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TEC Market Report

Top Features of CRM Software—What Matters for your Enterprise

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Top Features of CRM Software—What Matters for your Enterprise

As the business needs for medium and large enterprises set these organizations apart from others, vendors propose customer relationship management (CRM) software solutions for enterprises that address these particular needs. In this CRM overview, we will look at CRM software for enterprises from two points of view: product technology and functionality.

Product Technology

Integration

Most vendors of CRM solutions for enterprises tend to offer complex functionality within a single solution or through integration with other solutions developed by the same vendor or its partners. Nevertheless, with the explosion of specialty CRM solutions, medium and large enterprises might be tempted to buy several software solutions from different software vendors to manage their CRM requirements. While sometimes they don't have a choice, this can cause several potential integration problems.

The first set of problems that can be encountered is at the database level. Conflicts might appear between different types of databases (Oracle vs. Microsoft SQL, for example). Even if in theory this does not look like a big problem, in the day-to-day reality integration between two databases can become a nightmare. As the database structure differs from one provider to another, mapping is needed. This can be achieved either with internal IT staff or by buying services from vendors—both imply extra costs. It is preferable for enterprises to buy solutions from the same vendor. Even if these solutions are not perfectly integrated, at least they offer application program interfaces (APIs) and connectors that have been preconfigured to integrate between solutions.

Second, some specialty solutions are offered on premise while others are offered in the cloud. Data residing in the cloud is not typically administered by the end user and thus cannot be accessed anytime, anywhere to perform stored procedures (a subroutine available to connected relational database system applications). End users usually require special permission from the vendor to perform any action on data stored in the cloud. In addition, upgrades of either on-premise or cloud solutions can lead to conflicts or rules being overridden. For instance, the API might fail to function as expected after an upgrade. Or permission to access certain functionality or data might be changed.

A third series of potential integration problems stems from the policy of some software vendors to not provide full access to end user data, as they do not want to compromise the integrity of their solution. Instead, they prefer to handle any integration requirements themselves, at their own pace. Even if some vendors provide a software development kit (SDK) that allows end users to modify the software and its structure, modifications are typically limited to functionality and changes to core components are not permitted.

In the future, all CRM will be social.

It bears repeating that it is recommended to acquire all CRM software solutions from the same vendors and their certified partners to avoid these types of difficulties. Unlike other systems, such as human capital management (HCM), CRM integrates not only with internal systems, such as ERP, but also with customer-facing systems such as e-commerce, field service, online communities, or social media. In so doing, it requires seamless and secure exchanges between applications. A customer should not have to have several applications open at the same time to perform actions while engaging with a company.

Instead, most functionality should be easily accessible from within a self-service portal that resides within a CRM system. Similarly, a customer-facing professional requires centralized access to detailed customer information that is collected via internal and external systems.

Mobility

From a product technology perspective, CRM mobile solutions have been on the radar of many enterprises in recent years, with increased demand from both employees and managers to access their CRM data in real time and from any location. Mobile applications are either Web-based applications or native apps.

The main advantage of a Web-based mobile application is that everyone can access the system regardless of the mobile device being used. In contrast, native apps are available only on certain devices. However, native apps are generally more user friendly, as they have been developed to fit the requirements of specific platforms, while Web-based apps, which use responsive design, are not always well adapted to fit the many varieties of mobile devices available today.

From a security perspective, it is necessary to understand where the data resides when it will be accessed via a mobile device. If, for example, it resides on the device itself, then businesses are running security risks in case of hacking or theft. However, if no data is stored on the mobile device, it might become problematic if users encounter areas with no access to the Internet.

With the advent of the bring-your-own device (BYOD) trend, mobile device management addresses issues related to managing applications across mobile platforms. With hundreds of employees that need mobile access to CRM applications, enterprises must take into account all options present on the market to be able to accommodate the needs and preferences of their employees. In addition, they must take into account permissions and security issues, which may vary from one platform to another.

From the perspective of the enterprise using the CRM solution, mobility is a must-have for managers as well as entire teams of employees, including sales, marketing, and field service agents. From a consumer perspective, support for mobile applications is required, particularly for mobile commerce. In addition, consumers need to interact with various customer-facing employees in real time and from any location. For example, mobile banking applications allow customers to perform transactions, place calls, send messages, and visit a bank's social media or Web sites.

Delivery Model

Another important aspect of CRM product technology is the delivery model. The delivery of CRM in the cloud is becoming ubiquitous. However, there are certain industries, such as financials or health care, where data security is a big concern and some organizations do not feel confident in adopting cloud-based solutions. The notion of the cloud remains vague, as vendors refer to the cloud in multiple situations: hosted, software-as-a-service (SaaS) single-tenant, SaaS multi-tenant, infrastructure as a service (IaaS), and platform as a service (PaaS).

IaaS, also known as hardware as a service (HaaS), is a form of cloud computing that offers an organization the option to outsource certain equipment needed for its operations. The service provider owns the equipment, which can include storage, hardware, servers, and networking components.

PaaS is a service delivery model that allows organizations to rent hardware, operating systems, storage, and network capacity over the Internet. The service allows for the running, developing, and testing of applications. This type of service can be particularly useful for teams of developers that do not work from the same location.

The hybrid delivery model is the integration between on-premise and cloud delivery models. This option is particularly appropriate for medium and large enterprises whose legacy systems reside on enterprise networks. Also, these organizations might require new applications to be deployed both on premise and in the cloud. The hybrid delivery model needs to take into account integration issues related to security and seamlessness.

If customers are understood as other as opposed to self, two obvious consequences ensue. First, businesses cannot perceive their customers outside the interactions that they conduct with them, and thus develop products that fit their own phantasms of what customers should be like. Second, due to the fact that businesses exist as communities while consumers exist as an imaginary mass, clients are deprived of any power to influence businesses and by extension the very goods that they have to consume.

Cloud delivery models present great advantages for CRM solutions, as the client data is consistent and easy to access. Having a CRM ecosystem in the cloud avoids data duplication and inconsistency, and facilitates traceability. A cloud platform allows businesses to easily adapt to clients' needs. For instance, building a new online community or online store for new clients can be achieved without great effort. As all applications reside in the cloud, they can be assembled as needed.

Functionality

Sales Force Automation

Account management can be seen as a form of metadata for the CRM system. This is perhaps the core of all CRM solutions, as locating customer information in a coherent manner influences the performance of all other functionality. The way a CRM system structures data within its account management functionality is key. If the database tables storing client data are not searchable, it becomes impossible to apply filters when retrieving data. This may happen especially when vendors allow the addition of custom fields to predefined tables, as these fields sometimes do not have the option to be searchable.

One limitation of account management is in keeping customer records up to date. To address this issue, one option is online business directories of companies and business professionals that are maintained and accessed by a community of subscribers. CRM solutions can integrate their account management functionality with these databases to keep their records up to date. This is a good solution for business-to-business (B2B) customer relationships.

Vendor relationship management relies on a very powerful concept—the customer data should reside with the customer and no one else. It is the client's responsibility to share her or his personal information to whomever she or he chooses. This solution can work for both B2B and business-to-consumer (B2C) relationships, and it can span industries. The initiative is not easy to accomplish, but if lobbied properly it might become part of customer protection and personal data privacy government policies.

Opportunity management is all about analytics and workflows. Initially, opportunity management was based more on gut feeling than on well-defined enterprise level criteria as to what makes for a good sales opportunity. For example, sales reps have the tendency to chase big accounts, which may not be the best choice, as big accounts are not always the most profitable clients for a company. But newer opportunity management functionality offers workflows with embedded enterprise strategy rules that contain sales reps' efforts

When otherness is discarded altogether and clients become an integral part of a company's perception of itself, the customer is no longer virtual or equated to a market segment. She becomes actual, carrying nuanced opinions and inviting a politics of friendship.

within the company's goals. They prevent individuals from setting their own rules and targets or winging the assessment of an opportunity. Additionally, analytics uncovers opportunity success rates and helps with opportunity optimization processes. For example, a manager could evaluate the time spent by each agent on a sale and show if the time was worth spending.

Social sales is an emerging set of features that many vendors are laying claim to. But, a solution needs to offer more than integration with social media and real-time posting on Facebook or Twitter to qualify as offering "social sales" functionality. True social sales functionality includes blended customer profile, collaboration and content exchange, and collaborative proposal generation. A blended customer profile displays corporate as well as social customer information. Perhaps the most interesting part of social sales is not necessarily the sales reps' social outreach toward their clients, but rather reaching out to other sales reps as a team.

Sales analytics encompasses much more than reporting insights into sales activities. Old-style sales reports are not flexible and they cannot forecast or perform what-if analyses or utilize input parameters.

However, in recent years several very sophisticated sales analytics solutions have been produced. Sales intelligence and enterprise analytics support enterprises' sales efforts with insights into corporate and social trends, customer experience from a global enterprise perspective, and the achievements of sales teams.

The market segmentation technique locks consumers in very broad categories shaped by inflexible demographics: gender, age, occupation, etc. Individuals envision themselves as more than the portrait captured by a loyalty point card form.

Marketing Automation

Campaign management used to rely mostly on purchased lists of contacts. Today, online communities fostered by businesses allow for more effective campaign management. Members of communities are there willingly and are probably interested in a company's offering; they are not the passive receivers of promotional material simply because their contact information was hijacked.

A successful campaign should employ analytics to distribute messages to the right customer segments, taking into account not only the customer's profile, but also its context. A case in point is location-based marketing campaigns, which can signal offers to clients based on their real-time location.

Lead management is the process of administering and qualifying leads, which are then sent to sales. Lead qualification is central to lead management. Automation is a must-have in the process of lead qualification. The CRM system should be able to define clear business rules that, once applied, will display high-potential leads.

Another good way to qualify leads is through the use of social business platforms. Lead information could be posted onto the social intranet of a company and submitted to peers and managers for their feedback. As companies generally want to avoid dealing with bad clients—those that do not pay or that will overuse resources—this might be a good way to find out by taking advantage of employees' connections. Employees can state anything that they know about a lead and point out whether the potential client might be a good fit for the company.

CRM software vendors recognized the newly unleashed social force and added social features to their products.

The lead reuse functionality is worth mentioning in the context of lead management. Certain leads might not be valuable at the time of their qualification. However, they may become interesting opportunities in time. For instance, a prospect intends to pay for recruitment and staffing services but does not have the budget in Q1. It is expected that the potential customer will have the necessary funds to pay for this type of service in Q3. Lead reuse allows for storing that information and flagging it appropriately so that it triggers alerts when the right time has come to reengage that prospect.

An important application for lead management is lead data diagnostic and data cleansing. With this type of application, leads that make no sense for a company are automatically filtered out (e.g., personal e-mail addresses). This is typically one of the first steps required by the lead qualification process.

Social marketing functionality generally includes cross-channel campaigns, social segmentation, and social sharing. These tools are typically employed to exploit old marketing approaches across new social channels. For example, broadcasting typically repeats the same promotional material over and over again. This type of engagement is not so effective with social media, where one is expected to reinvent oneself, be spontaneous, and non-repetitive.

An interesting way of envisioning social marketing—which I believe is effectively exploiting social venues—is the "influencer marketing" approach. This approach acknowledges the particularities of social platforms and the manner in which they define centers of power and influence.

Marketing analytics follows the social CRM momentum by focusing more on understanding customer behavior than campaign effectiveness. Sentiment analysis has become an essential tool for enterprise marketing. People are producing large amounts of data via social platforms, and large chunks of this data should be and are of great concern to businesses. With sentiment analysis tools, companies can make sense of unstructured customer behavior data and unveil consumer preferences and market trends.

Including sentiment analysis, social monitoring is another set of marketing analytics tools that ensures that clients' social engagements receive the appropriate attention and answers.

Customer Service and Support (CSS)

Issue/case management functionality has as a central component the ability to automatically allocate and escalate cases. The automation of such processes should be done by taking enterprise rules into account. Before a case is allocated, the system brings out duplications. That is, similar cases—not necessarily from the same client, but rather from different clients struggling with the same issue—can be seen if language rules are set in place within CSS departments.

Business process automation tools take into account factors that can better schedule resources so that cases do not stay too long in the queue. These types of solutions may factor in parameters such as employees' availability, skills, speed, etc.

Feedback management offers CSS teams the necessary tools to launch post-service surveys at regular intervals rather than sending them only immediately after service delivery. Surveys should be sent frequently enough to keep the customer engaged from a product perspective, as opposed to a marketing perspective. In fact, clients should be surveyed regularly about their experience and level of satisfaction with the products that they have acquired.

In addition, online communities are another venue that allows customer service representatives (CSRs) to gather and manage customer feedback. The advantage of these platforms is that they can be interactive. Feedback is not stored away and analyzed before there is any response; rather, clients can receive real-time responses to their concerns or comments.

Social CSS extends the customer support outreach on various channels (social, e-mail, phone, etc.). Customer support teams have the option to understand which venues are the most popular and to constantly monitor them. One of the most important features offered as part of social CSS is the customer co-created knowledge base. Typically, in the form of an online community (wiki or forum), it allows customers to respond to other clients' questions. Online communities can also foster innovation or product development initiatives, where customers and partners can contribute to the innovation and improvement of products.

CSS analytics looks at the performance of customer support reps and teams. In so doing, it factors in several aspects of a CSR's work, such as difficulty of issues, CSR's skills, and client

Online communities fostering crowdsourcing and idea jams emerged as a natural consequence of the fact that companies are discarding—at least in part—their self versus other position with respect to their clients.

satisfaction. Speech analytics is a particularly important tool for CSS, as most companies prefer to conduct their CSS interactions via voice devices. Even if customers do initially engage business on e-mail or social media, ultimately the most important issues are discussed over the phone.

Customer Experience

Personalization is among the top requirements within customer experience. In addition to the usual personalized sales and marketing approaches, it implies knowledge of what clients want. From a B2B perspective, sales intelligence can be used to uncover what clients might be interested in as well as to anticipate their needs. From a B2C perspective, ensuring personalized engagements depends largely on the nature of the sold product as well as where it was bought (online, in store, door to door, over the phone, etc.).

Let's take an example of toothbrushes bought online via Amazon.com. Amazon.com sends an e-mail reminder to clients buying toothbrushes on its Web site to change their tooth brushes every three months. Another manner in which personalization can be achieved is by allowing clients to participate in product design. For example, Ikea allows you to build your own kitchen.

Customer experience profile is another central component of customer experience functionality. By investigating several aspects of a client's interactions with a company, this type of functionality attempts to uncover a complex picture of what the customer might be looking for as well as how the customer expects to be treated. Ultimately, a customer-facing professional should be able to gain insight into a client's purchasing history, visits to e-commerce, Web site, social media pages, and the time spent on different pages; marketing response to campaigns; and customer service requests. In so doing, this individual would be able to anticipate how to approach the customer in person-to-person exchanges.

Other functionality that supports customer experience includes social and real-time communication—achieved via online communities and portals where clients can come to express their issues or opinions—and rich media support—in the form of embedded videos, slide share, and integration with YouTube to better represent products and experiences.

Field Service Management

Field service management constitutes another extension for CRM for enterprises, within the context of customer experience. Clients must be served according to their expectations and in a timely fashion. Asking a customer to wait a full day to receive service from a field

Finally recognized as valuable resources, clients can share their profound and real-life applied knowledge of products.

technician is no longer acceptable. Consequently, scheduling and optimization are a key part of field service management, with the goal of ensuring customer satisfaction. These types of functionalities are set to predict precisely when the customer will receive the service by inputting various parameters such as the skills, competencies, and speed of the field worker, the traffic conditions, the availability of parts, etc.

The relationships between businesses and customers begin to unfold in the form of exchanges and not in the form of dominance.

E-commerce

The ability to sell and buy over the Internet can be extended to other technologies, such as mobile or social media. Integration to CRM systems is necessary to store clients' purchase history, product viewing choices, and time spent on e-commerce Web sites. In addition, from a customer experience perspective, this information contributes to the comprehensive customer profile and recommendation engine.

Instant messaging (IM) or virtual assistants are technologies that are now integrated in e-commerce sites to assist customers with their purchases.

Global Business Management

Managing multiple business units, legal entities, and subsidiaries is essential for global enterprises that perform transactions in multiple currencies and languages, and with different reporting requirements and taxation rules to contend with. These demands need to be supported by the same platform to consolidate the data while providing support for local requirements. Such solutions are easily customizable for adapting to specific industry or geographic nuances. They also support multi-language campaigns, multicurrency sales forecasts, and the management of multiple sales channels across multiple countries.

Social Business Platforms

Social business platforms are venues that support collaboration internally (among team members and departments) as well as externally (with customers and partners). Key features include conversational tools (chats, threads), media tools (profiles, feeds, RSS, blogs, video channels), and collective knowledge creation tools (knowledge bases, embedded search engines). Social business platforms typically support social CRM, social HCM, and social innovation.

A pervasive functionality across social business platforms is the recommendation engine. Based on individual engagement, this tool infers and suggests various learning materials, events, or people to follow within a company. This ensures that collaboration between subject matter experts can occur in real time and that employees can access the resources that are relevant to their particular job responsibilities.

About the Author

Raluca Druta is TEC's customer relationship management (CRM) and human capital management (HCM) analyst. She holds a graduate diploma in computer science, and brings in-depth knowledge of various industries and their related business fields to TEC's research. She has experience as a consultant for IT firms in the areas of conflict management resolution and recruiting and staffing.

She has also implemented feedback management software and trained end users and administrators in higher education institutions. Druta is proficient in customer-facing activities and project management, and has a working familiarity with customer and employee issues common to the retail, logistics, and fashion industries. Her background knowledge of website design and SEO further inform her understanding of critical enterprise software components.

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