



The 2021 CRM Buyer's Guide

Build lasting relationships and improve customer experience with the right CRM solution.



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Introduction

If you have an appetite for innovation and overcoming the often accepted shortcomings of most CRM solutions, you'll want to keep reading. Why? Because this guide will inspire you to take a fresh look at Customer Relationship Management (CRM) solutions and help you transform your business—by supercharging your sales, marketing, and customer service teams.

Digital transformation is disrupting how businesses interact with their customers, and these disruptions are providing organizations unique opportunities to rethink time-worn processes.

What's the secret? Simplistically, businesses are connecting the dots, utilizing what for so long remained mostly unused: Data. By linking disparate sources of data across the organization, a clear and comprehensive view of customer activities emerges. The insights you gain from this view helps everyone from sales representatives to customer service representatives deliver consistently exceptional experiences with every customer interaction.

Your CRM is the foundational tool for superior customer experience. Historically, the challenge was that the people who stood to benefit most from CRM either couldn't or wouldn't use it because traditional systems were not user-friendly and could be overly complicated.

But modern CRM has come a long way—and it's time to take a new look at what it can do for your business. The best CRM solutions are easy to use, yet comprehensive in scope—turning every employee into a customer expert by putting the right information at their fingertips, often before they even ask for it.

When curating this guide, we spoke with top industry experts and business leaders to capture their insights about the challenges of traditional CRM deployments and the keys to a successful implementation. We've included the questions to ask when evaluating solutions and some tips for getting started on the path to modern, game-changing CRM.

Why Your Business Needs Great CRM

Technology has become the great equalizer, because it has put tremendous control in the hands of consumers and business buyers alike. Thanks to digital disruptors such as Amazon and Netflix, buyers expect you to know them, regardless of the product or service you're offering. Seamless transactions across devices and 24/7 access are the new standards across industries, and recommendation engines are leading even B2B buyers toward future purchases.

It's no longer enough to provide the best product or service. Many prospective customers won't convert if they're turned off by your brand persona or selling experience. It's essential that organizations deliver strong first impressions and repeat that performance with consistency and excellence at every stage.

"It's less important that you have a 360-degree view of the customer and more important that the customer has a 360-degree view of you," says Rebecca Wettemann, Vice President of Research at Nucleus Research. "Whether they touch sales, marketing, or service, customers need to get the same answer, the same tone, the same interaction."

CRM was supposed to deliver those types of sparkling results, but the first few generations of CRM technology fell short. Blame it on siloed data, convoluted processes, ineffective tools, or a status-quo culture.

According to research by the [Harvard Business Review](#), "18% to 69% of CRM implementations fail." What's more, many users don't like their CRM system, often citing that the technology is difficult to use or doesn't enable them to be more productive.



When a business attempts to optimize an underperforming CRM, the results can be devastating both in terms of people and data. “More often than not, employees in one department don’t even know the employees in other departments, let alone use data that spans the organization,” writes customer experience futurist, [Blake Morgan](#). “This often results in wildly inconsistent customer experiences that make companies look disconnected and unfocused.”

McKinsey reports that less than [15% of companies](#) have digital technology as a central aspect of their digital transformation. Those remaining are woefully behind on digital adoption and thus, creating additional siloes within organizations. That speaks not just to the technology, but to the culture and customer journey as well, it signals a lack of commitment to growth and failure to focus on the customer experience.

CRM Evolves for Modern Needs

Increased competition and more discerning customers placed additional pressure on businesses to capture more within their CRM system. To meet the need, CRMs had to evolve. Modern CRM technology focuses on delivering value—including increased revenue, heightened productivity, and workflow efficiencies.

The CRM improvements translate to a better return on investment (ROI). Nucleus Research found that companies who invest in CRM increased average returns at a [rate of \\$5.60 to \\$8.71 per dollar](#) spent. Even with modern advances in CRM, sales professionals still loathed having to use it, citing cumbersome data entry and lack of intuitive technology. This sparked a second wave of evolution for CRM platforms which became better design to share data between applications and reduce the effort required of sales representatives.

Wettemann’s observed a distinct change in the effectiveness of CRM within organizations. Instead of hindering the workforce, they are increasing productivity and, ultimately, the company’s revenue. “We see that playing out in two ways,” she says. “It’s adding to the top line by making sales more productive, and it’s cutting the bottom line by automating more tasks and enabling companies to do more with fewer resources.”



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— **REBECCA WETTEMANN, NUCLEUS RESEARCH**

Top-Line Growth

Businesses who invest in CRM are drawing a straight line from their investment in this technology to revenue growth. With effective lead scoring and lead nurturing tools, the quality of marketing leads passed to sales improve. Add into the equation streamlined and automated workflows and built-in analytics, CRM provides precise insight resulting in a boost to conversion rates. With a tailored buyer's journey and continual monitoring of the customer, companies can render the right touch at the appropriate time.

But this revenue growth isn't limited to new customer acquisition—CRM can also improve repeat business by providing sales, marketing, and customer service teams with a more comprehensive customer view. Companies that create and execute an end-to-end engagement strategy can improve current customer lifetime value and grow accounts through informed conversations, driven by the information within their CRM. For example, Hilco Valuation's CRM system helped the company grow its renewal business by 15% to 20% per year without bringing on additional resources, according to Glickman.

"CRM is now at the forefront of making you more effective in building relationships," says Leary. "The ability to use information and insights should help you to get the attention and keep the attention of people you are trying to do business with, based on having a better understanding of what they are interested in and what their challenges are, and having those insights in real time."



CRM is now at the forefront of making you more effective in building relationships.

— BRENT LEARY, CRM ESSENTIALS



Bottom-Line Benefits

Top-line benefits are only the beginning of what CRM can do. It doesn't make any difference if bottom-line revenue is consumed by internal cost. Advances in workflow automation alongside the ability to integrate multiple data sources have significantly impacted CRM's ability to improve collaboration and productivity—instead of inhibiting it. With data collection directly in the CRM, companies can have the data they want without wasting time and resources on data entry.

"A system that automates data collection and analysis allows you to spend less time doing things like data input, data upkeep, and searching for information," says Leary.

These efficiencies of a modern CRM impact the entire business, including:

- Customer service centers can resolve issues with higher satisfaction in less time, thanks to advanced workflow capabilities providing contextual intelligence for each customer interaction.
- Marketers can automate campaigns and adjust lead scoring to reduce manual processes while enhancing performance.
- IT and technology administrators benefit from increased integrations with other software, making unnecessary to extensively code bridges between platforms. Automated workflows additionally help to ensure pre-and-post sale activities are completed quickly, optimizing the customer experience.
- Finance teams can track, manage, and view payment information directly within the CRM to optimize collection processes and track customer invoices with ease.

To keep pace with competitors and optimize internal workflows, businesses need a great CRM platform that can grow with them.



CRM: The Competitive Differentiator

Journey to Effortless CX

Conformity is the enemy of success. Setting your business apart from your competition begins with exceptional customer experience.

[Forbes found](#) that leaders in customer experience (CX) can grow revenues by 4% to 8% over competitors. In a recent Walker survey, a majority of companies said customer experience is their primary [differentiator](#) and signal a strong shift to focus on the customer journey rather than traditional siloes. This comes in direct response to the fact that [32% of customers](#) will stop doing business with a brand they are loyal to after just one bad experience. It's no longer an affordable option to do nothing in relation to CX. So, how can you win when your customers expect top-tier service plus effortless experiences, and your competitors are just a few clicks away? It's a commitment to providing a customer experience that is *consistently* better than your competitors' at every touchpoint—this successful approach is not one and done.

You achieve this through a deep understanding of your customers' needs as they research, evaluate, shop, buy, and use your product or service.



Forward-thinking business leaders, we call them game-changers, are making the customer journey the focal point of operations. Shifting organizational culture to adopt a customer-centric focus, game-changers, work toward breaking down the siloes across functional groups to encourage new thinking around the customer. Modern CRM platforms are the enabling platform for this customer-first transformation. Its role as a great differentiator is quite a leap from its more modest beginnings. “CRM, when it first started, was more about keeping your contacts in a central location,” says [Brent Leary](#), Cofounder, and Partner of CRM Essentials, a CRM consultancy. “Today, CRM is the foundational component of a customer engagement strategy.”

A modern CRM solution will help you capture relevant insights about your customers and share the ideas with employees who can then act on it to deliver positive experiences. Today’s CRM systems also can drive significant improvements in productivity and open up new opportunities for business growth. Some game-changers, such as Jim Glickman, Chief Marketing Officer at Hilco Valuation Services, have turned CRM into a platform that supports their entire business.

“Unlike other companies that use CRM to track companies and contacts, we use it as our sole operating platform,” says Glickman. “Salespeople use it as a CRM tool. Business operations staff use it to book deals. Appraisers use it to assign tasks and track time and expenses. We do all of our business reporting from the system.” Glickman’s team even gave the platform a name that speaks to its breadth: ESSTER (Engagement, Setup, Scheduling, Tracking, Evaluation, and Reporting).

If you’ve had enough of settling for ordinary, a fresh approach to CRM can unleash the type of game-changing customer engagement that drives loyalty and fuels business growth.

“

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—BRENT LEARY, CRM ESSENTIALS

Demystifying CRM Technology

Once thought of as a functional repository for customer data, CRM has become capable enough to take on a much broader role in business operations. “I don’t even think of it as CRM,” says Glickman, who championed the CRM implementation at Hilco Valuation that went live in 2012, “we look at this more as kind of a comprehensive business platform.”

The Hilco deployment bears little resemblance to most legacy CRM systems—a positive because modern CRMs are no longer limited to a singular function. Although many other businesses have come to rely on the technology as “A proactive piece of the customer engagement strategy,” says Leary, “it’s still good to have a central location for customer data, but now it’s more about having a system that automates data collection, automates analysis, and automates finding insights.”

An end-to-end CRM system is a real solution: It is extensible and supports various tools and technologies as part of a broader customer engagement ecosystem. However, the breadth of options and extensions can be overwhelming when shopping for a CRM solution. To simplify the process, consider your business needs relative to four critical areas.



1. Intuitive User Experience

The biggest challenge with any CRM deployment is user adoption. While some may attribute this to the fact that people aren't fond of change, it's often related to the usability of the software. Software user-friendly and enables job performance is a tool worthy of investment. If your software requires advanced, proprietary knowledge, it will not survive the user adoption phase. It could be the "best" CRM ever made, but if it's not intuitive or user-friendly, employees will become frustrated and work outside the system.

Therefore, modern CRM places a premium on a streamlined, consumer-grade interface. "It's important to simplify the focus, to put just the information in front of the user that they need to make the most effective decision or to make the next best action," says Wettemann.

A CRM solution optimally allows you to define how different users interact with the system. Creating different user types and roles should be simple, allowing users only to see the information that's relevant to them. Insights should be delivered visually, wherever possible, to help users conceptualize information, determine next best action, and act decisively. More so, an intuitive interface must extend across desktop and mobile devices, so that field agents and mobile workers get the same experience regardless of device or location. Mobile is a requirement in many CRM instances due to the increased remote working environments across the globe for traditional office positions.

"The user interface has become mission-critical, even though you might not think of it as an ordinary part of CRM selection," says Paul Greenberg, Managing Principal of The 56 Group and author of CRM at the Speed of Light.

The user experience should improve further as vendors add artificial intelligence (AI) capabilities into their products. "You want a system that is so intuitive that end users don't require training to use it," says Wettemann. "We're certainly seeing a move in that direction."



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— JIM GLICKMAN, HILCO VALUATION SERVICES

2. Workflow Automation

A modern CRM platform must excel at creating seamless workflow management and automating wherever possible. Organizations can utilize advanced automations to implement best practices, improve productivity, and reduce costs. Intelligent workflow delivers excellent value across the organization.

- **Intelligent call routing:** Sales and service run more effectively when a CRM system leverages an advanced workflow that enables seamless handoffs and smart escalations. For example, addressing customer concerns by routing calls to in-house product experts outside customer service.
- **Predictable cash flow:** Through proper workflows, managers can model sales revenue and build forecasting dashboards to enable tracking of progress against projections. Adding a payment tracking workflow as part of customer lifecycle management, allows accounting teams and sales representatives to which accounts are at risk due to lack of payment.
- **SLA compliance:** A process-oriented CRM can help guide the entire service resolution lifecycle and apply automated SLA management. With high-priority customer issues intelligently routed, the system can send automatically alert the customer service agent whenever threshold values for that SLA action are in danger of being exceeded and encourage improved reporting through continual communication on the customer account.

3. Process Alignment

Common usage for CRM is to align business processes across the entire organization providing a baseline of organizational expectations while enabling a better customer experience.

- **Contract management:** Through the CRM infrastructure, contract management can expedite the time-to-close with modules that access customer data for contract creation for both new and repeat customers.
- **Order management:** Automate workflow in the post-sale process and ensure customers receive their purchases, promoting a reliable transition from sales to billing and order fulfillment.
- **Service delivery:** A CRM-enabled customer support hub automates the processes throughout post-sale delivery, installation, and other after-purchase services.
- **Claims processing:** Manage the tracking of customer claims, returns, and refunds through workflows and processes integrated directly with financial systems.
- **Purchase request management:** Enable intelligent purchase order creation, ensure timely alerts, and enforce parameters around purchasing activities.

4. Platform

Where your CRM lives is just as important as the technology the software is built on. While traditionally many CRM platforms were implemented in on-premise installations, modern CRM systems are increasingly cloud-based and for good reason, remote capabilities and a distributed workforce require the flexibility that the cloud provides. While on-premise options are still available or a hybrid solution, they are less popular and only used in certain circumstances, which is backed by the numbers with [90% of CRMs no longer based in on-premise installations](#).

For CRM software, source code varies by vendor, with some platforms build with proprietary technology, while others use open APIs and open-source code. These choices can dramatically affect flexibility and total cost of ownership (TCO). Additionally, the language of the code also contributes to these factors. If the source code is open and engineered via a common language (PHP for example), the CRM platform is more customizable by the user, easing the burden on building out costly connectors and integrations. Often these integrations are widely available due to ease of creation for the CRM. Without the development barriers of proprietary code, businesses can leverage the power of their CRM more fully, optimizing interfaces, increasing affordability, and more easily shift the technology utilized throughout the organization as needed.

Open-source and cloud technologies are becoming more and more popular throughout the CRM industry providing an easier and more customizable solution for the organization utilizing the technology.



CRM Evaluation Checklist: Focusing on the Features that Matter

A strong CRM system is a solution to unlocking superior customer experience (CX) by tying your organization together through inter-departmental collaboration. When combined with a combined with a [strong marketing automation platform](#) and a [customer service solution](#), you have a true CX enablement platform. However, it's essential to closely look at a CRM system's solutions to note the differences because as with any CX solution, the CRM rightly serves as your flagship software for enabling effortless customer experience. To help you fully evaluate functionality and ability, this checklist serves as a guide to help you narrow down which platform is the right solution for your organizational needs.

Core CRM Functionalities and Features

SALES FORCE AUTOMATION:

- ☐ What built-in capabilities does this solution provide for sales acceleration?
- ☐ Does the solution auto-populate records and forms? How does it connect to data sources to glean this information?
- ☐ Can it ensure that contact data is accurate?
- ☐ How does the solution drive sales productivity? Can it automate the delivery of information about companies and influencers in its dashboards?
- ☐ Is the customer journey able to be adjusted within the platform according to your organization's standards?

LEAD MANAGEMENT:

- ☐ Does the solution come with functionality to automate prospect outreach and lead qualification?
- ☐ How does it integrate with marketing automation platforms? Does it support integration and seamless back and forth communication with these providers?
- ☐ What capabilities does it include for lead nurturing? For business development opportunities?

CASE MANAGEMENT AND SERVICE TOOLS:

- ☐ Does the solution deliver a comprehensive customer record solution to call center agents that including all data collected from the sales department?
- ☐ How does the solution integrate with customer service solutions? Does it provide seamless communication between two applications?
- ☐ Does the solution automate call and email routing to support prioritization and reduce wait times?

WORKFLOWS:

- ☐ Does the solution automate workflows?
- ☐ Does the automation support every step of the customer journey, from acquisition to advocacy?
- ☐ Does the solution offer automated call logging?
- ☐ What workflows come pre-existing within the system?
- ☐ What technology does the workflow automation use?
- ☐ Do we need to have specialized knowledge for workflow customization? How difficult is it to customize workflows in the system?

UI/UX:

- ☐ Is the default user interface consumer-grade?
- ☐ What work is involved in customizing an interface?
- ☐ How consistent are the desktop and mobile interfaces?
- ☐ Does the solution include offline mobile capabilities?
- ☐ How many screens do users need to go through to enter information?
- ☐ How is the reporting and search functionality?
Is it intuitive to use this feature?
- ☐ Can multiple users access/edit the same record at one time?



RELATIONSHIP INTELLIGENCE:

- ☐ Will the solution help us to accelerate call preparation time by providing associates with all the customer contact and social network information they need with just a name and an email?
- ☐ Does the system support automated reporting to alert employees to accounts that may need additional support?
- ☐ Does the solution natively integrate with our organization's existing tools, like our marketing automation platform and customer service solution?
- ☐ Will the solution enable us to spend less time on research and maintenance so that we can spend more time getting to know our customers?

Technical Questions and Requirements

PLATFORM CUSTOMIZATION:

- ☐ How is the platform optimized for customization? Do you provide customization service?
- ☐ How expensive is it to set up our own customizations before the system is installed?
- ☐ Is the solution scalable depending on our internal needs?
- ☐ What options do you have for full users versus viewers? Are there different level tiers that you offer for licensure?

CODE AND LANGUAGE QUESTIONS:

- ☐ Does the solution proprietary or open source? Is there an API or an open API?
- ☐ Is the code consistent across the application?
- ☐ What language is the software written in?
- ☐ What expertise and tools will we need to customize the solution?

HOSTING AND DATABASE QUESTIONS:

- ☐ What are the options for hosting the application?
- ☐ Can we choose where our data is stored?
- ☐ Is there any charge for using local storage or a public cloud?
- ☐ Is there a charge if we choose to relocate our data?
- ☐ Do you support migration from current systems? How easy it is to clean up data?

SOFTWARE VERSIONING AND IMPROVEMENTS:

- ☐ Do we have control of our own application version?
- ☐ When are updates to the platform released? What's the cadence for the updates and improvements?
- ☐ Do we schedule our own updates, or does the vendor set the migration schedule? Is there any downtime for the system to complete updates?
- ☐ How does the internal team support our company if there is a technical problem?
- ☐ What's the average SLA for a support request based on high priority? Low priority?

Security and Compliance:

- ☐ Can this solution meet our data security and privacy requirements?
- ☐ Is the application in compliance with SOC2? GDPR?
- ☐ Does this solution enable us to meet our regulatory and compliance requirements?
- ☐ How do you protect our organization's data against hackers? Against contamination with other customer data?
- ☐ Are we responsible for our own firewall?
- ☐ Does the application work with SSO providers?
- ☐ Does this solution provide the governance tools we need?



Pricing and TCO:

- ☐ What are the pricing models and levels?
- ☐ Are there any upcharges, additional product charges, server license charges, or maintenance charges?
- ☐ What other charges and fees might we incur over the lifetime of this solution?
- ☐ Are there charges for usage above preset limits and for storage of files?
- ☐ Are there charges for integrating applications and data sources?
- ☐ Are there limits on API calls?

Vendor requirements:

- ☐ What type of customer support is included with the solution? Can you add-on to any package extended, phone-based technical support packages?
- ☐ Does your solution come with a self-service portal and knowledge base for questions? What online resources are available?
- ☐ How broad is your solution ecosystem? Partner network?
- ☐ Do you offer packaged connectors to critical features?



A Blueprint for CRM Success

CRM success starts before the technology purchase. It's important to begin with a blueprint including business alignment, team building, and change management. These foundational elements will not only align departments but set the new system up to a strong start to help aid CRM adoption.

"When it comes to choosing a CRM system, you have to get your objectives in place," says Paul Greenberg. "What do we want to do? What is the strategy? How do we want to go about executing? If you don't have those questions answered up front, the buying decision is going to be based off of old information or maybe no concrete information at all."

Brent Leary agrees that companies sometimes venture into CRM projects without enough reflection. "Price and implementation are important," he says, "but it starts by asking, 'Why are we doing this in the first place? And what processes do we need in place in order to make sure that the outcome we're going to get is the one we want?'"

Start at the Top

Leadership input is vital in a CRM deployment or expansion. Charlie Brown, CEO and founder of Context Partners, explains it well in [Harvard Business Review](#):

“Because it involves software, many companies make it the CTO’s responsibility. But relationship management also depends on policy, incentive structures and people. In the brand-driven environment of modern commerce, no strategy impacts your business more than how relationships are managed, inside and outside the organization, and that’s an executive role if ever there was one.”

Avoid the trap of legacy CRM systems which fixate on management and process efficiency only. Focus instead on the customer lifetime value that accrues from good CX practices. Ultimately, as you build deeper relationships and increase the relevance of your sales and marketing efforts, this critical investment will increase your revenue and the depth of the knowledge within your CRM solution.

Selling the investment to leadership involves defining what success is for each area of the business including how not only it will aid in the acquisition of new logo revenue but also increase recurring revenue through better relationships. While these bottom-line benefits are important, it’s also important to clearly articulate the business benefits, such as shortening the quote-to-cash cycle for sales teams or reducing call resolution times in customer service centers. A good CRM system should ultimately benefit your organization outshining what is currently occurring within your organization whether that is an existing CRM system or a non-centralized method.



Engage Everyone Else, Too

Planning to implement a new CRM requires getting employee buy-in once you have worked with leadership to determine the path forward. If your organization has a status-quo culture, you could face stiff resistance. But all is not lost, there are ways to help encourage adoption and internal usage.

“If you’re at one of these companies where buy-in is difficult, the first thing you have to do is find your champions and recruit them,” says Greenberg. “Just like in politics, you find your evangelists and your champions, and you recruit them.”

Champions connect with key stakeholders across the organization and bring the right people in at the right times throughout planning, evaluation, and implementation.

As you expand outreach, identify every department and role that will interact with the system and develop a process for communicating and soliciting feedback. Help stakeholders see how this will benefit them in their daily job duties as well as long-term benefits. Work to maximize involvement and ownership across departments and user types.

“There is the old adage: Vote early and often, and it holds true when campaigning for changes in work behavior,” says Wettemann. “Getting business users aligned in the beginning of the process—even in the selection of the vendor—is important. Help them understand what’s in it for them from the beginning.”

If you’re saddled with an underperforming CRM—or outdated, labor-intensive processes—achieving buy-in should go more smoothly.

“It was not hard to get people to switch, because everybody was craving something [new],” says Glickman. “We were growing at a pace where if we went along that trajectory for even just a couple more years, we wouldn’t be able to manage our business. So we had a number of people who were pounding the table for it.”



Just like in politics, you find your evangelists and your champions, and you recruit them.

— PAUL GREENBERG, THE 56 GROUP

Building the CRM 'A' Team

A successful CRM deployment involves getting buy-in from key stakeholders across the business.

These are the things they care about most:



SALES MANAGEMENT

- Pipeline visibility and management
- Customer acquisition
- Sales forecasting
- Territory management
- Sales performance management



FINANCE MANAGER/ DIRECTOR

- Total cost of ownership (TCO)
- Pricing model (Capex vs. Opex)
- Revenue projections
- Cash flow management
- Integration with billing systems



MARKETING MANAGEMENT

- Inbound/outbound marketing
- Lead management
- Marketing automation
- Campaign management
- Social listening and tracking



HEAD OF IT

- Integration with existing platforms/ applications
- Delivery model (cloud vs. on-prem)
- TCO
- Customization capabilities
- Data management/privacy/ compliance capabilities
- Vendor support



HEAD OF CALL CENTER OPERATIONS

- Incident resolution
- Workflow automation (resolution, referrals, escalation)
- Upsell/cross-sell capabilities
- Customer retention
- Performance evaluation



C-SUITE (CEO, CFO, CMO, COO)

- Revenue forecasting/reporting
- Customer engagement
- TCO
- Governance/compliance capabilities



POWER USERS (SALES/MARKETING ASSOCIATES, CALL CENTER REPS)

- Total cost of ownership (TCO)
- Pricing model (Capex vs. Opex)
- Revenue projections
- Cash flow management
- Integration with billing systems

Success Metrics: A Checklist

It's essential to define your success metrics for CRM as part of the buying process, because these metrics will help you determine the functionality you will need in order to deliver positive top- or bottom-line results. You want to measure CRM performance with precision for optimal outcomes.

- **Pipeline visibility:** Track whether the CRM system is giving sales teams a comprehensive view of customer or prospect activity to identify new opportunities.
- **Conversion rates:** Track current conversion rates across all defined sales stages to establish baselines on which to benchmark success. Include sales, upsells, and cross-sells in tracking.
- **New business growth:** Track new customer accounts or net new sales by customer.
- **Retention and profit per customer:** The duration and value of customer relationships.
- **Sales performance:** Get as granular as possible with your team's performance, such as average sales cycle, conversion rate by sales rep, or activities across each stage of engagement.
- **SLA compliance:** Manage performance and compliance with service level agreements with your customers.
- **Customer satisfaction:** Set targets for customer satisfaction and measure against those.
- **Customer advocacy/influence:** Track customer sentiment via direct feedback, social media, or metrics such as Net Promoter Score (NPS).
- **Attrition:** Set targets relating to different causes of attrition to determine whether the CRM is delivering expected improvements.

- **Usage rate:** A CRM system is only as good as its users. Set adoption and usage goals for each department.
- **Employee satisfaction:** Target and track areas where employees are expected to experience improvements in their work, such as collaboration and depth of insight.
- **Lead quality:** Set standards for lead qualification and opt-outs, and measure the quality of leads that pass to sales via automation.
- **Automated outreach:** When you use CRM to prompt customers based on data signals, measure the performance of those campaigns.
- **Interaction intervals:** Is the CRM helping you keep customer relationships fresh?
- **Speed of response:** Are customer service representatives responding faster with better information?
- **Fulfillment:** Measure whether the CRM is helping you complete post-sales operations faster.
- **Payments:** Use the CRM to follow the customer journey to the end, and apply time-to-payment metrics.
- **TCO:** Set a budget for CRM implementation, maintenance, and growth, and measure against it. Target cost savings related to the CRM deployment and measure for improvements.



Getting Started

You may feel right now, you're ready for purchase... Hold on. It's imperative that you test during this phase to learn what you will need and what you will not use and communicate any needs and concerns with the vendor. Often this stage is when you narrow down needs with the vendor. Set your own pace here, because this is a critical step in the evaluation process. Vendors that don't recommend this stage are just looking for your money and that poor customer experience should make you wary of this new partnership. This also provides you a good indication of the level of service that you may have once you become a customer. Depending on your questions during this phase, the answers can take time—be sure to work with your vendor to understand how long some very customized questions can take to test on their end of software.

"The last thing you do is choose your technology," says Greenberg.

"You don't choose it and then decide what to do with it. You figure out what you need to do first, then you put in the CRM to enable you to accomplish what you plan on doing."



1. Plan Your “Design/Build/Modify” Architecture

In evaluating solutions, teams should inquire about languages, extension frameworks, required integrations, and the ease of customization. These factors will affect the development opportunities and costs of the new platform.

Be aware that no CRM solution is able to do every action out-of-the-box. “The question is: How much can it do?” Greenberg says when considering the software. When the York, a well-known HVAC manufacturer, identified 250 business processes that the business used consistently. “One of their tests was how much of what they needed could each solution do—out-of-the-box, without customization? It’s a fairly simple test,” Greenberg says. Finding out what you can skip during the customization of the software is important for setting a baseline and understanding where the investment must be made to achieve the level of customization you need.

CRM customization focuses largely on building workflows, integrating applications and data sources, and refining interfaces. Both technical and project teams should work together to map the organization’s business processes against the CRM solutions you’re considering during this evaluation to determine the scope of customization needs. (This is a fantastic time to help curb redundant workflows.)

Hilco Valuation’s CRM system is highly customized, because of its broad use across business operations. “We spent a lot of time upfront before we developed even one line of code, understanding what our business process is and what it could be,” says Glickman. “We wanted the technology to mirror our processes and not have the process mirror the technology.”

When considering this technology, it’s also important to define whether you’ll have the resources internally or rely solely on the vendor for the customizations you need. It might be a mix of both your internal and vendor resources but this will also aid in providing the proper picture of investment not only financially but also the solutions time to value.



We wanted the technology to mirror our processes and not have the process mirror the technology.

— JIM GLICKMAN, HILCO VALUATION SERVICES

2. Map Your Business Processes

To be effective, your CRM system must map closely to mission-critical business processes.

“Where CRM has failed is where the business doesn’t make it a critical part of the process,” says Glickman. “If you put CRM off to the side, where it’s not really required, that’s a recipe for failure.”

In addition to identifying essential processes that the CRM system will manage, use your CRM deployment as an opportunity to fix broken processes, and eliminate redundancies. Since you have time during the evaluation to pause and are collecting feedback internally, you have the perfect opportunity to fix these aspects of your organizational processes. While a new CRM solution can help optimize customer-facing processes end-to-end, it can’t fix broken ones on its own. Your team and organization are the only ones who know what is not working within your current solution.

“You shouldn’t just be paving over the old cow path,” says Wettemann. “If you’re implementing a new CRM solution, you should be looking to see how you can automate and streamline to make processes better, rather than just coding what you have already done.”

3. Map the Customer Journey

Successful game-changers view their business through the customer lens because they understand that it doesn’t matter how you optimize internally—if it’s not translated to the customer, it doesn’t matter. Planning should include an agreed-upon definition of the optimal customer experience. A comprehensive customer journey map will help you to identify gaps and opportunities to re-work existing processes and add new workflows. Your organization should do this regularly as part of your internal innovation.

By mapping the customer journey in detail, the project team gains a rich understanding of customer needs, preferences, and behaviors at every stage. Next, align those preferences and activities with your customer-facing processes and internal workflows. This will help you to identify areas in need of improvement and ensure consistent handoffs between departments along the customer journey.



If you’re implementing a new CRM solution, you should be looking to see how you can automate and streamline to make processes better, rather than just coding what you have already done.

— REBECCA WETTEMANN, NUCLEUS RESEARCH

4. Prioritize Data Points to Help Internal Workflows

Work with department heads to develop revenue and productivity data points in opportunities at every stage. Once these data points are flagged, study them for the ROI potential, compare them, and prioritize CRM expansion accordingly. This will help proactively identify key spots in the customer journey so that your sales, marketing, and customer service teams can react. Additionally, this functionality will ripple through your organization such as alerting your accounting department when there is a need to consider collections for non-payment or adjust renewal rates in a previous contract.

Look for potential efficiencies beyond the core sales, service, and marketing functions. Plan to leverage CRM automations and data insights to ensure timely revenue flow and replace inefficient processes throughout the customer lifecycle. Data relevant to your organization should be parsed and evaluated aligning to both the customer journey and the sales process.

5. Align Sales and Marketing

Sales acceleration is one of the leading benefits of CRM. What's the most important thing for marketers? [70% of marketing professionals](#) in the B2B space believe that is improving the quality of leads during lead generation activities. Marketing wants to send leads to sales, sales wants to transform leads into opportunities and then customers.

Aligning sales and marketing to a shared definition of a qualified lead is essential, especially when you're setting up a new CRM. With the definition agreed upon, marketing and sales can better define the qualifications that must be met for a lead to transfer from marketing to sales. This also allows the flow of information back and forth so that these qualifications can be refined and further align the two departments. A new CRM system can help you to reduce pipeline waste by automating certain lead scoring and tracking activities between the two departments.



6. Define the User Experience

Work with department heads and front-line workers to discover the insights, prompts, and functionality that they need based on their role. A CRM system can integrate endless functionality and data across sales and service functions. By understanding what workers need, the project team can prevent overloading new users to the CRM system.

However, it's important that users should have an intuitive interface that delivers only the data that is most relevant to their roles and the specific customer moment. Performance should be consistent between desktop and mobile experiences.

To ensure productive CRM usage, build coaching into the dashboards. "We are seeing solutions that are more usable and allow for less training for users to be productive with the application," says Wettemann.

7. Determine Integrations with the CRM

Determine what applications and data sources are needed to empower users and maximize workflow efficiency. Nucleus has found that edge applications (such as configure price and quote (CPQ) tools, field service, or contract management), integrated into a CRM can deliver more than four times the ROI of core CRM core applications like sales automation, marketing automation, and service automation, according to Wettemann.

Users also need to trust the data. Consider developing a master data strategy in parallel with the CRM project to maximize data quality.

Data governance also is a key consideration of any data integration strategy. Prepare a requirements list so you can uncover any potential issues around how you manage customer information related to security, privacy, or compliance. This is also the time to test code with the team internally to find out what your organization is capable of versus needing the support of your vendor.

CRM's Ideal State

Key Steps Toward CRM Maturity



Sales/Marketing

From...	To...
Company-defined processes	Customer-defined processes
Static workflows	Dynamic, automated workflows
Segmented customer information, resulting in disparate, sometimes conflicting data	Integrated data sources enabling end-to-end customer view and better pipeline visibility
Standalone tools for tracking prospects, pipeline activity	Predictive analytics for more accurate forecasting
Historical reporting	Predictive reporting
Inaccurate forecasts and labor-intensive data input	Full customer lifecycle management



Business Strategy

From...	To...
Disjointed view of customers	Executive dashboard that shows real-time performance and trends
Gut-feel decision making	Data-driven decision making
Reactive to market shifts	Proactive approach to new markets, new customer segments, research and development
Compliance risks created by poor data management practices	Reduction in new hires due to automation & risk

Key Steps Toward CRM Maturity



Service/Support

From...	To...
Labor-intensive call center	Omni-channel, automated service offerings (phone, web, social)
Limited hours of operation	24/7 access
Scripted, task-focused agents	Empowered, experience-focused agents
KPIs based on call time resolution	AI-assisted call routing, AI-assisted support (e.g., chatbots), Escalation to internal experts, & KPIs based on customer satisfaction
Reactive service	Proactive/predictive service



Business Operations

From...	To...
Manual data input and transfer	High-level cost streamlining
Inefficient record-keeping	Predictive sourcing and Increased efficiency in credit-control and other processes
Reactive to market shifts	Proactive approach to new markets, new customer segments, research and development
Ineffective training methods due to overly complex technology	Reduced training costs

The Future of CRM

Your business doesn't stand still, and neither should your CRM system. A CRM solution should put you on a path of continuous improvement and innovation. The most exciting areas such as mobile and artificial intelligence should be part of the CRM roadmap—which is also important when considering what system you want to invest in. Finding the right CRM also is about where it is going with the advances of emerging technology. A good CRM is based not only on what's available but also *what can be*, with the ability to grow and adapt with your organization.

The future of CRM is about fine-tuning the ability to deliver the right information to the right user at the right time—even if they don't ask for it. "There's so much information out there that using technology to bring that needle in a haystack to the CRM user is going to become increasingly important for an increasingly competitive world," says Wettemann.

Better Predictive Capabilities

CRM has long transitioned to a more user-friendly interface that can span both desktop and mobile but it's also important that they provide a picture of the customer journey in total. Without the ability to see an entire birdseye view of your customer, CRMs can limit you to a snapshot picture of a single date and moment in time. It's like being given still shots and being asked to share the exact plot of a movie—it doesn't work very well. Optimization of the predictive side of CRM is where platforms need to venture in order to better serve users. The true, 360-degree view craved by sales leaders and teams are needed now more than ever. It's a key functionality of what CRM needs to become in the changing business landscape.



But where else does it go? It needs to embrace artificial intelligence (AI). Using more and more technology every day will only increase the pressure on business-critical systems like CRM to find some key ways to incorporate that data. Improving this functionality and defining the curve is important for vendors and platform users as the ultimate solution will accelerate business practices more. notes, then brought them back to the office where they were entered into the CRM system. “We’re moving the responsibility for the point of capture from here to the field,” Glickman explains.

AI is promising for the future of CRM. A recent Gartner report calls AI a “force multiplier for workers who ease the relationships between customers and organizations.” Gartner found that many organizations plan to link AI to customer engagement applications, call center service and support, and digital marketing practices.

As CRM systems become more adept at consuming large amounts of data, and leverage machine learning algorithms to generate insights more quickly, they will allow every user to better know every customer, and to anticipate and predict customers’ needs more effectively.

Collecting a variety of unstructured data, including social media posts, emails, and call center recordings, and combining this behavioral data with transactional data, CRM systems will be able to deliver deeper insights on customer preferences, which deepens the customer relationship. Social data in particular can help an organization learn from and engage with customers at a more holistic level.

In effect, machine learning will turn CRM into an indispensable “robot assistant” that not only makes the user more efficient and effective at getting the job done but tells them things they don’t already know about their customers.

“We’ll see more embedded AI as personal digital assistants for every user,” says Wettemann. Early returns are promising: in some of its early research around social selling, Nucleus has seen productivity increases in the double digits for salespeople, “simply because of the ability to pull all that information together, put it in the right place, and show them not just what to do, but how to do it,” Wettemann explains.



Finding the Meaning

Natural language processing (NLP) is another form of AI that meshes nicely with CRM. By parsing emails and other messages, CRM can assess the urgency and prioritize cases. NLP can also improve the effectiveness of automated responses and even replace customer surveys as the primary tool for gauging customer satisfaction.

The combination of NLP and chatbots promises a further boost in customer engagement through digital channels. In a recent survey by SugarCRM and Flamingo, three-quarters of the respondents said they're comfortable using chatbots and think they would improve the online experience.

Because as much as 98% of all customer interactions are simple queries of some kind, bots can be immensely valuable for scaling and streamlining engagement, says Greenberg. "You don't want to be delighted by the answer; you just want the answer," he says. "That's the value of AI: the ability to learn without the human on the ordinary stuff."



...CRM is at the heart of a customer engagement strategy, because it becomes the central place where all your customer data resides, regardless of the source.

—BRENT LEARY, CRM ESSENTIALS

Leary sees tremendous potential for the intersection of voice technology and CRM, with voice-activated assistants such as Siri and Alexa paving the way. "People are interacting with these devices in ways you could not have imagined even a few years ago, and every interaction becomes a data point," he says. "It's going to have a huge impact on customer engagement and the foundation that CRM sits on."

Leary sees additional customer engagement opportunities with other Internet of Things (IoT) devices, such as connected appliances that automatically sense the potential failure of a part and place an order for a replacement without human intervention.

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About SugarCRM

SugarCRM time-aware sales, marketing, and service software helps companies deliver effortless and predictable customer experience. For mid-market companies and anyone that wants a CX-driven platform, Sugar gives teams the time-aware customer data they need to create a seamless customer journey and increase customer lifetime value. More than 4,500 companies in over 120 countries rely on SugarCRM. Based in Silicon Valley, SugarCRM is backed by Accel-KKR.

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