



The CRM buyer's guide

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Introduction

Why should you read “The CRM buyer’s guide”?

Good customer relationships are essential if a company wants to achieve higher revenue and faster growth. Unfortunately, good customer relationships are not always a result of just pure hard work. Companies also need enabling technologies and tools to help them to maximize the value of their customer relationships. This is where CRM comes in.

CRM (Customer Relationship Management) is a philosophy and strategy that centers around building better customer relationships. CRM software enables your business to scale up the process of creating those relationships.

On a broad level, CRM software gives your business the best possible understanding of your customer and your customer’s experience with your business from sales to marketing to customer service. Ultimately, with CRM, it is possible to make very smart decisions about how to improve your business, as well as your customer relationships.

In greater detail, CRM software helps your business to manage contact information in an organized way making it easy to follow up on your customers and activities. All of this information is stored in a single location which makes it easy for the whole company to have access to a common view of the customer at the same time and even when on the move.

So how do you get started with CRM? This guide is designed to answer all the questions that you have about this topic. It will show you what CRM is and how it can help your company. It will show you how to select the right system, what to think about when considering a CRM vendor and how you can measure the success of CRM.

With regards to reading this guide, you can either read this from front to back or you can go straight to the section that interests you. Included throughout this guide are some best practices and check lists we have provided to help you to decide whether your business is ready for CRM and how it will help you to attain your business goals. We’re sure you will find plenty of information to get you on the road to finding the best CRM system for your needs.

What is CRM?

CRM (customer relationship management) is a company-wide business strategy designed to improve revenues and profitability, reduce costs and increase customer loyalty.

The CRM philosophy is simple: put the customer first. When your business looks at every transaction through the eyes of the customer, you can't help but to deliver a better experience to your customers, which in turn, increases loyalty to your company.

True CRM software brings together all information from different departments throughout the company to give one, holistic view of each customer in real time. This allows customer facing employees in areas such as sales, marketing and customer support to make quick and informed decisions on everything from upselling and cross-selling, to improving the quality of customer communication and responsiveness to coordinating the management of sales and marketing campaigns, just to name a few.

Imagine that you are a sporting goods supplier and you want to quickly sell off this season's size large bike shorts. Your CRM system can help you to find all customers who have recently purchased large-sized clothing. You send them an email offering them a 30% discount off the regular price of the bike shorts. You sell the shorts, the customer feels like he got a deal and that you cared enough to get in contact.

Or, let's say that you're a salesman for a car dealership. Your dealership has just received next year's high end models on the showroom floor. Using your CRM system, you could find all your premium customers who have

CRM is the engine that drives customer trust and builds the customer relationship.



When implemented properly, CRM gives companies not only insight into the opportunities to grow business with each customer, but a way of measuring their value. Despite what you might think, not all customers are created equal. Some are a drain on customer service resources despite spending very little. Other customers do business frequently, often buy new products and services and may even be strong influencers in their market. CRM helps to prioritize sales and marketing efforts to this group. It also gives companies a better way of understanding customer needs and wants in order to improve the way the product portfolio is offered to them.

indicated an interest in your brand's high end model cars in the last three years and invite them to a wine-tasting and a chance to see the car.

With enough information, the CRM helps a company to know when to send customer information about a new product or service offering. The more you know about your customers, their buying preferences and behavior, the more likely your offer will be on target.

Why is CRM So Important To Your Business Now?

CRM is more important now than ever to businesses because it can help you to gain new customers and retain existing ones.

In today's highly competitive environment and with so many products and services to choose from, customers are picky and customer loyalty seems to be a thing of the past. The moment a new product is introduced into the market, it takes only a few months before that product or service suddenly becomes a commodity.

And let's not forget the introduction of the Buyer 2.0. Thirty years ago, when PC's were a little known thing, our behavior as consumers was different. We were more used to receiving information. This came in the form of TV and magazine ads, we had to talk to many sales

representatives to get information, we gathered brochures and sales materials and then we tried to make sense of it all.

Then, when Web 2.0 and social media arrived, they changed everything. Forums, chats, blogs, discussion groups, price comparisons, scorings, rankings, social networks, professional communities, wikis, and even business web pages offered a lot of information to buyers. Today's buyers are informed and quite immune to traditional and obvious marketing tactics.



Customers don't need you to tell them what they need or want anymore. They already know. What they want is to be treated as individuals. They want to feel like their business matters to you and that you care.

The chart shows

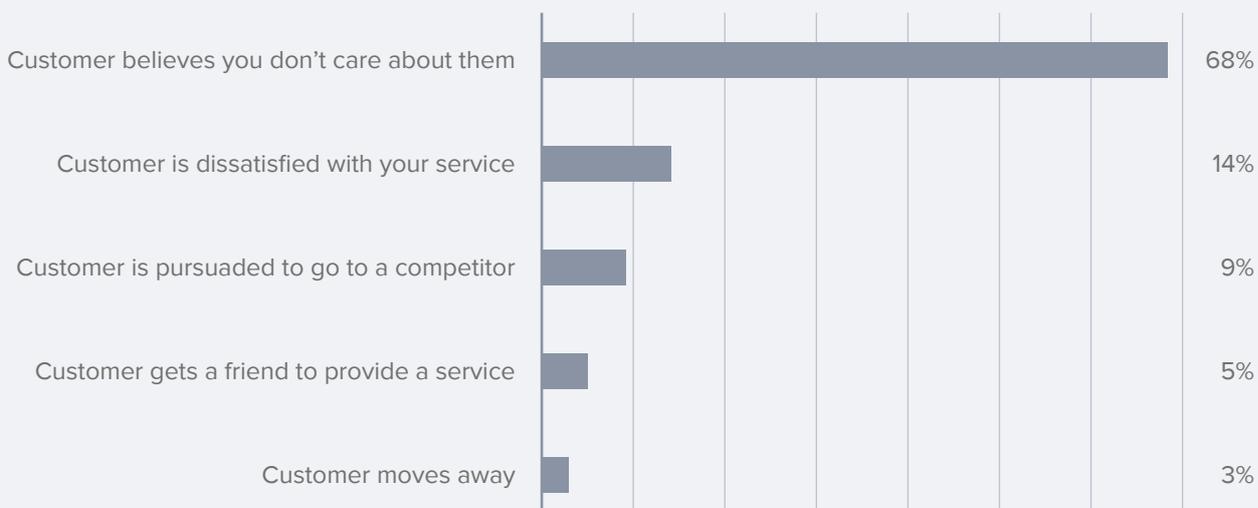
The chart below shows a well-cited study by The Rockefeller Corporation studying precisely why customers leave. Everyone thinks that people leave because of lower priced competitors. If not that, then it's because of a killer competitive offer. That's not the case.



68% leaves because...

This study showed that 68% of customers leave because they feel like you don't care about them.

Why do customers leave a company?





He who cares wins

Think back to a time when you, yourself, needed customer support from a company. If you called the company and they had no previous information about you, kept transferring you from department to department and you had to keep repeating your information over and over again – you’d probably feel like the company didn’t care about you and didn’t value your business.

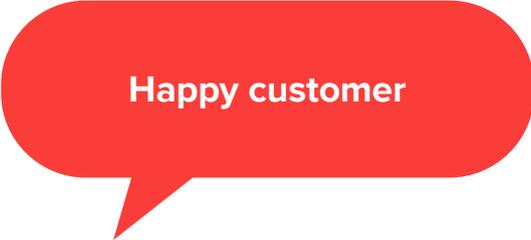
Now think about the kind of service you get from your favorite airline. For example, when you call that airline, the phone system recognizes you and welcomes you by name. You have the chance to get routed to a live

customer representative and when that person picks up the phone, he/she addresses you by name and already knows all your preferences, your upcoming flight information and any other issues you may be having. By providing you this kind of service, the airline is giving you a reason to continue doing business with them.

Similarly, if you are investigating a new product, you probably are more likely to buy from the sales person who shows you that he has noted, understood and taken into account your needs and concerns. This shows up in the way he follows up with you, in the direction of the sales calls and in the offer that he makes you.



Needs and concerns



Happy customer



Direction of the sales



A CRM system can make all the difference

in whether or not you gain a new customer or retain an existing one. Customers who feel valued are happy customers and happy customers mean repeat business – not to mention, improved bottom lines.

How does CRM work?

Although some people think of CRM as just a technology, it is so much more than that.

No technology, no matter how sophisticated – can be successful without a strategy to guide its implementation and use. Business strategy and technology must work together in order to bring a customer-centric plan to life.

Supports a customer-centric strategy

A CRM system supports a strategy which says that the customer is at the center of everything that you do. This customer-centric strategy must be based on clear goals and a vision of what a meaningful customer experience looks like.

A valuable customer experience is an integral part of CRM. According to Gartner's report, "Improving the Customer Experience: Expectations, Delivery and Feedback":

Every time a customer comes in contact with an organization, through any of its channels, the customer has an opportunity to form an opinion – be it good, bad or indifferent.



Through time, this collective set of customer experiences forms a picture in the customer's mind, which forms the image of the brand its values.

Organizations which are serious about CRM are serious about designing and maintaining a quality customer experience.

They recognize that a poor customer experience is a step toward customer defection, whereas a good experience encourages loyalty.”

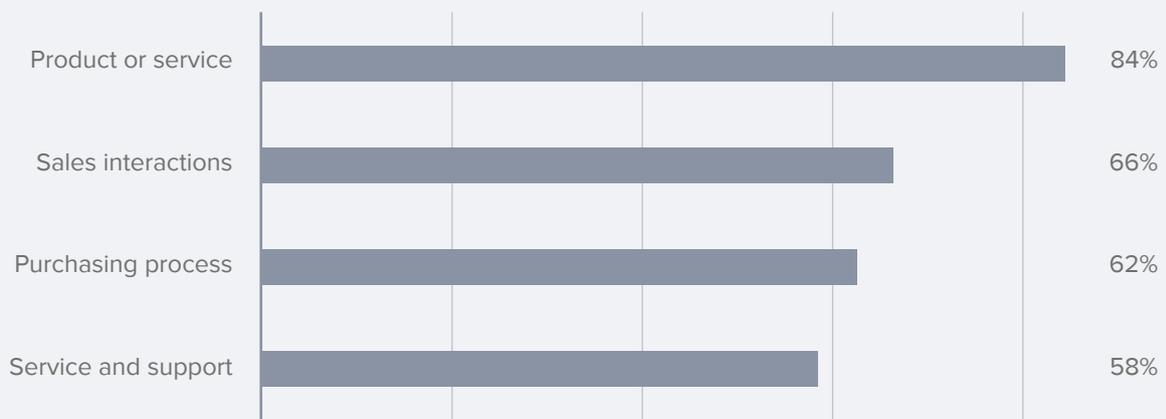


What factors encourage loyalty? In a study done by Customer think corporation, “Customer experience management: The value of the moments of truth”, there are 4 main factors which contribute to customer loyalty:



Factors in earning loyalty

How important is the quality of each of these activities in earning your loyalty?



Of course, the quality of the actual product or service being purchased is still important, but as you can see in the chart, the quality of sales, purchasing, and service and support activities received a significant percentage (ranging from 58 to 66 percent) of high importance ratings.

The following three examples give you a taste of how a really good customer experience can be:

1 United Airlines saves your seat, books a flight

New York Times best-selling author Steven Levitt wrote an article about how United Airlines turned him into a customer for life in a couple ways. Steven was running late, and unlike other airlines, they actually saved his seat until the last second. On another occasion, United Airlines called him and informed him that his flight was delayed by a few hours, and they saw that he was in the airport. The call went like this:

“I see that you’re at the airport and your flight is delayed a few hours. A seat opened up on an earlier flight, so I grabbed it for you in case you wanted it. It leaves in 40 minutes, so you’ll have to hurry.”

These two events, Levitt explains, turned him into a life-long customer of United Airlines. / **Source: Open Forum**

2 Zappos believes in the personal touch

Martha A. ordered a pair from the Zappos site, but had PayPal issues. Instead of telling her that it wasn’t a Zappos problem, the Zappos customer service representative (Brandi H.) helped her resolve the credit card issue. When Martha told Brandi that the shoes were for her daughter who was graduating in a week, not only did Brandi wish her daughter “congratulations”, but sent a flower arrangement with a note from Zappos.

Martha says, “I have never had a business be so personal in their dealings with me. I am totally impressed and just wanted to send you a sincere ‘thank you!’ for brightening my day and my daughter’s.” / **Source: Zappos**

3 Cisco helps customer to help themselves

Cisco tries to make working with their company as easy as possible. Their customer experience program analyzes insights from surveys, social media, and a core employee listening post to identify opportunities to simplify processes and remove customer, partner, and employee pain points. For example, the online customer support website needed some help, so the company streamlined processes and improved navigation to enable customers to solve their problems quickly. The result is that 81% of issues are now resolved online, which avoids 356,000 cases per month. / **Source: Forrester**

A part of the value in a specific product or service is the experience that it creates. Once the vision of a valuable customer experience is defined, the CRM software is what will bring it to life. With CRM, you will get to know your customers, to understand their needs and be able to respond to those needs faster and easier.

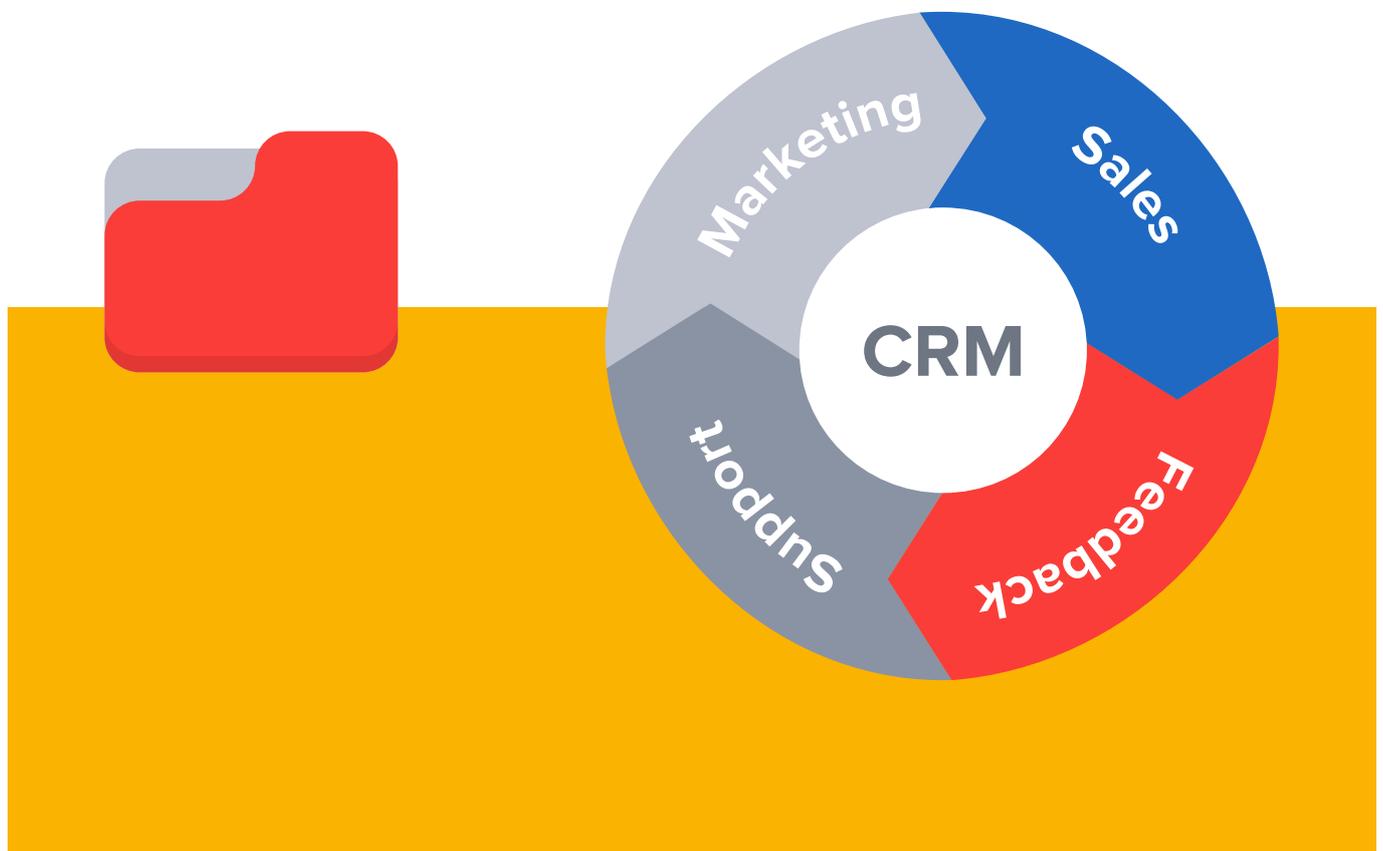
Centralizes all your customer data

CRM software combines all sales, marketing and customer service information into one central database. Customer information can include, but is not limited to, phone numbers, addresses, and last contact made.

The software also records what was discussed, what the next follow up date is and even the status of an open item. This information can then be used to manage, measure, and keep track of marketing, sales and customer service activities as they relate to the customer. Overall, it builds greater customer loyalty and a better customer experience.

Since a CRM system centralizes all customer-facing information, silos and finger pointing are significantly reduced. Sales can't blame Marketing for not communicating with them.

Marketing can't blame Sales for not implementing their campaigns and Customer Service can't blame Sales for disgruntled customers. Everyone has the same access to the same customer information.



Automates customer-facing business processes

Companies have business-facing processes and customer-facing processes. Business-facing processes are those which make the business run more efficiently such as budgeting and planning. Customer-facing processes include sales, marketing and customer service.

A CRM strategy focuses primarily on the customer-facing processes and makes them better in terms of meeting the needs of the customer. The following chart explains a sample what is included in each process:

Marketing	Sales	Customer service
• Customer segmentation	• Lead management	• Campaign development
• Campaign execution	• Customer development and retention	• Lead management
• Opportunity management	• Account management	• Activity management
• Pipeline management	• Cross-selling and up-selling	• Request management
• Escalation/ prioritization	• Service tracking	• SLA agreements
		• Account inquiries

The whole CRM process begins with a lead – the name of someone you think you can sell something to. Once the lead is put into the system, the software will then take it through to the sales process. It's the CRM system that will remind the sales person to call at an agreed upon time, for example. Each time you interact with the prospect, you will record it into the CRM system. The same applies if someone else ends up talking to the prospect.

Whether you're in sales, marketing or customer support, a CRM system can help to automate a particular business process, as well as to automate the way each process works together with the other. But, it goes without saying that each business process must be well defined and efficient in order for a company to achieve good results.

The CRM keeps track of all actions and what's been said. At the same time, the CRM is a library of documents, phone calls and emails. When an interaction with a prospect is initiated, you get an instant, automated trail of communication. Because the information is in one central place, anyone in the company can help this person out.

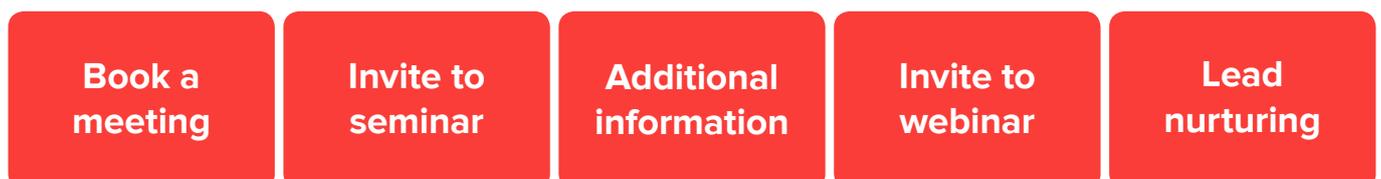
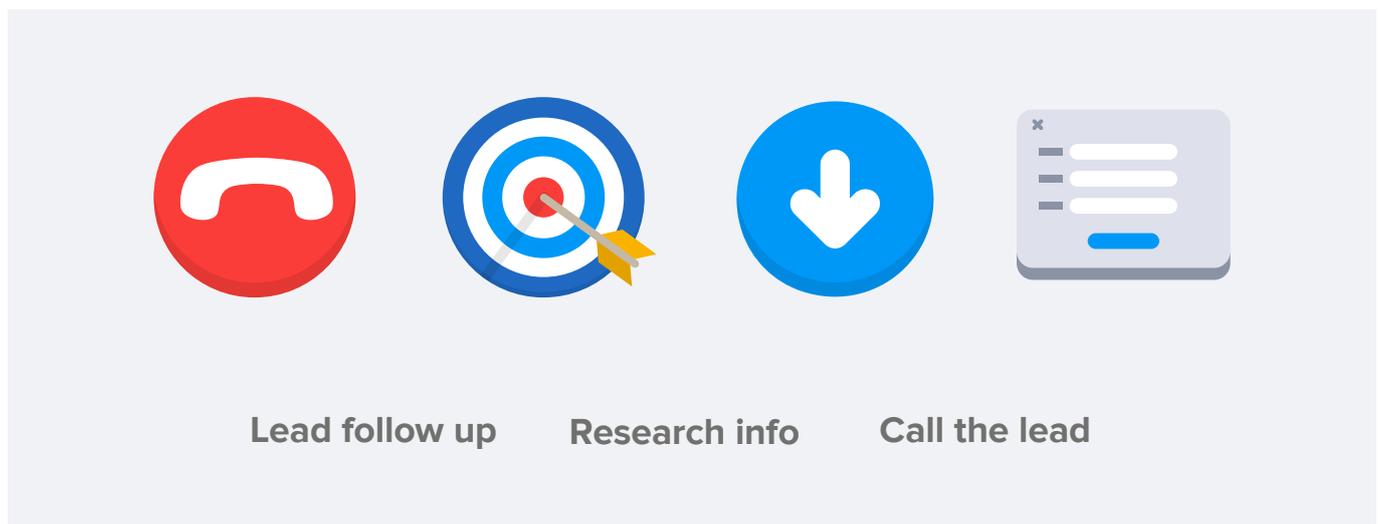


Let's take lead management as an example

Lead management is the process of generating and identifying a lead, qualifying the lead and converting the lead into a sale. A lead can come from many channels – website, cold calls, event/ seminar, newsletter or purchased lead. With this amount of channels, it must be clear which person or department is ultimately responsible for logging the lead because this determines how the lead should be routed and how it is followed up on. Without a clear definition, leads can end up lost or forgotten, which results in frustration, lost sales productivity and even a bad customer experience.

Another example is customer support. There should be clear rules for how inbound service requests are managed.

These rules define first line support, second line support, what resources will be used to fix a customer's problem and how status updates will be shared to ensure that the issue is being addressed. Once the workflow and rules are defined, the CRM system can automate the whole flow. At the same time, it keeps a record of all previous contact history so that customer service teams can view the information to get a better understanding of how to help the customer, which can then be used to make the business more efficient and improve customer satisfaction.



The top 8 things a CRM system can do for you

What are the main benefits your business hopes to achieve using CRM?

A 2012 survey by TechNewsWorld asked more than 500 organizations ‘What are the main benefits your firm hopes to achieve using a CRM?’ found that the benefits of CRM technology can benefit almost any business in several different areas:

What are the main benefits your business hopes to achieve using CRM?



In fact, it's hard to think of another business-related technology that's as versatile and pays as many direct benefits, as CRM.

Here's a look at 8 ways CRM can benefit your business:

1 Improve decision making

CRM sheds light on crucial information and business owners/ management can benefit from detailed reports that forecast sales, measure service activity and track business performance.

2 Access real time data

Key data is no longer anchored in the office. CRM can give mobile employees instant access to centralized, real time data to customer histories, pricing information, customer contracts, mail history and inventory from any location on any device.

3 Provide enhanced sales tools

Businesses can use CRM to drive shorter sales cycles and improve close rates with software that nurtures lead and opportunity management. Organizations can also use the technology to create workflow rules, automate sales processes and streamline order management.

4 Improve call-center service

CRM technology enables employees to quickly assign, manage and resolve incidents with automated routing, queuing and escalation.

5 Identify repeat customers

CRM applications can enable call-center agents to auto-matically identify phone calls from past customers, instantly recalling data from the CRM system. This opens up the opportunity for cross-selling and suggesting alternative products.

6 Enhance productivity

With CRM, sales and marketing functions can be seamlessly integrated. By storing key business data, users can quickly gain access and share information, helping them boost business productivity.

7 Secure customer loyalty

Employees with detailed CRM information have the data and processes required to know their customers, allowing them to form individualized relationships. This type of business to customer bonding can boost customer satisfaction and maximize profits.

8 Drive marketing strategies

By accessing customer purchase history and buying behavior, marketing teams can now tailor promotions and target a specific segment upsell/ upgrade customers and increase conversion rates.

As you can see, a CRM system has many great benefits which are not limited to the eight reasons above. Ultimately, a CRM system helps you to attract and retain customers. How are you doing this today and how is the technology supporting this?

Mobile CRM

Mobile CRM or mobile customer relationship management is a CRM tool designed for mobile devices including smartphones and tablets.

By connecting through mobile CRM, you allow your sales teams to access customer data through a CRM mobile app or through a web-based browser with cloud CRM.

Why mobile CRM matters

Traffic from mobile devices continues to grow and in fact, mobile traffic is growing so fast that in some places, it has already surpassed desktop traffic.

One of the key conclusions from the latest Internet Trends Report is that 25% of all internet traffic is now from mobile, which is up from 14% from last year and up from 4% in 2011.

As mobile adoption continues to grow and organizations become more flexible in work arrangements to their employees, traditional desktop applications such as CRM are moving into the mobile space.

Users and customers both expect information to be updated in real-time, not “when you get back to the office.” And, on average, sales teams spend more than 50% of their work day selling remotely. This means that your sales force needs access to real-time information from anywhere around the world.

Mobile traffic as % of global internet traffic = Growing 1.5x per year & likely to maintain trajectory or accelerate

Global mobile traffic as % of total internet traffic, 12/08 - 5/13 (with trendline projection to 5/15E)



Source: StatCounter Global Stats, 5/13. Note that PC-based internet data bolstered by streaming.

The next generation CRM

In 2014, an IDC survey to C-suite executives identified CRM as their “most-wanted mobile app.”

The idea of a business professional chained to a desk to read or respond to email is almost as quaint as an accountant crunching numbers using an abacus. Many business professionals these days don't work from their desks, per se, but they're working while in off-site meetings or traveling on the road. This means that they rely heavily on mobile devices not only for communication, but for work.

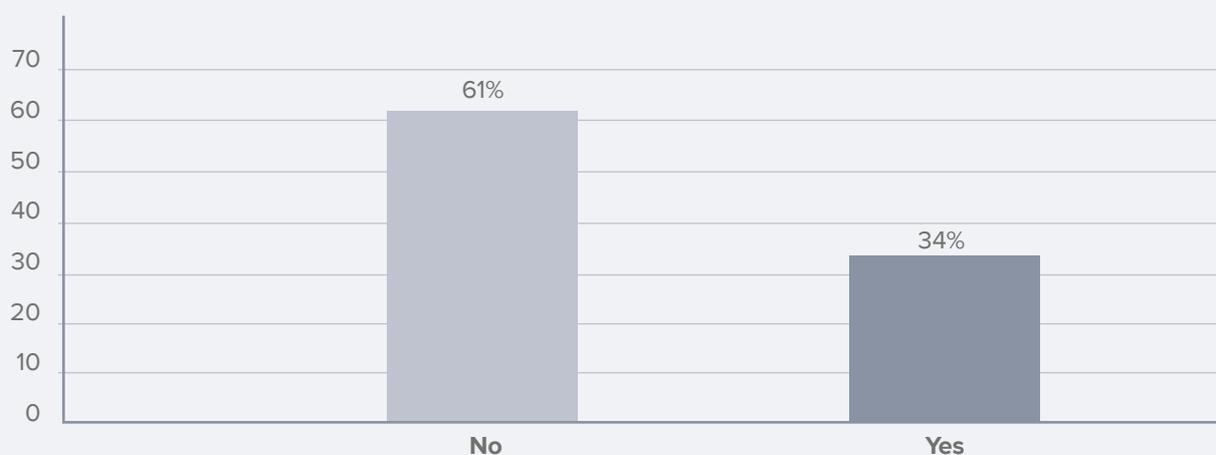
The biggest group of road warriors is sales executives and professionals who are mainly out in the field meeting with potential and existing customers and which creates a need for mobile CRM.

Forrester Research found that 53% of companies are piloting, rolling out or currently using smart phone applications for sales force automation.

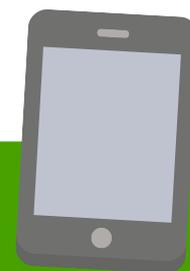
Yet, with 53% rolling out or piloting a mobile CRM application, it leaves less than half without. In addition, organizations in Europe have been particularly slow to adopt mobile CRM with only 34% of companies having implemented a mobile CRM.

The Gartner Group predicted a growth rate of 500% in 2014 for mobile CRM, and it is tablets that are leading the growth for mobile CRM adoption as 30% of sales organizations have now been issued tablets as the primary device for sales staff.

Has your company implemented a mobile CRM?



It's no doubt that we are in the age of mobility



Five key benefits to implementing mobile CRM

If you're looking to address sales productivity, sales effectiveness, gain a competitive edge or reduce the cost of sales turnover, then mobile CRM is something for you to consider.

CRM increases sales force productivity by an average of 14.6%



1 Access to up-to-date contact information

By having this information available, it will help your sales teams for call planning and preparation and is one of the key use cases for having a mobile CRM app. Sales teams have access to any information about a client or potential client before they meet in person. This data could include recent email conversations, products recently purchased and current sales status. Your sales teams get to become more personal than ever before.

2 Direct information update

A mobile CRM is a great tool for adding new leads directly into your CRM from anywhere. The sooner you get a potential lead logged, the better the chance you have of following it up and taking action. Mobile CRM makes all this possible, by allowing employees to instantly add new information and update client profiles.

3 Always updated

If your sales team visits a prospect and if something changes regarding an in-progress deal or quote, you can change this on your mobile CRM without the need to wait until the sales force arrives back at the office, keeping your CRM always up to date.

Sales teams often uncover key information about a client during or after a meeting. In order to provide the best service possible, this information needs to be spread quickly throughout the organization, just in case the client decides to contact you or a member of your customer service team. Things change quickly in today's world and you never know when something critical may happen to one of your accounts.

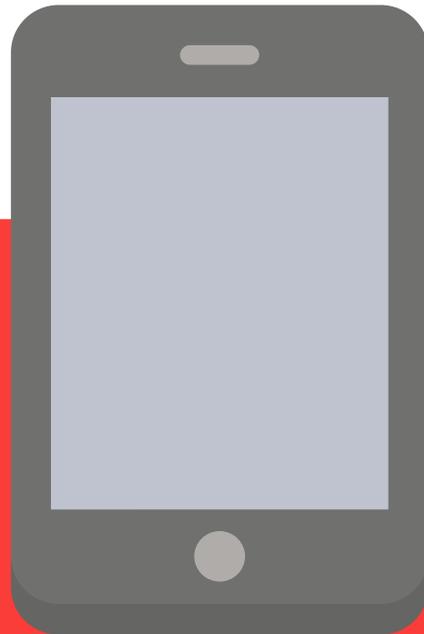
4 Real time reporting

Senior management can access real time sales reports to track business results while on the move and set alerts to be informed instantly for quicker and better decision making when a new deal is closed or sales decline. Instead of quarterly reports, management now has access to up to the minute data that can result in strategies being implemented sooner, rather than later.

5 Increased sales productivity

Another benefit of implementing a mobile CRM is providing sales teams with access to real time customer information while out in the field.

A recent study by Nucleus Research found that mobile access to a CRM increases sales force productivity by an average of 14.6% with a further 3 in 10 mobile CRM users reporting productivity improvement by more than 20%.



It's no doubt that we have reached the mobile age.

Today, many business professionals don't work from their desks, and instead, they're working while in meetings or on the road. This means that they rely heavily on mobile devices not only for communication, but for work.

And with this kind of modern-day requirement, having a mobile CRM strategy is no longer optional; it's now a necessity.

How to choose the right CRM solution for your business

There is a lot to consider when choosing a CRM system. There are many of vendors, solutions, and technologies to choose from. You have to consider deployment options, amount of flexibility, cost – efficiency and business value.

This amount of choice creates some extra consideration on your side. It's important to carefully evaluate your own

needs, match them to the functionality offered, while not forgetting about the price and coming to terms with how much of the system your users will actually use.

This chapter will help guide you to decide which CRM solution is right for your business. We will walk you through four steps to choosing the right CRM solution:

- 1 Define what it is that you want to achieve**
- 2 Decide your requirements for technology and support**
- 3 Consider your budget and where to run your CRM**
- 4 Match your needs to what the market offers**



Let's take a look at the different steps:

1

Step 1: Define what it is that you want to achieve

The first step in choosing a CRM is to ask yourself what challenge you are trying to solve. Perhaps your business is continuously experiencing:

- High customer churn rates
- Challenges in meeting revenue targets
- Difficulties in generating new business

If you're a small business, it's probably good enough that you sit down and run through this process by yourself and ask yourself these questions.

If you're a little larger, it's probably a good idea to involve the people who are major stakeholders in the each of the processes. Sit down and take a good hard look at how you run the business. This means systematically going through and mapping every business process as it works today so that you can understand what needs to be done and how it needs to be done. At the same time, you should review your information needs, templates, activities and possible reporting needs.

Preparation guidelines:

- Describe the business process (sales, marketing, customer service). What does the process in your company look like? What steps does the process normally consist of, for example first meeting, offer, shortlist, negotiation?
- Are there steps in the process that take too long or customers complain about?

- How do sales processes aimed at prospects differ from those aimed at existing customers?
- If you measure sales staff performance, how do you do this? Or how would you like to be able to do this?
- What kind of information is distributed from the organization to management?
- Do you currently use KPIs (Key Performance Indicators), or do you wish to do so in the future?
- In which areas of the process do you need to make changes and/or improvements in order to achieve your business goals?

Don't be satisfied with your first draft. Be sure to take your time, get second opinions from people who have nothing to gain from agreeing with your first draft. You will find that you may have to remove some steps while adding in others, maybe you will even need to sequence tasks a little differently, etc. By the time you are finished with this step, you will have documented the best process for your business.

It's important to note that this mapping process can cause some problems in the organization. No one wants to be told or see that the process he or she is managing doesn't work. If you think that this can be an issue, then it's a good idea to bring a 3rd party vendor or consultant in to help you through the process.

2 Step 2: Define your requirements for technology and support

Regardless of what size company you are, it's wise to take a few minutes and think about the current systems that you have in place today. For all intents and purposes, you may have nothing at all to integrate, but writing down the answers to these questions will go a long way in helping you to set up your list of requirements when talking to a vendor.

Preparation questions:

- Is this going to be a one department solution or will it be used in the entire business?
- What other business applications do you have that you want to integrate with the CRM system?
- Do you need support and training for you and your staff to get started?
- How sophisticated is your staff in learning new technology?
- Will you have the CRM on your laptop when you are traveling?
- How much mobility do you want? Do you need the CRM solution on mobile phones and tablets?

3 Step 3: Consider your budget and where to run your CRM

Of course, budgetary concerns play a role in which CRM solution you choose. Some businesses are constrained by current business conditions. Other businesses are able to take a longer-term view of their CRM investment.

It's hard to believe that in less than a decade ago, customers had few choices in deciding where and how they wanted to pay and deploy their CRM. Today's picture has changed quite a bit. There are alternative payment options like purchasing outright, leasing, and rental models. There are also different ways to deploy your CRM.

The traditional option is an on-premise installation, which requires users to own and maintain the technology infrastructure – servers, storage, networking capabilities and personnel. There is an initial cost for the software and licenses, plus an annual maintenance fee. There is usually a cost for integration as well.

There are many companies who like this option because they have complete control over the application with regards to security and data and they also have full control over the way the software is customized and configured in-house. Companies that choose this option usually have their own IT departments on-site.

By contrast, a cloud-based or hosted deployment option is where the software is hosted by a service provider and the data from the CRM software is available as long as there is an Internet connection. Hosted CRM is also known as Online CRM, Software-as-a-Service (SAAS), On-demand CRM or Cloud CRM. The cost is broken into a per-month subscription fee and there may be integration costs.

There are companies who like this option because of the fast deployment time, cheaper setup and maintenance costs and it can be a less risky option. No IT department is required for this option. All software updates are pushed automatically.

In the following, we have created a comparison chart to help with your decision making:

On-premises vs. SaaS: Making the choice

	SaaS	On-Premises
Cost	Pay as you go, per user, per month, etc.	Up-front capital costs for hardware, software licensing, lab space, air conditioning, etc.
Customization	Limited customization	Somewhat customizable depending on software vendor
Hardware	Hardware and software owned reside at provider site	Customer must provide hardware and system platforms to run apps
Security	Access to SaaS apps is via internet, creating security risks	Less risky because of on-premise location
Mobile access	Accessible via browsers running on mobile devices	Limited access to business applications via browsers running on mobile devices
Integration	Limited integration, even though this is an important requirement	Integration with existing software is commonplace
Control	SaaS provider controls systems and is entrusted with customer data	Control of systems and data

At first glance, you may think that it's pretty easy to differentiate between what kind of company will buy which option – smaller, cash-constrained companies use the cloud, larger companies with IT resources use on-premise. But, it's not necessarily as black and white as this. As always, the best solution really depends on the needs of your business.

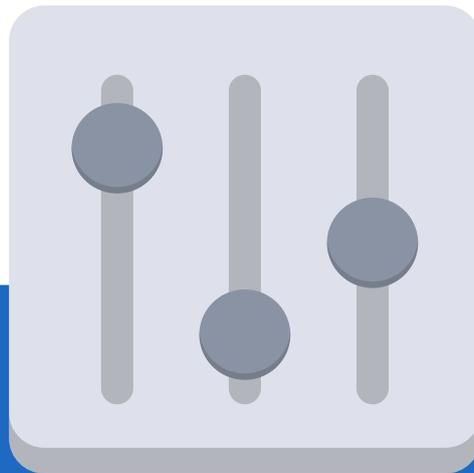
4 Step 4: Match your needs to what the market offers

The most common way of picking a product is to get caught up in the feature list comparison. This is not a recommended approach as most CRM systems have the same basic features. Then, your decision would come down to looking at features and functions which are rarely used at all.

At this stage, it's important to remember what problem(s) or processes you are trying to fix and ask yourself if the available features will help you solve your problem. If the feature doesn't help you to solve your problem, then it's not needed.

It's also important to keep in mind how much your users will really be able to use of the CRM system. We believe that it is never wrong to start small. The key to CRM success isn't primarily what the software can do or capabilities it has.

The single most important success criteria is how much the individual user in an organization is able to use and how well the solution is linked to the specific business process.



Things to consider when evaluating a CRM vendor

Once you have reached the stage where you have identified your CRM needs, your next step would probably be to pick out a few vendors which you believe would be able to provide the right solution for your company.

Evaluating and finally choosing a CRM vendor is quite a straightforward approach and based on continuous feedback between the vendor and you.

The following is a list of areas you might want to think about when evaluating the different CRM vendors. It is advisable that you invite at least two vendors to the table so you are able to compare the CRM offerings.

1 Customer and industry profile

Studying the website of the different vendors, you can get a good idea of the types of companies that a particular vendor works with, as well as the size of companies. Look at vendors who have worked with companies and industries which are similar to yours. Also consider the types of CRM solutions this vendor offers. Is it only a niche solution or is it a horizontal solution which can fit all types of businesses? You'll want a vendor who can match to your specific needs.

2 Years in the business

There are a lot of start-ups and newbies on the market who can offer trendier CRM solutions to meet customer's needs. However, it's always smart to consider those vendors who have been in the CRM market for a longer period of time. The number of years that a CRM vendor has been in the market directly reflects the amount of experience and know-how it has in deploying and implementing CRM successfully.

3 Partner network

Most European markets want a local partner to provide local support during and after the CRM implementation. If this is important to you, then it makes sense to look into the vendor's partner channel. Does the vendor have local partners? Do these partners only implement or can they also offer business consulting? How much CRM experience does the local partner have, what is their certification status and how many implementations have they been involved with? These are highly relevant questions to get answered before you engage in a buying process with a potential partner.

4 Freedom of Choice - Technology

Most companies get caught up in choosing an on-premise solution or a cloud solution. It's best not to get caught up in choosing a vendor solely on the deployment option or type of technology. Just because you need one deployment option today doesn't mean that you won't need the other one sometime in the future. Choose a vendor that can help you keep as many doors open as possible.

5 Free trial/ assisted demo

Depending on your skills and time, it's a good idea to at least check out a few demos/videos to get an idea of how the system works. You probably won't learn much by just opting for a free trial, which, in most, cases consists of an empty database. The best solution is an assisted demo, where you let a sales person walk you through the software and show you how to navigate and use it. Once that is done, some vendors will allow you to play around with a demo database for a few weeks which contains data so that you can get a feel for the system.

When you are watching the demo or playing in the system, make sure to evaluate the user interface, as well as its ease of use. Ask the vendor to show you how many clicks it takes to do specific tasks or processes. How intuitive is the user interface? Are the buttons labeled clearly? Are there tools tips to guide you along the way?

6 Service & support

Your users will need training to get up and running with your new CRM solution. Outline your training objectives and needs. Training can be provided in various ways: online, instructor-led or train-the-trainer. Investigate the options for training and support and find out if the offerings match your needs.

7 References

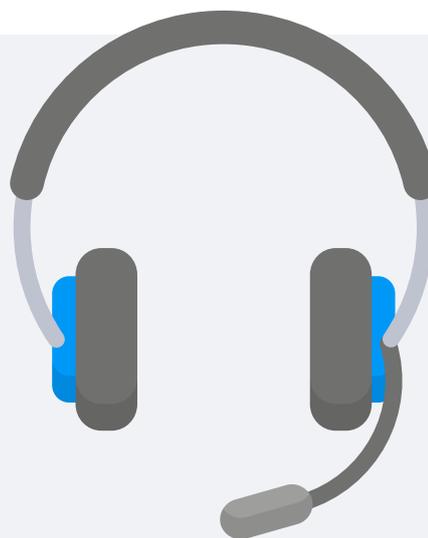
And, last, but not least, remember to talk to references. You'll get a good understanding whether or not these vendors really helped customers like you.

Look for references that are similar to your business. Find out whether their situation is similar to yours. If you do, then you may uncover if your business will likely succeed with this vendor.

Don't forget to ask about technical and non-technical factors such as:

- How long was the implementation?
- How much training and additional services were needed, if any?
- How did the vendor handle any problems that were encountered along the way?
- How easy was the software to learn and to use?
- What has been the feedback with regards to usability from the different users?

Our Appendix section includes a list of questions you can ask during an interview.

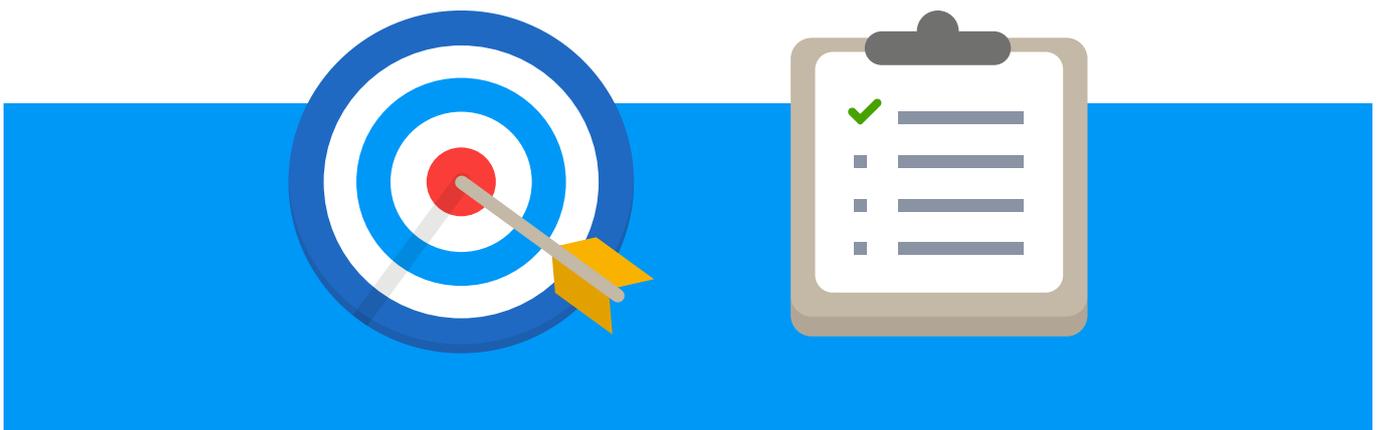


Measuring the success of CRM

Many companies or businesses measure the outcome of CRM as an afterthought. Unfortunately, if measurements aren't set up from the start, then you will never know if your CRM initiative met the business goals or not.

Setting up the goals at the start of the project can help you to do three things:

- 1 Explain to the business why your company has implemented a CRM system**
- 2 Communicate the business goals you want to achieve**
- 3 Follow up on the success of CRM in your company**



To determine the impact of CRM on your business, baselines for key business metrics need to be established as a starting point. After the baselines are established, you will then need to set up some goals to work towards. These goals will help you to track the success of the CRM project as compared to the baseline.

In the following, we will give you some guidance on how to define the baseline and how to set up goals:

1. How to define the baseline

Defining the baseline basically means that you document where you are today with regards to certain business goals and metrics.

If your company has a strategy towards growing markets, then it would be interesting for you to find out how many new customers your company got on board in the past 12 months. You could also find out how the customer development has been in the past 3-5 years.

If your strategy is to retain customers, your baseline would be the amount of customers that your company lost in the past year. You could also benchmark the development of “lost” customers over the past 3-5 years and split the numbers by customer category so you could see which category had the biggest impact.

Other areas you can use as baselines could be:

- Revenues
- Sales activities
- New leads
- Number of complaints
- Customer satisfaction
- Sales effectiveness

Comparing actual results to the established metrics will enable you to see if your CRM strategy is working and how effectively.

2. Creating goals for your CRM project

Every company has a different vision for their CRM project because business challenges vary from company to company. Every vision brings with it a variety of business goals to measure. For example, one company’s challenge could be that they need a CRM system to centralize customer information and improve sales productivity. Another company’s challenge could be that they need to improve customer retention and increase overall efficiencies.

Also remember that each business process will have different goals. For example, if you are in Sales, your measurements for success will be different than if you were in Customer Service.

The Sales department might measure the number of open cases, the number of deals closed, the number of sales activities completed per sales rep, etc. while the customer service department would measure the response time, how quickly cases get closed, case load per customer service rep, the number of lost and or overdue support tickets, etc.

Start out with realistic goals and use percentages for better understanding.



For the purpose of visualizing how to set up your goals/ metrics, you can use a simple matrix as shown below. We provide you with one example for sales, marketing and customer service:

Department: **Sales**

Goal: **Increase revenues**

Metric	Baseline last year	Baseline status	Goal this year	Goal year 2
# of prospects				
# of new customers				
# of retained customers				
# of open opportunities				
Close rate				
Sales stage duration				
# sales calls made				
Amount of new revenue				
Amount of recurring revenue				
# of proposals given				

Department: **Marketing**

Goal: **Improve campaign response rates**

Metric	Baseline last year	Baseline status	Goal this year	Goal year 2
# of campaigns				
# of responses/ campaign				
# of purchases/ campaign				
Revenue generated / campaign				
# of new leads				
# of opt-in's				

Department: **Customer Service**

Goal: **Improve customer satisfaction**

Metric	Baseline last year	Baseline status	Goal this year	Goal year 2
# of cases closed the same day				
# of cases handled by agent				
# of service calls				
Average number of service requests by type				
Average time to case resolution				
Average response rate				



These goals will also work as milestones which help you to keep in mind WHY you wanted a CRM system in the first place and WHAT you wanted it to do for your business.



Conclusion

So there you have it – Everything that your company ever wanted to know about CRM (customer relationship management) summed up in one place.

CRM is the key to creating great customer relationships and building customer loyalty. CRM also helps to organize business critical information, improve productivity and is the glue that holds together sales, marketing and customer service which paves the way for further business growth.

Whether you're a small, medium or large-sized company, **CRM is the one application which is crucial to your company's success.**

About SuperOffice

SuperOffice is the leading European supplier of CRM solutions. Loved by over 11,000+ happy customers, SuperOffice is the preferred choice.



+20 years CRM experience and still growing strong

SuperOffice has been the CRM business for +20 years and still growing strong. This shows our dedication to the development of great CRM software and our commitment to our base of customers.



Award winning usability

One of the biggest hurdles of CRM adoption is whether or not the users will use the software. As a 3 time winner of the PC World “Best in Test” award, SuperOffice proves again and again that it’s a great choice for businesses who want a proven, rock solid CRM solution that people are willing to use.



Ability to choose the version which best fits your business

SuperOffice comes in a cloud version and an on premise version, so no matter what your size, we’ve got a deployment solution for you.



Many customization and integration possibilities

Unlike other packaged software, SuperOffice lets you modify, remove and embed your own setup through settings and preferences to get the software to work the way you do.



Your partner for success

We ensure that you have all the elements you need for success. Access our community of users, partners, experts and consultants through forums and blogs. Our videos, white papers and other documentation are our commitment to helping you practice great customer relationship management.

Please call us on
+47 2335 4000
Or you can email
info@superoffice.com

Simple

Driven by a passion for customer relationship management, SuperOffice is one of Europe's leading suppliers of CRM solutions to the business to business market. Our software supports the individual user in achieving stronger sales, marketing and customer service productivity.

superoffice.com

Appendix:

Questions to ask during a reference call

Success criteria & selection

- How many years have you used the system?
- Why did you go for a CRM system?
- Why did you choose SUPPLIER X?
- What are the results so far?
- Were you the decision maker responsible for purchasing the solution?
- What made you choose the solution that you did?

Implementation & ramp-up

- Who helped you implement the system?
- How long did it take to implement from start to launch?
- Was your implementation on time and within budget?
- How long did it take to learn the functions?
- How do your users describe the ease of use?
- How easy is it to customize the software/make changes?
- How has support been since your implementation?
- How much support from the vendor is needed?
- How skilled were the vendor engineers and did they meet expectation?
- How would you rate the quality of the services delivered?
- Did you have any escalations and how effective was it?
- How flexible was the vendor in its processes to meet your needs?

Results

- What do you consider the vendor's strengths?
- What do you consider the vendor's weaknesses?
- Is there anything else I should know about the vendor?
- Were there any hidden costs?
- Do you have any recommendations/ key learnings you would like to share with us?
- If you were to start the process over, would you still pick the same vendor?
- How easy and intuitive was the system to use?
- What has been the feedback from the users regarding usability?
- How much of your organization has adopted the use of the solution?