**CHAPTER 1: INTRODUCTION**

**Objectives**

The objectives are:

• Gain a conceptual understanding of the Microsoft Dynamics® CRM sales process.

• Understand the role of the core record types used in Microsoft Dynamics CRM Sales Management.

• Discuss when and how to use the Competitors and Sales Literature record types.

• Discuss when to use leads to qualify or disqualify opportunities.

• Create, work with and close and reopen opportunities.

• Use process dialogs to automate lead and opportunity management.

**Introduction**

This course introduces the capabilities of Microsoft Dynamics CRM that allow you to track and manage the sales process from potential to close. It is rare that two organizations follow the same sales process, even if the organizations are within the same industry. For this reason, Microsoft Dynamics CRM does not dictate a rigid process that must be followed; instead it provides a framework around which you can build a custom sales process. This course describes the components of the Microsoft Dynamics CRM sales process. It also details the entities or record types Microsoft Dynamics CRM uses to track sales from potential to close. With this information, you will be able to determine which aspects of the sales process framework are appropriate for you and your organization.

This lesson covers the basic sales process and how sales processes vary between organizations. It describes and provides guidance for making decisions about which areas of Sales to use and how to use them. It discusses some of the most important questions to consider when planning how your organization will implement its sales processes in the system and it presents examples of how it can be adapted to different industries.

**What is a Sales Process?**

A sales process is a series of steps that complete a sale. This process starts the moment you hear about a potential sale and includes every interaction and step you go through from that point forward, until the sale is complete.

The number of steps in the sales process, the types of interactions you have along the way, and the length of time the process takes to complete depend on your business and the customers.

• Some sales processes are short; for example, in a **business-to customer (B2C)** sale, a customer enters the store, finds the desireditem, asks a sales representative a question, and then pays for theitem. The sales process is complete in only a few steps.

• In other situations, such as **business-to-business (B2B)** sales processes, the steps and time involved are greater. The sales person could have several meetings with the customer to discuss the product, there is a negotiation phase around pricing, contracts might be written and approved, and the final purchase might occur months after the start of the process.

**Questions to Consider in the Sales Process**

The best way to understand sales processes is to think about the current process you use to complete a sale and then compare it with example sales processes. When making this comparison, pay attention to the following items:

• What types of customers does the sales process serve?

• When does the sales process start?

• When does the sales process end?

• How can the sales process start?

• How can the sales process end?

• What steps are and are not taken during the sales process?

The next two sections of this lesson provide examples of real-world sales processes. Consider your current sales process and contrast it with the following examples.

**Example 1: Auto Parts Supply Company**

In this example, the auto part supply company's primary customers are distributors. The distributors buy in bulk from the supplier and then resell the parts to customers.

• The sales process begins when an existing or new customer makes contact with the company's sales staff.

• The sales person records important information about the potential sale including contact information, the types of parts discussed, and the estimated size of the deal.

• The sales person might converse with the potential customer several times throughout the process.

• The sales person will provide the customer with a quote on the pricing they are willing to offer. The customer will accept or reject the offer; the sales process is now complete.

**Example 2: Custom Software Development Company**

In this example, a custom software development company responds to requests for proposal (RFP) for large software development projects. The end customers rarely reach out directly to the example company.

• The sales process begins when an RFP manager identifies an RFP the company wants to bid on.

• The sales team is responsible for delivering a response to the customer.

• The response creation process takes place outside of the sales process.

• Once the response is completed, it must be approved and then sent out to the customer. The customer will accept or reject the bid. The sales process is now complete.

**Business Rules and Sales Process Automation**

Throughout the sales process, there may be times you want to automate certain procedures and enforce specific business rules on your sales staff. This can make the process of tracking a sale easier, improve sales person efficiency, increase the quality of the data captured, and ensure that quality control procedures are followed.

• **Business Rules** are any requirement that a business decides it wants to enforce. A business rule can be as simple as saying that a Lead cannot be created unless an email address is provided for the contact and the source of the lead is marked. A business rule can also be as complex as requiring that an Opportunity be approved by a manager before it can be marked as won.

• **Sales Process Automation** is used for the automatic creation of activities and the enforcement of sales stages. For example, if the first task in the sales process is the sales person contacts the potential customer, the system can be configured to automatically create a Task activity for the sales person to reach out to this customer. In addition, if the process dictates that whenever an Opportunity is won an email is sent to the sales team announcing the sale, the system can be configured to perform this process automatically, and include key information in the email such as who the customer is and the value of the sale. Business rules are implemented through the customization and workflow features of Microsoft Dynamics CRM and are covered in other courses and in the product's online help system.

**Core Records in the Sales Process**

Because every organization has a unique sales process, Microsoft Dynamics CRM provides a simple and flexible foundation on which you can build a custom sales process. You can use all or part of the provided sales process, or completely customize it to meet a company's needs. The core records of sales management in Microsoft Dynamics CRM are as follows:

• **Leads** are conventionally used to represent potentialin Microsoft Dynamics CRM. The lead record type is relatively unstructured, and might include information about a person, an organization or a potential deal. The process of gathering more information and determining whether to proceed is often referred to as the lead qualificationstage of a sales process.

• **Accounts** and **Contacts** represent customer records. They are often created as an outcome of a lead qualification process, and can be created automatically from the information on a lead record. They are also required information for several other record types, including opportunity records.

• **Opportunities** represent a potential sale. For example, in contrast to the lead form, the opportunity form contains fields for estimated revenue and estimated close date.

• **Quotes**, **Orders and Invoices** are record types that can be used independently or in conjunction with opportunities to manage a more complex sales process.

**What are Leads**

In Microsoft Dynamics CRM a lead represents *potential*: a potential sale, for example, or a potential contact or account with which you might do business. Many organizations implement lead qualification processes, during which leads are contacted, more information is gathered, and at some point a decision is made about the lead's status. Generally, leads should be considered temporary records, with the goal of converting them to some combination of account, contact or opportunity records at the end of the qualification process.

Some possible lead sources include:

• **Company website**: On a company website there is often a "request more information" form. Anyone can ask for more information but not everyone that asks for information will buy something. Each request, however, might be considered a lead.

• **Marketing lists**: Companies purchase marketing lists from vendors with the names and email addresses of potential customers. Each contact on the list can be considered a lead, or perhaps only those that respond to a campaign are considered leads.

• **Trade shows**: Many organizations use the names and contact information collected at trade shows as an important source of new leads.

• **Social media and networking web sites**: Services such as Face book or LinkedIn are increasingly used as sources of new leads, as are blogs, Twitter and many others.

The Lead form captures only the minimum amount of information required to:

• Understand the nature of the potential sale.

• Contact the person that has shown interest.

• Track the return on investment in lead generation.

**What are Opportunities**

An opportunity is a qualified potential sale. An opportunity tracks a qualified potential sale through the sales closing process. A qualified potential sale indicates you have contacted the potential customer and gathered information about interest, determined the likelihood of the customer buying, and decided that the potential is worth pursuing.

Opportunities can track very detailed information about a potential sale, including such information as:

• Competitors on the opportunity

• Products selected from the product catalog

• Estimated revenue, estimated probability of closing the deal and the estimated close date

• Opportunities always must be associated with a customer record, which in Microsoft Dynamics CRM can be either an account or contact

• All activities involved in closing the sale. This can include phone calls, letters and faxes sent, appointments, and emails sent. In addition, you can track a series of notes about the opportunity.

**Quotes Orders and Invoices**

Quotes, orders and invoices are all potential components of an organization’s sales processing. Although Microsoft Dynamics CRM is designed so that the sales process flows from opportunity to quote to order to invoice, an order can be created without a quote and an invoice can be created without an order. These pipeline components have the following characteristics:

• **Quotes**: Quotes are used to inform potential customers about the products and prices associated with the opportunity. If a customer accepts a presented quote, a sales representative can use Microsoft Dynamics CRM Online to create an order with the information contained in the quote record with a single click.

• **Orders**: When customers confirm requests for the product or service, an order is placed. Organizations receive and process orders that convert to invoices and revenue. Microsoft Dynamics CRM Online offers functionality to record customer orders. Orders can be created from quotes that have been accepted.

• **Invoices**: Invoices are requests for payment from a business to its customers. Invoices are related to orders. Depending on the payment terms, an invoice can be generated from an order after it is fulfilled or when it is placed.

**Tracking Competitors and Managing Sales Literature**

Microsoft Dynamics CRM includes a competitor record type that enables an organization to compile information about its competitors. This information provides the organization's sales staff with a powerful tool they can use to compete effectively, close on more sales opportunities, and strengthen customer relationships. You can also maintain a library of Sales Literature, which be used in many areas throughout Dynamics CRM. For example, it can be associated with a competitor, a product, or with a marketing campaign. Using the Dynamics CRM Client for Microsoft Office Outlook, it can be attached to an email and sent to a client.

**Procedure: Create a Competitor**

Perform the following steps to create a Competitor record:

1. On the site map**,** click **Sales** and then click **Competitors.**

2. On the **Competitors** tab, in the **Records** group, click **New**.

3. In the **General** section of the form, enter the appropriate information and observe any noted restrictions or requirements as needed:

a. **Name** is a required field.

b. **Ticker Symbol**

c. **Key Product**: enter the product that you most frequently compete with for sales.

d. **Web Site**

e. **Reported Revenue**

4. In the **Address** section of the form, key in the appropriate information and observe any noted restrictions or requirements as needed:

a. **Street 1, Street 2, Street 3**

b. **City**, **State/Province**, **ZIP/Postal Code**

c. **Country/Region**

5. In the **Analysis** section of the form, enter the appropriate information and observe any noted restrictions or requirements as needed:

a. **Overview**

b. **Strength**

c. **Weakness**

d. **Opportunity**

e. **Threat**

6. Use the **Notes** section of the form to add time-stamped notes or attach files as necessary.

7. On the **Competitors** tab, in the **Save** group, click **Save & Close**.

**Adding Products to Competitors**

Knowing a competitor's products can help to identify areas within your own product line where you can expect the greatest challenges to making a sale. If you list the products that competitors carry, then you can create a scorecard that helps the sales organization present data to potential customers about how your products provide benefits that your competitors cannot meet.

**Managing Sales Literature**

The Microsoft Dynamics CRM Sales Literature system is a central repository for an organization's sales information. It provides your sales team with access to sales literature, product brochures, articles, discount, pricing structures, and so on. Sales literature can serve a number of useful purposes in Microsoft Dynamics CRM, including:

• It can be associated with either products, competitors, or both.

Organizations can make relevant sales literature simpler to find by implementing either a product catalog or the competitors' module, or both, and then associating the literature with a specific opportunity through the products or competitors associated with the opportunity.

• It can be associated with a marketing campaign. For example, a product launch campaign might have a product flyer attached to the campaign, or a special offer pricing sheet.

• Documents can be attached to sales literature -- such as Microsoft® Office Word files, .PDF files or other file types -- and can be easily emailed to clients using the Microsoft® Outlook® client.

**Microsoft Dynamics CRM and SharePoint: Which to Use for Sales Literature?**

Many organizations already have a significant library of documents stored and managed in Microsoft® SharePoint® document libraries, and may wonder how the Microsoft Dynamics CRM Sales Literature features should be used in conjunction with SharePoint. We recommend a "best tool for the job" approach, and provide some feature comparisons in the following table.

**Microsoft Dynamics CRM Microsoft Office SharePoint**

• No versioning or check-in/check-out capabilities for sales attachments.

• Sales literature can be easily attached to activities associated with accounts, contacts and other CRM record types, and tracked as part of the comprehensive client history.

• Sales literature can be associated with marketing campaigns, products, competitors and other CRM record types.

• Powerful and flexible versioning and check in / check-out capabilities.

• No built-in way to associate documents with CRM record types such as accounts, contacts, or with activities associated with those records.

• No built-in way to associate documents with marketing campaigns, products, competitors or other CRM record types.

These complementary feature sets suggest using SharePoint for the collaborative document creation and management tasks, and as the repository for a document's version history. However, a client-ready published version of a document might be attached to Microsoft Dynamics CRM sales literature, in order to take advantage of CRM's more highly structured data and its built-in ability to attach that sales literature to customer activities such as emails.

**Procedure: Add Sales Literature**

The Sales Literature area provides a way to add, remove, and manage documents associated with products and services. Perform the following steps to maintain sales literature in the system:

1. On the site map, click **Sales** and then click **Sales Literature**.

2. On the **Sales Literature** tab, in the **Records** group, click **New**.

3. In the **General** section of the form, enter the appropriate information and observe any noted restrictions or requirements as needed:

a. **Title**: This is a required field.

b. **Subject**: Type the subject or click the Lookup search icon and select the subject. If there are no subjects listed, select **Default** **Subject**. This is a required field.

c. **Type**: Select from the drop-down list.

d. **Employee contact**

e. **Expiration Date**

f. **Description**: Type any detailed information that needs to be highlighted in the sales literature.

4. On the **Sales Literature** tab, in the **Save** group, click **Save**.

**Procedure: Add Attachments to Sales Literature**

You can attach documents to sales literature. When adding a document, you must enter a title. Additionally, you can specify the author and add keywords, which can later be used to locate the document. Perform the following steps to add documents to sales literature records:

1. On the **Sales Literature** tab, in the **Actions** group, click **Add a Sales Attachment**.

2. On the **Sales Attachment**: **New** form, on the **General** tab, enter the appropriate information and observe any noted restrictions or requirements as needed .

a. **Title**: This is a required field.

b. **Author**.

c. **Keywords**: Type in any keywords to help identify the document.

d. **Abstract**

e. To attach a file, click **Browse** to locate the file and then click **Attach**.

Note: Attaching a file might take a few minutes, depending on the size of the file.

3. Click **Save and Close**.

**Procedure: E-mail Sales Literature from the Outlook Client**

After you have added sales literature to Microsoft Dynamics CRM, you can easily attach sales documents to emails. Follow these steps to attach sales literature to an email and send it to a potential customer using the Outlook client:

1. On the **Home** tab of your Outlook Inbox, click **New E-mail** in the **new** group.

2. Enter appropriate information in the **to** and **Subject** lines.

3. On the **Message** tab, in the **CRM** group, click **Set Regarding**.

4. In the **Find** section of the **Set Regarding** drop-down, click **more**.

5. In the **Look Up Record** dialog, select **Contact** in the **Look for** dropdown list, then enter a contact name in the **Search** box and press **Enter**.

6. Select the contact record and click **OK**. After a few seconds the email should be tracked in CRM, which will be indicated by additional options becoming available in the **CRM** group in the **Message** tab.

7. Click **Attach Sales Literature** in the CRM group.

8. Click Send.

**Working with Leads**

Leads represent lists of potential customers and deals that have not been qualified. A large percentage of leads never materialize into customers. Thus, many sales organizations implement processes to qualify leads that have the potential to turn into a sale so that sales representatives can focus on the opportunities that have higher chances of success.

**Generating and Tracking Leads**

Typically, users can generate leads with several methods and sources. For example, you might obtain leads from websites, inquiries, referrals, networking, responses to marketing campaigns, or from purchased lists. The more information you have about leads, the more likely you are to turn them into an opportunity and, eventually, a customer. Users can track leads separately from customers through the sales cycle. When a sales team avoids mixing leads with qualified customers, it results in the sales team's ability to focus on one or the other, thus operating more effectively.

Managers can create workflows based on organization defined or administrator defined rules to automatically route a lead entered into Microsoft Dynamics CRM to the correct salespeople or teams. Additionally, organizations can automate stages in the sales process to use workflow rules to track leads and close sales consistently and efficiently.

You can track activities with leads, such as making phone calls or sending email messages. Microsoft Dynamics CRM tracks the status of these activities and retains the activity history so users can view the open and closed activities for leads. Disqualified leads remain in the database for business reporting purposes, for example, to later analyze the success of different list sources or assess how much time the sales force spends prospecting leads.

**Scenario**

Each morning, a sales representative receives a list of leads that have registered on the company web site since the previous day. The sales representative imports the leads to Microsoft Dynamics CRM using the Data Wizard feature.

The company also generates leads in a number of other ways:

• Participation in trade shows

• Requests for product information resulting from magazine advertisements

• Purchasing marketing lists for direct mail campaigns

After they are entered, leads automatically run through a pre-configured workflow rule that assigns the leads based on geographic location and creates activities.

The next step is to contact the lead. Based on the interaction with the lead, the sales representative might take any of several actions:

• Update information such as the company web site

• Enter notes about the interaction

• Qualify the lead into an account, contact, or opportunity

If the sales representative encounters a lead that is not interested in pursuing a sales relationship, the lead is disqualified, and then the sales representative indicates a reason for disqualifying the lead. Disqualified leads are retained in the database, so their data can be used for later market research or they can be reactivated if there is later interest.

The company tracks the leads that result in closed sales and the method of lead source that produced the closed sale. This allows the company to focus on the successful marketing campaigns and refine them.

**NOTE**: Leads are typically not connected to accounts or contacts. After a user has converted a lead to an account, contact, or opportunity, the lead record is closed. However, you can track activities (telephone calls, appointments, letters, or tasks) for a lead. The activities are not converted to activities for the account or contact; however, they can be seen in the Related Records view for the account or contact created.

**Capturing Lead Information**

The more data that can be collected and entered for a lead makes it more likely that the lead can be turned into a business opportunity, and eventually a sale. Consider capturing the following information when creating each lead:

• **Contact information**: The sales staff cannot follow up with leads unless they have a way of contacting them. Provide as much contact information as possible.

• **Source campaign**: Use this lookup field to tie the lead back to a marketing campaign. This helps the Marketing Department evaluate the performance of their campaigns and make better marketing investment decisions.

• **Lead source**: The Lead Source is only helpful if you enter the lead source for most of your leads. This field helps the Marketing Department track how qualified leads are generated and analyze the effectiveness of different lead sources. This enables the department to produce better marketing campaigns.

• **Industry**: Use this field in various reports such as Lead Source Effectiveness. The report can be filtered to display the lead source effectiveness by industry.

NOTE: If the industry you need is not in the list, work with the system administrator to add the new industries to this field. If the system administrator adds custom industries to the Leads form, ensure that he or she adds them to the

Account form to keep the two lists synchronized.

**Procedure: Create a New Lead**

Perform the following steps to create or edit a lead:

1. On the site map, click **Sales** and then click **Leads**.

2. On the **Leads** tab, in the **Records** group, click **New**.

3. In the **General** section of the form, enter appropriate information and observe any noted restrictions or requirements as needed:

a. **Topic**: This is a required field.

b. **First Name**: This is a recommended field.

c. **Last Name**: This is a required field.

d. **Company Name**: This is a required field.

e. **Salutation**, **Job Title**

f. **Rating**: Select from the drop-down list with default values of "Hot", "Warm" and "Cold".

4. In the **Contact Information** section of the form, enter appropriate information and observe any noted restrictions or requirements as needed:

a. **Business Phone, Home Phone, Other Phone, Mobile Phone**

b. **Fax, Pager**

c. **E-mail**

d. **Web Site**

5. In the **Description** section of the form, enter appropriate information.

6. In the **Details** section of the form, enter appropriate information and observe any noted restrictions or requirements as needed in the Ad**dress**, **Company Information and Lead Information** sections.

7. In the **Administration** section of the form, enter the appropriate information and observe any noted restrictions or requirements as needed:

a. **Owner**

b. **Source Campaign**

c. **Status Reason**

8. Use the **Contact Methods** section to indicate preferences or restrictions on how the lead can be contacted.

9. Use the **Notes** section of the form to add time-stamped notes or attach files to the lead record

10. On the **Lead** tab, in the **Save** group, click **Save & Close**.

**Procedure: Converting an E-mail Activity to a Lead**

This procedure shows how to quickly convert an e-mail to a lead. **Scenario**: A sales representative receives an e-mail message asking for pricing of a product. The sales representative is not sure if this is a real lead, but wants to follow the company's standard lead qualification processes. To start this process, a lead must be created.

Perform the following steps to convert an email to a lead:

1. On the site map, click **Workplace** and then click **Activities**.

2. In the **Activities** list, select the e**-**mail activity to be converted, and double-click it to open its form.

3. On the **E-mail** tab, in the **Convert Activity** group, click **To Lead.**

4. In the **Convert-Email-to-Lead** dialog, specify the details of the new lead:

a. **First Name**

b. **Last Name**

c. **Company**

d. **E-mail Address**

e. **Open the new Lead** option

f. **Close the e-mail form** option

5. Click **OK**. The new lead record is created.

**Assigning and Sharing Leads**

You can assign leads to different users or share them with other users. A supervisor who distributes leads among sales representatives can assign leads. Alternatively, users sharing leads can assign them so that other users can update lead information as needed. For example, leads might be shared with marketing staff members so they can review demographic information when planning marketing campaigns.

**Disqualifying and Reactivating Leads**

When it is determined that a lead is not interested in the company's products, the lead must be disqualified. The lead can be deleted, but if it is disqualified, the details of the lead remain in the system. This way, the lead can be reactivated and qualified at any time. If the lead is deleted, the related information is lost. For example, different departments may qualify or disqualify leads based on current promotions and marketing campaigns. Leads may not meet the qualifying process for the current campaign, but they may meet the qualifications for future sales or marketing campaigns. By disqualifying them instead of deleting them, you retain the records for future reactivation.

**Lab 1.1 - Qualify and Convert Leads**

During this lab you create activities and tasks, and then qualify and convert a lead.

**Scenario**

Gail Erickson, an Adventure Works sales representative, places a follow-up call to a lead named Teresa Atkinson. After the telephone call, Gail sends a "thank you" email to Teresa. The lead is qualified and ready to be converted into an opportunity, account, and contact.

**Goal Description**

Use Microsoft Dynamics CRM to accomplish the following:

• From within the Lead record, create a telephone call activity titled **Respond to Inquiry**. Type a description of the conversation with Teresa.

• Create an e-mail activity titled **Thank You**. Type a thank you message and then send the e-mail message.

• Convert the lead to an opportunity, account, and contact.

**Challenge Yourself!**

Based on the information in the Scenario and Goal Description, open the existing lead for Teresa Atkinson, complete the associated activities, and then convert the lead to an account, contact, and opportunity.

**Need a Little Help?**

Perform the following steps to complete this lab:

1. Open the lead called **Teresa Atkinson**.

2. Create a new phone call activity called **Respond to inquiry**, type a description of the conversation with Andrew, and save it as completed.

3. Create a new e-mail activity called **Thank you**, type a thank you message, and send the message.

4. Convert the lead to an account, contact, and opportunity.

**Step by Step**

Perform the following steps to complete this lab:

1. On the site map, click **Sales** and then click **Leads**.

2. Select **Open Leads** from the drop-down list of available system views.

3. In the grid, click **Teresa Atkinson** and double-click it to open the form.

4. On the **Add** tab in the **Activity** group, click **Phone Call**.

5. In the **Phone Call** section of the form, enter or select the following:

a. **Subject**: type “Respond to inquiry”

b. **Description**: type “Andrew wants to know if we sell brake-part kits. I told him that we only sell separate parts, and that these parts will be discounted during our spring sale.”

6. On the **Phone Call** tab, in the **Save** group, click **Mark Complete**.

7. On the **Add** tab in the **Activity** group, click **E-mail**.

8. In the **E-mail** section of the form, enter or select the following:

a. **Subject**: type “Thank you”

b. **Text box**: type “Thank you for inquiring about our brake parts. Please let me know if you have questions.”

9. On the **E-mail** tab, in the **Save** group, click **Send**.

10. On the **Lead** tab, in the **Actions** group, click **Qualify**.

11. In the **Convert Lead** dialog, click **Account**, **Contact**, and

**Opportunity** and then click **OK**.

12. Click **X** in the top right corner of the window to close the deactivated lead.

**Working with Opportunities**

In Microsoft Dynamics CRM, the Opportunity record type represents a potential sale, and is the most important foundation of the sales process. Every organization differs in its business practices and sales processes, and these differences are commonly expressed in the following ways:

• Customized fields on the opportunity form.

• A series of specific activities that must be completed to close an opportunity.

• Staged processes, often described as "sales process" workflows.

**Opportunity Processes**

Depending on an organization's business practices, the steps involved in closing an opportunity will vary. Regardless of the number or type of steps in a closing process, the opportunity record can be used to track the entire process.

The opportunity form contains many built-in fields and in addition can be customized to help manage your organization's sales processes.

• One common approach involves using fields on the Opportunity form to track the progress of an opportunity through the stages of a sales process. For example, a pick list of the various stages of a sales process might be used in conjunction with other fields such as estimated close probability or the estimated close date.

• Another approach to managing and tracking the sales process involves using the workflow capabilities of Microsoft Dynamics CRM. An example of this is examined later in this course.

**Creating Opportunities**

Opportunities can be created manually or by converting a lead or an activity to an opportunity. If your organization uses leads, you will often convert leads into opportunities. In other situations, create a new opportunity for an existing account or customer, or create an opportunity based on an activity that occurs, such as an e-mail or a phone call.

**BEST PRACTICE**: Even if your organization chooses not to use leads as part of the standard sales process, you can use them as a helpful data entry tool. When a new relationship is established, you can enter information about a person, their company, and also their potential sale into a lead record and then qualify the lead. Microsoft Dynamics CRM Online creates the Contact, Account, and Opportunity saving you from typing information into all three forms.

**Demonstration: Create an Opportunity by Converting a Lead**

**Scenario**: Adventure Works Cycles has several processes its sales representatives use to convert leads. This demonstration illustrates one of them, in which a qualified lead record is used to create a contact and an associated opportunity record.

Perform the following steps to create contact, and opportunity records from a qualified lead:

1. On the site map, click **Sales** and then click **Leads**.

2. In the **View** list, select **Open Leads**.

3. Select the lead **Yvonne McKay**.

4. On the **Leads** tab, in the **Actions** group, click **Qualify**.

5. In the **Convert Lead** dialog:

a. Click **Qualify and convert into the following records**.

b. Select **Contact** and **Opportunity**.

c. Select **Open newly created records**.

d. Click **OK**.

6. Note that the forms specified in the prior step might appear in a different order than the sequence of checkboxes:

a. On the **Opportunity** form, in the **Topic** field of the **General** section, delete the existing value and type "**Interested in** **Mountain Bikes**". Enter appropriate values for other fields, and then click **Save & Close**.

b. On the **Contact** form, update information as necessary, and then click **Save & Close**.

7. Navigate to the **Open Leads** view and note that the qualified lead no longer appears in the view.

8. Change the View to **Closed Leads** to see the record for Yvonne McKay.

9. On the site map, click **Sales** and then click **Opportunities**. Verify that the new record appears.

**Procedure: Creating Opportunities by Converting Activity Records**

In addition to creating opportunities by converting lead records, you can also create opportunities by converting activity records, thus preserving the information from the activity record. All activity types, including custom activity types, can be converted to opportunities. Perform the following steps to convert an activity to an opportunity:

1. On the site map, click **Workplace** and then click **Activities**.

2. In the **Activities** list, double**-**click the activity to be converted, to open its form.

3. On the **Activities** tab, in the **Convert Activity** group, click **To Opportunity**.

4. In the **Convert to Opportunity** dialog, specify the details of the new opportunity:

a. **Customer**: This is a required field.

b. **Currency**: Accept the default value.

c. Make sure the **Open the new Opportunity** checkbox is selected.

d. Make sure the **Change the Activity status to Completed and close the form** checkbox is selected.

e. Uncheck the **Record a closed campaign response checkbox**, and notice that the **Source Campaign** field is now longer required.

**Adding and Viewing Activities for an Opportunity**

The bulk of work needed to close an opportunity is to interact with the customer in one way or another. This work is recorded in Microsoft Dynamics CRM as activities.

Activities can be added for an opportunity before they are completed to track actions that must be taken. You can add specific activity types, such as **Phone** **Calls**, **E-mails**, or **Appointments**, or use the **Task** activity to track general activities that should be performed. For example, to call a contact about the opportunity, create an activity and note what the phone call must include. After completing the phone call, mark the activity as completed. (Some activities, such as e-mail, are automatically marked as completed when they have been sent from Microsoft Dynamics CRM.) Once an activity is complete, it becomes part of the history for this opportunity.

You can view the activities performed for an opportunity and view them over various timeframes, such as the last week or the last ninety days.

**Procedure: Add a new Activity to the Opportunity**

Perform the following steps to add an activity to an opportunity:

1. On the site map, click **Sales**, and then click **Opportunities**.

2. In the **Open Opportunities** list, double-click on an opportunity.

3. In the left navigation area of the **Opportunity** form, in the **Related** section, click **Activities**.

4. On the **List Tools Activities** tab, click **Add New Activity**.

5. In the **Add New Activity** drop**-**down, select one of the following:

a. **Task**

b. **Fax**

c. **Phone Call**

d. **E-mail**

e. **Letter**

f. **Appointment**

g. **Service Activity**

h. **Campaign Response**

6. The fields to be entered depend on the selected activity. Enter the appropriate information and observe any noted restrictions or requirements as needed.

7. Click **Save & Close**.

**Procedure: View the History of Activities**

Activities appear in the Closed Activities view when they have been closed. Thus, history contains the list of e-mail and faxes sent, tasks completed, and phone calls made or meetings that were held. Perform the following steps to view activity history:

1. On the site map, click **Sales**, and then click **Opportunities**.

2. Double-click on an **Opportunity** in the list.

3. In the left navigation area of the **Opportunity** form, click on **Notes & Activities**.

4. There are numerous views and **Filter on** options to select.

5. Under **Include**, select **Related** “**Regarding**” **Records** to view the history from all records related to the opportunity record, such as the history of activities for leads or contacts associated with this opportunity. Select **This Record Only** to view the history for this opportunity only.

6. Click the **File** tab, and then click **Close**.

**Adding Competitors to an Opportunity**

Track your competitors with the products and sales literature they carry that matches your inventory. When you track opportunities, knowledge about competition can be the difference between winning and losing. This knowledge can help the sales team better position their services and products against the competition, thus improving chances of winning.

**Procedure: Adding a Competitor to an Opportunity**

Perform the following steps to add a competitor to an opportunity:

1. On the site map, click **Sales**, and then click **Opportunities**.

2. Double-click on an **Opportunity** in the list.

3. In the left navigation area of the **Opportunity** form, click on **Competitors**.

4. On the **List Tools Competitors** tab, click **Add Existing Competitor**.

5. In the **Look up Records** dialog, click the Lookup icon to view the list of available competitors in the **Available records** list.

6. Select a competitor and click **Add** to move the competitor to the **selected records** list. Click **OK**.

7. Click the **File** tab, and then click **Close**.

**Assigning and Sharing Opportunities**

During creation, an opportunity has an owner associated with it. Typically, it is the sales person that is working on the opportunity. Sometimes, the owner may need to be changed to another user. For example, a sales representative may leave the organization or be reassigned, so his or her opportunities must be reassigned to another user.

An important new feature in Microsoft Dynamics CRM 2011 is the ability to assign most record types -- including accounts, contacts and opportunities – to teams as well as to users. Examples of when you might assign records to teams include:

• An organization might implement "team ownership" of certain key accounts or strategic opportunities, with team members drawn from senior sales or management positions across different departments or business units.

• An "unassigned accounts" team could be created, and used to easily identify accounts or other records that are eligible for "claiming" by a member of the team. Team ownership of records is discussed in more detail in the course, Microsoft

Dynamics CRM Service Management: Working with Teams and Queues.

**Deleting, Closing and Reopening Opportunities**

In Microsoft Dynamics CRM, opportunity records are saved with a default status value of "Open". Open opportunities are conventionally used to represent potential sales and will often have sales processes associated with them. Open opportunities can be modified as necessary. When a customer reaches a buying decision, opportunity records can be closed in one of two ways:

• **Close as won** indicates a successful sale, and changes the status value to "**Won**".

• **Close as Lost** indicates a decision not to buy, and changes the status value to "**Lost**". Opportunity records with status values of either **Won** or **Lost** are read only. If changes are required to closed opportunities, they can be reopened as is illustrated next.

***NOTE***: Opportunity records can be deleted by users with sufficient security privileges. However, it is important to realize that deleting an opportunity record also deletes any associated activities and notes. As a general rule it is better to close opportunities as lost rather than delete them*.*

**Procedure: Close an Opportunity**

Whether you win a sale or lose it, you need to close the opportunity and indicate the status of the opportunity at closing. An opportunity can be closed either from within the opportunity form, or from the data grid for opportunities, as the following two procedures illustrate: Perform the following steps to close an opportunity with a status of "Won":

1. In the Navigation Pane, click **Sales**, and in the Sales area, click **Opportunities**.

2. Select and open an opportunity from the grid and double-click it to open its form.

3. On the **Opportunity** tab, in the **Actions** group, click **Close as Won**.

4. Accept the default values for the **Actual Revenue** and **Close Date** fields, and click **OK**.

5. Close the opportunity form by clicking the **X** in the top right corner. Perform the following steps to close an opportunity with a status of "Lost":

1. In the Navigation Pane, click **Sales**, and in the Sales area, click **Opportunities**.

2. Select an open opportunity in the data grid.

3. On the **Opportunities** tab, in the **Actions** group, click **Close as Lost**.

4. Accept the default values for the **Status Reason**, **Actual Revenue** and **Close Date** fields.

5. Optionally, you can associate a lost opportunity with a competitor by specifying a value in the **Competitor** field.

6. Click **OK**.

**Reopening Opportunities**

Sometimes, an opportunity that was closed must be reopened. For example, an opportunity was lost because the customer did not budget for the purchase. Later, the customer returns with a budget and wants to buy the product. In that case, the closed opportunity can be reopened. Reopening a closed opportunity rather than creating a new one allows the user to obtain context from the history of activities for this opportunity. Leveraging knowledge of earlier interactions puts the sales person in a good light, speeds up the sales process, and helps the sales person identify customer requirements and win the business more effectively.

**Procedure: Reopen a Closed Opportunity**

Opportunities closed as "Won" or "Lost" can be reopened. For example, an opportunity closed as won might need to have some information updated, so it could be reopened, corrected, and then closed again. An opportunity closed as Lost might be reopened subsequently if the potential customer changed their mind, received funding they had not expected to, and so forth.

Perform the following steps to reopen a closed opportunity:

1. In the site map, click **Sales**, and then click **Opportunities**.

2. In the Views drop-down list, select **Lost Opportunities**.

3. In the list of opportunities, select an opportunity and double-click it to open its form.

4. On the **Opportunity tab**, in the **Actions** group, click **Reopen Opportunity**.

5. In the confirmation dialog box, click **OK**.

6. Click **Save and Close**.

**Procedure: Using Custom Views to Highlight Exception Records**

In many cases it may be helpful to highlight certain records within a view to call attention to those records. A common example might be to highlight all of your open opportunities that are past due, with a value for the "**Est. Close Date**" field of less than the current date. In Microsoft Dynamics CRM this can be easily accomplished using the Outlook client.

Perform the following steps to create an exception view highlighting past-due opportunities in the Outlook client:

1. Click the Outlook folder for your CRM organization, and then expand the **Sales** folder.

2. Click **Opportunities**.

3. Right-click any column header in the view, and select **View Settings** on the menu.

4. Click **Conditional Formatting**.

5. In the **Conditional Formatting** dialog, click **Add**.

6. Type "**Past-due Opportunities**" in the **Name** box.

7. Click **Font** and select an appropriate font.

8. Click **Condition**.

9. In the Filter dialog, click the **advanced** tab.

10. Select the **Field** drop-down menu.

11. Click **User-defined fields** in folder, and then click **Est. Close Date**.

12. Click the **Condition** drop-down list, and then click on or before.

13. Type "**Today**" in the **Value** field, and then click **OK**. Click **Yes** to confirm the action.

14. Click **OK** twice to save the customizations to the view.

**Sales Processes, Workflows and Dialogs**

Working with opportunities may involve several activities, such as assessing the customer needs, formulating a solution, making a proposal, and finally gaining acceptance from the customer. Collectively, these activities are often referred to as a "sales process", and many organizations have well**-**defined processes that reflect the unique aspects of their selling model, their customers' purchasing habits, or certain required activities for specific products or business lines. Microsoft Dynamics CRM has a powerful and flexible set of features referred to as **Processes** that allow organizations to automate business and sales processes. There are two types of Processes you can use, depending on your requirements:

• **Workflows** can create, update and assign records, and can be run on demand or triggered automatically. Workflows run in the background, or "asynchronously". Workflows are discussed in detail in the course Microsoft Dynamics® CRM *2011* Customization and Configuration.

• Unlike workflows, **Dialogs** run in real time -- or, "synchronously" -- and support user interaction with one or more **Pages**, each of which can have a **Prompt** and a **Response**. Dialogs can be used to build sales processes that respond intelligently to a user's responses to several prompts, and will be discussed in more detail next.

**Test Your Knowledge**

1. Which of the following is required to create an opportunity?

( ) A marketing list

( ) A lead

( ) A competitor

( ) A customer

2. Is the use of leads required for the sales process?

( ) Yes

( ) No

3. What is an opportunity?

( ) Promise of purchase by a customer

( ) Potential sale

( ) An opportunity is the same as a Lead

( ) A record that is created after you prepare a quote

4. Which of the following must you specify before adding products to an opportunity?

( ) Salesperson

( ) Estimated Revenue

( ) Price List

( ) Discount

5. What happens when an opportunity is deleted?

( ) All related note information is lost

( ) The opportunity cannot be reactivated

( ) A status reason can be specified

( ) All related activity information is lost

6. The organization associated with a closed opportunity has changed its mind and has expressed interest in doing business with your company. How should you record this potential sale in Microsoft Dynamics CRM?

( ) Create a new opportunity

( ) Reopen the closed opportunity

( ) Activate the closed opportunity

( ) Assign the closed opportunity to a sales representative

7. To access the Sales Pipeline report, the user can click on Reports from which module?

( ) Workplace module

( ) Sales module

( ) Service module

( ) Settings module

8. put the following steps in order for a typical sales process:

Step:

\_\_\_\_\_: Generate a quote and present to customer

\_\_\_\_\_: Associate activities, sales literature and other information with the

opportunity

\_\_\_\_\_: Qualify lead

\_\_\_\_\_: Customer accepts quote, close opportunity as won

\_\_\_\_\_: Create opportunity

9. Which of the following are good scenarios for a Dialog Process?

( ) An auto-responder e-mail when a form is submitted

( ) A call script for a telesales representative

( ) A process to route case records based on information entered on the case form

( ) A process to guide a sales representative through a series of configuration questions and then generate an appropriate opportunity record

**Quick Interaction: Lessons Learned**

Take a moment and write down three key points you have learned from this chapter:

1.

2.

3.

**Solutions**

**Test Your Knowledge**

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