



# The Power of Sales Outsourcing

## Why Sales Outsourcing?

Version 1

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Sales outsourcing allows you to lower the total costs of sales by providing you with a sales staff that has comparable communication, technology and domain expertise. Further, it allows you to experience these benefits without having to invest in office space, communication needs and other infrastructure requirements.

A sales outsourcing team that is integrated into your own corporate with weekly reporting .

**M-Agine Consulting** methodology for achieving results is done through:

**Just think about it**, combining knowledge of a whole sales team:

- Each with 15+ years of sales experience and a huge list of contacts
- Each with great experience in closing large scale deals
- Each very familiar with selling software solutions and in working with technology companies

1. Study: in depth understanding of your sales plan, markets, customers, products and the competition precedes every sales engagement.
2. Business Plan: Analysis and in on-going planning factored on the business conditions.
3. Proper training to our team
4. Lead generation
5. Sales Execution: we will ensure that our staff is productive from the time they are deployed.
6. Monitoring: We will review performance on a weekly basis and share our findings with you.

Sales outsourcing also offers you many strategic and tactical benefits such as

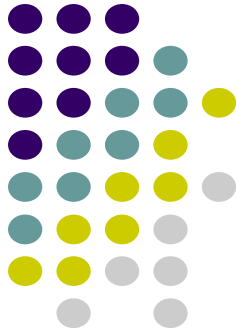
- Ability to setup sales operations in new markets faster
- Lower total costs of sales
- Enhanced support to resellers and partners
- Advantages of 24/7 sales operations in a global economy
- Faster response to leads and competition

**In short, we act as your sales arm and as a channel for important intelligence on products, competition and customer requirements**

### If you are a technology company, consider sales outsourcing when

- You have a short go-to-market window
- You need to rapidly scale up your sales operations
- To test waters in new markets
- In sales expansion initiatives
- To gain access to sales staff with expertise in specific domains or locales



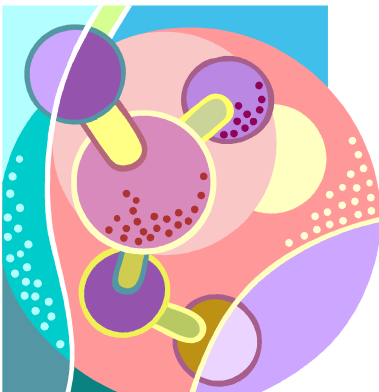


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**Your Sales, Marketing  
and Business  
Development Partner**



## Cost of Direct Sales

The following calculation provides the comparative costs of a sales person with 10 years experience in technology selling in the USA:

### Additional costs are:

Item	3 Years Sales Experience	10 Years Sales Experience	15 Years Sales Experience	Local VP Sales
Gross Annual Pay:	\$75,000	\$100,000	\$130,000	\$150,000
Employment Taxes @15%	\$11,250	\$15,000	\$19,500	\$22,500
Infrastructure and other overheads:	\$26,250	\$35,000	\$45,500	\$52,500
<b>Total annual costs for a sales person:</b>	<b>\$112,500</b>	<b>\$150,000</b>	<b>\$195,000</b>	<b>\$225,000</b>

Average hiring process is 3 months and average hiring costs is \$50,000 per person. In addition average training time for a new sales person is 3 months and average time to start building leads is additional 3 months

## Conclusion

if a company wants to build a new sales team in a new territory, it will take 6 months to get a person productive and generating new business. In that time frame you could spend \$100,000 to \$120,000 per person and around \$600,000 for a team of 3 people in the first year, and this is without considering any commissions into account. Adding commission the annual cost could be from \$600,000 to \$1,000,000.

## Cost of Outsourced Sales

Depending on the type of plan for outsourcing sales, a company could pay one of the following:

Lead Management and appointment setting (a team of 3 sales people with 15+ years of experience and contacts)	\$6,000 per month*
Sales Execution (a team of 3 sales people with 15+ years of experience)	\$15,000 per month*

\* additional success based commission will apply

**In total the savings from sales outsourcing could be close to \$500,000 and you get a faster time to market with revenue generation**