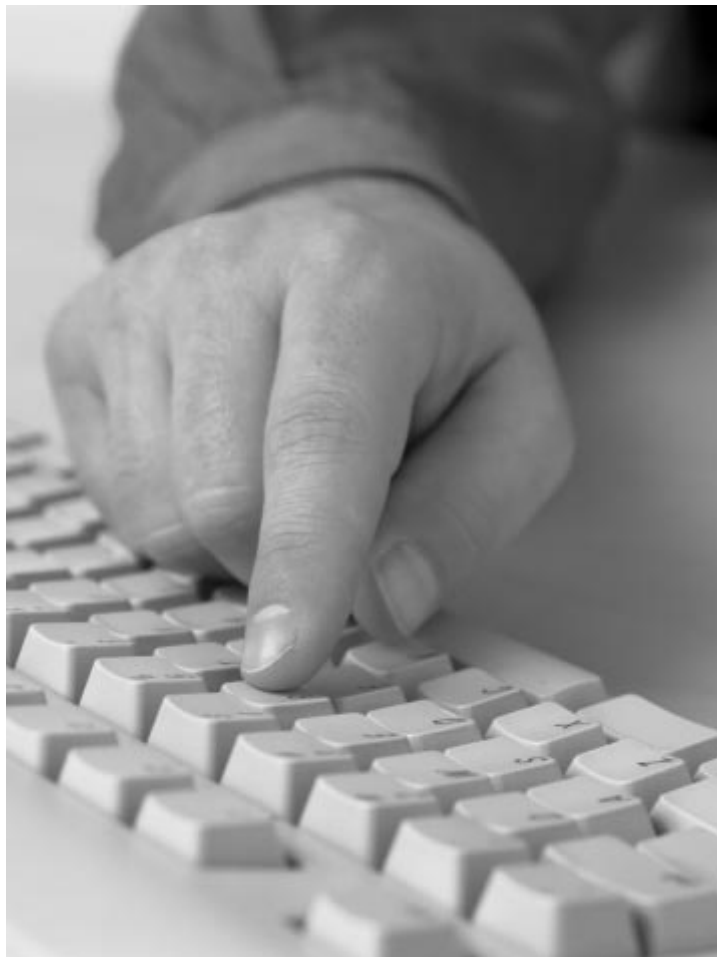# An In-Depth Look At A Rep-Specific Software Package

by GREGG MARSHALL

The problem with most software reviews is that they don't go into enough detail. Magazines limit the amount of space for a single article, resulting in reviews that hit highlights but don't really go into any depth.

Consultant Jack Berman's 2001 rep survey shows that only 65 percent of reps use any kind of rep-specific software. That number may even be high, since his respondents tend to be larger agencies.

I've heard from a number of reps that feel the cost of rep-specific software is too high. Actually, considering the relatively small size of the market, the cost of developing decent rep-specific software and the value of the results, most of the rep software packages on the market are true bargains. You will spend anywhere from 10 to 100 times the price of their software to have an equivalent package written (I know, I've written one). Most rep software purchases typically return their investment within one year, through better information tracking and tools that improve sales.

An intangible benefit from rep software is that it lets you better communicate with your manufacturers and customers, improving your perceived value to both. That communication might mean getting those bigger and more profitable lines.

What I propose to do in this series of three articles is to take a more in-depth look at one rep-specific software package. I've chosen WinRep's new web-based product.

In this first article, I'll talk about the way WinRep's

new version is delivered, since it is a new and relatively unique concept. I'll also talk a little bit about why that delivery method makes sense. In the next article, I'll look at WinRep's contact management capabilities. In the final article, I'll be examining the more traditional rep-specific software functions of commission and sales tracking.

A New Delivery System

Unlike traditional software such as Microsoft Office or ACT!, you don't install this version of WinRep onto your computer or network and run it locally. It actually runs from a server on the Internet, and you access it from anywhere in the world using Internet Explorer.

This is a relatively new concept called an Application Service Provider (ASP). I first wrote about it in *Agency Sales* in February 2001 in an article titled "Back to the Future." At that time, ASPs were a new technology you needed to be aware of — now it's time to use it.

The feedback I got from that 2001 article included people who were concerned about letting someone else house their data. Frankly, I think having trained professionals house your data is safer than doing it yourself. Most reps I talk to are not really diligent about backing up their computers. A friend who is using the new WinRep version recently sent his notebook back to have the CD-RW drive replaced so he could keep backing up regularly. The company sent his notebook back with the hard drive erased! Fortunately he didn't lose any of his sales data, since it wasn't on that computer.

No ASP would stay in business long if it didn't rigorously maintain the privacy and integrity of its customers' data. If this is a concern for you, just make sure your ASP services contract includes clear language that you own your data, and the ASP is not to make any use of that data other than backing it up and supporting you.

The other big issue seems to be reliability. Most ASP service providers operate 24 hours a day, seven days a week, with 99.999 percent (five nines) availability. They maintain the needed hardware and personnel to achieve that goal. Most ASP service-level agreements exceed the average company's internal experience. Ask yourself if your internal network has ever gone down, and how long it took to get someone to your office to bring it back up. In WinRep's case, a large, nationaly-managed service provider provides the storage service. WinRep, with its long history of supporting its customers, provides the maintenance.

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Support Infrastructure

Countering the concerns of most potential ASP users is the significant investment in support infrastructure and staff needed to maintain a computer network. One of the most frequent calls I get from reps is for advice on selecting a network server. With computer technology changing as fast as it does, almost any choice you make will be antique before the end of the year. Why not leave technical hardware decisions to experts that know best?

Perhaps just as significant are the difficulties hiring and keeping the right people to support your computer system. Many companies are using ASPs simply because they can't hire enough good people to grow their business. Most reps can't afford a full-time network administrator and have to outsource that part of their business anyway. These issues are magnified if the rep has several offices and must create and support a wide-area network to allow them to share information.

Some rep packages and sales automation packages (such as ACT! or Goldmine) have data synchroniza-

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tion capabilities to address the multiple office issue. Synchronization tends to be very complex to set up and maintain, plus it is very often the source of many support troubles. I know a number of reps that have switched sales automation packages because of troubles with synchronization, sometimes only to find problems with the new package. When I installed Goldmine, I spent most of my time getting the synchronization configured correctly. I'm a pretty experienced computer user, and I had "special" technical support help since I was writing a review of contact managers at the time. I've had similar problems getting anything but the simplest synchronization working for ACT users I've helped. One real problem with synchronization is that bad data in one user's notebook will spread through the system like a virus.

Reducing Network Issues

While an ASP solution doesn't totally eliminate wide-area network issues, it does significantly reduce them by using common Internet technologies and access. Plus, you get to defer your wide-area networking support to the ASP provider.

Using an ASP is not just for small, unsophisticated companies. Adobe, American Airlines, Fujitsu, Hewlett-Packard, Siemens, Time Warner Cable, USA Today and Xerox all use ASP applications. While the move to ASP implementations hasn't been as fast as was expected during the dotcom bubble, there is definite momentum building in the last year.

Another nice feature of using an ASP is that your cash flow is more stable. By paying a monthly fee for the use of the software and its supporting hardware, you don't have to front the cash to buy that same hardware and software, or borrow the money if you don't have that much in the bank. Plus you don't have the headaches of buying a system this week, only to see the price drop 20 percent next week.

The ASP monthly fee model is also better for the software vendor. Many software vendors see wild swings in their cash flow depending upon the timing of sales, maintenance contract renewals, and upgrades. When I ran a software company, we figured we were lucky to cover our marketing and support costs when we sold a package. We depended on upgrades to make our profit. A lot of rep users don't keep their maintenance contracts current since the software they're using works reliably. That is a really dangerous approach, since a relatively simple change in the environment can render your software inoper-

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able. A lot of Windows 95/98/ME software doesn't run right in Windows XP, yet go buy a new PC and you'll get XP.

The ASP approach also makes support easier. At Rocky Mountain Software Systems, we figured only a third of our support calls were actually about our software. The rest were computer use problems or a lack of basic accounting skills. Since the ASP is managing the hardware (and operating system) environment the software is running in, they don't have to deal with the virtually infinite possibilities for the user's system to be set up wrong. Plus, when they find any problem, even if it shows up on someone else's system, the corrections are installed for all users. You don't have to remember to check to see if there are any updates, install them and possibly have problems with the update process. I recently helped a user who rendered their notebook inoperative while installing a Microsoft update to Windows, presumably due to a problem in the download.

You might be thinking, "Why should you care about whether my software vendor makes money?" It's important that your vendor make a fair profit so they'll continue to be in business to provide you support (anyone still using WordStar?) and so they'll continue to invest in extending and expanding your software's capabilities (anyone still using DOS-based rep software?).

Centrally Located Data

A great advantage of centrally located data, even it if isn't centrally located at your office, is everyone is working off the same page. With synchronized systems, your data is only as current as the last time your remote users synchronized with your system. So if you have a user who isn't very reliable about their synchronization, your staff won't see the results. But with one database, as soon as one person makes a change, everyone else can use that new information. In the unlikely event one of your employees leaves the company, you are also assured that you have their

complete contact database, since it is contained in your copy of WinRep, and it is harder for them to take a complete copy of your company's database with them.

Having given some reasons why WinRep's centralized database is better than synchronizing several remote users, I realize that few reps are connected via third-generation wireless networks while they are making their sales calls. By the time this article is published, WinRep will have released a stand-alone-workstation version that does synchronize back to the main database. WinRep's synchronization system is set up by them and turns out to be much easier to control.

The final advantage of an ASP implementation is that it is totally scalable without any additional investment in server hardware or software. You can start with one or two users and add on users as your company grows or as you roll out the software to your field offices. Even when you pass those magic multiples of five after which many software licenses require additional investment, your investment stays a linear function of the number of users.

One last comment I've heard from reps about using a web-based application is the perception it would be slower. Having worked with another web-based distribution product and with WinRep, I've found they operate as fast, or in some cases faster, than comparable products installed on a local area network. WinRep reports that in their testing, if you are using DSL, cable or a T-1 to access the Internet, you'll find the web product operates faster than a locally installed version of their older software.

The bottom line of your business is selling, not managing IT or developing software. Just as your manufacturers outsource their sales function to you, you should seriously consider outsourcing your business application to an expert in that function. That

will leave you a lot more time to do what I'm sure you love best — sell for your manufacturers!

Next month we'll look at the tools that make that selling more effective. ❒

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