



## Solving a Renewal Challenge

### Flexible Campaigns Deliver More Sales At a Lower Cost-Per-Sale

#### Background –

A North American security software developer, selling to business organizations of all sizes, was concerned about the low rate of maintenance agreement renewals from its base of smaller customers (under 50 seats). Because they already knew that a call from the sales reps at 90, 60 and if necessary 30 days, was the major contributor to the better renewal rate among larger accounts, the sales force was mandated to begin calling on the smaller customers as well in exchange for a commission on the sale which had not been paid in the past.

**Challenge** - It proved to be a bad plan for a number of reasons.

- Unlike the large accounts, records for the smaller customers were inconsistent and required a combination of different contact methods to reach them.
- The sales team was not large enough to make all the necessary calls with voicemail and email follow ups to the full base of smaller accounts and so began to cherry pick the easier call backs to gain extra commissions.
- While renewals increased, the smaller invoices offered a poor ROI relative to the cost of sale.
- The time consuming calls generated short-term renewal sales, but at the expense of more difficult new account development. Additionally, the calling for larger account renewals was becoming inconsistent.

**Alternatives** – Considered and rejected

- High-end outsourced telemarketers could manage the different types of contact needed but were more expensive than the in-house resources. Low end outsourced service providers were affordable, but lacked the management support to deal with the many different messaging alternatives needed to reach the accounts with any significant penetration.
- Email only reminders provided some lift and a positive ROI, but used alone the overall impact was insignificant.
- Increasing the telesales/telemarketing group was not cost effective.
- Status quo was not acceptable, given the potential revenue.



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#### **The Solution –**

A fluid combination of services from Vondara was used to reach this market and renew the agreements. Three unique voicemail messages were pre-recorded by the actual sales rep for the account and delivered at 90, 60 and if necessary 30 days prior to the renewal date. The first message was delivered using Vondara's human guided voicemail service. For some companies, after the contact and direct dial information was verified on the first call, the 60 and 30 day messages were delivered using a more cost effective computer dialed auto-guided service.

Each delivered message was followed up with a synchronized email – again from the individual sales rep. The emails offered additional information and an easy method to respond directly to their sales rep representative. Vondara's Live Message service was used for the segment of the list without fully developed voicemail systems and in cases where the desired contact actually answered the phone.

#### **Results –**

Using the combination of four delivery methods and campaign management services from Vondara – Guided Voicemail, Synchronized email, Auto-Guided Voicemail and Live Message – the renewal rates of the test group were 18% higher than the control and the cost-per-sale was well within acceptable limits.