

Compliance concerns and increased usage drive volume purchase, accelerating transaction 2 quarters and increasing transaction revenue!

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CUSTOMER CHALLENGE

A long-time customer of one of TFP's clients experienced a significant increase in license usage over the last 18 months maxing out their cap of 90 licenses. They knew they had to purchase additional licenses however budget was a significant issue — a purchase of this magnitude was not anticipated for FY 2011.

TFP SOLUTION

There were four options on the table for customer consideration. To show the customer the benefits of the vendor's "best case" proposal the sales rep put together a payment stream analysis comparing the costs of the new deal to future renewals of the old deal. The analysis showed a breakeven point in year five, which was a key factor in the customer deciding this was a cost-effective purchase over the long term. In addition, the customer performed their own analysis that showed this purchase would result in a dramatic drop in license cost per user, and eliminate the headache of administering fewer named user licenses. Lastly, TFP's ability to offer strategic payment terms to work within their budgetary constraints made this purchase possible for 2011. The customer had leveraged extended payment terms to make a previous acquisition and were familiar with the program and the benefits it provided.

RESULTS

TFP was able to accelerate the \$950K deal two quarters by providing payment structures to overcome budgetary constraints. According to the rep, leveraging TFP in the customer negotiations was instrumental in closing the opportunity "through quick response to meet timelines, and more importantly, spreading the license cost over four years to address budget issues. The business impact was quite large and can best be measured as increasing the sale by a 4X factor."

WHO IS TFP?

Technology Finance Partners "TFP" addresses the growing need for large to mid-size technology companies to value, price and sell their solution in ways that resonate with financial and business decision makers. TFP's financial sales engineers quantify the value of vendor's technology, justify the cost and provide flexible acquisition options. TFP areas of expertise include value-based selling (business case analysis, ROI and

In the Sales Rep's Own Words:

Technology Finance Partners provided a multiyear payment structure that worked with the customer's budgetary constraints.



This flexibility enabled them to acquire the software that would lead to increased operating savings at the lowest total cost of ownership. This was the cornerstone of the deal. The customer's concern about license utilization and compliance made the volume purchase that much easier to sell.

"Not only did TFP's analysis and quick turnaround help accelerate the deal, it increased it by four times the expected sales price."

"The payment terms were instrumental in securing a much larger transaction than would have been possible otherwise."

"This transaction went more smoothly than some orders for 2-3 licenses or a couple of training days!"

-Senior Account Manager

TCO modeling), world-class customer finance programs and rational pricing frameworks.

As this case study describes, it is the teamwork and collaboration of TFP, the vendor and the end-user which ultimately leads to more closed deals, increased deal sizes and fewer objections related to pricing!