



## REPORT

# Measuring Value & Success from CRM

MAXIMIZER SME BENCHMARK STUDY 2017

PART II: KEY PRODUCT FEATURES AND  
BUSINESS OUTCOMES

An annual study of the value and success  
that SMEs are gaining from CRM in  
Europe, Middle East and Africa

Published By |



## Management Summary

- There is a lack of research-based literature on the genuine value and success that small to medium-sized enterprises are achieving through use of Customer Relationship Management (CRM systems)
- In order to help fill this gap, Maximizer is publishing, for the first time, its annual research into the subject – the Maximizer SME Benchmark Study
- The study examines research undertaken with 300 SME customers of CRM solutions in the EMEA region (Europe, Middle East and Africa). The study outputs include 2 publications, focussed on particular elements that contribute to delivering CRM value and success:
  - **Part I: Key Business Objectives and Operating Benefits** - examines factors around tactical and strategic approaches in addressing the new customer journey.
  - **Part II: Key Product Features and Business Outcomes** - examines the more practical use of CRM with reference to gaining CRM mastery.
- The study shows that SMEs regard Centralisation of Customer Data as the primary business outcome achieved from CRM, thus providing a universal, high-quality, transparent view of all aspects of performance, potentially available to all areas of the business.
- Interestingly, while Business Intelligence and Insight ranked within Achieved Business Outcomes, this was not necessarily reflected in the CRM Features results, which were low for reporting functions such as Dashboards and Advanced Excel Reporting. This however highlights a great opportunity to gain even wider value from both data and CRM.
- The report reflects the way a proportion of SMEs are putting their CRM solution at the heart of their business, driving and managing the complete customer experience across all touchpoints - sales, marketing, finance, operations, product development, customer service, product development, and so on.
- The purpose of publishing the Maximizer SME Benchmark Study is to provide SMEs with a clear picture of how CRM deployment success is amongst their counterparts, and what objectives and benefits are most commonly prioritised as showing a measureable return-on-investment.
- This document should be read in conjunction with Measuring Value and Success from CRM, The Maximizer SME Benchmark Study – 2017, Part 1 - Business Objectives and Key Operating Benefits.

Any SME CRM user who wishes to take part in the annual benchmarking research should contact [customersuccess@maximizer.co.uk](mailto:customersuccess@maximizer.co.uk)

If you wish to receive any of the above publications or require additional help or support regarding the Benchmark Study or CRM Mastery, please email: [marketing@maximizer.co.uk](mailto:marketing@maximizer.co.uk)

## Introduction

CRM requires some level of resource and financial commitment, so understanding the return on that investment is critical to assessing its success and value to the business.

For small and medium-sized enterprises (SMEs), conveniently available evidence from peer experience of CRM, the benefits they are gaining, and the solution features which help them achieve these benefits provide insight which they can immediately press into action, either to make that initial CRM investment or to gain a better return on their existing CRM.

However, there is little factual statistical material available on value that SMEs are able to gain from their CRM investment.

One survey reveals that almost half of SMEs are adopting 'cloud' solutions for their CRM<sup>1</sup>. Another analyst notes the need to overcome hype around CRM and deliver hard ROI evidence<sup>2</sup>. The same commentator has started to offer an approach to building an ROI calculation methodology<sup>3</sup>.

The Maximizer CRM Benchmark Study aims to fill this information gap, providing hard evidence of the value and success that smaller and medium-sized enterprises are gaining from their CRM solutions. Also included is practical guidance on achieving CRM mastery and measuring results for business growth and success.

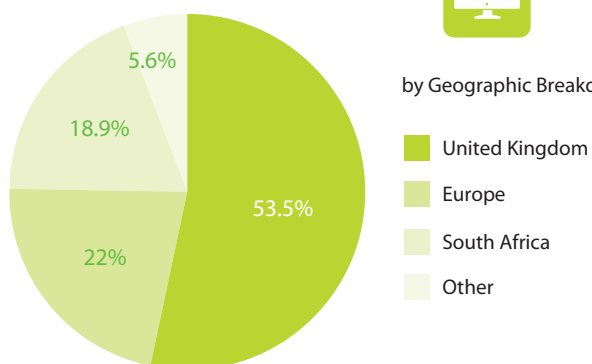
The Annual Benchmark Study 2017 – Measuring Value and Success from CRM contains independent analysis of research with 300 SME Businesses across the EMEA region (Europe, Middle East and Africa) and consists of 2 publications:

- **Part I: Key Business Objectives and Operating Benefits** - examines tactical and strategic approaches in addressing the new customer journey.
- **This report, Part II: Key Product Features and Business Outcomes** - examines the more practical use of CRM with reference to gaining CRM mastery.

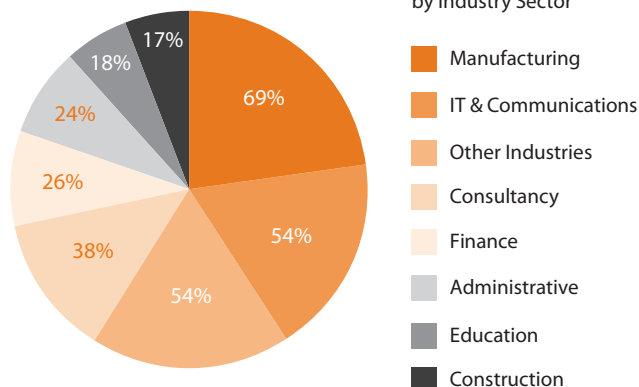
### 300 Respondents: Profiles



by Geographic Breakdown



by Industry Sector



<sup>1</sup> Vistage, Mobile and Cloud Technologies, 19 Jul 2014

<sup>2</sup> Forrester, Top Trends for CRM 2015, 9 Feb 2015

<sup>3</sup> Forester: K Leggett, S Powers, M Cain, P Harrison, Quantify the Business Value of CRM

## The Changing Habits of Customers

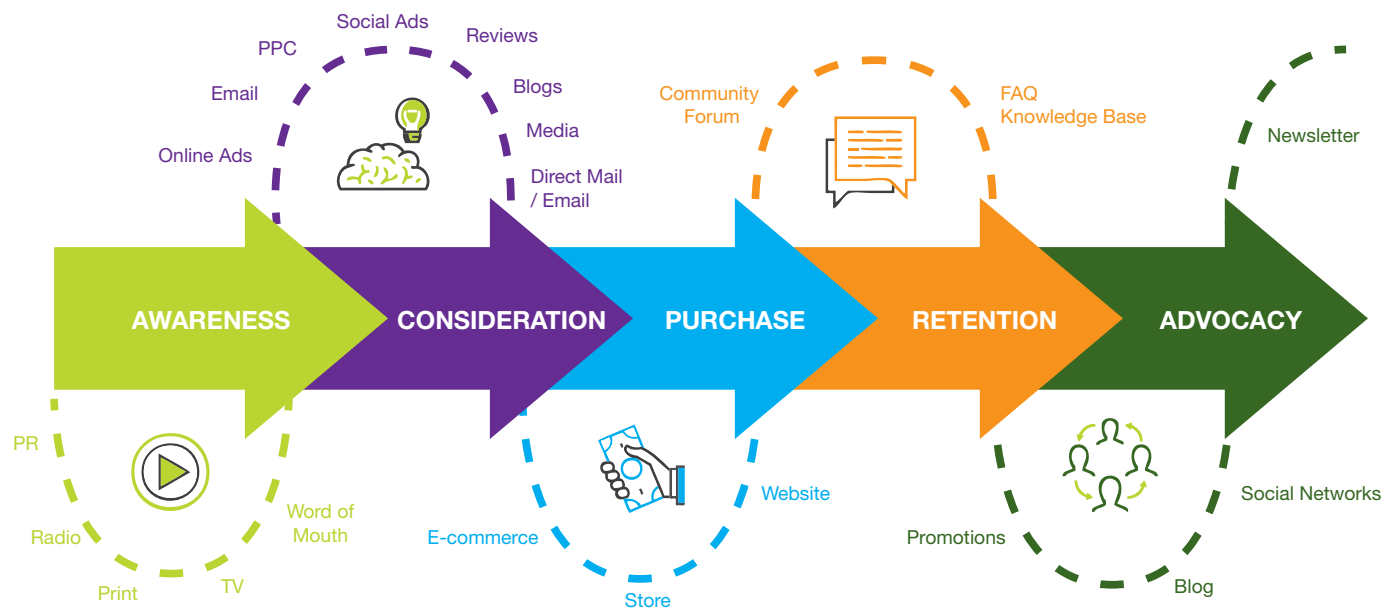
CRM is experiencing a period of evolution. Put simply, the old sales model is dead. Gone are the days when customers and prospects interacted with sales as an expert source of information. Nowadays, people come ready informed.

This change has been both sudden and rapid, in line with the advancement of the worldwide web. Customers are now making a new kind of “journey” towards a purchase, where they start with their own research.

So the techniques those marketing and sales teams now have to pursue need to embrace a variety of ways to attract, inform and help the customer on that journey with advice and information that genuinely support their self-education and research. This is why a whole industry of ‘content marketing’ has grown up over the last five years, fuelling this process.

Sales and marketing also need a method of tracking customer and prospect behaviour, and their expressions of interest in a subject, which indicate that THEY are on the journey towards purchase.

People are increasingly resistant to being sold to. So an organisation that is seen as informative, expert and helpful as the customer progresses along their ‘journey’ towards purchase, makes itself more likely to be put on the list of potential suppliers.



## CRM - the Knowledge Hub of Business

However, we should not only be talking about the sales and marketing functions, even though they are at the sharp end of business development and growth. CRM has now become a tool across all facets of a business and for all applications of business intelligence.

Accordingly, businesses are no longer implementing CRM solutions in isolation, but are establishing them as a hub into which all other systems feed (e.g. accounting, marketing automation, ERP etc.), and from which they draw out operating intelligence and insight.

As a result, not only can all functions of the business benefit from the CRM hub, they are also being held more measurably responsible for their contribution to customer satisfaction, profitability management and business growth. Every department of a company's operations is now visibly responsible for creating a positive customer experience and to help generate enhanced revenue and profitable growth. This is important for all companies' future potential.

So making the right CRM choice and getting the most out of that solution is now much more critical for businesses than ever before. But SMEs also need to know more precisely how their peers are achieving this goal. What elements of their CRM solution are they finding most valuable? And why? The following research results and observations aim to help address such questions.



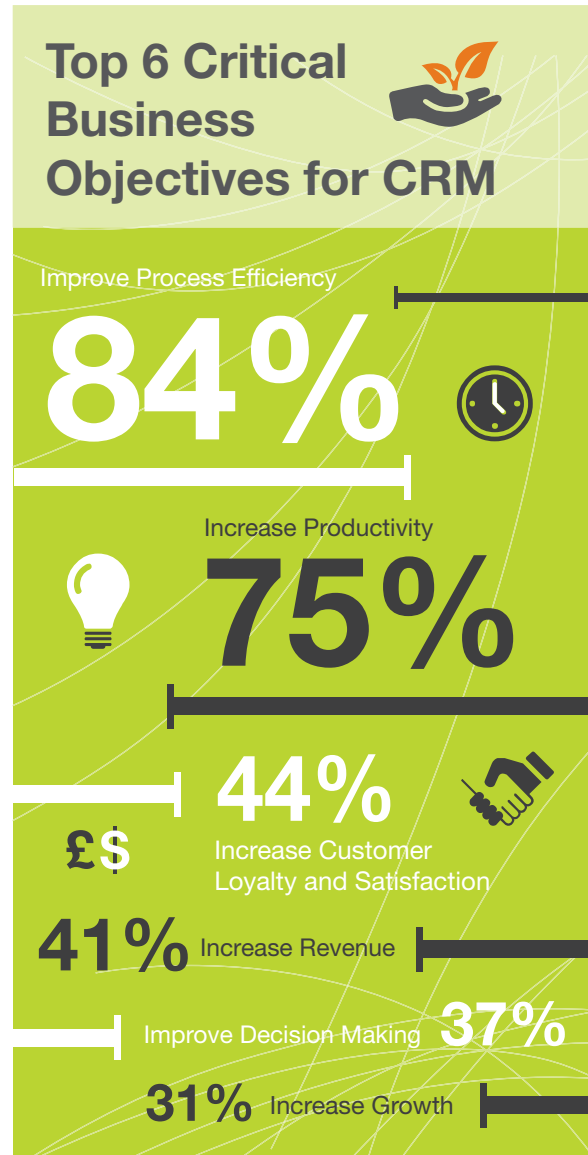
## How Important is CRM with the Business?

Before delving into the results on product features and business outcomes, it is worth reflecting on the conclusions reached in Part I of the SME Benchmark Study looking at Business Objectives and Operating Benefits, and how these may reflect the growing evolution of positioning CRM at the heart of a business to help address the new customer journey, engagement and experience demands.

It is worth noting that around a third of companies surveyed are already placing their CRM solution at the heart of their business, in that they are strategically using their CRM solution to Increase Growth (see graphic below).

These companies are using the CRM solution as the knowledge and operating hub or 'layer' with which to drive customer satisfaction, loyalty, and revenue/profit growth. For these pioneers, all decision making processes across the company – whether company-wide or department by department – draw on the CRM solution.

Although this totally strategic approach is not reported by the whole research group, the fact that a third of respondents are implementing this 'mature' position is an indicator of how rapidly the strategic use of CRM is taking hold among smaller and medium-sized enterprises.





## CRM Features: Adoption Levels

As with any software or technology e.g. mobile phones, tablets, in-car technology, most are designed with a host of product features, with a majority of users only accessing a subset of these functions. Potential opportunities and benefits that additional features may provide, both at a personal and business level, remain unexplored. CRM is no different in this regard.

This study not only examines the common features used by customers in their CRM, but takes it to the next level by considering when they are likely to be employed at different stages of CRM use and mastery as indicated in the associated Bar Chart.

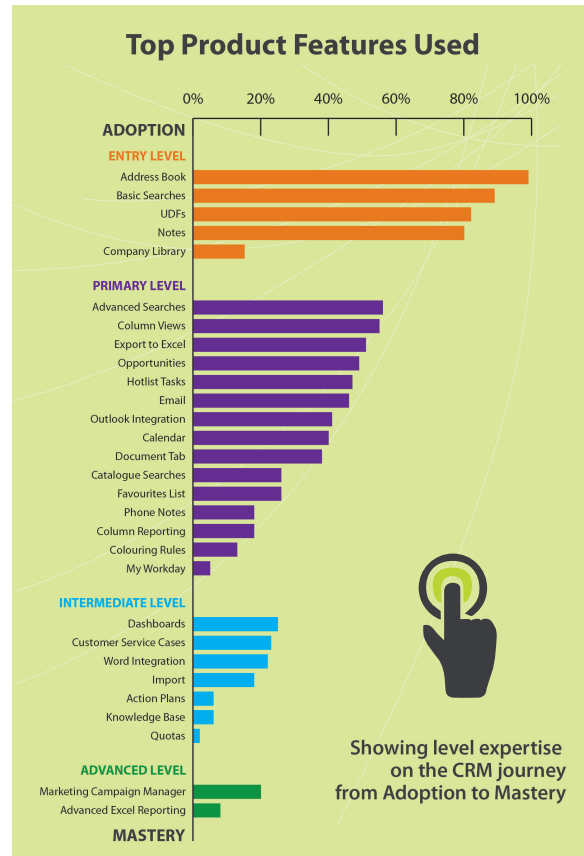
Individual companies will of course vary in terms of CRM feature requirements dependent on their own individual business processes and outcome needs. However, the table provides an indication of a progressive approach to CRM adoption and maturity with the likely features that are employed at each stage leading to CRM Mastery.

### Dashboards

The next section of the report further explores the use of these features in relation to the business outcomes achieved. One product feature of note, Dashboards, is consistently identified across many of the business outcomes discussed below.

With only 25% of the Respondents currently using this feature, this indicates significant opportunities for businesses to gain additional benefit and value from their customer and business data investments.

While Dashboards are represented within the Intermediate Level of CRM Mastery, their employment at earlier stages can be advantageous to both business managers and staff to access existing business intelligence, monitor performance and identify areas of concern, in a very visual way which is easy to interpret and understand.



Dashboards are often viewed as complex to set up but your CRM should include a number of predefined templates to get you started straight away.

In its simplest form, a Dashboard is a graphical interface that answers your daily business questions – Where is my business coming from? How much revenue has marketing generated for the business?, Are we close to our business goals?

A Dashboard and reporting should simply start from a question whereby you can easily move forward from and develop a view of your business – this saves time, helps you to make decisions and allows you to spot areas of growth or risk.

## Business Outcomes

The second part of this report examines in detail the top six Business Outcomes that are being achieved through the use of CRM.

Reference is given to the product features that are likely to be employed in achieving these business outcomes, colour coded to indicate the level of CRM Mastery as discussed in the above section.

Further considerations are also provided for achieving each of these outcomes.

### #1 - Centralisation of Customer Data

Centralisation of Customer Data was the top ranking benefit achieved with CRM as stated by 87% of respondents (See Part I Report). Unsurprisingly, its importance is further reiterated here, being the top Business Outcome as well.

At a basic or entry level, CRM is often used as an 'Address Book' or repository for company and contact details.

However, CRM is much more than this and can be used to store infinite types of information related to all areas of a business, from finance, marketing, sales, delivery and customer support.

A central repository of key customer information, captured directly into the CRM solution, and/or drawn from existing systems (ERP, finance, call centre, etc.), provides for the ultimate CRM implementation, delivering what business strategists often call the "one version of the truth" and resolving the challenge of inconsistent data across different systems and departments.

This is an essential prerequisite for CRM, if it is to be deployed throughout the organisation, and ensures that customers are treated consistently across all touchpoints.



Centralisation of customer data, by definition, encourages better collaboration between teams, especially when easily accessible from any location through a 'cloud' deployment<sup>4</sup>. From a senior management perspective, centralised data held in the CRM also helps to give a more comprehensive view to all of the various interactions and experiences a customer is having with the organisation.

<sup>4</sup> See, for instance: IDC, Small and Medium Businesses: Cloud Adoption for Applications, 17 Sept 2015; eWeek, CRM adoption to reach \$24 Billion in 2014; Gartner, Feb 2014



## ? Further Considerations

Of critical importance is the assessment of business objectives, activities, outcomes and reporting requirements to accurately identify the key data needs for business. A fine balance needs to be reached in capturing useful data and ensuring input/ updating activities are not too onerous for users. Too difficult a process can lead to poor user adoption.

### Key Features to Employ

- Address book
- UDFs
- Notes
- Opportunities
- Document Tab
- Favourites Lists



## #2 – Segmentation Analysis

A key function of a CRM solution is the ability to segment and analyse data. Its position as the number 2 ranking for Business Outcomes mirrors the importance given to this activity. Improved Segmentation was also a Key Business Benefit (50% of respondents) as reported in Part I of the Report.

Segmentation is the process of dividing a business market consisting of potential and existing customers into sub-groups based on shared characteristics. This is often associated with marketing and sales, but can be applied to all functions in a business, from customer service through to finance.

It drives many actions: how to focus different levels of customer service towards different levels of customers, how to develop the right product without cannibalising current revenues, how to ensure timely payment without driving profitable customers away and more.

Segmentation helps businesses to know who their customers are, how they behave, how much attention and resource they consume, and ultimately the overall revenue and profit they generate. Segmentation allows resources to be applied to each client in accordance with their real value to the business, reducing wasted effort and maximizing the satisfaction of customers who really represent the organisation's future.

## ? Further Considerations

The level of flexibility that a CRM solution offers is critical here, particularly the ability to easily expand the solution. For example, User Defined Fields (UDFs) allow users to set up customer attributes and searches that exactly reflect how the business works, and not be confined by the compromise of pre-set fields. Have such fields also allows for some clever segmentation analysis.

### Key Features to Employ

- Advanced Searches
- Column Views
- Export to Excel
- Favourites Lists
- Catalogue Searches
- Dashboards



### #3 – Customer Profiles and History

Improved Data Quality and Value came out as the 2nd top Operating Benefit achieved with CRM as stated by 70% of respondents. This is partly down to this third ranking Business Outcome that allows for customer profiles and histories to be captured within CRM.

People do business with people, and a human touch is often best enabled through a combination of a database profile and qualifying notes about the business and the people that you are engaged with, whether they are details about meetings or calls, buyer behaviours, common interests, political position and more.

Customer notes, and the discipline of having to fill them in, mean that some of the most powerful customer knowledge and engagement history is available to the relevant departments/users if and when a particular member of staff is unavailable or has moved on from the organisation.

Further intelligence can be gained through a host of other unstructured information that can be stored within the CRM. Usually designated as 'document management' or 'document library', the CRM hub makes a diverse range of key documents available, such as: contracts, reviews, support documents, service reports, quotations, meeting minutes, diagrams, web references and much more. Not only do these need to be at the fingertips of many parts of a business to answer queries, manage complaints and negotiate opportunities, there are often legal and audit considerations why key documents should be accurately stored/categorised.



### Further Considerations

Setting clear guidelines, objectives and business benefits around the capture and use of such data will help deliver user buy-in and compliance. Ensuring a logical and consistent approach is adopted for cataloguing different types of data will help those subsequently accessing the information to deliver more personalised, efficient and effective responses to customers.

### Key Features to Employ

- Notes
- Company Library
- Documents Tab
- Data Import
- Email
- Dashboards



### #4 – Activity Tracking and Alerts

Improved Visibility of Communications and Activities was stated by 60% of respondents to have been a Key Benefit Achieved from CRM. Further value can be exploited from this data by the application of key CRM features that deliver additional outcomes, such as Activity Tracking and Alerts.

Sales Teams by nature are competitive and may often be prone to protecting their contacts, intelligence and activities, resulting in data silos and lack of knowledge sharing. However once on-board, Sales Teams can enjoy numerous benefits from CRM, such as research and profiling activities prior to a prospect or customer meeting or call. This allows the Sales person to demonstrate relevant knowledge and understanding of the situation, business and people involved, resulting in interactions being more rewarding and beneficial to both parties.

Lead qualification, activity capture, sales pipeline analysis and reporting, with sales opportunities qualification and order process workflows reflected within the CRM, can improve Sales Team productivity and close rates. Sales triggers and alerts can prompt further action when a customer exhibits a particular behaviour, or passes a threshold, or nears a renewal date, ensuring further opportunities are not missed.

However, in the world of the new customer journey, these triggers are not simply to prompt salespeople into action. With every part of the business using the CRM 'hub', clever CRM is possible: customer service can be prompted to pay extra attention to a client when an upgrade or cross-sell is nearing completion; finance can be prompted to change the character of its revenue collection when a customer is particularly profitable, or shows major additional revenue potential; product management can be directed to select particularly enthusiastic or pioneering customers for pilot developments.

Management can ensure resource is being optimised and allocated to the most important activities via activity tracking, as well as be alerted to any areas of the business or customer interactions that are causing problems and require management interaction or resolution. Activity tracking also provides a clear overview of the sales pipeline and potential cash projections.

## ? Further Considerations

Having clearly defined business activities mapped and documented, together with flexibility within the CRM to deliver processes with customisable stages and stage aging attributes, will provide a detailed view of business activities, timescales and resources. Used in conjunction with Dashboards, this data provides a very powerful business insights and intelligence tool.

### Key Features to Employ

- UDFs
- Opportunities
- Colouring Rules
- Email
- Outlook Integration
- Hotlist Tasks
- Dashboards



## #5 – Managing Customer Experience

With well-established statistics such as 'new customer acquisition costs being five times as much as customer retention costs' and 'the probability of selling to an existing customer being 60-70% compared to 5-20% for a new customer', there is no argument against the successful management of customer experience being critical to building long term business growth.

44% of respondents stated Increase Customer Loyalty and Satisfaction as the third ranking Business Objective. It's therefore not surprising that Managing Customer Experience is placed in the top 6 Business Outcomes from CRM.

Gartner defines managing customer experience as "the practice of designing and reacting to customer interactions to meet or exceed customer expectations and, thus, increase customer satisfaction, loyalty and advocacy"<sup>5</sup>.

It is a strategy that requires process change and technology to accomplish, with CRM being a critical component.

With the ability to organise, manage and automate daily customer management activities, CRM allows resource to be available to provide more effective and efficient customer engagement and experience. Customer issues can be clearly identified and resolved effectively leading to longer term customer satisfaction.

The CRM solution helps deliver day-to-day efficiency with functions that provide an auditable trail of actions, enabling the identification of inefficiency bottlenecks, refinement of existing business processes, automation of routine tasks and better personal organisation/prioritisation of staff.

People are usually one of the most expensive resources a company employs, so focusing their efforts on skilled customer management, rather than administration, will deliver considerable benefit, including more responsive customer service, better use of salespeople's time, closer measurement of product development cycles and marketing campaigns.

<sup>5</sup> Gartner: <http://www.gartner.com/it-glossary/customer-experience-management-cem>

## ? Further Considerations

Understanding customer lifetime value plays an important role in focusing customer experience management towards the most profitable customers. Capturing key information within the CRM allows for detailed analysis of the data to be undertaken that can determine priority customers for improved engagement and experience, as well as those customers requiring reduced service and support due to lower levels of profitability, thus ensuring resources are focussed on the most advantageous activities for business growth.

### Key Features to Employ

- Calendar
- Hotlist Tasks
- Email
- Outlook Integration
- Dashboards
- Customer Services Cases
- Advance Excel Reporting



## #6 – Business Intelligence and Insight

The management benefits of strategically implemented CRM cannot be over-estimated. The ability for managers, directors and owners to obtain immediate visibility of up-to-date business activities and customer actions and interactions provides critical intelligence to deliver more informed and effective decision making.

These views help to do everything from managing day-to-day efficiency and deal conversion rates/metrics, right through to analysing, modelling and crafting future strategy and business development directions.

When every department is using the CRM hub, processes and procedures can be examined for every function of the business, with gaps and bottlenecks identified and addressed to ensure improved customer engagement, service and experience.

Having such an up-to-date overview of the business provides a very powerful tool not only to management, but for all employees to help benchmark their own successes and challenges and to help retain focus on the activities and key metrics that contribute to business growth.

## ? Further Considerations

Whilst some 60% of respondents have rated Improved Visibility of Communications and Activities as the 3rd top Operating Benefit, as discussed above only a quarter of respondents are making use of Dashboards to view and report on KPIs and other metrics, with only a further 8% accessing advanced Excel to further analyse the data.

This indicates significant potential for businesses to gain even greater value and benefit from their data and CRM solution to help deliver improved evidence-based decision making and higher growth opportunities.

### Key Features to Employ

- Favourites Lists
- Catalogue Searches
- Dashboards
- Advanced Excel



## Conclusion

There is nothing more informative than hard evidence from peers. Accordingly, Maximizer has published the second part of the key findings from its annual SME Benchmark Study for the first time, to give small to medium-sized companies and autonomous departments of larger enterprises a clear understanding of how their peers are deploying CRM. Particular focus is given to the features within CRM that are regarded as particularly important in delivering key business benefits, value and success from CRM.

What is abundantly clear is that whilst measurable benefits and outcomes are being achieved through CRM, opportunities exist to gain even greater value from captured business and customer data. Continual investment in CRM and working towards CRM mastery can help deliver detailed intelligence and identifiable areas for productivity and process improvements, all of which contribute to the higher strategic goals of sustainable business growth.

It is the intention that this published data will encourage a growing movement to share SME experience of generating ROI from CRM – methods, techniques, obstacles encountered, solutions developed. In the light of a scarcity of hard evidence for this section of the business community, all relevant initiatives are to be welcomed – by SME organisations and by their customers alike.

If you wish to receive any of the Reports or require further information on the Benchmark Study or CRM Mastery, please email: [marketing@maximizer.co.uk](mailto:marketing@maximizer.co.uk)



## 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.



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