The Insider's Guide To CRM Selection: Get Control Of Your Business

Ensuring High Adoption Rates With Cost-Effective Configuration

Selecting the right customer relationship management (CRM) solution for your business can be tricky. The good news is, the market is fairly mature, with a number of viable choices. The challenge is in discerning the differences among the various solutions.

On the surface, all CRM solutions appear similar. But with CRM selection, as with many things in life, the devil is in the details. Fortunately, the differences quickly emerge if you know where to look.

This executive briefing series is designed to help you understand four critical areas of CRM differentiation and their potential business impacts, the better to identify and weight your selection criteria.

Configuration

Whatever CRM solution you choose, you will have to custom-tailor it to your specific business. This reality can actually be a good thing if the solution allows you to make modifications without additional coding. But be forewarned: Though vendors make bold claims in the area of configuration, the chasm between rudimentary and advanced capabilities is deep and wide and has significant expense implications.

Automation

Business process automation is a primary driver of many CRM implementations. Large or small, a business can often dramatically increase efficiency and reduce costs through process automation.

While most CRM solutions offer some automation of basic repetitive tasks, others take process automation to the next level through workflow wizards. The right level for you will depend on the complexity of your business. The trick here is selecting a solution flexible enough to accommodate your processes rather than forcing you to change your processes to fit the solution.

Integration

Customer relationship management has morphed from sales force automation to include a wide range of applications, such as marketing automation, opportunity and pipeline management, and customer service and support. Don't assume, however, that because a vendor is offering all of these applications they are actually integrated. You'll need to look a little further here. Beyond integration across its application suite, you'll also want to determine the effort and expense required for the solution to integrate with external data sources and external business processes.

Interaction

Last, but certainly not least, is managing customer interactions across multiple communication channels. Sophisticated consumers are expecting a smooth communication experience, whether by phone, Internet, or email. Most CRM solutions provide some level of email communication and Web self-service. Only a handful include phone capabilities. In today's hyper-competitive world, your ability to provide superior customer service across every channel can set you apart, so interaction management capabilities should not be overlooked.

CRM is not just a technology; it's a holistic tool to serve your customer philosophy. The CRM solution you choose has broad implications for your business, because it touches so many people, internally and externally.

This series, designed to help take the guesswork out of your selection, is based on the experiences shared with us by industry analysts, consultants, and customers, including employees, managers, and executives. These folks have helped GoldMine evolve from the leading contact management solution in the early 90s to a robust CRM solution today. We hope the lessons we have all learned along the way can help you choose the CRM solution that fits your needs. Because what this is really all about is selecting software the way you want it, rather than being forced into a CRM vendor's worldview.

Volume I: Ensuring High Adoption Rates With Cost-Effective Configuration

To what degree is your business dynamic? Do you have new competitors entering your market, nipping at your heels? Do you plan to introduce new products or services to maintain your leadership or to leapfrog the competition? What about market expansion? Do your growth plans include new market segments? New geographies? New sales channels?

If you are like most companies considering a CRM solution, your answers to these questions are a resounding "Yes!" Growing, evolving, and even reinventing your business is a never-ending journey. In all industries, the one constant is change. These days, the rate of change seems to be the speed of light, with no sign of slowdown any time soon. Obviously, you want a CRM solution designed to harness this rate of change.

Configuration Versus Customization

Whichever CRM solution you choose, some effort will be required to custom-tailor it to your specific business. The trick here is to determine how easily and how deeply you can modify the CRM implementation to reflect the nuances of your business without coding. These types of changes typically fall under the category of configuration. Once coding is required, you're getting into customization, which is where CRM implementation costs can spiral out of control.

Time Is Money

With configuration, a user without a heavy IT background can quickly implement and tune changes based on user feedback, through various built-in wizards, tools, and configuration options. If a sales process workflow needs reconfiguration, for example, a business person can usually do it.

Customization, with the difficult coding involved, calls for a skilled programmer. The coding alone is time consuming, and the process becomes even lengthier, because before the changes can be rolled out to users, the new code must be tested. If your IT staff is overburdened by other projects, you'll have to wait in line for your changes. By the time the coded changes are ready, your business requirements or market conditions may well have changed, rendering the coded modification obsolete.

Below are four insider tips on how to differentiate among the configuration capabilities of CRM solutions.

One Size Does Not Fit All

At the most rudimentary level, the CRM solution should allow you to add or edit fields with a point-and-click drag-and-drop interface, so they reflect your specific business model. This facilitates CRM system adoption and improves productivity across marketing, sales, and service.

As your business evolves, this simple click-to-configure interface will ensure that the CRM system remains relevant to your business, because the people nearest to the business processes are empowered to make the modifications. Choose a CRM solution that allows mere mortals, not programmers, to make these changes.

Getting Personal

Going a level deeper, the CRM solution should enable users to create a personally relevant system. The solution should be intelligent enough to present only information relevant to the role or function the user is currently performing, rather than forcing the user to wade through irrelevant fields or screens.

For example, when a sales user and a sales manager access the account screen, they will see information tailored to their specific roles. The sales user may have quick actions such as “create a contact,” or “create an opportunity” pinned to his personalized navigation bar. The sales manager, perhaps not interested in individual contacts within an account but needing an understanding of the account’s overall revenue potential, may have “export forecast,” or “export opportunities over a certain revenue value” as quick actions pinned to her personalized navigation bar.

Additionally, the configuration capabilities of the system should be so drop-dead simple that any user can create a personalized visual dashboard. Solutions that give users control over the way they view information have a much higher success rate than those that lock users into the CRM vendor’s limitations. Again, this level of configuration should be accomplishable through an intuitive click-to-configure interface.

Data Rich, Knowledge Poor

Many CRM solutions promise a 360° view of your customer. If the applications comprising the CRM solution – marketing automation, sales management, and service and support – are integrated, you are closer to realizing that promise. Centralizing customer data is the first step. The trick is transforming data into information, and more importantly, action-oriented knowledge.

The degree to which your CRM solution can provide the promised 360° customer view is directly related to the power and flexibility of its reporting and analytics, which require more advanced configuration capabilities than are available in many CRM solutions. Most solutions offer canned reports or simple report-building wizards, a good starting point to understanding your customers. But when you want to identify business trends, for example, you’ll need something more sophisticated – though still drop-dead simple. More advanced CRM solutions allow you to visually drag-and-drop report fields to create dynamic views of information. If the information can be represented in drill-down dashboard formats, even better.

Let’s say your sales manager wants to expand his foothold in the Northeast and plans to host a seminar for a vertical market in Boston. Action-oriented analytic capabilities allow him to quickly generate a dashboard view of all the accounts in Boston, by industry, to determine which vertical market has the deepest penetration of existing customers and which new vertical may be ripe for the picking.

The ability to transform data into action-oriented knowledge is one of the most powerful potentials of CRM, but is often the most overlooked criteria in CRM selection. Some extra effort in scrutinizing CRM capabilities during your selection process will richly reward you on the back end.

Beyond Accounts and Contacts

At the most advanced end of the configuration spectrum is the ability to create and define unique business relationships beyond accounts and contacts. As we’ve discussed, most solutions offer traditional account-centric or contact-centric relationships and allow you to add or edit fields to reflect your business model.

But if you are like most businesses, you are selling a product or service with unique attributes and may find it beneficial to create a product-centric relationship model, linking to your account and contact relationships. You can then, for example, track customer purchases and mine that information to identify product trends, such as repair issues, or up-sell and cross-sell opportunities, across a financial services portfolio.

Most, but not all, CRM solutions will require coding to customize this new product-centric relationship. If your business is dynamic, this is where implementation costs can skyrocket. Look for a solution that allows you to create unique business relationships, usually through a simple wizard, with a click-to-configure interface. This advanced level of configuration ensures that your CRM implementation remains relevant to your changing business requirements, without breaking the bank.

Next, Volume II: "The Insider's Guide to CRM Selection: Ensuring That Process Automation is a Business Accelerator, Not a Roadblock," coming soon.

If you are like most companies, one of your foremost reasons for considering a CRM solution is to ease the burden of process automation. Industry analysts agree that packaged CRM software, designed with an understanding of CRM strategy and including pre-built processes reflecting industry best practices, can give you a head start on automation.

But as we all know, one size does not fit all. If you need a programmer every time you want to modify or create a process, what appeared to be a business accelerator may soon become a roadblock for your business …

About FrontRange Solutions

FrontRange Solutions USA Inc. provides CRM solutions used by more than 130,000 companies and over 1.7 million users to automate and manage customer-facing initiatives. GoldMine is designed for businesses that want a complete and customizable solution that manages every aspect of the customer lifecycle with a quick time to benefit and low total cost of ownership. For more information, call 800.443.5457 or visit www.goldmine.com.

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