

E-book

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## 3 Digital Transformation Trends To Drive Long Term Organic Growth

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Digital transformation is on everyone's mind. It's everywhere from the factory floor to the warehouse, and it's now conquering the service, sales and aftermarket functions. These are extremely strategic for any organization because they alone are responsible for managing the customer lifecycle, which - when done right - can secure long term recurring revenue growth from parts, consumables and services.

### No more spreadsheets please

Conventional wisdom says that selling additional products and services to existing customers should be simple and less expensive than acquiring new ones. Yet if you are a sales or marketing leader chartered with growing revenue by selling spare parts, consumables and services to your installed base, you know that oftentimes, nothing can be further from the truth. Unlike when dealing with the initial sale of the equipment, the tools available to you and your team - CRM, Marketing Automation or ERP – can't really help identify which customers to call, when, for what products, and the reason. Instead, you try to make sense of multiple spreadsheets, cumbersome and conflicting reports, legacy systems, and limited visibility into service and support systems. Does this sounds familiar?

### Digital transformation in the service industry

According to a recent survey by The Service Council on this subject, all participating aftermarket and service leaders indicated that being a digital business was important to the future of their organizations. In evaluating the outcomes of digital transformation, 52% indicated that they were looking to enhance customer value, with another 42% looking to improve the responsiveness of their service businesses.

OEMs have long chased productivity, typically measured in service visits completed per technician per day. This pursuit continues, but we now see that organizations have matured to improving other aspects of their business.

Moving past productivity-focused initiatives, industrial manufacturing leaders are now looking to improve 3 key areas of their sales, service and aftermarket operations through digital transformation:

1. Efficiency
2. Customer satisfaction
3. Profitability

# 3 DIGITAL TRANSFORMATION TRENDS TO DRIVE ORGANIC GROWTH

## 1. Efficiency

There's nothing efficient about dealing with multiple reports, spreadsheets, and bouncing from one system to another to try and retrieve the most accurate and up to date customer information (what equipment they have, order history, call center data, service contracts, etc...). Digital transformation can help drive efficiency in the form of data availability at the user's fingertips. Calling customers with a complete view of their account information, transaction history, etc... saves precious man hours and ultimately provides a better customer experience.

BI tools promise to solve for this, but they can't help if the data is corrupted to begin with. Before shopping for BI tools, OEMs need to make an assessment of their siloed data sources, and embark on a journey to cleanse, dedupe, and enrich their customer data.

## 2. Customer satisfaction

The buying experience for B2B customers has dramatically changed in the past few years alone, as they expect the same level of customer engagement and service they enjoy as consumers. For industrial manufacturers this presents a great opportunity and a risk which can - and should - be addressed sooner rather than later. Most organizations' sales and service teams operate according to a reactive model: customers call to request a part or service; manufacturer provides said part of service; end of engagement. This might have worked in the past, but in the long run it exposes the OEM to the possibility that customers won't come back to them the next time something breaks. Moving to a more proactive customer engagement approach provides a better overall experience and increases the chances of driving incremental revenue from the installed base. Several large companies have plans to hire more inside sales people to proactively go after the installed base.

When equipped with right data (see above) and tools like CRM and Aftermarket engagement platforms, these teams can drive dramatic organic growth relatively quickly.

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### 3. Profitability

It's no secret that aftermarket revenue is way more profitable than the initial sale. So why are so many companies struggling with retaining customers and drive recurring revenue from the installed base? As we've seen above, it's the lack of data and tools combined with an outdated reactive approach that is penalizing OEMs in their quest to drive organic growth. As organizations have become more mature in their assessment of digital transformation strategies, they have also become more mature in how they evaluate their technology investments. Most organizations believe that having a CRM in place is enough; that their marketing emails and reactive sales offices will drive growth in the long term. New data shows they won't. Leading industrial manufacturers are already moving toward staffing their service departments with proactive inside sales reps, outsourcing the task of cleansing and enriching their customer data, and supercharging their CRM with predictive insights generated by data-driven customer engagement platforms.

### Digital transformation drives organic growth

By embracing the digital transformation, aftermarket revenue becomes much more accessible. Rather than manually sorting through the data, Installed base and Aftermarket engagement software provide enhanced tools and tactics for sales, marketing and service professionals who are trying to retain customers and grow the portion of revenue generated by their existing installed base.

[Entytle](#) is taking this approach. Applying data science and machine learning algorithms to massive amounts of customer data, their software is able to cleanse and reconcile customer information to provide enhanced installed base visibility. Only then, leveraging accurate and complete data, the system proactively pre-populates warm leads and quantifiable business opportunities for aftermarket sales and services. With Entytle's platform Insights OEMs can improve efficiency, customer satisfaction, and profitability without disrupting existing processes and workflows, as long as they're ready to embrace a more proactive approach to customer engagement.

## Entytle Insyghts

Entytle Insyghts was developed by a team of professionals with decades of operational experience at large B2B manufacturing and software companies. They struggled with the same after-sales revenue challenges outlined in this paper. After years of analysis and real-world customer trials, they found a solution. Insyghts software turns repeat sales efforts into more cost-effective, predictable, and proactive results using pattern recognition and other algorithms applied to a company's enterprise data. The key components of this analysis are:

- Pattern recognition of customer behavior and product life-cycles
- Continuous analysis and machine learning of sales data and customer actions
- Actionable intelligence for contacting the right companies with the right offers at the right time

### Quick to Deploy, Low IT Intervention, High ROI and Security

Because Entytle's platform is non-intrusive and easy to deploy, companies can be up and producing actionable sales opportunities in less than two weeks. There is no need for training sales personnel, and integration with existing IT is non-disruptive, as Entytle works hand-in-hand with a company's IT team throughout the set-up process. Entytle is cloud-based, and takes very little business IT resources to operate.

In addition, once Entytle Insyghts is installed there is little or no need for a customer's IT team to maintain. Entytle reports are regularly distributed to selected sales associates automatically. All customer data sent to the Entytle cloud for analysis is encrypted. Once reports are ready for circulation, they are also encrypted and sent back to the appropriate company sales team.

In real-world deployments at Entytle customer sites, the average increase in opportunities is nearly 50%. One customer, an industrial pump and mixer manufacturer, reported a 40% conversion rate of those opportunities. A health sciences equipment manufacturer is using Entytle to win back 15% of customers who has stopped buying from them.

## SUMMARY

Sales and marketing organizations have too much data and too little time to isolate truly profitable repeat-business and aftermarket opportunities. Manual or semi-manual strategies are at best ineffectual, and at their worst, expensive and time-consuming, with little or no ROI. Entytle Insyghts helps drive organic growth from the installed base.

What Entytle does for leading industrial manufacturers:

- Dramatically improves visibility into installed base
- Automates the entire qualification process
- Delivers right-customer, right-time opportunities
- Requires low maintenance
- Provides quick, continuously refined results

For more information please visit: <http://www.entytle.com> or contact us at [info@entytle.com](mailto:info@entytle.com).

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