

The End of Business as Usual

The Internet as a Means
for Rapid Product Rollout
in Financial Services

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New Ways to Communicate

In today's global and hyperlinked economy, people are discovering and inventing new methods to share relevant information with lightning speed. As the Internet pervades all aspects of communications, markets are getting smarter with each passing day — smarter than the ability of many people to keep up.

This phenomenon is particularly powerful in the financial services industry, in which conditions are often volatile and fortunes can be made or lost in the blink of an eye. Time-critical business knowledge must be shared quickly, throughout the internal workforce and with customers.

In financial services, knowledge rapidly gathered, developed and applied translates into direct competitive advantage. The industry's sales representatives — the folks on the front lines — feel these trends the most acutely. At the end of the day, the ultimate metric in this unforgiving industry is money. Getting financial products to market quicker increases sales revenue, and nothing gets products quicker to market than the Internet.

The traditional way of “wholesaling” financial products, or bringing product training to sales reps in the field, was to make in-person office visits, one-by-one. This method was expensive and greatly time-consuming. Today, the financial services industry is witnessing a shift to “eWholesaling” and “rapid product rollout” initiatives, utilizing Web-based communications, to quickly foster personal interaction. Companies now are able to rollout new products in days, rather than weeks or months. The result has been a dramatic improvement in responsiveness, to both customer needs and market changes.

Increasing numbers of companies, especially those in financial services, are discovering the practical and very tangible benefits of online training and collaboration, and how it can make product training and the sales process more efficient, cost-effective, persuasive — and ultimately, more successful.

Online training, presentations, and conferencing represent the leading edge in workforce communications, but at the same time, the upfront capital expenditures of this method are minimal. Without costly investments in additional computer equipment and software, online communications allow companies to quickly communicate with employees, customers and sales prospects, by sharing their best, time-honored practices via an online environment. These virtual environments combine the expertise of sales staff with the benefits of an online conference or classroom.

“Web-based presentations can reach many, many people at far lower costs than traditional methods,” said Paul Ritter, senior

analyst, Wainhouse Research, LLC, “rich media” consultants. “Using this type of advanced learning tool can help companies remain more competitive. The benefits of online knowledge transfer include the ease with which companies can update, modify and distribute content out to the mass of employees and customers. Increasingly user-friendly content development tools and training programs are other benefits.”

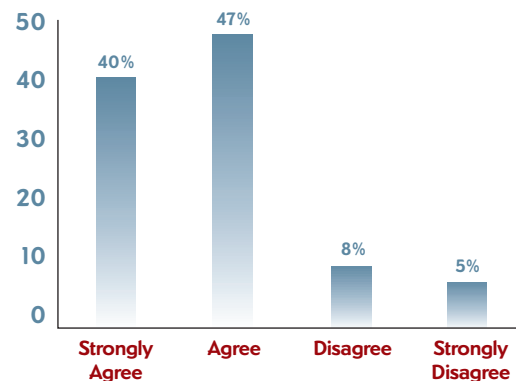
Online communications is on track for explosive growth, as it plays an increasingly mission-critical role in training, presentations and conferencing, notably in sales. According to Wainhouse Research, a Boston-based communications research and consulting firm that specializes in “rich media,” the demand for rich-media communications will grow at a compound rate of 90% a year, for the next three years.

Real Efficiencies in Real Time

These trends are borne out by a recent Larstan Business Reports survey of top managers within the financial services industry. The data gleaned from this survey provided empirical confirmation of the efficiencies of online communications, especially in educating the sales teams in financial services companies.

Notably, a huge majority of respondents (87%) reported that real-time Internet communications technology plays a key role in supporting field operations within their company (see chart). Meanwhile, 64% said that getting products rolled out quickly and effectively to the sales force is a top priority. (To view the entire survey, go to: <http://www.larstan.net/5/financial.htm>)

Real-time Internet communications technology plays a key role in supporting field operations for our company.



Analysts say that online collaboration and on-demand presentations give any sales effort a powerful boost. They also warn, though, that sales managers and reps who use online communications should not fall into the trap of being myopic, by merely focusing on the cost-savings and efficiencies. To be sure, online training saves money and sales people don't need to travel as much for training and to make sales calls. But it's important to note that online communications enhance, and don't necessarily replace, existing selling techniques and practices, from the pitch and presentation to closing the sale.

Matt DiGangi, director of annuity sales at Mass Mutual, the financial services giant based in Springfield, Massachusetts, says Web-based communications play an increasingly mission-critical role at his company, especially when *combined* with traditional sales practices. He says his sales force now leverages the Web, for efficiencies that were once unimaginable.

"At Mass Mutual, we created an eWholesaling team that makes sales presentations through the Web," DiGangi says. "The efficiencies are amazing. In the past, sales reps would travel 100 percent of the time; now they only travel 20 percent of the time. They keep the 'face-to-face,' but a lot of meetings are now conducted through communications provided by WebEx, a company that helps us enhance and expedite the entire sales process."

Mass Mutual is an annuity provider that "wholesales" annuities out to its sales reps. The company wholesales annuities to 80 sales agencies, reaching a total of about 4,000 agents throughout the country.

"We maintain a highly dispersed, virtual sales force, so our business model is perfectly suited to WebEx's services," DiGangi explains. "We can get new products, new sales ideas, new marketing pieces, and new sales strategies out to our sales reps faster."

DiGangi notes that the pace of change in financial services is faster than in most other sectors. "We're dealing with fast-changing markets and annuities take a lot of expertise," he says. "Web presentations help explain annuities."

"I like the way in which WebEx allows me to bring in collateral material, in real time, from other sources like the Internet, and then go back to my presentation. Retention of product knowledge is important, too. People learn about the product faster and remember it better. It's a compelling package that they don't easily forget."

— **Matt DiGangi, director of annuity sales, Mass Mutual**

The Real Benefits of Going Virtual

The real-world experiences of leading companies in the financial services sector has shown that rapid online communications can accomplish the following:

- Provide sales teams with training, tracking and reporting on the latest standard operating procedures
- Arm sales teams with the skills and knowledge they need to sell effectively and to introduce new products
- Assess and measure sales performance and enable sales professionals to obtain the competencies necessary to advance in their careers
- Align people with the right positions in the organization, thereby enabling companies to effectively recruit and retain the best sales people
- Allow sales organizations to respond more quickly to training requests that would not have been met through traditional classroom training
- Prepare and motivate sales instructors to start training online
- Prepare sales managers for quick e-learning implementations
- Provide interactive and engaging online sales conferences

From his own experience in the field, DiGangi cited the following key advantages provided by WebEx:

- The ease of authoring narrated WebEx presentations, complete with video and animations.
- The content library, which makes it possible for a sales organization to share presentations and easily access content
- The ability to deliver live, and on-demand content for sales force training.
- The proprietary WebEx MediaTone technology is not stored and served; it's streaming and network-based, which DiGangi says is better suited for the financial services industry, because it provides enhanced security.

"Online training doesn't just obviate the need to purchase plane tickets or drive long distances — it makes meetings and

Early Adopters

Sales organizations have been among the leading early adopters of Web-based conferencing, and sales reps are quickly learning how to use online meetings to supplement in-person meetings with prospects.

Time is often the enemy of a sales training program. Online communications is an enormous advantage in this regard, because it prevents the duplication of effort and communicates to large numbers people in one fell swoop.

The popularity of online communications, and its growing influence within the sales process, is in large measure a function of the pervasiveness of the Internet.

“Increasingly, people have broadband access in the workplace,” said Geoffrey Bock, senior vice president, Patricia Seybold Group, Boston-based technology analysts. “It’s ubiquitous, at home and at work. So, as the Web grows, we don’t simply want access to information. We want to do something with that

information. One of the ways to do that is to deliver the right information to the right people, just in time, so they can do something with the information.”

Bock said online communications is a natural fit for the exigencies of the sales process. “Companies want to be able to give sales people the latest information about their company’s new products, positioning, and competitive benefits, to enable these sales people to go out and sell more effectively,” Bock said. “In the good old days, before the Web, we used to call this kind of information delivery ‘sales training.’ Now, companies can do this information delivery more effectively over the Web.”

He pointed out that Web-based training is a new tool with which companies should supplement and extend their existing real-time meetings. “Online training is a much more cost-effective, lower-cost, higher-impact kind of medium,” he said. “If you want to be competitive, Web-based training needs to be a tool in your toolkit of training methods.”

presentations more robust, more compelling and more persuasive.” says Doug Louie, senior industry manager, financial services, WebEx Communications, San Jose, Calif. “And it allows the rep quicker response time, which is critical in the dynamic field of financial services.”

Louie says Web-based knowledge transfer is a powerful tool in financial services and products, because financial products are constantly changing as the market gyrates. “It can be difficult to rollout training to your sales force,” he says. “They need to get up-to-speed very quickly in order to sell that product. If it takes you a month to train them, then you’re a month behind the competition. The market waits for no one, and that’s particularly true when it comes to financial services.”

Louie adds that important sales functions, such as the need in key situations for face-to-face contact, are not eliminated in Web-based communications.

“Typically, in the sales process, especially in financial services, you’re trying to sell very sophisticated investment products that entail a lot of charts, graphs and numbers, and if you’re only using a phone call to explain it, it becomes arduous,” he says. “With the Web, you can accomplish graphical presentations and meet many more people. Also, today’s wealthy clients tend to be Internet savvy and already enjoy using the Web.”

However, after personal meetings, sales reps generally follow-up with phone meetings, and that’s when the ability to bring in visual data becomes much more effective.

“It also gives the rep a speed advantage over competitors,” he says. “It might take two weeks to line up a face-to-face appointment, whereas over the Web, a rep can communicate instantly and easily accommodate his client’s schedule. The rep also has the ability then to transform that staid phone call into a virtual “face-to-face” meeting.”

For a full copy of Larstan’s survey on Web-based communications as a sales tool in the financial services industry, go to: <http://www.larstan.net/5/financial.htm>. To view a complete set of Larstan reports, go to: www.larstan.com.

Resources:

WebEx Communications, Inc., San Jose, California, is the world’s leading provider of on-demand web meeting applications. WebEx applications improve collaboration and increase productivity in sales, support, training, marketing, engineering and product design. WebEx delivers its suite of web meeting applications over the global WebEx MediaTone Network, a network specifically designed for secure web collaboration (www.webex.com).