

# Exporting crm software to russia



BTS Software Pty Ltd is an Australian software company developing innovative state-of-the-art products. The latest product released by the company is BTS Software-PMA a Process Mapping software tool targeted at the banking industry. The product is relatively easy to implement and can be customized by non-technical staff. Additionally, it runs over the existing software modules and infrastructure. As the local market is saturated by large international outsourcing companies, BTS Software is looking at exporting its latest product to new emerging economy countries.

The company has a permanent productive capacity to sell on continuing basis in foreign markets. The prime motivation of choosing Russia is the fact that the founding director has local knowledge and connections on the government level. The contemporary Russia can be described as a country in economic development Stage 2 (The preconditions for takeoff) and joined the group called Less-developed countries. One of the importing opportunities lies in the area of financial services. Consumer demand of financial services is increasing, therefore the demand for more efficient ways of providing the service is increasing as well.

The innovative idea would serve to reduce the costs and give better ideas how to manage and run the businesses. The mode of entry has been decided to be contractual licensing agreement to utilize local expertise and keep the marketing costs down. It is estimated to achieve revenues of around \$AU2 million annually by investing \$AU250K annually to provide the support and guidance to the local licensee. BTS Software selling to Russia – the best match between internal capabilities and potential demand (at the moment could be in the stage of unperceived need).

Introduction History BTS Software Pty Ltd is an Australian based software development company specializing in providing IT services and packaged software products. The company has developed a suite of accounting and estimating software modules specifically for the residential building companies. The software modules have been successfully implemented in some of the largest residential building companies. Over the years BTS Software has also provided IT services to a number of large corporations in Australia including BP, Shell, Telstra, AIG, ANZ, NAB and others.

In recent years the company has concentrated in developing innovative web-based software applications directed at the Banking and Insurance industry(1). Ownership BTS Software Pty Ltd is a privately held SME with 3 directors having shares in the company. An external advisory board of executives with a broad range of expertise is also in place. The advisory board's function is to assist and provide guidance to the executive directors of the company in their domestic and export efforts. Market presence and strengths in key target market segments

BTS Software has had a successful launch of its latest web-based packaged software into some of largest domestic corporations. The strength of BTS Software's offerings compared to its competitors is based on the fact that the product implementations and maintenance costs are kept to a minimum due to the high level of automation, achieved by incorporating a patented technology. BTS Software has a 15% market share in the major banks, 10% in the Insurance industry and 20% in the residential construction industry. Major competitors are Oracle, SAP and High-End CRM system software providers.

The software offered by the competitor companies cost hundreds of millions of dollars. BTS Software's Major products are: • Accounting Software and Estimating Software Suite • Web-Based software Systems – business intelligence, cataloguing and Process Mapping software modules (2).

International marketing expertise The company has commenced its exporting effort in the early 2000's. BTS Software show cased its products to hundreds of potential partners and venture capitalist in Silicon Valley and New York. Key agreements have been signed with some of the largest players in the US including IBM, Sun Microsystems and Sigma Corporation.

The international marketing staff employed by the company, have a wide range of export experience including international publications, software sales and establishing key partnerships with international companies. Major Motivation and objectives for international involvement The domestic market is saturated by established large software companies that have been providing software services to the banking and insurance industries for decades. Getting sales in the domestic market is a very slow and expensive process.

Exporting to new emerging economies represents an exciting opportunity for BTS Software. Furthermore, these countries have great regard for technologies coming from developed western countries including Australia. The major objective is to introduce one of the products to all the major banks in Russia. Most of the potential clients are newly established businesses and we assume that will require implementing technologically advanced solutions. The other major reason is the founding director of the company

has knowledge of local culture and has influential connections on the government level.

As Russia is part of the economic block of the CIS countries, it would be possible to expand the software sales into these countries as well. The orientation of the company can be seen as global, because the identified segments are going to have common key variables, as nature of the product requires. Finally, BTS Software has recently qualified for securing export funding and assistance of the Australian government. The stage of international marketing involvement for BTS Software can be described as regular foreign marketing, because the firm has permanent productive capacity to sell on continuing basis in foreign markets.

The product to be exported The product considered for export is a Process Mapping Software to visually define the flow of tasks and outcomes for the complete customer service. It also provides well documented and structured instructions to the employees of the banking industry. The product runs over the existing infrastructure and all the information is available to the customer's management and service personnel on-line via the internet and the intranet. In terms of product adaptation, there is a need to extend the software multilingual capability to include the local country language.

Key features and unique selling propositions The BTS Software-PMA is a highly Sophisticated Process Mapping System for the Banking and Insurance Industry. It incorporates a process mapping engine to visually define the flow of tasks and outcomes for a complete business process. For example, when a customer walks into a Bank Branch to open an account, there is a certain

process that has to be followed to perform the task of establishing a new account for a customer.

Currently, most organizations use either printed or on-line procedure manuals detailing each process as a flow chart. Keeping the procedure manuals up-to-date is very costly even if the data is provided on-line via the intranet or the internet. The Megilent-PMA solution addresses these issues by providing very easy to use visual tools to define every action and the outcome of a particular process. The uniqueness of BTS Software-PMA is its ability to integrate with already existing software systems very quickly and any future changes can easily be incorporated by non-IT personnel.