes. These applications are combined with the existing CRM functions in the organization which help enhancing the selling tactics of the on field sales force across industries by providing up to date information helping them win in the global business battlefield.

On field sales force for any company is concerned with all the stages of the sales process, starting from contact management, sales forecasting, recording sales, product solution details, integration of the various departments companywide.

A sales force personnel on the field requires constant communication with the home office for sales leads, invoicing, inventory^d tracking, order fulfillment, and other supporting information. Recent advances in wireless technology field staff had to make do with laptops that required a physical connection and voice-based mobile phones neither providing the added value of mobility.

A new breed of user friendly Internet capable applications on smart phones and mobile devices are freeing the traditional sales force from their desks and allowing them to be incredibly effective. Sales personnel now have access to the same information and tools as their peers back at the office. This chapter

discusses the various aspects in the channel for sales in an organization and the intervention of mobile devices to increase productivity.^e

CHANNEL OPTIMIZATION CHALLENGE

Distribution channel is the structure that the company uses to reach its products/services to customers through intermediaries at the right place, at the right time with special consideration for profit and effectiveness. As shown in *Figure 1* products of a company may be passed from one intermediary channel member to another after keeping a certain margin for their services. The optimization of the distribution channel poses a challenge to organizations with different entities trying to transfer the product title and risk to the next successive channel member. The coordination and smooth working for optimum output for the company is the job of the sales team.

Distribution channels basically provide three functions: *information flow* (outward information about the supplier's offering and inward flow about customers' needs), *logistics* to get the supplier's product to the end customer, and *value-added services* that augment the supplier's product (local selling, financing, customization, after-sales parts and service, etc.). When improved alternatives for providing these functions evolve or when customer expectations rise, the failure of existing channels to respond prevents the supplier from adequately satisfying the customer. *Figure 2* describes the flow from the manufacturer to the retail point in Fast moving consumer goods category.

The shortcomings in a distribution channel are shown below:

- Excessive time taken for order processing due to lack of proper and effective communication between order procuring and order processing.^f
- Inefficient forecasting techniques as calculated using past data rather than current on field inputs from sales force.
- Insufficient information supplied by sales personnel to retailers while pushing for sales; due to incomplete product knowledge and changing product lines.
- Increased threat of cannibalization and market fragmentation by inefficient order tracking and stock management techniques.

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