



# A Buyer's Guide to Customer Relationship Management Solutions

*Industry-Driven Insights into Trends, Value  
and Evaluation Criteria*

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## Who this guide is for

This guide is for any decision-maker — including sales, service, marketing and IT executives — evaluating a customer relationship management (CRM) or sales force automation (SFA) project.

## Introduction

With companies across industries safeguarding their business against economic instability, the 80/20 rule — that 80% of a business's profits are typically generated from 20% of its customers — is more important than ever. It's critical to know who those 20% are and maximize the value of those relationships while still driving cost-effective new customer acquisition.

Given this, it's no surprise that for mid-size businesses, the need to focus on customers is even more acute. According to Forrester<sup>1</sup>, organizations must confront the new age of the customer:

*"The only source of competitive advantage is the one that can survive technology-fueled disruption — an obsession with understanding, delighting, connecting with, and serving customers. Effectively managing your company's relationships with those who buy and use your company's products and services has never been more important."*

That's why, in a recent Gartner report<sup>2</sup>, CIOs across a broad range of industries ranked CRM as one of their top 10 priorities for 2012, which matches previous expectations that CRM budgets would see the largest increase of all the application software markets worldwide.<sup>3</sup>

<sup>1</sup> "The Forrester Wave™: Midmarket CRM Suites, Q3 2012," William Band, Forrester, July 2012.

<sup>2</sup> "Gartner Says Customer Experience Enters Top 10 CIO Technology Priorities for 2012," Press Release, Gartner, April 2012.

<sup>3</sup> "Gartner Survey Shows CRM Software Spending Is Expected to See the Largest Increase of All Application Software Markets" Press Release, Gartner, February 2011.

Today, every business must answer some fundamental questions about its CRM strategy:

- What are the anticipated business benefits?
- What is the impact on current and future IT costs?
- Is the solution going to be flexible enough to meet near- and longer-term needs?
- How can the solution be positioned for near-term success?

The answer to the first question is relatively simple: you need to extract every dollar from every customer relationship. Fruitful customer segments must be targeted, lead conversion maximized and existing customers up-sold and renewed.

Successfully navigating questions two through four are the keys to CRM success — and that's what this paper, plus the evaluation checklist at the end, focuses on.

Let's begin with how to ensure a successful CRM project doesn't come with an expensive IT price tag.

# Initial Decisions and their Implications

## Consideration #1: SaaS/Cloud or On-Premise

CRM hasn't always had the reputation of playing nicely with IT budgets. Until relatively recently, solutions that manage customer, sales and service often came with substantial price tags. Organizations using them had to contend with the capital costs of server hardware and software licenses while enduring long, expensive implementations, followed by the ongoing weight of IT management and customization. All of this chipped away at the final measure of success — return on investment (ROI). Fortunately, times have changed.

For one thing, implementation times have decreased. In a recent Forrester report, nearly 40% of companies surveyed implemented their CRM application in 12 weeks or less.<sup>4</sup> The driving force in this acceleration has been a transformation in how the software they are deploying is delivered, namely, through Software as a Service (SaaS). According to Forrester, "CRM solutions deployed through the Software as a Service (SaaS) model are much faster to implement than traditional on-premise licensed solutions."

SaaS also lowers software maintenance costs. Prior to SaaS, IT allocated more than 75% of its budget to maintaining systems and infrastructure,<sup>5</sup> but today that figure is under 50%.<sup>6</sup> Even today, a typical industry estimate is that IT functions can spend four times (or more) the cost of the software license to manage their applications each year. SaaS changes that equation, and the result is that organizations are embracing SaaS at an incredible rate. As a result, in a August 2012 forecast, IDC predicts that the SaaS/cloud software model will grow nearly five times faster than the rest of the software market as a whole, reaching \$67.3 billion by 2016.<sup>7</sup>

In the SaaS model, vendors charge monthly fees rather than a large upfront investment. Thus, they are extremely motivated to ensure ongoing customer success — if customers aren't successful, they can simply stop paying and turn the system off. SaaS also lowers recurring IT costs as well as maintenance and infrastructure spend because there is no hardware or software to maintain, and no upgrades are required for servers or client computers. SaaS allows businesses to focus on running their operations, rather than spending their resources managing their applications.

SaaS solutions deliver benefits beyond cost savings and speed of deployment — because they are 100% web-based, business users gain the flexibility to work anywhere, and executives can locate workers anywhere without software access limitations. Of course, the evaluation of any SaaS solution must include looking beyond monthly fees. They must have the required certifications to fit with your compliance processes, so look for SSAE 16 Type II and ISAE 3402 Type II, or Safe Harbor certification for deployment in Europe. Other key considerations include uptime guarantees, data backup and recovery obligations, storage fees and sandboxing/development environments.

<sup>4</sup> "Benchmarks for CRM Selection and Deployment," William Band, Forrester, August 2010.

<sup>5</sup> "The End of Software," Timothy Chou, Sams Publishing, 2005.

<sup>6</sup> "Your Next IT Budget: 6 Ways to Support Growth," Robert Whiteley, CIO.com, July 2010.

<sup>7</sup> "Worldwide SaaS and Cloud Software: 2012-2016 Forecast and 2011 Vendor Shares," IDC, August 2012.

“CIOs need to understand that adopting a specific SaaS application may put them on the road to bringing in additional SaaS applications, ones that may compete with existing suites they’re heavily invested in.”

—Rob Desisto, Gartner  
“The Truth About Software as a Service (SaaS),” CIO.com

## Consideration #2: Best-of-Breed or Suite

This debate between whether to buy best-of-breed software or an integrated suite continues to rage on. Whatever you decide will have a profound impact on your IT strategy — not just for your CRM strategy, but also for finance, order management, inventory and ecommerce.

Put simply, a best-of-breed CRM solution is one that only offers CRM. Such a system won’t solve all of your business process issues, just your near-term CRM needs. You’ll also need to purchase solutions for order management, commissions, inventory, finance and ecommerce from other vendors, and then work to integrate them to get complete coverage for your business. These follow-on investments — and the cost to integrate them — will lead to significant hidden costs that you might not account for up front.

In contrast, a well-designed suite approach can give you the flexibility to cover all of your businesses processes at one time, or alternatively, grow in an integrated way with your existing systems or business needs. The key is to take a serious look at each solution, your internal processes and your resources:

- Evaluate the CRM capabilities of each vendor under consideration to ensure your needs are met
- Consider the key business-process touch points of the CRM system with other parts of the organization that may stretch outside of the traditional CRM domain — such as quote-to-cash or estimated compensation
- Consider the “hidden” future costs of your other solutions (finance, etc.) and the potential costs of integrating them with your CRM investment.

## Key Functional Criteria for Evaluating CRM Applications

Working with thousands of customers over the past 10 years, NetSuite has seen the same business needs come up over and over again — and has seen which factors are important and drive success.

Whether you’re evaluating best-of-breed CRM or an integrated software suite, or on-premise versus on-demand CRM, use the following criteria to ensure that you haven’t left any key success drivers out of your evaluation.

### Comprehensive View of the Customer

Your CRM solution should give you a comprehensive view of your customers. Ask the following questions when evaluating your CRM needs:

- Is your sales team armed with the business information it needs — such as past customer purchase history, current inventory levels and service issues — to sell to the customer effectively?
- When your sales team engages with a customer, does your team know whether that customer is satisfied, or if service, product or billing issues affect their satisfaction?
- When your support team takes calls, do they know if those customers are close to a critical renewal, what their past purchases have been or whether they are about to purchase?
- Can your billing personnel see customer service history so they can act accordingly when they have an aging account?
- Do your sales and marketing teams have a universal customer database so they can segment and target customers based not only on demographic characteristics, like employee size, but on transactional history such as previous products purchased, revenue generated and returns?
- Does your sales and marketing team have a handle on identifying and selling to your most profitable customers?

“The creation, maintenance and deployment of accurate, complete and timely customer information and insight are the foundation for CRM. Strong customer information strategies give organizations the ability to optimize customer interactions and deliver consistent customer experiences.”

— John Radcliffe and  
Gareth Herschel, Gartner  
“Customer Information and Insight  
Are the Lifeblood of CRM”

Organizations can use a complete, accurate view of this sort of customer information — together with dashboards that identify key trends and opportunities with customers and prospects — to drive significant competitive advantage. Armed with a deep understanding of customers and the ability to use this information when interacting with them, businesses now have the means to make the right interaction based on the best information. This means they can better satisfy and retain the most profitable customers. By combining knowledge of a customer's preferences with analytics, organizations can create highly effective, targeted marketing and incentive programs tailored to that individual customer's desires, creating powerful cross-selling and up-selling opportunities.

### **Key Functional Criteria for a Comprehensive Customer View**

To provide a comprehensive customer view, a CRM solution should offer:

- A single instance of customer information to remove data redundancy and error
- A customer record that supports contact information and demographics, pipeline status, current sales opportunities, sales call information, recent orders and service calls, returns, aging invoices and backlog
- Secure role-based visibility that allows sales, service and finance staff to see pertinent customer data for their business function, ensuring the best customer interactions
- Dashboards and analytics that enable business users to slice and dice customer data, identify trends, key segments and competitive strategies.

## **Drive the End-to-End Sales Process**

An end-to-end sales process doesn't start in sales and end in sales — in fact, it often begins in marketing — but it always ends in finance with the closed and recognized order.

### **Managing the Sales Process**

Customers might first encounter your company by searching the web, responding to a campaign or via a referral. A CRM solution must be able to manage these lead sources and provide you with the methods to maximize them, whether through search engine optimization (SEO) or campaign management (such as email broadcasts or web offers), or by facilitating the collaboration and communication between departments and teams that will allow them to manage the referrals.

Tracking and managing the complete sales process is critical to effectively managing the pipeline and forecasting future revenue, while simultaneously converting a lead to an opportunity and then a proposal or quote, ending with a closed order. This holds true whether the opportunity is being sold by an individual or a team. The tool must provide the functionality to track each stage and mirror the sales methodology used at the organization.

However, it doesn't end there. Once closed, the order must be pushed to finance with any appropriate documentation attached so it can be processed for billing. A seamless linkage ensures faster and more efficient processing time of the order request, an error-free hand-off from sales to finance and a smooth and positive first impression of your company. It also ensures that you have the ability to measure the effectiveness of marketing and sales campaigns from the time they originated to actual revenue.

## Maximizing Lead Conversion through Collaboration and Best Practices

Any solution for managing the sales process must provide robust centralized and accessible content management. This ensures that your sales and service departments can access competitive information, pricing and marketing collateral. Up-to-date and relevant information enables sales to position the right offerings based on each client's needs, resulting in more satisfied customers and better long-term relationships. In addition, sales configuration and price management functionality helps identify and propose potential solutions, generate pricing, and ensure that discounting guidelines are adhered to.

## Monitoring and Managing Sales Performance

Managing sales performance at the tactical level is critical. The individual salesperson must have a comprehensive dashboard showing his or her up-to-date performance against quota, pipeline status, estimated and current incentive compensation, and even collaborative analytics that show customer buying and product trends in their territory.



CRM dashboards provide high-level metrics with drill-down to details.

The dashboards provided to sales management and the executive team must have a broader, strategic view. For example, the CFO's dashboard must provide him or her with visibility into the quarter alongside recognized bookings in a single integrated view — ensuring that the company can take corrective action at the earliest possible stage. Additional visibility into the typical variance between opportunity revenue and actual revenue also ensures that decisions aren't made on overly optimistic sales forecasts and indicates whether proposals are relying too heavily on discounting and impacting margins.



Typical analytics will enable business users, depending on their roles, to slice and dice the opportunity in detail, whether by breaking out the data by product or drilling down to the individual opportunity or order.

Dashboards and reporting capabilities should include standard reports and metrics such as sales and customer reports. In addition, role-based dashboards ensure that salespeople and sales management can access the information that is important to their particular function. For collaboration, the system should support creating and sharing new reports easily.

Another key consideration for sales organizations evaluating CRM solutions is whether a CRM vendor offers vertical-specific capabilities to automate industry-specific sales processes. For example, one industry may be extremely dependent on indirect sales, others may be focus on low-volume, big-ticket deals with team selling, and others may be focused on renewals. In each case, the SFA or CRM system must have the flexibility to adapt to current and future business models.

### Key Functional Criteria to Support the End-to-End Sales Process

- Complete management of the sales cycle — lead to opportunity to close to bookings and billings
- Individual and team selling
- Forecasting and quota management
- Centralized content management and management of all customer interactions
- Quote and proposal management
- Order management
- Incentive management
- Comprehensive role-based analytics for sales, sales managers and executives.

“Through 2012, enterprises will miss the equivalent of 5% to 10% of annual sales as ‘lost opportunity’ that could have been captured through improved management of sales territories, quotas and compensation plan.”

— Michael Dunne, Gartner  
“Top Processes for CRM Sales, 2012”

### Motivate and Align Sales Behavior

CRM and SFA initiatives often neglect to ensure that the sales team is aligned on selling the right products to the right customers, while maximizing customer value by cross-selling or up-selling as necessary.

Too often, SFA initiatives focus on the tactical record-keeping aspects of sales performance, such as monitoring and managing sales opportunities, while missing the strategic win of better sales alignment and more effective selling.

Sales alignment is especially important for any organization that sells through a channel. Getting incentive compensation right may be the single biggest driver to ensuring the channel is loyal and motivated. Sales alignment is also critical for any company that has complex product lines, many product configurations or a maintenance portfolio, as up-sell and cross-sell management becomes paramount to maximizing customer value.

While a strong sales incentive management process is critical for improving sales alignment and effectiveness, it needs to be tightly linked with SFA to maximize its potency. That’s because when it’s integrated with the SFA system, the sales team can easily monitor objectives, track new incentives and sales promotion incentive funds (SPIFs), and see how they’re getting paid on deals while they’re using the SFA or even in the process of finalizing a sale. You can achieve further sales alignment through improved cross-sell and up-sell opportunities by estimating compensation during the sales process. You can also ensure that marketing campaign or business initiatives have better follow-through by putting the right sales incentives in place at the right time.

However, sales compensation also needs to be tightly interwoven with the financial system to ensure fast and accurate payment. It truly is one of the few business processes that sits right between sales and finance. When sales teams are confident they are getting paid correctly, “shadow accounting” (salespeople mistrusting their compensation and spending time double-checking it) is reduced, and the company benefits with increase sales productivity.

Beyond sales incentive management, you can achieve additional sales alignment through up-sell and cross-sell management, which provides the salesperson with instant visibility on what additional products are typically purchased by showing the statistics as he or she configures the quote.

In many cases, organizations that deploy an SFA system often find themselves evaluating cross-sell/up-sell management and sales incentive compensation systems as their next complementary solutions. Both SFA and these systems must be tightly integrated to maximize their effectiveness and so should be evaluated together. This ensures that the systems combine to provide a single desktop for the salesperson, compensation estimation works effectively, cross-sell/up-sell management is flexible enough and that there is a streamlined, error-free process from opportunity and ordering to accounts receivable and sales compensation.

### Key Functional Criteria to Motivate and Align Sales Behavior

- Integrate the SFA system with an incentive compensation system to provide a single, integrated desktop
- Support up-sell, cross-sell and renewal sales behaviors by providing sales incentive management and up-sell management
- Provide a single process from opportunity to order to compensation
- Offer value-added capabilities such as estimated compensation
- Include quota and territory management
- Supply up-sell and cross-sell recommendations
- Deliver summary and detail sales-compensation reporting.

### Drive Customer Service and Satisfaction

To drive customer satisfaction, organizations deploying CRM solutions must think about the customer relationship in an integrated and comprehensive way. In today’s multichannel world, this is particularly important. Customer interactions take place everywhere — in sales, support, service, finance and on the web. Beyond traditional sales and support management, companies need to be able to see real-time, cross-channel views of all interactions to deliver superior customer service — whether the interaction occurred on the web just seconds ago or in person with a sales rep yesterday. This enables every customer interaction to be based on a holistic view of a customer’s history.

Self-service has also become a critical driver of customer satisfaction. Many organizations are deploying customer self-service portals to meet their customers’ expectations around the ease of doing business with the company on the web. Customer portals enable customers to view outstanding quotes or orders, or even request returns, improving service while reducing the cost to serve.

On the call center side, the support team can benefit from cross-departmental customer visibility, with a detailed order history allowing the support team to check service-level subscriptions. This also gives the team an opportunity to deliver customized up-sell and cross-sell offers that both anticipate customer needs and drive revenue.

“Few companies gracefully pass sales leads and service information across the barriers of departments and business units. But those that do enjoy substantial rewards.”

— McKinsey Quarterly  
 “Connecting CRM Systems for Better Customer Service”

For organizations whose business model requires delivering ongoing service for their customers, project management is a critical but often-forgotten component of CRM. This includes the tactical aspects of creating jobs and linking them to specific customers, as well as tracking estimated end dates, percentage of work completed, actual end dates, and the income and expenses associated with each project. Project management is particularly important for businesses whose models are predicated on customer renewals or subscription revenue.

The final area of customer satisfaction is billing. Billing errors can create significant customer attrition, and in many cases, billing errors may stem from manual processes in the original sale, project management issues or simply duplicate or out-of-date customer data.

### Key Functional Criteria for Diving Customer Service and Satisfaction

- Centralized customer data and reporting of all interactions
- Cross-departmental customer visibility for sales, project, service and billing information
- Customer self-service
- Case and ticket management
- Project management capabilities
- Billing-system integration.

### Optimize Marketing Effectiveness

CRM has evolved from simply enabling marketing organizations to conduct campaigns rapidly to ensuring the effectiveness of those campaigns. So while a CRM solution must provide basic campaign management, true ROI often comes from ensuring that each marketing campaign delivers the maximum return on investment, that the sales team is aligned and that the results can be measured accordingly.

This starts with customer segmentation and sales analytics. Marketing teams must be able to mine customer data, segment customers and create targeted offers or campaigns that will resonate with customers. Therefore, a CRM solution must provide accurate and complete customer data as well as the reporting, analytics and dashboards that the marketing team needs to segment the customers and develop plans for targeting fertile customer segments.

After segmentation, marketing teams must be able to leverage prebuilt templates to quickly and efficiently launch and manage comprehensive and effective campaigns, measure real-time response and conversions, quickly discern variations in response rates between channels, and rapidly design and implement new campaigns.

To quantify marketing effectiveness, the marketing system must be tightly integrated with the SFA and ordering systems in order to provide initial-contact-to-close and initial-contact-to-actual-revenue visibility.

Given the current economic environment and the focus on the bottom line, it's critical for marketing teams to demonstrate the value they deliver. Typically, this can be achieved using dashboards that demonstrate lead-to-close ratio, closed-revenue-by-campaign and lead source.

### Key Functional Criteria to Optimize Marketing Effectiveness

- Customer analytics — segmentation by demographics, geography, buying trends, etc.
- High-volume mass email campaigns with personalized emails
- Campaign tracking in real time and with ad hoc changes
- Tight integration with SFA and order management systems to ensure smooth transitions from lead to opportunity to booking, so that you can understand true ROI by measuring lead to close and lead to cash
- Email blast tracking of how many messages are delivered and read.

### Support Ecommerce Strategies

The explosion of internet-enabled devices means your products are never more than a click away from shoppers, wherever they are. Consumers expect an optimized experience from any digital touch point, at any time. By building on the customer system of record, companies using a CRM platform that is integrated with ecommerce achieve unprecedented visibility into their customers and are able to drive strategic marketing, merchandising and promotions based upon any customer interaction. An integrated CRM and ecommerce solution also enables businesses to move from standalone transactional channels such as online, in-store or telephone to an integrated commerce solution that puts the customer at the center of every experience.

When CRM is integrated with ecommerce, companies can segment customers to drive personalized offers and merchandising through on-site recommendations and email marketing. The end result is improved marketing ROI with real-time visibility into all costs including downstream operational expenses.

### Key Functional Criteria for Ecommerce Strategies

- Build rich customer profiles including an individual's online behavior, such as items browsed, carted or added to a wish list, referring sites or keywords, returns history and ratings and reviews
- Quantify customer lifetime value by flowing all transactions through your commerce system
- Service any type of customer — small or large, individual or business.

### Ensure Sales Adoption

If sales reps don't adopt your SFA solution, your implementation is in jeopardy, particularly if the adoption rate falls below 50%. However, by focusing on several critical areas, you can ensure that field adoption is strong.

First, on a fundamental level, the solution must closely match the sales process that your organization uses. Second, the solution must be easy to access and use. Whether a sales rep is on the road, in the office or at home, the application must be available when it's needed — otherwise it simply won't be used. If sales reps have to launch a client tool or log into a VPN before they can begin updating an opportunity, they may not bother, and that may be all it takes to jeopardize sales adoption.

To ensure ease of access, you must provide a 100% web-based system that's accessible from anywhere. The system must support online and offline use and mobile devices, and link easily to popular tools like Microsoft Office and Outlook.

A further driver to adoption is easy personalization. A sales person must be able to access a role-based view with a personalized — and preferably, customizable — dashboard displaying current opportunities, best practices, estimated compensation, outstanding tasks and other key information that will help drive productivity.

### Key Functional Criteria to Ensure Sales Adoption

- Provide 100% web-based access
- Support mobile devices, such as iPhone, iPad, Android and others
- Integrate with Microsoft Office
- Provide a personalized, role-based view
- Allow access and record updating for leads, prospects, customers and contacts while offline.

### Drive Channel Relationships

Across industries, alliances and partnerships have become an increasing part of doing business. In fact, in some industries such as high technology, the partner channel may represent 70% or more of total revenue, so robust partner management is critical. However, partnerships typically need significant nurturing and resources to be effective. Partners must have the tools to be successful, while continually poor-performing partners must be re-engaged or cut so that you can focus resources on better opportunities.

When partners commit to selling or advising on your solution, they need your sales tools to communicate your competitive advantages. If they are non-captive partners, they also need to be incented to sell your solution instead of your competitors'. A partner portal should typically provide this incentive with a secure, partner-specific repository of sales tools, promotions, orders, incentives (SPIFs) and other pertinent information. In addition, partners must be able to register new sales leads.

With integrated analytics, you can provide a mechanism for the senior sales and finance team to identify which channels are driving revenue and drill down to specific partners. Analytics provide a key mechanism for recognizing and redeploying the partner team on partners that need additional assistance, or identifying channels that simply aren't performing.

### Key Functional Criteria to Drive Channel Relationships

- Provide a secure partner portal where partners can get all they need to lead with your solutions
- Enable partners to register deals, communicate promotions and incentives, and quickly access relevant information to help them easily do business with you
- Deliver analytics to show where your business is coming from, your direct and indirect coverage model, and your top-performing partners.

## Integrate with Other Organizational Processes

If the world was simple, your CRM system would be an island. However, the reality is that to effectively convert prospects to revenue-generating customers and maximize renewals, a CRM solution must integrate with other systems across the business. If it doesn't, it risks jeopardizing some of the very first interactions a customer has with your organization beyond the sales team.

A key business process to consider is the order-to-cash process. As soon as the order is marked as closed within the SFA system, it must be transferred to the finance team, together with any associated purchase order, quote or sign-off information attached to the order.

This is an area where it is all too easy to introduce errors that jeopardize customer relationships and future sales opportunities — errors such as a particular document not being attached to the right order or a detail being mistyped into the accounts receivable system. The impact can range from a late payment from the customer, a dispute due to an incorrect bill and delayed sales compensation for the sales person, all the way to a potential revenue-recognition issue.

Another sales process to examine is the integration with the sales incentive compensation process. As discussed earlier, this is critical to ensure that the sales person is compensated accurately on the order, as well as able to get an accurate and timely estimate of compensation during the sales process. Further integration with inventory, service and support, and other customer touch-points further strengthens service and sales reps' ability to meet customer needs.

### Key Functional Criteria for Integrating with other Organizational Processes

- Ability to attach all relevant order documentation to the SFA sales order
- Automated conversion from SFA sales order, to accounts receivable and billing
- Sales visibility to answer any customer billing concerns
- Integration with sales compensation system.

## Real-Time Measurement for Operational Excellence

We've covered some of the key business drivers that any CRM and SFA solution should address.

However, business processes typically don't improve without monitoring and measuring performance day in and day out — from the operational level to the strategic, and across each department. You must be able to quickly identify business processes that are failing so that you can make mid-course corrections in a timely manner.

Role-based dashboards enable this monitoring — whether through an operational call-center dashboard or an integrated view of the entire business by the executive team.

Be sure to list all of the drivers by which you will measure performance for each department and each management tier. This will ensure that the solution you choose will be able to meet your business demands. Here is a high-level list; however, your business may differ.

Function	Key Performance Indicator (KPI) Measurement
<b>Sales</b>	<ul style="list-style-type: none"> <li>• Achieved vs. quota</li> <li>• Sales pipeline by stage</li> <li>• % net new customers vs. cross-sell and up-sell</li> <li>• Direct vs. indirect sales</li> <li>• Sales expense / new customer</li> </ul>
<b>Service</b>	<ul style="list-style-type: none"> <li>• % calls resolved, and by first-call resolution (FCR)</li> <li>• % customers renewing maintenance</li> <li>• Calls per day and per hour, per rep</li> <li>• Customer satisfaction score</li> </ul>
<b>Marketing</b>	<ul style="list-style-type: none"> <li>• Lead to close</li> <li>• Number of website unique visitors</li> <li>• Lead-generation form completion</li> <li>• Marketing expense / new customer</li> </ul>
<b>Executive</b>	<ul style="list-style-type: none"> <li>• Sales: Achieved vs quota</li> <li>• Sales: Achieved vs. forecast</li> <li>• Service: Customer satisfaction score</li> <li>• Marketing: Lead to cash</li> <li>• Finance: Average days sales outstanding</li> <li>• Finance: Booking MTD, QTD, YTD</li> </ul>

Beyond key performance indicator (KPI) measurement, make sure that the KPIs are role-based, so that you can configure specific dashboards based on the employee's business function.

Ideally, dashboards should be real time, or near real time. This can become particularly important at the end of a quarter, or for managing fast-moving operational areas such as a call center. Finally, measuring performance without being able to uncover the underlying cause is of limited use, especially in larger organizations. It's important to be able to drill to the underlying detail, such as the opportunity or order detail.

### Key Functional Criteria for Measuring Performance

- Support KPIs across sales, marketing, contact center and executive team
- Allow dashboards to be configured by role
- Provide actual and goal measures for monitoring and measurement
- Support real time or near real time
- Drill down to the underlying detail.

## Evaluation Worksheet

This worksheet provides you with an evaluation framework that summarizes the key business drivers discussed in this paper, as well as the underlying functionality that a CRM/SFA system must provide to support these drivers.

Business Driver	Functional Criteria	Rating (0-5)
<b>Deliver a comprehensive view of the customer</b>	Single instance of customer information.	
	Customer-record support: contact information and demographics, pipeline status, current sales opportunities, sales call information, full order history, service calls, returns, aging invoices, backlog, etc.	
	Secure role-based customer visibility across sales, service and finance.	
	Dashboards and analytics to enable business users to slice and dice customer data.	
<b>Drive end-to-end sales process</b>	Complete management of lead to opportunity to close to bookings and billings.	
	Individual and team selling.	
	Forecasting and quota management.	
	Centralized content management, and management of all customer interactions.	
	Quote and proposal management.	
	Team selling.	
	Order management.	
	Incentive/commission management.	
<b>Motivate and align sales</b>	Comprehensive role-based analytics for sales, sales managers and executives.	
	SFA system integrates with an incentive-compensation system to provide single, integrated desktop.	
	Sales-incentive management to support up-sell, cross-sell and renewal sales behaviors.	
	Integrated process from opportunity to sales order to sales compensation.	
	Estimated compensation.	
	Quota and territory management.	
	Up-sell and cross-sell recommendations.	
Summary and detail sales-compensation reporting.		
<b>Drive customer service and satisfaction</b>	Centralized customer data and reporting of all interactions.	
	Cross-departmental customer visibility for sales; project, service and billing information.	
	Customer self-service.	
	Case and ticket management.	
	Project management capabilities.	
	Integration with billing system.	



Business Driver	Functional Criteria	Rating (0-5)
<b>Optimize marketing effectiveness</b>	Customer analytics—segmentation by demographics, geography, buying trends, etc.	
	High-volume, mass email campaigns with personalized emails.	
	Ability to track campaigns in real time and make ad-hoc changes.	
	Tight integration with SFA system to ensure smooth transition from lead to opportunity, and measure lead-to-close and lead-to-revenue.	
	Track e-mail blasts, according to which messages were delivered, and how many were read.	
<b>Support eCommerce strategies</b>	Build rich customer profiles including an individual's online behavior, such as items browsed, carted or added to a wish list, referring sites or keywords, returns history and ratings and reviews.	
	Quantify customer lifetime value by flowing all transactions through your commerce system.	
	Service any type of customer — small or large, individual or business.	
<b>Ensure sales adoption</b>	100% Web-based access.	
	Support mobile devices, such as iPhone, iPad, Android.	
	Integration with Microsoft Outlook.	
	Personalized role-based view.	
	Access and update records for leads, prospects, customers and contacts while offline.	
<b>Drive channel relationships</b>	Secure partner portal.	
	Enable partners to register deals and quickly access relevant information.	
	Analytics to show where your business is coming from, and identify top partners.	
<b>Integrate with other organizational processes</b>	Ability to attach all relevant order documentation to the SFA sales order.	
	Automated conversion from SFA sales order, to accounts receivable and billing.	
	Sales visibility to answer any customer billing concerns.	
	Integrate with sales compensation system.	
<b>Provide real-time measurement for operational excellence</b>	Support KPIs across sales, marketing, contact center and executive team.	
	Dashboards configurable by role.	
	Provide actual and goal measures for monitoring and measurement.	
	Support real time or near real time.	
	Drill down to the underlying detail.	