

Go-To-Market Planning Exercise

Does this landscape describe your revenue challenge?

- ❑ 80% of new customers today are from referrals and networking.
- ❑ Lack of defined customer acquisition model:
 - ❑ Process to cost-effectively acquire new customers; and
 - ❑ Making partnerships effective and revenue producing.
- ❑ Hiring, partnering with results-oriented personnel is difficult at-best.
- ❑ Overcoming committee buy and collapsing sales cycle is an issue.
- ❑ Lack of scale, measurement and metrics, and forecast pipeline.
- ❑ Unknown cost to acquire revenue across mediums? (Direct vs. referral vs. channel vs. acquisition)

Developing a Go-To-Market Strategy

Key Components

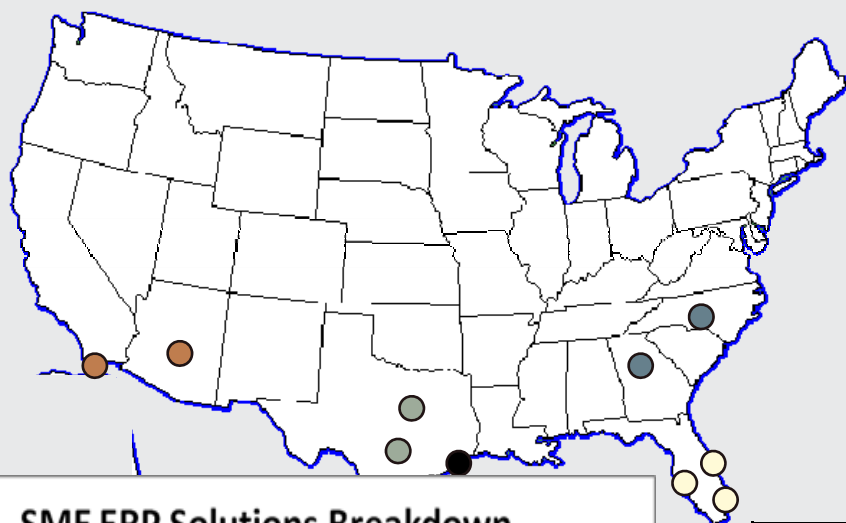
- 1. Highly Define the Value Proposition**
- 2. Segment and Profile the Target Market**
- 3. Goal Setting by Distribution Alternative**
- 4. Define Tactics: Marketing, Partner, and Sales Support Programs**
- 5. Establish Communications Rhythms**

Highly Define the Value Proposition

Key Components

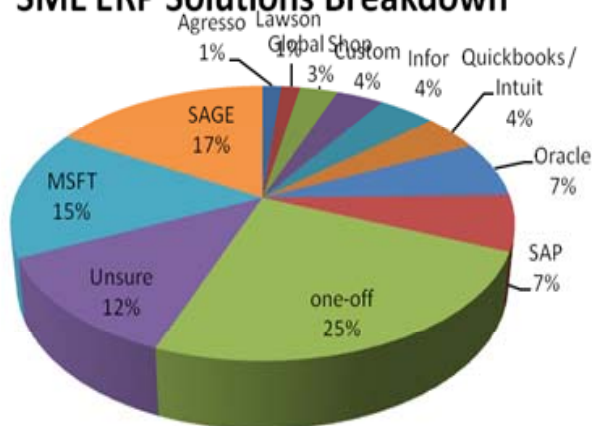
- 1. Sizable market opportunity validated;**
- 2. Solves a priority customer pain/need;**
- 3. Market and competitive research completed and niche or platform identified as #1 or #2 opportunity;**
- 4. Make, buy, partner decisions clearly delineated; and**
- 5. Unique competitive differentiators.**

Segment and Profile the Target Market



METROPOLITAIN AREA	IDEAL TARGETS	TOTAL POD SIZE TARGET BUS.	MARKET VALUE	TOTAL POD VALUE
Houston TX CMSA	1,573	4,437	\$14,043,744	\$39,613,536
DFW	1,915		\$17,097,120	
Aus/SA	949		\$8,472,672	
Miami--Fort Laud	1,487	2,712	\$13,275,936	\$24,212,736
Tampa	691		\$6,169,248	
Orlando, FL MSA	534		\$4,767,552	
Atlanta, GA MSA	1,438	1,954	\$12,838,464	\$17,445,312
Charlotte, NC MSA	516		\$4,606,848	
Phoenix, AZ MSA	1,068		\$9,535,104	
		1,898		\$16,945,344

SME ERP Solutions Breakdown



MSA and Population Rank	A Lead (Outsourced IT)	B Lead (IT Handled by non-IT Professional)	C Lead (Internal IT Professional)	Total Emails
Houston – 10	301	931	820	2,052
DFW – 8	334	980	638	1,952
Austin / San Antonio - 34	204	424	425	1,053

Goal Setting by Distribution Alternative

Distribution Alternative	# of Leads	# of Opportunities	# of Customers	Revenue Goal 2008
Partners / Channel / Brokers	3,576	144	36	\$1,408,572
Online Sales	596	na	6	\$330,006
Telemarketing (Phone)	2,185	221	22	\$1,347,148
Organic Field Sales (Location- Centric)	1,788	78	18	\$1,285,866
National or Regional (Travel)	1,192	50	12	\$1,104,648

E-Marketing Best Practices

How to generate interest, website traffic, sales leads and improved search engine rankings » » »

❑ Buyer Purchasing Behavior

- More likely to ask a peer (40% of the time) or search online (25% of the time) than respond to an email, phone call, trade show contact, or a print ad.
- Increasingly rely on the Internet as a trusted source of information when making purchasing decisions.
- Participating in the growing popularity of blogs, podcasts and webcasts as sources of information.

❑ HR Supplier Reaction

- Growth of direct marketing (especially Internet Marketing) and devaluation of advertising.
- 2008: Although 60% of larger companies are cutting their marketing budgets, smaller companies are only cutting by 13% and 34% of marketers at smaller companies are actually increasing their budgets.
 - Sales cycles are lengthening so build your pipelines now.
 - Marketers shifting strategies from traditional to online tactics.

Holistic E-Marketing Process



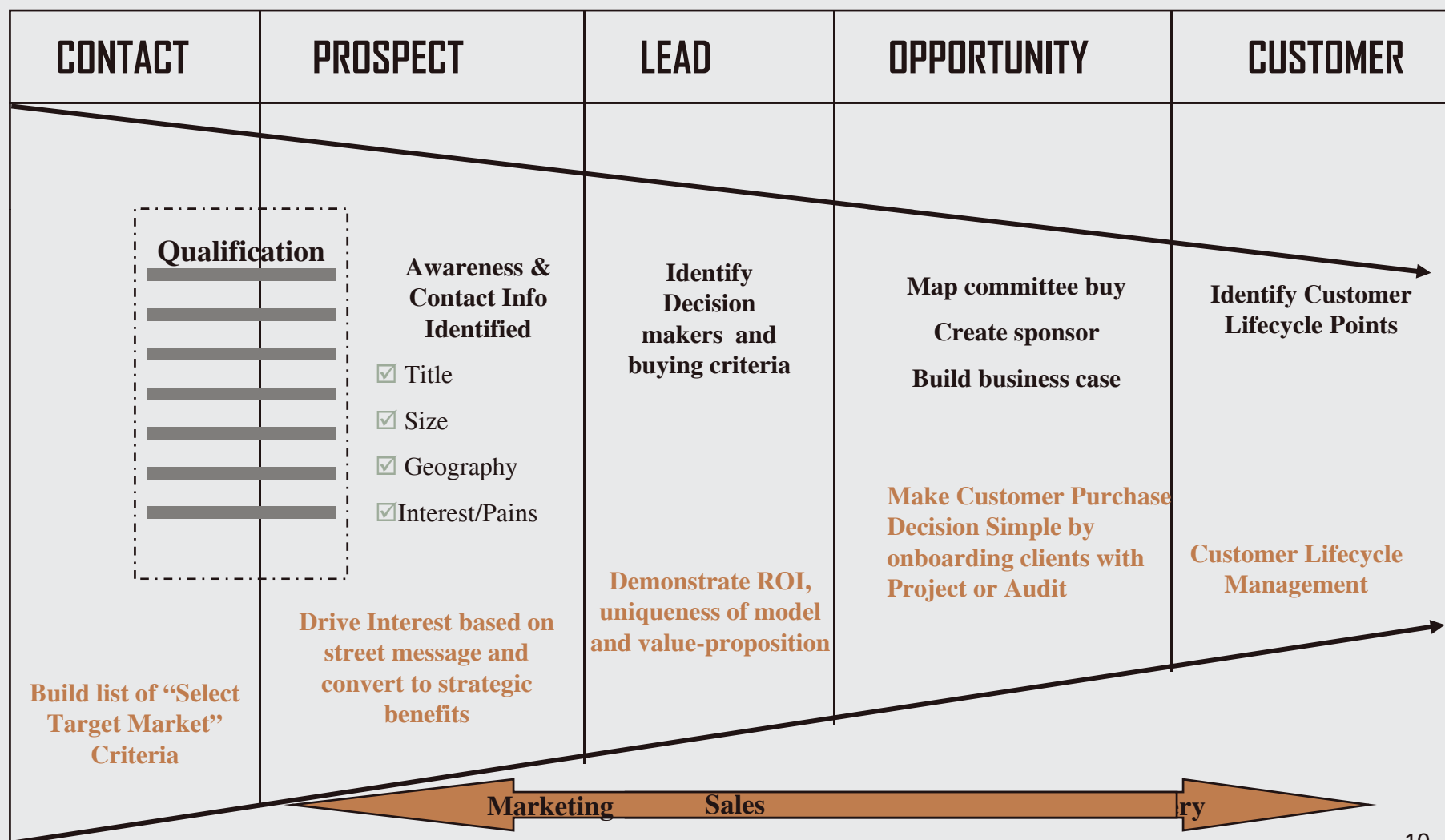
- **E-Marketing Process** – a 3-step process that produces measurable results focusing on:
 1. **Infrastructure** – your business strategy, messaging, website SEO and marketing website
 2. **Content** – white papers, research reports, case studies, surveys and webcasts
 3. **Promotion** – monthly releases, search-optimized releases and direct marketing

Profiling Best Practices Overview

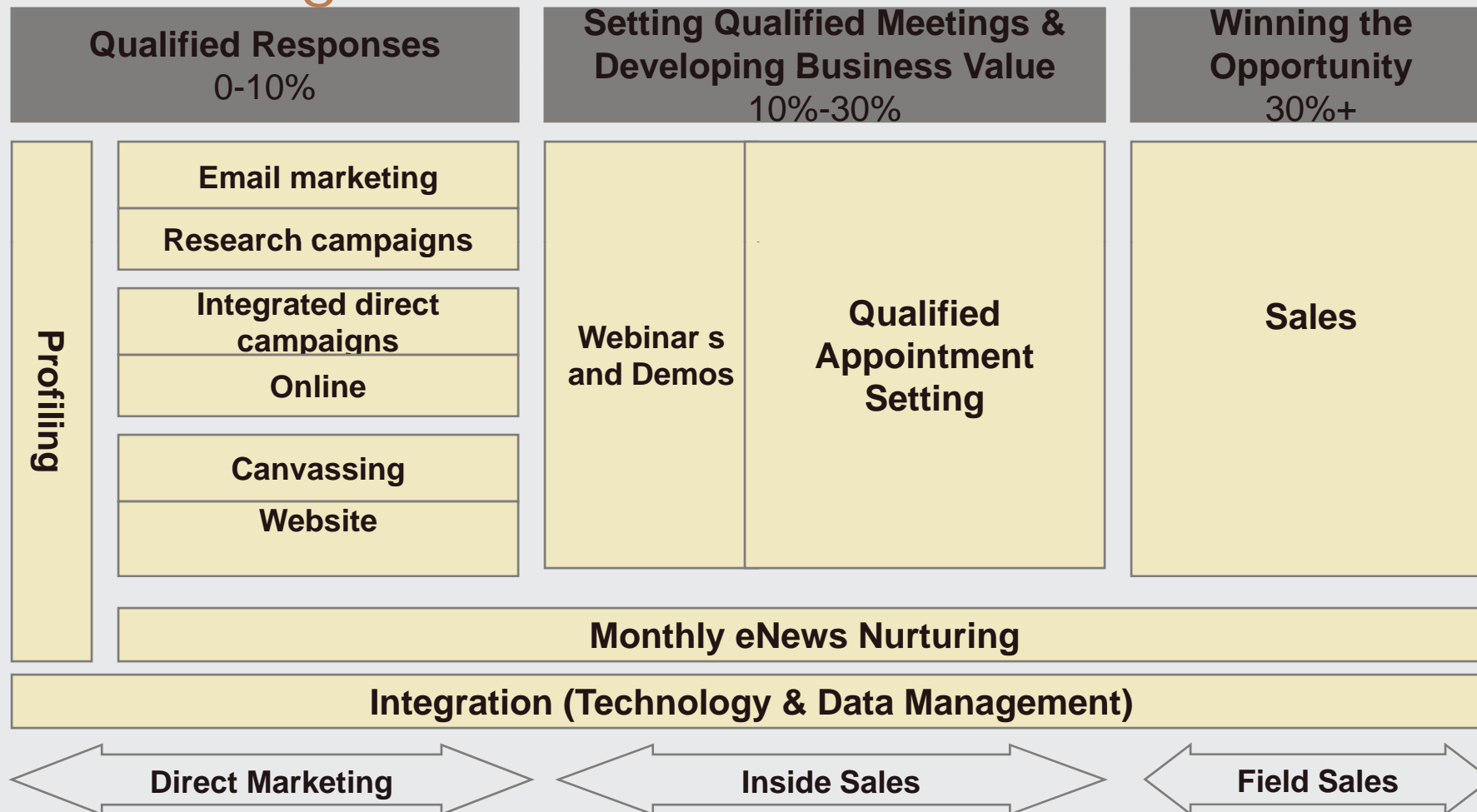
- \$1 per contact email to acquire profiled
- \$10 per “profile”

Size and Stage of the Market	TX	MW	SE	Total
Target market firms (*detailed in investment thesis)	573	949	1915	4437
Profiles (Email, Address, Title, EEs, LOB)	693	222	645	1560
Lost - Competitor	31	0	13	44
Lost - Cancelled App	5	1	10	16
Stage/Probability 20% - PBP (Prospective Business Pool)	151	9	36	196
Stage/Probability 30% - Mid-level	4	1	4	9
Stage/Probability 40% - Appointment	19	16	22	57
Stage/Probability 50% - Decision Maker Met	7	0	1	8
Stage/Probability 70% - Assessment	11	1	4	16
Stage/Probability 80%+ : Negotiation	0	2	0	2
Stage/Probability 100% - New Clients	46	1	3	50

Tactical Clarity: Efficient Customer Acquisition Process



Nurturing Sales Process



Summary Go-To-Market Roadmap

Decision	Strategic	Operational	Tactical
<input type="checkbox"/> Dedicated resources (Full-time)	✓	✗	Partly
<input type="checkbox"/> Realized, holistic customer acquisition model/plan	✗	Financial Needs to be developed	Partly
<input type="checkbox"/> Productize the core and add-on offerings	✗	Financial / Strategic	YES
<input type="checkbox"/> Expertise	✓	YES	NO
<input type="checkbox"/> Significant revenue from strategic alliances and channels	✓	Financial	YES NO
<input type="checkbox"/> High volume lead environment supported by online sales team	✓	Depends	YES NO
<input type="checkbox"/> 30 raving fan, referenceable named accounts	✓	NO	NO WIP
<input type="checkbox"/> Vertical concentrations	✓	NO	NO NO
<input type="checkbox"/> Vertical product managers			NO

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