

Case Study



Infosys reduces cost of sales operations

for a leading European Telecom Service Provider through Offshore Sales Support Centre of Excellence (CoE)

Abstract

The sales team of a leading European telecom service provider was spending approximately 51% of their productive time on administrative activities. This resulted in significant loss of customer facing time and had a negative impact on bid Turn-Around Time (TAT), bid quality, and overall cost of sales. Infosys established an offshore sales support CoE to enable the client's sales team to increase productivity and improve the sales win-rate.

Client Profile

The client is one of the largest and most progressive telecom companies in Europe with revenues more than USD 40 billion. It offers a comprehensive portfolio of products and services that includes networked IT services, telecommunications services (local, national, and international), broadband, and Internet.

The Business Challenge

The 1000-member strong sales team of the client consisted of two groups - Field Sales and Desk-based Account Management team. The Field Sales team consisted of sales representatives who were constantly on the move, meeting potential clients face-to-face. The Desk-based Account Management team supported the Field Sales representatives in their sales pursuits. The Desk-based Account Management team co-ordinated all sales-related back-end work, like network design, bid management, etc. Both teams were spending considerable amount of time on routine non-customer facing/ administrative activities, which in sales parlance, amounted to 'non-productive' work.

In addition to the non-productive activities, the sales team was using multiple applications to track activities related to sales opportunities, sales updates, proposal preparation, pricing, filling customer request formats, etc. The work involved was tedious and time consuming. Also, sales team was continuously challenged to keep pace with the changing requirements of their customers regarding upgrades, re-grades in addition to the existing products and services.

Moreover, the sales function of the client and its associated processes were never considered for outsourcing due to its strategic importance to their business. However, the long standing relationship of Infosys with the client and the history of a mutually beneficial partnership prompted the client to approach Infosys. The client wanted to explore opportunities to reduce the cost of sales operations without impacting business activity, customer relations, or quality of service.

Infosys Solution

Infosys spent time with the client sales team to get a detailed understanding of their processes and identified the activities that the Infosys team can perform in a Shared Services model from a remote location. Infosys sets-up a Sales Support Centre of Excellence (CoE) for the client, based on the shared service model.

The Sales Support CoE performs the following activities:

Bid/RFI Management - Infosys works along with the client sales teams in all stages of managing and crafting the bid responses, right from receiving the BID from the sales/ account team to its submission and follow up.

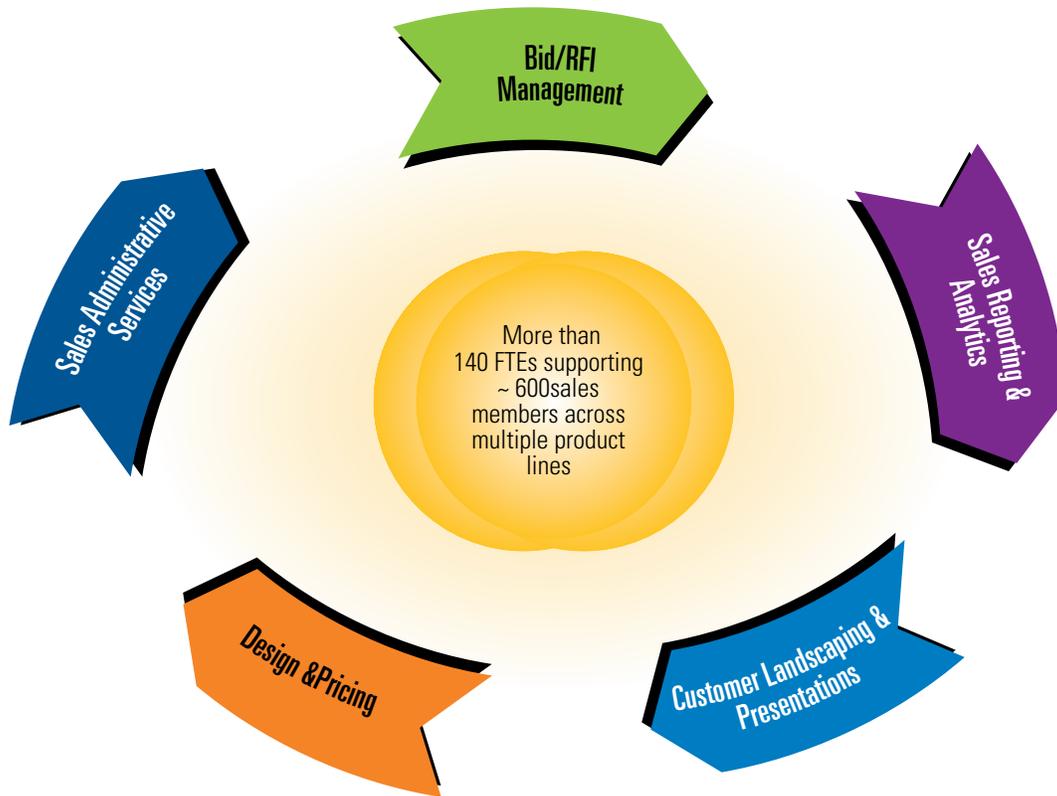
Sales Reporting and Analytics - Infosys prepares customized reports and analysis on the customers, products, and client's competitors.

Customer Landscaping and Presentations - Infosys performs customer landscaping activities that include preparing customer overview, customer financial information analysis, customer industry analysis, customer SWOT analysis, etc. Infosys also prepares internal and external presentation materials for the client.

Design and Pricing - Infosys handles the documentation of technical design and also applies appropriate client pricing models to ensure that the client pricing objectives are met. The Infosys team also supplies updated prices of components, like access cost, router pricing, etc.

Sales administrative services - Infosys frees up the time spent by the sales team on routine reports concerning sales opportunities, sales updates, proposal preparation, pricing, filling customer request formats, etc.

Infosys runs different components of the Sales Support CoE from India. These components are depicted in the graphic.



Benefits Delivered

The benefits delivered to the client through creation of the Sales Support CoE include:

- 32% reduction in the overall cost of sales
- 28% increase in 'customer facing time' for the client sales team. Partnership with Infosys has enabled the client sales team to spend 77% of their time on customer facing activities
- The time spent on desk-based activities by the client sales team has reduced from 45% to 17%
- The TAT to process simple bids has reduced from three or more days to less than 24 hours
- Improvement in hand-offs between the Sales and Service Provisioning teams has facilitated faster response time and improved customer focus
- Infosys established guidelines to handle the bids consistently across the Field Sales and Desk-based team

Conclusion

The creation of the Sales CoE has enabled the client to significantly reduce its cost of sales with enhanced service quality. The TAT has reduced to such an extent that simple bids are now processed in a day's time. Currently, 29% of the client's volume of orders passes through the Infosys team based in India. The achievements of the Infosys team have also been appreciated by the client.

Client Endorsement

MD - Convergence Business Sales

"Value we got over was not just the labour arbitrage...what we got was much cleaning understanding of our processes and also we got a degree of flexibility that we were quite surprised with"

"29% of our volume of orders goes thru Infosys team in India... it has freed up lot of our time to improve our efficiency and year-on -year, we have seen some dramatic improvements in our cost of sales without any real degradation in our quality of service"

"Our ability to turn around bids and ability to do change control has gone from taking week to couple of days, simple bids can be turned around in 24 hours."

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