

Sterling Multi-Channel Selling reduces order cycle times and increases market revenue



Quantum

Location

San Jose, California

Industry

Manufacturing

Business challenge

A Web-based enterprise e-business solution that would make it easier for Quantum's reseller partners to do business with them. In addition, Quantum needed to provide its channel partners and extended sales team with configuration pricing, quoting, and order management.

Solution

Multi-Channel Selling™

Benefits

- Reduced order cycle times
- Increased market share and revenue
- Improved order revenue and margin due to up-sell opportunities
- Produced streamlined and consistent quotation process

"Quantum Marketplace makes it so easy for our sales representatives, distributors, and resellers to select, configure, and quote our products and solutions, while giving them the confidence that they have included everything required to meet their customers' unique needs."

Gary Brenkman
Director, Marketing Operations,
Quantum Corporation

Quantum Corporation

Customer background

Quantum Corporation, founded in 1980, is an \$870M global leader in storage, delivering highly reliable backup, archive, and recovery solutions that meet demanding requirements for data integrity and availability with superior price performance. Quantum is the world's largest supplier of half-inch cartridge tape drives. Its DLTape technology is the standard for tape backup, archiving, and recovery of business-critical data for the mid-range enterprise. Quantum has three business lines: Storage Devices (tape drives), Storage Systems (automated tape libraries and disk-based backup systems), and Tape Media (data and cleaning cartridges). Quantum's products are sold primarily via a two-tier distribution system through distributors such as Tech Data and Ingram Micro, and VARs such as DLT Solutions and DataLink. Quantum also produces private-label products through OEM arrangements with major customers such as Hewlett-Packard, EMC, IBM, and Sun Microsystems.

Prior to implementing Sterling Multi-Channel Selling from Sterling Commerce, Quantum utilized a manual, labor-intensive process to configure and quote

its products and solutions. To complete an order, a sales representative had to configure Quantum products and solutions from a spreadsheet, then consult a 100-page document to access rules, pricing and configuration information. Quantum had a configuration system, but it did not include guided selling, was rarely used because it was not user-friendly, and was not available to Quantum's distributors and resellers. The original Quantum system was also costly, and administration was difficult because Quantum frequently revised its pricing. This complexity of configuration, quoting, and ordering processes resulted in order errors, customer dissatisfaction, and costly sales concessions. Moreover, Quantum realized it was missing revenue opportunities when sales reps failed to offer tape media and extended warranty contracts.

Business challenge

Quantum's first goal: make it easier for customers to do business with them. Quantum wanted to deploy a best-in-class online product configuration and quoting system to:

- Simplify the selection and ordering of Quantum products

- Reduce order cycle times
- Increase up-sell opportunities to capture media and service contract revenues at point of order
- Improve internal efficiencies
- Differentiate Quantum as a preferred supplier

Solution

Sterling Multi-Channel Selling is the foundation for "Quantum Marketplace," a Web-based enterprise e-business solution that makes it easier for Quantum's reseller partners to do business with them. Included in Quantum Marketplace is a library chooser application utilized by sales representatives to select the appropriate Quantum products. Powered by Sterling Configurator™, the library chooser guides users to the tape library that meets their or their customers' needs, based on customer requirements and backup environment. This ensures that the right tape library is selected and ordered. The system also provides an online catalog, side-by-side feature comparisons, up-sell functionality, quotations, special pricing, coupons, and promotions. Sterling Pricing™ enables Quantum's Opportunity Identification Program (OIP), which provides incentive pricing for channel partners to notify Quantum early of new opportunities. If channel partners participate, Quantum guarantees them the OIP price (for example, 5% off the lowest

price) and will not grant this price to any other partner. This end-to-end workflow process ensures that Quantum's channel partners receive a competitive advantage in pricing for opportunities they register. At the same time, Quantum receives greater information and visibility into its opportunities in the channel.

Key benefits

It took 120 days for the Sterling Commerce-powered Quantum Marketplace to be implemented. With Sterling Multi-Channel Selling, Quantum's distributors and resellers can easily identify, select, configure, quote, and order the Quantum products that meet their specific needs. Quantum is now able to:

- Provide distributors and resellers comprehensive self-service capabilities designed to make it easier for them to do business with Quantum
- Accept orders 24/7, extending the business day
- Present a single, unified face to the customer via the Quantum Alliance portal, which provides access to Quantum Marketplace and a host of reseller tools and news with one login
- Share information between the Quantum Marketplace and Salesforce.com, Quantum's internal sales force automation application, ensuring that Quantum's sales representatives have the latest information on its channel partners' opportunities

Within the first three months of deployment, 3,000 users were already using the system, and usage steadily grew. Furthermore, Quantum's distributors and resellers are well satisfied with the system. One typical comment: "I love this tool. It makes it so easy to provide a quote while knowing I have included everything I need; my customers are going to love it!"

After an in-depth evaluation of leading configuration and quoting technology providers, Quantum chose Sterling Commerce as its enterprise e-business partner. With many successful implementations, Sterling Commerce fit Quantum's requirements for a vendor with extensive experience in deploying enterprise e-business systems on time and on budget. Sterling Commerce technology is also a perfect fit with Quantum's existing technology stack. By offering an open, standards-based system, with many successful integrations into Oracle and other IT systems, Sterling Commerce enables Quantum to leverage its existing Oracle ERP system and other legacy systems, to deliver a fully integrated enterprise e-business system. Sterling Commerce not only provides the functionality Quantum needs today, but also supplies a flexible environment to meet the Quantum enterprise e-business needs of the future.

About Sterling Commerce

Sterling Commerce, an AT&T Inc. (NYSE:T) company, helps companies optimize and transform their Business Collaboration Network quickly, easily and securely so they can accelerate revenues, reduce costs and protect their enterprise. Sterling Commerce provides more than 30,000 customers worldwide with applications and integration solutions to connect, communicate and collaborate with their customers, partners and suppliers. Learn more at www.sterlingcommerce.com.

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