

The Award Winning Lead Management Software and CRM Solution for Phone Centric Selling, VanillaSoft Boosts the Productivity of Outbound Calling through a Best-In-Class Feature Set while Increasing Quality and Management Visibility

**Business Services
CRM**

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David Hood
CEO

BIO: David is a software entrepreneur with extensive experience in finance, business development, and sales & marketing.

As co-founder and CEO of Hemera Technologies, David grew a firm from a basement start-up to a world-class player in the digital image content space in North America, Europe and the Asia-Pacific region.

Prior to Hemera, David held several positions at Corel Corporation, includ-

ing responsibility for the Eastern U.S. Seaboard, the South Pacific, India, France and the UK.

He has experience working with businesses on four continents. David holds a Bachelor in Biochemistry, a Masters Degree in International Affairs, and graduated from the Owner-President Management program (OPM) of Harvard Business School.

About VanillaSoft

VanillaSoft is the award winning Lead Management Software and CRM solution for phone centric selling. VanillaSoft enables thousands of individuals and sales teams to do more than store their data and report on it like traditional CRM. VanillaSoft customers drive productivity by deploying an award winning Best-In-Class feature set which includes next-best-lead routing, auto-dialing, on-board intelligent messaging, integrated e-mail, real-time lead distribution, live dashboard and digital call recording.

With VanillaSoft, typical users realize a productivity increase of 30 to 100% over traditional CRM, creating an easy to justify ROI. VanillaSoft dials over existing phone systems or VOIP meaning no new or high fees for telecom. VanillaSoft is based in Plano, Texas where it has served a global client base since 2005.

Interview conducted by:
Lynn Fosse, Senior Editor
CEOCFO Magazine

CEOCFO: Mr. Hood, what is the concept for VanillaSoft?

Mr. Hood: What we noticed was that sales tools were originally developed

more for higher level account management types of activity, for storing and reporting on limited data and limited activity. When those traditional CRMs like Maximizer and ACT were brought online and made into "Software as a Service" tools they still followed much the same concept, where they were really designed for storing information and for people that were carrying out limited touch points with their customers. We recognized that there was a real need for sales tools designed for companies that have sales processes relying more heavily on outbound calling. There is a lot of talk about inside sales these days. In fact I believe that the latest statistics show that inside sales positions are growing more quickly than outside sales positions. VanillaSoft wanted to offer a tool designed to boost the productivity of outbound calling while increasing the quality and management visibility into it. We wanted to address this whole new growing side of sales which we used to simply think of as telemarketing but which was now being used to sell more and more products and services. In fact, there is a sales shift in many companies from a limited account-management type of sales organization to an inside sales model where much more of the sales process is relying on phone-driven activity.

CEOCFO: Would you give us an example of some of the areas that are most commonly used where you are able to make a difference? Could you name one or two things that people would be surprised that could be accomplished with this the Vanilla Soft CRM?

Mr. Hood: Any sales activity where you are relying on higher volume outbound calling is what VanillaSoft is really suited for. To take different examples; we have education companies that are receiving inquiries about schools and programs that need to follow up with potential clients. Therefore, they need to be able to drive a large number of outbound calls to incoming leads in a timely matter while ensuring that none slip through the cracks. In merchant services - where companies and banks such as Capital One need to be able to reach out to new businesses - they require both productivity and quality in their prospecting calls. When you need to make forty or more calls a day - to drive appointments, qualify leads or sell a service or product - then you need a tool which is going to help drive that productivity while putting all of the necessary information in front of the salesperson. You do not need something that is simply there to store data. You actually need more of a sales force automation tool. That is where VanillaSoft comes into play.

CEOCFO: How do you really make the system customer friendly? How do you develop a system to address the varied needs of your customers in a way that they can understand?

Mr. Hood: I think the key to developing any successful system is to really maintain a laser focus on what you are trying to be best at. As soon as you start trying to do everything for everyone, that is when a system tends to get large, difficult and then start failing at everything. VanillaSoft has kept a real laser focus on the ability to increase the productivity of outbound calling, while maintaining the quality of the calls. We allow management to go in, customize campaigns, create calling queues, create scripts, create all of the required fields and bring all of the information in that they need. The salespeople simply have to log in and they are into a sales process that has been designed by management. One big difference - and an area where VanillaSoft really distinguishes itself - is routing. In most traditional CRMs you work off of a list-based type of program. You log

in, you see a list, and you choose a contact and do something with it. You note something down and you are back to a list again and once again, hunting and pecking and searching.

In VanillaSoft, management sets up what needs to be done and sets up the list and the queues. From the salespersons perspective, when they log in they get a contact to call already on the screen. They have all the information at their fingertips and can have a script that is set up to help them maintain the consistency and the quality of the call. They make the call and gather the information, qualify the lead or book an appointment or do whatever is required on that sales call. Then as soon as they indicate what has happened on that call the next contact is simply served up to them, based on management priorities. There is no hunting and pecking. There is no sitting and looking through

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a list, which studies have shown is the greatest time waster of all. Management is feeding leads in through various ways, such as purchased lists, internet generated leads that feed in automatically, customer lists, etc. These are the leads that management wants called and they can queue them up based on management priorities. The salespeople get the leads that need to be called and all of the information required for a quality call but do not need to be hunting and searching. They do not need to worry about who they have already called, who they need to call back, and who hasn't been called. The system handles the lead management task increasing the quality of follow-up and the calling productivity.

CEOCFO: Would you tell us a little bit more about your customer base; what specific industries or particular size of company?

Mr. Hood: VanillaSoft focuses on small and medium sized business, although we do have several Fortune 500 customers. We work very hard on the small and medium size businesses; say up to one thousand employees. We tend to be very activity based, as opposed to industry based. We are in many sectors. We play heavily in finance, insurance and manufacturing. We also tend to be in a lot of services such as roofing for example. However, it really cuts across more on an activity basis. You have sales groups where the people within those groups are relying heavily on the phone. Once again, a rule of thumb is if forty calls or more a day are needed as part of the job. In that case - and it is a high quality B 2C or a B2B selling situation - then that is where VanillaSoft really applies.

CEOCFO: Vanilla Soft has a number of different offerings and pricing directly on your website. Not everyone does that. Why the decision to put it right up front?

Mr. Hood: We think that people need to know what they are getting into. I will be honest with you, nothing annoys me more than seeing a description of a product with absolutely no idea what it costs and then you have to actually reach out and ask

someone what their product costs. We feel that it is important to be transparent. We are very transparent about the features and we are transparent about the costs.

CEOCFO: How do you reach potential customers?

Mr. Hood: We go through a number of channels. Online is one of our important methods. We are also heavily involved with different associations. For example, the Association of Inside Sales Professionals - of which we were a founding member several years ago - is now growing quite well. We also do a lot of referral business. We have been in business since 2005 when the product was first launched. We have had an awful lot of happy customers. People talk. Just like you spoke about a friend telling you about us people mention the company to their friends. We therefore get a lot of referral business, based upon the fact

that the product is very good. We are very proud of it. People like it and we back it up with exceptional service. I think that is something that everyone that works with VanillaSoft recognizes; we have very qualified support people that are there to help.

CEOCFO: I am sure that you get this all of the time, but why the name?

Mr. Hood: We do get it a lot. It ties right back in again to what you were saying at the beginning. The name “Vanilla” really comes from the idea of “simple”. It is one of the simple, soothing flavors. VanillaSoft has the tag line “The Power of Simplicity.” We work very hard to make it easy to get up and running. Over the years we have added a lot of functionality which now allows you to do an incredible amount with the product. However, to get up and running on a basic campaign is only a matter of minutes. As you alluded to, there are many packages out there where you download a free trial and you can sit and stare at it for hours. I have done this with several and not even know how I can make my first call, get a contact up and view it or do anything with it. That was something that was very important for us: simplicity of use. We have had people move from other products and they have told us that it is very easy to use.

CEOCFO: What do you bring from prior experiences that have been most helpful at VanillaSoft? What have you learned?

Mr. Hood: I have learned to listen to customers. I started off in sales and I have been in sales on three different continents over a fifteen to twenty year period. I think one of the things that you learn in sales is to listen to your customers. You learn to feed that back and being in technology you learn to feed that back into your development cycle. I think that is one of the real strengths of VanillaSoft; the ability to listen to customers, take that feedback and work that into the development cycle to continuously improve the product. You always want a little vision in your product, so you always want to be looking a little ahead of the curve. However, at the end of the day, there are only so many levers that you can really play

with and the important thing is doing it well. Therefore, we really believe in a practical application.

CEOCFO: You talked about exceptional customer service and that is not always easy to do. How do you foster that in the company?

Mr. Hood: The very start of excellent customer service is making sure that your product itself is strong. Therefore, we start at the development level. We make sure that our developers themselves are trying to see things from a customer's perspective; what is it going to be like using something and how might they use it, right down to the coder level. We do expect our developers to have some understanding of how the product is actually going to be used. You are right; it is not easy to do. It is something that you just have to have as a culture. You have to make sure that your support team realizes that they are the front line; that for many customers they will be the only people that they speak to and that their experience with the product will depend almost one hundred percent on their experience with support. We are quick to get back to people.

One of the big things that we believe in and one of the big differences is making sure that when you speak to someone, you speak to someone that can solve ninety eight percent of your issues, right off the bat. We are not a big believer in first level, second level and third level support. We do not have anyone on the phone that, for anything almost other than a code change, would need to speak to anyone else. For us, that is probably the crux of it. That is, when you do speak to someone, that person is going to be able to resolve your problem in ninety eight percent of the cases. You are not going to then be stuck speaking to another person and then speaking to another person. I think that people appreciate that.

CEOCFO: What is your geographic reach? Do you see that changing?

Mr. Hood: We have always been strong in the US, Australia, Ireland and the United Kingdom. Originally, we were very strong in the English speaking countries. We have seen

much more of a pick-up in countries like India and the Philippines. I think this is a natural progression. At first they started picking up a lot more of the call center business where predictive dialing was used. However, they are now moving up stream. They are now doing much more “higher quality” business to consumer and business to business lead qualification for North American companies, so we see that area growing rapidly. Companies are also turning more to the phone for lead qualification or to the internet for generating inbound leads. In other words, they are moving from a model where they have colder leads to a model where people are actually raising their hand first. They need to get back to those people very quickly and with a quality call. That is one area where the outbound sales type of activity is really growing in response to the fact that companies are able to drive in many more inbound “hot leads” that require a system to manage to make sure that you are getting back to them as quickly as possible and that you are assiduous in the follow up. Studies have shown that, depending on the type of lead, you need to get back to internet leads within a minute to fifteen minutes. You should be calling and following up on them at least seven to eight times before you stop. As you can imagine, when you have a lot of leads flowing in you absolutely need a system that is going to allow you to make sure that you are doing that.

CEOCFO: How is business these days?

Mr. Hood: Business is very good! As I mentioned, recent studies are showing that inside sales positions are actually growing more quickly than outside. We are designed specifically for that. We are starting to see more tools pop up that are actually designed for that type of sales person. Instead of being forced to use the traditional tools, whether they be ACT or Salesforce, which are really designed for account management purposes, we are seeing more and more tools popping up for those people that need to gain productivity on the phone. That is because, it is fine if you can store your information and all that, but if it takes you three to four minutes to

make every call, regardless of whether you get hold of someone or not; at the end of the day, it is going to be very hard to make that profitable.

CEOCFO: Why should investors and people in the business community pay attention to VanillaSoft?

Mr. Hood: VanillaSoft is one of the leaders in a growing vertical niche within the CRM industry. I think that in these next ten years we are going to see a real splintering of the CRM industry, into some distinct vertical markets as sales processes continue to

develop and continue to specialize. I believe that VanillaSoft is one of the leading companies in what is probably one of the fastest growing segments of the CRM market, which is the inside sales market.

