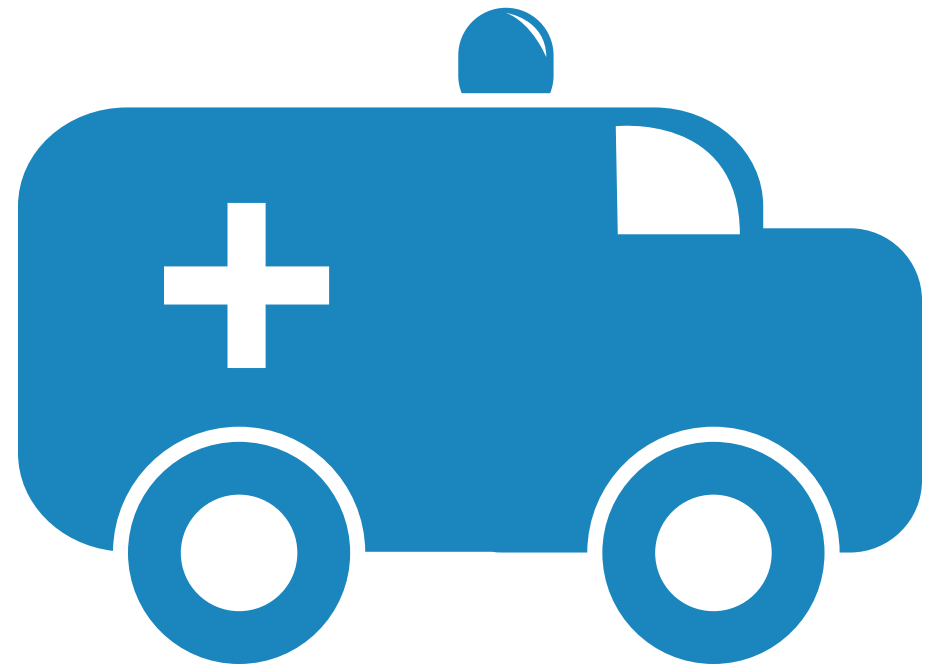




5 SYMPTOMS OF A FAILING CRM



TIME TO CONSIDER A CHECK UP



Migration to a new business application or technology is often a rare event for most organisations, particularly when it comes to CRM software solutions. The amount of historic data, pre-defined user behaviours, as well as engrained business and operational processes tied to a pre-existing CRM solution make it a difficult transition for organisations to embark upon.

Gartner's 2012 Magic Quadrant for CRM Customer Service Contact Centers suggests that most organisations opt to take an

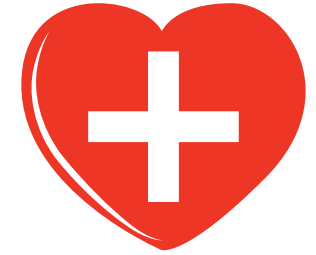
augmentation or "band-aid" approach to the short-comings of their CRM solutions.¹ While such tactics are less than ideal, it is a prevalent, if not underlying belief for organisations with an inadequate contact management solution, that a disruption as monumental as replacing a CRM will undoubtedly negatively affect the organisation and it's near term goals.

The cost of doing nothing, however, can have far-reaching repercussions to data accuracy, structure and fidelity, as well

as loss of data in general. Furthermore, escalating competition for customers and finding efficiencies to lower costs, two constants that every business faces, puts added pressure on business leaders to ensure that their CRM solutions meet the criteria for operational success.

In this ebook, we explore some typical issues found with a failing CM solution and challenge you to consider if your organisation is suffering from these 5 Symptoms.

SYMPTOM 1: DECREASING ADOPTION



A prevalent symptom of a business out-growing the value of its CRM is fragmented adoption. In other words, activities that can be accomplished within a CRM environment, whether it be organising contacts or creating reports, being conducted or completed independent of it. Fragmented adoption is often prevalent within organisations where a legacy CRM system can no longer adapt to new or evolved business processes, scale with the addition or reduction of users, or meet the necessary technical requirements of users. General attitudes should also be gauged, as users often have a strong opinion as to whether or not a CRM solution is actually helping them meet the objectives of their roles.

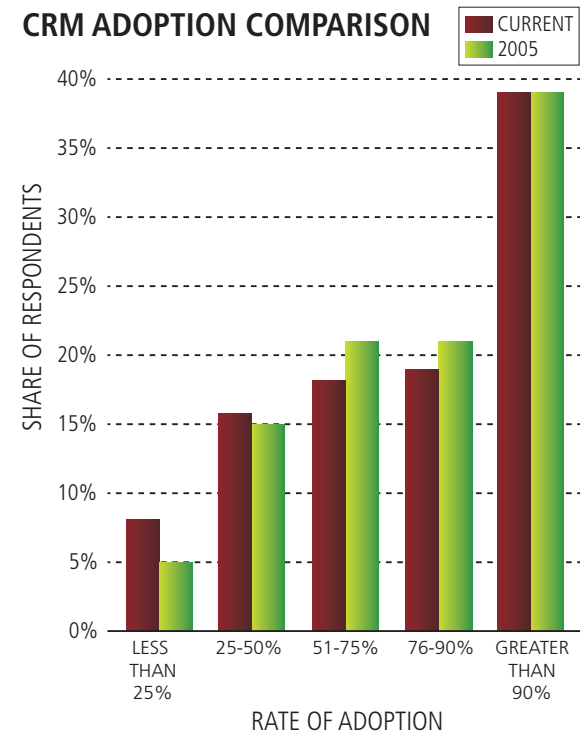
CRM Magazine's study comparing user adoption rates (see graph) for business in 2005 as compared to 2009 present figures

characterising flat adoption. This indicates a misconception amongst organisations that CRM implementation correlates to actual usage. There are a few common reasons for decreasing levels of adoption in most organisations.

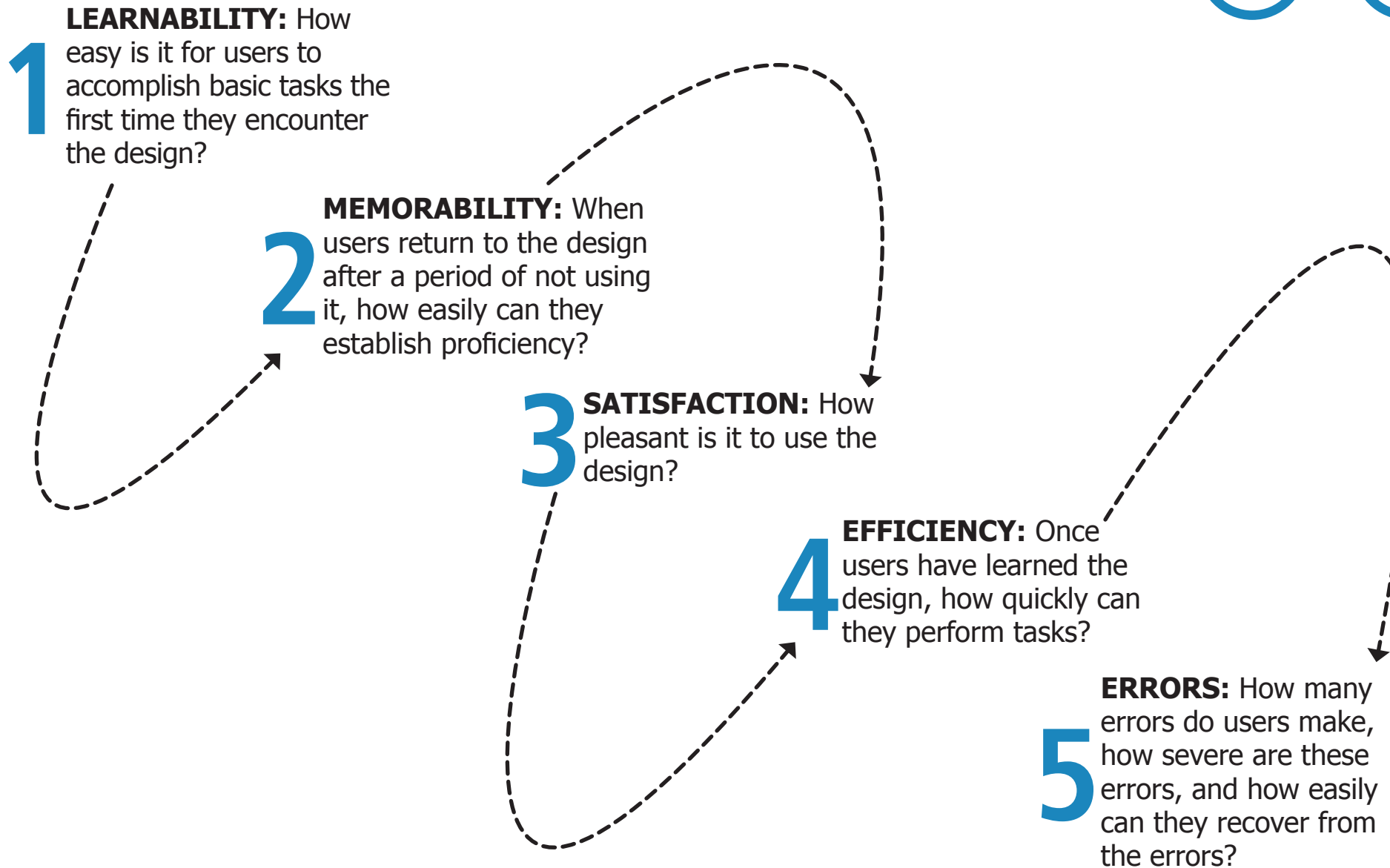
UNDERSTANDING USABILITY

Too much or too little functionality and a poor user interface can act as a considerable barrier to a user successfully adopting CRM into their daily routines. A recent Forrester Wave report weighted usability as one of the top criteria out of 414 when evaluating what buyers should focus on when it comes to CRM². The ISO (International Organisation for Standardisation) defines usability as, "the extent to which a product can be used by specified users to achieve specified goals with effectiveness, efficiency, and satisfaction in a specified context of

use." Jakob Nielsen, PhD. and usability consultant further elaborates by suggesting that usability is the confluence of 5 Factors:



5 FACTORS OF USABILITY



INABILITY TO FACILITATE PROCESSES

Having policies and standard operating procedures in place is a given when it comes to successfully running a business. The same applies for CRM. When an organisation consolidates groups of users with varying roles and responsibilities onto a CRM solution, the ability for each user to accomplish their individual activities as well as collaborate with one another, is critical.

One key in developing a successful set of policies for a group of users, is ensuring



that stakeholders and day-to-day users agree on the business processes being improved by the CRM and what measurable results will be monitored. The CRM should then be able to facilitate those business processes by streamlining activities, automating redundancy and augmenting productivity.

Most CRM solutions provide robust feature sets for sales, marketing and customer service users, however there is often a disconnect between how the features should be used within the context of a successful on-going process.

LINKEDIN POLL:

WHAT
PERCENTAGE
OF YOUR SALES
TEAM USES
YOUR CRM
LIKE YOU WANT
THEM TO?
LESS
THAN
50%



SYMPTOM 2: A LACK OF FLEXIBILITY & CUSTOMIZATION

Today's CRM technology providers need to accept the truth that not all businesses are cut from the same fabric. Whether it is B2B or B2C, or distinctive industry specific verticals, every organization is different and CRM solutions need to be easily adapted to fit a wide range of unique business processes.

3 criteria that organisations should consider when evaluating the flexibility and customizable capabilities of their CRM include:

1 DOES YOUR CRM SPEAK THE SAME LANGUAGE THAT YOU DO?

Every organisation uses specific terms and phrases when it comes to identifying key business concepts. Your CRM should provide you with a certain level of ability to edit or create fields that encapsulate the language that you use within your organisation.

While leads, subscribers and prospects may all mean the same thing, specific details pertaining to a technology lead compared to a magazine subscriber are different. Your CRM should be able to adapt to these differences by providing intuitive customisations that make sense to your business.

2 THE ABILITY TO FACILITATE YOUR PROCESSES

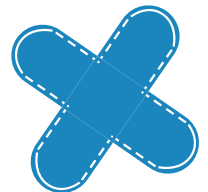
When it comes to CRM most solutions force companies to restructure their existing processes in order to fit within the features and capabilities, as well as reporting structures that come out-of-the-box. CRMs should not impose the restructuring of fundamental processes, especially those that have been borne over time and are successful.

The ability to create fields, workflows, as well as the capacity to customise

functionalities so that your business processes operate accordingly should be readily available.

3 THE ABILITY TO INTEGRATE

Integration is a key component for CRM platforms today as online technology and applications become more widely used for marketing automation, mass e-mail, and quoting. As each application and its associated activities affect your customer database, centralizing and consolidating data from those applications into your CRM is critical for business intelligence, efficiency, and overall data access.



SYMPTOM 3: DECREASE IN CUSTOMER RETENTION



In a competitive marketplace, the ability to generate positive and meaningful customer interactions is critical for businesses today. A recent Ernst & Young survey of nearly 25,000 people across 34 different markets suggests that the power of brand loyalty is a slowly diminishing factor when it comes to purchasing behavior.

While this may present an opportunity for emerging businesses, it speaks to the increasing mobility of B2B and B2C buyers between companies and their competitors. Factors that may account for this include better pricing, more options or choices, or according to the "2012 Global Customer Service Barometer" report from American Express, a decreasing sentiment amongst consumers on the level of customer service they are receiving. Nearly a third

of consumers believe that, in this current economy, businesses pay less attention to providing good customer service, a significant increase from 2011 (32% vs. 26%).

How then does a CRM fit into the picture of better customer support and allowing an organisation to react to customer needs quickly and effectively?

1 SPEED OF RESOLUTION

One of the prevailing factors that determine whether a customer engagement is positive is the speed at which an issue is resolved. Your CRM should give you the ability to analyse how long cases have been pending and when and if the particular issues have been resolved.

THE DEATH OF THE BRAND

32% OF ONLINE
CONSUMERS TRUST
A STRANGERS
OPINION OVER
BRANDED
ADVERTISEMENTS

<http://www.forbes.com/sites/marketshare/2013/01/03/nearly-one-third-of-online-consumers-trust-a-stranger-over-a-brand/>

Your CRM should also allow you generalize the overall speed of your team, the types of cases they are receiving, and insights into how to continually improve and adjust customer support practices.

2 SELF-SERVICE AND ONLINE KNOWLEDGE BASE

In an increasingly online world, a growing majority of consumers and customers are choosing the convenience and indirectness of online channels for issue resolution and customer support. Today's CRM solutions provide self-service options such as online portals and knowledge bases, as well as the ability to log issues on an organization's website in order to meet this demand.

3 IN-DEPTH SUPPORT METRICS

The ability to analyze metrics as related to customer support and service is one of

the major benefits of CRM. As customer support becomes more prevalent to being competitive, the ability to analyze internal performance metrics for support such as the time it takes to resolve customer problems, severity and importance, case histories, and management of multiple issues can greatly influence customer retention.

4 AUGMENTING SUPPORT RESOURCES

For most organizations resources are often stretched thin, particularly when it comes to customer support representatives. A functional CRM solution should allow your support representatives to do more by giving them the information and the features they need to address their case loads with greater efficiency and quality.

CUSTOMER SERVICE LEVELS DROPPING

32% OF CONSUMERS THINK BUSINESSES PAY LESS ATTENTION TO CUSTOMER SERVICE



SYMPTOM 4: LACK OF CRM MOBILITY

The introduction of mobile devices has created a paradigm shift in how businesses manage and organise human capital. As devices become more sophisticated and mobile applications catch up in terms of features, capabilities and overall experience with their desktop counterparts, organisations are steadily embracing and investing in the mobile workforce, and as a result, extending the boundaries of the workplace beyond the traditional office environment.

CRM is one key business application pioneering this shift by providing sales, marketing, and customer service teams the ability to access an organisation's main CRM application through a mobile web browser. A recent report by Gartner predicts a growth rate of 500% for

500%
GROWTH IN
MOBILE CRM
BY 2014 -
GARTNER

mobile CRM by 2014.³ This figure not only underscores the growing prevalence of mobile CRM, but also the changing dynamic of where managing a remote workforce and the benefits and competitive advantages of an "always connected" employee.

As mobile CRM becomes more prevalent in the market and the technologies propelling it mature, it will become more than just an extension of your core CRM solution, but a competitive necessity.

While most CRM providers currently provide mobile web browser access, the features and functionalities available do not significantly address field-employee productivity, efficiency, as well as overall access to features that influence their processes.

³ <http://www.forbes.com/sites/louiscolumbus/2012/12/04/roundup-of-crm-forecasts-and-market-estimates-2012/>.

⁴ <http://www.destinationcrm.com/Articles/Web-Exclusives/Viewpoints/CRM-Customer-Relationship-Mobile---60572.aspx>

3 REASONS TO GO MOBILE

1 Extends the reach of customer relationship management applications to any user, whenever and wherever needed whether on-site or in transit, thereby extending productivity.

2 Real-time access to customer information as well as real-time updates from the field and remote offices promoting data accuracy and integrity.

3 Enhances collaboration within the enterprise and with extra-enterprise partners creating a centralized and holistic environment regardless of location.

SYMPTOM 5: LACK OF ACTIONABLE DATA

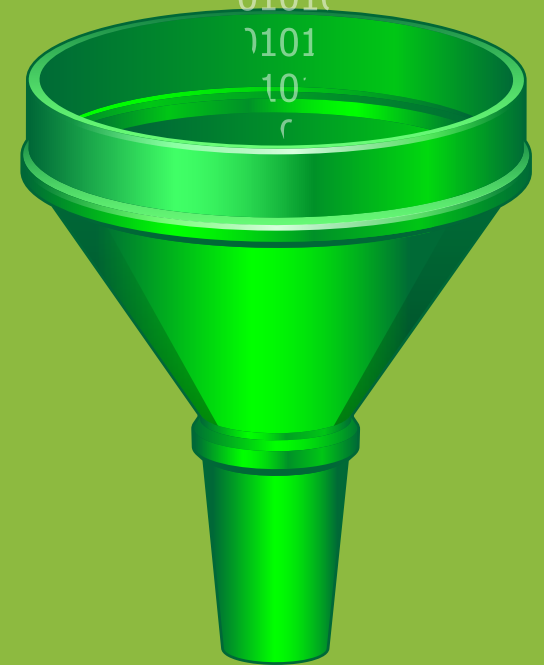
The concept of Big Data is a growing trend in business. According to IBM, roughly 2.5 quintillion bytes of data is generated every day, whereas 90% of the data in the world today has been created in the last two years alone.⁵ Never before in history have businesses and organisations collected data at such a rate, nor have they warehoused in such volumes.

The correlation between data and business value is much clearer today and this emergent relationship is allowing businesses to answer and address questions that they could not before. While customer information databases may not qualify as "Big Data" on a global scale, the ability to deduce business intelligence from a customer database that in turn relates to some form of business value is analogous to what Big Data represents.

A CRM solution that provides actionable business intelligence is now the norm. From sales insights to revenue forecasting, the true value of a CRM solution is characterised by its ability to deliver fast, accurate and on-demand reports and custom dashboards that visualize key performance metrics and future performance, allowing executives to make informed decisions and helping business teams to be more agile and market-focused. While most CRM systems adequately serve the function of warehousing customer information, the ability to easily access and manipulate data for trends, forecast, insights and business



CLIENT INFORMATION
REVENUE RESULTS
LOST OPPORTUNITIES
CUSTOMER SERVICE ISSUES
INDUSTRY SEGMENTS
PURCHASE HISTORY



HIGHER CLOSE RATES
CLEAR TARGET MARKETS
IMPROVED CUSTOMER SERVICE
PREDICTIVE REVENUE FORECAST

⁵ <http://www-01.ibm.com/software/data/bigdata>
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intelligence is often simplistic, inaccurate, or forces the business to relegate reporting to a third-party application such as Microsoft Excel.

Beyond functional reporting capabilities, a lack of actionable data is often a culmination of additional factors that are caused by:

1 LACK OF DATA VERACITY OR INTEGRITY

The data collected by the CRM system creates a situation where there is “No Single Version of the Truth.” Lack of formal administration or auditing features allows data to be inputted or manipulated without certain checks and balances, or lacks features and capabilities that allow businesses to apply cleansing practices to keep the overall integrity high. Over time a large percentage of the information becomes unusable making business intelligence and reports highly susceptible. The inability to adequately address duplication also exacerbates data integrity

issues.

2 NOT ENOUGH DATA OR INACCESSIBILITY TO DATA

The CRM system lacks the flexibility and customization for an organisation to collect critical data and meta-data (ex. Social demographic, purchasing behavior etc.) creating gaps in customer information. Another condition is the siloing of data within a single system and an inability to correlate data and meta-data in a meaningful manner.

3 UNUSABLE AND AMBIGUOUS DATA

The data in the CRM system produces no trends or structure when collated en masse. Furthermore, when looking at customer information in segments or as a whole, the data creates ambiguity and raises more questions about the data in question that it does clarity. These particular conditions are true where a large percentage of the data must be manually inputted into the CRM system and formal

REASONS FOR LACK OF ACTION

1. LACK OF DATA INTEGRITY - NO SINGLE VERSION OF THE TRUTH IN YOUR CRM

2. NOT ENOUGH DATA CRITICAL DATA STORED OUTSIDE OF YOUR CRM

3. AMBIGUOUS DATA CRM INFORMATION CREATES QUESTIONS BUT NO ANSWERS

IDENTIFYING THE SYMPTOMS

Customer Relationship Management solutions have become synonymous with any company that requires accessible and effective management of their contact information and customer data. The growth and breadth of CRM and its prevalence is slated to grow incrementally as technology vendors focus on making CRM solutions more intuitive, flexible, and value-driven for clients. Furthermore, the growing trend

of reliance on big-data also puts further pressure on companies to increase the value of the customer databases. As this continues, organisations that rely on legacy CRM solutions that do not provide the robust feature sets conducive to current solutions will have a significant competitive disadvantage in the market.

In a business environment where customer data can actively influence the success of a

company, the necessity of a functional and robust CRM solution that increases user productivity, enhances customer service, and directly influences sales revenue cannot be overstated.



SYMPTOM 1: DECREASING ADOPTION

SYMPTOM 2: A LACK OF FLEXIBILITY & CUSTOMIZATION

SYMPTOM 3: DECREASE IN CUSTOMER RETENTION

SYMPTOM 4: LACK OF CRM MOBILITY

SYMPTOM 5: LACK OF ACTIONABLE DATA

TAKE ACTION

TIME TO DIAGNOSE IS YOUR CRM TECHNOLOGY HOLDING YOU BACK?

Diagnosing issues that arise from an inadequate CRM software is one thing, but finding answers to address them can mean the difference between on-going loss of productivity, data value and revenue for your business.

Conduct a thorough analysis on the value of your CRM by asking the following questions:

1. How would you rate user adoption?

Very Low Average High

2. Does your CRM facilitate and streamline critical business processes?

Yes No

3. Do you trust the data and the reports generated from your CRM?

Yes No

4. Do you rely on outside applications to report on key metrics?

Yes No

5. Is an accurate revenue forecast and sales pipeline easily available?

Yes No

6. Is customer service quality and case resolution speed an issue?

Yes No

7. Do you know who your top customers are and what they?

Yes No

8. Is your CRM a data repository?

Yes No

9. Are you continually updating or developing fixes for your CRM?

Yes No

10. Do you think your CRM can adapt to changes in your business?

Yes No

Take action and find a CRM solution that will enhance how your business operates.

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