

Case Study #:

[How Self-Service Price Quote Converts 48% of Prospects Into Qualified Leads](#)

SUMMARY

Price is the No. 1 concern among technology buyers through the purchasing cycle, according to MarketingSherpa research. That's why marketers might want to consider using that to their advantage, even for costly, complex sales.

See how a search software vendor created an online price-quote application that emails a price to prospects within minutes. More leads are coming in, and 48% of requesters are actively engaged in the sales process.

CHALLENGE

What many prospects desire above all else from vendors at the start of their shopping process is the information that marketers often are most reluctant to disclose: their prices.

Marketers worry about competitors sneaking a peak at their prices to gain an advantage, or they're concerned that the complexity of deals makes it difficult to offer estimates. Then, there's the fear that revealing prices will take away the ability to negotiate with top prospects.

The marketing team at Thunderstone Software LLC, a search software and applications vendor, realized that price could be one of their best tactics to engage Web prospects and educate them about products. They saw their lower-cost applications and more flexible licensing contracts as a competitive advantage, especially against their primary competitor, search giant Google.

What's more, Mark Bacho, VP Business Development, and his team already included pricing information in the standard package of information sent out in response to sales inquiries. "We think it's much more valuable to have that information out on the street as people are considering alternatives."

To increase the percentage of Web visitors who entered into the marketing and sales process, they decided to test an online price-quote application. It allowed visitors to specify a product mix and receive a quote within minutes.

CAMPAIGN

Bacho's team began testing the online pricing tool for their search appliance line. Those products are installed in customers' servers to handle search functionality. They have a fairly standard pricing structure, with discount options limited to U.S. General Services Administration

customers and for volume purchases.

Here's how they integrated the price-quote tool with their Web site and sales process:

-> Step #1. Create registration form

To deliver a quote, Bacho's team needed to collect basic information about prospects. As with any registration process, they didn't want to ask too many detailed questions and hurt response rates.

They settled on a short registration form that focused on basic company and contact information, requiring prospects to provide:

- o Name
- o Company name
- o Email address
- o Phone number

-> Step #2. Load product details and pricing information into quote engine

The team pre-loaded the online pricing application with all product information related to the search appliance line. Those options were displayed in a list on the Web interface. Prospects could click on the products and optional service contracts they were interested in. Those products would then appear in the prospect's shopping cart for a quote.

The team also added a field to the registration section that allowed prospects to specify their pricing structure, choosing either:

- o List price
- o Standard GSA 10% discount
- o Standard 10% volume discount for more than three units

In addition, they added new options, including a request for a free demo of the company's search appliances.

-> Step #3. Promote the tool on Web site and through email newsletter

With the application in place, the team added links on appropriate sections of the Web site to alert prospects to the self-service pricing option.

Because the service was limited to the company's search appliance line, the feature was promoted on pages dedicated to those products:

- An offer to try the self-service pricing application was listed on the search appliance page as the first step in a paragraph instructing visitors how to learn more about the company's products.
- A colored icon was added to the left-hand column of that page that also took prospects directly to the pricing request application.

Bacho's team also announced the pricing application in its print and online newsletters, which

were sent monthly to several thousand active and inactive customers.

-> Step #4. Manually approve quote requests

When prospects filled out the registration form and requested a price quote, the system automatically sent messages to appropriate email addresses. The request for a quote could then be assessed and a new record created in the company's CRM system.

One email was sent directly to Bacho so he could manually approve each quote request. The message included the prospect's contact information and details of the quote request so Bacho could:

- Check whether the prospect gave a legitimate company name, telephone number and email address.
- See the mix of products being quoted.
- Check the pricing scheme the prospect selected to determine whether they qualified for the discount requested or overlooked a discount that's available to them.
- Check the proposed price quote.
- Add notes to the quote request as needed for the prospect or the sales team.

Based on this information, Bacho could either approve or decline the quote request. "You do get crazy people who request one of everything, or give bogus information, and I don't have to approve it."

At the same time, a second email was sent directly to sales@thunderstone.com. It automatically populated the company's proprietary CRM system with the prospect's contact information, and created a new record showing the request for a quote as an activity.

-> Step #5. Deliver quote and update the CRM system

If Bacho approved a quote, the system automatically delivered pricing details to the prospect's email address. Copies of that email were sent to Bacho's email address and the main sales email address. This again automatically updated the CRM system with the details of the quote so the sales team had that information available for follow-up.

Bacho set a policy of delivering quotes within five minutes because the marketing team felt a request indicated a high-level of interest from prospects. When Bacho was traveling, he had a backup manager approve quotes.

-> Step #6. Follow up with additional marketing materials

Prospects who received a quote also entered a formal marketing process:

- Within 48-72 hours (depending on the time of day the quote was delivered), Bacho's team emailed a complete package of product information based on the details specified in their quote. Those packages included:
 - o Links to FAQs

- o Product specification documents
- o Examples of sites already using the company's products
- o Contact information for prospects to respond directly with additional questions

- Another 48-72 hours after delivering that information, the team also followed up with a phone call to the prospect.

- Prospects who received quotes also received an email asking them to opt in for a subscription to the company's monthly newsletter.

RESULTS

Since launching the application in July, Bacho is getting a new request for a quote two-three times a week. From those requests, 81% were legitimate prospects. Now, 48% of those requesters are actively engaged in the company's sales process, and the company is close to signing the first deal generated by the self-service pricing application.

"We've been nothing but happy with it. How can you argue with the numbers at this point in time? We're successfully engaging close to 50% of the leads that come in and getting a legitimate lead almost every other day," Bacho says.

What's more, even prospects who aren't currently engaged in the sales process are still on the company's marketing radar screen. About 20% of the quote requesters choose to opt-in to the newsletter, helping build up the company's email database.

Some who aren't yet engaged in the sales process, such as prospects who were simply researching options for a potential future project, now have detailed information about Thunderstone's products. "They're able to fill in our pricing in a column on a spreadsheet somewhere. I believe in this marketplace that only gives us an advantage."

Useful links related to this article

Creative samples from Thunderstone's price quote system:

<http://www.marketingsherpa.com/cs/thunderstone/study.html>

EchoQuote - supplies Thunderstone's price quote application:

<http://www.echoquote.com>

Thunderstone Software LLC:

<http://www.thunderstone.com>

- [Home](#)
- [SherpaStore](#)
- [Your Email Account](#)
- [Q&A](#)
- [Search Library](#)
- [Advertise with Us](#)
- [Store Affiliates](#)
- [Sitemap](#)
- [Privacy](#)
- [About Us](#)

Questions? Contact Customer Service at (877) 895-1717 (outside the US and Canada please call (401) 247-7655), service@sherpastore.com

[Web Analytics Powered by Omniture](#) [Email Marketing Delivered by ExactTarget](#)

© 2000-2007 MarketingSherpa, Inc., ISSN 1559-5137
Editorial HQ: MarketingSherpa Inc 499 Main St., Warren, RI 02885