

CASE STUDY:

# Smelling Sweet and Tasting Great with Sugar

Talking with Pierre Hellivan about Vigon International is like driving a precision race car: it's exciting and you're going to go really, really fast.

**VIGON**  
PASSION FOR SIMPLICITY

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Vigon International is an expert in taste and smell: the company manufactures and supplies flavors, fragrances and cosmetic ingredients for companies around the world from their location in East Stroudsburg, Pennsylvania. Vigon is among the top companies in North America in their industry, a point of pride for the family-owned business.

That's what you would expect from a company which has very quickly grown to nearly \$100 million in sales and made the "Inc. 5000 Fastest Growing Companies" list since 2008.

The key to success? A strong focus on excellent business processes, an understanding of both human and technology capabilities, and a commitment to continuous improvement across the board.



"We literally have a Ferrari of an ERP software system," says Pierre. "Vigon has a very strong culture of relying on technology to execute processes from the moment we receive a purchase order through order management and fulfillment. Our ERP software has the ability to conform to our processes. We have remarkable speed of execution, getting things done much faster than our competition, and with less human resources. Our head count is surprisingly low considering our dollar sales – and we can do that because of the technology that is in our corporate DNA."

Pierre wears three hats for what he describes as 'still very much a small company'. He serves as account management for a number of major accounts, as product director for the growing market for natural ingredients – and he was challenged with implementing a corporate CRM system.

Vigon's problem: the 'Ferrari' ERP system only engaged once the order was in the door.

"None of our commercial pre-sales processes were supported by good automation. We were working off spreadsheets, emails and a very outdated ACT! contact management system. All that resulted in redundancy and tedious work processes," relates Pierre.

The problem for the sales team began with managing customer contact information and rolled from there. "We have over 1,000 customers who choose from nearly 2,000 products. We have a team of five salespeople – just five! You can imagine manually creating several quotes a day with no automated system. We were all over the place with many different tools."

Vigon's sales team also wanted an automated sales-forecast funnel, automated special-pricing approval processes, and a way to cut down the time needed to prepare very complex customer-meeting agendas. Beyond that, they wanted ways of capturing market data from customers and comparing the success rate of different promotions.



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Management knew that they badly needed sales automation to support the company's rapid growth, but not just any automation. Pierre sums it up. "Basically, sales were being done by the seat of our pants, so any CRM would have helped, but even though our tools were crude, our salespeople were extremely successful, helping us achieve year after year the Fortune 5000 fastest -growing list."

Because of this, Vigon was prepared to be very choosy about their new CRM. With a team that knew how to create great relationships and sell well, Vigon would not waste efforts on a system that might have poor user adoption. It had to work well for staff of all ages and technical abilities. Most of all it had to make work faster and make their lives easier.

Pierre says, "Our technical systems give us a leading edge in the industry. We didn't want to compromise on that culture in our CRM software."

In other words, when you're adding components to a Ferrari... you choose your parts carefully.

## The Dream Machine

Vigon's salespeople now boast one of the most sophisticated sales and marketing automation systems in the world based on Sugar, including:

- They can now create personalized 'pick-and-click' quotes from their price catalog
- They see customer price histories on each item via tight integration with their ERP system – resulting in a thousand new quotes the very first month after launch
- Quotes move smoothly through an automated sales funnel, keeping real-time sales forecasts extremely accurate with minimal sales-staff updates
- Customer requests for samples are fully automated, and require no time from the sales staff
- Special price requests are automatically sent to managers for approval
- Quarterly client meetings – in which hundreds of products' order history are reviewed one by one – have an automated meeting agenda created by the systems
- Follow-up requests during the meeting can be fully automated from the customer's office

## The Details

In a textbook case, Pierre describes in fascinating detail Vigon's progress from Post-It notes and Excel to their sleek new speed-of-business system.

## First, Why Sugar?

Besides Sugar, Vigon considered several other CRM tools, including Salesforce.com and Microsoft Dynamics CRM. Vendors and implementation partners were invited in during a rigorous selection process.

## How to choose?

Vigon follows two major principles in their company culture, both of which were used in choosing their CRM software.

First, the tool had to be heavily customizable, preferably by Vigon staff. With three programmers who continuously improve Vigon's systems, any CRM that did not give these developers access to customize was immediately disqualified.

Second, the project needed to be done by the people and for the people who would use it. The software would not be a top-down implementation.

## The Basics and Beyond

With the SugarCRM software platform chosen and W-Systems lined up, **the first step was to populate the new database**. But first, some housekeeping was in order.

"Our ACT! database held about 8,000 contacts. We wanted to start with a clean, verified database, and made the decision that if a contact record couldn't be verified for correctness, it wouldn't be imported to the new Sugar database. It was a long, tedious process making sure that every contact still had a valid company, address, email, and phone. Every segmentation data point was considered both at the account level and the contact level. The entire process took six months, **but we knew then that we had a core database that was clean and ready to be uploaded**.

Vigon quickly made Sugar its own by configuring the database to accommodate their business needs. "With very little training we were able to create several simple custom modules in-house to better manage our information. For example, an account that was a large company could have multiple physical locations. When we added a contact person to an account, the custom module would tag the person to a correct physical location. It may sound very simple – but we send out thousands of samples annually, and this greatly reduced waste from the return rate of samples with incorrect addresses."

With that accomplished, Vigon began customizing Sugar to **support marketing processes**. Since Vigon already used Constant Contact for customer communication, it was easy to install Faye Business Systems' Constant Contact link and integrate Constant Contact with Sugar. This enabled the marketing team to slice and dice their database in Sugar and to **do email marketing to accounts using Constant Contact**.

As with many organizations, Vigon used Outlook and Exchange server for email and shared calendaring. Since the sales team spends so much time on the road it was critical that the integration between Outlook and Sugar was seamless and real-time. Riva CRM Integration was chosen for its server to server synchronization technology to ensure that Sugar and Outlook always were in sync no matter where in the world Vigon's staff were travelling.

## Building Bridges to Fast-Click Quotes

Buckle up: we're just getting started on Vigon's system, and things are about to get seriously interesting.

Using Sugar's new Sugar 7 development platform, W-Systems built a complete custom quotation management system to match Vigon's detailed requirements:

- One click from the contact page opens a quote form, pre-filled with customer information
- The next click links Sugar to the ERP data and opens a product catalog including access to live product pricing history
- Quoted items are quickly selected, sped up by intuitive-search and filtering capabilities
- All kinds of sales information now flows automatically to the window: is Vigon already approved for this item? Samples need to be sent? Standard pricing, special pricing, inventory, cost, the last time the customer bought this item are all visible as well: so the salesperson can leave the catalog price as is or 'sharpen their pencil'
- One more click and the quote emails directly to the customer as a PDF document

Pierre appreciates words attributed to Larry Augustin, the president of SugarCRM: "He said 'Every single click has to deliver value.' **If you're asking high-end, competitive sales people to do a lot of data entry, it's not going to fly. Every click must help them do their job faster and better.**"

"We are a process-driven company. Everything we do gets mapped on the wall. We always try to look at the way we do things and envision how we can do it faster and better. We looked at all the steps in quoting, from ERP to email, and mapped the entire thing. It was massive," Pierre says. "Then we imagined what would be the perfect, fastest way to do a quote. Every sales person was part of the process meeting. We designed the new process together, and put it in the process sheet I handed over to Chris Wettre of W-Systems. When we rolled it out, the team was not surprised, but at the same time, they were floored. W-Systems and SugarCRM were able to reproduce our wishes perfectly in the new tool. It was impressive."



"We heard many examples from friends in other industries and companies. We were totally open-minded, looking at large providers and small. Sugar, which offered on-premise capability and strong open-source capability, was in the top three. After looking at all the pros and cons, we chose Sugar. In choosing an implementation partner, we knew we would require a project of extensive cooperation. With W-Systems, the relationship felt right. They had the understanding of where we wanted to go and had the technical abilities to get us there quickly."

User adoption of the new quoting has been excellent, with over a thousand quotes produced in the new system the first month.

## ERP always visible within the CRM

Over the years, Vigon's IT team has built a highly-customized ERP system originally based on Microsoft database technologies. W-Systems built a set of Microsoft .NET libraries that would make it easy for Vigon's IT staff to integrate any ERP data into Sugar, including material sourcing, quality control and customer delivery items. As a result, customer financial and product order information is always up to date inside Sugar.

## Sales Forecasting and Pipeline: the possible, and beyond

"What's next?" asks Pierre. "A salesperson is going to say, 'Oh! My sales pipeline is bursting!' Managing that should be easy too, so we created a sales pipeline dashboard that monitors the status of quotes and creates support information with our ERP."

Vigon did not want to task sales people with manually maintaining the entire pipeline progress. "If we quote \$10 to Customer XYZ and they buy, ERP integration automatically updates the system that that quote is not open any more. Now we have much better pipeline progression: so many quotes in the pipeline times a percentage, we can accurately estimate incoming cash flow."

A sale at Vigon needs two things to proceed: the customer must like the price, and they must approve the quality of the flavor or fragrance ingredient. Each quote has two associated fields: Quality Approval and Quote Status. To manage a rich sales pipeline, an intuitive and quick interface was needed. It was agreed to use color coding to quickly help the sales team navigate the pipeline.

“Also, in our line of business, once you’re an approved supplier, you’re approved for life, so if we’ve sold that product to the customer in the past, the field is automatically set to green.

If the customer accepts the price, the salesperson changes Quote Status to orange – but if an order comes in without further discussion, the ERP system updates the forecast to green, and converts the quote to a purchase order.

Overdue quotes are automatically changed to red to gain quick attention. And when a customer provides feedback on a price concern, the salesperson changes the status of the quote item from ‘planned’ to ‘held’, and Sugar immediately opens a set of fields for review, to which the salesperson can add general notes such as ‘competition from Vendor ABC’, and put specific product notes on each line item of the quote.



“The forecast dashboard has three colors, based on the values in those fields. New quotes get a status of pending, which our dashboard shows as black. Our CRM talks to our ERP system: if the customer has approved our samples in the past, Quality Approval automatically changes to orange.

#### Custom Meeting Agenda Management Tool

Vigon and W-Systems next turned to another challenge: Vigon had to constantly build complex meeting agendas in preparation for customer meetings. This was identified as a candidate for automation. Using Vigon’s carefully mapped vision, W-Systems built a truly remarkable system in Sugar.

“The quote module was pretty simple to develop. The next challenge was harder.”

Vigon cultivates deep relationships with their customers via over 800 meetings annually. Each meeting takes several hours and requires a long agenda.

“Usually customers purchase hundreds of products from us, so in our meetings, we need to talk about many things. To do that in a professional manner, we started sending agendas to each customer prior to the meetings: we’ll see you in a couple of weeks, we’ll visit your plant, talk about football, and these 200 products.’ Some they’re ordering more than expected, some less than expected, they may have a couple of open quotes, there are some new offerings we’ve never talked about, and the state of our business together. The agendas can be pretty complex, and would take a salesperson over an hour to put one together.

“At the meeting, the sales team take lots and lots of notes, then come back to the office and write a visit report to share with the

rest of the sales team and to hammer down next steps: sending samples, sending regulatory documents, updating the quote, having special pricing approved. Lots of time required.”

How could Sugar and W-Systems automate two or more hours of work before and after each visit? As Pierre says, “it’s just data – and it’s already in our system somewhere – let’s bring it out and help the sales rep!” Now, the process has been streamlined so much it’s aerodynamic but still encourages the sales rep to carefully consider the purposes of a planned meeting:

- Go to the contact record
- Hit a + button for the quote
- Type in the date and time of visit and enter quick list of conversational topics
- Review existing business: a click and a pop-up window with a product list appears. All the items the customer has purchased in the last 24 months are preselected. Click Save and each of those items populates a line item for the meeting, along with valuable information such as volume purchased and purchase price
- Discuss open quotes: another click, and open quotes appear. The salesperson clicks on the quote items needed to discuss, and it’s automatically pulled into the agenda. For each, we can use the Notes feature in Sugar: you haven’t ordered vanilla in four months. What’s going on?
- Introduce new products: another click, another pop-up window appears. There the salesperson can select all new items to review, and with these, too, pricing information from the ERP is pulled in.

In the item lookup windows, products can be sorted by sales volume, trending items, items on which we’re behind budget and more, so they can quickly handpick the best items to bring up for that meeting.

The entire meeting agenda has now been populated from a few clicks, and the salesperson has added comments and questions tagged to each line item. Sugar creates a PDF and emails it directly to the customer. It’s very professional looking, and because of the personal-agenda notes, lets the client know we’ll have some fun visiting, we’ll talk about business, and here are the items we want to talk about.

**Best of all, the process of creating the agenda is cut from over an hour to a few moments.**

Just before the meeting, the system creates another PDF just for the salesperson, with additional information such as the funnel status of each quote and profit margins on line items.



## Products In Place

- Sugar
- Riva CRM Integration (Sugar <-> Microsoft Exchange)
- (Sugar <-> Constant Contact)

Finally, while at the meeting, the salesperson can use an iPad or laptop for meeting-results tracking. As each line item is discussed, they can:

- Create to-do tasks for Vigon employees and sync with Outlook calendar
- enter comments for team alerts and reporting
- automatically create and send revised quotes
- automatically send an email to the samples department about requests, with account info
- automatically send technical and regulatory specifications

Sugar collects these notes from all client interactions to create a rich history of experience...so if three years down the line, Vigon needs to talk about vanilla with this customer, it's all there.

### Custom Price Approvals Workflow

Sugar routes special pricing requests from the quotes to management for pricing approvals. When the supervisor gets the automated email, he opens the Visit Module and can see the notes of the meeting. At that point, the manager can accept,

reject, or counter offer the suggested price – and the system automatically indicates the custom price status in the quote/forecasting system.

## Remember that Ferrari? There's Still Room to Go Faster

"The way we look at it is, it's just data. It's somewhere. We just have to go out there and grab it and present it in ways that save time. This system has been so well thought through; we took time to make sure it flows correctly, and automated the dickens out of everything."

Creating this system has been a labor of love and implemented gradually over a period of two years for Vigon, but it was worth the work to get there. **But Vigon still has many more ideas for improvements.**

"We maintain 'idea-boxes' on our intranet for each Sugar module, so people can add suggestions. One great idea was how to speed up repeat quotes: long lists of items that are typically ordered. What if we create a template? Hit a button, and a whole new quote comes up based on their ordering history, so we can tweak the prices and amounts as needed? It's going to save 20 minutes every time. We also want to see sales history on an aggregated account level. We've barely scratched the surface."

Pierre knows that Vigon will keep pressing the accelerator. "We're always looking ahead of the curve to see what's next, what would be cool. We strongly feel that both SugarCRM and our partner W-Systems have been up to the task we assigned them."

That Ferrari of a computer system keeps revving up to go even faster. **With Sugar, it's a sweet, rich sound.**



"When we rolled it out, the [sales] team was not surprised, but at the same time, they were floored. W-Systems and SugarCRM were able to reproduce our wishes perfectly in the new tool. It was impressive."

Pierre-Jean Hellivan, Director of Natural Ingredients