



Grow Revenue and Customer Loyalty with DesignXpert™

Overview

Solutions Integrator IPLogic faced lengthy sales cycles, often taking up to three weeks and multiple customer meetings, to close a single deal. This lengthy process also delayed the flow of revenue to IPLogic. After deploying DesignXpert, however, because of the more collaborative nature of the design effort, the customer has greater confidence that they are making the best decision and many deals now close during the initial proposal review meeting. Not only does this accelerate revenue flow for IPLogic, including the addition of profitable value-added professional services, but it also significantly increases customer satisfaction because of the more collaborative nature of the engagement.

Challenges

- Isolated and Inefficient Design and Quoting Process
- Multiple Customer Meetings Resulting in a Prolonged Sales Cycle
- Multiple Design Iterations and Deliverables
- Delayed Revenue Stream
- Undifferentiated Customer Experience
- Lowest Price Product-based Bidding War Syndrome

Business Results

- More Efficient Design Process Reduces Customer Meetings and Overall Sales Cycle
- More Collaborative Design Effort with Customer Accelerates Revenue Flow and Profitability
- Real-Time “What if” Modeling Eliminates Design Reiteration and Multiple Deliverables
- Validated Network “Blueprint” Creates Common Language for Collaboration
- Positive Customer Experience Leads to “Trusted Advisor” Relationship
- Change Competitive Game from “Pricing” to “Value” Bidding

“DesignXpert™ enables me to close a deal in one day. This helps us keep the revenue funnel full of new business, because we are not caught up in a single presales opportunity for days or weeks.”

— Chris Agnoli, Consulting Engineer, IPLogic

IPLogic’s Goal: Be More Than Just Another Supplier

Prior to using DesignXpert, IPLogic’s presales process often required multiple customer meetings to clarify requirements and address changes. An average sales cycle involved nine to 12 separate steps, many of these repeated with each round of design changes. IPLogic’s sales approach is to consult with its clients. However in order to meet customer deadlines the proposals and designs were often rushed. There was no time to engage in lengthy discussions about what was driving the requested design and how it fit into the customer’s long-term plans due to the amount of time spent on documentation and paperwork.

“We would meet with the customer and take a great deal of time to document the current network and desired changes,” said Chris Agnoli, Consulting Engineer at IPLogic. “Then we would go back to our office to design the solution. The customer would have little or no visibility of the design until we delivered the first draft of the proposal. In essence, the designs were not a true collaboration between our customers and us.”

The challenge for IPLogic was that most of the critical phases of the design effort (in terms of solution architecture, technology selection and cost) took place away from the customer, which meant minimal customer input. Consequently, IPLogic could not be sure the design was going to meet the customer’s needs. The result in most cases was a series of customer meetings, each resulting in multiple revisions to the proposed solution that extended the sales cycle by days or weeks.

“We were spending too much time generating quotes and too little time consulting with our customers and implementing solutions because of the protracted sales cycle,” Agnoli added.

DesignXpert Enables Consultative Selling

The entire IPLogic sales engineering team now uses DesignXpert to transform customer meetings in the early stages of the sales cycle into consultative on-site “design workshops.” During these workshops the sales engineer and customer use DesignXpert to create realistic “what if” scenarios and discuss in real-time the pros and cons of each option.

Because DesignXpert enables the customer to play an integral role in the design effort, IPLogic is able to present multiple design and pricing options during the workshop. By the end of the workshop, the customer is able to select the options that best meet their business and financial needs, dramatically reducing the sales cycle. This also means the customer is able to make a more informed and confident decision with less likelihood of “buyer’s remorse.”

“DesignXpert has been instrumental in helping IPLogic take a more strategic, customer-centric approach to selling and design value-based solutions that better meet our customer’s needs.”

— *Chris Gaito, VP of Professional Services, IPLogic*

Success Story: IPLogic Converts \$700K Opportunity to \$1.25M Deal

A recent customer win is an excellent example of how IPLogic successfully used DesignXpert to transform a “price bidding” sales opportunity into a collaborative “value bidding” consulting engagement.

Cisco chose IPLogic and two other Cisco partners to compete for a new customer’s business, providing each with a pre-defined architecture and Bill of Material (BoM). Relying solely on the provided BoM, the two competitors simply ran the BoM through a “pricing calculator” and applied their own discounts with minimal input from the customer.

IPLogic, however, was able to consult with the customer and analyze their needs in greater depth. Using DesignXpert during the “design workshop”, IPLogic quickly designed a more scalable and innovative solution. DesignXpert provided a platform to instantly compare and contrast in real-time the benefits and cost of several

alternatives, including the original Cisco proposed design.

“By playing an integral and collaborative role in the design process, in just four hours the customer had the final BOM and price,” Agnoli said. The final solution the customer chose was 40% more expensive than the original Cisco proposed BoM. By using DesignXpert, IPLogic was able to demonstrate the value of how a larger investment today would result in a more scaleable, higher performance solution with a greater long-term return for the customer. DesignXpert’s functionality empowered IPLogic to bid and win based on creating value rather than on price alone.

“Using DesignXpert, I can conduct the same real-time consultative workshop with all of my customers, resulting in proposals that satisfy their requirements and price points on the spot,” Agnoli said. “I spin my laptop around in the meeting and show them the design and the estimated cost. If the quote is beyond their budget, we can make appropriate adjustments and in seconds they have a new price and validated design which becomes our blueprint for future changes.” According to Chris Gaito, IPLogic Vice President of Professional Services, “DesignXpert has been instrumental in helping IPLogic take a more strategic, customer-centric approach to selling and designing value-based solutions that better meet our customer’s needs.”

Netformx DesignXpert delivers the following business results for IPLogic:

- **50% Reduction of Sales Cycle:**
DesignXpert significantly reduces the IPLogic sales cycle from an average of 21 person-hours to nine person-hours, ultimately allowing the company to handle more opportunities in the same timeframe with greater accuracy. By using DesignXpert, IPLogic has reduced the opportunity-to-quote time, on average, from as much as nine days down to two days or less.

■ **Transition from Product-Centric to Customer-Centric Selling:**

Because DesignXpert significantly streamlines the design process, IPLogic presales engineers can spend more time understanding the customer's needs and creating collaborative solutions that can better meet those needs. This means that proposals are created based on providing the best value for the customer instead of just trying to meet or beat the competitor's price.

■ **Close Deals in One Day:**

"DesignXpert makes it possible for me to close a deal in one day," Agnoli said. "This helps us keep the funnel full of new business, because we are not bogged down in a single presales opportunity for days or weeks." He adds, "Without DesignXpert, there is no way I could design and quote a solution and present a proposal to my customer all in one day — I just couldn't do it."

■ **Increase Revenue and Profitability:**

DesignXpert allows IPLogic to increase the deal size by taking a value-based approach to designing solutions instead of competing strictly on price. The customer win described above resulted in an additional \$189,000 in post-discounted revenue based only on the Cisco-recommended architecture.

■ **Up-sell Professional Consulting Services:**

Not only did IPLogic increase the value of the original project by 40%, but the customer also requested \$26,000 in additional highly profitable professional services.

■ **Become a Trusted Advisor:**

DesignXpert has helped IPLogic build lucrative long-term relationships with clients, such as the customer featured above. Instead of pushing

price competitive low margin bids, IPLogic engineers spend more time understanding the customer's business objectives and offering solutions that offer the best value for the customer's investment.

"The new customer was very impressed by the processes we used to better understand their objectives and present a creative solution that not only addressed their immediate needs but would support future plans. They were also impressed by the flexibility and speed of DesignXpert which played a key role in our ability to generate the right solution in such a short time," Agnoli explained. "We very quickly achieved the role of trusted advisor."

This was further demonstrated by the customer's commitment to more than \$275,000 of additional business not associated with the original deal. "Every time they make a technology decision now, they invite us in," he continued. "Often we are in a no-bid situation because we have earned their trust; they like the way we present all their options using DesignXpert, so they can make a better and well-informed decision."

The Bottom Line: Customer Satisfaction

It is a well-established rule of business that it costs far more to acquire a new customer than to retain existing customers. DesignXpert makes it possible for IPLogic to do both by helping to create an environment that makes it easy to conduct business. IPLogic establishes a collaborative relationship in the very first customer meeting, creating a strong foundation for a mutually successful long-term customer relationship.

ABOUT IPLogic

IPLogic, Inc. delivers converged voice, data, and multimedia solutions that increase revenue, decrease cost, and maximize organizational productivity for clients. Serving medium to large organizations across the states of New York, Vermont, Massachusetts, Pennsylvania, and West Virginia, IPLogic expertise includes voice and unified communications through traditional PBX and converged IP telephony and multimedia communications, network security, network infrastructure (LAN/WAN), mobility and wireless network solutions, multimedia solutions, managed IT and network services, and training and IT staff augmentation solutions. We empower clients to Connect, Communicate, and Compete – Better.™ For more information visit www.ipllogic.com

ABOUT Netformx

*One solution, one repository,
one integrated process*

Netformx provides the world's most advanced network design and proposal generation software platform that significantly streamlines any network design, increases productivity, identifies additional revenue opportunities and promotes greater customer satisfaction within a fully integrated, highly collaborative environment. DesignXpert helps you and your customer establish a validated network "blueprint" that becomes a reliable reference source for managing the evolving lifecycle of their network — making you a "trusted advisor" and not "just another vendor" to your customer. More information can be found on the Web at www.netformx.com



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