sugarcrm

Smelling Sweet and Tasting Great with SugarCRM

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PASSION FOR SIMPLICITY

Talking with Pierre Hellivan about Vigon International is like driving a precision race car: it's exciting and you're going to go really, really fast.

Vigon International is an expert in taste and smell: the company manufactures and supplies flavors, fragrances, and cosmetic ingredients for companies around the world from their location in East Stroudsburg, Pennsylvania. Vigon is among the top companies in North America in their industry, a point of pride for the family-owned business.

That's what you would expect from a company which has very quickly grown to nearly $100 million in sales and made the "Inc. 5000 Fastest Growing Companies" list since 2008.

The key to success? A strong focus on excellent business processes, an understanding of both human and technology capabilities, and a commitment to continuous improvement across the board.

Industry ///
Manufacturing

Location ///
Stroudsburg, PA

Website ///
www.vigon.com

Pierre wears three hats for what he describes as 'still very much a small company'. He serves as account management for a number of major accounts, as product director for the growing market for natural ingredients – and he was challenged with implementing a corporate CRM system.

Vigon's problem: the 'Ferrari' ERP system only engaged once the order was in the door.

"None of our commercial pre–sales processes were supported by good automation. We were working off spreadsheets, emails and a very outdated ACT! contact management system. All that resulted in redundancy and tedious work processes," relates Pierre.

The problem for the sales team began with managing customer contact information and snowballed from there. "We have over 1,000 customers who choose from nearly 2,000 products. We have a team of five salespeople – just five! You can imagine manually creating several quotes a day with no automated system. We were all over the place with many different tools."

Vigon's sales team also wanted an automated sales–forecast funnel, automated special–pricing approval processes, and a way to cut down the time needed to prepare very complex customer–meeting agendas. Beyond that, they wanted ways of capturing market data from customers and comparing the success rate of different promotions.

Management knew that they badly needed sales automation to support the company's rapid growth, but not just any automation. Pierre sums it up. "Basically, sales were being done by the seat of our pants, so any CRM would have helped, but even though our tools were crude, our salespeople were extremely successful, helping us achieve year after year the Fortune 5000 fastest –growing list."

Because of this, Vigon was prepared to be very choosy about their new CRM. With a team that knew how to create great relationships and sell well, Vigon would not waste efforts on a system that might have poor user adoption. It had to work well for staff of all ages and technical abilities. Most of all it had to make work faster and make their lives easier.

Pierre says, "Our technical systems give us a leading edge in the industry. We didn't want to compromise on that culture in our CRM software."

In other words, when you're adding components to a Ferrari…you choose your parts carefully.

The Dream Machine

Vigon's salespeople now boast one of the most sophisticated sales and marketing automation systems in the world based on Sugar, including:

> "We literally have a Ferrari of an ERP software system. Vigon has a very strong culture of relying on technology to execute processes from the moment we receive a purchase order through order management and fulfillment. Our ERP software has the ability to conform to our processes. We have remarkable speed of execution, getting things done much faster than our competition, and with less human resources. Our head count is surprisingly low considering our dollar sales – and we can do that because of the technology that is in our corporate DNA."
>
> **— PIERRE-JEAN H.**
> Vice President, Key Account Development

- Personalized 'pick-and-click' quotes from their price catalog
- Visibility into customer price histories on each item via tight integration with their ERP system — resulting in a thousand new quotes the very first month after launch
- Quotes move smoothly through an automated sales funnel, keeping real-time sales forecasts extremely accurate with minimal sales-staff updates
- Customer requests for samples are fully automated, and require no time from the sales staff
- Special price requests are automatically sent to managers for approval
- Quarterly client meetings — in which hundreds of products' order history are reviewed one by one — have an automated meeting agenda created by the systems
- Follow-up requests during the meeting can be fully automated from the customer's office

The Basics and Beyond

Vigon follows two major principles in their company culture, both of which were used in choosing their CRM software.

First, the tool had to be heavily customizable, preferably by Vigon staff. With three programmers who continuously improve Vigon's systems, any CRM that did not give these developers access to customize was immediately disqualified.

Second, the project needed to be done by the people and for the people who would use it. The software would not be a top-down implementation.

With the SugarCRM software platform chosen, the first step was to populate the new database. But first, some housekeeping was in order.

"Our ACT! database held about 8,000 contacts. We wanted to start with a clean, verified database, and made the decision that if a contact record couldn't be verified for correctness, it wouldn't be imported to the new Sugar database. It was a long, tedious process making sure that every contact still had a valid company, address, email, and phone. Every segmentation data point was considered both at the account level and the contact level. The entire process took six months, but we knew then that we had a core database that was clean and ready to be uploaded.

Vigon quickly made Sugar its own by configuring the database to accommodate their business needs. "With very little training we were able to create several simple custom modules in-house to better manage our information. For example, an account that was a large company could have multiple physical locations. When we added a contact person to an account, the custom module would tag the person to a correct physical location. It may sound very simple — but we send out thousands of samples annually, and this greatly reduced waste from the return rate of samples with incorrect addresses."

With that accomplished, Vigon began customizing Sugar to support marketing processes. Since Vigon already used Constant Contact for customer communication, it was easy to install Faye Business Systems' Constant Contact link and integrate Constant Contact with Sugar. This enabled the marketing team to slice and dice their database in Sugar and to do email marketing to accounts using Constant Contact.

As with many organizations, Vigon used Outlook and Exchange server for email and shared calendaring. Since the sales team spends so much time on the road it was critical that the integration between Outlook and Sugar was seamless and real-time.

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Building Bridges to Fast-Click Quotes

Pierre appreciates words attributed to Larry Augustin, former president of SugarCRM: "He said 'Every single click has to deliver value.' If you're asking high-end, competitive sales people to do a lot of data entry, it's not going to fly. Every click must help them do their job faster and better."

"We are a process-driven company. Everything we do gets mapped on the wall. We always try to look at the way we do things and envision how we can do it faster and better. We looked at all the steps in quoting, from ERP to email, and mapped the entire thing. It was massive," Pierre says. "Then we imagined what would be the perfect, fastest way to do a quote. We designed the new process together, and put it in the process sheet we handed over to Sugar's implementation team. When we rolled it out, the team was not surprised, but at the same time, they were floored. SugarCRM was able to reproduce our wishes perfectly in the new tool. It was impressive."

User adoption of the new quoting system was easily welcomed by the team, with over a thousand quotes produced in the new system the first month.

Sales Forecasting and Pipeline: The Possible, and Beyond

"What's next?" asks Pierre. "A salesperson is going to say, 'Oh! My sales pipeline is bursting!' Managing that should be easy too, so we created a sales pipeline dashboard that monitors the status of quotes and creates support information with our ERP."

Vigon did not want to task sales people with manually maintaining the entire pipeline progress. "If we quote $10 to Customer XYZ and they buy, ERP integration automatically updates the system that that quote is not open anymore. Now we have much better pipeline progression: so many quotes in the pipeline times a percentage, we can accurately estimate incoming cash flow."

A sale at Vigon needs two things to proceed: the customer must like the price, and they must approve the quality of the flavor or fragrance ingredient. Each quote has two associated fields: Quality Approval and Quote Status. To manage a rich sales pipeline, an intuitive and quick interface was needed. Sugar and Vigon worked together to customize a color coding system to help their sales teams easily navigate their pipeline. This has resulted in repeated success for their sales teams as they manage thier hundreds, if not thousands, of open quotes with shorter sales cycles.

The Crowning Jewel: Custom Meeting Agenda Management Tool

Vigon and Sugar next turned to another challenge: Vigon had to constantly build complex meeting agendas in preparation for customer meetings.

> "We heard many examples from friends in other industries and companies. We were totally open-minded, looking at large providers and small. Sugar, which offered on-premise capability and strong open-source capability, was in the top three. After looking at all the pros and cons, we chose Sugar. In choosing an implementation partner, we knew we would require a project of extensive cooperation. With W-Systems, the relationship felt right. They had the understanding of where we wanted to go and had the technical abilities to get us there quickly."
>
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> Vice President, Key Account Development

Using Vigon's carefully mapped vision, Sugar was able to build a truly remarkable system.

"The quote module was pretty simple to develop. The next challenge was harder."

Vigon cultivates deep relationships with their customers via over 800 meetings annually. Each meeting takes several hours and requires a long agenda.

"Usually customers purchase hundreds of products from us, so in our meetings, we need to talk about many things. To do that in a professional manner, we started sending agendas to each customer prior to the meetings: we'll see you in a couple of weeks, we'll visit your plant, talk about football, and these 200 products.' Some they're ordering more than expected, some less than expected, they may have a couple of open quotes, there are some new offerings we've never talked about, and the state of our business together. The agendas can be pretty complex, and would take a salesperson over an hour to put one together.

"At the meeting, the sales team take lots and lots of notes, then come back to the office and write a visit report to share with the rest of the sales team and to hammer down next steps: sending samples, sending regulatory documents, updating the quote, having special pricing approved. Lots of time required."

How could Sugar automate two or more hours of work before and after each visit? As Pierre says, "it's just data – and it's already in our system somewhere – let's bring it out and help the sales rep!" Now, the process has been streamlined so much it's aerodynamic but still encourages the sales rep to carefully consider the purposes of their planned meeting.

With Sugar, the entire meeting agenda has now been populated from a few clicks, and the salesperson has added comments and questions tagged to each line item. Sugar creates a PDF and emails it directly to the customer. It's very professional looking, and because of the personal–agenda notes, lets the client know we'll have some fun visiting, we'll talk about business, and here are the items we want to talk about.

Best of all, the process of creating the agenda is cut from over an hour to a few moments.

Just before the meeting, the systems creates another PDF just for the salesperson, with additional information such as the funnel status of each quote and profit margins on line items.

Finally, while at the meeting, the salesperson can use an iPad or laptop for meeting–results tracking. As each line item is discussed, they can:

- Create to–do tasks for Vigon employees and sync with Outlook calendar
- Enter comments for team alerts and reporting
- Automatically create and send revised quotes
- Automatically send an email to the samples department about requests, with account info
- Automatically send technical and regulatory specifications

Sugar collects these notes from all client interactions to create a rich history of experience…so if three years down the line, Vigon needs to talk about vanilla with this customer, it's all there.

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Custom Price Approvals Workflow

Sugar routes special pricing requests from the quotes to management for pricing approvals. When the supervisor gets the automated email, he opens the Visit Module and can see the notes of the meeting. At that point, the manager can accept, reject, or counter offer the suggested price – and the system automatically indicates the custom price status in the quote/forecasting system.

Remember that Ferrari? There's Still Room to Go Faster

"The way we look at it is, it's just data. It's somewhere. We just have to go out there and grab it and present it in ways that save time. This system has been so well thought through; we took time to make sure it flows correctly, and automated the dickens out of everything."

Creating this system has been a labor of love and implemented gradually over a period of two years for Vigon, but it was worth the work to get there. But Vigon still has many more ideas for improvements.

"We maintain 'idea-boxes' on our intranet for each Sugar module, so people can add suggestions. One great idea was how to speed up repeat quotes: long lists of items that are typically ordered. What if we create a template? Hit a button, and a whole new quote comes up based on their ordering history, so we can tweak the prices and amounts as needed? It's going to save 20 minutes every time. We also want to see sales history on an aggregated account level. We've barely scratched the surface."

Pierre knows that Vigon will keep pressing the accelerator. "We're always looking ahead of the curve to see what's next, what would be cool. We strongly feel that SugarCRM has been up to every task we assign them."

That Ferrari of a computer system keeps revving up to go even faster. With Sugar, it's a sweet, rich sound.

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About SugarCRM

SugarCRM is how marketing, sales, and service teams finally get a clear picture of each customer to help businesses reach new levels of performance and predictability. Sugar is the CRM platform that makes the hard things easier.

Thousands of companies in over 120 countries rely on Sugar to achieve high-definition CX by letting the platform do the work. Headquartered in Silicon Valley, Sugar is backed by Accel-KKR.

To learn more visit www.sugarcrm.com or follow **@SugarCRM**.