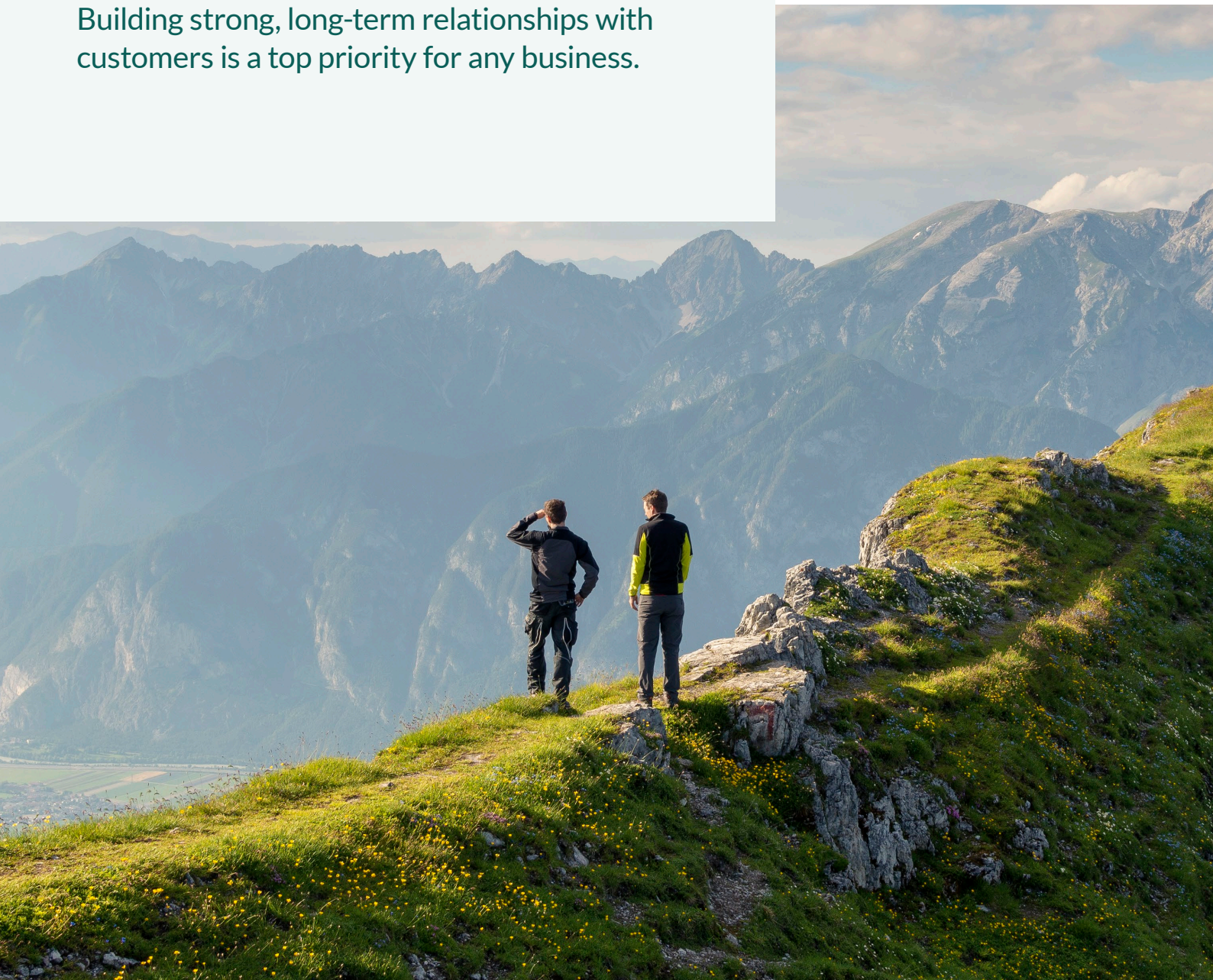


THE CRM BUYER'S GUIDE

Building strong, long-term relationships with customers is a top priority for any business.



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INTRODUCTION

Building strong, long-term relationships with customers is a top priority for any business that wants to achieve higher revenue and faster growth.

Unfortunately, good customer relationships are not always a result of just hard work. Companies also need to make use of modern technologies and tools to help them maximize the value of their relationships with customers. And this is where **Customer Relationship Management (CRM)** comes in.

CRM is both a philosophy and a strategy that centers around building better relationships with customers. CRM software enables your business to scale up the process of creating those relationships.

On a broader level, CRM software gives your business a better understanding of who your customers are, their needs and habits, and their overall experience with your business, from marketing to sales to customer service.

On a more focused level, a CRM software helps your business to manage contact information in an organized way, making it easy to follow up on your interactions and activities with customers.

Storing all information in a single location makes it easy for the entire company to have access to a comprehensive overview of the customer – be it in the office setting or even on the move.

Ultimately, CRM makes it possible to make smart and better informed decisions about how to improve your customer relations and how to grow your business.

So how do you get started with CRM?

This guide is designed to answer all the questions that you may have about this topic.

You can read this guide any way you like: from front to back or you go straight to the section that interests you most.

We also included some of the best practices and checklists to help you to decide whether your business is ready for CRM, understand how it will help you attain your business goals, and, ultimately, find the best CRM system for your needs.



What CRM is and how it can help your company



How to select the right CRM system



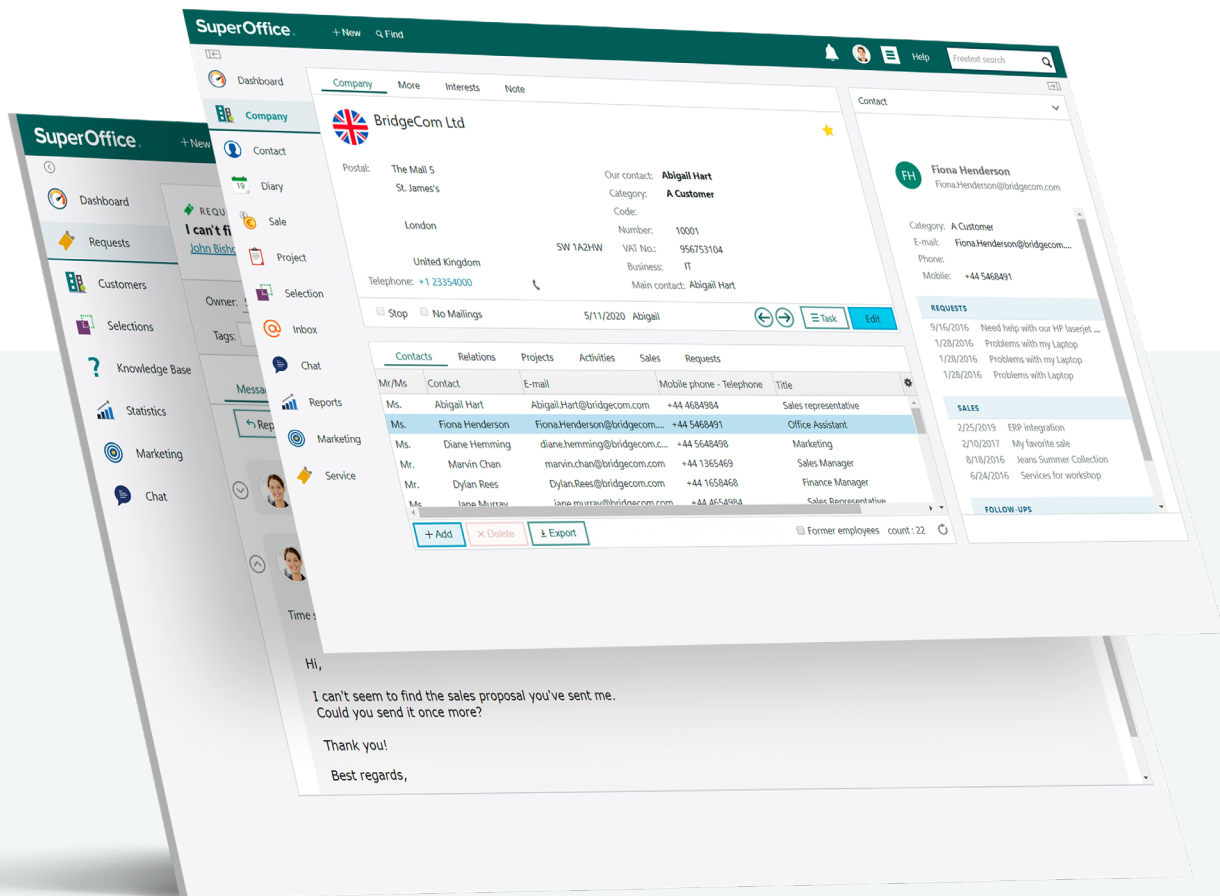
What to consider when selecting a CRM vendor



How to measure the success of your CRM

WHAT IS CRM?

CRM 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 deliver a better experience, which in turn, increases loyalty to your company.

A good CRM system brings together all information from different departments in the company to offer a unified, holistic view of each customer in real time. This allows customer-facing employees, who work in 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.

When implemented properly, CRM not only gives companies insight into the opportunities to grow business with each customer, but also offers a way of measuring their value.

Not all customers are created equal

Some customers could be a drain on customer service resources despite spending very little. Others do business frequently, often buy new products and services and may even be strong influencers in the market.

CRM helps businesses prioritize sales and marketing efforts for each customer group, as well as offers a better understanding of customers' needs and wants in order to improve the way a product portfolio is offered to them.

A large, bold, green '74%' is centered on the page. The background behind the text is a light blue gradient that starts from the bottom and fades upwards.

It's no surprise that a whopping **74% of CRM users** said their system gave them improved access to customer data, according a study by **Software Advice**.

With enough information, CRM helps a company to know when to send information about a new product or service offering to the customer. And the more you know about your customers,

their buying preferences and behavior, the more likely your offer will be on target. Let's put that into perspective via 2 examples:

1

Imagine that you're a sports goods supplier

You want to quickly sell off this season's large size bike shorts. Your CRM system can help you find all customers who have recently purchased large-sized clothing. You then can send them an email offering a 30% discount off the regular price of the bike shorts.

The result? Everybody wins: you sell the shorts, while the customer feels like they got a good deal and that you cared enough to get in touch.

2

Imagine 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 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 cars.

What types of companies need CRM?

Today's CRM systems not only offer a variety of technologically advanced functionality and user-friendly interfaces, but they also come in a variety of solutions that are designed to address unique needs of all types of businesses – big or small. Modern CRM systems offer latest business functionality, flexible costs, as well as easy maintenance and deployment.

It doesn't matter if your company employs over 150 people or just a handful – CRM is a tool that is going to help you establish closer connections with your customers, provide professional customer service, sell more and grow your business further.



CRM is the engine that drives customer trust and builds stronger customer relationships.

WHY IS CRM SO IMPORTANT TO YOUR BUSINESS TODAY?

**\$82
BILLION**

Is the projected growth of CRM market potential by 2025.

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

According to Statista, the global CRM software market is expected to grow to \$40.26 billion by 2023, at a CAGR of 2.8%. While by 2025 the global CRM market potential is projected to be at \$82 billion, growing at 12% per year, claims Finance Online.

In today's highly competitive environment and with so many products and services to choose from, customers are extremely picky and customer loyalty seems to be a thing of the past.

The moment a new product is introduced on the market, it takes only a few months before that product or service suddenly becomes a commodity, meaning that it becomes very easy to switch companies.

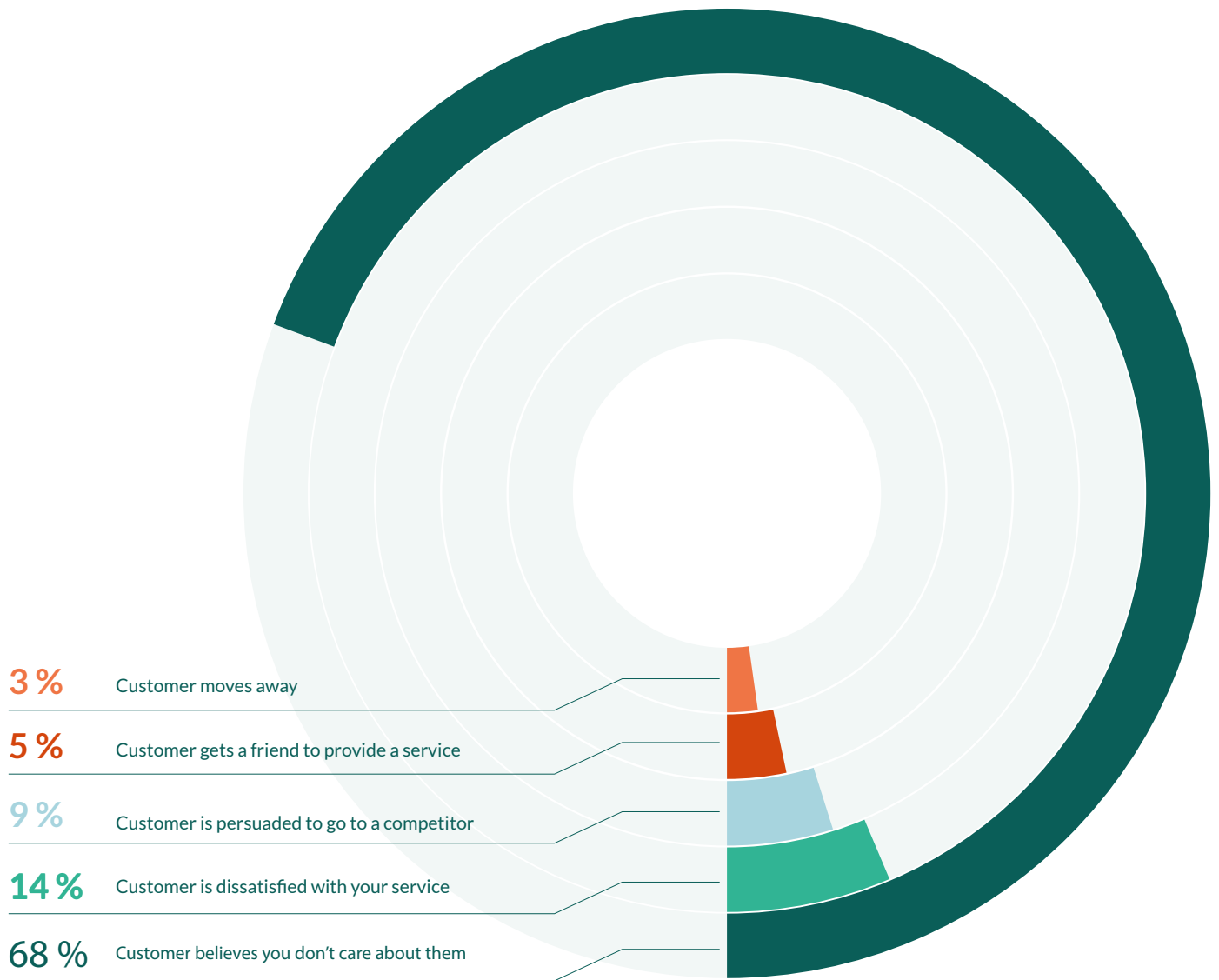
Things have changed with the Buyer 2.0

Some 30+ years ago, when PCs were a little known thing, our behavior as consumers was different. We were more used to more or less passively receiving information from TV and magazine ads. We had to talk to many sales representatives in order to get essential information, we gathered brochures and sales materials, and then... we tried to make sense of it all.

But things have changed with the arrival of Web 2.0 and social media. We discovered we could find information ourselves. This was when the **Buyer 2.0** appeared.

Forums, chats, blogs, discussion groups, price comparison sites, scorings, rankings, social networks, professional communities, wikis, and even business web pages offered a lot of information to buyers. Today's buyers are not only informed, but also quite immune to traditional and obvious marketing tactics. Raising the bar, the Buyer 2.0 transformed the way businesses go about selling their products and services.

Everyone thinks that people stop doing business with a company because of lower priced competitors. If not that, then it's because of a killer competitive offer. That's not the case. At all.



A well-cited study by The Rockefeller Corporation, which analyzed precisely why customers leave.

THE IMPORTANCE OF CUSTOMER EXPERIENCE

Think about a time when you, yourself, needed customer support from a company.

Have you ever called a company and they had no previous information about you, kept transferring you from one department to another, and you had to keep repeating your question and introduce yourself over and over again? How did it make you feel? You must have felt as if the company didn't care about you and didn't value your business.

He who cares wins

Think about the 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, they address you by name and already know a lot about you: your upcoming flight information, flight preferences and even other issues you may have had before with them.

By providing you this kind of service, the airline is giving you a solid reason to continue doing business with them. You feel acknowledged and comfortable.

Similarly, if you are looking for a new product, you are probably more likely to buy from the sales person who shows you that they have noted, understood and taken into account your needs and concerns. This is revealed in the way they follow up, in the pace and direction of their sales calls and, finally, in the offer that they give you.

A well-cited study by The Rockefeller Corporation, which analyzed precisely why customers leave, showed that...

3%

Customer moves away

5%

Customer gets a friend to provide a service

9%

Customer is persuaded to go to a competitor

14%

Customer is dissatisfied with your service

68%

Customer believes you don't care about them

HOW DOES CRM WORK?

CRM is much more as just a technology!

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 business plan to life. CRM plays an important role in three key areas of business: **customer-centricity, data management and process automation.**

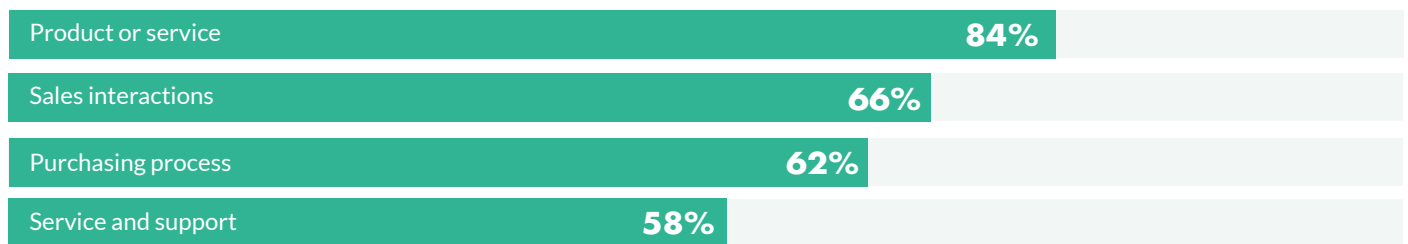
- CRM supports a customer-centric strategy
- CRM centralizes all your customer data
- CRM automates customer-facing business processes



What factors encourage customer loyalty?

In a study conducted 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:



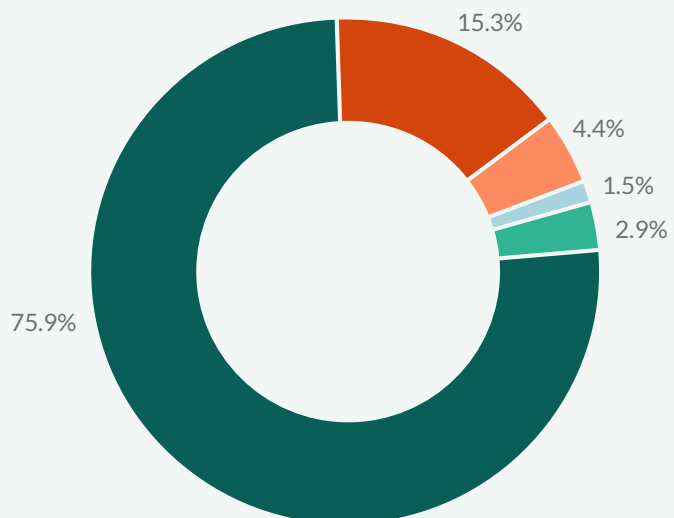
Of course, the quality of the actual product or service purchased is still very important, but as you can see the quality of sales, purchasing, as well as service and support activities received a significant percentage (ranging from 58% to 66%) of high importance ratings.

A significant part of a specific product's or service's value lies in the experience that it creates. In a survey by **Customer Management IQ**, nearly 76% of customer management executives and leaders thought that customer experience was of high priority to their business.

So, once you define your vision of a valuable customer experience, the CRM software is what will bring it to life. With CRM, you will get to know your customers, understand their needs and be able to respond to those needs faster and easier.

The importance of Customer Experience to an organization:

- 1 - Low priority
- 2
- 3
- 4
- 5 - High priority



CRM centralizes all your customer data

CRM software combines all sales, marketing and customer service information into one central database.

With 92% of businesses in the world collecting data on prospects and customers, having access to all information in database means fewer silos within your organization!

CRM helps businesses collect such customer information as phone numbers, emails, mailing addresses, and interaction history.

The software also records what was discussed, what the next follow-up date is and the status of a request. 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 creates 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.



CRM 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 HR, 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 below table explains a sample of what customer-facing activities are included in each process:

MARKETING	SALES	CUSTOMER SERVICE
Customer segmentation	Lead management	Request management
Campaign development	Account management	Service tracking
Campaign execution	Pipeline management	Escalation/ prioritization
Project/event management	Opportunity management	SLA agreements
	Cross-selling and up-selling	Account inquiries
	Activity management	

How does an interaction with a customer become a CRM process?

The whole CRM process begins with a lead – the name of someone you think you can sell something to.

Once the lead (prospect) is put into the CRM system, the software will then take it through the sales process.

It's the CRM system that will remind the sales person to call at an agreed 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.

In a nutshell, CRM keeps track of all lead-related actions and what's been said and done.

At the same time, 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. 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.

Customer-facing process automation in action:

Lead management

There's an entire process before a lead becomes a customer. You need to identify a lead, then qualify it and only then convert the lead into a sale.

A lead can come from many channels – website, cold calls, event/ seminar, newsletter, or it can be purchased. With this amount of channels, it must be clear which person or department is ultimately responsible

for logging the lead in, because this determines how the lead should be routed and how it'll be followed up on. Without a clearly defined process (workflow), leads can end up lost or forgotten, which results in frustration, lost sales productivity and even a bad customer experience.



Customer support

There should be clear rules for how inbound service requests are managed. These rules define whether a request goes to first or second line of 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 contacts' 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 improve customer satisfaction.

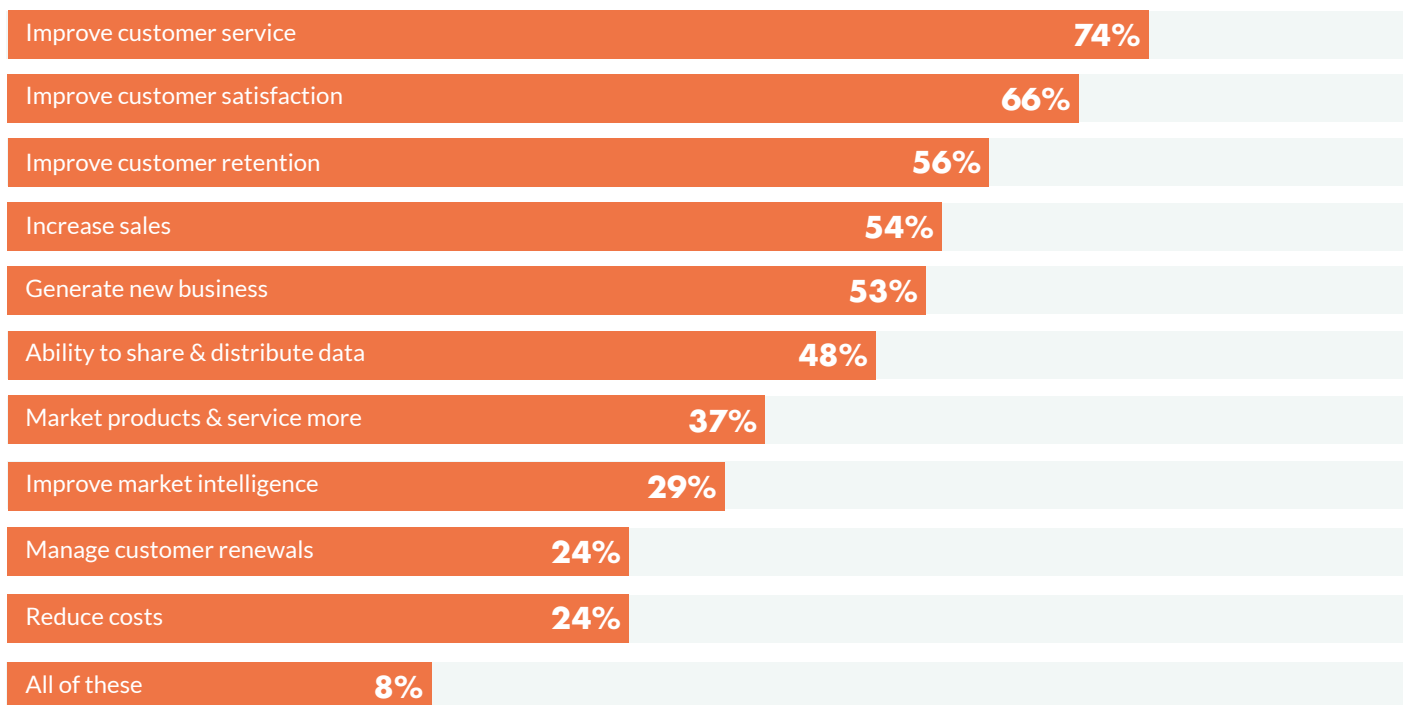


HOW CAN A BUSINESS BENEFIT FROM CRM?

Back in 2012, a survey by **Tech News World** asked more than 500 organizations about the main benefits they hoped to achieve using a CRM. The results showed that businesses expected to benefit from the CRM technology in several key areas:

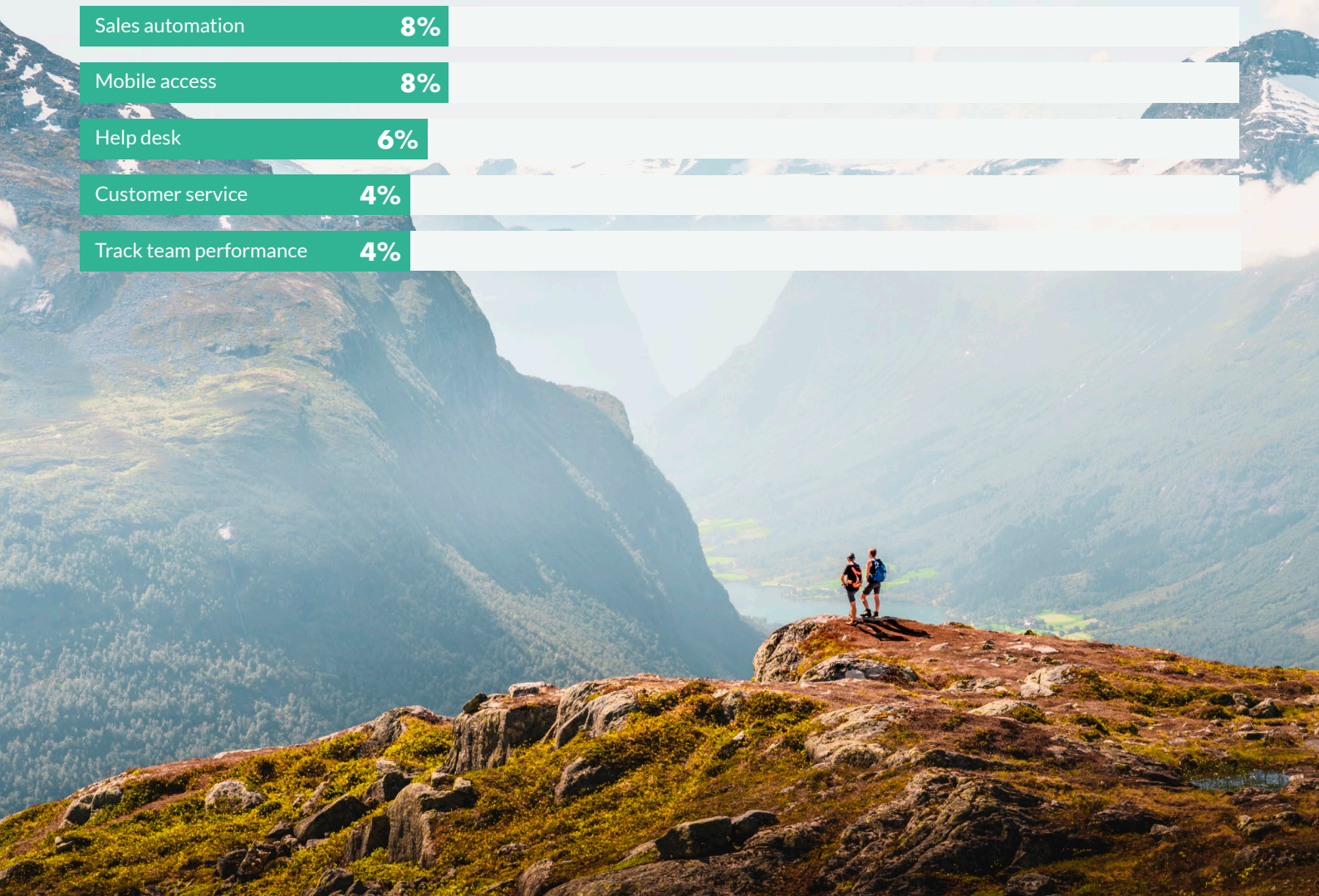
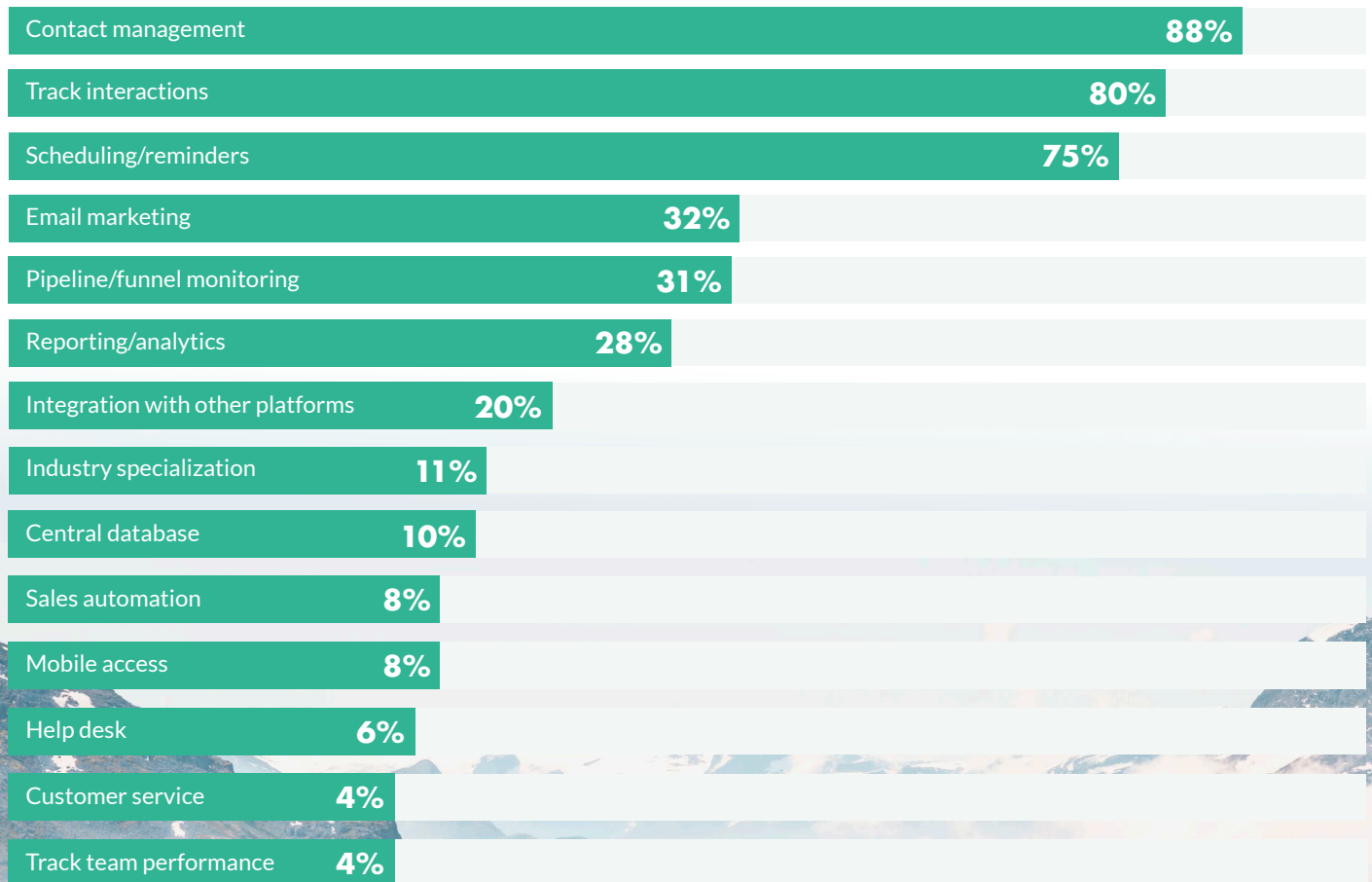
Back then, businesses wanted to improve **customer service and satisfaction**. Guess what – almost a decade since, and the priorities remain more or less the same! The top three benefits above, if translated into CRM functionality, address the **improvement of customer relations**.

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



As indicated in the report by **Software Advice**, the top three CRM features that companies are after today are: ability to manage contacts (88%), ability to track interactions (80%), and ability to schedule and set up reminders (75%).

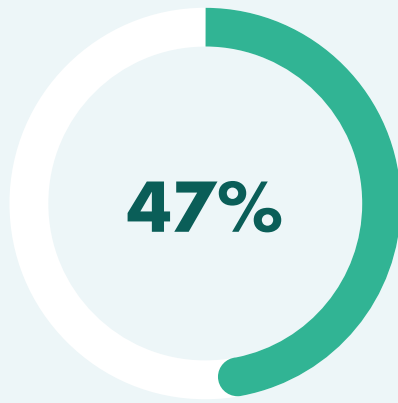
Top requested CRM software features:



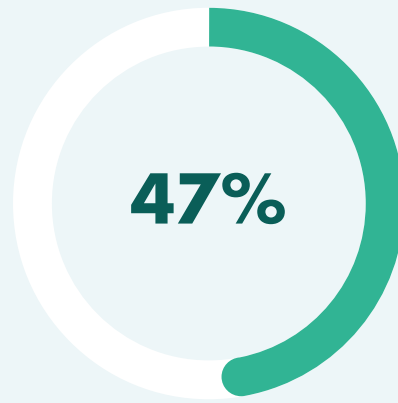
Moreover, a study by **Capterra** showed that **47%** of all polled CRM users said that their CRM had a “significant impact” on **customer satisfaction**; and equally the same number of users (**47%**) said that their CRM had a significant impact on **customer retention**.

Times may change, but building strong and loyal customer relationships and seeking to improve customer satisfaction remain the key priorities for businesses around the world. And this is what CRM is at its best.

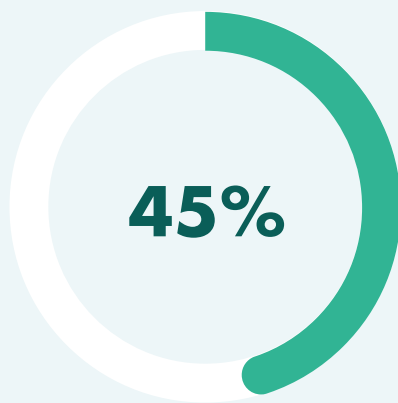
Which aspects of business were significantly impacted by the CRM?



CUSTOMER SATISFACTION



CUSTOMER RETENTION



SALES REVENUE



**UPSELLING/
CROSS-SELLING**

8 WAYS CRM CAN BENEFIT YOUR BUSINESS

1

Improve decision making

CRM sheds light on crucial information, allowing business owners and management to generate detailed reports that forecast sales, measure customer 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, such as customer communication and purchase histories, pricing information, contracts, email history, and inventory – all accessible from any location and on any device.

3

Prepare sales tools

Businesses can use CRM to drive shorter sales cycles and improve close rates. 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 automatically identify phone calls from past customers, instantly recalling data from the CRM system. This offers the opportunity to cross-sell and suggest 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 overall business productivity.

7

Secure customer loyalty

CRM allows employees to instantly access customer data, allowing them to create and maintain highly personalized 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 are able to tailor promotions and target a specific segment to upsell or upgrade customers and increase conversion rates.

THE RISE OF MOBILE CRM

Mobile CRM is a CRM tool designed for mobile devices such as smartphones and tablets, helping people on the go to access and manage key information in real time.

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

Why mobile CRM matters?

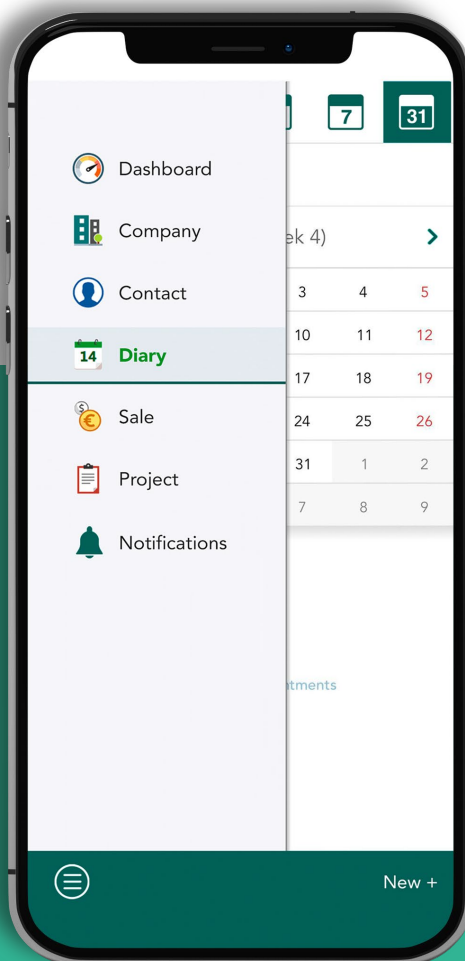
Traffic from mobile devices continues to grow. In fact, it is growing so fast that, in some places, mobile traffic has already surpassed desktop traffic.

One of the key conclusions from the latest survey by Statista claims that 52% of all internet traffic comes from mobile devices.

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

Users and customers alike expect information to be updated in real-time, and not "when you get back to the office". 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.

In fact, according to **Software Advice**, 81% of CRM users access their CRM system on a number of devices, including laptops, desktops, smartphones, and tablets.



ADVANTAGES OF MOBILE CRM

- Ability to work from anywhere
- Constant access to the most up-to-date information
- Ability to update data on the go
- Unrestricted access to customer and product information
- Reduction in sales cycles



MOBILE CRM – A MODERN NECESSITY IN THE AGE OF MOBILITY

There's no doubt that we live in the mobile age. Today, the idea of a business professional chained to a desk to read or respond to emails is almost as obsolete as an accountant crunching numbers using an abacus.

Instead, business professionals work everywhere and at any time they need, be it during off-site meetings or on the road. This means that they rely heavily on mobile devices not only for communication, but also for work. And with this kind of modern-day requirement, having a mobile CRM strategy is no longer an option – it's now a necessity.

The most wanted sales app

The biggest group of road warriors is sales executives and professionals who are mainly out in the field meeting with potential and existing customers. For them, having access to a mobile CRM is a must.

Back in 2014, an **IDC survey** of C-Suite executives identified CRM as their "most wanted mobile app". And **Forrester Research** found that 53% of companies were piloting, rolling out or currently using smart phone applications for sales force automation.

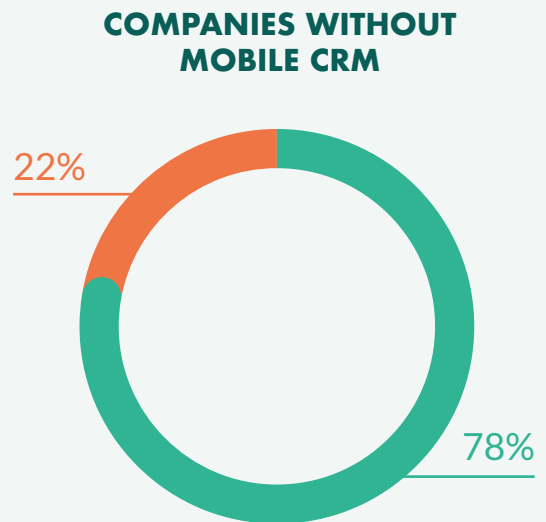
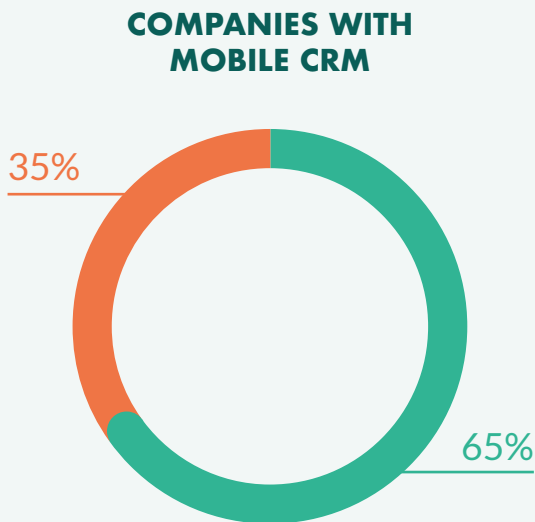
The market for mobile CRM apps is expected to grow by 13% over 2019 to 2029, according to Future Market Insights.

Let's take a look at what today's research says about the effects of mobile CRM on sales:

Achieving sales quotas

According to a research conducted by **Innoppl Technologies**, 65% of sales reps who have adopted the mobile CRM have accomplished their sales quotas, as compared to only 22% of the sales reps who used non-mobile CRM platforms.

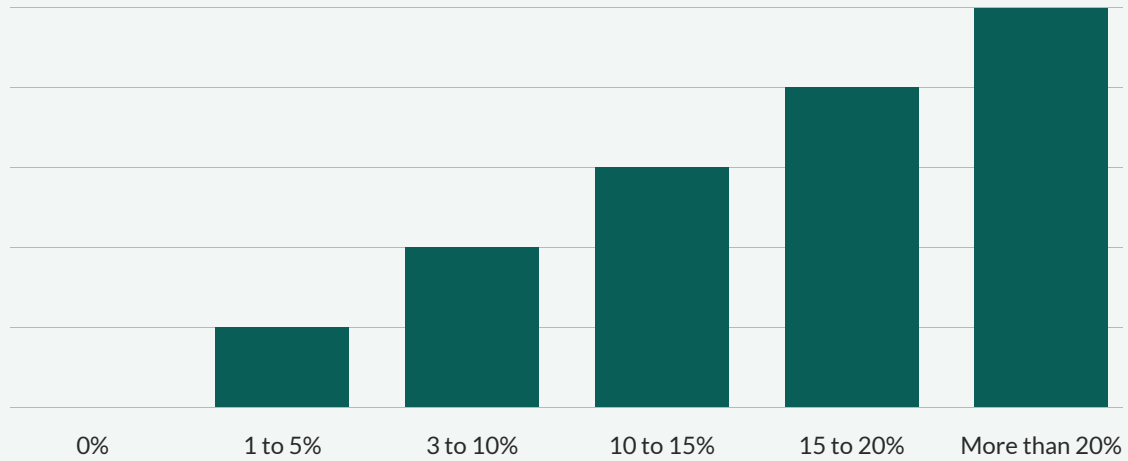
Meanwhile, a study by the **Aberdeen Group** showed that 24% more sales reps achieve annual sales quota with mobile access to their CRM.



■ Achieved sales quotas ■ Non-achieved sales quotas

Improved sales productivity

According to **Nucleus Research**, access to a mobile CRM increases productivity of sales reps by an average of **14.6%**, while 3 in 10 mobile CRM users account for more than **20%** of productivity improvement.



Shorter sales cycles

A recent study by **Nucleus Research** reveals that direct access to data, which is offered by CRM, shortens sales cycles by 8-14%.



5 KEY BENEFITS OF IMPLEMENTING A MOBILE CRM SYSTEM

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

14,6%

Mobile CRM increases sales force productivity by an average of 14.6%

Access to up-to-date contact information

1

One of the key reasons for having a mobile CRM app is the ability to access up-to-date information, which is a great help in sales call planning and preparation. Sales teams can access any information about a customer or prospect before they meet them in person. This info could include recent email conversations, recently purchased products and current sales status, allowing your sales teams to interact on a more personal level than ever before.

Direct information update

2

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

Always 'in the know'

3

If something changes with regards to an in-progress deal or quote while your sales team visits a prospect, you can make changes in your mobile CRM without the need to wait until the team 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.

Real time reporting

4

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 if sales decline. Instead of quarterly reports, management now has access to up-to-the-minute data, which leads to strategies being implemented sooner, rather than later.

Increased sales productivity

5

Another benefit of implementing a mobile CRM is providing sales teams with access to real time customer information while out in the field and with ability to make better-informed and quicker decisions on-the-go, and even close more deals.

HOW TO CHOOSE THE RIGHT CRM SOLUTION FOR YOUR BUSINESS

No matter what size your company is, the right CRM software can help you stay competitive by allowing you to:

- Keep track of your interactions with all customers,
- Stay in control of your sales and marketing efforts,
- Maintain strong relationships with existing customers,
- Sell more products and services,
- Improve communication between sales and marketing teams,
- Find and keep new customers.

Yet, choosing the right CRM system for your business isn't easy. And since every CRM has its strengths and weaknesses, there is a lot to consider.

Start by focusing on your own needs

There are many vendors, solutions and technologies to choose from. You have to consider deployment options, ability to customize, cost, scalability, and business value.

With so many things to weigh in when choosing a CRM for your business, there is another important thing that you have to address – **your own needs!** In fact, it's even more important to carefully evaluate what your business needs are. Then, match them to the functionality offered, your purchasing budget, and decide on whether or not you need all or only some functions that a CRM solution can offer.

This chapter will help you 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

Define what it is that you want to achieve

The first step in choosing a CRM is to ask yourself what challenges 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. If your business is larger, it's a good idea to involve the people who are major stakeholders in the each of the processes.

In both instances, you need to take a good hard look at how you run your business. This means 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. Also, you should review what information and reporting needs you have, as well as your document templates and activities.

Why is this step the most important?

After you've revised your business processes, you may find that you have to remove some steps and possibly add others, or maybe you will even need to sequence tasks and processes differently, etc.

And the result is that **by the time you are finished with this step, you will have documented the best processes for your business!**

NOTE: Such mapping of your key sales, marketing and customer service processes can cause some problems in the organization. No one wants to be told what to do 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 an independent third-party vendor or consultant in to help you through the process upgrade.



TO TAKE THE FIRST STEP, ASK YOURSELF THESE QUESTIONS:

Don't be satisfied with your first draft. Take your time and get a second opinion from people who have nothing to gain from agreeing with your first draft.

- Describe your key business processes: sales, marketing, customer service. What do these processes look like in your company? What steps do the processes normally consist of? For example, does your sales process look like this: first meeting, offer, shortlist, negotiation?
- Are there steps in any of these processes that take too long or customers complain about them?
- How do sales processes aimed at prospects differ from those aimed at existing customers?
- How do you measure your sales staff performance? And if you don't measure it, how would you like to be able to do this?
- What kind of information does your management get access to and how?
- Do you currently use KPIs (Key Performance Indicators), or do you wish to do so in the future?
- In which areas of your key processes do you need to make changes and/or improvements in order to achieve your business goals?

Define your requirements for technology and support

Regardless of the size of your company, it's wise to take a few minutes and think about the systems that you have in place today. Usually, businesses need to integrate the CRM system with their existing accounting, e-commerce, social media, ERP, online web portals, databases, etc.

It may also happen that you won't have anything at all to integrate, but writing down the answers to these questions will go a long way in helping you to set up a list of requirements when talking to a CRM vendor.

TO TAKE THE SECOND STEP, ASK YOURSELF THESE QUESTIONS:

Make sure to always check whether the CRM system you're considering can interface with other applications you already have in place.

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

Define your requirements for technology and support

By all means, budgetary concerns play a big role in which CRM solution you're going to 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 less than a decade ago, customers had few choices in deciding where and how they could pay and deploy their CRM. Today's picture has changed quite a bit. There are alternative payment options like purchasing outright, leasing, and even rental.

On-premise deployment

There are also different ways to deploy your CRM.

The traditional option is to invest in an on-premise installation, which requires users to own and maintain their own technology infrastructure: servers, storage, networking capabilities, and personnel. There is an initial cost for the software and licenses, plus an annual maintenance fee. Typically, there is also a cost for integration.

Companies that prefer this option have complete control over the CRM system 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.

Cloud deployment

A cloud-based or hosted deployment option means that 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. The 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 as well.

There are companies who like the hosted CRM (SaaS) option because of the fast deployment time, cheaper setup and maintenance costs. No IT department is required for this option. All software updates are pushed automatically.

Making the choice: SaaS vs. On-premise

To help with your decision making, we have created a comparison chart.

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 the on-premise version. But, it's not necessarily as black and white as this. As always, the best solution really depends on the needs of your business.

	SaaS	ON-PREMISE
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's site	Customer must provide hardware and system platforms to run apps
Security	Access to SaaS apps is via internet, creating possible security risks	Less risky because of on-premise location
Mobile access	Accessible from anywhere and on any device	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	Local control of all systems and data

Match your needs to what the market offers

A very common mistake that businesses make when choosing a CRM system is that they get stuck comparing the features list.

We don't recommend this approach, as most CRM systems have more or less the same basic features. Then, your decision would come down to paying attention to the features and functions which are rarely used, if at all.

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

It's also important to keep in mind how much of the CRM system your employees will be really able to use. Will they use all the bells and whistles? Perhaps, only a small number of your staff needs advanced features? In other words, when it comes to CRM, more is not necessarily better.

We believe that **it is never wrong to start small.**

The screenshot displays the SuperOffice CRM interface. The top navigation bar includes '+ New', 'Find', and 'Help'. The left sidebar lists various modules: Dashboard, Company, Contact, Diary, Sale (highlighted), Project, Selection, Inbox, Chat, Reports, Marketing, and Service. The main content area shows a 'Sale' record for '20 top of range laptops + setup' with a value of 67,576.50 GBP. The record details include Company: UBC Cleaning, Contact: John Smith, Project: Business Flow Quote-to-Cash project, Owner: Abigail Hart, Sale type: Sale to new customer, Stage: Verbal Acceptance, 90%, Sale date: 7/16/2020, Next activity: 5/7/2020, and Source: All. A note states: 'This deal will likely come in at the end of May. Make sure to follow up on John before the last week as he will be travelling.' Below the details is an 'Activities' table with columns for Type, Date, Contact, and Text. The activities listed are: Prepare Proposal (5/11/2020, John Smith, Work on proposal), Letter (5/11/2020, John Smith, Proposal), Phone-Out (5/7/2020, John Smith, Follow up on the proposal to hear what John thi...), Quotation (4/30/2020, John Smith, Quotation for John Smith from UBC Cleaning), Prepare Proposal (3/27/2020, John Smith, create the proposal for John), and Customer Meeting (3/26/2020, John Smith, First meeting with John went well. He wants me...). The interface also shows a 'Company' panel for UBC Cleaning with contact information and a 'Task' panel for the sale record.

Remember – the key to CRM success does not primarily depend on what the software can do, i.e. all of its functional gadgetry.

The most important CRM success criteria are (a) how much an individual user in an organization is able to use a particular set of features, and (b) how well the solution can support your company's key business processes.

THINGS TO CONSIDER WHEN EVALUATING A CRM VENDOR

Once you have identified your CRM needs, your next step is to pick the right vendor for your business. It is also advisable that you invite at least two vendors to the table, so you are able to compare their CRM offerings.

Here is a list of areas you might want to think about when evaluating different CRM vendors.

1 Industry experience

By studying websites of different vendors, you can get a good idea of the types and sizes of companies that they work with.

Pay attention to 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 want a vendor who can match your specific needs and has a solid knowledge in servicing your industry.

2 Local partner network

Most European businesses want to have 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 network.

- Does the vendor have local partners?
- Do these partners only implement CRM 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 in?

3 Customization and training

A CRM solution is no good if it's not properly configured or if your staff isn't trained to use the features.

So, when you're asking for a price, make sure to ask how much it will cost to configure the solution to your needs and to organize staff training sessions – not just online tutorials.

A CRM system should complement your business and reflect your sales process, your marketing strategy, your customer service activities, your contact management routines. That's why you should choose a system that is easy to configure.

As for training, it is one of the most important factors of a smooth CRM adoption, where everyone knows how to use the software to increase their efficiency.

Whether it is group, individual or role-based, CRM training not only shows how the system works, but also how everything is connected and how each user contributes to the general organizational workflow. CRM training, in fact, helps a company to work together towards the same goal.

4 Flexible deployment

Most companies concentrate too much on choosing either an on-premise solution or a cloud solution. But, 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. It's best to choose a vendor whose CRM system is flexible and able to evolve together with your business.

5 A demonstration and a free trial

Never take a CRM system at face value! It's always a good idea to test it out.

The best solution is to start with a live (or online) demonstration and then move onto a free trial.

During a live demo session, a sales person walks you through the software and shows you how to use it. Then, you can ask specific questions that are related to your business.

After that, you can move on to "playing" with a trial version in order to get a good feel how everything works and see the system's strengths and weaknesses. Look at such things as the ease of use, key functionality and the ability to expand.

6 User experience

One of the most crucial criteria of choosing a CRM system is how you feel and what you experience when you use it. Does it help you? Is it intuitive? Or is there something that irritates you or slows you down? All this constitutes user experience.

For example, you can ask the vendor to show you how many clicks it takes to do a specific task. As you watch, ask yourself: How effective (and enjoyable) is the user interface? Are the buttons labeled clearly? Is the flow of actions logical?

So, when you are watching a demo or testing out a CRM system, make sure to evaluate the system's user interface, as well as its ease of use.

7 GDPR-ready functionality

With GDPR now in effect, your customers' data and how it's stored is more important than ever before. Having a GDPR-ready CRM system helps you manage and protect customer data more efficiently.

For example, if your customer wants to be removed from your database, you need to be able to honor their request and send a confirmation of deletion. Or, if your customer requests an electronic report of all data you store on them in your CRM, you'll need to be able to generate that report for each customer individually.

A one-click solution will save you time and resources, instead of manually removing the customers' data from multiple sales, marketing and customer service databases, or painstakingly sifting through various resources and double-checking what data you store on them and where – all of which way too often leads to human error.

Without GDPR-specific features, you run the risk of failing to comply, which in turn may result in paying serious fines.

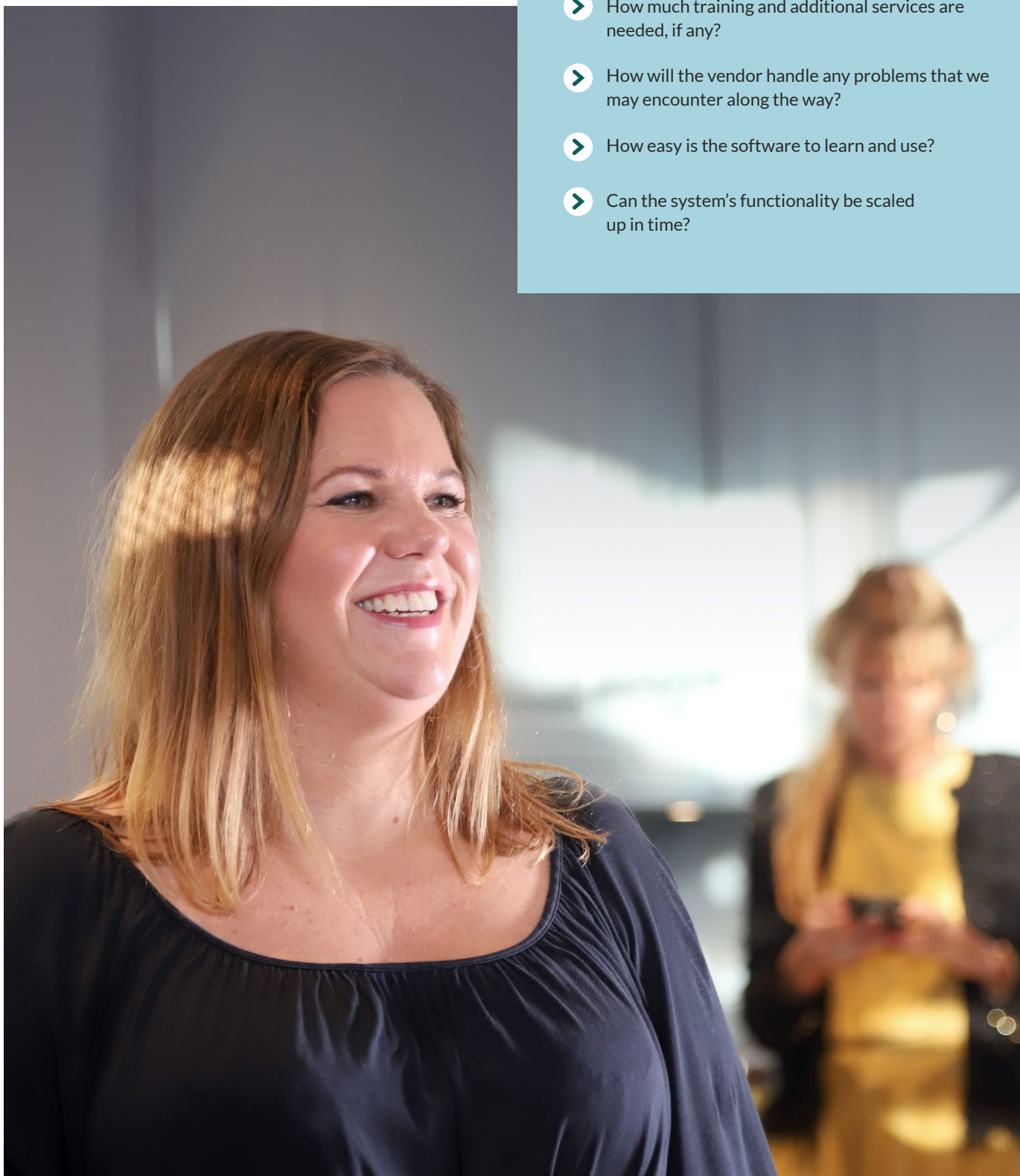
8 References

And, last, but not least, look for companies who can give you customer references about CRM vendors. Seek references from companies that are similar to your business to get a good understanding whether or not a CRM vendor really helped customers like you. Find out what their situation was and how it changed after they implemented a CRM system you're eyeing. This will help uncover whether your business is likely to succeed with a specific vendor.

(Check Appendix to find a comprehensive list of questions you want to pose to a reference).

Key questions to pose to a CRM vendor

- How long will the implementation take?
- How much training and additional services are needed, if any?
- How will the vendor handle any problems that we may encounter along the way?
- How easy is the software to learn and use?
- Can the system's functionality be scaled up in time?



HOW TO MEASURE THE SUCCESS OF A CRM SYSTEM

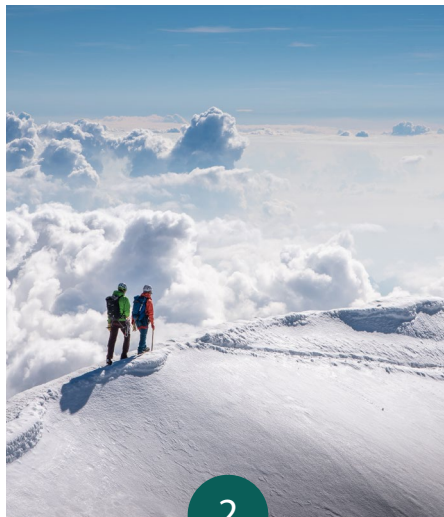
For many companies, measuring the outcome of the CRM implementation comes as an afterthought. Unfortunately, if measurements aren't set up from the start, you will never know if your CRM initiative met your business goals or not.

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



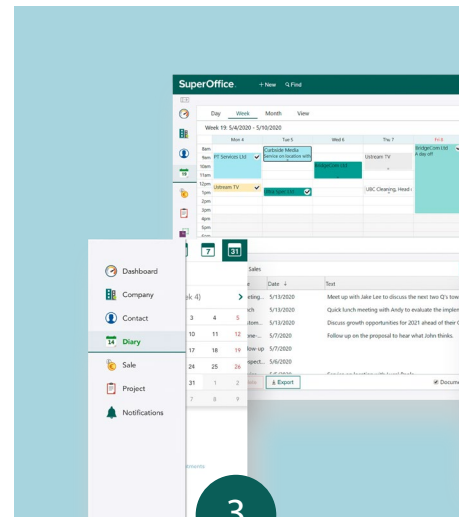
1

Explain to the business why your company has implemented a CRM system.



2

Communicate the business goals you want to achieve to everyone in your company.



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 from the start. After that you will then need to set up some goals to work towards. These goals will help you track the success of the CRM project as compared to the baseline.

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 is interested in growing your customer base, then it would be instrumental 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 last 3-5 years.

If your strategy is to retain customers, your baseline would be the number of customers that your company lost in the past year. You could also assess the dynamics of “losing” customers over the last 3-5 years and split the numbers by customer category, so that 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

How to create 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 to centralize customer information and improve sales productivity with the help of a CRM system. Another company’s challenge could be that they need to improve customer retention and increase overall efficiency.

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

Our advice – start out with realistic goals and use percentages for a better understanding of progress.

To help you visualize how to set up your goals/metrics, we've prepared a simple matrix. Below, we offer you one example for sales, one for marketing and one for 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: **Marketing**

Goal: Improve campaign response rates

Metric	Baseline last year	Baseline status	Goal this year	Goal year 2
# of cases (tickets) 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 and will help you keep in mind:

- **WHY** you wanted a CRM system in the first place, and
- **WHAT** you wanted to improve with it in your business.

THE CRM ADOPTION CHALLENGE

Before you move on to reaping the benefits of your CRM project – there is one more thing you need to take care of, and it is a very important internal project.

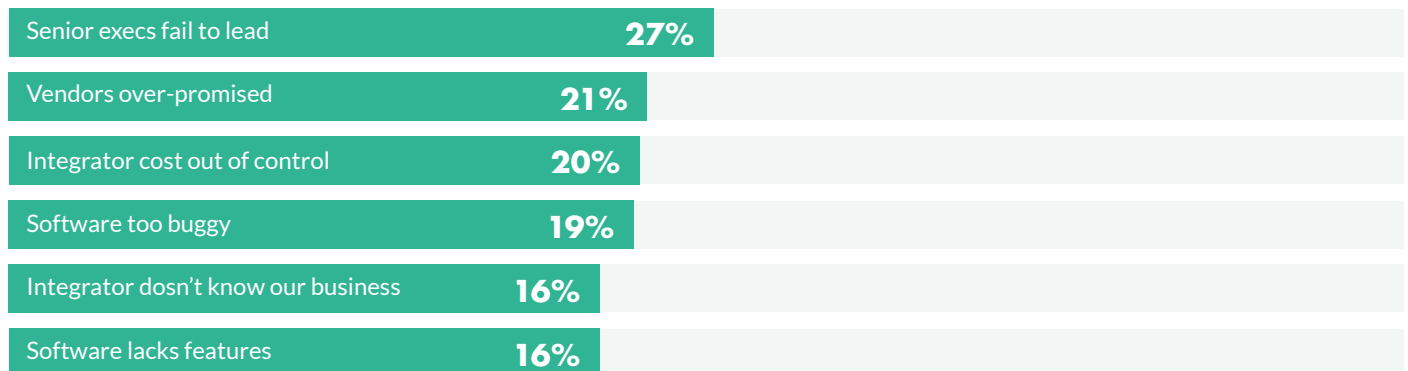
You need to get everyone in your organization onboard – from the receptionist to the CEO!

CRM is a huge change for any organization. To ensure a smooth adoption, you need to make sure that everyone is onboard with this change. Yet, be ready that not all members of your team will see the benefits of CRM immediately and embrace it with open arms.

CRM adoption has a top-down approach. Without the top management buy-in all CRM initiatives are doomed to fail. If the leaders don't show example of using CRM on a daily basis, the rest of the employees are likely to give up on it pretty soon.

According to **Peerstone Research**, the lack of support from senior executives tops the reasons of why CRM onboarding fails.

Why CRM projects fail?



When dealing with a CRM adoption, companies shouldn't focus only on the technical side of the project, as this leads to either failure or haphazard success. It is the people's hearts and then minds that you need to win.

And since CRM user-adoption is a team effort, you will need a set of common goals and an implementation strategy, ensure top management support, launch an incentive system, demonstrate ROIs, and, above all, provide an ongoing training.

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. By helping you align your business processes with your customers, CRM improves quality and consistency of your customer relationships.

CRM also helps you organize business critical information, improve productivity and is the glue that holds sales, marketing and customer service teams together, which, in turn, paves the way for further business growth.

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



ABOUT US

SuperOffice is the leading European supplier of CRM solutions. Loved by over 6,000+ happy customers, SuperOffice is the preferred choice.

Award winning usability

One of the biggest hurdles of CRM adoption is whether or not the users will use the software. As a 4-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.

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 work the way you do. In the dedicated SuperOffice App Store you can find apps that let you expand your CRM solution and connect with your favorite business applications.

+30 years of CRM experience and still growing strong

SuperOffice has been in the CRM business for +30 years and still growing strong. This shows our dedication to the development of great CRM software and our commitment to our customers.

Your partner for success

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

Ability to choose the version which fits your business best

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



Email us at
info@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 in the first place?
- Why did you choose Vendor 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 customer 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 by the vendor?
- Did you have any escalations and how effective was it?
- How flexible was the vendor in its processes to meet your needs?