Nebraska Book Company: Starting a New Chapter in Its Business with SAP® Sales OnDemand

Nebraska Book Company

Business solutions for the college retailer

Company
Nebraska Book Company

Headquarters
Lincoln, Nebraska

Industry, products, and services
Retail – operates college bookstores, wholesales used textbooks to retailers, and offers value-add services

Revenue
US$598 million

Web site
www.nebook.com

SAP® solutions
SAP® Sales OnDemand solution

Delivering knowledge to millions of students

For years, college bookstores were the primary source of textbooks for students across the United States. But just like independent bookstores on street corners across the country, college bookstores are facing fierce competition from online retailers. And they often lack **the means to innovate** in ways that make it possible to fend off the latest market entrants. That's where Nebraska Book Company (NBC) comes into play.

As part of its 100-year mission of keeping independent bookstores strong, NBC finds innovative ways to help bookstores serve college students, whether through new technologies, products, or storefront designs. A key area of focus is used textbooks, critical for college bookstores that want to offload unwanted inventory at the end of a term while offering low-cost textbooks to price-conscious students.

Facing a dramatic loss in market share when online retailers entered the used-textbook business, NBC decided to draw on its traditional roots and refocus on the needs of its customers – independent bookstores. To compete more effectively against online retailers, NBC retooled its sales organization and processes. With the SAP® Sales OnDemand solution, NBC's sales reps and executives now have ready access to all account-related information, whether in the office or on the road, allowing them to provide prompt, personalized, targeted services that keep independent bookstores strong.

Read more

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Reshaping the sales process for better results

In addition to owning and managing about 250 college bookstores in the United States, NBC wholesales over 6 million used textbooks annually to approximately 2,500 collegiate retailers around the country. When the likes of Amazon.com entered the used-textbook market sector, the industry was shaken up. "In a single year, we saw 30% of market share shift to third parties," explains Mike Kelly, senior vice president of textbooks for Nebraska Book Company.

The industry leader knew it needed to rethink its sales organization and processes to stay ahead in an increasingly competitive field. "We want to continue being one of the best outfitters for college retail and knew SAP software could support our mission of responding to marketplace changes. The SAP Sales OnDemand solution gives our sales reps the tools they need to succeed," continues Kelly.

6 million

Textbooks sold annually

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Going with the best bet for the future

Kelly chose SAP Sales OnDemand after personally piloting an on-demand solution from salesforce.com for three months. "My experience with salesforce.com helped me understand what functionality we needed. For us, SAP software was the best long-term bet," explains Kelly. In addition to the sales functionality provided by the SAP software, Kelly wanted an on-demand solution to eliminate the need to manage additional hardware and software in-house.

Kelly was particularly impressed with the ability to capture all account- and opportunity-related information and discussions in a single location using SAP Sales OnDemand. This frees NBC's sales reps to focus on selling rather than on administrative work and reporting. It enables Kelly, territory sales managers, and the senior management team to easily monitor sales activities and communicate with sales reps without using e-mail. The insight allows them to pinpoint trends and make strategic decisions without having to rely on in-person updates from the sales team.

Just as important was the ability to use the sales applications from SAP on the iPad. NBC's sales reps can access SAP Sales OnDemand via the iPads they rely upon while they're on the road. "They simply touch a hot link and access all account details along with a report card ranking accounts by various criteria, through an internally developed system of ours that is integrated with SAP Sales OnDemand," says Kelly.

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Mike Kelly, Senior Vice President of Textbooks, Nebraska Book Company

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Deploying to the iPad for maximum impact

The company focused its deployment on the iPad platform because iPads are the main device used by NBC's sales reps. To ensure successful adoption, Kelly called upon his vast experience deploying software. He chose six reps to use the software before it was rolled out to the remainder of the sales team. These six represented the three different types of users that Kelly has encountered in past deployments: early adopters, early majority, and laggards. He wanted to find out what the naysayers would complain about, at what point the early majority would feel comfortable jumping on board, and the habits of early adopters that would encourage faster adoption for all.

In what he calls the smartest move of the project, Kelly assigned one sales rep to manage SAP Sales OnDemand. This person monitors for opportunities and issues with the software. At the same time, Kelly and his team worked closely with SAP, using its onboarding services to avoid any missteps along the way.

Kelly started this initial deployment program in October 2011 and was in production in just a few weeks. By February 2012 he had collected enough feedback to roll the software out to the entire sales team. To prepare its reps for success, NBC leveraged the SAP Sales OnDemand content management capability to include contracts and other customer-relevant documents with each account. Customers were also categorized, enabling reps to easily review and target accounts based on their classification. NBC then easily integrated its internal system – which ranks and weights customer accounts – with SAP Sales OnDemand shortly thereafter.

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Empowering road warriors and executives alike

NBC's sales reps now have all the information they need to be productive and successful while on the road. With an at-a-glance view of account details, status, and ranking, reps can focus on the most profitable activities. At the same time, real-time feeds keep them up-to-date and make it possible to collaborate easily with one another.

The solution provides the detailed data and metrics needed to deliver improved business insight to their customers – the college retailers. With a new level of knowledge about a customer's recent sales, for example, a sales rep can make a recommendation that helps increase store profit. In other words, NBC's sales staff is using data to work smarter for its customers.

"Our reps love SAP Sales OnDemand because it saves them time and helps them focus their efforts where they're most likely going to reap the rewards. At the same time, it empowers our leadership team to monitor sales activities and ensure our reps are proactive in their efforts," explains Kelly.

The software supports a key change in how sales reps are measured on their performance. In the past, NBC tracked how much inventory was sold in a region. Because the company sees far more demand for books than it can supply, it's critical that its reps focus on acquiring used books at the end of each term. NBC can capture this activity in SAP Sales OnDemand and stack-rank its sales reps accordingly.

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Boosting productivity and advancing up the ranks

In the past, NBC's sales reps had to call different people or pull from numerous systems to gather all account-related information. Now this information is available in a single location, accessible via each rep's iPad. "Our reps simply touch their iPad screen to see all information along with rankings. This helps them prioritize their time and engage in a productive conversation with bookstore managers."

According to Kelly, NBC has seen an incredible increase in productivity and performance. With SAP Sales OnDemand, all reps met or exceeded their growth targets for the year, far surpassing performance results of the past.

Now Kelly displays a graph in the office that shows the activities and productivity of each rep. "The sales reps love using SAP Sales OnDemand, and those who are at the top of the graph are the ones who are most actively using the solution," Kelly points out.

100%

Of reps met or exceeded growth targets for the year

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Painting a vision for the future

A year from now, Kelly expects NBC to get even more value from SAP Sales OnDemand, as reps use it more consistently.

NBC has already implemented the SAP Business Planning and Consolidation application to streamline budgeting and reporting processes. Going forward, it anticipates deploying the SAP ERP application and integrating it with SAP Sales OnDemand. "When you're investing in software for the long term, SAP is the obvious choice," concludes Kelly.

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