

A White Paper by Exact Software



# Customer Relationship Management:

Putting Customers at the Center of the Business



# Executive Overview

*Customer Relationship Management can only be a success if the solution is integrated throughout the entire organization, leading to better customer communication and retention.*

Customer Relationship Management (CRM) has sustained success through its ability to help companies sell but, only focuses on a portion of the customer relationship, not taking into account pervasive business processes that can affect customers. Yet nearly all facets of the organization are driven and affected by the customer relationship. Incorporating all organizational procedures across the enterprise will serve to advance these relationships and make companies more profitable.

CRM systems can be very effective solutions for managing sales cycles. However, using current CRM point solutions will not build and manage an entire customer experience, merely the components of the sales and marketing cycles. There is promise, however. While traditional CRM systems have lacked the ability to encompass the full realm of business processes, new technologies are emerging that empower businesses to realize the full potential of customer relationships.

This paper addresses how CRM technology has evolved, the current challenges in merging existing enterprise-wide processes, and the necessary requirements for making CRM an integral success throughout the entire organization, leading to better customer communication and retention.

## The Evolution of CRM

Over the past two decades, CRM solutions have evolved from contact databases that assisted salespeople in tracking prospects, to complex real-time customer relationship management environments that enabled better responsiveness to customer needs.

Early CRM systems followed standard protocols based on company size, product type, and buyer. The early 1990s saw technology advances come to fruition with the addition of lead generation and customer service. However, these systems were isolated in functionality and did not incorporate a broad-based business model.

Later, CRM systems encompassed customer-facing front-office functions, such as marketing, sales and customer service for a more integrated approach to serving customers. While companies implemented technology that improved sales and service components of customer transactions, customers and salespeople alike were left in the dark about much of the back office interactions that affected them.



### Current Challenges

CRM point solutions achieve what they state: a focus on selling to customers. However, by concentrating exclusively on pre-sales, marketing programs and customer support instead of building long term relationships, companies are not realizing the full return on investment with existing CRM technologies.

The problem lies in capturing the entire customer experience as it relates to the enterprise and its integrated components or business processes. Managing customers involves more than storing, updating and managing customer information. It requires both internal and external knowledge sources to have the inherent data necessary to continuously cultivate the customer relationship.

Standard CRM systems typically consist of three core areas: sales force automation for managing prospects from initial lead through sale close; marketing automation for managing campaigns and tracking success metrics; and customer support, including FAQs and problem resolution. But true customer relationship management goes far beyond sales, marketing and support management.

The issue at hand is that these three core areas run fairly autonomously from other parts of the corporation, such as billing, employee and customer workflow, document management and projects. The interrelationship between financial, asset management, project management, documentation, and workflow processes all affect the customer experience, and should be associated so they are accessible by employees and customers alike.

While the enterprise may have a centralized source of interaction, this data is not available to customers, who typically interact with a company through fragmented contact points, with disparate data storages. Typically, CRM systems were developed without considering all of the elements that it takes to put the customer at the center of the overall business. Thus, “built-out” CRM solutions have not truly improved the ability to manage the customer lifecycle.

### Functionality Requirements

Building upon and improving CRM involves recognizing and linking all business processes, including workflow, documents, employee and client communications, departments and data storage, to better monitor and look after the customer relationship. CRM functionality should, by default, be integrated with the entire business operations rather than focused and remote functionality. A truly customer-centric solution not only ties customer relationships with enterprise business functions, but can address other functions related to CRM, such as human resources and financial management.



# CRM: Putting Customers at the Center of the Business

For example, if a sales manager wanted to see which employees worked with which customers, he could see not only the relationship but also any workflow that occurred between the two parties.

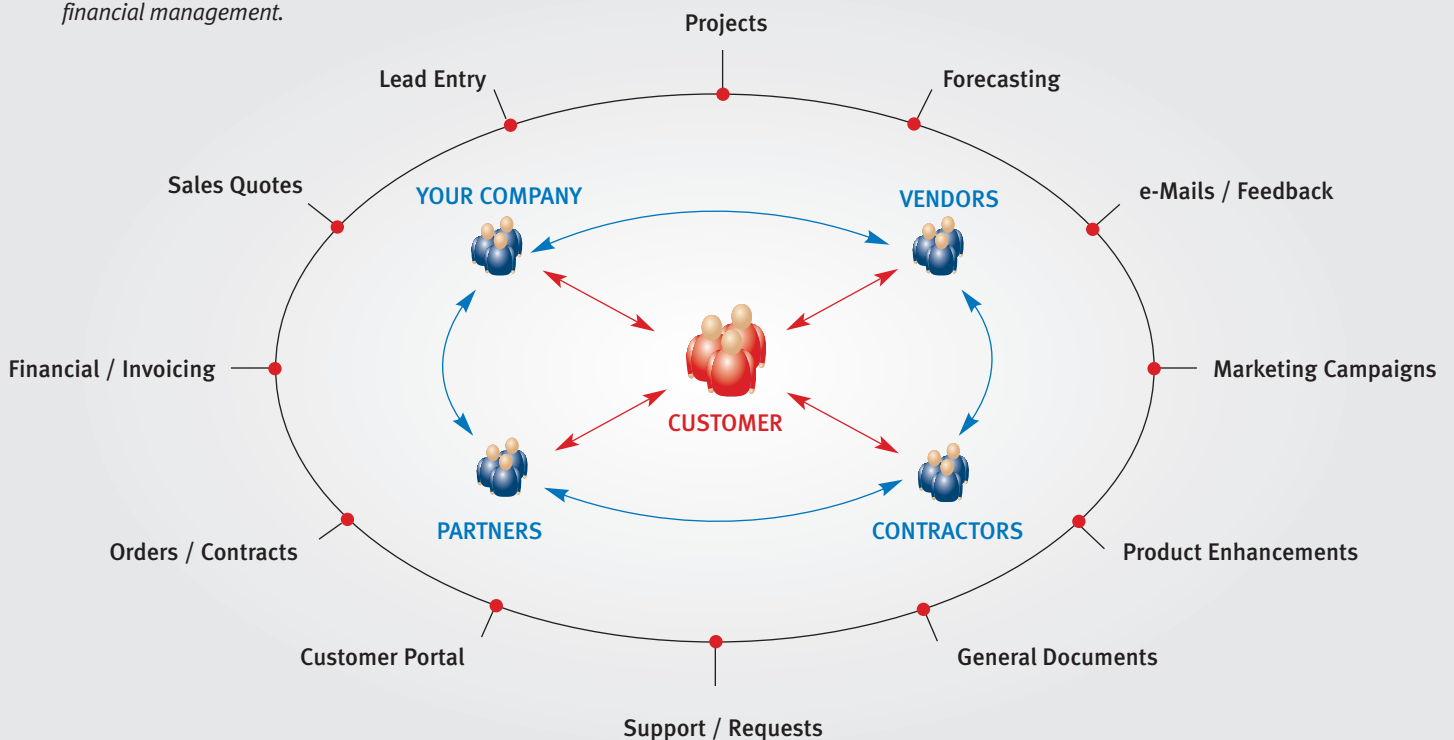
The key features of a successful all-encompassing CRM solution must include:

**Accessibility:** One central knowledge point for all participants, including employees, customers, partners and vendors, who are interfacing with one another. This includes providing access to specific information not typically accessible to customers, such as their own financial information, workflow steps involved in their pending orders or marketing projects, and role-based access to documents associated with the client.

**Inclusion:** All business processes, including financial, workflow, documents, and projects are a part of the CRM environment, providing a complete view of the customer experience available to anyone, including the customer.

**Visibility:** The customer as a part of the CRM cycle whereby they can view themselves through the eyes of the provider and manage facets of their own account. Empower customers to have a direct line of communication into interactions that are affecting them.

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The most important element of a customer-centric solution is workflow: tracking what customers are doing and looking at, which in turn can be observed by the employee, and vice-versa, giving customers the ability to access, control, and participate in corporate issues and events that affect them. In addition, every new customer touch point is an opportunity to reinforce the brand. Every customer dialogue offers valuable insight into customers' needs and wants. With this data integrated into the primary customer management system, organizations are better able to make successful strategic decisions.

A good customer relationship thrives in large measure on appreciation. Giving customers insight into what is involved with processing their orders, for example, helps to open the lines of communication and set realistic expectations. As well, all stakeholders, from customers to partners to vendors, are working in synch by having the ability to access and act on information that pertains to them at every step of every business transaction.

Rarely do customers have the opportunity to track their own orders as they flow through a company's processes, or see what work has been done on a marketing program on their behalf, for example. A customer-centric solution affords customers the opportunity to participate within these processes by way of direct workflow. This gives customers more detail, power, and ability to participate in more elements of the business.

In addition, the CRM solution should have the ability to be configured to trigger certain staff members of potential problems that could impact the client relationship. For example, if a customer orders items that exceed the current inventory, the sales representative would be notified. Likewise, if a customer put a request into the workflow asking that a specific action be taken, and the employee responsible did not follow through, the employee's manager would be notified to ensure proper action is taken.

### Criteria for Success

When evaluating technology to maximize customer relationships, it is important to consider numerous factors.

**Measurable ROI within a fixed timeframe**—Ask to speak with several of each vendor's customers. They should be able to tell you about measurable benefits that they have achieved from using a CRM technology.

**Ease of installation and customization**—Ask prospective vendors about the installation process. Provide details about your existing technology environment to determine the extent (time and resources) that will be required to customize the existing product for your environment.



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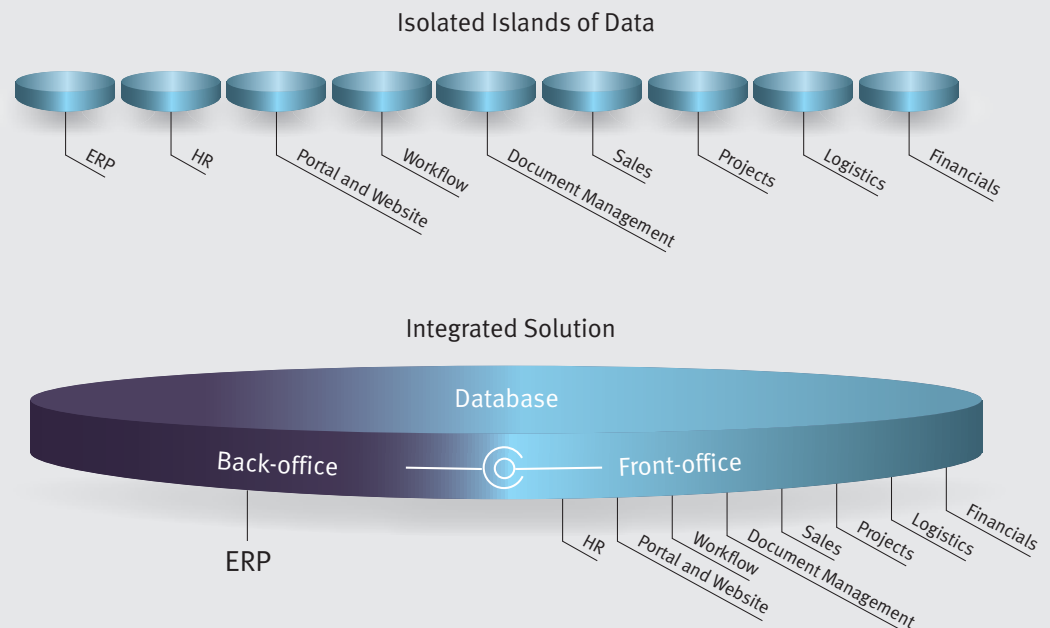
**Customer-oriented**—Customers should be able to place themselves at the center of the business, seeing the processes that affect them, such as payments made, workflow with customer support, and even share this information with other customers. This facilitates true collaboration.

**Integration with existing CRM information**—Any new technology should allow data from existing CRM systems to be easily accessed or transferred into a new environment.

**Pervasiveness**—New technology should leverage existing CRM investments yet go well beyond traditional CRM functional components, incorporating enterprise-wide processes, such as finance, marketing, inventory management, etc.

### Advantages of a Single Database Approach

*Information within an organization is typically isolated in software packages that are utilized to perform specific functions (ERP, CRM, Knowledge Management, etc...). There is usually no easy method to allow such platforms to share information without complicated integration issues arising. Implementing a solution that an entire organization can operate from (off of one database) ensures that all information is accessible to anyone who needs to access it, and can allow a business to realize a higher level of efficiency across the organization.*





### Conclusion

In today's increasingly competitive environment, companies are looking to make the most out of each account. The common wisdom among marketing professionals is that 60 percent of business is generated by 40 percent of the existing customers. Thus, savvy businesses are focusing on sustaining current customers and maximizing these relationships.

Nurturing this client base involves giving customers every opportunity to improve the way that they interact with you. No longer are customers sideline participants. Organizations are empowering their customers with a wealth of knowledge to engage in meaningful conversations, with more informed decision-making.

A CRM solution that encompasses all aspects of your business gives customers unprecedented visibility into actions that impact them. Ultimately, this leads to greater accountability within the organization, and greater satisfaction among customers.

For more information about how to achieve successful Customer Relationship Management, please visit [www.exactamerica.com](http://www.exactamerica.com) or call 1.800.468.0834, extension 2650.

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