How to Choose a CRM

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INTRODUCTION

Investing in any new software is a big decision and CRM is no exception. There are a number of questions a business needs to ask itself before implementing a CRM solution in order to get the most out of the system.

This eBook will guide you through important considerations in choosing a CRM.

REQUIREMENTS:

DETERMINING WHAT YOU NEED FROM YOUR CRM SOLUTION

THE FIRST STEP IN CHOOSING A CRM IS TO DETERMINE WHAT YOU ACTUALLY NEED YOUR CRM TO DO. A family furniture business, for example, will have very different requirements from a multinational systems integrator. It has been said before, but the analogy loses none of its relevance: You wouldn't buy a Ferrari if all you need is a Fiat.

Prior to installation, businesses need to ask themselves how many people are going to be using the system and what they will be accomplishing with the software. For companies that intend to use their CRM primarily as a sales tool, a simple out-of-the-box deployment which will only be accessed by sales, marketing and customer service, is likely to be more than adequate.

HERE ARE JUST A FEW OF THE REQUIREMENT QUESTIONS YOU SHOULD ASK...

- Is your business ready to implement a CRM system?

- What are your goals for the CRM system?

- Which departments need to use the CRM solution?

- How many people will use the CRM system?

- How will you make sure your employees use the system?

- If you have an existing CRM, what works well and what would you like to improve?

- Can you "try" the solution before deployment?

- How quickly do you need to start using the system?

3 KEY REQUIREMENTS TO CRM IMPLEMENTATION

1. ORGANIZATIONAL READINESS

Once you have decided what features you need, make sure that your business is ready for CRM deployment. This involves making sure that all the relevant people in the organization support the decision; universal buy-in is key in order to ensure that staff will actually use the system. This can be achieved by canvassing employees and departments to establish what they would find useful, what they would like to improve and how their operations could become more productive.

After all, these are the underlying motives for investing in CRM and so it is crucial that the solution you choose is sophisticated enough to achieve it, without being so complex that no-one actually wants to use the software. Getting a system that boasts all the whistles and bells imaginable may appeal to the IT experts in the business but if all these complex features discourage ordinary staff from using the system then it will be dead in the water.

2. ESTABILISH A CUSTOMER FOCUSED CULTURE

also important to assess and manage expectations and ensure that any secondary infrastructure (IT maintenance staff, for example) is in place before the system is installed. What's more, a culture which focuses on the customer has to predate the CRM deployment date so that the software enhances and streamlines processes that are already in place and performing. Whatever your business, you need to make sure that your CRM system is seen as making your employees' lives easier and enhancing their ability to do their jobs. CRM is not the solution to poor service!

One way for staff to find this out for themselves is if you choose a provider that allows you to try their solution before you buy, so that you can be absolutely sure that it is the right fit for your business. The ability to review a range of systems – another opportunity offered by a number of providers – will give you the chance to weigh up all the available options.

3. SET A TIMELINE

Finally, you need to establish how quickly it will take to deploy the system. You might need it to be up and running within weeks – a consideration that could influence your choice of solution – or you may have the luxury of several months to ensure that everything is in place for smooth implementation.

For a business that operates, for example, a sporting venue, quick deployment could be a top priority to enable it to manage a huge contact database – balancing a variety of commercial activities, including sponsorship and ticket sales – in time for a major event, without having to overhaul existing processes. Choosing a user-friendly and adaptable solution is especially important where speedy implementation is a major concern since staff need to start using the system straight away.

CLOUD VS ON-PREMISE:

ACHIEVING THE RIGHT FIT FOR YOUR BUSINESS

A CONSIDERATION OF WHO WILL BE USING THE SYSTEM AND HOW IT IS GOING TO BE DEPLOYED WILL HAVE A DIRECT IMPACT ON THE NEXT QUESTION: whether to choose a cloud or on-premise solution. In a nutshell on-premise solutions have a higher capacity for customization whereas cloud-based solutions offer greater flexibility and easier implementation.

With a cloud-based system the CRM application is hosted on an external server, accessible through the internet. Businesses that choose an on-premise solution can host the CRM system on their own server, using their own in-house IT infrastructure.

WHEN CONSIDERING CLOUD OR ON-PREMISE, ASK YOURSELF...

- Are you a start-up and/or are you looking to expand your company?

- Do you want to move your entire IT infrastructure to the cloud?

- Do you have a developed IT support infrastructure in-house?

- Do you require integration with specific existing software?

- Do you have a legal requirement to store your data in a certain location?

- Would you like to reduce your existing IT infrastructure to reduce costs?

- Do you need the flexibility to increase and decrease the number of users?

- How long will the implementation process take?

- Do you need specific resources or personnel in place in order to implement the solution?

- Have you included the full cost of implementation and configuration when comparing providers?

CLOUD VS. ON-PREMISE DECISION FACTORS

COST AND CAPABILITIES

Clearly, one of the main considerations when choosing between a cloud and on-premise solution is cost. A larger, more stable corporation with relatively constant staff levels and fixed overheads may be best suited to an on-premise solution. For these companies that have the budgetary capacity to make a large investment in the hardware and software required, it may make sense to choose an on-premise CRM system. What's more, if your company is a multinational business you may already have the internal IT infrastructure and resources – including personnel – in place, meaning that the additional support requirements associated with CRM implementation can easily be absorbed into existing service levels.

Conversely, one of the major attractions of a cloud-based solution is the fact that companies can avoid the high capital expenditure required to install the infrastructure on-site. As well as enabling businesses to sidestep large one-off payments, hosting their CRM application in the cloud also means that smaller businesses can avoid incurring other high implementation costs, including the additional IT staff often needed to install the system.

MAINTAINING RESOURCE LEVELS

The fact that shifting functions to the cloud reduces the need for technical personnel is demonstrated by a recent survey of companies in the US already using Software-as-a- Service (SaaS) carried out by ChangeWave, which found that more than a fifth had seen a reduction in their total number of IT staff as a result of this move[1]. Maximizer's research corroborated the fact that this is perceived to be a major advantage of cloud-based CRM; with a third of the SMEs we surveyed citing lower staff and maintenance costs as a key incentive to move to the cloud[2].

This helps to explain the increasing popularity of cloud-based applications, with Gartner reporting that 40% of all CRM software sold worldwide in 2012 was delivered as SaaS[3]. It predicts that by 2016 more than half of the CRM systems in place will be cloud-based as companies turn to solutions that require fewer resources to deploy and maintain. This figure is confirmed by Maximizer Software which has seen a significant increase in the number of companies requiring a cloud-based solution in the first half of 2013.

Choosing to host your CRM application in the cloud also means that there is no need to make wholesale changes to the software or incur significant costs in order to benefit from the latest technology, as any recent upgrades will often simply be included or be available at a nominal increase in the fee – another advantage for smaller companies with limited resources.

[1] ChangeWave.Continued Momentum for Public, Private and Hybrid Cloud, Jan 2013

[2] Maximizer Software, Getting Your Head in the Cloud, Feb 2013

[3] Cartner, Market Share Analysis: Customer Relationship management Software, Worldwide, 2012, Apr 2013

SECURITY AND RELIABILITY

Opting for a cloud-based system does not mean that you will not require any IT resources whatsoever and is contingent on a reliable connection to the web. Companies that are concerned about the reliability of their internet connection or require heavy offline capability may prefer to host their CRM on-premise or use a data exchange system.

Maximizer's research into attitudes to cloud-based CRM found that the most pressing concern for SMEs (by quite some margin) was the threat of service outages and interruptions, with a full 71% of the companies surveyed citing this as a major source of anxiety[4]. It is therefore crucial that businesses assess the level of service provided by the solutions they are considering in the light of the conditions in which they operate, as well as making sure that they are fully informed about any extra charges for service additions, including additional storage or data backup.

What to do with data is a chief concern for businesses, especially those handling particularly sensitive information or vast quantities of consumer data. The conditions surrounding your data may determine whether you choose to deploy your CRM system on-premise or in the cloud. You may prefer to house it on your own server with specialized security mechanisms and data structures. On the other hand, if you do not have a technical support team in-house you may prefer a cloud-based option since you will be covered by your provider in the case of any problems and will still be able to access your backup data should you need to. If ultimate control over your data, including the capacity to back it up yourself is required, an on-premise solution seems the natural choice.

[4] Maximizer Software, Getting Your Head in the Cloud, Feb 2013

LOCATION, LOCATION, LOCATION

There is also the law to consider: if you work in an industry or region that is subject to strict data protection legislation and requires that you host data locally, or restricts cross-border data transfer, then hosting your CRM externally may be off limits. However, requiring close control over your data is not a reason to rule out a cloud based system altogether. The cloud may still be an option, since many providers offer dedicated server options.

For smaller companies in particular, the level of security guaranteed by storing your data in a purpose built third party data center may actually be higher than you could achieve cost-effectively with an on-premise deployment. Similarly, if you are legally required to store data locally you can still make use of a cloud application if you work with a CRM provider that has a network of partners in your area or country.

MOBILITY:

DECIDING HOW YOU WANT TO ACCESS YOUR CRM

In a globalized world businesses are increasingly expected to be switched on and to deliver their services at any time of the day or night and from any location. Mobile technology is the enabler that allows organizations to meet this expectation, with employees using mobile devices to stay plugged in and thus allowing companies to become more flexible in the way they do business.

This also applies to CRM, with research indicating that mobile functionality is having a tremendously positive impact on the businesses that have already put it into practice, driving sales and reducing inefficiencies. A survey by Nucleus Research found that businesses with mobile CRM functionality saw an average productivity gain of 14.6%[5]. Since web-accessible solutions are available whether you opt for cloud or on-premise deployment, all businesses can benefit from anytime CRM access. If you do opt to set up a web portal on-premise, make sure to check whether there are any additional charges levied for implementation of mobile access by your CRM provider.

GOING THE DISTANCE

Having mobile access to CRM allows customer-facing staff to spend more time meeting prospects and customers out in the field and to update the system wherever they are working. While this is useful for all types of businesses, it is especially valuable for companies with a far-flung workforce and customer base. If you are based in a remote geography, or have partners or customers who are, then allowing all relevant parties access to the system without having to be on-site will speed up and streamline operations, allowing management to keep track of operations and sales cycles across wide distances through the centrally controlled database.

Not only does mobile access to the system enable salespeople to spend more time out in the field, it also means they can make the most of their time when they get there. Some CRM solutions include integration with Google Maps, allowing staff to plan and amend their itinerary should plans change. If a customer cancels an appointment, for example, a salesperson will be able to view other customers and prospects in the vicinity and visit them instead, ensuring no time is wasted.

DO COLLEAGUES NEED ACCESS, ANYTIME, ANYWHERE?

- Does your sales team operate on the road?

- How distributed is your workforce?

- Are your business operations spread across wide distances?

- Do you encourage 'homeworking'?

- Do you regularly need access to business information when off site?

- Do the majority of your staff have access to mobile phones, whether their own or business provided?

- Would you like to offer improved response times to customer inquiries?

- Do employees need to update theCRM system remotely and in real-time?

- Would it benefit management to be able to view business updates remotely?

[5] Nucleus Research, Social CRM and Mobile Capabilities Boost Productivity by 26.4 Per cent, Nucleus Research Finds, Mar 2012

FROM PERSONAL CONTACT TO REMOTE WORKING

It is also worthwhile to assess how crucial face-to-face contact with customers is for your business. We have a client that supplies specialized equipment to customers across a range of disparate and widespread geographies. They have found that the most effective sales technique for their particular product – by far – is going out to meet prospects and customers. their operations have been transformed with the aid of mobile CRM.

As well as helping businesses coordinate operations across wide distances, mobile CRM also enables them to manage increasingly flexible workforces. With flexible labor becoming more and more prevalent, businesses need to make sure that their CRM system is adapted to suit their people strategy. If your company allows or encourages employees to work from home, for example, mobile CRM is an important tool to ensure that the practice of home-working boosts business productivity rather than hindering it.

> " When on the road, my sales team can access information recorded by the offices and respond instantly to an issue or opportunity. The quick resolution of issues ensures satisfied and loyal customers, while maximizing new business opportunities helps keep the company profitable. "

STEVE DAVISON
MANAGING DIRECTOR, MINUS 40

SEEING UPDATES AS THEY HAPPEN

You may also want to consider the importance of real-time information to your business. If your company operates a 'just in time inventory' system, whereby replacement goods are ordered only when they are needed, mobile access is crucial so that employees can notify the business before supplies run out. For companies whose employees spend considerable amounts of time on the move it is important to check that the provider they choose has developed an interface optimized for mobiles and tablets. A wide range of solutions include mobile access, but if staff do not have the capacity to view the information properly on their devices then the functionality is wasted. With providers that offer a mobile or tablet demonstration you can make sure that your expectations will be met.

INTEGRATION & CUSTOMIZATION:

DETERMINING THE ADDED FEATURES YOU NEED

Ensuring that CRM software makes life easier for staff and enhances business productivity is a key objective when deciding which solution to choose, as outlined in the discussion of usability earlier guide. In order to ensure that the CRM solution meets the requirements of your business, you may require a system that can be integrated across multiple departments or locations, making information available enterprise-wide.

> " **Integration has made our quote and invoice process more efficient. We can now perform and view our financial activities more effectively.** "
>
> GERWIN EERSEN
> MANAGING DIRECTOR, GFLEX

In order to leverage the data in your CRM system as fully as possible, you may also need to integrate it with other sources of information. If you are a B2B retailer you might benefit from linking your CRM to a credit assessment system in order to monitor the reliability of your customers when it comes to payments. Establishing requirements such as these before choosing a solution enables businesses to ensure they are adding value and increasing productivity with their CRM.

The nature of your industry will determine the type of integration you require, which in turn will affect your choice of CRM solution. A chartered surveyor, for example, would have very specific integration requirements, needing to link its CRM with a GIS (geographic information system) to visualize locational data in order to seamlessly manage customer property portfolios. A business to business ecommerce company on the other hand would need to link the CRM solution with a logistics tracking system to enable it to follow the progress of its deliveries at all times. Integrating the two systems will help support positive customer relationships, allowing the business to ensure goods are delivered successfully and to respond quickly should anything go awry.

Determining the level of integration you require from your CRM is a central consideration and will influence the complexity of the system you choose, as well as impact your choice between cloud and on-premise deployment. On-premise solutions tend to have more sophisticated integration capabilities than cloud-based options, although this will depend on the individual provider.

SIMILARLY, THE LEVEL OF COMPLEXITY YOU REQUIRE FROM YOUR CRM SOLUTION IS DIRECTLY RELATED TO HOW YOU ANTICIPATE IT WILL BE USED.

If you have elaborate functional requirements, including specialist needs such as asset tracking, custom screens and complex workflow, which cannot be comprehensively fulfilled out-of-the-box, you will need to find a solution that can be customized to fit closely with your specific business processes.

This is often easier to achieve with an on-premise solution, particularly if additional custom screens need to be created from scratch or if complex workflow orchestration is required. If you have invested in the infrastructure in-house, your initial purchase may be able to include the custom software that you need.

Less extensive customization requirements can be met with both on-premise and cloud-based solutions. Existing screens and tabs can often be customized relatively easily using codeless configuration and customization tools, without the need for high-level expertise.

TOOLS THAT GIVE YOU WHAT YOU NEED

There is another option available: augmenting your system with additional modules which perform the specific functions you need. One example would be a module that creates a tab to hold your assets or products, so that your CRM is tailored to record and monitor what your business actually sells to its customers.

Part of the CRM planning process should involve working out whether you need add-ons and which of the modules on the market will be useful for your business.

Having made these assessments, you will be well-placed to find a solution that meets these needs. It comes back to who will use the system and what they will use it for – questions that lie at the heart of the decision-making process.

WHEN REVIEWING THE LEVEL OF INTEGRATION AND CUSTOMIZATION YOU NEED, ASK YOURSELF...

- Can your chosen CRM solution integrate with your legacy systems?
- How do you currently collate your Business Management Information?
- Which systems hold data that you need to access within your CRM?
- Do you use a separate marketing tool or online campaigns, such as email marketing?
- Does your business use industry specific software systems or business processes?
- Do you require tailored data fields for specific data?
- Do you need to integrate offline business processes into automated Action Plans?
- Do you need your CRM solution to link with external information systems?
- Does your CRM system need to be accessed by multiple departments?
- Do you need to synchronize your CRM application across different locations?

CONCLUSION:

MAKING YOUR DECISION

It is clear from previous research that CRM can be a hugely valuable tool for increasing a company's productivity, thus giving the company a competitive edge. To fully capitalize on the benefits of CRM an enterprise needs to implement a system that has the maximum impact on efficiency.

Finding the right CRM system involves looking at how business objectives can be met by increasing staff effectiveness through the adoption of technology that not only provides a centralized location of all business data, but also gives the individuals within the business the means to better achieve their key goals. One way of ensuring this is to identify pain points within the business and note where inefficiencies arise, which processes could be improved and what other areas see staff struggling.

This means finding a solution that will be widely adopted throughout the organization, one that staff will be happy to use because it makes their lives easier, not more complicated.

There is no one-size-fits-all answer to what type of CRM solution will work for a company. You need to find a solution with the performance levels, flexibility and functionality your business actually needs. If it is too complicated and off-putting then staff will not use it and productivity will not increase.

About Maximizer

Maximizer CRM is fueling the growth of businesses around the world.

Our CRM solutions come fully loaded with the core Sales, Marketing and Service functionality companies need to optimize sales productivity, accelerate marketing and improve customer service. With flexible on-premise, our cloud and your cloud deployment options, tailored-to-fit flexibility, state-of-the art security infrastructure, industry-specific editions and anywhere/anytime mobile access, Maximizer is the affordable CRM solution of choice.

From offices in North America, Europe, Middle East, Africa and AsiaPac, and a worldwide network of certified business partners, Maximizer has shipped over one million licenses to more than 120,000 customers worldwide.

MAXIMIZERCRM

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