

## **A) Customer & its Backdrop:**

### **Channel Mentor, Bangalore.**

Channel Mentor is a Bangalore based Product Company. They have a niche product called TRAVEL GRID to manage Corporate Travel (both domestic & overseas). The size of the company & its business nature determines “Travel” as the third most expensive item on the cost sheet after Material & Manpower. The travel cost is always hidden and hits under the belt. From the statutory auditing perspective, this area attracts the most non-compliances with respect to travel policies. With experience of managing travel in large multi-nationals, the promoters have done a great job in translating their experience, vision and wisdom in management of mid to large scale corporate travel domain into the product. The company got FUNDED from the external venture capital to boost the speed of development and marketing in the financial year 2011-12.

### **Client Objectives.**

1. Market Penetration & Enabling sales in Western Region.
2. Promoting the product & new customer acquisition in western region.
3. All its existing customers were limited to South India only.

### **Project Details:**

- a) Duration: 12 calendar months.
- b) Period: In the financial year 2011-12 from June 2011 to May 2012.
- c) Markets covered: Pune & Mumbai.

### **Product Details:**

- d) Domain: Corporate Travel Management.
- e) Category: Better.
- f) Nature: Enterprise Class.
- g) Intended Benefits:
  - 1. Bringing down the cost of travel.
  - 2. Build & Connect the global travel eco-system under centralized platform for the corporate group.
  - 3. Effective implementation & control of corporate travel policies across the globe based on countries, locations & employee grades.
  - 4. Improving efficiencies of Travel expense settlement management process.
- h) Readiness to deliver: Version 2.0 of the product was already released in the market with more than 10 live customers.

### **What Channel Mentor on its own has done up to that point?**

- 1. They had 10 customers on board in South India.
- 2. They have failed to get connected with the market in western region.

Against the above backdrop TekEdge with its team of Strategic sales consultants, Product Evangelists, Technological consultants & Product sales specialists ventured into offering its uniquely poised OEPS( Outsourced Enterprise Product Sales) services to Channel Mentor to meet the requirements spelt out by the client.

## **B) Landscape of TekEdge's activities performed during the assignment:**

### **Go to market preparation:**

- 1. Domain understanding along with technical aspects of Corporate Travel Management.
- 2. Understanding of application features.

3. Formal and informal discussions with the travel managers in corporates to understand their challenges, readiness to use technology and other aspects to build the strategy for western region.
4. Database finalization considering size and nature of the enterprises.
5. Account mapping to connect with the right stakeholders.
6. Analysis of market pulse in terms of its readiness with any specific deterrents to accept a product like Travel Grid.
7. Running actual sales process from Inside sales to Closure of the deals.

### **Analysis:**

1. Many of the large corporates outsource the travel management to the third party for the purpose of cost reduction and consider it as non-core activity. Hence most the large third party Travel Management service providers have software ready to manage the travel process which is not on par with the depth in the domain or the functionality that Travel Grid provides. This has a direct impact on the opportunity size in this segment.
2. Most of the mid size companies have their own home grown products to manage the travel process (though limited in nature) & hence they are emotionally attached. Also such companies do not have sufficient budgets for travel management process and hence their affordability is low with respect to Travel Grid licensing pricing policies.
3. Small enterprises lack the travel management process and are generally managed by admin people and not travel management professionals. Managed travel management service can prove to be a suitable sales offering to this segment.
4. Overall the market is slow in taking the decision about doing capital investment in travel management process. Due to this the average sales cycles are unpredictable and very long (approximately 6 to 8 months)

### **Value Addition by Team TekEdge:**

1. TekEdge sales team closed two work orders with Suzlon Energy & Piaggio Vehicles Pvt Ltd.
2. Enabled in roads into five mid size enterprise accounts which became inactive from their existing sales pipeline.
3. Provided inputs on collaterals for better articulation of the perceived value of the product.
4. Inputs on subsequent versions of the product to enable new features based on the requirements from the market in western region.
5. Enabled opportunities to offer end to end Managed Travel Management services.

### **Market Feedback:**

1. Market appreciated the depth and policy implementation capabilities of the product.
2. Inputs on improving the overall usability of the product from the terribly busy employees on the move who are the key users of Travel Grid.
3. Perceived value of the application was varying due to many factors and hence the pricing expectations were difficult to match.
4. Capital expenditure on Travel Management Process is low on the priority and hence the market tends to defer the decisions with no generic pattern leading to unpredictability of the revenue targets.

**Strategy suggested to the customer:** TekEdge recommended following strategies

1. Check for market feasibility of Managed Travel Services through local alliances.
2. Create one more layer of technology for the travel agents and provide them connectivity to connect with multiple corporate travel portals within the product. This will help penetration into the travel market and help increase the opportunity size in the market.

3. Multi-tenant cloud platform for small to medium enterprises in SaaS mode, again to increase the opportunity size.

**Current status of the product:**

1. After TekEdge's effective work in western region, they appointed a sales person based out of Mumbai which has helped them acquire four new customers.
2. They could close two more out of five business opportunities that TekEdge initiated.