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ICON Moves Online

IE looks back at its
communications
evolution

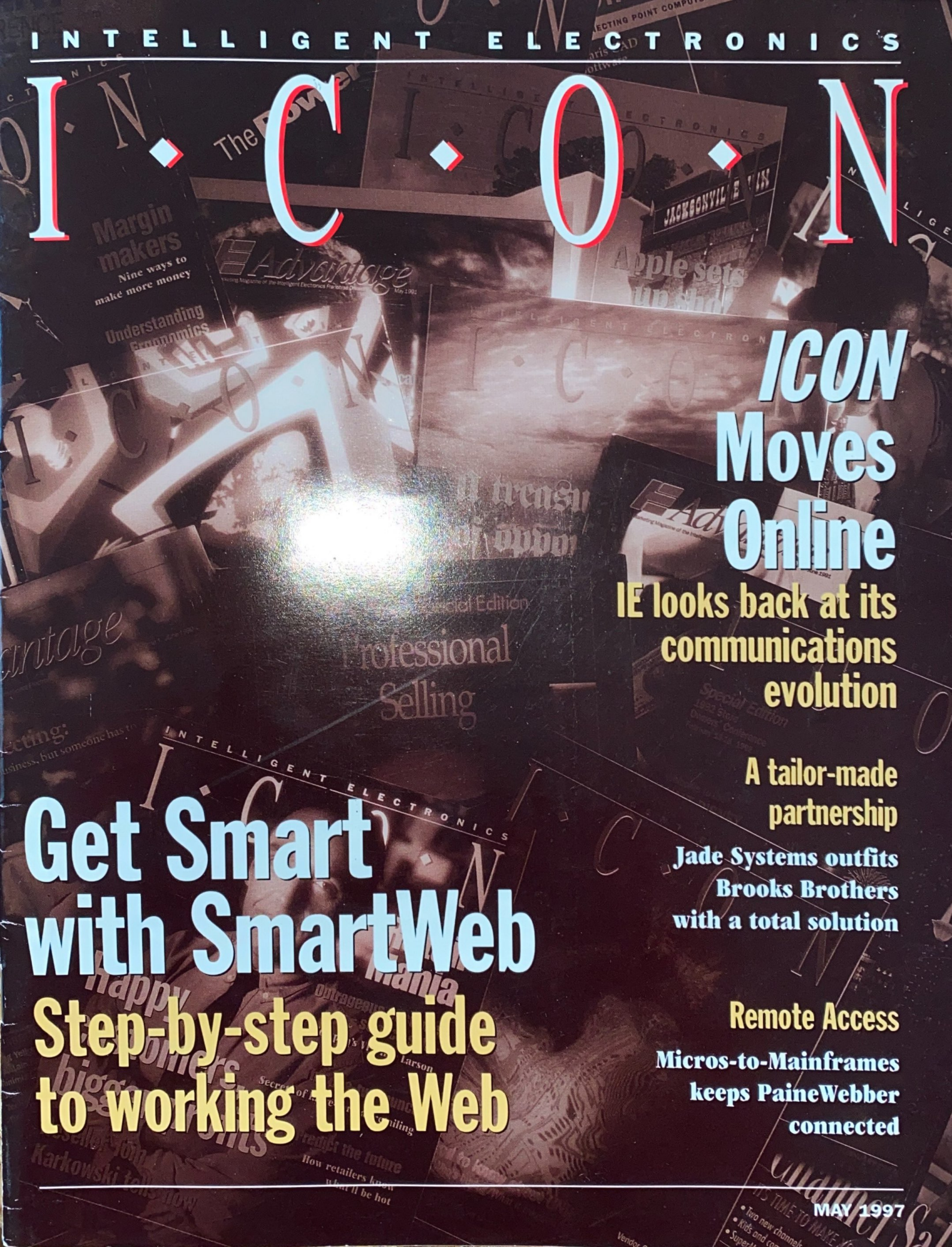
A tailor-made
partnership

Jade Systems outfits
Brooks Brothers
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Remote Access

Micros-to-Mainframes
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Step-by-step guide
to working the Web



Pump Up the Volume

SELLING SOFTWARE

by Alison Grabau



THESE days, when it comes to software, manufacturers are speaking volumes. They're talking about large dollar sales that arrive at a customer's doorstep with no box, no packing slip, nothing but a piece of paper—and they aren't trying to sell you swampland in Florida. They're talking about a growing trend in software sales—volume licensing.

Software volume licensing offers higher margins for resellers because there is no product to ship. Resellers drive software sales and maintain account control by providing customers with a total solution, yet never have to hassle with inventory or actually touch any product. Typically, licenses ship directly from the manufacturer to the end user; the days of unwrapping 300 boxes of Lotus Notes or Microsoft Windows are gone. Customers purchase the right to use multiple copies of software, which is delivered on a single CD-ROM. The customer is actually purchasing the right to use software without taking delivery of a plethora of product.

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E A NEW WAY

According to Errett Kroeter, Intelligent Electronics manager of software licensing, manufacturers are finding that end users want to purchase new software this way, especially companies in a work-group environment. He says volume licensing currently makes up 30% of total software sales, with the aim of reaching as high as 50% of all sales soon.

"I believe we can achieve this goal by providing the right services to make it easier for our dealers to sell," Kroeter says.

Resellers are quickly realizing the many benefits of purchasing software in this manner, such as better discounts on product, decreased administrative costs, and easier and clearer upgrade paths as new versions emerge. There also are many upselling opportunities associated with a software license sale, such as maintenance or upgrade protection. This entitles customers to the most current version of the product automatically. Other support packages are available to customers as well, including 24-hour telephone support and/or technical assistance.

"Intelligent Electronics would like to serve as a centralized clearinghouse for all volume licensing information," Kroeter says. "We want to provide resellers with a convenient, one-stop solution for volume licensing ordering and processing."

In the past, resellers considered Intelligent Electronics for only their hardware needs. Kroeter would like resellers to start thinking of Intelligent Electronics as the place to come for their software needs as well. By continually broadening the scope of product offerings, he believes that day is in sight.

"The challenge of software licensing," Kroeter admits, "is that it is an intangible, which sometimes breeds confusion for resellers. For this reason, we formed a dedicated volume licensing group." The volume licensing team consists of trained associates who are available, through a telephone hotline, to help resellers take advantage of licensing opportunities and answer questions regarding value-added services. Kroeter

heads the group of three software licensing specialists: Kara Prince, specializing in Lotus and IBM Software; Dan Watkins, focusing on Novell; and Kim Matheu, dedicated to Microsoft.

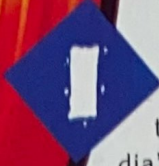
Kroeter explains that typically resellers already know what application they want, but they call for pricing, product literature or descriptions, SKUs, or other general information. They also may call for a program manual, training information, details on order processing, or tracking specifics.

"We are here to help resellers wade through the licensing process," Kroeter says. "Though it may seem complicated, Intelligent Electronics wants to remove the headache and make this a profitable way to sell software."

In addition to launching a dedicated software licensing group, Intelligent Electronics has planned a series of road shows in key cities around the country to provide reseller sales reps and buyers with specialized training to teach them how to take advantage of volume licensing selling opportunities as well as how to administer and fulfill orders through Intelligent Electronics. ■



Stay tuned for exciting new opportunities such as easy software ordering over Iris and other new or enhanced programs. For more information on volume licensing, call Intelligent Electronics' dedicated software licensing hotline at 303/796-4333.



IBM coined the term "multimedia" at the 1964 World's Fair when it entertained millions of fairgoers in a multi-screen, multi-audio-channel egg-shaped theater—complete with a live host who descended from the sky.

Perhaps the only similarity that today's multimedia systems have with the World's Fair exhibit is that they, too, leave people in awe. And it is fitting that 30 years after the IBM extravaganza, it is multimedia's presentation power that is opening up corporate check-books.

Presentations illustrate one of the most effective ways businesses can use multimedia. Multimedia allows a company to tailor presentations to different learning styles and subject matter. It is more effective than typical overhead or chart presentations because of the graceful integration of text, graphics, sound, animation and video.

"When you're using interactive technology for presentations, there is a 40% higher retention level," says Jerry Davis, president of Computers for the Professional, King of Prussia, Pennsylvania. "By using the latest technology to get your message across, even boring end-of-the-year reports can be very graphically appealing and are bound to be more impressive to the audience than standard black and white overheads."

Capturing the audience's attention and sustaining their interest will often be reflected in a company's bottom line, making multimedia a cost-effective investment for your clients.

DIFFERENT STROKES

In selling multimedia, it is important to remember that while the products are often similar, the applications may differ dramatically. Meeting the needs of customers in different industries requires flexibility on the part of the reseller account executive.

Gary Stern, vice president of operations and sales at Innovation Computers, Boca Raton, Florida, recommends that resellers sell multimedia packages that combine components such as a sound and video card, CD-ROM, video-image capturing, and a software package.

"People want everything done for them—they're looking for a one-stop shop," he says.

A reseller must then evaluate how many "bells and whistles" a company is willing to add to its multimedia system to best meet its needs. According to Tim Kupczyk, general manager of Corporate Micro Systems, Inc., Rolling Meadows, Illinois, the initial interview with a potential client is the time to define those needs and design a presentation that will demonstrate that you have some level of expertise in the area they are looking for.

Take for example, a reseller demonstrating how multimedia could be used effectively in an architectural firm. The presentation

MULTIMEDIA GETS PRESENTATIONS LEAD THE WAY INTO THE CORPORATE MARKET

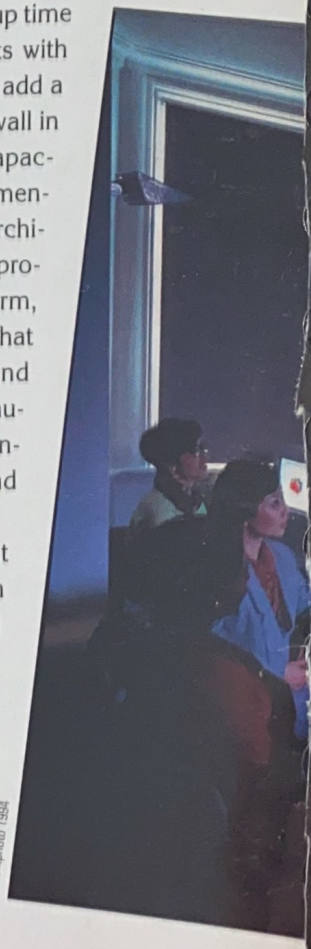
might show an architect how his or her clients would have the capacity to walk through a simulated floor plan of their dream home, rather than draw up time consuming and costly blueprints with each desired change. The clients could add a fireplace, eliminate a staircase or knock out a wall in a matter of minutes. They also would have the capacity to estimate their costs based on the new dimensions. If the estimate isn't satisfactory, the architect could change different factors in the design to produce a new quote. In a presentation to the firm, the reseller has the capacity to spice up what may normally be a dull hour of slides and overheads by adding animated graphics and music via CD-ROM. He could then illustrate financial information using color pie-charts and graphs.

Chris Miller, Director of Macintosh at Capps Studio, an in-house print production studio for Leo Burnett advertising agency in Chicago, uses multimedia as a selling tool. He is able to show a client, such as United Airlines, what a large print ad will look like using an electronically assembled presentation.

"It is very cost effective," he says, "because we are able to get to market faster. Changes can be made within hours." Miller says that after you determine the content of the presentation, you can add the extra attention-grabbing devices.

Kevin Stoffel, manager of the Intelligent Electronics Multimedia Dealer Network, advises resellers to use a seminar format to sell multimedia most effectively. "It is a show and sell product," he says. "And obviously you must use multimedia in

by Alison Grabau



DOWN TO BUSINESS

your own presentation or your ship is sunk before you even set sail."

Most people will agree that there is a promising future for the business applications of multimedia. Ed Phelan, president of Connecting Point of Boulder, Colorado, describes it as a way to make a presentation "rememberable." He predicts that multimedia will become accepted in phases.

"Big companies (Fortune 1000) will have the volumes to be able to afford to fully integrate a multimedia department while small and medium-size companies will be able to look as sophisticated as the big guys, but on a smaller scale," Phelan says. A company should use the actual number of presentations it gives as a gauge for how extensively they delve into multimedia. Speaker size, viewing screens, and video capacities are extras that can vary greatly in quality and price. Stoffel reassures end users

who are wary of

Nave cautions companies not to just jump right into multimedia, but rather to start small and build upon their existing system. He says a company shouldn't use it as a gimmick or pretend it's something it isn't.

Multimedia is also becoming much more affordable and mobile than ever before. Until recently, moving up to portable multimedia meant lugging around a heavy suitcase of cumbersome equipment. Today, many new units on the market weigh under six pounds and include excellent support for animation, sound and video plus cross-platform tools that let you develop on one platform and play back on another.

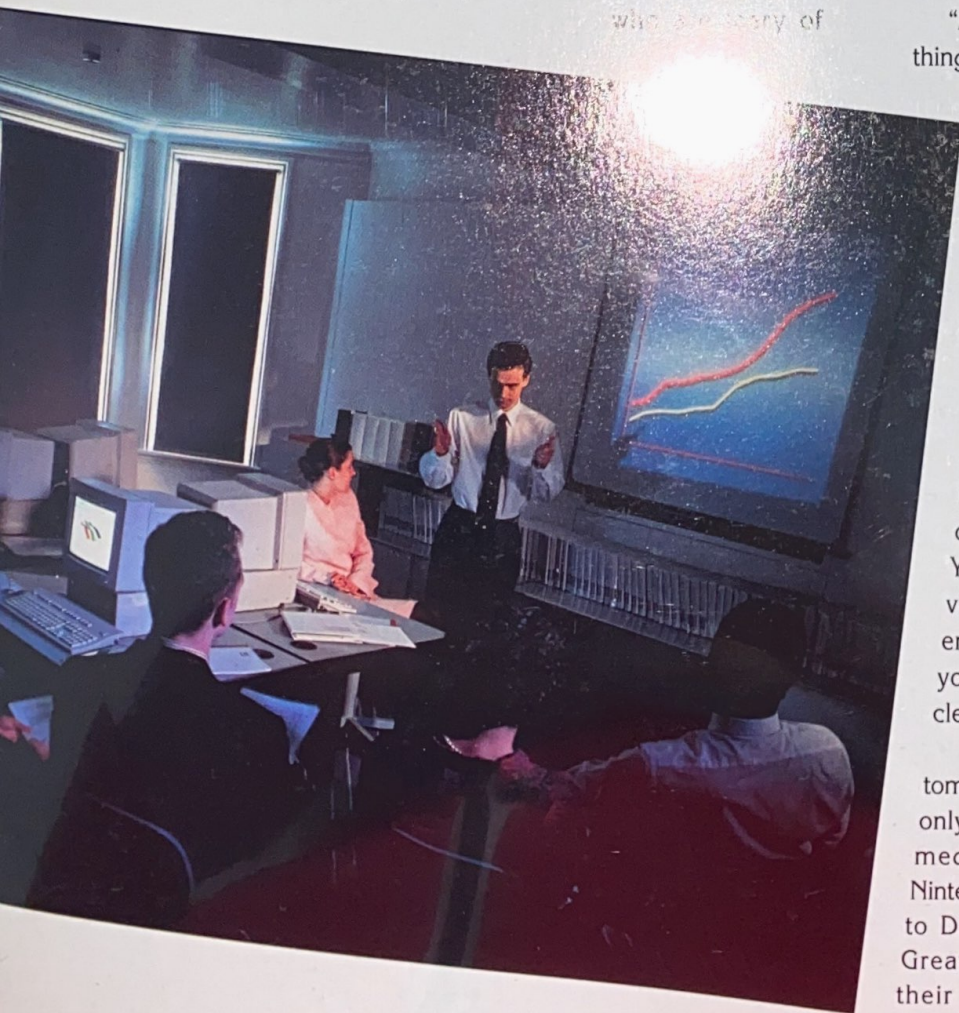
Brian Schrack, a sales representative for Maritz, a business communications company headquartered in St. Louis, Missouri, says that he often uses his PowerBook as an effective tool to deliver presentations on airplanes, in elevators or walking up staircases, all with minimal effort.

"Multimedia is the one medium you can do a variety of things with," he adds. "You can use it on a PC for a small group, an overhead to a conference room or a projector for as large as you can get it."

Mobility no longer means much of a sacrifice in power and function. And although it still is a costly investment, the prices are steadily dropping as technology advances. If using multimedia helps a company increase revenues, then the cost can be justified.

"The technology has clearly proven itself," says Jack Stiehr, vice president of multimedia production for Maritz. "To me the key is to appropriately develop multimedia so it best serves your interests. You must decide how you can visually stimulate your audience yet still make sure your message is crystal clear."

So if your customers still think their only use for multimedia is to play Nintendo and listen to Def Leppard's Greatest Hits on their CD-ROM, then maybe it's time to show them how to get down to business. ▲



getting in over their heads that it doesn't take a top-of-the-line system to put together an effective presentation. A company's needs and resources will set the parameters for the initial investment.